



FINANCIAL
REGULATORY
COMMISSION

FINANCIAL MARKET REVIEW

FIRST QUARTER OF 2024



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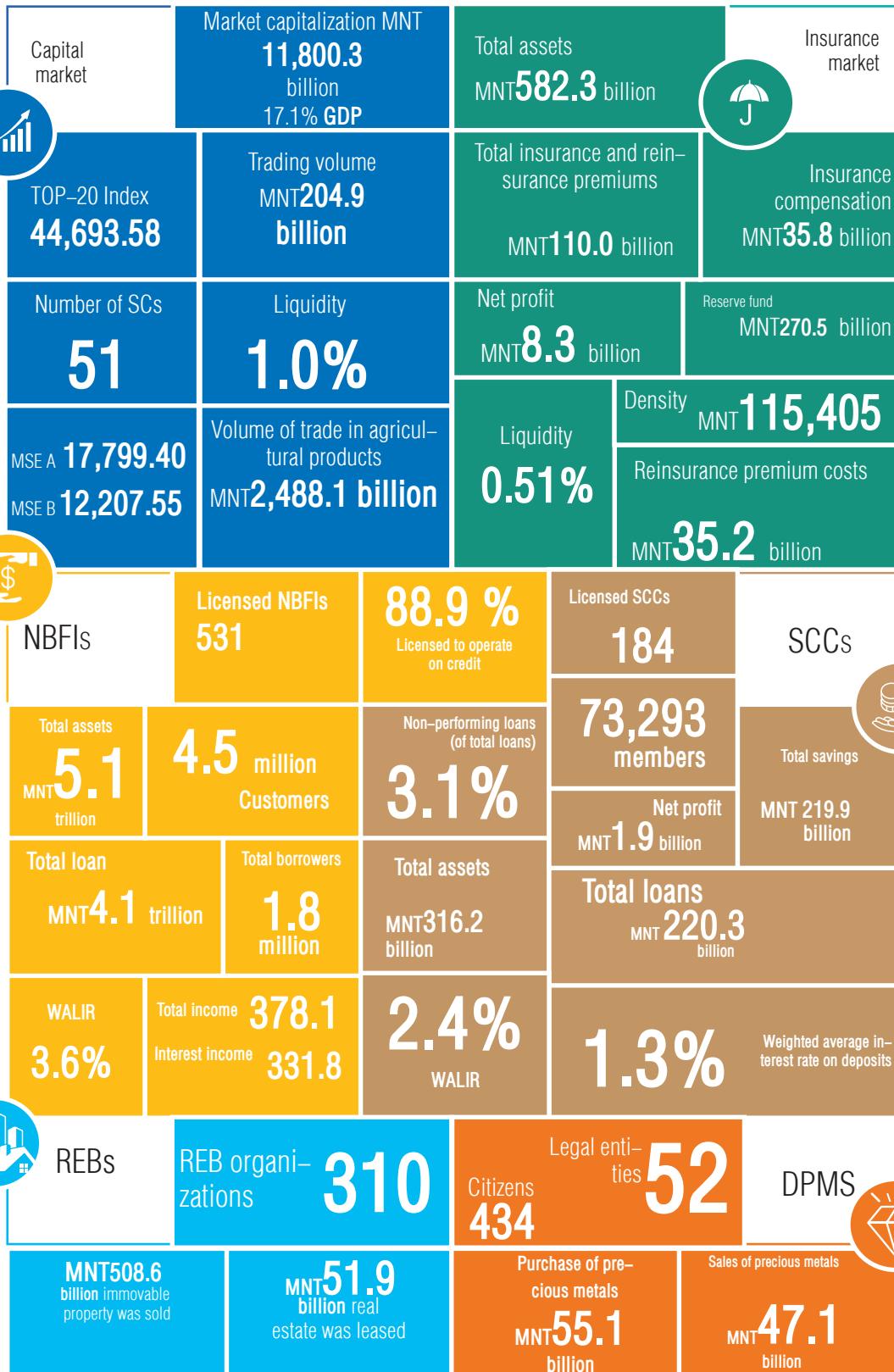
127

Regulatory
environment

127

ABBREVIATIONS and ACRONYMS

USA	United States of America	AFI	Alliance for Financial Inclusion
ADB	Asian Development Bank	ATM	Automated teller machine
NBFI	Non-bank financial institution	ESG	Environmental, Social, Governance
PRC	People's Republic of China	JICA	Japan International Cooperation Agency
ROK	Republic of Korea	IAIS	International Association of Insurance Supervisors
GDP	Gross domestic product	IPO	Initial public offering
GS	Government securities	FPO	Follow up on public offering
WALIR	Weighted average loan interest rate	UNEP FI	United Nations Environment Program Financing Initiative
MV	Market valuation		
MMC	Mongolian Mortgage Corporation		
NASCCM	National Association of Savings and Credit Cooperatives of Mongolia		
MSE	"Mongolian Stock Exchange		
MCSD	Central securities depository		
MSX	Mongolian Securities Exchange		
UN	United Nations		
NFAT	Net profit after tax		
SPC	Special purpose company		
IFC	International finance corporation		
REB	Real estate brokers		
SC	Securities company		
SCC	Saving and credit cooperative		
SFC	Securities Finance Corporation		
SPC	Special purpose company		
RMBS	Residential mortgage backed securities		
ROA	Return on assets		
ROE	Return on equity		
MAPIX	Mongolian agricultural commodity price index'		





Capital market

Market valuation

MNT11,800.3
billion



Financial market status

Accounts

2,580,599



Accessibility

Total trading

MNT204.9 billion



Products and services

Profitability



Assets of SCs

MNT **263.1**
billion

Tax collected from
the state budget,
social insurance
contributions

MNT **1.6**
billion

Stability



Market valuation **67.3%**
Top-10 JSCs

Regulatory Environment



FINANCIAL MARKET STATUS



There were 600 regulated entities and JSCs operating in the securities market

Private Investment Funds (Law on Investment funds; Paragraph 5.3)
38

Infrastructure Organization

Business organization 3	Settlements 2 /1 duplicate/	Central deposit and securities trading payments 1
Securities Settlement Institution 1 /1 duplicate/	Mining products exchange 1 /1 duplicate/	Agricultural Exchange 1

Professional participant

Securities firms 51	IMCs 31	Mutual Funds 6
Custodian banks 3	Underwriting banks 2	Agricultural commodity brokers 9
Exchange trading broker for mining products 5 /duplicate/		Financial Rating Agency 3

Asset-backed securities

Asset-backed securities issuer 59 /SPC/	Asset management 8	Accounts Payable Asset Portfolio Controller 1
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Registered

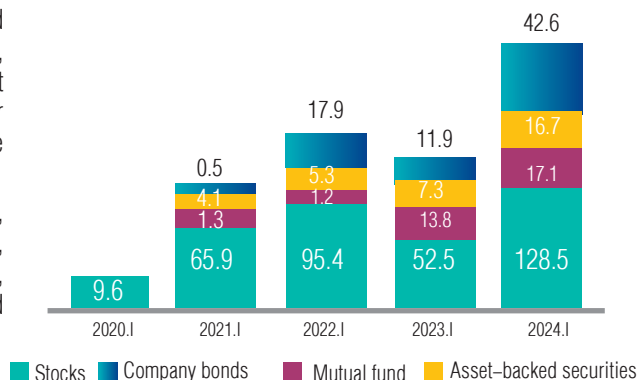
Auditing firms 52 /8 duplicate/	Securities valuation firms 24 /duplicate/	Legal consultancies 43
Professional associations and self-regulatory organizations 1	JSCs 309	

* Securities firms include brokers and dealers, underwriters, and investment consultancy firms

SECURITIES TRADING

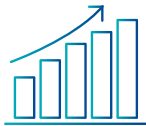
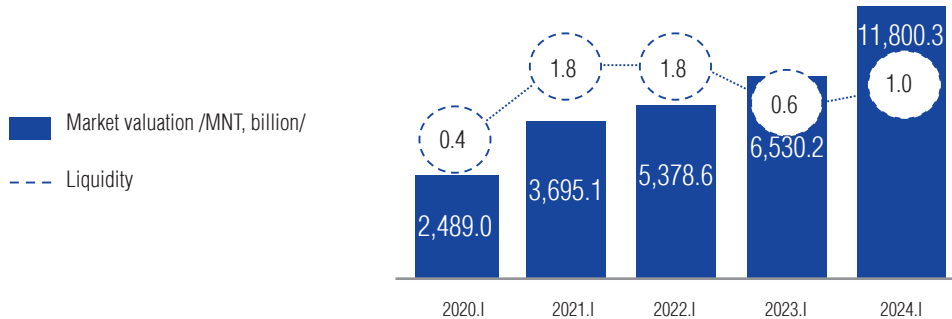
- o The securities trading amounted to a total of MNT 204.9 billion, representing a 2.4 percent increase from the previous year and a 21.4-fold increase from the same period in 2020.
- o Of all trades, 62.7% were shares, 8.3% were investment fund units, 20.8% were corporate bonds, and 8.2% were asset-backed securities.

Securities trading (MNT, billions)



Market capitalization and liquidity

- The market capitalization increased by 80.7% to MNT11,800.3 billion compared to the previous year. Liquidity also improved, rising by 1.0%.



TOP 20 44,693.58

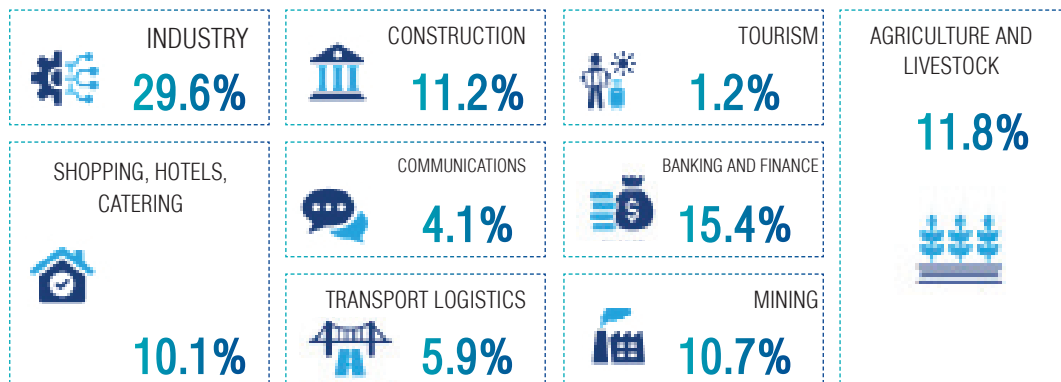
MSE A 17,799.40

MSE B 12,207.55

Securities market index

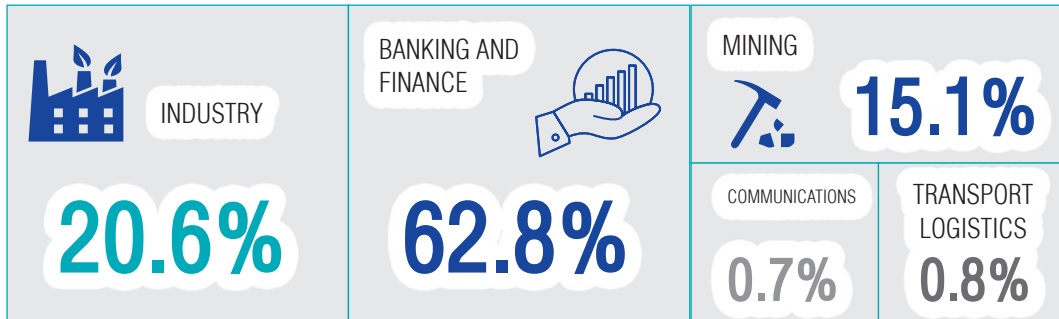
- The TOP-20 Index increased by 7,969.81 (21.7%) points.
- The MSE A index increased by 2,629.23 (17.3%) points.
- The MSE B index decreased by 270.77 (2.2%) points.

INDUSTRY CLASSIFICATION OF JSCS LISTED ON THE MONGOLIAN STOCK EXCHANGE



The TOP-20 index portfolio is formed based on market capitalization, average daily turnover, number of trading days, and concentration. In the first quarter of 2024, 15.4% of the registered companies were in the banking and financial sector, while this sector consisted of 62.8% of the portfolio of the TOP-20 index.

SECTOR CLASSIFICATION OF JSCS INCLUDED IN THE TOP-20 INDEX (BY MV)

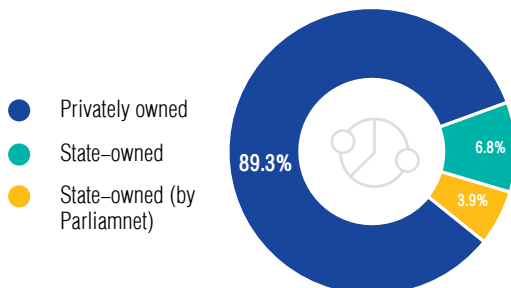
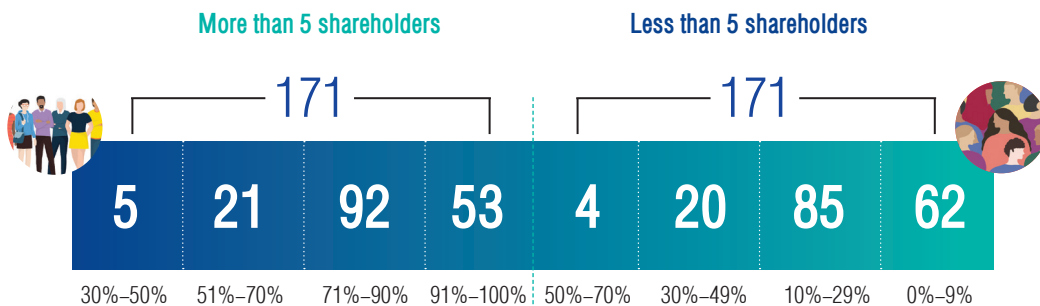


SECURITIES REGISTERED IN A MCS D



STOCK CONCENTRATION

The table below illustrates the ownership concentration of 171 JSCs actively traded on the stock exchange. It calculates the percentage of shareholders who own more than 5% or less.



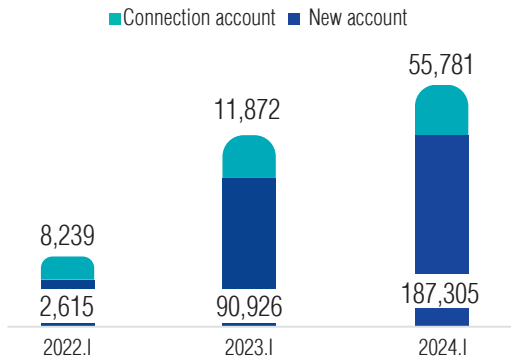
STOCKS, BY EQUITY STRUCTURE

- In the first quarter 2024, there were 309 JSCs registered with the FRC's securities registration.
- 89.3 % were private, 6.8 % were state-owned, and 3.9 state-owned by Parliament.

NUMBER OF SECURITIES ACCOUNTS

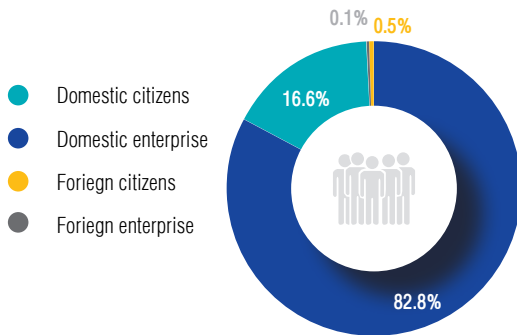
- o 187,305 accounts were created; bringing the total number of accounts to 2,580,599. Another 55,781 new escrow accounts were created; to provide a total of 646,243.

NUMBER OF OPENED ACCOUNTS



Number of opened accounts
(growth in numbers)

2,580,599



COMMERCIAL STRUCTURE

- o Арилжаанд оролцогчдын дийлэнх хувь буюу 82.8 хувийг дотоодын ААН-н хийсэн гүйлгээ эзэлж байгаа нь тэдний хөрөнгийн зах зээлийн идэвхжилт өндөр байгааг харуулж байна. Харин дотоодын иргэний хийсэн арилжааны гүйлгээ 16.6 хувийг, гадаадын иргэний хийсэн арилжааны гүйлгээ 0.5 хувийг, гадаадын ААН-ийн хийсэн арилжааны гүйлгээ 0.1 хувийг тус тус эзэлж байна.

NUMBER OF TRADE PARTICIPANTS

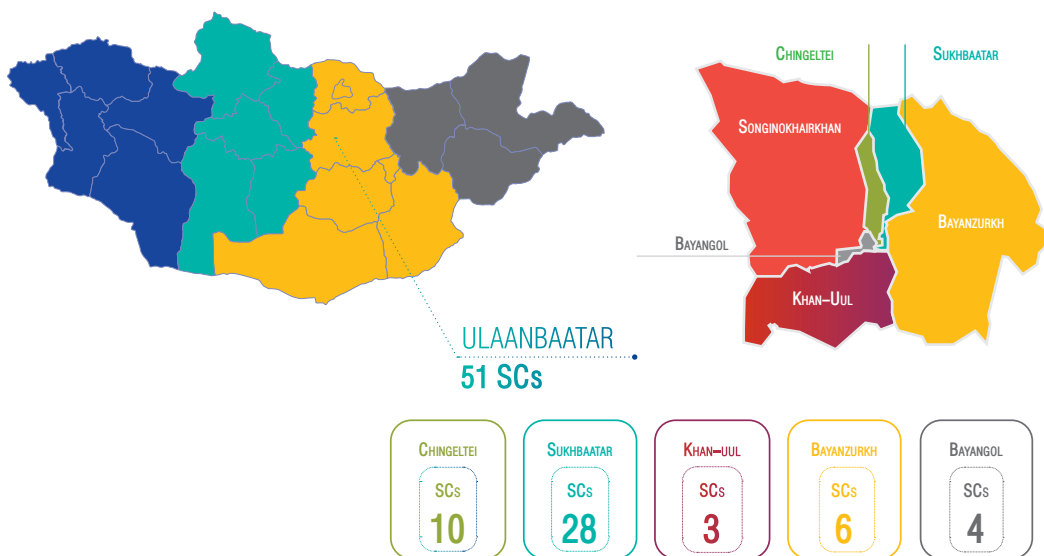
- o A total of 31,862 citizens and enterprises participated in the trading and made 86,487 trades. 97.2 percent are domestic citizens, 2.0 percent are domestic enterprises, 0.7 percent are foreign citizens, and 0.03 percent are foreign enterprises.



	Number of traders		Number of trades /duplicated/	
FOREIGN ENTERPRISE	11	0.03%	60	0.1%
FOREIGN CITIZENS	225	0.7%	1,121	1.3%
DOMESTIC ENTERPRISE	645	2.0%	5,833	6.7%
DOMESTIC CITIZENS	30,981	97.2%	79,473	91.9%
TOTAL	31,862	100.0%	86,487	100.0%

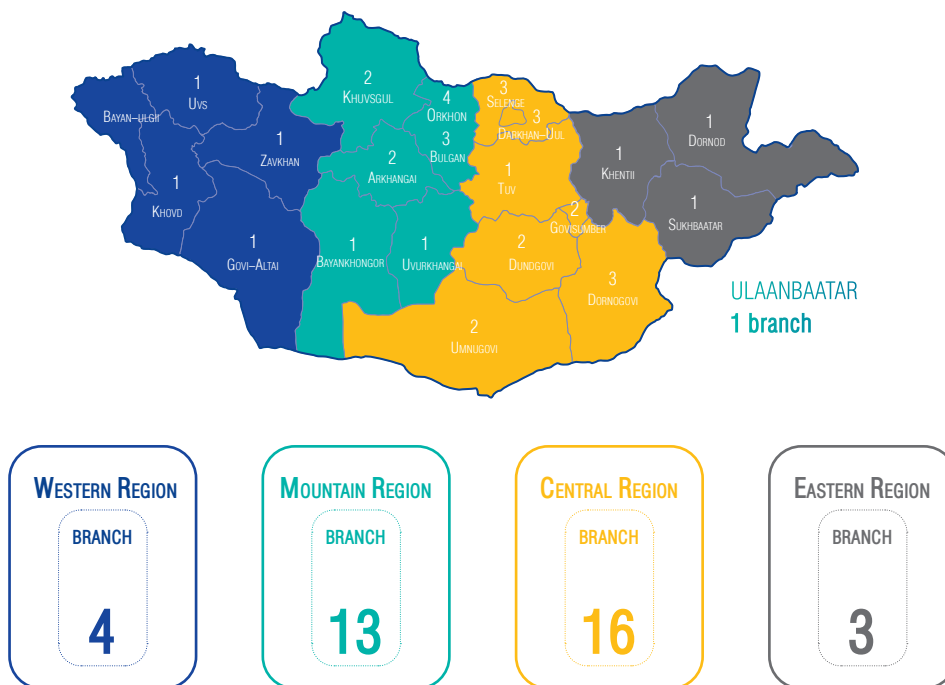
LOCATION OF THE SECURITIES COMPANY

- o 51 operational securities companies were located in Ulaanbaatar.



LOCATION OF BRANCH REPRESENTATIVE OF SECURITIES COMPANY

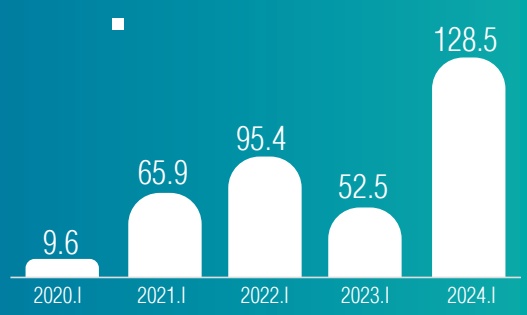
- o Additionally, there are 37 branch representatives of securities companies, with 36 located in provinces and 1 in Ulaanbaatar.



PRODUCTS AND SERVICES

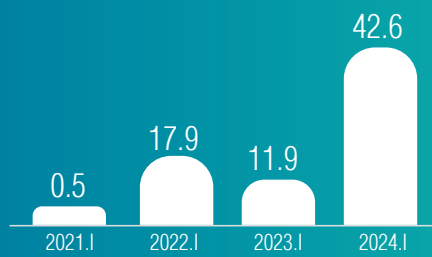
STOCK TRADING

Stock trading reached MNT 128.5 billion, marking a 13.4-fold increase compared to the same period in 2020 and a 2.4-fold increase compared to the previous year.



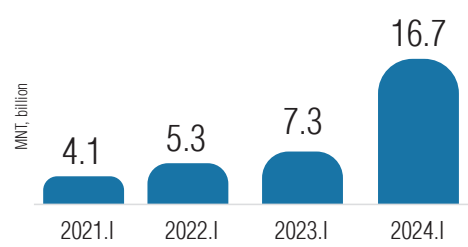
DEBT INSTRUMENTS OF THE COMPANY

- o Corporate bond trading reached MNT42.6 billion, an increase of 3.6% compared to the previous year.



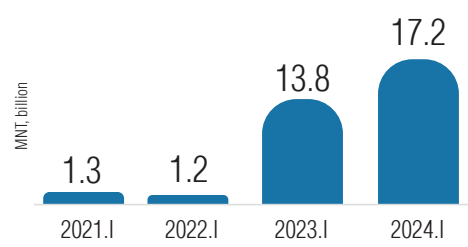
ASSET-BACKED SECURITIES TRADING

- o Asset-backed securities trading reached MNT16.7 billion, indicating an increase of 2.3% compared to the same period in the previous year.



INVESTMENT FUND TRADING

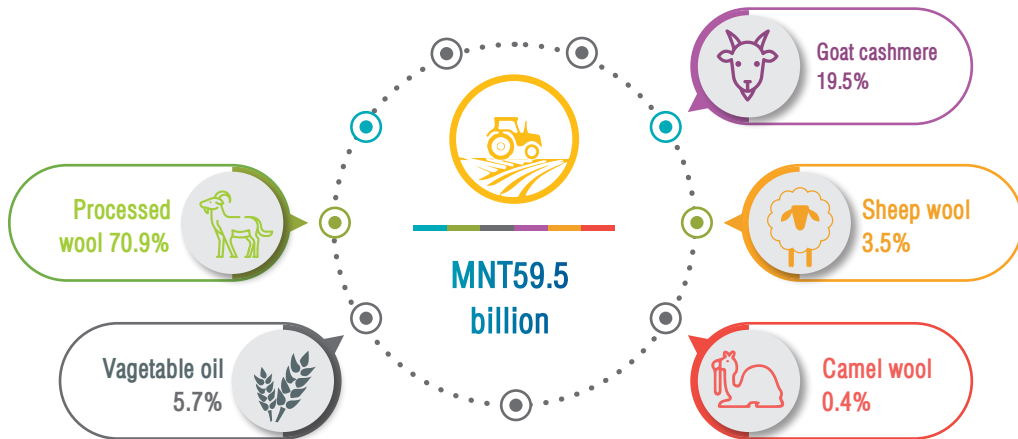
- o The trading volume of investment funds reached MNT 17.2 billion, marking a significant 24.1-fold increase compared to the same period in the previous year.



