

Overview of Mongolian Capital Markets

Sep 15, 2026

01 | CAPITAL MARKET: SNAPSHOT



MARKET CAPITALIZATION

\$ 4.4 billion

4-fold increase since 2020

STOCK MARKET-CAP TO GDP

17.47 %

X2 since 2020



TOTAL VOLUME (YTD 2026)

\$ 3.2 billion

Securities & Commodities

DAILY AVERAGE TURNOVER

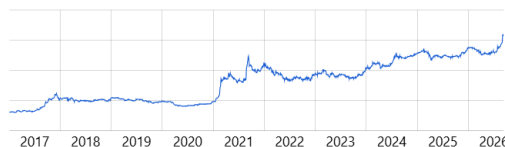
\$ 19 million

Securities & Commodities

TOP-20 INDEX

62,884.14 pts

+29.75% YoY



FUTURE TECH INNOVATION INDEX

1,067.81 pts

as of 2026/09/09

Since 2026/05/19

NEW INDEX



INVESTORS

3.3 million

MCSD accounts (~95% of population)



LISTED SECURITIES

Stocks – 162

Corporate bonds – 10

Government & municipal
bonds – 57

ABS – 4

ETF – 2

Closed-end funds – 2

COMMODITIES

Coal

Iron ore

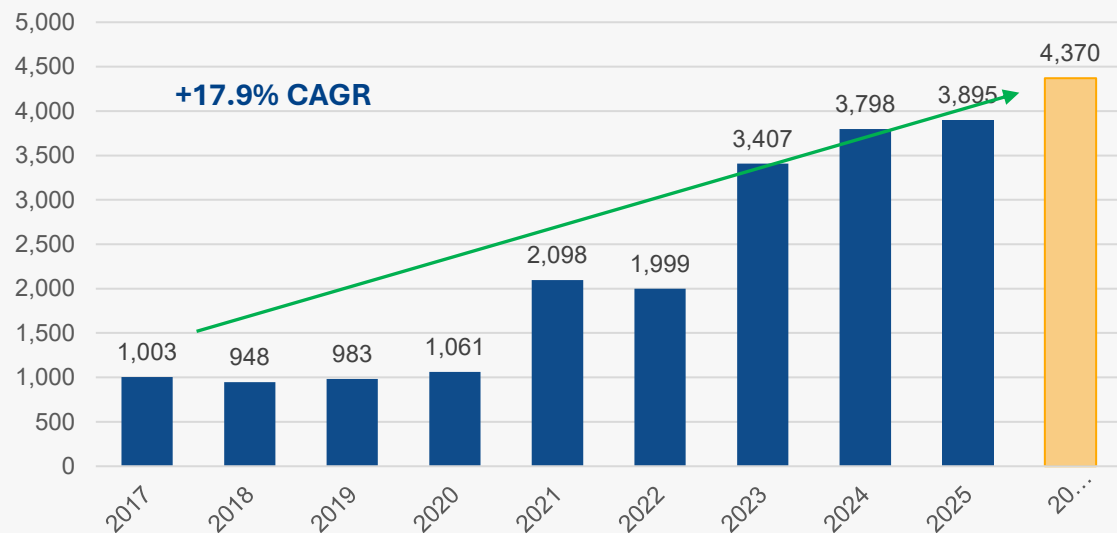
Copper concentrate

Fluorspar

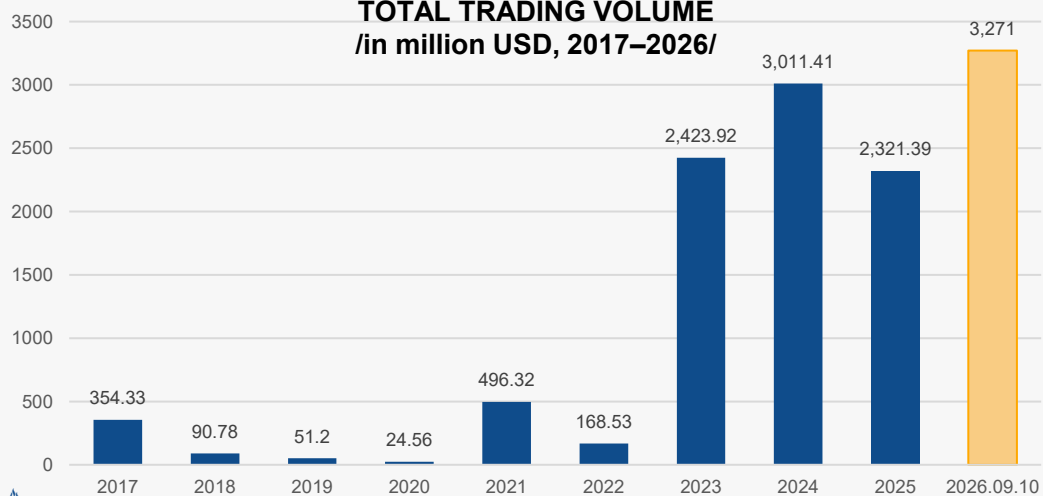
