



News Highlights:

- Broker, dealer firms facilitate escrow account opening procedure for their clients
- Market at a glance
- Listed companies' news
- 'Revised Company Law and Management Responsibility' seminar organized.

Broker, dealer firms facilitate escrow account opening procedure for their clients

As of 19 October, 2012, the number of compliant members has reached 48, representing an average of 95% of the market share over the last several years.

The number of members that contributed to the Settlement Guarantee Fund has reached 56; the number of members that concluded a revised agreement with MSE has reached 70, as well as the number of members that placed collateral and have concluded agreement with clearing banks have reached 50 and 56, respectively.

Following the meetings of Capital markets working group, established in August 2012 comprising of representatives from

the Financial Regulatory Commission, Mongolbank, Mongolian Stock Exchange, Securities Clearing House and Central Depository, clearing banks, Brokers and Dealers Association and broker, dealer firms, it was decided that the broker, dealer firms can facilitate the escrow account opening process at clearing banks by accepting the clients' documents for opening accounts at broker's office and sending those documents to the banks on behalf of the clients, in order to facilitate the account opening process. The number of escrow accounts opened at banks has been increasing following this decision.

Market at a glance

TOP-20 Index performance for the last 2 weeks



From October 08, 2012 to October 19, 2012, 1.4 million shares of 56 companies worth MNT 369.2 million were traded on MSE through 10 trading sessions. The most actively traded stock by value was 'Remicon' JSC with MNT 83.4 million traded, followed by 'Moninjbar' JSC and 'Hermes Center' JSC with MNT 46 million and MNT 42.8 million traded, respectively.

Mongolian stock exchange

2 week's:

Volume 1.4 mln
Value MNT 369.2 mln
of traded companies 56

Top gainers:

Darkhan Guril Tejeel /DAR/ +32.1%
Berkh Uul /BEU/ +29.9%
Erdenet Suvraga /SVR/ +15%
Gazar Suljmel /SUL/ -15.6%
Haniin Material /HMK/ -15%

Top losers:

Market capitalization:

MNT 1,696.8 billion

TOP-20 index change:

16,550.12 / -2.76%

Index:

TOP-20

Website:

www.mse.mn



Listed companies news

“Atar Uurguu” JSC’s

/MSE:ATR/ nominal price changed

Due to the increase in company’s shareholders’ equity and following FRC Resolution no.282 of 12th September 2012, “Atar Uurguu” JSC’s nominal price per share changed from MNT 100 to MNT 18,000 per share for its existing 174,136 shares.

“Uvurkhangaic Khaniin Material” JSC’s /MSE:HML/ name changed.

Following MSE CEO’s decree no. A/133 of October 18th, 2012, “Uvurkhangaic Khaniin Material” JSC changed its name to “Global Mongolia Holding” JSC. Company’s name was changed following the business plan to restore the

operations of the company. **“Ar Khust Shunkhlai” JSC’s /MSE:SUN/ major shareholders offered to buy remaining 44%.**

FRC has approved an offer to buy 33,436 shares equal to 44 percent of “Ar Khust Shunkhlai” JSC for not less than MNT 100 /one hundred/ per share, made by Eurasia Capital and G.Oyunbold, related parties that currently hold total of 75,874 shares or 56 percent of the company. According to FRC’s resolution the offer is valid for 60 days beginning October 10, 2012.

“Sharyn Gol” JSC’s /MSE:SHG/ management team changed.

A new executive team has been appointed at “Sharyn Gol” JSC to spearhead the company’s expansion. The

appointment of the new executive team includes the following international mining and financial professionals.

Graham Chapman, Chief Executive Officer, who has over 30 years experience in the coal and mining industry and is a past senior executive of BHP Billiton Plc.

James Flores, Chief Financial Officer, former senior executive of Norwest and Royal Coal Corporation.

James Goldie, Chief Operating Officer, a coal industry veteran who held various senior roles in major coal mines in Indonesia and Australia.

Mr. Batmunkh Batkhuyag will remain as the Chairman of the Board of Directors.

“Berkh Uul” JSC (MSE: BEU) announced the receipt of a NI 43-101 com-

pliant Resource Report for the Delgerkhan Fluorspar Project.

“Berkh Uul” JSC announced the receipt of a NI 43-101 compliant Resource Report from “Micromine”, the international geological consulting firm, for the Delgerkhan Fluorspar Project. 6.62 million tons of Fluorspar ore grading 33.7% and inferred resource of 3.02 million tons of Fluorspar ore grading 33% has been reported. The total indicated and inferred resources are 9.64 million tons of ore, which approximates 3.22 million tons of contained fluorspar (CAF2). Based on the current estimated price for fluorspar, the market value of the Delgerkhan deposit is USD 1.06 billion.

‘Revised Company Law and Management Responsibility’ seminar organized.

MSE has successfully organized the seminar titled ‘Revised Company Law and Management Responsibility’ in cooperation with ‘Mandal General Insurance’ LLC on October 11, 2012.

Management representatives of MSE listed companies participated in the seminar and pre-

senters included FRC, MSE, highly-reputed auditing, law and insurance firms and Corporate Governance Development Center.

A number of changes have been brought by the revised Company Law, such as the protection of minority shareholders’ rights, reporting of related persons, reporting to the shareholders the large-scale

and conflict-of-interest transactions, and the legal enforcement of good corporate governance practice.

The seminar was of great importance in that it provided an excellent opportunity for the participants to discuss and exchange views on these changes in the Company Law and the corresponding changes in their responsibility as management

of joint stock companies.