AGRICULTURAL AND RAW PRODUCTS MARKET

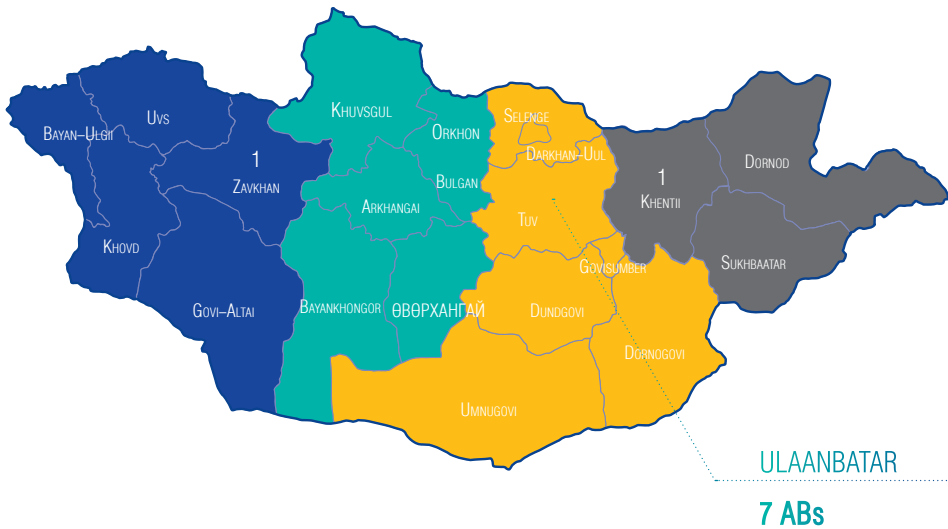


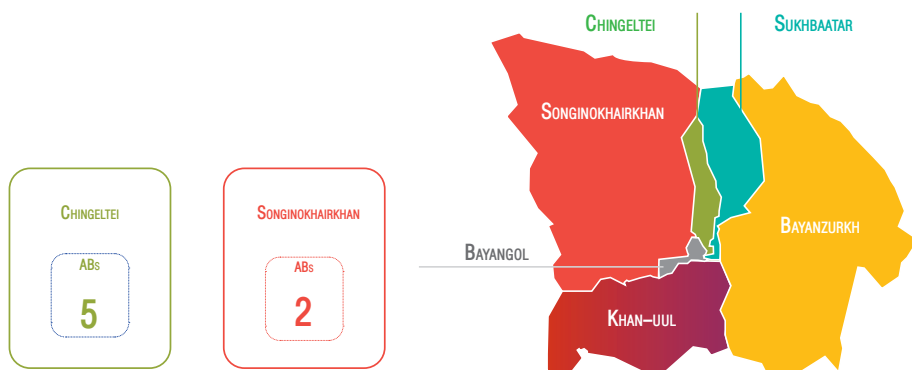
A total of 5 types of goods worth MNT 59.5 billion were traded on the Agricultural Exchange, reflecting a decrease of MNT 4.3 billion (6.7 %) from the same period of the previous year.



LOCATION OF SCs AND AGRICULTURAL BROKERAGES

- 9 agricultural brokers are operating, 7 of them are in Ulaanbaatar and 2 are in the provinces





OTC MARKET

In the over-the-counter market, a total of 29 tranche debt instruments from 25 issuers were registered, amounting to MNT 178.0 billion. Additionally, MNT 207.2 billion was collected.



As a result, since the over-the-counter market trading began in September 2021 with the registration of the first debt instruments, a total of MNT2,626.5 billion in debt instruments were registered, with MNT1,948.6 billion collected. Furthermore, debt instruments worth US dollars 71 million were registered with US dollars 45.5 million successfully collected.

MINING PRODUCTS MARKET

A total of 127 trades of MNT2,488.1 billion were made at the coal auction. This includes; 68 trades involving 5.2 million tons of coal, totaling MNT 2,393.1 trillion. Additionally, 0.4 thousand tons of iron concentrate were traded in 95 transactions, amounting to MNT95.0 billion.

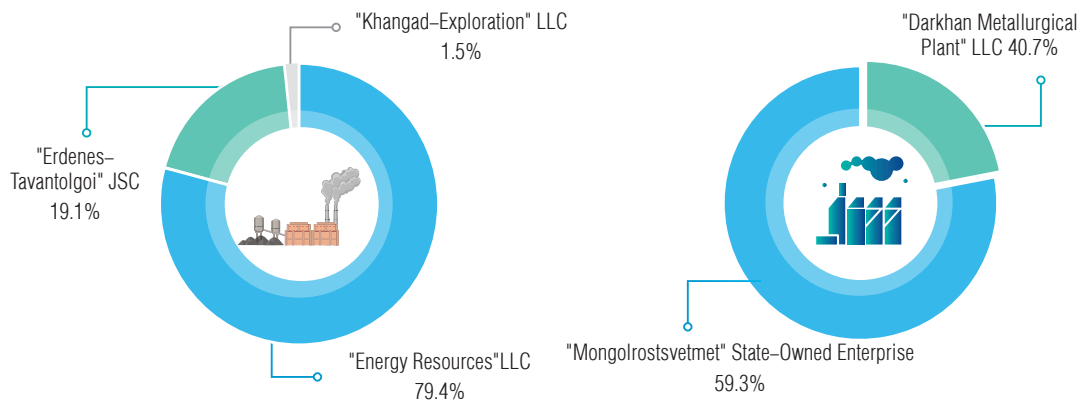


816 packages
5,222,400 tons of coal
MNT2,393.1 billion

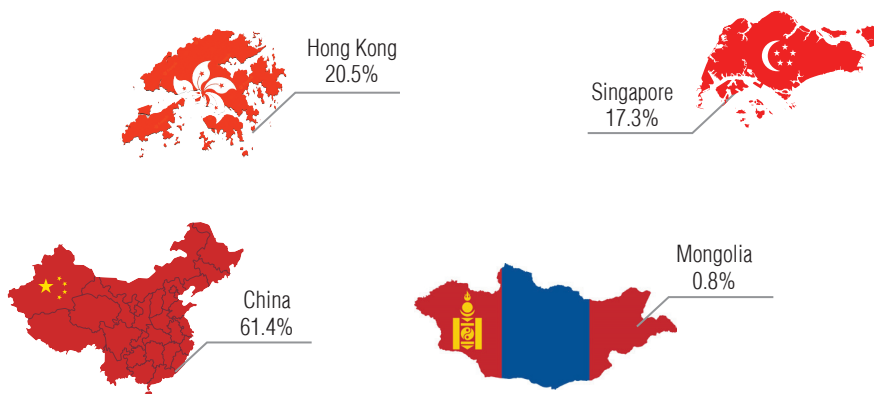


111 packages
358,800 tons of iron concentrate
MNT95.0 billion

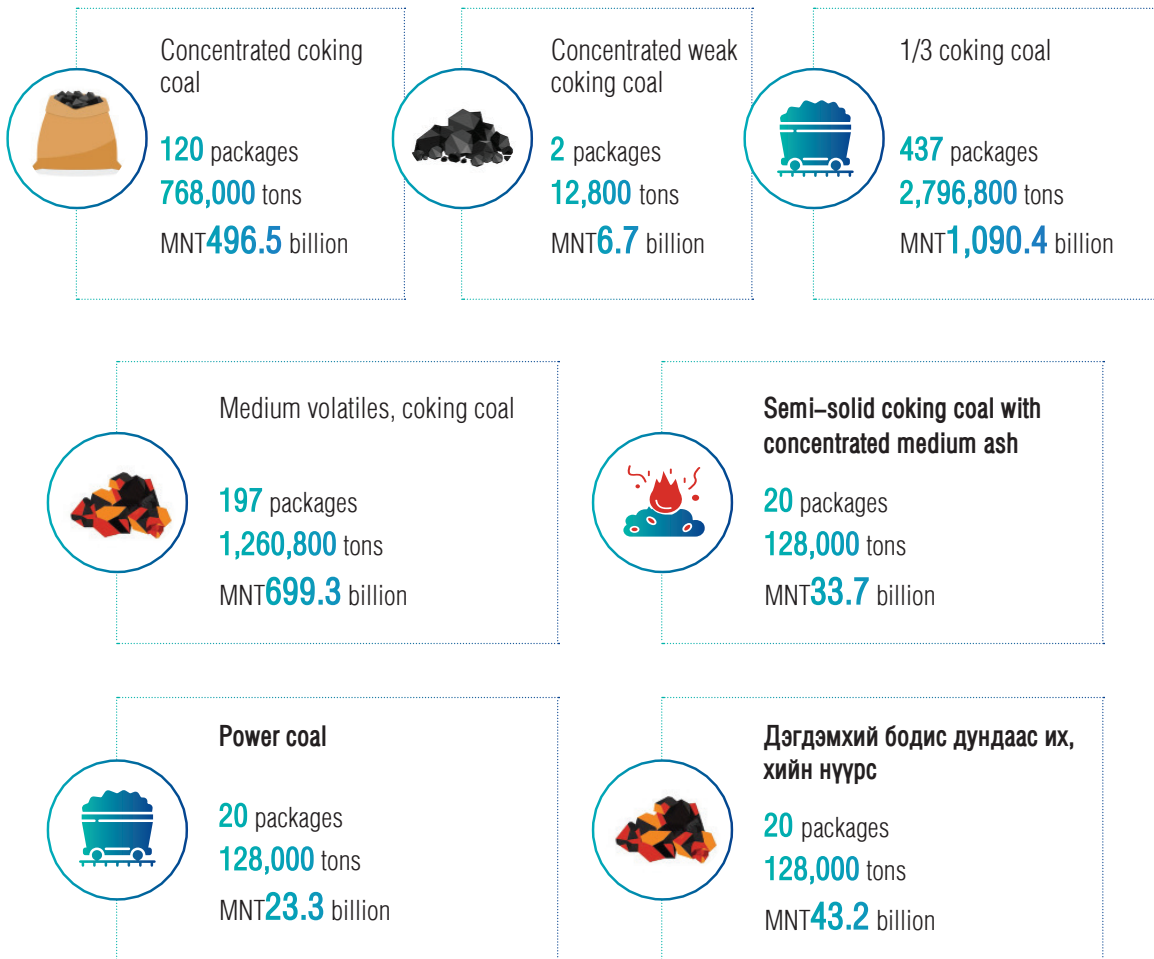
SELLING SIDE OF MINING PRODUCTS /NUMBER OF TRANSACTIONS/



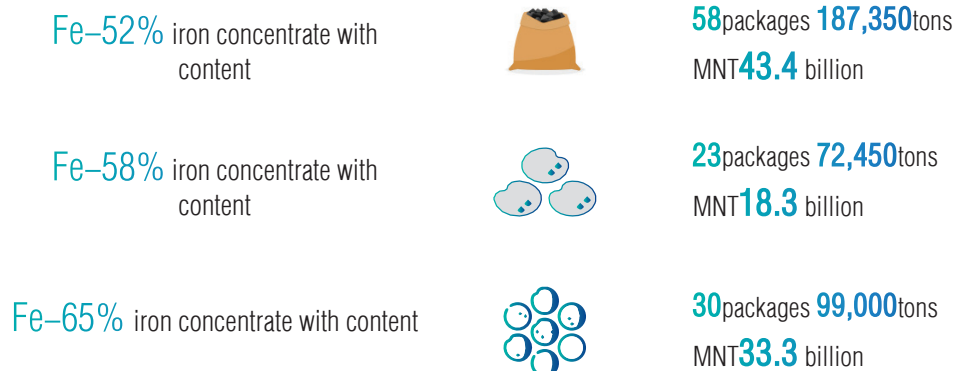
COUNTRIES PURCHASING MINING PRODUCTS /NUMBER OF TRANSACTIONS/



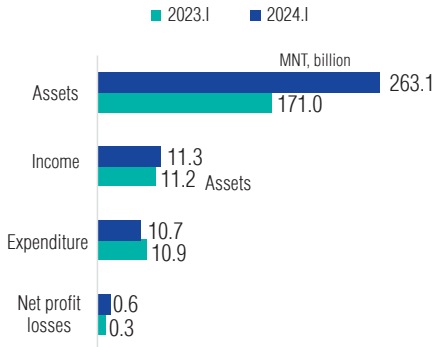
COAL TRADE



IRON ORE AND CONCENTRATE TRADING



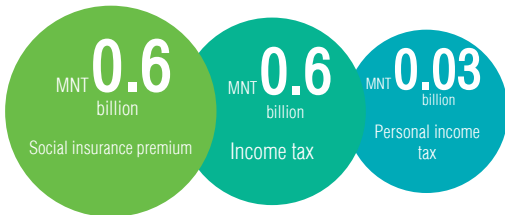
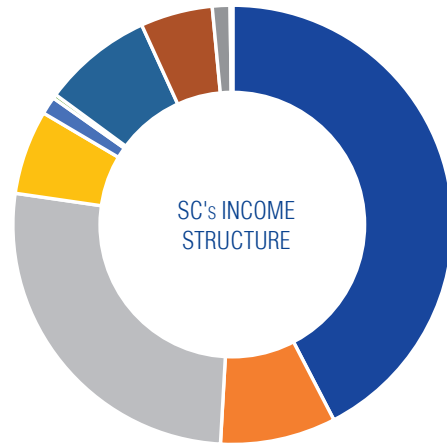
PROFITABILITY



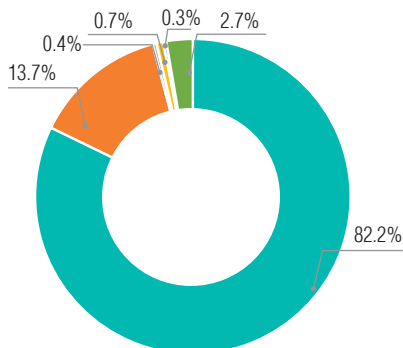
PROFITABILITY OF SECURITIES COMPANIES

- o The total assets of securities companies amounted to MNT263.1 billion, marking an increase of 53.9% compared to the same period of the previous year.
- o Compared to the same period of previous year, income increased by MNT0.1 billion, and expenses decreased increased by MNT0.2 billion, resulting in a net profit of MNT0.6 billion.

● Brokerage operating income	42.4%
● Dealer operating income	8.5%
● Underwriting income	26.4%
● Investment advisory operating income	6.2%
● Net income from securities trading	1.3%
● Income from other activities	0.3%
● Interest income	8.1%
● Dividend income	5.3%
● Other	1.3%
● Profit after tax from discontinued operations	0.2%



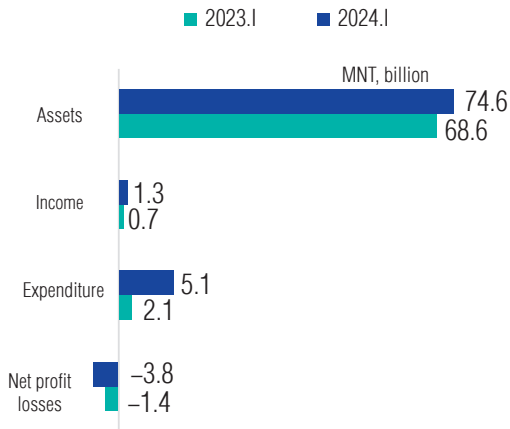
- o Securities companies paid MNT0.6 billion for social insurance contributions, MNT0.03 billion for personal income tax, and MNT0.6 billion for entity income tax. In total, securities companies paid MNT1.2 billion to the state budget.



SC'S EXPENDITURE STRUCTURE

- Sales, marketing, general and administrative expenses
- Financial expense
- Other
- Income tax expense
- Foreign exchange loss
- Other losses

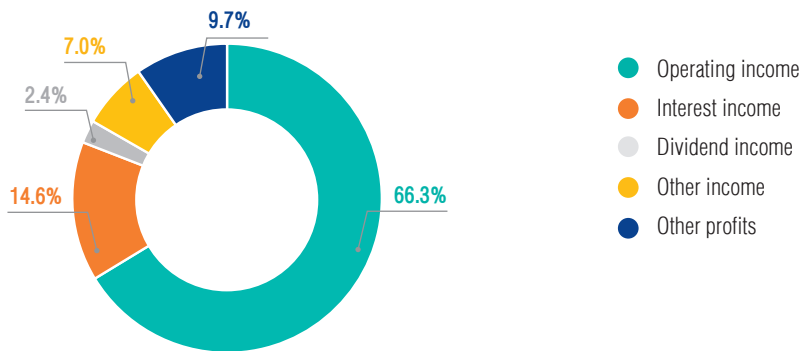
PROFITABILITY OF INVESTMENT MANAGEMENT COMPANIES



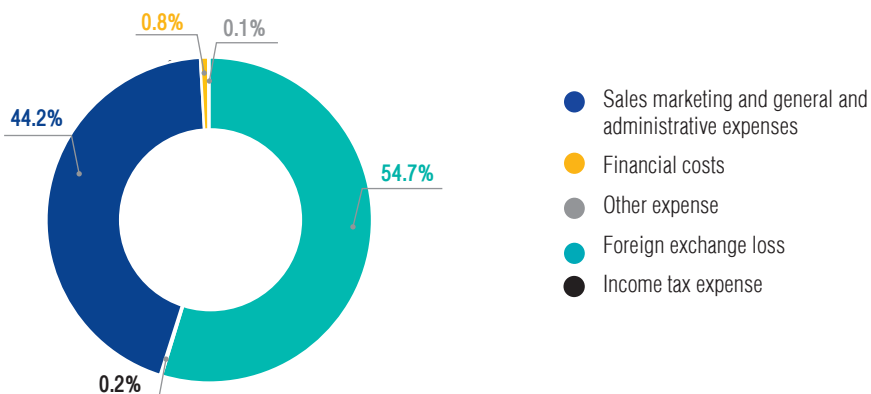
PROFITABILITY OF IMCS

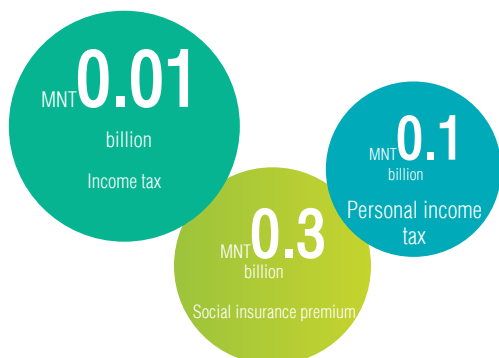
- o The total assets of investment management companies amounted to MNT74.6 billion, marking an increase of 8.7 % compared to the same period of 2022.
- o Compared to the same period of the previous year, income increased by MNT0.6 billion, and expenses increased by MNT3.0 billion. The loss was MNT3.8 billion.

IMC'S REVENUE STRUCTURE



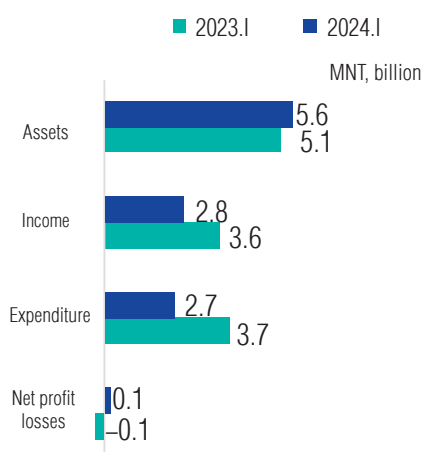
IMC'S EXPENDITURE STRUCTURE





- Investment management companies paid MNT0.3 billion for social insurance contributions, MNT0.1 billion for personal income tax, and MNT0.01 billion for entity income tax. In total, MNT0.4 billion was paid by investment management companies to the state budget.

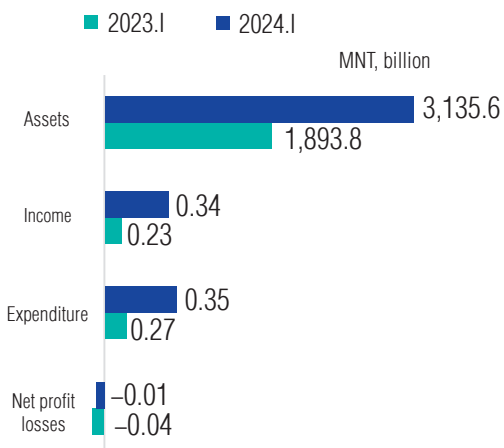
PROFITABILITY OF AGRICULTURAL COMMODITY EXCHANGES



PROFITABILITY OF MCE

- The total assets of agricultural commodity exchanges amounted to MNT5.6 billion, indicating an increase of 9.8 % compared to the same period of 2023.
- Compared to the same period of 2023, income decreased by MNT0.8 billion, and expenses decreased by MNT1.0 billion. The net profit was MNT0.1 billion.

FINANCIAL STATEMENT INDICATORS OF CUSTODIANS

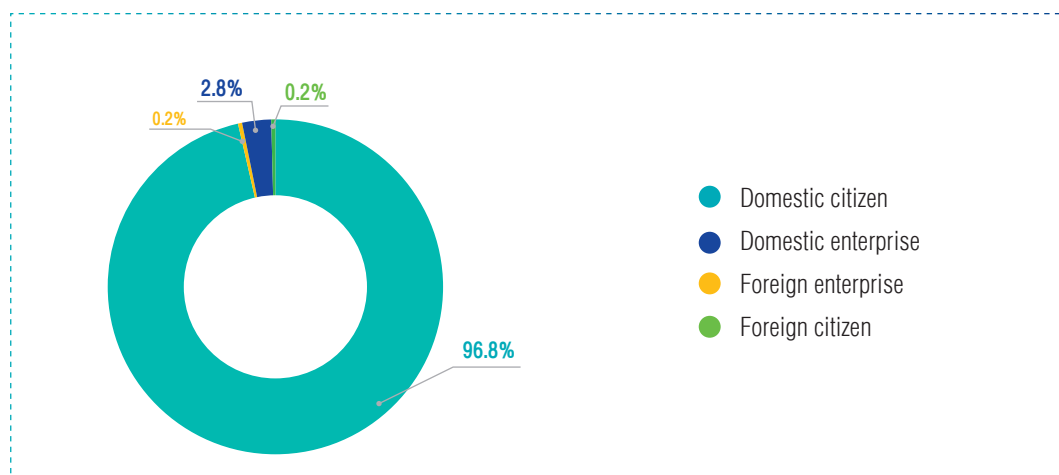


PROFITABILITY OF CUSTODIAN BANKS

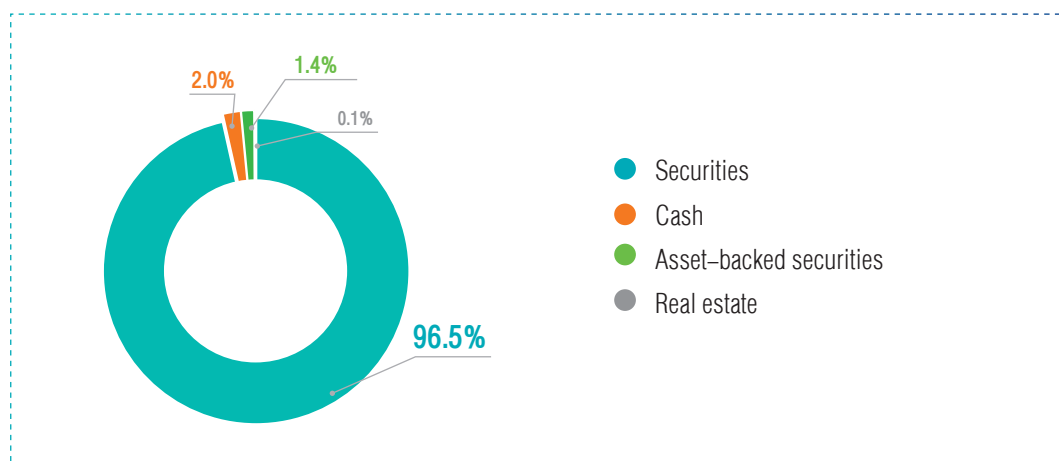
- The total assets of custodian banks amounted to MNT3,135.6 billion, marking an increase of 65.6% compared to the same period of 2023.
- Compared to the same period in 2023, income increased by MNT0.11 billion, and expenses increased by MNT0.08 billion. The loss was MNT0.01 billion.