Molybdenum



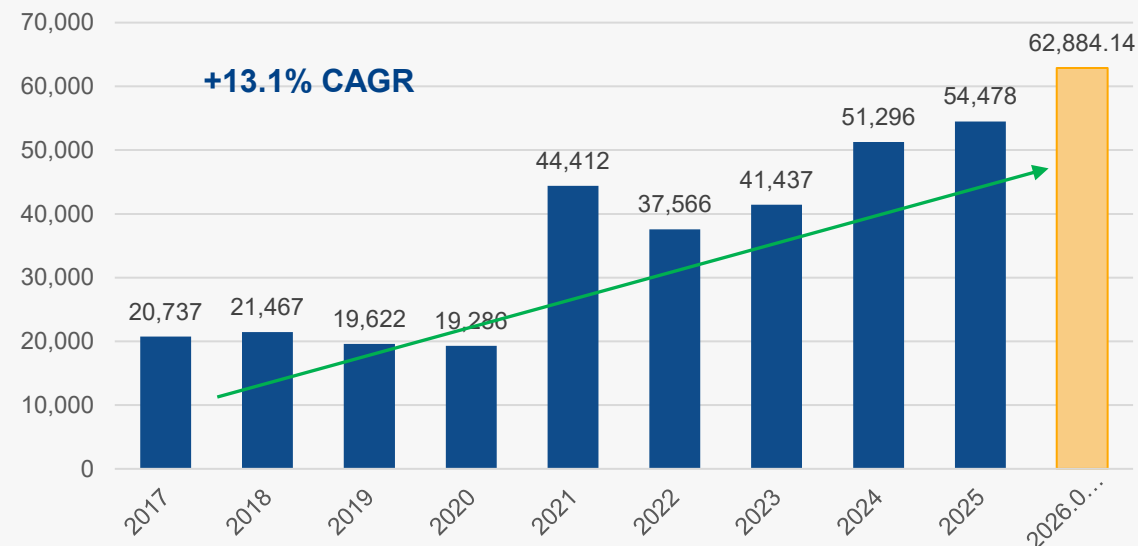
MARKET CAPITALIZATION
/in million USD, 2017–2026/



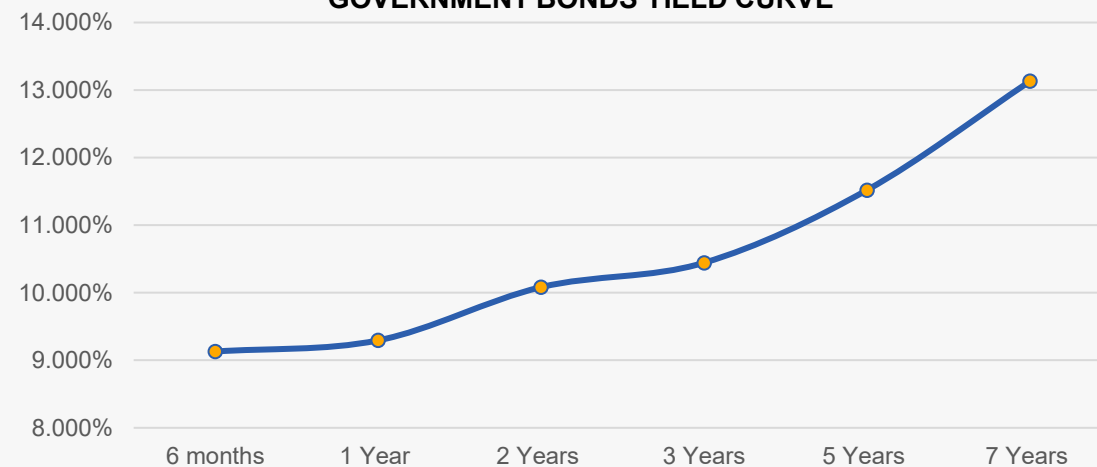
TOTAL TRADING VOLUME
/in million USD, 2017–2026/



TOP-20 INDEX



GOVERNMENT BONDS YIELD CURVE



Key areas of cooperation:

Regulatory Framework

- Securities Markets Law, Investment Funds Law
- Revised market rules and regulations

Technology

- Launched integrated Millennium IT Technology

Organizational capacity building

- Series of training programs for regulators, market participants and other stakeholders.

Market Promotion

Events such as Mongolia Capital Markets Day, Mongolia London Business Forum and Mongolian roadshow for London-based investors every year



LONDON
STOCK
EXCHANGE



The Master Services Agreement was signed on April 7, 2011.