CUSTOMER STRUCTURE OF CUSTODIAN BANKS

- o Most (96.8 %) customers were domestic citizens, 2.8% were domestic enterprises, 0.2 % were foreign citizens, and 0.2 % were foreign enterprises.

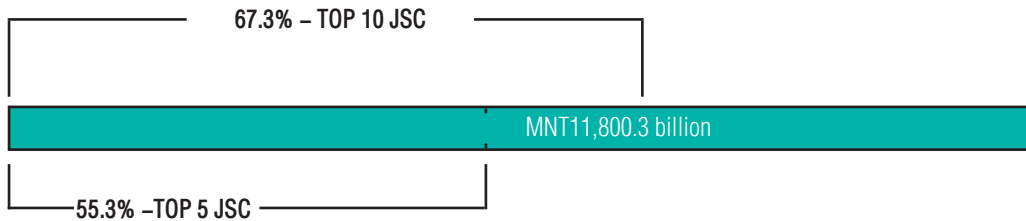


- o According to the classification of the assets deposited in the custodian banks, 96.5% were securities, 1.4% were asset-backed securities, 2.0% were cash and 0.1% were real estate.



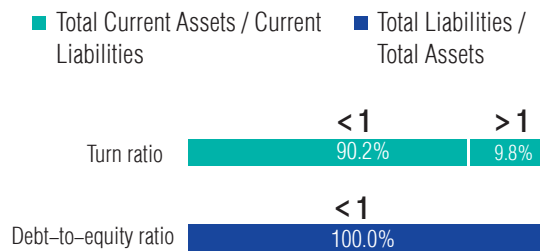
STABILITY

According to the market value of the joint-stock companies included in the TOP-20 index basket of the trading organization, the 10 companies with the highest market capitalization accounted for 67.3% of the total market capitalization, and the 5 JSCs with the highest value constitute 55.3 percent.



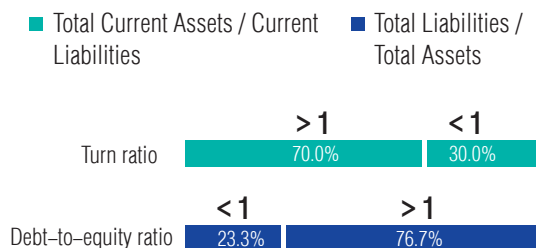
SOLVENCY ASSESSMENT OF SECURITIES COMPANIES

- o Out of 51 securities companies, the current ratio of 46 (90.2%) companies was above 1, while 5 (9.8 %) was below 1.
- o The debt ratio of 51 companies was below 1.



SOLVENCY ASSESSMENT OF INVESTMENT MANAGEMENT COMPANIES

- o The current ratio of 21 (70.0%) companies was above 1, while 9 (30.0%) were below 1.
- o The debt ratio of 23 (76.7%) companies was below 1, while 7 (23.3%) companies were above



REGULATORY ENVIRONMENT



POLICY AND LEGISLATION

The draft of the Securities Market Law will be pending ratification

In the "Guidelines for Improving the Legislation of Mongolia until 2024" adopted by the State Great Khural Resolution No. 12 of 2021, the Ministry of Finance and the Financial Regulatory Commission are responsible for developing the draft law on amendments to the Securities Market Law.

In this context, a working group "responsible for making necessary amendments and changes to the relevant legal framework of the capital market" was established by Order No. 52 of 2021 of the Minister of Finance. The working group developed draft laws on amendments to the Securities Market Law, the Law on Investment Funds, and the Law on Companies, which were subsequently discussed by the government. The government established a working group by Order No. 2 on 15 January 2024, issued by the Standing Committee on Economy of the State Great Khural. The working group aims to submit the aforementioned draft laws to the regular spring session of the State Great Khural in 2023, prepare for their discussion at the joint session, and develop draft opinions. Representatives from the FRC participated in this working group and expressed dissenting opinions on the drafts. The drafts were discussed by the General Assembly of the State Great Khural and are pending ratification.

As a result of the approval of the amendments to the Securities Market Law, the stock market, will experience several positive effects. The process of issuing securities through public offerings by domestic enterprises will become easier and faster. Coordination between the regulator and trading organizations will be improved to align with international standards. Additionally, there will be an increase in new financial technology-based products and services. The role and participation of issuers and underwriters will expand, and regulations related to securities trading, settlement, and centralized and specified registrations will become more sophisticated.

The range of products traded on the mining products exchange has increased.

Government Resolution No. 223 of 2023 was amended by Government Resolution No. 73 of 2024, adding copper and molybdenum concentrates and products to the "Types and Classification of Exchange-traded products". In this context, the Mongolian Stock Exchange JSC (MSE) approved the Standardization and Enforcement Procedures for Copper Concentrate Commercial Contracts" and the Financial Regulatory Commission by issued permission to enforce these regulations through Resolution No. 134 of 2024. With the commencement of copper concentrate trading on the mining product exchange, trading will be conducted openly, fairly and transparently. This will lead to higher product prices and numerous advantages, including the establishment of a unified export policy.

Detailed determination of dividend distribution

Resolution No. 28 of 2020 by the FRC "On the detailed determination of dividend distribution" was amended during the FRC's regular meeting on February 23, 2024. The amendment specifies the period for dividend distribution by companies. Specifically, companies that decide to distribute dividends must complete the distribution within four months after the end of the financial year, and submit their reports to the FRC before April 30.

According to the current Law on Companies, the board of directors must decide on dividend distribution within 50 days of the end of the financial year, and the shareholders' meeting must be convened within four months. However, some joint-stock companies have faced issues where the dividend distribution decision was not clearly communicated to shareholders or was delayed, leading to uncertainty and potentially decreasing market confidence. To address these issues, the resolution has been amended to clearly specify the dividend distribution period and reporting requirements. This change ensures that dividends will be settled in shareholders' accounts within the specified period and helps protect their interests.



COOPERATION

Internal

In May 2023, the Financial Regulatory Commission (FRC) and the Mongolian National Chamber of Commerce and Industry (MNCCI) approved the "Program to Increase the Participation of TOP-100 Enterprises in the Capital Market." This program aims to enhance the ability of TOP-100 enterprises to attract funding from the capital market. A working group was established to support this initiative. A working group was established to support this initiative.

The working group is responsible for developing regulations to simplify the issuance of securities, thereby reducing the conditions, requirements, and time needed for TOP-100 companies to conduct an IPO and to issue corporate bonds. This includes eliminating the need for asset valuation for IPOs and removing requirements for deposits or guarantees for bond issuance, both in open and closed frameworks. The group is also tasked with amending relevant rules.

The working group is implementing these measures as part of the program.

Specifically, in collaboration with the FRC, MNCCI, and other professional organizations, building "A one-stop service for advice and information on the stock market". This service aims to address the challenges companies face when issuing shares and bonds, and to provide guidance on the benefits of becoming a public company, the IPO process, and corporate governance.

Additionally, the FRC with MNCCI organized a meeting in April for company management to discuss the challenges of becoming a public company and to review the measures implemented by the working group.

The program is significant for TOP-100 enterprises as it facilitates their transition to open joint-stock companies through IPOs, enables participation in the stock market via corporate bond issuance, and supports business expansion. It also enhances profits, raises their company's reputation, attracts long-term, cost-effective financing, and improves corporate governance and information transparency.

External

The FRC has established several cooperation memorandums aimed at enhancing

capital market policy and regulation, improving the monitoring and inspection environment, empowering human resources, and expanding international cooperation. These include:

Memorandum with the National Bank of the Kyrgyz Republic

On February 28, 2024, the FRC signed a memorandum of understanding with the National Bank of the Kyrgyz Republic. This memorandum focuses on providing policy support to enterprises operating in the financial markets of both countries, including fintech companies. It includes provisions for exchanging information on cross-border financial operations, offering mutual assistance in conducting on-site financial inspections, and enhancing human resources.

Memorandum with the Central Bank of Hungary

On March 7, 2024, the FRC signed a memorandum of understanding with the Central Bank of Hungary. This agreement aims to support the development of the capital markets in both countries through collaborative policies, promote product and service innovations, attract both foreign and domestic investors, exchange information on cross-border financial activities, and provide on-site inspections. It also focuses on strengthening human resources and organizational capacities.





INSURANCE MARKET

Total assets

MNT582.3 billion

Capital growth **19.6%**



Financial market status

Insurance density

MNT115,405

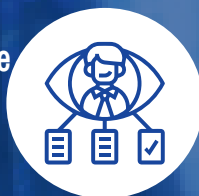
Density increase/growth
31.4%



Accessibility

Total fees for brokered
insurance and reinsurance

MNT30.8 billion



Products and services

Profitability



Net profit

MNT **8.3**
billion

Tax collected
by the state,
Social security
contributions

MNT **3.8**
billion

Stability



Reinsurance
premium cost

32.7%

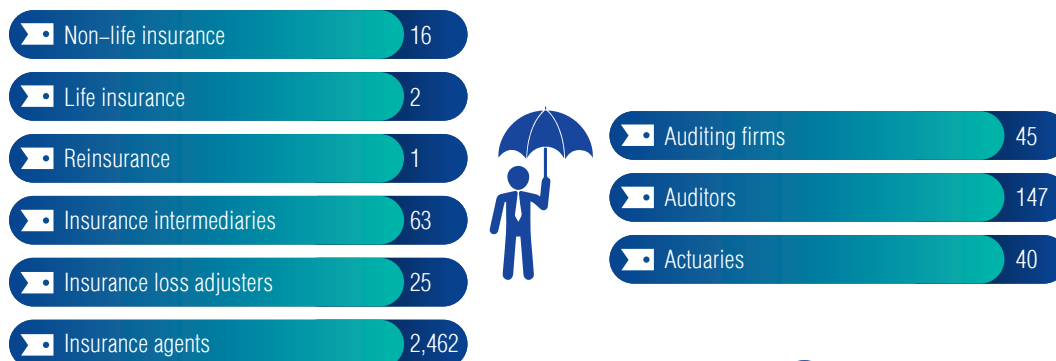
Regulatory environment



FINANCIAL MARKET STATUS

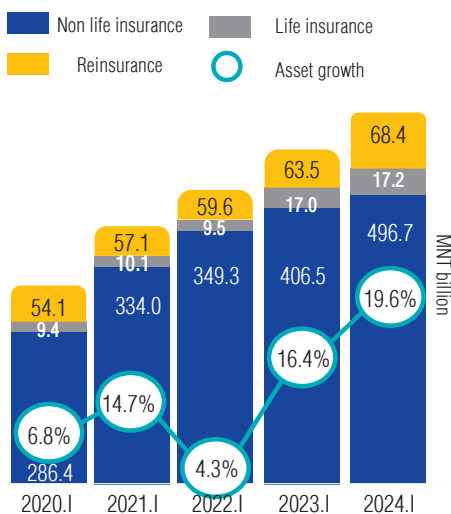
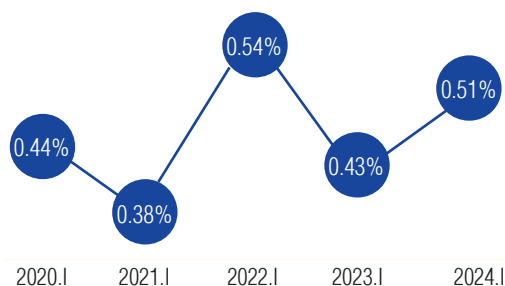
INSURANCE SECTOR STRUCTURE

Based on special licenses, permits, and rights granted by the Financial Regulatory Commission, 339 insurance companies, brokers, loss assessors, audit companies, actuaries, and auditors, as well as 2,462 insurance agents, are operating.



INSURANCE DENSITY

- The deepening reached 0.51 percent compared to the same period of the previous year, an increase of 0.08 points compared to the same period of 2020, and an increase of 0.07 points respectively.

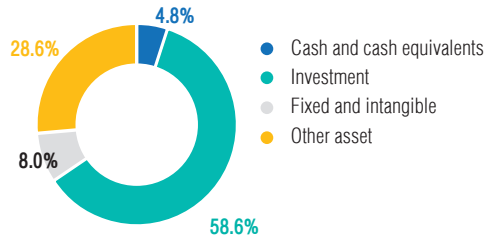


TOTAL ASSETS OF INSURANCE COMPANIES

- Compared to last year, total assets increased by 19.6 percent. They reached 582.3 billion MNT, representing an increase of 66.4 percent compared to the same period in 2020.
- Total assets of non-life insurance companies increased by 22.2 percent compared to the same period of the previous year, reaching 496.7 billion MNT and accounting for 85.3 percent of the industry's total assets.
- Total assets of reinsurance companies increased by 7.7 percent compared to the same period last year, reaching 68.4 billion MNT and accounting for 11.7 percent of the industry's total assets.
- Compared to the same period of the previous year, the total capital of the life insurance companies increased by 1.3 percent to reach 17.2 billion MNT and accounted for 2.9 percent of the industry.

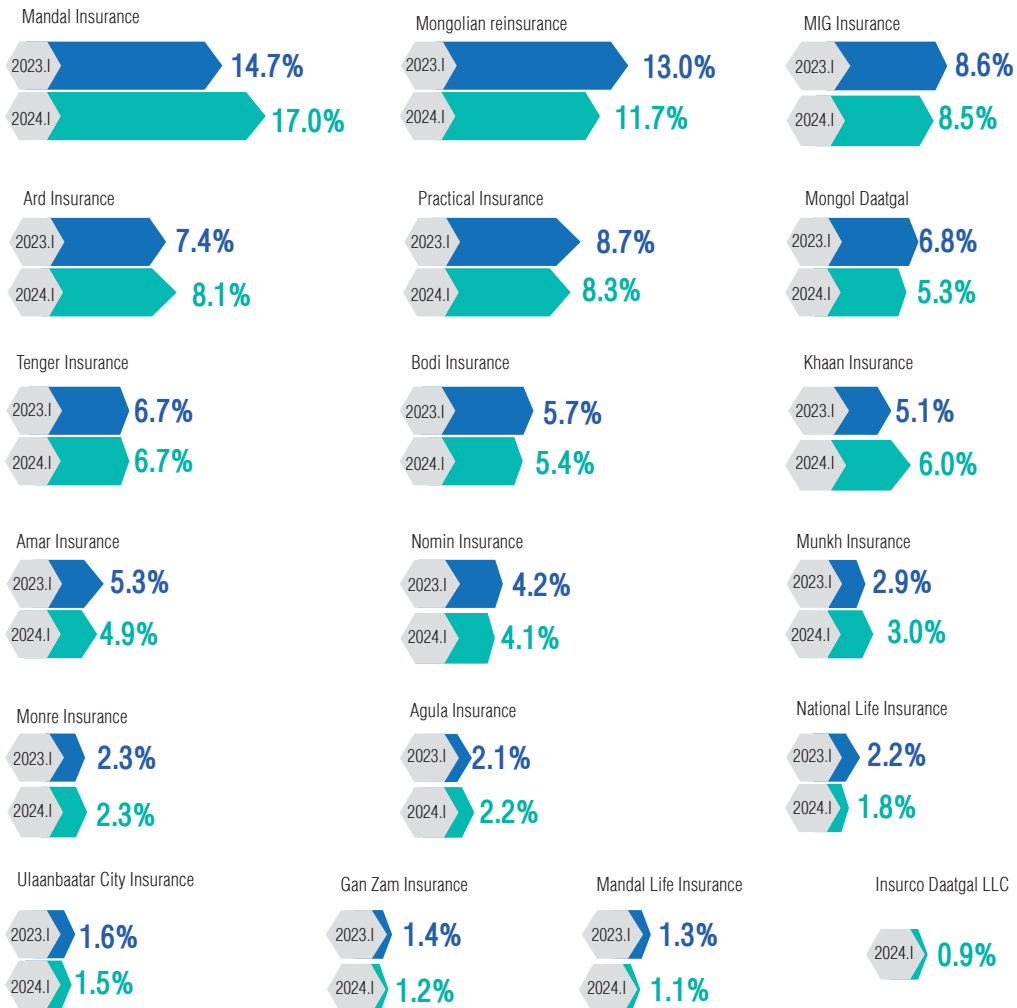
ASSET STRUCTURE AND MARKET SHARE (BY TOTAL ASSETS)

Considering the asset structure of insurance companies, it consists of 341.3 billion MNT or 58.6% in investments, 166.6 billion MNT or 28.6% in other assets, 46.5 billion MNT or 8.0% in fixed and intangible assets (net amount), and 27.9 billion MNT or 4.8% in cash and equivalent assets.



Insurance companies are distributed based on their total assets' shares as follows: 9 percent hold a share above 2 percent, 4 companies hold between 6 and 9 percent, 6 companies hold between 3 and 6 percent, and 7 companies hold less than 3 percent.

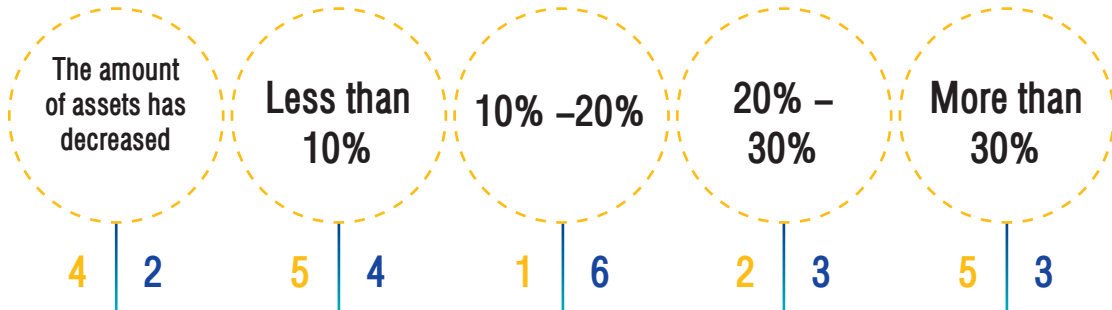
Percentage share of total assets of insurance and reinsurance companies



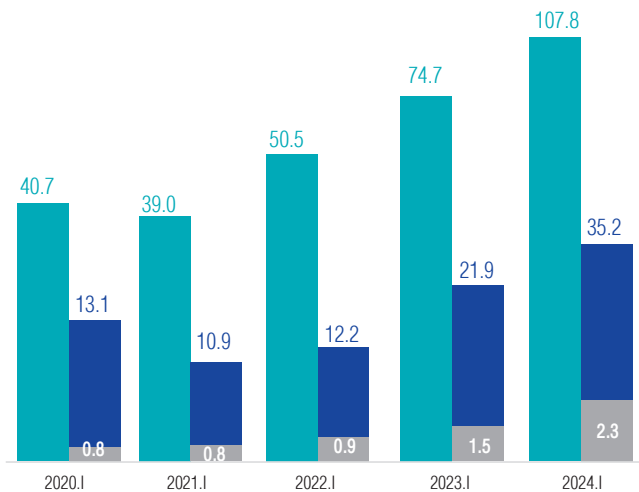
ASSETS GROWTH DISTRIBUTION OF INSURANCE COMPANIES

The average asset growth of all insurance companies was 18.0 percent in the same period of the previous year and 16.3 percent in the reporting quarter. When grouped by capital growth, there were 3 companies with an increase of more than 30 percent, 3 companies with growth between 20–30 percent, 6 companies with growth between 10–20 percent, and 4 companies with less than 10 percent growth. Additionally, 2 insurance companies experienced a decrease in capital size.

2022.I–2023.I / 2023.I–2024.I



- Total premiums for non-life and life insurance (MNT, billions)
- Total reinsurance premiums for non-life and life insurance (MNT, billions)
- Total fees of domestic reinsurance companies (MNT, billions)



TOTAL PREMIUMS

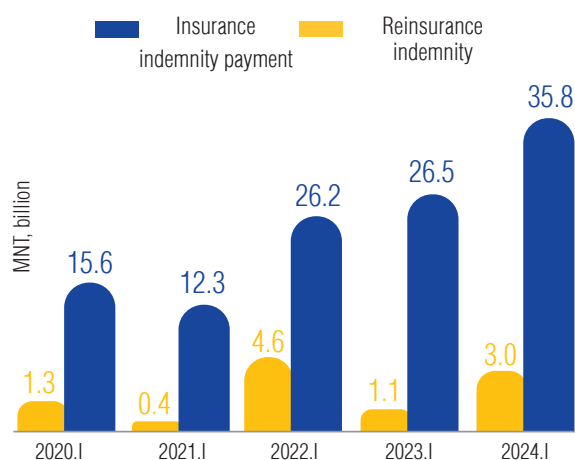
- Non-life and life insurance companies collected a total of 107.8 billion MNT in premiums. Of this amount, non-life insurance companies collected 107.0 billion MNT, accounting for 99.2 percent, while life insurance companies collected 0.8 billion MNT, accounting for 0.8 percent.
- A total of MNT 35.2 billion was spent on reinsurance premiums, with MNT 2.3 billion, or 6.4 percent, paid to domestic insurers.

PREMIUMS PAID FOR REINSURANCE

- Non-life and life insurance premiums increased by 44.3 percent compared to the same period in 2019 and by 2.8 percent compared to the previous year

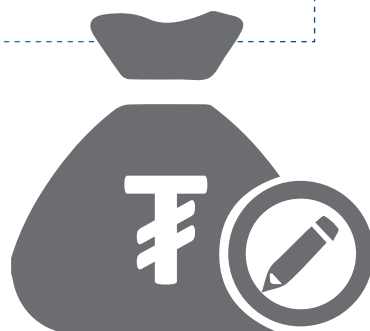
INSURANCE AND REINSURANCE INDEMNITY PAYMENT/REIMBURSEMENT

- o The total compensation expenditures of insurance companies amounted to MNT 35.8 billion, marking a 34.9 percent increase compared to the same period of the previous year. However, compared to the same period in 2020, it increased by 2.3 times. Non-life insurance companies paid out MNT 35.3 billion in compensation, accounting for 98.6 percent.
- o The compensation expenditures amount handled by the reinsurer increased by 9.1 times, reaching MNT 3.0 billion.



RESERVES FUND

- o The total reserve fund of the insurance industry increased by 24.7 percent compared to the previous year, reaching MNT 270.5 billion.
- o The total reserve of non-life insurance companies increased (from the previous year) by 29.7% to MNT239 billion. During the same period, life insurance companies' reserves increased by 16.0% to MNT3.3 billion, and reinsurance companies' reserves decreased by 5.4% to MNT28.1 billion.



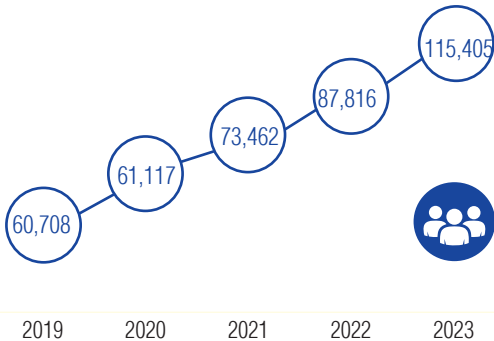
MNT **270.5**
MNT billion
2024.I

MNT **216.9**
billion
2023.I

ACCESSIBILITY

INSURANCE DENSITY

The insurance density indicator (the ratio of premium income per capital) reflects the availability and demand of the market. Since the number of the population is calculated once a year, insurance density is not calculated quarterly.



- The density of insurance increased to 115,405 MNT, which is a 31.4 percent increase compared to 2022 and a 90.1 percent increase compared to 2019.
- In terms of the insurance density, non-life insurance premiums (per capital) increased by 31.5% to MNT114.479 while life insurance premiums increased by 16.5% to MNT 926.

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INSURANCE CONTRACT

A total of 468,160 insurance contracts were concluded. Of these, 83.9 percent (or 392,919 contracts) were with individuals, and 16.1 percent (or 75,241 contracts) were with legal entities. Among the contracts signed with individuals, 86.6 percent (or 405,474 contracts) were with men, and 13.4 percent (or 62,686 contracts) were with women.

Individuals **392,919**
Legal entities **75,241**

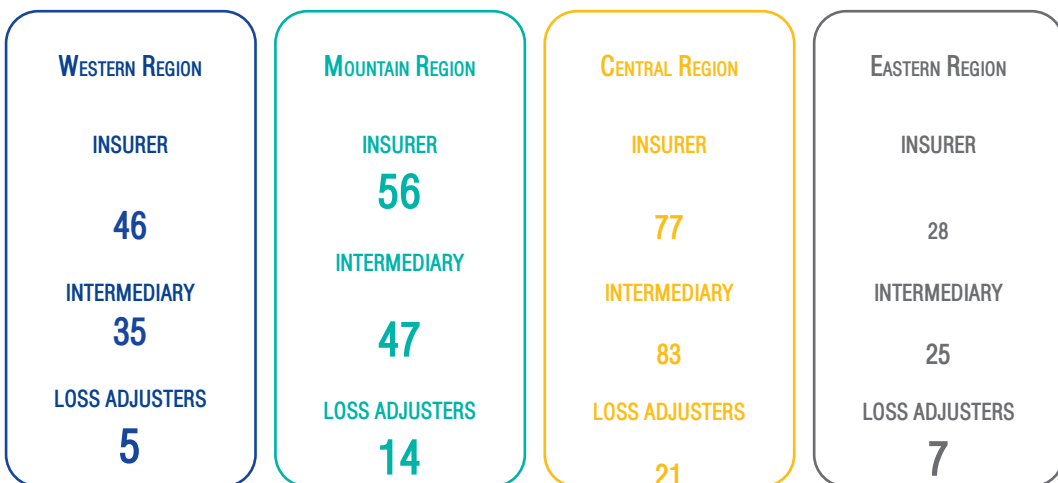
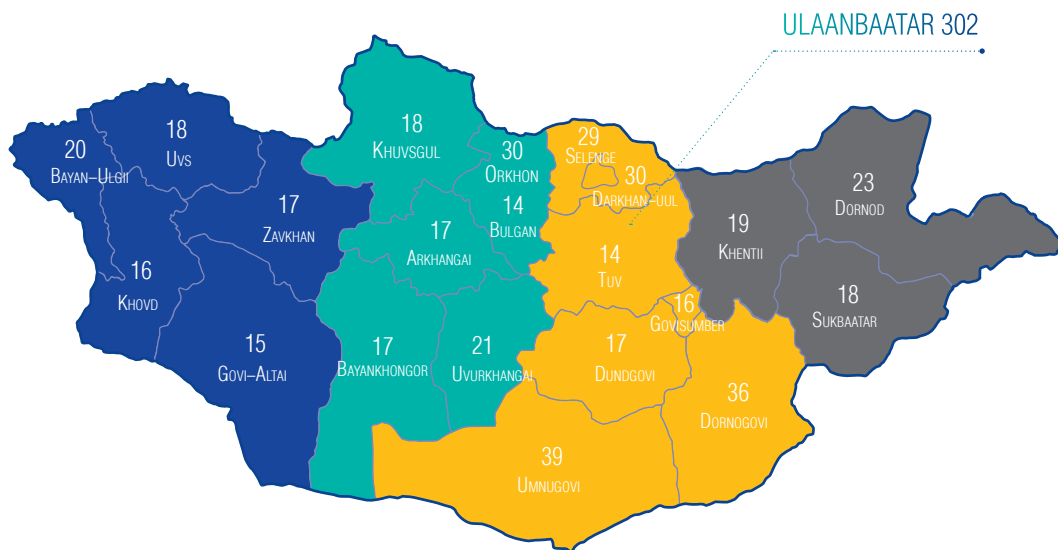
Gender ratio of contracts concluded with individuals /percentage/



BRANCH REPRESENTATIVE

Another measure of the availability of insurance services is the presence of insurance company branches and intermediaries. In total, there are 1,829 representatives and 444 branches operating across insurance companies, intermediaries, and loss assessment companies.

LOCATION OF INSURANCE



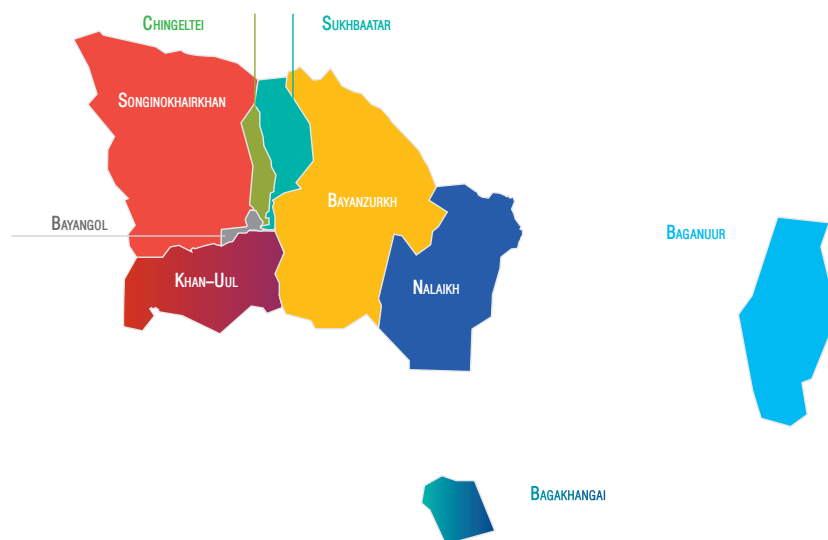
ТӨЛӨӨЛӨГЧИД



BRANCH REPRESENTATIVE

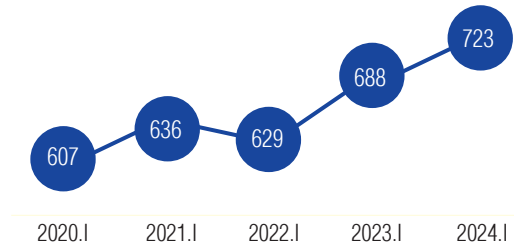
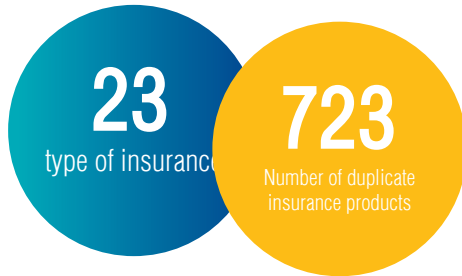
ULAANBAATAR

- o A total of 302 representative offices were registered in Ulaanbaatar, comprising 44 branches of insurance companies, 217 branches of insurance brokers, and 41 branches of loss adjusters. Among these, 92.7% of the branches were located in the six central districts of the capital.
- o The total number of representative offices in Ulaanbaatar amounted to 633.
- o Additionally, there were 14 representative offices of insurance companies registered with the Financial Regulatory Commission, two of them were located in China.
- o



	SONGINOKHAIRKHAN	CHINGELTEI	SUKHBAATAR	BAYANZURKH
INSURANCE	4	5	11	5
BROKER	18	39	48	38
LOSS ADJUSTER	9	4	7	9
	KHAN-UUL	BAYANGOL	NALAIKH	BAGANUUR
INSURANCE	3	5	3	7
BROKER	36	28	6	4
LOSS ADJUSTER	4	7	0	1
	BAGAKHANGAI			
INSURANCE	1			
BROKER	0			
LOSS ADJUSTER	0			

PRODUCTS AND SERVICES

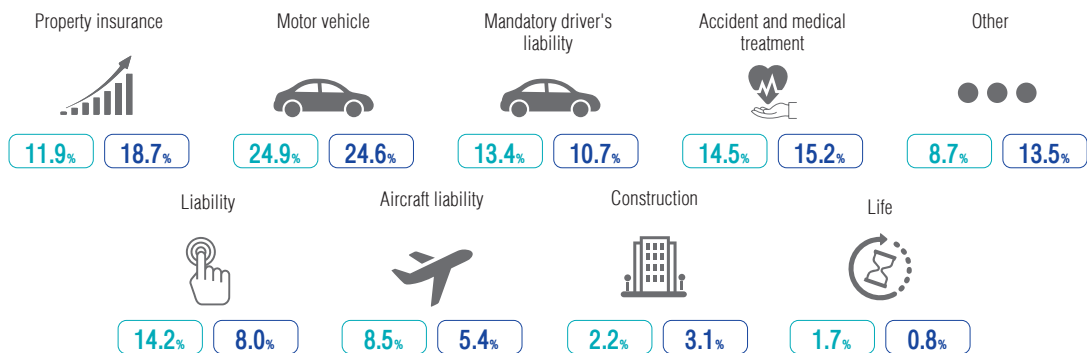


- o Out of the 23 forms of non-life and life insurance, all are voluntary; except for the Compulsory Driver's Liability Insurance.
- o The number of reinsurance products reached 723, marking an increase of 35 compared to the first quarter of 2023 and a growth of 116 compared to the first quarter of 2020.

Total non-life insurance premium

2023.I

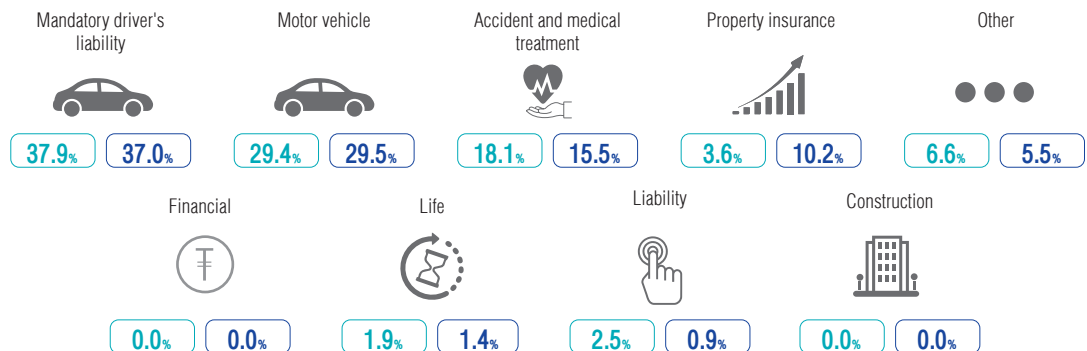
2024.I



Non-life insurance indemnity

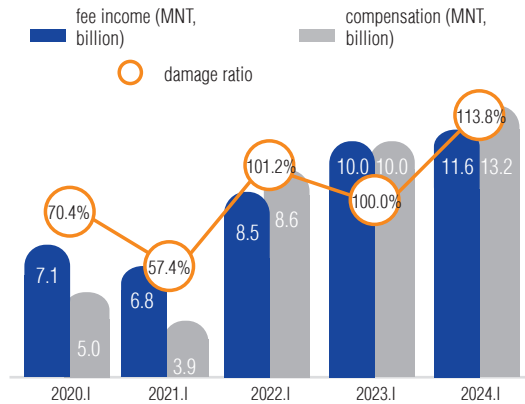
2023.I

2024.I



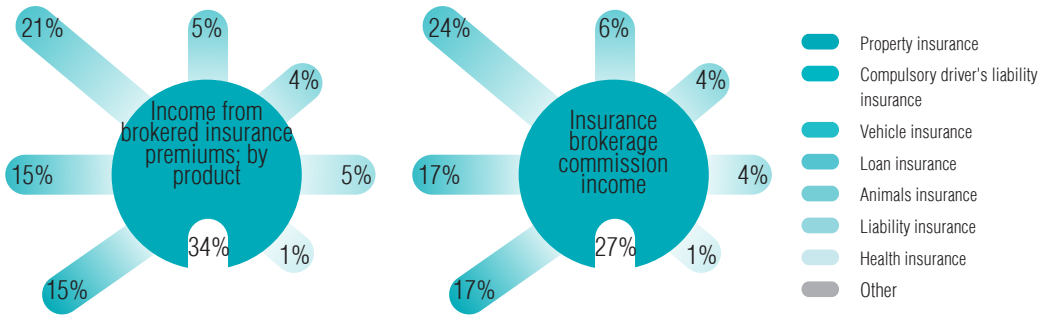
COMPULSORY INSURANCE

- o The total premiums for Compulsory Driver's Liability Insurance reached MNT11.6 billion – an increase of 16% compared to the same period of the previous year – and accounted for 10.8% of total insurance premium income.
- o In comparison to the same period of the previous year, reimbursements increased by 32.0%. During the reporting quarter, MNT 13.2 billion was disbursed as compensation representing 36.9% of the total compensation costs within the sector.



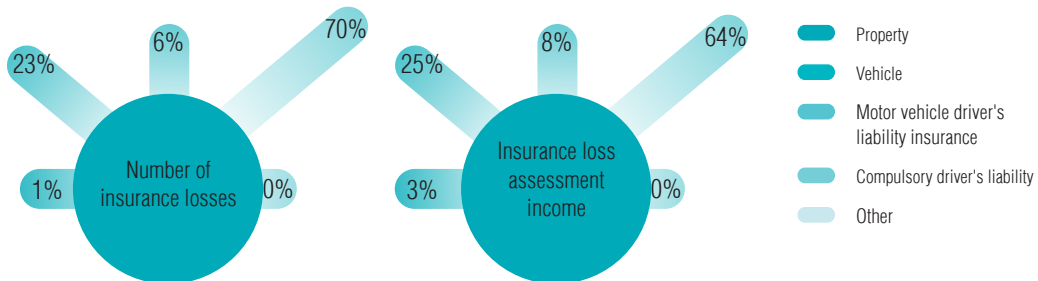
INSURANCE INTERMEDIARIES

The insurance and reinsurance premiums collected by insurance brokers totaled MNT 30.8 billion. Notably, the premium income of insurance intermediaries increased by 40.3% in the reporting quarter, reaching MNT 5.9 billion compared to MNT 4.2 billion in the same period of the previous year.



INSURANCE DAMAGE ASSESSOR

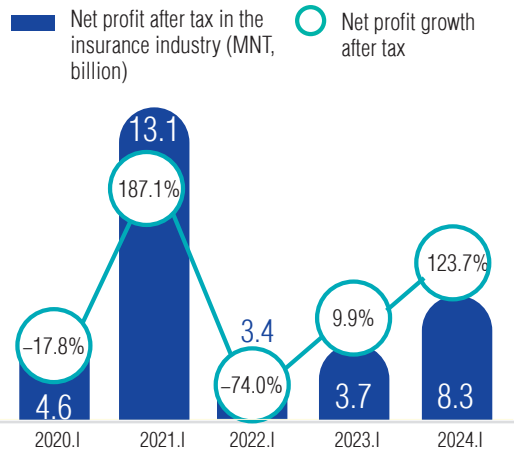
- o Regarding insurance damage assessment, insurance loss assessment companies evaluated a total of 13,595 losses, amounting to MNT 25.2 billion in value. The total income from insurance loss assessment increased by 67.0% compared to the previous year, reaching MNT 1.5 billion.



PROFITABILITY

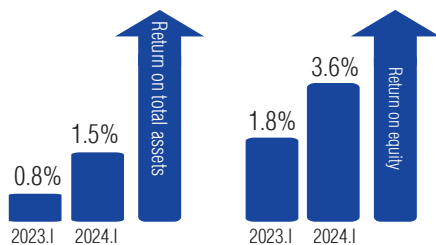
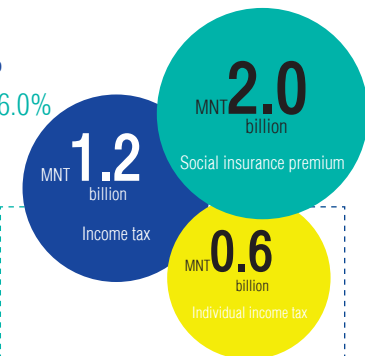
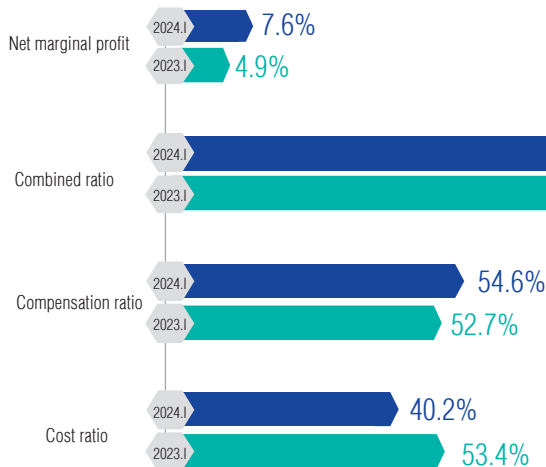
NET PROFIT INDICATOR OF INSURANCE COMPANIES

- o The net profit of insurance companies increased by 123.7% compared to the previous year and reaching MNT8.3 billion.
- o In terms of net profit after tax, twelve companies exhibited decreases, one had increases of up to 50%, two had increases between 50 and 100%, and three insurance companies had increases of more than 100%.



KEY RATIOS

- o The compensation ratio increased by 1.9 percentage points compared to the same period of the previous year.
- o The expenditure ratio decreased by 13.2 percentage points to 40.2%.
- o The net profit margin of the insurance sector increased by 2.7 percentage points to 7.6%.



PROFITABILITY COEFFICIENT

- o Return on assets in the market increased by 0.7 percentage points to 1.5%. Return on equity increased by 1.8 percentage points to 3.6%

- o Insurance companies made the following payments: MNT2.0 billion for social insurance premiums, MNT0.6 billion for personal income tax, and MNT1.2 billion for corporate income tax. In total, MNT3.8 billion was collected and contributed to the state budget.

STABILITY

MARKET RISK

- Currency exchange rate risk remains a significant challenge in the Mongolian insurance market.
- A majority of insurance companies engaged in double insurance abroad transferred an average of over MNT54.7 billion annually to other countries during the previous three years.
- Reinsurance premiums collected by insurance companies abroad accounted for 32.7% of the total insurance premiums in the reporting year.

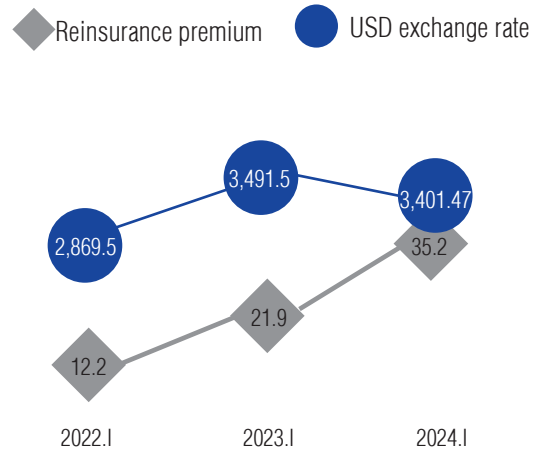
32.7%

Share of reinsurance premiums in total premiums

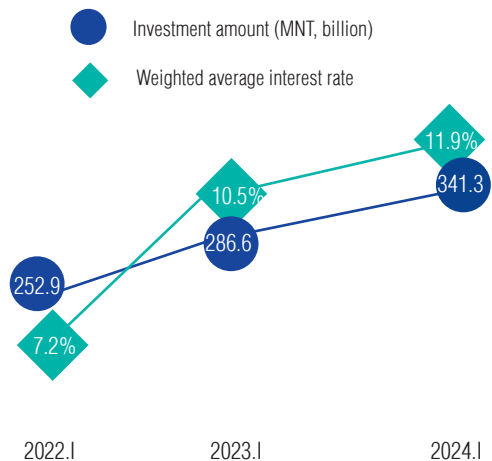
- Investments accounted for 58.6% of the total assets of insurance companies, with deposits in the form of investment certificates of deposit representing 72.6% of these investments.
- Insurance companies generated a total of MNT10.2 billion in interest income from deposits, certificates of deposit, and investments in securities.

Investment amount

58.6%



Weighted average interest rate on total insurance investment and savings



POLICY AND LEGISLATION



POLICY AND LEGISLATION

- o The concept of the insurance package law, including draft laws on insurance, insurance brokerage, and driver's insurance has been newly approved. The Financial Regulatory Commission (FRC) is working with the Ministry of Finance to finalize the drafts. The next steps involve presenting them to the Government meeting and submitting to the State Great Khural of Mongolia.
- o The Financial Regulatory Commission is collaborating on finalizing the draft law on Personal Supplementary Pensions as part of the sub-working group established by the Standing Committee on Social Policy of the State Great Khural of Mongolia.
- o The FRC is contributing to the drafting of the disaster risk insurance law as part of a working group approved by the Minister of Finance through Order No. 60 of 2022.
- o The Financial Regulatory Commission is working on amendments to the regulation concerning "Mortgage Insurance Activities".
- o The Financial Regulatory Commission (FRC) is participating in a sub-working group for the implementation of the Law on Livestock Indexed Insurance, established by the Standing Committee on Environment, Food and Agriculture of the State Great Khural .
- o Driver's Insurance Procedures: The procedures for providing driver's insurance to motor vehicle owners passing through and temporarily entering Mongolia, approved by Joint Order No. A/23/24 of 2012 from the Minister of Justice and Internal Affairs and the Chairman of the Financial Regulation Committee, are being reviewed. The FRC is working with the General Authority for Border Protection on proposals for amendments and additions to the "Regulations for the Selection of Companies to Conduct Insurance Mediation Activities at Border Ports," approved by Joint Order No. 168/05 of 2012 from the Director of the General Authority for Border Protection.



INTERNATIONAL COOPERATION

- Visit to Korea Insurance Development Institute: From February 19–23, 2024, Z. Batbold, Director of the Insurance Market Department of the Financial Regulatory Commission (FRC), visited the Korea Insurance Development Institute. During the visit, he explored the institute's activities and exchanged experiences related to insurance premium calculation and database development.
- ISBC Project Collaboration: In the framework of the "Insuring Small and Medium Enterprises (SME) through Blockchain Technology (ISBC)" project, implemented by the German GIZ, representatives from the FRC are participating in a work team dedicated to the quality translation of five training manuals organized by the English Insurance Institute.



MEETINGS

- Training on Financial Reporting: On January 9, 2024, training and discussions were held for accountants of insurance companies regarding the processing of financial reports and additional reports. This was in response to the new "Solvency Criteria and Control Procedures" approved by Financial Regulatory Commission Resolution No. 559 of 2023.
- Public Consultation on Insurance Package Rules: On February 6, 2024, a draft resolution proposing amendments to the "Insurance Package Rules" (approved by Financial Regulatory Commission Resolution No. 2 of 2019) regarding bank–insurance intermediation was prepared and uploaded to the FRC website for public consultation. The meeting included representatives from the insurance industry, who provided feedback on the proposed amendments.
- Credit Ratings Training: On February 8, 2024, the Financial Regulatory Commission, in cooperation with the Mongolian Investment Rating Agency, organized a training and seminar titled "Using Credit Ratings in the Insurance Sector."







NBFIs

Total assets

MNT **5.1** trillion



Financial market status

Capital growth **36.7%**

Customers **4.5** million

Average loan amount
MNT **2.3** million



Accessibility

Credit NBFIs
88.9%

Foreign currency exchange NBFIs

10.5%



Products and services

Profitability



Total income

MNT **378.1**
billion

Tax collected by the
state, social security
contributions MNT **27.0**
billion

Stability



Z index

19.4

Percentage of non-
performing loans

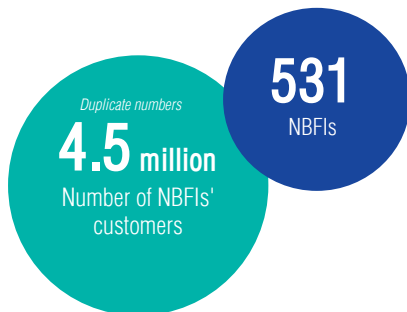
6.9%

Regulatory environment

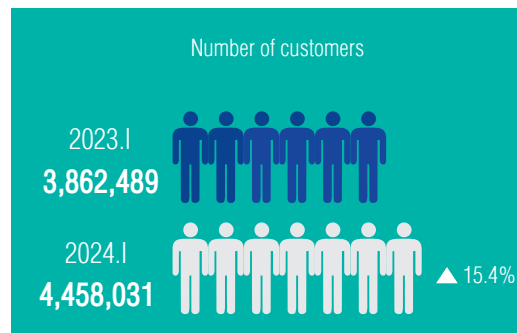
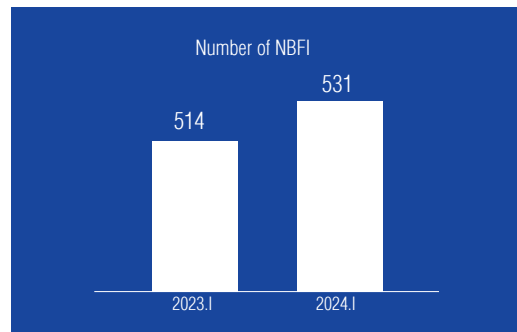


NON-BANKING FINANCIAL INSTITUTION

531 NBFIs were licensed by the Financial Regulatory Commission, representing a 3.3% increase from the same period of the previous year.