DEVELOPED	ADVANCED EMERGING	SECONDARY EMERGING	FRONTIER
• Australia • Austria • Belgium/Luxembourg • Canada • Denmark • Finland • France • Germany • Hong Kong • Ireland • Israel • Italy • Japan • Netherlands • New Zealand • Norway • Poland • Portugal • Singapore • South Korea • Spain • Sweden • Switzerland • UK • USA	• Brazil • Czech Republic • Greece • Hungary • Malaysia • Mexico • South Africa • Taiwan • Thailand • Türkiye	• Chile • China • Colombia • Egypt • Iceland • India • Indonesia • Kuwait • Philippines • Qatar • Romania • Saudi Arabia • United Arab Emirates	• Bahrain • Bangladesh • Botswana • Bulgaria • Côte d'Ivoire • Croatia • Cyprus • Estonia • Ghana • Jordan • Kazakhstan • Kenya • Latvia • Lithuania • Malta • Mauritius • Mongolia • Morocco • Oman • Pakistan • Palestine • Peru • North Macedonia • Serbia • Slovak Republic • Slovenia • Sri Lanka • Tanzania • Tunisia • Vietnam

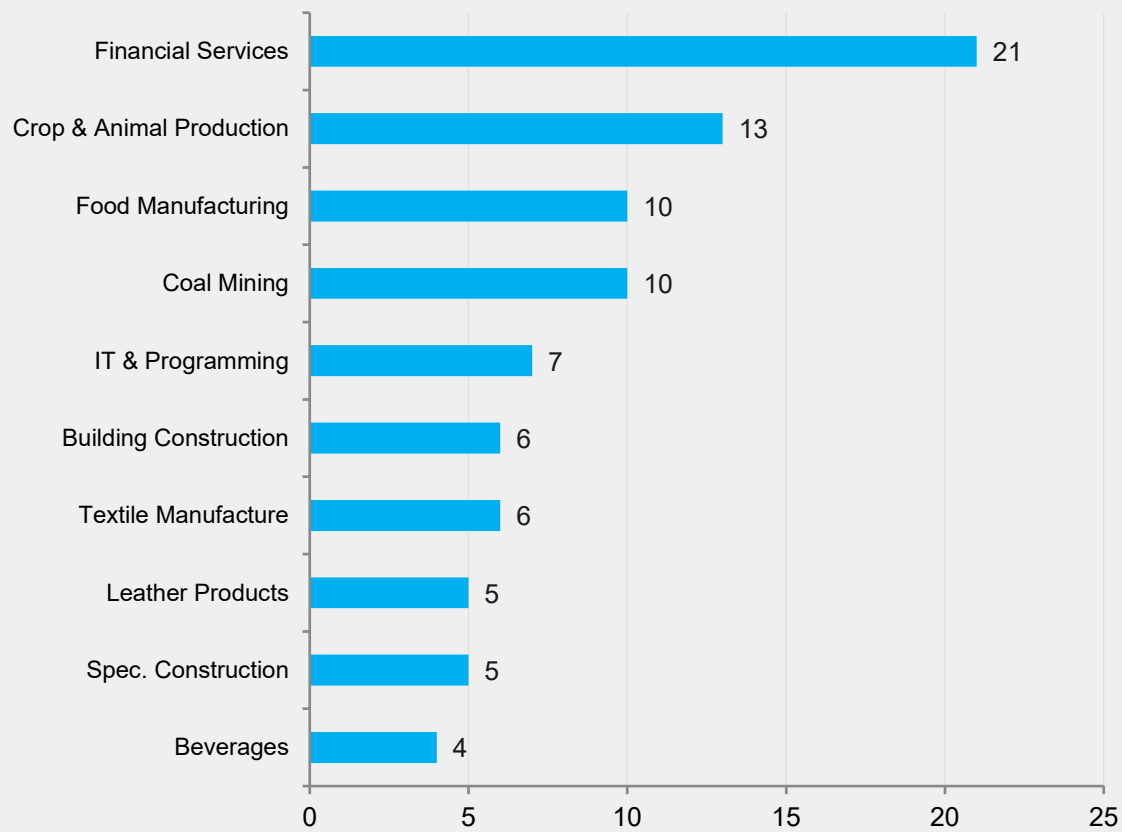


 FTSE
 Russell

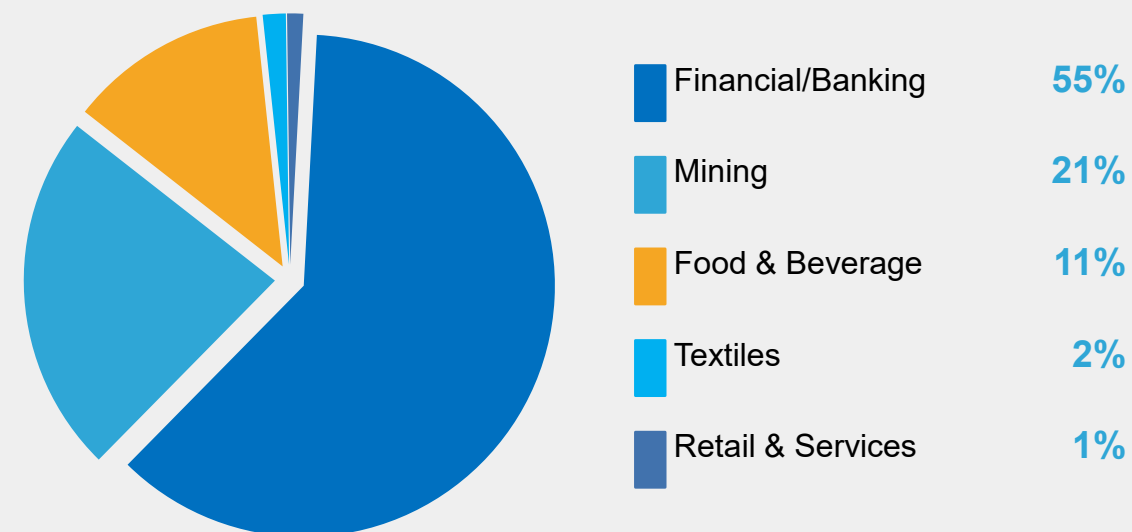
- ✓ The clearing and settlement process is aligned with international standards
- ✓ A global custodian operates in the market
- ✓ The trading mechanism allows for efficient price discovery, fast trade execution, and reporting
- ✓ Foreign and domestic investors are not distinguished
- ✓ No restrictions are applied to the repatriation of capital
- ✓ Minority shareholders are protected through company legislation