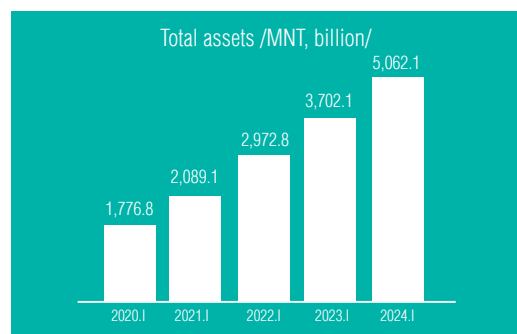
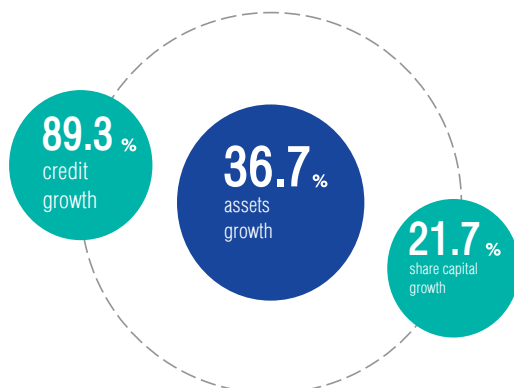
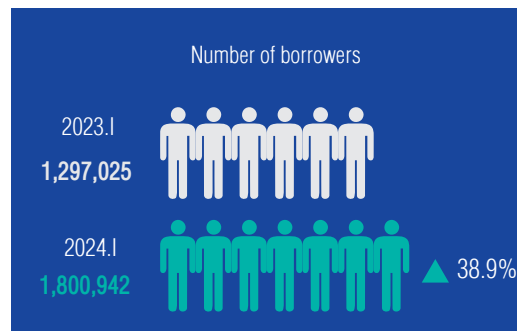


Among these, (4.5%) have international investments and while (95.5%) have domestic investments.



ASSETS OF NBFIS

The total assets of NBFIs reached MNT5.1 trillion, marking an increase of MNT1,360.0 billion (36.7%) from the previous year and 184.9% higher than the first quarter of 2020.



Assets structure of NBFIs (MNT, billions)

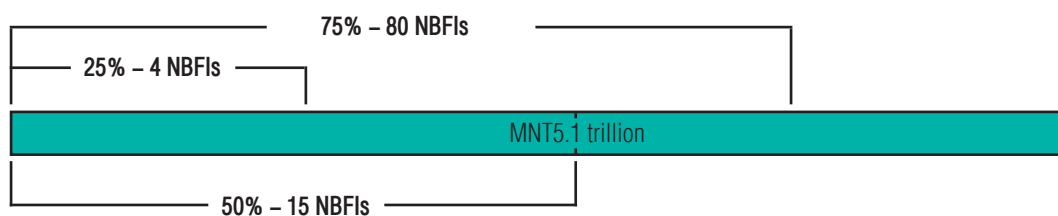
Total assets	4,819.0	95.2%	
Cash	588.2	11.6%	
Investment	57.6	1.1%	
Credit (net)	4,037.4	79.8%	
Factoring settlement receivables (net)	20.9	0.4%	
Derivative financial assets	1.6	0.0%	
Other	113.3	2.3%	
AMOUNT OF NON-FINANCIAL ASSETS	243.1	4.8%	
TOTAL ASSETS	5,062.1	100.0%	

Liability structure of NBFIs (MNT, billions)

Total liabilities	2,144.5	42.4%	
Liabilities	1,931.8	38.2%	
Source of Trust Services	759.1	15.0%	
Resources drawn from banks and financial institutions	705.5	13.9%	
Other	374.0	7.4%	
Derivative financial liabilities	0.8	0.0%	
Other financial liabilities	91.8	1.8%	
Secondary debt	0.6	0.0%	
Preference shares (liabilities)	0.0	0.0%	
AMOUNT OF NON-FINANCIAL LIABILITIES	212.7	4.2%	
OWN EQUITY	2,917.6	57.6%	
Share capital	1,655.7	32.7%	
Additional paid-in capital	65.4	1.3%	
Pocket stock	(2.6)	(0.1%)	
Addition to revaluation of fixed assets and intangible assets	0.5	0.0%	
Retained earnings and losses	1,189.6	23.5%	
Other property	9.0	0.2%	
TOTAL LIABILITIES AND EQUITY	5,062.1	100.0%	

The market share, in terms of total assets of the sector, was distributed as follows:

- The four largest NBFIs accounted for 25% of total assets,
- 15 NBFIs accounted for 50%.
- 80 NBFIs accounted for 75%.



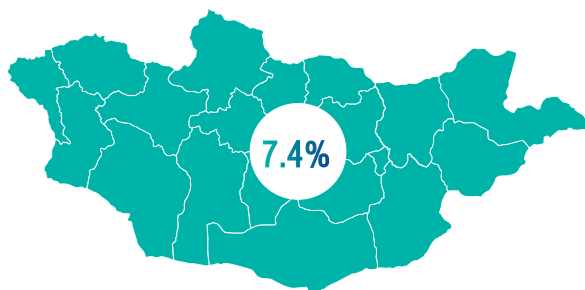
	Number of NBFIs		Total assets		Total loans		Percentage of non-performing loans in loan portfolio	Customers	
	No.	%	Amount (MNT, billions)	%	Amount (MNT, billions)	%		No.	%
Top 24 %	4	0.8%	1,244.8	24.6%	1,011.8	24.8%	1.3%	151,089	3.4%
Top 50 %	15	2.8%	2,519.8	49.8%	2,124.9	52.1%	2.7%	3,749,274	84.1%
Top 75 %	80	15.1%	3,802.0	75.1%	3,182.5	78.0%	4.7%	4,256,032	95.5%
TOTAL OF SECTOR	531	100.0%	5,062.1	100.0%	4,078.7	100.0%	6.9%	4,458,031	100.0%

Loans of NBFIs constituting 25%, 50% and 75% of the total assets of the non-bank financial sector, accounted for 24.8%, 52.1% and 78.0% of the total outstanding loans, respectively.

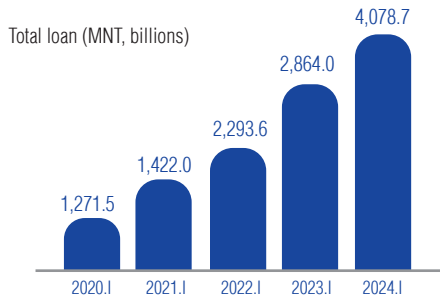
Some of the 15 NBFIs, representing 50% of the sector's total assets, utilized technology to offer inclusive services, serving the majority of customers (84.1%)

	Number of NBFIs	Total assets		Total loans		Customers	
		Amount (MNT, billions)	%	Amount (MNT, billions)	%	No.	%
With domestic investment	507	4,281.5	84.6%	3,441.2	84.4%	4,351,712	97.6%
With foreign investment	24	780.6	15.4%	637.5	15.6%	106,319	2.4%

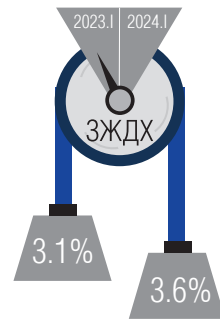
NBFIs with foreign investments included ten (41.7%) from Japan, six (25%) from South Korea, two from the US, and the remaining from Singapore, Malaysia, the UK, Canada and China. Foreign-invested NBFIs accounted for 15.4% of the total sector assets and provided services to 2.4% of all customers



In 2024, the total assets of NBFIs amounted to 7.4% of Mongolia's GDP.



In 2024, the weighted average monthly interest rate on loans issued by NBFIs reached 3.6%, marking an increase of 0.5 percentage points from the previous year.



TOTAL LOANS

The total value of loans in the non-bank financial sector increased by MNT1,214.7 billion (42.4%) from the previous year, representing an increase of MNT2.8 trillion (220.7%) from the first quarter of 2020.



NORMAL

89.4%

+1.8%



OVERDUE

3.7%

-0.7%



NON-PERFORMING

6.9%

-1.1%

MNT2,506.7 billion | Issued loan

Paid loan | MNT2,109.9 billion

Wholesale and retail



7.5%

7.3%

Construction



2.0%

2.5%

Mining



0.4%

0.3%

Cars and motorcycles repair services



1.7%

1.8%

Accommodation and catering



1.1%

1.0%

Processing factories



0.4%

0.5%

Agricultural



0.5%

0.4%

Other



86.4%

86.2%

CITIZEN



88.5%

92.4%

92.5%

LEGAL ENTITIES



11.5%

7.6%

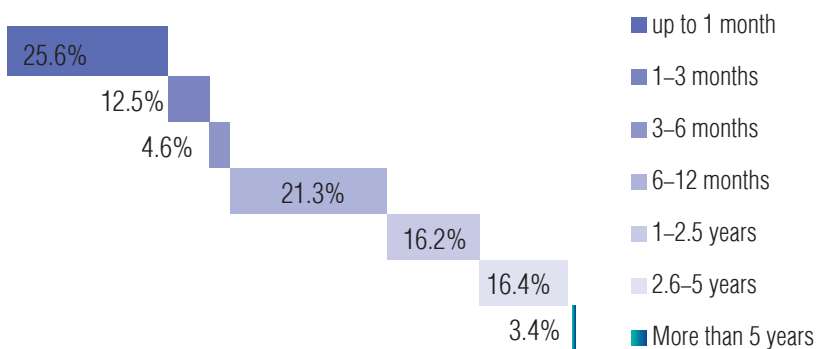
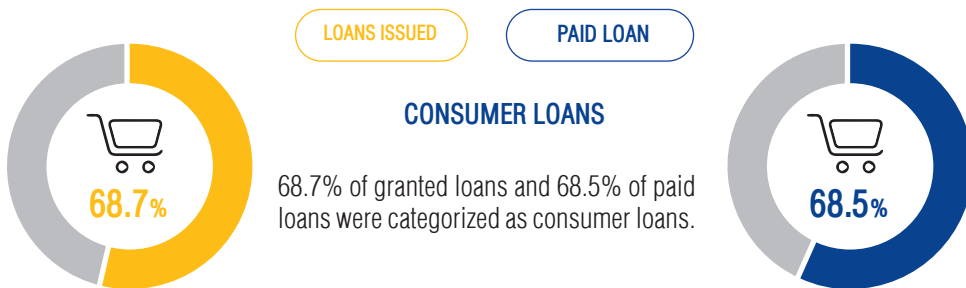
7.5%

LOAN BALANCE

LOANS ISSUED

PAID LOAN

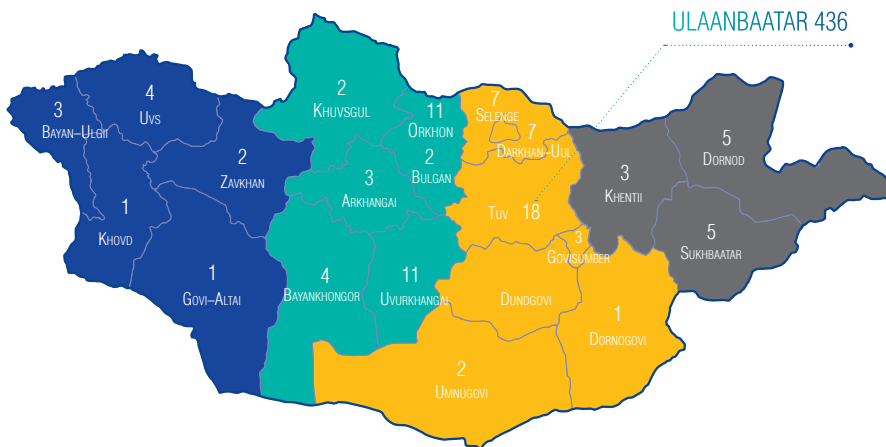
Approximately 88.5% of outstanding loans were provided to individuals, and 11.5% were to legal entities.



According to the terms of loans issued by the NBF sector, 64.0% had a duration of 1-12 months, 32.6% were long-term loans with a duration of 1-5 years, and 3.4% had a duration of 5 years.

ACCESSIBILITY

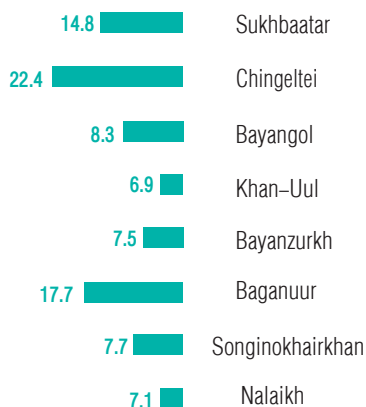
Nationwide, there were 531 licensed NBFIs, comprising a total of 462 branches.



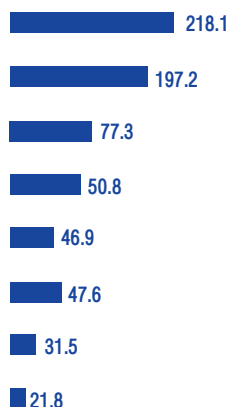


Sector accessibility is calculated using key indicators for assessing financial inclusion, as developed by the International Alliance for Financial Inclusion (AFI). Out of the country's 21 provinces, 13 (61.9%) had three or more NBFI.

Per 1,000 enterprises



Per 100,000 population



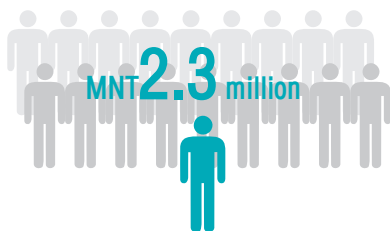
Among the 436 NBFI operating in Ulaanbaatar, their distribution across districts was as follows: 32.3% in Sukhbaatar district, 28.4% in Chingeltei, 16.3% in Bayangol, 11.5% in Bayanzurkh, 9.2% in Khan Uul, 2.1% in Songinokhairkhan, and 0.2% in Baganuur district.

BY ACCESSIBILITY AND GEOGRAPHICAL LOCATION OF NBFIS

- On average, there were an average of 50.6 NBFI per 100,000 people aged 18–64 years and 10.3 NBFI per 1,000 businesses throughout Mongolia.
- Locally, these ratios were 27.1 NBFI per 100,000 people and 9.7 NBFI per 1,000 businesses in the regions generally. Specifically, in the Central Region, there were NBFI of 35.1 NBFI per 100,000 people, and in the Eastern Region, there were 12.5 NBFI per 1,000 enterprises, indicating varying levels of access.
- In Ulaanbaatar, there were 76 NBFI per 100,000 people and 10.5 NBFI per 1,000 businesses, demonstrating better access compared to rural areas.

51 NBFI per
100,000
people nationwide

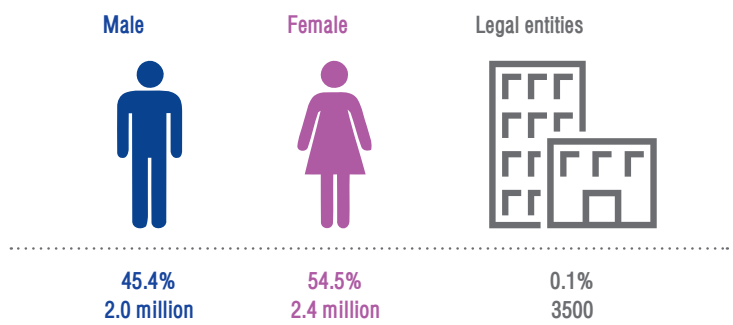
10 NBFI per
1,000 enterprises



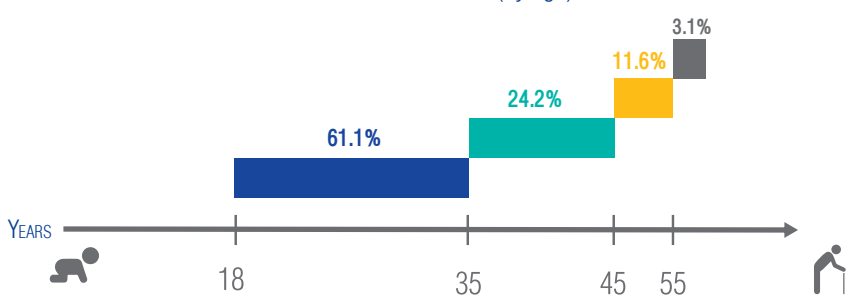
AVERAGE LOAN

- The average NBFI borrower had a loan of MNT2,3 million, ranging from MNT2,1 million in rural areas to MNT2,3 million in Ulaanbaatar.
- This compares to MNT2.2 million nationwide in the previous year, indicating a 2.6% increase in the average loan amount per borrower from NBFI.
- The total number of borrowers was 1.8 million, with 91.8 out of every 100 people of working age (18–64 years) having loans from NBFI.

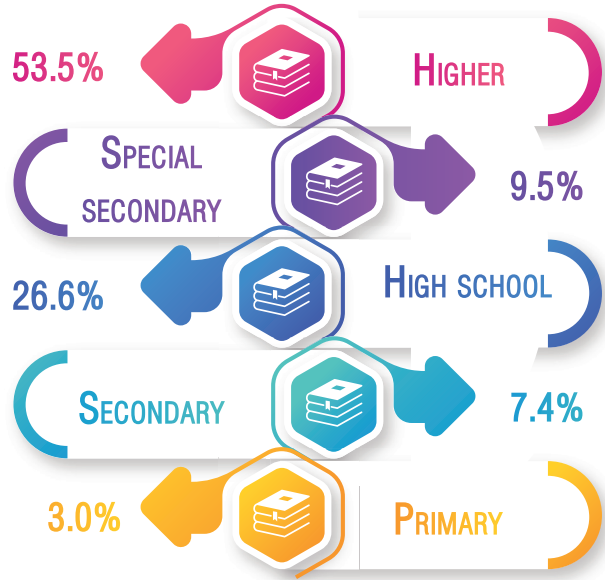
Customers of NBFIs



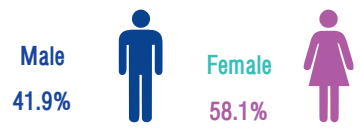
Borrowers of NBFIs (by age)



Borrowers of NBFIs (by level of education)



NBFI employees



PRODUCTS AND SERVICES

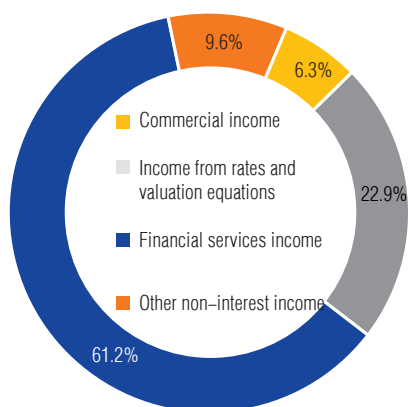
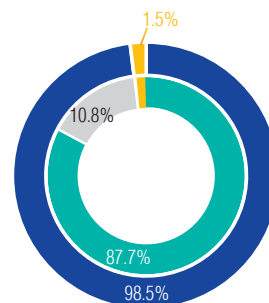
NUMBER OF NBFIS AND TYPES OF SERVICES (WITH DOUBLE COUNTING)



REVENUE FROM PRODUCTS AND SERVICES

- o The total income of NBFIs reached MNT378.1 billion.
- o Most of the total revenue (98.5%) was generated from operating income, interest, and non-interest income. Specifically, 87.7% (MNT331.8 billion) of the total revenue was from interest income, and 10.8% (MNT40.8 billion) was from non-interest income.

- interest
- non-interest income
- non-operating income
- operating income



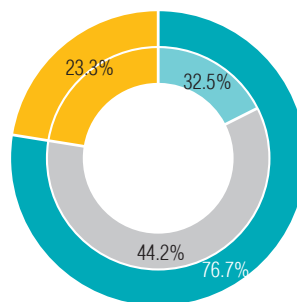
BREAKDOWN OF NON-INTEREST INCOME

- o The breakdown of non-interest income was as follows: financial services income accounted for 61.2%, foreign exchange rate and valuation adjustments contributed (22.9%), and trading (6.3%) and (9.6%) non-interest income.

COSTS OF PRODUCTS AND SERVICES

- o The total cost of NBFIs amounted to MNT 232.2 billion. Operating expenses accounted for 76.7% of this total, with MNT 102.6 billion (44.2%) attributed to non-interest expenses and MNT 75.6 billion (32.5%) were interest expenses.

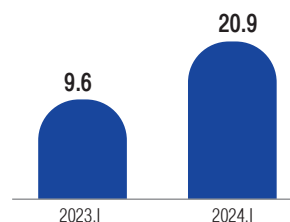
- interest
- non-interest income
- non-operating income
- operating income



Expenditures related to product and service risks (or potential risks) amounted to a total of MNT31.3 billion, with 94.3% attributed to credit risk expenses, 2.1% to other real estate risk expenses, 0.8% to receivables risk expenses and, 1.0% to factoring service risk expenses, 0.2% to the cost of the other capital investment fund, 1.6% to the other capital investment fund, respectively.

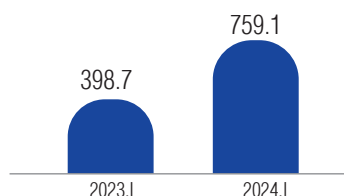
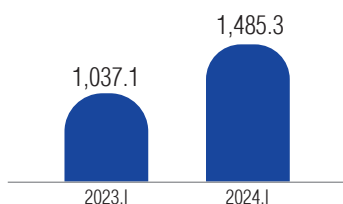
- A total of MNT20.9 billion of net factoring receivables was registered in the sector.

Net receivables for factoring services (MNT billions)



- A total of 74 NBFIs provided trust services in the sector and a total liability for trust services amounted to MNT 759.1 billion; an increase of 90.4% from the same period of the previous year.

Trust service payable (MNT, billions)

Мөнгөн гуйвуулгын үйлчилгээний орлого
/сая төгрөг/

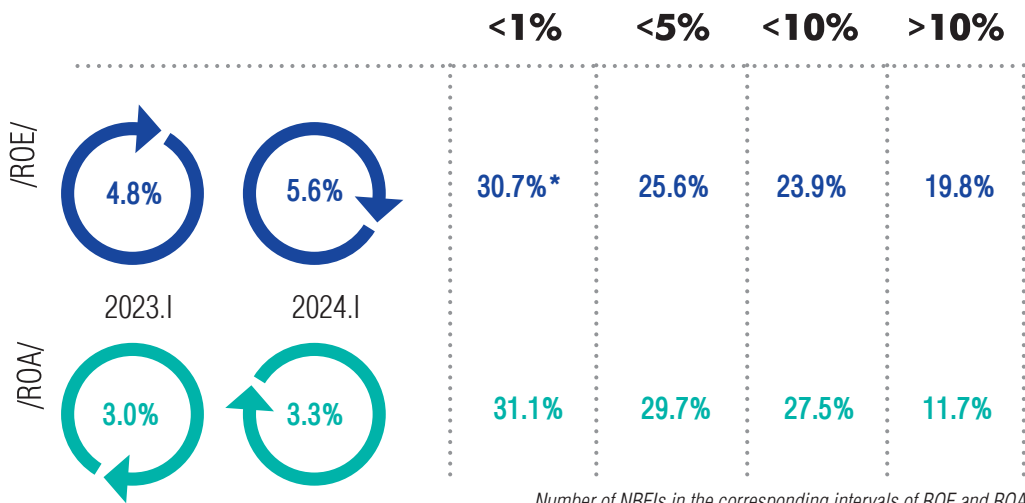
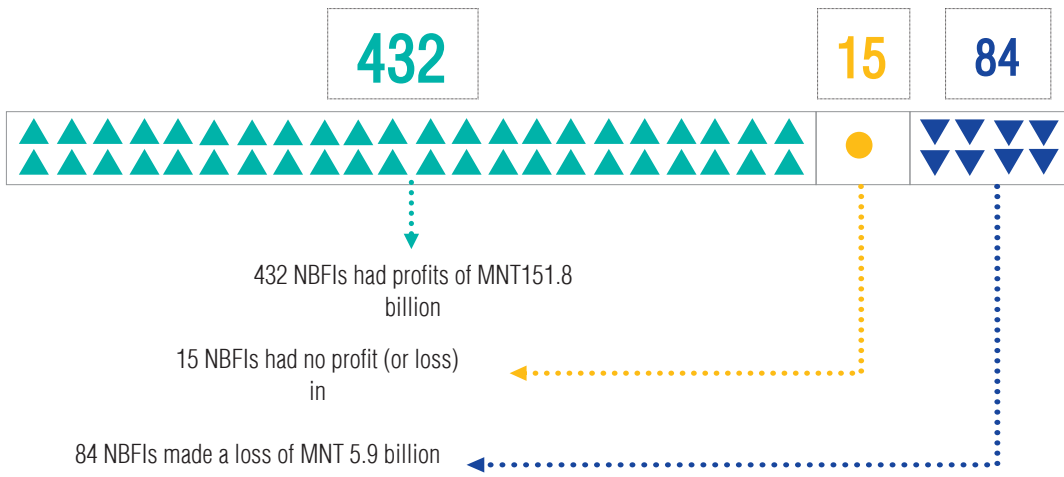
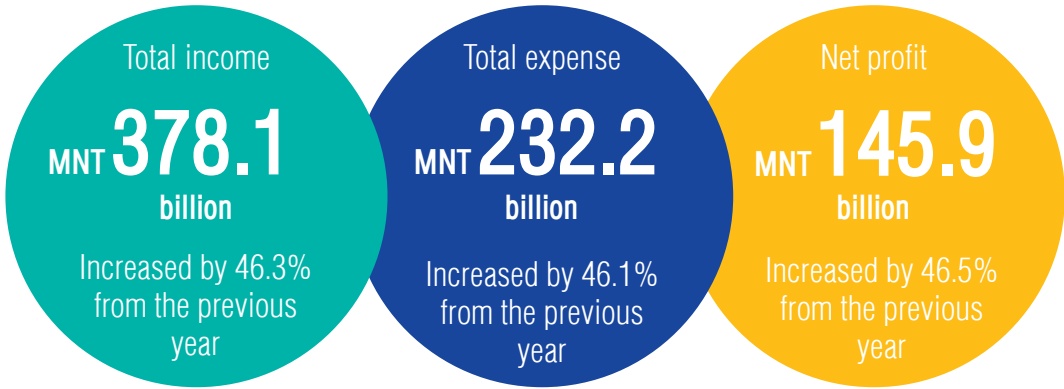
- NBFIs earned MNT 1.5 billion in revenue from remittance services, representing an increase of MNT 448.2 million from the previous year. Additionally, 47 NBFIs are licensed to provide remittance services, with 12 of them earning revenue from such services.

CURRENCY TRADING NEWS

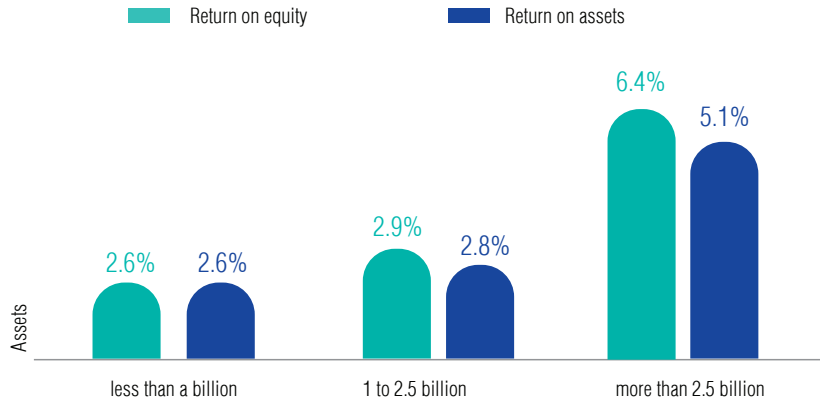
- NBFIs purchased a total of MNT 912.0 billion worth of currency and sold MNT 871.8 billion worth. The US dollar accounted for 53.5 of the currency purchased and 50.9 of the currency sold.

CURRENCY NAME	Bought Result (MNT, billions)	Sold Result (MNT, billions)
US DOLLARS	487.7	443.1
CHINESE YUAN	265.7	270.3
RUSSIAN RUBLE	59.9	59.0
JAPANESE YEN	11.1	10.9
KOREAN WON	22.4	22.0
OTHER	65.2	66.6

PROFITABILITY



Number of NBFI in the corresponding intervals of ROE and ROA
 (*) For example: 30.7% of all NBFI had no ROE of less than 1%

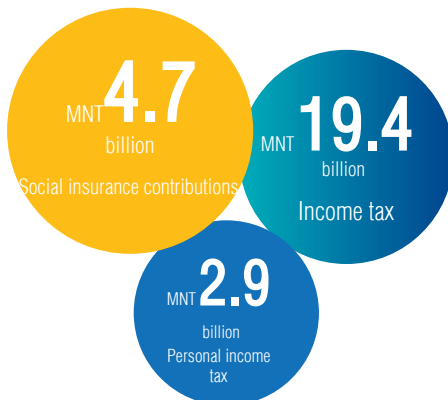


RETURN ON ASSETS AND RETURN ON EQUITY RATIO (BY ASSET CLASSIFICATION)

In terms of the ROA (return on asset) and the ROE (return on equity) of NBFIs by share capital, the data shows that half of NBFIs with equity of less than MNT1.0 billion had a ROA of less than 2.6%. Similarly, half of NBFIs with a share capital of MNT1.0 to 2.5 billion had a ROA of less than 2.8%, and half of NBFIs with equity of more than MNT2.5 billion had a ROA of less than 5.1%. In terms of ROE, the relevant values were 2.6%, 2.9% and 6.4% for the three categories of assets by size.

COST, REVENUE RATIO

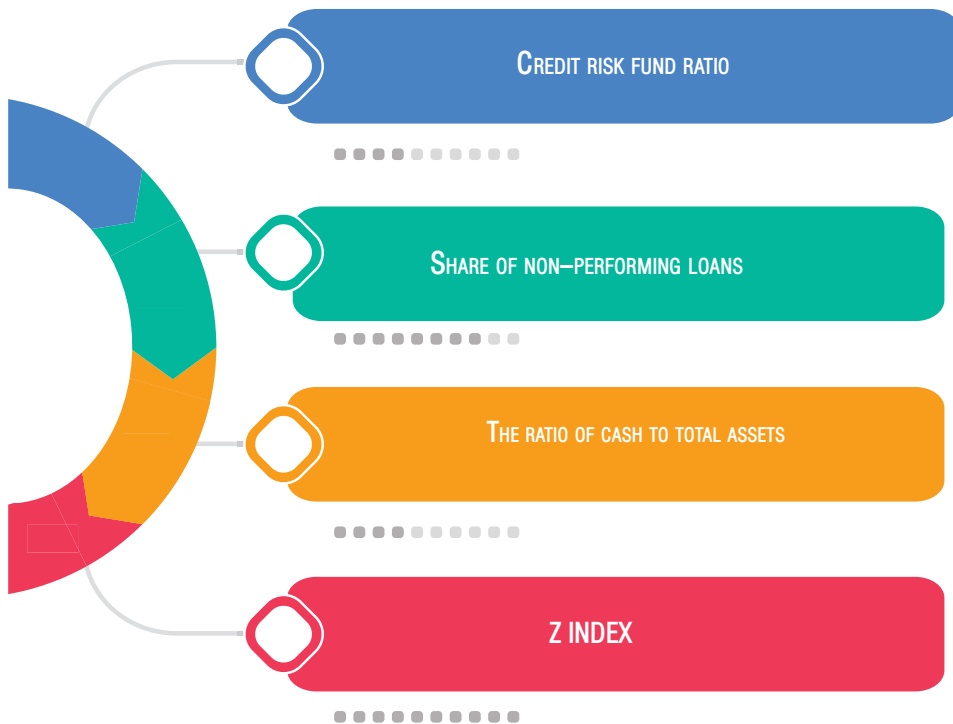
The cost-to-income ratio, which calculates the average amount spent by NBFIs to earn one MNT was 61.0% and 14.7% higher than the same period of last year. In other words, NBFIs spend an average of MNT 61.4 to earn MNT 100.0.



- o All NBFIs paid MNT4.7 billion to social insurance premiums, MNT2.9 billion for individual income tax, MNT19.4 billion for corporate income tax, and contributed MNT27.0 billion to the state budget.

STABILITY

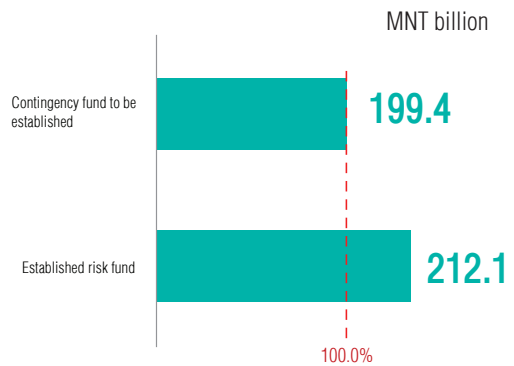
- o Regarding stability, four indicators of NBFIs were calculated in accordance with AFI's guidelines to determine financial access and financial stability.



CREDIT RISK FUND RATIO

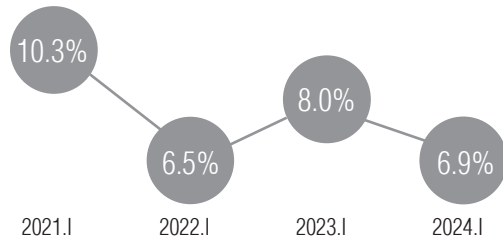
The ratio was 106.4%, accomplished by the creation of a contingency fund. This was an increase of 0.6 percentage points from the same period of the previous year.

106.4%



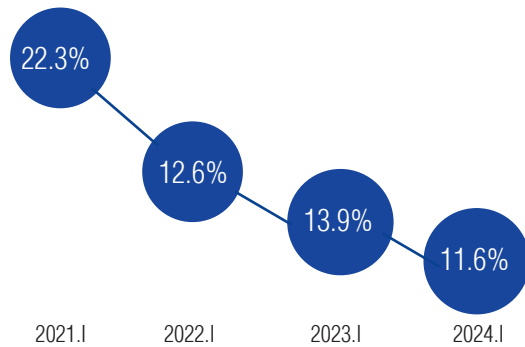
NON-PERFORMING LOANS

In the reporting quarter, non-performing loans reached MNT282.0 billion, and the amount of non-performing loans (among total loans) reached 6.9%. A decrease of 1.1 percentage.



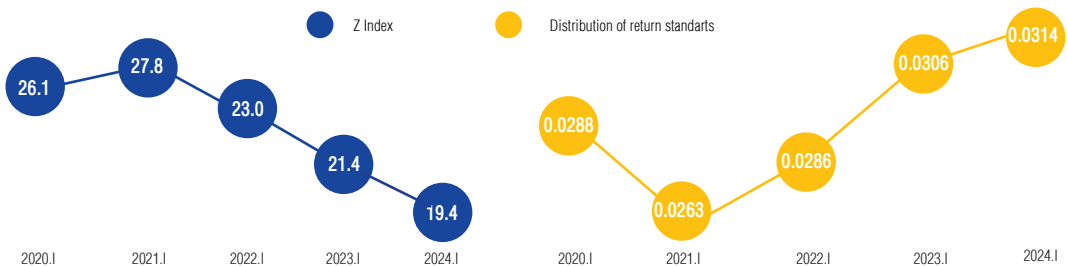
TOTAL CASH ASSETS COMPARATIVE RATIO

- o The ratio of cash assets to total assets decreased by 2.3 percentage points to 11.6% in the reporting year.



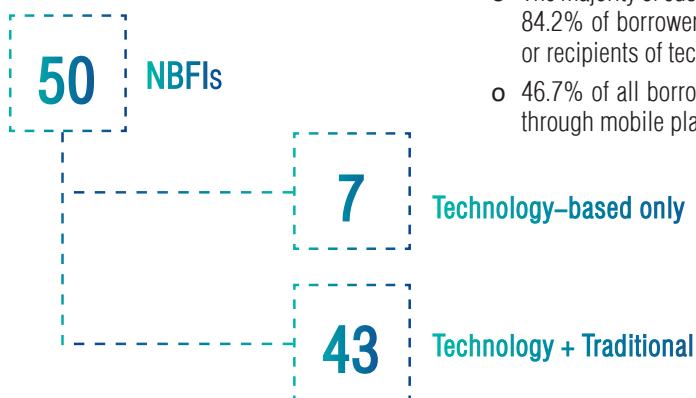
Z INDEX

The Z index – indicating the probability of an NBF1 going bankrupt – decreased by 2.0 percentage points from the previous year.



FINTECH

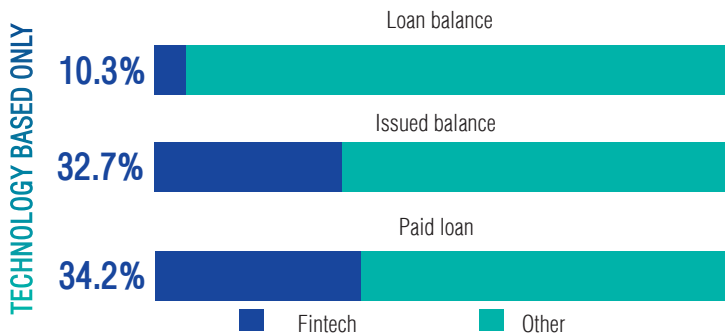
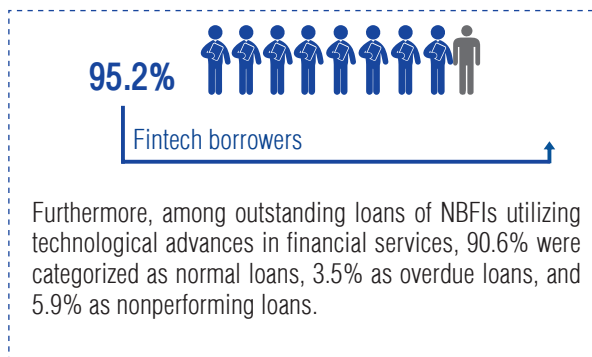
	Total loans		Borrowers		Average loan amount per borrower (MNT, thousands)
	Amount (MNT, billions)	%	Number	%	
Fintech	834.5	20.5%	1,516,026	84.2%	550.4
Traditional	3,244.2	79.5%	284,916	15.8%	11,386.7
TOTAL	4,078.7	100.0%	1,800,942	100.0%	2,264.9



- o The majority of customers in the sector (95.2%) and 84.2% of borrowers are customers of these NBFIs or recipients of technology-based loan services.
- o 46.7% of all borrowers obtained loans exclusively through mobile platforms

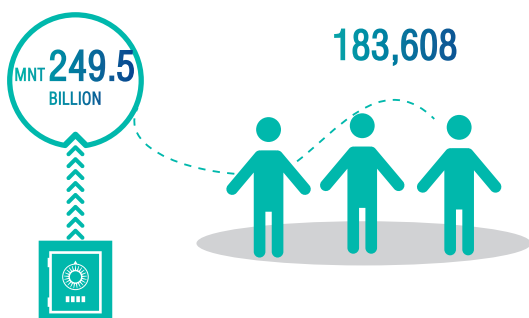


90.6% normal
 3.5% overdue loans
 5.9% poor quality



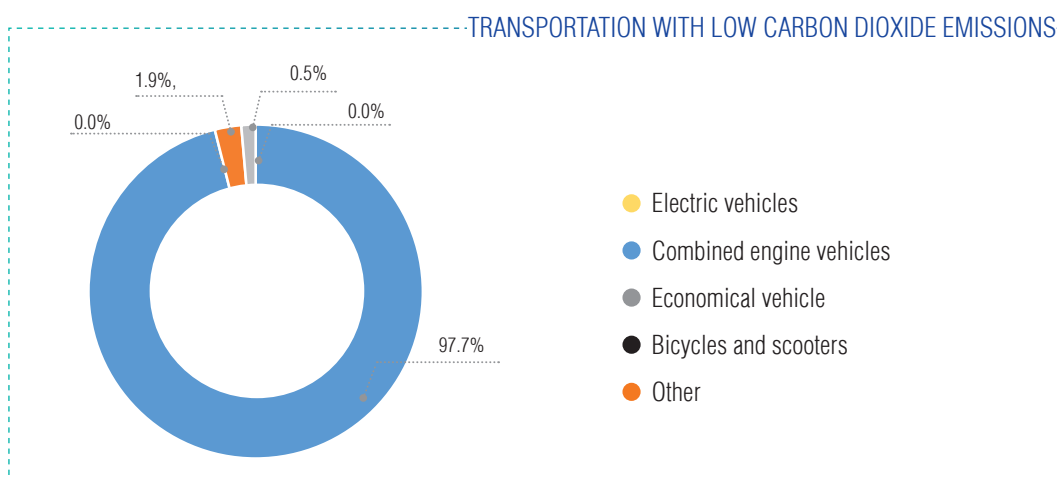
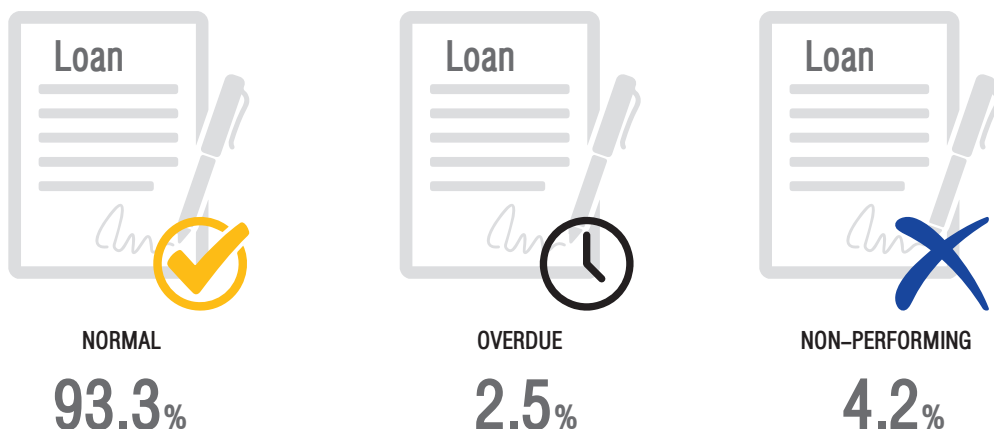
Despite comprising a small share of the total loan balance in the sector, – loans issued and repaid by NBFIs were generally favorable.

GREEN LOAN



The balance of 12 different green loans amounted to MNT 249.5 billion, representing 6.1% of the total loan balance, and was granted to 183,608 borrowers.

	Green loan (%)	Number of borrowers	Total loan balance /MNT, million/
Energy supply and infrastructure	0.0%	13	52.1
Energy efficiency	0.1%	80	281.7
Sustainable urban planning and construction	3.5%	727	8,601.0
Pollution reduction and prevention	6.1%	115	15,150.4
Sustainable water and waste	0.0%	–	–
Sustainable agriculture	2.6%	736	6,456.5
Sustainable land use and biodiversity	0.4%	10	1,003.4
Transport with low carbon emissions	39.5%	4,831	98,673.8
Information, communication and technology	43.7%	177,091	109,158.6
Health	0.1%	1	263.5
Education and Culture	0.1%	2	200.0
Accessible infrastructure	3.9%	2	9,704.5



LOANS ISSUED /FIRST SEASON OF 2024/

Type	Green loan (%)	Number of borrowers	Loan amount granted
Energy efficiency	0.0%	17	70.8
Sustainable urban planning and construction	0.8%	128	1,446.4
Pollution reduction and prevention	3.1%	47	5,857.2
Sustainable agriculture	0.7%	22	1,232.0
Sustainable land use and biodiversity	0.2%	3	370.6
Transport with low carbon emissions	14.8%	1,870	27,665.2
Information, communication and technology	80.0%	368,534	149,733.1
Education and Culture	0.1%	2	200.0
Accessible infrastructure	0.4%	2	704.0

Loans issued during the reporting quarter: A total of 18 NBFCs issued 9 types of green loan products worth MNT187.3 billion.



POLICY AND LEGISLATION

- Various regulations applicable to non-banking financial institutions have been updated, approved with amendments, and registered in the State Unified Fund of Administrative Norms Acts.
- International Financial Reporting Standards (IFRS): As NBFIs expand their operations, enter the capital market, become open joint-stock companies, participate in specific non-banking financial activities, attract foreign investment, and launch new financial products and services, they will be governed by International Financial Reporting Standards (IFRS). Adhering to industry norms and modernizing accounting practices are essential.
- On December 8, 2023, the Chairman of the Financial Regulation Committee and the Minister of Finance jointly approved order No.A/226/528, reaffirming the "Accounting Procedures to be Followed by Enterprises and Organizations Engaged in Non-Banking Financial Activities." This process has been followed by NBFIs since January 1, 2023.
- IFRS-9 (Financial Instruments), IFRS-13 (Fair Value Measurement), and IFRS-7 (Financial Instruments): outline the classification, measurement, and transaction recording of non-current assets held for sale, discontinued operations, and the recognition of financial assets and liabilities. Details are also described in IFRS-5.
- Implementation of Clause 15.4 of Article 15 of the Law on Non-Banking Financial Activities.
- External Audit Compliance: In 2023, 514 non-banking financial institutions (NBFIs), accounting for 88.5% of the total, fulfilled their obligation to verify financial statements through external audits.
- Public Disclosure Compliance: Additionally, 432 NBFIs, representing 84.0% of the total, complied with the obligation for public disclosure of their financial information.
- Implementation of the law on "Loan Information"
- Mandates for NBFIs: The Law on "Loan Information" requires non-banking financial institutions (NBFIs) to engage in the provision, receipt, and exchange of loan information. This is achieved through formal contracts with licensed loan information service providers authorized by the Bank of Mongolia.
- The Bank of Mongolia, along with "Buren Skor ZMS" LLC, and "Titan CRA ZMS" LLC has signed agreements with 469 NBFIs. This represents 99.4% of the 472 NBFIs involved in lending operations.
- Implementation of the Law on Combating Money Laundering and Anti-Terrorism Financing
- In accordance with Article 7.1 of the Law on Combating Money Laundering and Anti-Terrorism Financing', 76 non-banking financial institutions (NBFIs) reported transactions amounting to MNT 470.3 billion across 3,708 cases. Under Article 7.2, 4 NBFIs reported transactions amounting to MNT 2.1 billion across 199 cases to the Financial Information Office of the Bank of Mongolia, thereby fulfilling their legal obligations.
- Implementation of the "Regulation for setting and centralizing fees for regulatory services"
- In the first quarter of 2024, a total of 516 NBFIs collected regulatory service fees, totaling MNT 1,293.0 million. of this amount, MNT 1,152.1 million or 89.1%, deposited into the relevant account of the Financial Regulatory Commission.



INTERNATIONAL COOPERATION

Policy Regulation and International Collaboration

- Meetings in Fiji: From April 4–8, 2024, the Financial Regulatory Commission (FRC) participated in the 10th Meeting of the Accessible Green Finance Working Group and the 27th Meeting of the Consumer Empowerment and Market Regulation Working Group of the International Financial Inclusion Association, held in Nadi, Republic of Fiji. Representatives from Mongolia discussed the impact of climate change on the growth of an environmentally friendly and accessible financial sector. They pledged continued collaboration on green loans, the introduction of green taxonomy, and support for SMEs within the context of sustainable development. Mongolia's efforts in sustainable development were also presented.
- Training on Sustainable Financing: From March 13–15, 2024, a training session on risk management related to climate change, green finance, and sustainable financing was held. This session was organized in collaboration with the International Finance Corporation (IFC) and the Association of Non-Banking Financial Institutions of Mongolia (NBFI). It addressed trends, challenges, and key elements necessary for introducing sustainable financing practices for NBFIs in Mongolia.
- Round Table Discussion on Sustainability: On April 29, 2024, the FRC participated in a round table discussion aimed at enhancing collaboration between the public and private sectors in Mongolia on sustainability issues. The discussion focused on new standards and trends in sustainability reporting and explored potential solutions to current challenges faced by stakeholders.
- Sustainability Workshop: On April 30, 2024, the "Sustainability, Environment, and Climate Reporting Workshop and Discussion" was jointly organized by the Mongolian Sustainable Finance Association, the Bank of Mongolia, the FRC, and international partners, including GCF/TDBM, CTIF, UNDP, ESCAP, FC4S, and IFC. The event addressed various aspects of sustainability, environment, and climate reporting.