In 2025, Khan Bank JSC became the first Mongolian company to join the FTSE Russell Frontier Market Index

The ten largest sectors account for 87 of the 162 listed companies.



Finance, Banking, Mining & Food sectors dominate market capitalization.



5

Thematic
Bonds Listed

2

Issuers

4

Green
Bonds

1

Gender
Bond

USD 40 M

Total Value

No.	Issuer	Bond Name	Listed Date	Tenor	Interest Rate	Face Value	Total Amount	Type
1	Khan Bank JSC	Green Bond	2023.12.15	36 mo.	16% p.a.	MNT 100,000	MNT 17.0 bn	Green bond
2	Khan Bank JSC	Green Bond-2	2024.10.17	36 mo.	SOFR +3.40% (Compound ed)	USD 100	USD 25.0 m	Green bond
3	TML Plastic LLC	Green Recycle Bond Tranche 1	2024.11.06	36 mo.	10% p.a.	USD 100	USD 11.0 m	Green bond
4	TML Plastic LLC	Green Recycle Bond Tranche 2	2025.01.03	36 mo.	10% p.a.	USD 100	USD 4.0 m	Green bond
5	Khan Bank JSC	Gender Bond	2025.07.09	36 mo.	16% p.a.	MNT 100,000	MNT 30.0 bn	Social Bond

► ESG Regulatory Framework & Reporting

2019

Green Taxonomy Approved

Financial Stability Council approved Mongolia's first green taxonomy — the definitional basis for green bonds, carbon credits & green economic activities

2021

FRC Green Bond Guidelines

FRC issued green bond guidelines within "Regulation of Registration of Debt Instruments"; Green Bond Framework developed by FRC

2022

Voluntary ESG Disclosure – MSE

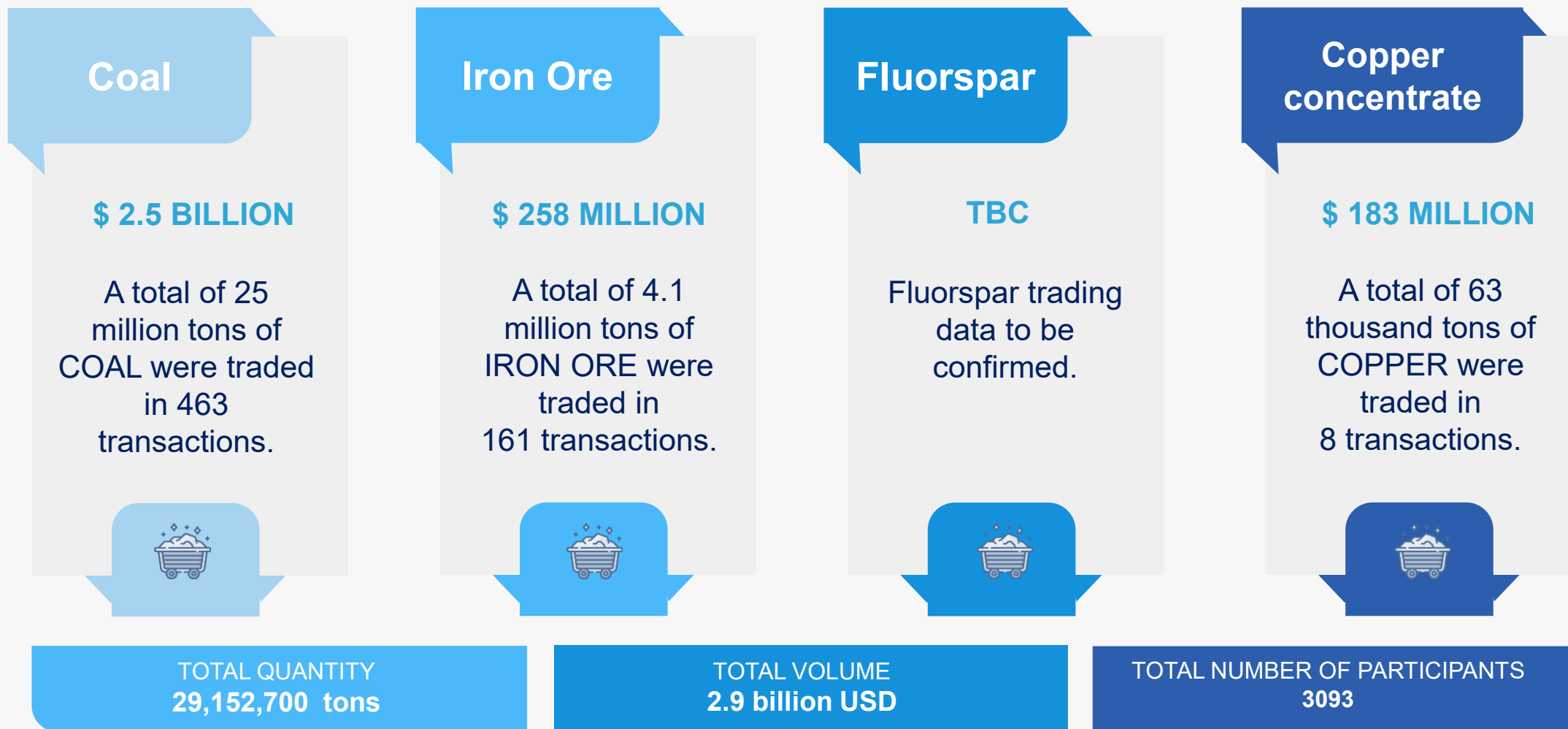
MSE listed companies started to publicly disclose ESG reports on a voluntary basis