SCCs

Total assets

MNT **316.2** billion

Capital growth **15.2%**



Financial market status

Total branches **61**

Total members

73,293



Accessibility

Total savings

MNT **219.9**
billion



Products and services

Profitability



Net profit

MNT **1.9**
billion

Tax collected by the
state, Social security
contributions

MNT **1.1**
billion

Stability



Percentage of non-performing
loans (on total loans)

3.1%

Share of cash in total assets

22.7%

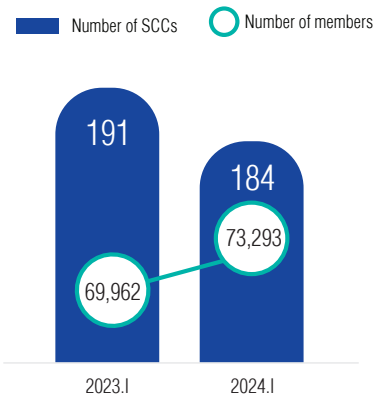
Regulatory
environment



FINANCIAL MARKET STATUS

NUMBER AND MEMBERS OF SCCs

- There were 184 licensed SCCs, which decreased by 7 (3.7%) compared to the same period of the previous year.
- The number of SCC members increased by 4.8% to 69,962 compared to the same period in 2023 when there were 73,293.
- In the reporting year, the number of SCCs decreased by 27.6% compared to 2020. However, the number of SCC members decreased by 1.9%.



EMPLOYEES

651

Өнгөрсөн оны мөн үеэс 5.0 хувиар буурсан.

TOTAL MEMBERS

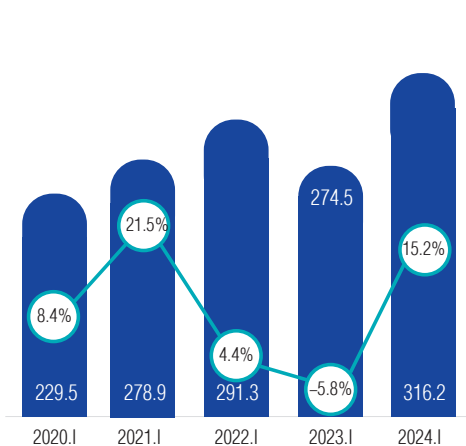
31,619

Borrowers

45,624

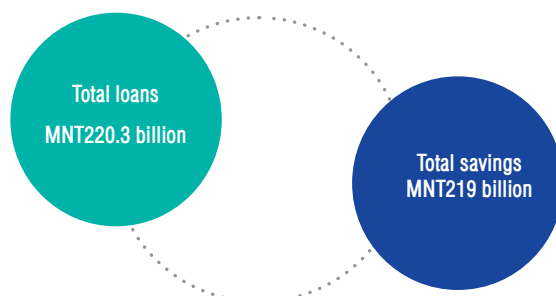
Depositors

■ Total assets (MNT, billions) ○ Total assets growth (MNT, billions)



TOTAL ASSETS AND THEIR GROWTH

- Net worth increased by 15.% to MNT316.2 billion compared to the previous year and increased by 37.7 % – compared to 2020.



TOTAL MARKET SHARE

Total assets of the sector;

- o 33 SCCs with net capital greater than MNT1 billion each comprised 88.6% of the market.
- o 22 SCCs with net capital ranging from MNT500 million to 1 billion each comprised 5.1% of the market.
- o 129 SCCs with net capital of less than MNT500 million each comprised 6.3% of the market.

88.6%

More than MNT1 billion

33 SCCs

5.1%

22 X3X

500 million to 1 billion

Less than MNT500 million

6.3%

129 SCCs

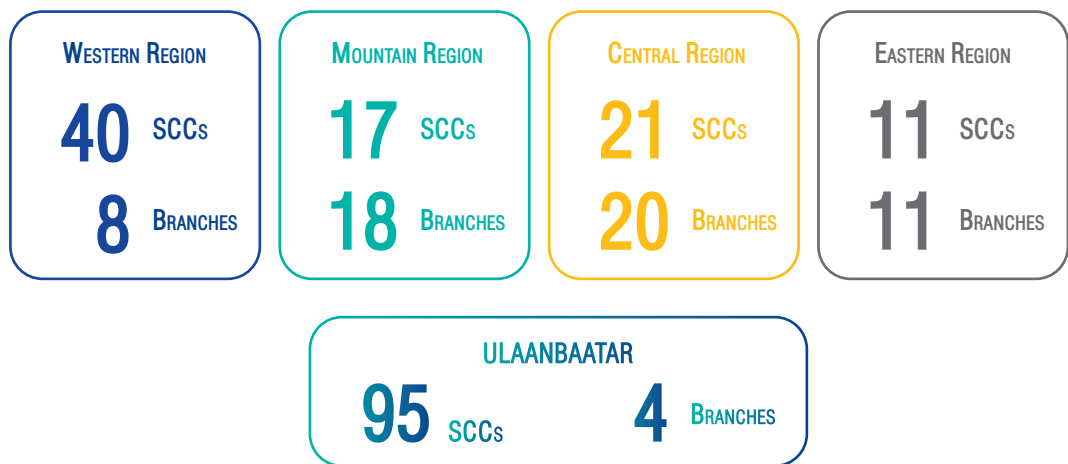
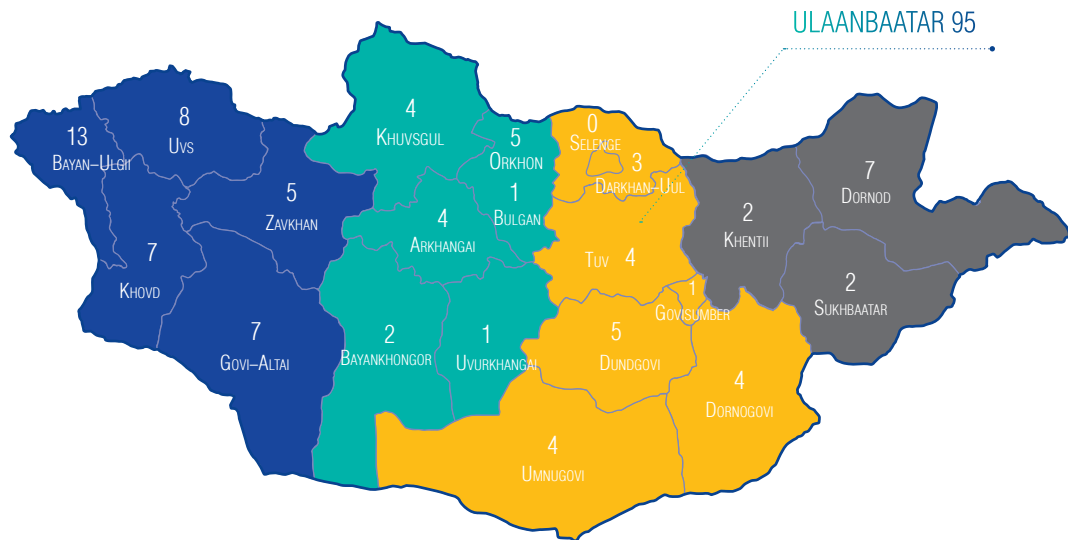
Report structure (MNT, billion)

Total assets	316.2	100.0%
Currents assets	312.0	98.7%
Cash	71.7	22.7%
Short term investment	0.8	0.3%
Loan /Net/	214.8	67.9%
Receivables	19.6	6.2%
Other current assets	4.1	1.3%
Other assets /net/	0.9	0.3%
Non-current asset	4.2	1.3%
Fixed assets	4.0	1.3%
Intangible assets	0.2	0.1%
Investment and others	0.0	0.0%
Total liabilities and equity	316.2	100.0%
Liabilities	244.9	77.5%
Savings	219.9	69.6%
Short-term loan	3.4	1.1%
Other short-term debt/current liabilities	20.5	6.5%
Long term debt	1.0	0.3%
Own assets	71.3	22.5%
Member contribution	28.3	8.9%
Re-evaluation surcharge	0.2	0.1%
Cooperative property	42.7	13.5%

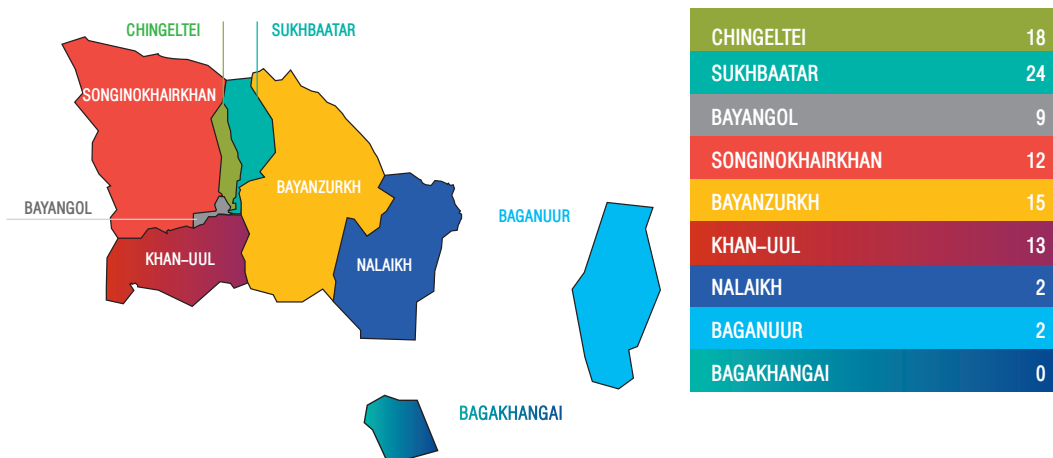


- o Current assets accounted for 98.7 and non-current assets for 1.3% of the total assets.
- o Cash assets represented 22.7% of net capital and 67.9% of the loan balance, while receivables accounted for 6.2%. Other assets constituted 1.3%, with 0.3% attributed to other owned assets, and 0.3% to short-term investment of net capital.
- o Liabilities accounted for 77.5% of net capital, while own assets represented 22.5% of net capital.

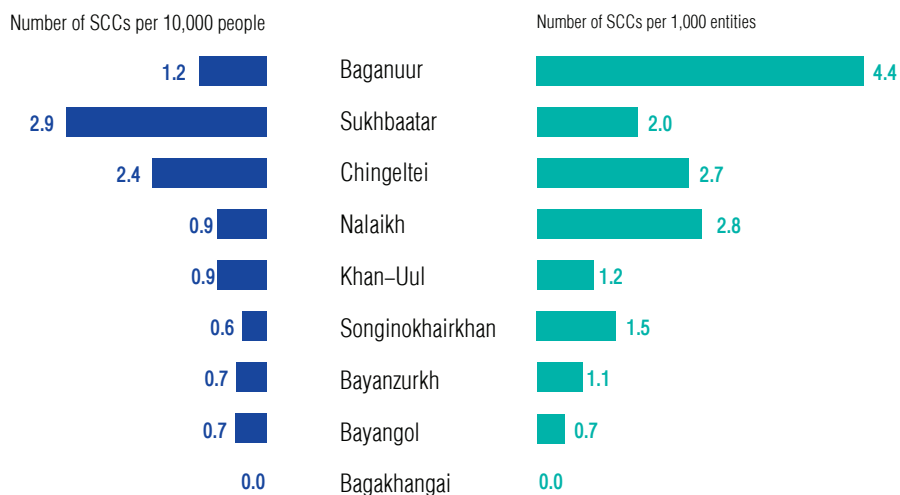
ACCESSIBILITY



- 95 SCCs located in Ulaanbaatar, and 89 located in rural areas
- Among the 95 SCCs located in rural areas, 44.9% were in the Western Region, 23.6% in the Central Region, 19.1% in the Mountain Region, and 12.4% in the Eastern Region.
- Out of the 95 SCCs in Ulaanbaatar, 95.8% were situated in the central six districts, with the remaining 4.2% located in the three remote districts.

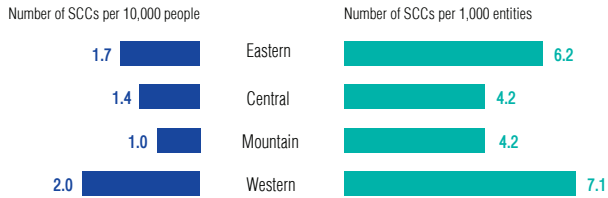


Financial inclusion indicators released by the AFI Data Working Group (2013) are shown below. These include the number of SCCs per 10,000 people (aged 18 to 64 years) and the number of SCCs per 1,000 entities.



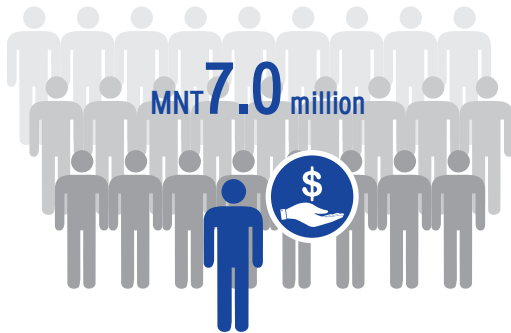
- o Regarding the number of SCCs per 1,000 entities, Nalaikh district had 2.8 SCCs, Baganuur district had 4.4 SCCs and Bayangol district had the least with 0.7 SCCs.
- o Concerning the number of SCCs per 10,000 people, Sukhbaatar, Chingeltei, and Baganuur districts led with 2.9, 2.4, and 1.2 SCCs respectively.

¹ <https://www.afi-global.org/sites/default/files/publications/fidwg-core-set-measuring-fi.pdf>



The Western Region had the highest number of SCCs, per 1,000 entities and per 10,000 people as indicated.

Average loan per member



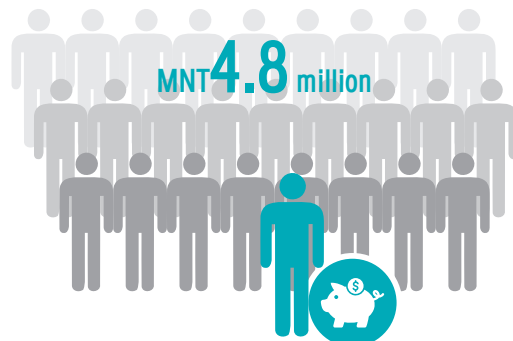
ACCESS TO LOANS

- o Nationally, one in 62 individuals aged 18 to 64– was both a member of an SCC and received a loan.
- o In rural areas, the ratio was slightly better, with one in 61 individuals being members of SCCs and receiving loans, while in Ulaanbaatar, it was one in 71 individuals.
- o The average individual loan among all members who received loans was MNT7.0 million nationwide.
- o The average loan per member was higher in Ulaanbaatar at MNT11.0 million compared to MNT3.4 million in rural areas.

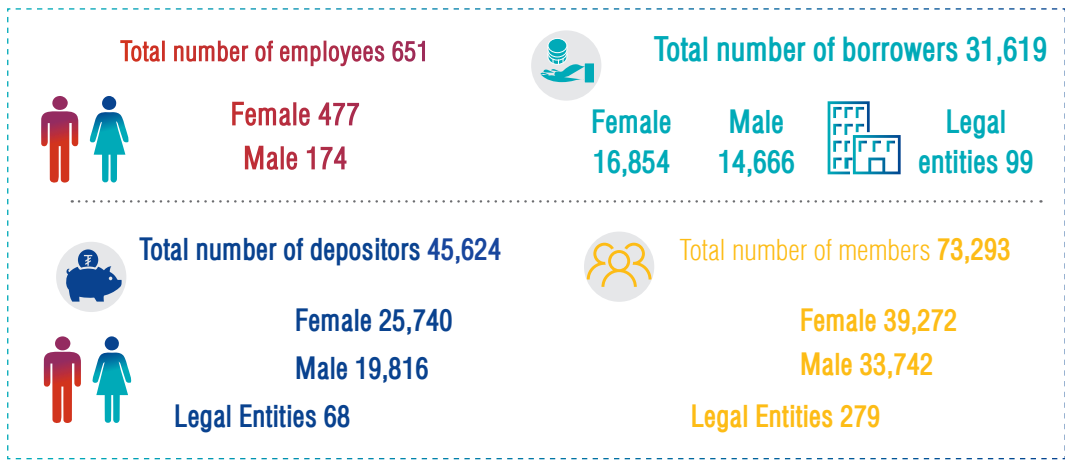
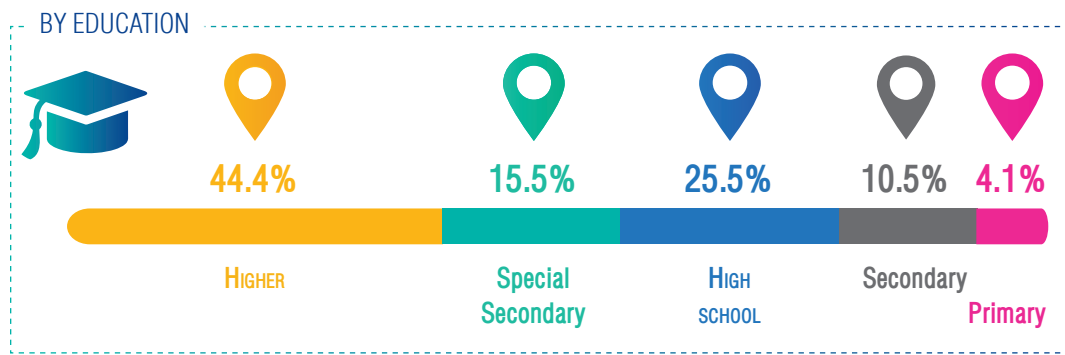
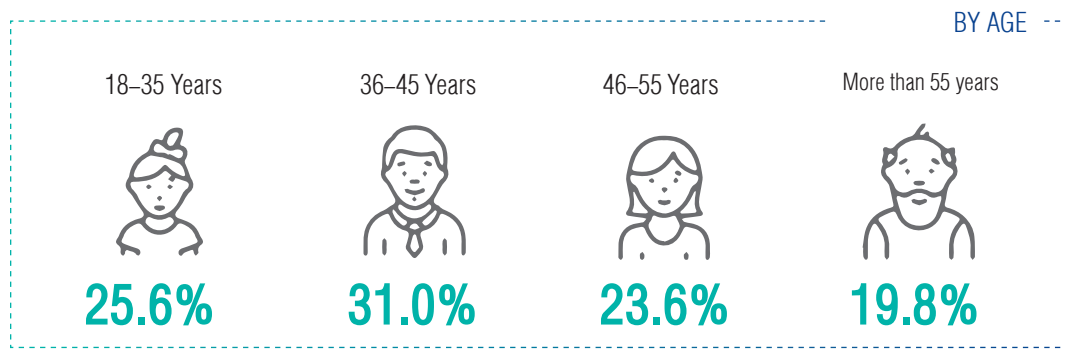
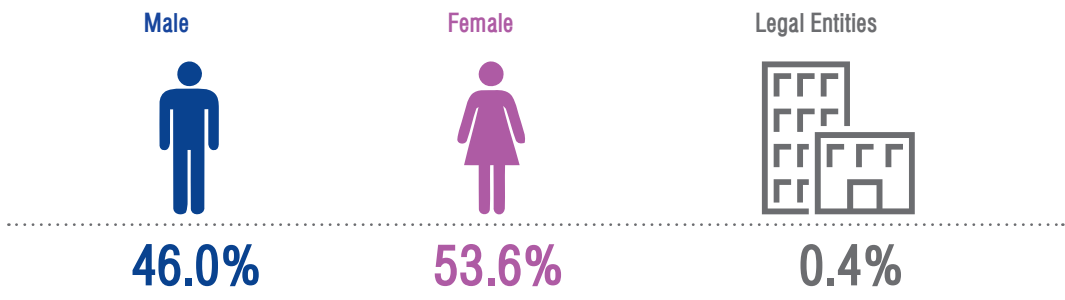
ACCESS TO SAVINGS

- o Nationally, one in 43 individuals aged 18 to 64 was engaged in saving at an SCC.
- o In rural areas the ratio was slightly lower, with one in 47 individuals being members of SCCs and engaged in saving, while in Ulaanbaatar, it was slightly higher at one in 31 individuals.
- o The average individual savings among all members holding savings accounts was MNT4.8 million.
- o The average savings per member was higher in Ulaanbaatar at MNT7.2 million compared to MNT2.2 million in rural areas.

Average amount of savings per member



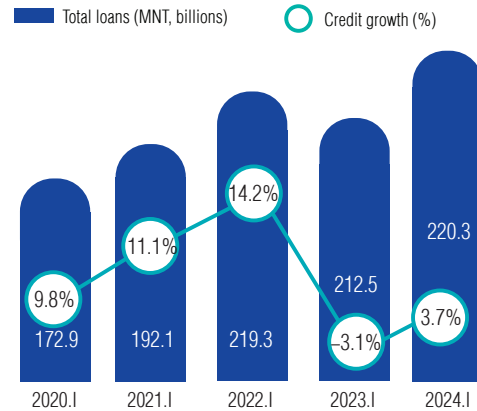
MEMBERS OF SCCs



PRODUCTS AND SERVICES

LOANS FROM SCCs

- o Total loans amounted to MNT220.3 billion; which increased by 3.7% (MNT7.8 billion) compared to 2023, and increased by 27.4% (MNT47.4 billion) compared to 2020.
- o Net loans increased by 3.3% – to MNT214.8 billion – compared to the previous year, while the credit risk fund increased by 17.4% to MNT5.4 billion.



NORMAL

93.1%



OVERDUE

3.8%



NON-PERFORMING

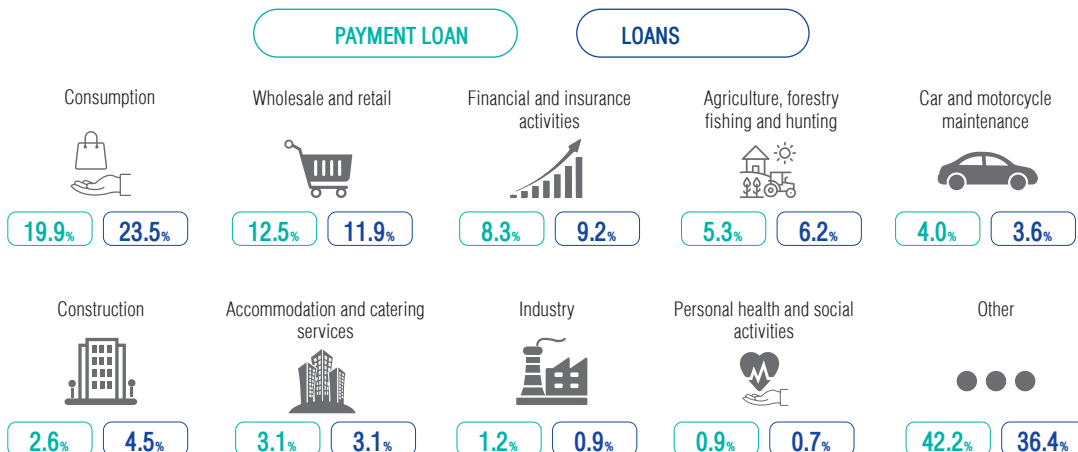
3.1%

LOAN QUALITY OF SCCs

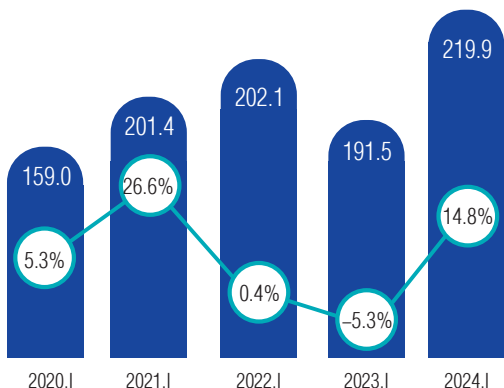
- o Normal loans decreased by 4.3% to MNT205.1 billion from the previous year, constituting 93.1% of total loans.
- o Overdue loans decreased by 1.2%; rising by MNT8.3 billion from the previous year. Non-performing loans decreased by 8.1%; increasing by MNT6.9 billion from the previous year.
- o SCCs' non-performing loans decreased by MNT0.5 billion (6.8%) compared to the same period of 2020.

PURPOSE OF SCC LOANS

- o The majority (23.5%) of loans were issued for general consumption, followed by 11.9% for the wholesale and retail sectors, and 9.2% for financial and insurance purposes.
- o Of the total repaid loans, 19.9% were from general consumption, 12.5% from wholesale and retail trade, and 8.3% from financial and insurance sectors.



■ Total loans (MNT, billions) ○ Credit growth (%)



SCCs SAVINGS

- Total savings in SCCs increased by 14.8% to MNT219.9 billion compared to the previous year.
- The total savings in SCCs surged by MNT60.9 billion (38.3%) compared to 2020.