2025

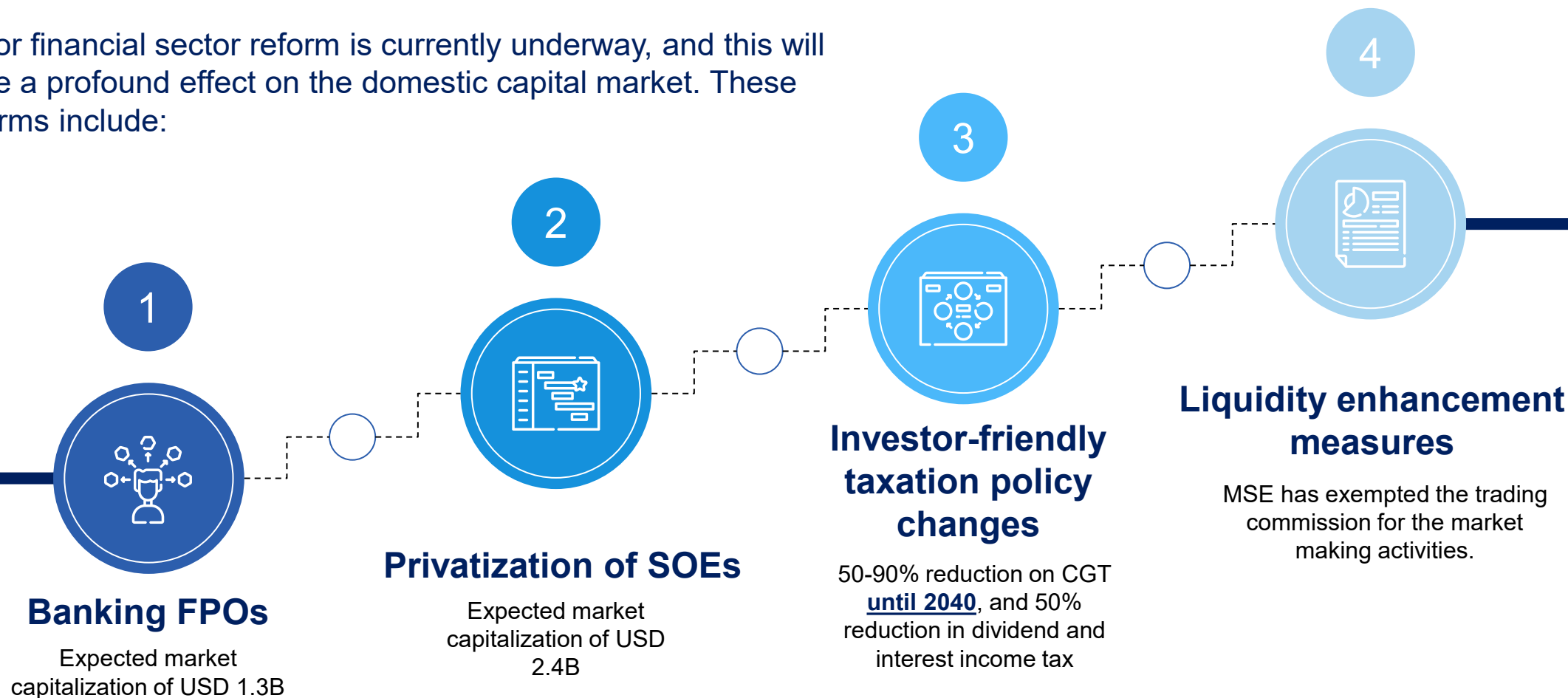
Mandatory ESG Disclosure – MSE

MSE **Tier 1** listed companies required to publicly disclose ESG reports
 ESG disclosure for MSE **Tier 2 & 3** listed companies is voluntary

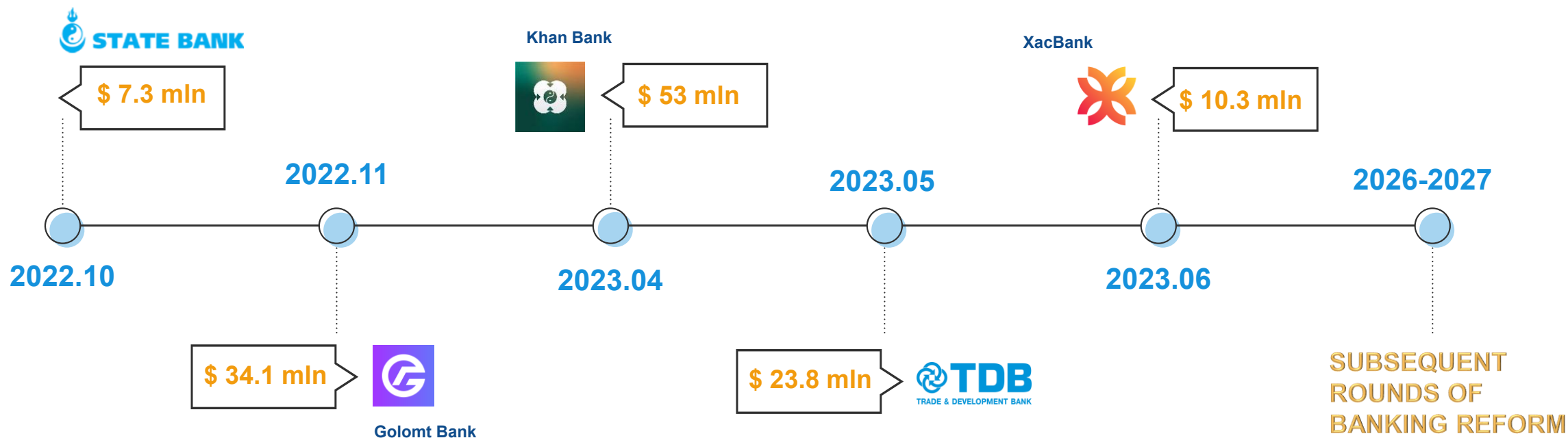
The Mongolian Stock Exchange launched commodity exchange trading in 2023 under the Law on Mineral Commodities Exchange to improve transparency and market-based pricing for mining products.



Major financial sector reform is currently underway, and this will have a profound effect on the domestic capital market. These reforms include:



09 | UNLOCKING POTENTIAL: BANK IPOs AND FPOs

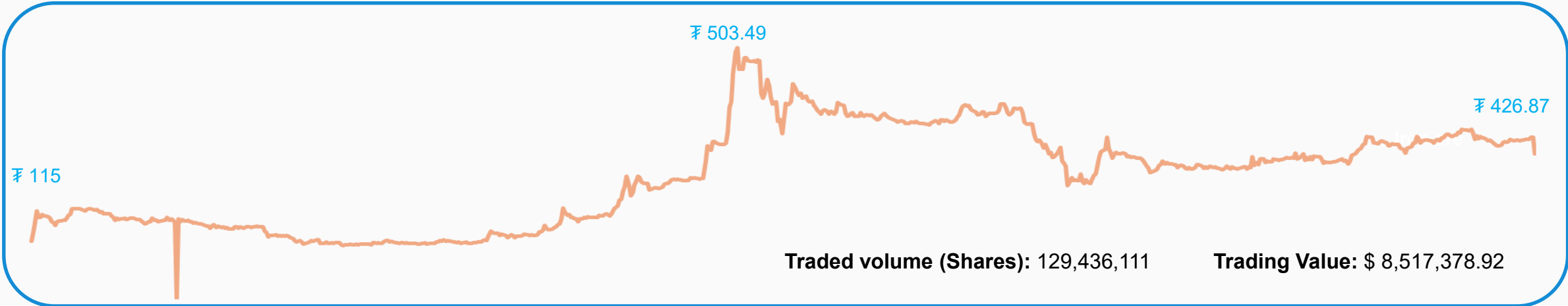
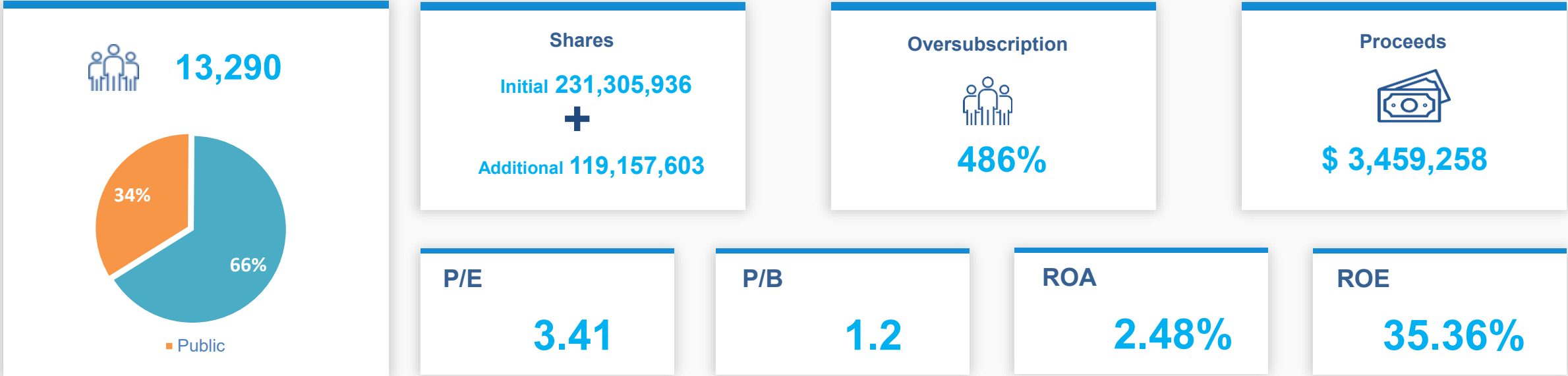


Under the 2021 amendment to the Banking Law, Mongolia's five systemically important banks were required to become public companies by offering 5–10% of their shares to the public. Between 2021 and 2023, more than 70,000 investors participated in bank IPOs conducted through the Mongolian Stock Exchange.

10 | UNLOCKING POTENTIAL: MSE'S OWN IPO (2022)



In December 2022, Mongolian Stock Exchange IPOed ~ 34% (\$3.4 million) of total shares to the public.



As of Sep 10, 2026

Restructuring under the National Privatization Fund, then listing at home and abroad

Selected state-owned enterprises are being restructured under the National Privatization Fund for public offering on the MSE and, subsequently, on international markets, with internationally renowned asset managers appointed under a signed MoU.

MINING

6 enterprises

Erdenes Tavantolgoi JSC

Erdenet Mining Corporation
Erdenes Critical Minerals
Shivee Ovoo JSC
Baganuur JSC
Dulaan Sharyn Gol

ENERGY

11 enterprises

10 thermal power plants

No. 3, No. 4, Erdenet, Darkhan,
Amgalan, Baganuur, Nalaikh,
Khuvsugul, Khovd, Ulaangom II
Eastern Region Energy

FINANCE

4 enterprises

State Bank JSC
National Reinsurance JSC
Mongolian Stock Exchange JSC
Agricultural Exchange LLC

TRANSPORT & OTHER

5 enterprises

MIAT JSC
Mongol Post JSC
Mongolian Telecom JSC
Cement Lime LLC
Agriculture Corporation LLC

MoU SIGNED WITH GLOBAL ASSET MANAGERS

Global asset managers will deliver the privatization and listing programme



BlackRock

ERDENES TAVANTOLGOI JSC

WORLD-CLASS Coking Coal Deposit

8.1B

tonnes
coking coal deposit

30%

of China's
consumption supplied

*Secondary market trading
of the company's shares
on the MSE is scheduled
to commence in Q4 2026,
followed by an
international dual listing.*

Regulatory Reforms & Market Governance

01

- ▶ FTSE Russell Frontier Market reclassification (2023); MSE 34% public offering (2022)
- ▶ Ongoing capital market reforms for transparency & investor protection

Outlook:

- Dedicated Professional Investors' Market with flexible listing requirements;
- Investor- friendly taxation policy changes: 50-90% reduction on CGT until 2040, and 50% reduction in dividend and interest income tax

Commodities Market Development

02

- ▶ Mining products exchange launched (2023): coal, iron ore, copper & fluorspar
- ▶ Forward contracts & index-based pricing; improved settlement & foreign buyer access

Outlook:

Introduction of commodity derivatives markets

ESG & Sustainable Finance

03

- ▶ ESG disclosure guidelines under FRC; MSE A-listed companies required to report
- ▶ Joined UN Sustainable Stock Exchanges Initiative

Outlook:

Carbon market development & expansion of ESG-linked financial instruments

Market Modernization & International Integration

04

- ▶ Trading infrastructure modernization; aligned with international standards
- ▶ Cross-border & institutional investment frameworks established

Outlook: Continued modernization of trading, clearing & settlement; expanded global exchange cooperation

New Products & Market Expansion

05

- ▶ Bank CDs, Closed JSC trading, Securities lending, Short-selling framework established

Outlook:

- SME & Startup Growth Market, plus index and securities derivatives, to follow
- **Banking FPOs***: Expected market capitalization of USD 1.3B
- **Privatization of SOEs**: Expected market capitalization of USD 2.4B

Liquidity Enhancement & Long-Term Market Vision

06

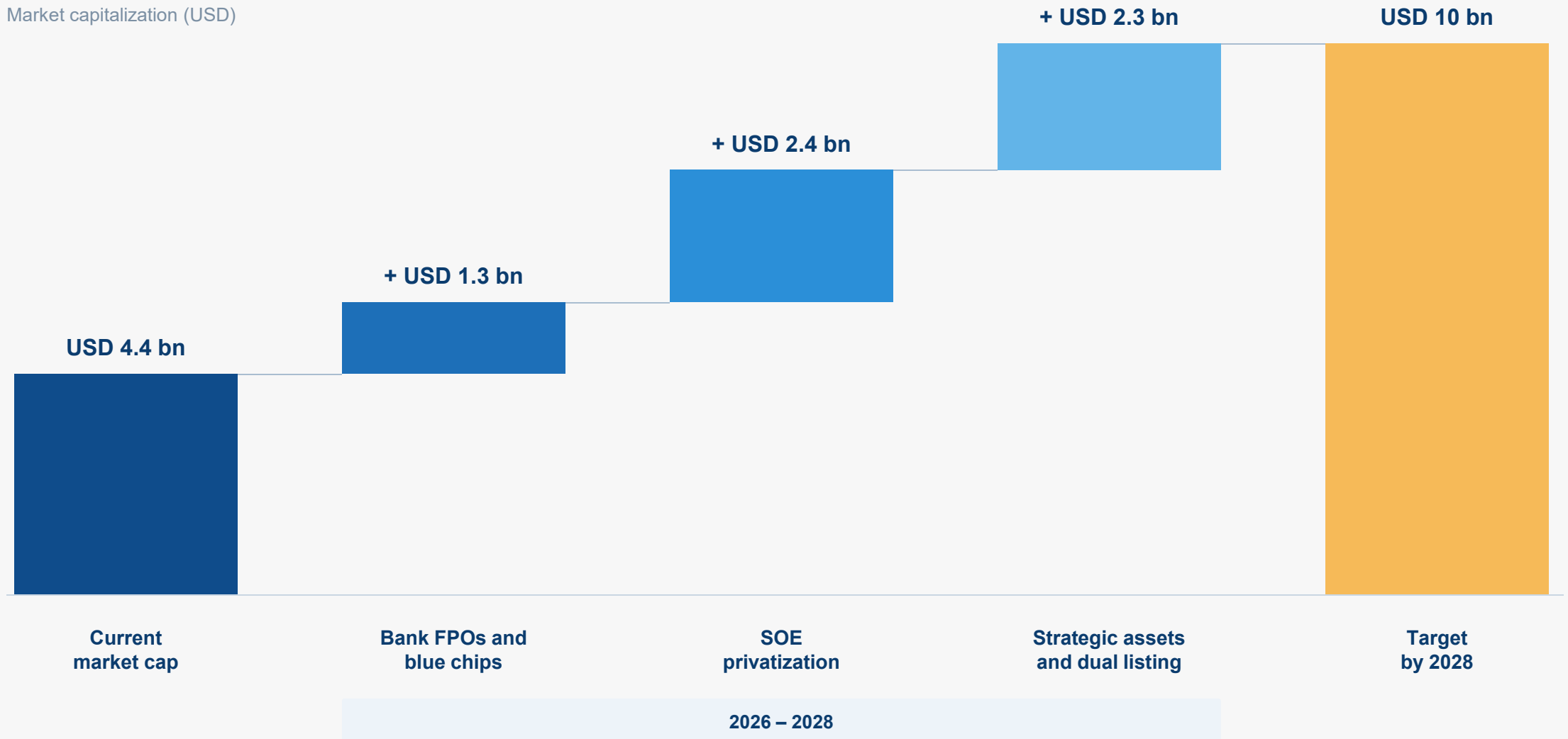
- ▶ Market making, short-selling & securities lending mechanisms developed
- ▶ Liquidity support programs strengthened for secondary market activity
- ▶ MSE has exempted the trading commission for the market making activities.

Outlook:

Market cap above USD 10B; SOE listings; wider foreign participation; phased fee reduction

13 | FUTURE OUTLOOK

Market capitalization (USD)



Lower Taxes

Investors can benefit from comparatively lower taxes

Equal treatment

There is no discrimination between foreign and local investors.

Beneficiary account

Foreign firms and individuals can open their depository account directly at MCSD (Mongolian Central Securities Depository).



Upside potential

As an emerging economy, there is a significant growth potential and majority of the companies remain under valued.

Early Mover advantage

The number of foreign investors is expected to increase with the inclusion in the Frontier Markets list and the Government's strategic initiatives

Liberal Financial System

No currency movement restriction, no prohibition on foreign individuals and companies for capital repatriation etc.

**Thank you
for your attention.**