TOTAL SAVINGS

- Term savings accounted for 98.0% of total savings, while non-term savings accounted for 2.0%.



98.0%

ХУГАЦААТАЙ



2.0%

ХУГАЦААГҮЙ



Deposits attracted

183 SCCs



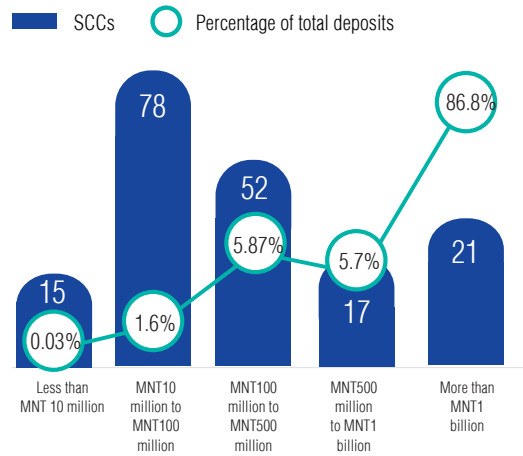
No deposits

1 SCCs

- 183 SCCs (99.5%) held total savings amounting to MNT219.9 billion.
- The remaining 1 SCC (0.5%) had no deposits at all.

PERCENTAGE OF TOTAL SAVINGS

- o 21 SCCs with savings exceeding MNT1 billion each constituted MNT191.0 billion (86.8%) of total deposits in the sector.
- o 147 SCCs with savings ranging from MNT10 million to 1 billion each accounted for MNT28.9 billion (13.17%) of total deposits.
- o 15 SCCs with savings less than MNT10 million each accounted for MNT0.03 billion (0.03%) of total deposits.
- o 1 SCCs with not collected savings of all.



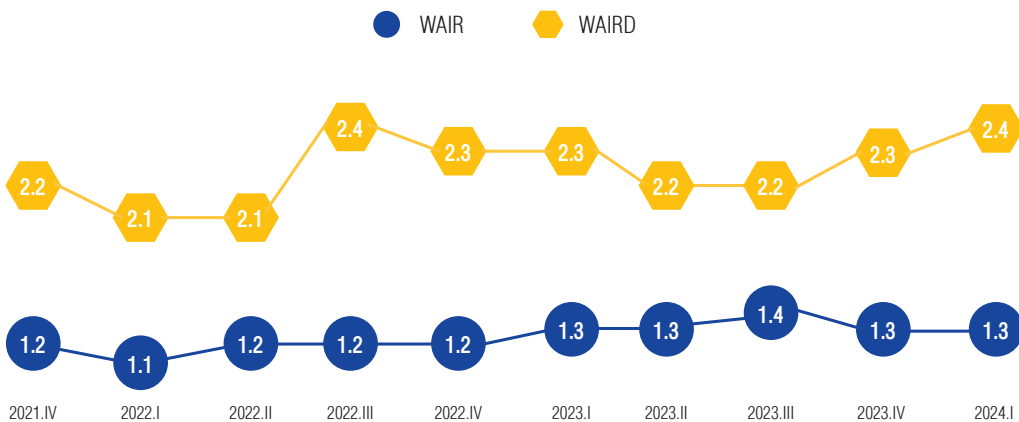
1.3%

Weighted average monthly interest rate on deposits



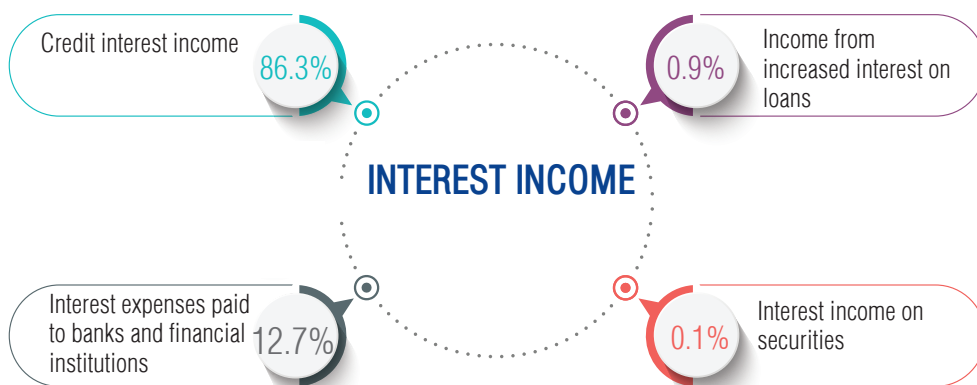
2.4%

Weighted average monthly interest rate



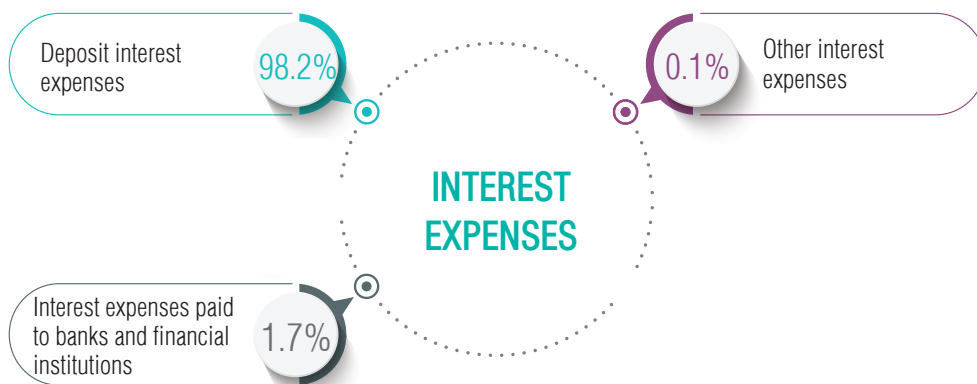
INCOME

- The total interest income of SCCs increased by 14.3%, to MNT16.7 billion, compared to 2023.
- o Loan interest income comprised the majority at MNT14.5 billion (86.3 %), while interest income from banks and financial institutions accounted for MNT2.1 billion (12.7 %).
 - o Increased interest income from loans contributed MNT147.7 million (0.9%), and interest income from securities was MNT8.9 million (0.1%).



ЗАРДАЛ

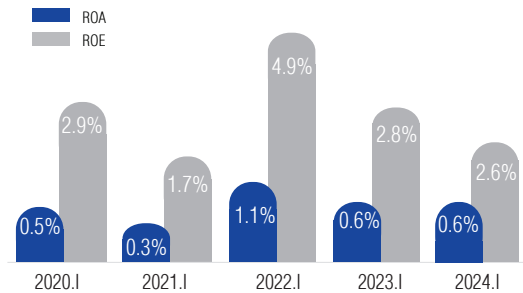
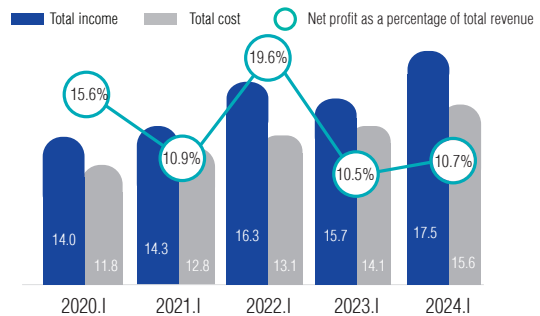
- Total interest expenses of SCCs increased by 14.8% to MNT9.8 billion compared to 2023.
- o Deposit interest rates was MNT9.6 billion (98.2 %) of total interest expenses.
 - o Interest paid to banks and financial institutions accounted for MNT0.2 billion. (1.7%).
 - o Other interest expenses amounted to MNT15.1 million (0.1%).



PROFITABILITY

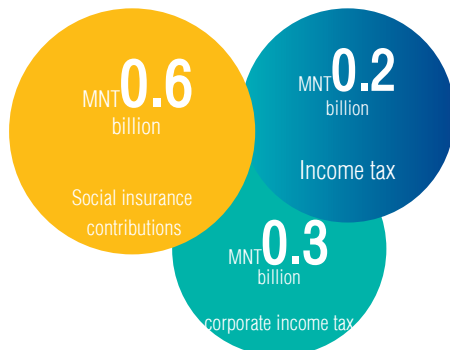
INCOME AND EXPENSES OF SCCs

- o SCC earned MNT17.5 billion in revenue and spent MNT15.6 billion in expenses, resulting in a profit of MNT1.9 billion.
- o The share of net profits from total revenue increased by 02 percentage points from 2023 and to reach 10.7%.



TOTAL RETURN ON EQUITY

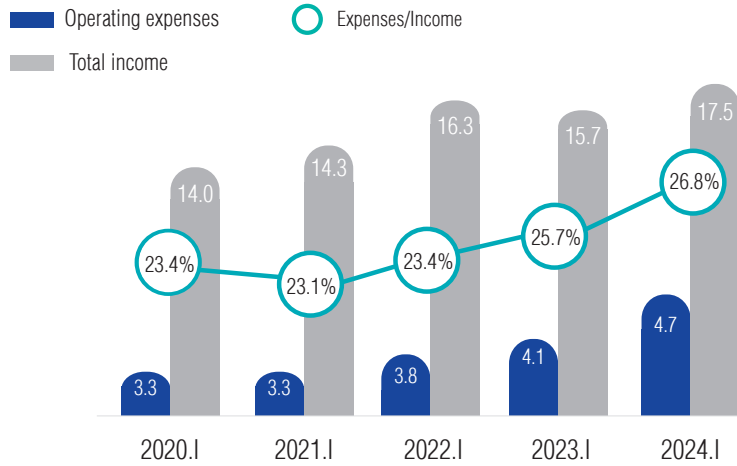
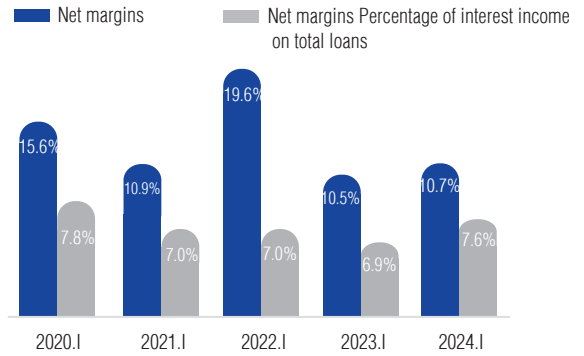
- o The return on equity of SCCs decreased by 0.2 percentage points to 2.6%, compared to the previous year.
- o the return on equity decreased by 0.7 percentage points to 0.6%.



- o SCC spent MNT0.6 billion on social security and health insurance, MNT0.3 billion on Corporate Income Tax, and 1.1 billion on personal income tax.

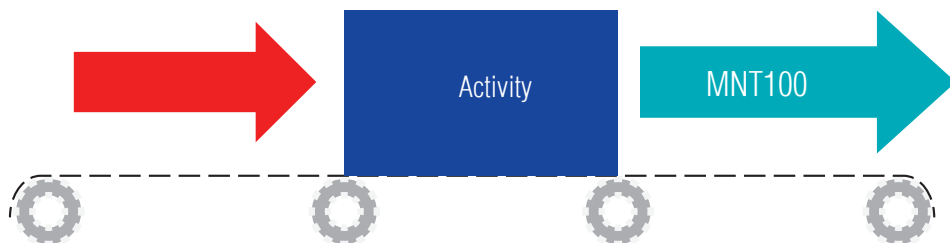
KEY RATIOS

- o The share of interest income in total loans increased by 0.7 percentage points from 2023 and reached 7.6%.
- o The ratio of net income to total income decreased by 0.2 percentage points compared to 2023, reaching 10.7%.



COST REVENUE RATIO

- o SCCs spent an average of MNT26.8 to earn MNT100.

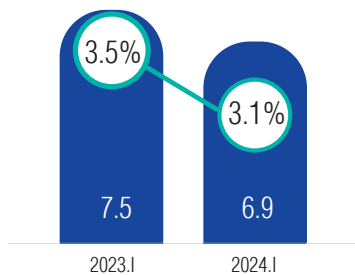


STABILITY

SCCs assess the potential risks of their operations based on four key indicators (PEARLS) methodology, including:

1. Asset quality and protection.
2. Effective financial structure.
3. Return and cost share.
4. Liquidity.

- Non-performing loans (MNT, billions)
- Percentage of non-performing loans in total loans

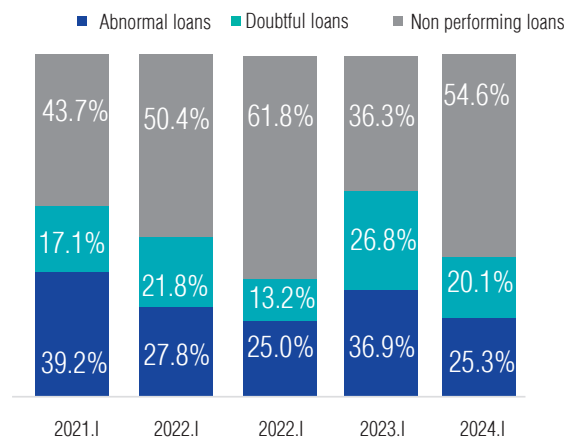


NON-PERFORMING LOANS OF SCCs

- The total amount of non-performing loans decreased by MNT0.6 billion compared to 2023 and reached MNT6.9 billion.
- The share of non-performing loans on total loans decreased by 0.4 percentage points to 3.1%, meeting the prudential ratio standards of SCCs, (less than 5.0%).

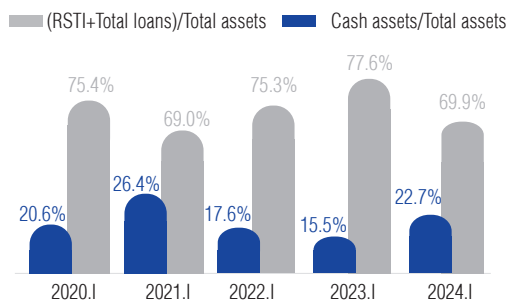
CLASSIFICATION OF NON-PERFORMING LOANS

- The share of abnormal loans in the nonperforming loans category decreased by 11.7 percentage points – compared to 2023 – to 25.3%.
- Doubtful loans decreased by 6.7 percentage points to 20.1%, while the share of bad debts in non-performing loans was 54.6% and increased by 18.3% compared to 2023.

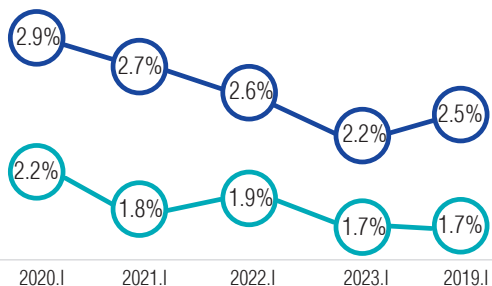


LIQUIDITY OF SCCs

- o In the reporting period, the ratio of monetary assets to total assets was equal to 22.7%.
- o The ratio of short-term investments and total loans to total assets was equal to 69.9%.



- Share of credit risk fund in total loans
- Share of credit risk fund in total assets



CREDIT RISK FUND

- o The share of the credit risk fund in total loans was 2.5%, and the share of the credit risk fund in total assets amounted to 1.7%.

Ratio	Adequate level	END OF THE YEAR
Loans received from others/Total loans	<20%	2.0%
Total savings/Total assets	20%–80%	69.6%
Net loans/Total assets	60%–85%	67.9%
Equity of cooperatives/Total assets	>5%	13.5%
Reserve fund/Equity of cooperatives	>3%	33.6%
Savings protection fund/Equity of cooperatives	>5%	7.4%
Stabilization fund/Equity of cooperatives	>5%	7.3%
Operating expenses/Total assets	<15%	1.5%

REGULATORY ENVIRONMENT



POLICY AND LEGISLATION

- "The "Accounting regulations for enterprises and organizations providing savings and credit cooperatives services" have been approved. These regulations detail the recognition, classification, and measurement of financial assets and liabilities in accordance with international financial reporting and accounting standards. They also, specify the classification and registration methods for risk funds, update financial statement forms, and provide instructions for disclosures, and account .
- with the approval of the new regulations, the joint order numbered No. 232/216 of 2012 by the Minister of Finance and the Chairman of FRC has been canceled. It has been replaced by the Joint Order No. 50/144 dated March 28, 2024.
- The "Checklist for internal control of savings and credit cooperatives" was approved by Order No. 148 of the Chairman of the FRC dated March 29, 2024. The checklist allows, the supervisory board to regularly assess the risks of their savings and credit cooperative, develop programs and plans to mitigate risks, and reduce potential threats.



INTERNATIONAL COOPERATION

- The implementation of the Memorandum of Understanding between the Financial Regulatory Commission and the Mongolia National Cooperative Alliance for 2023 has been evaluated. Joint implementation measures for 2024 have been planned.



CREDIT GUARENTEE FUND

Total assets

MNT293.3
billion



Financial market status

Average amount of
one guarantee

MNT104.6
million



Accessibility

Number of requests
submitted

170

Number of requests
approved

150



Products and services

Profitability



Total income

MNT **2.0** billion

Loss for the reporting period

MNT **2.3** billion

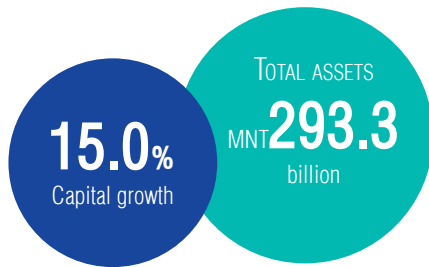
Stability



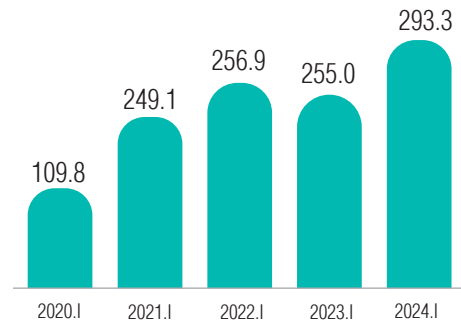
Percentage of non-performing
guarantees

5.3%

FINANCIAL MARKET STATUS



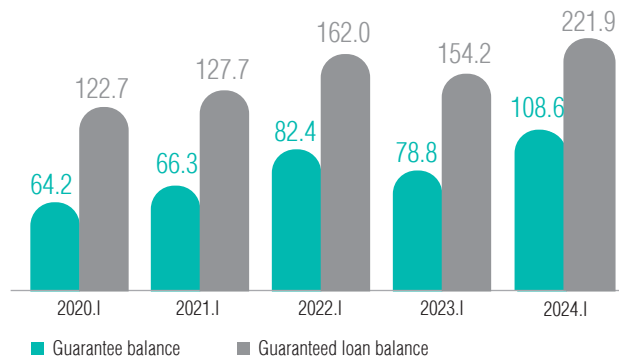
Total assets (MNT, billions)



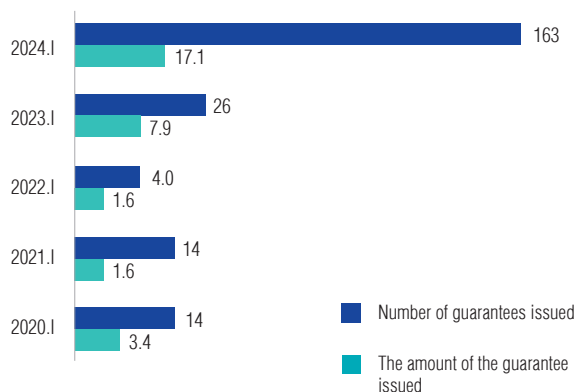
Total assets of the Fund reached MNT293.3 billion; an increase of 15.0% or MNT38.3 billion, compared to the same period of 2023.

- The Fund's guarantee balance reached MNT108.6 billion, an increase of MNT29.8 billion (37.8%), compared to the same period of 2023.
- The guaranteed outstanding balance increased by MNT67.7 billion (43.9%) to reach MNT221.9 billion, compared to the same period of 2023.

Guaranteed and guaranteed loan balances (MNT, billion)

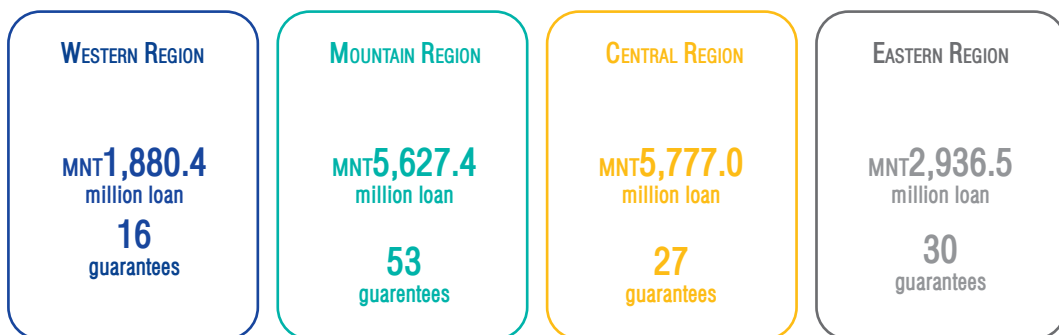
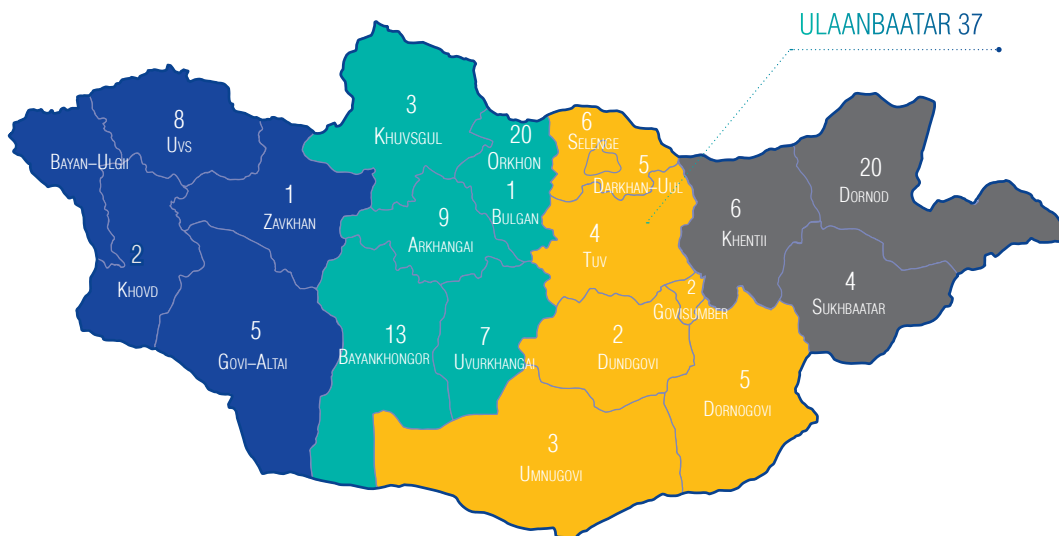


New issues of guarantee (MNT, billions)

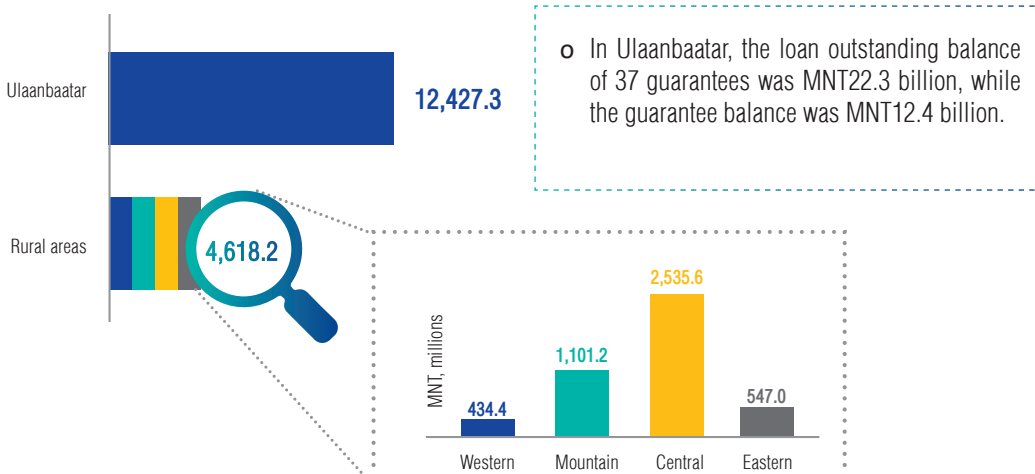


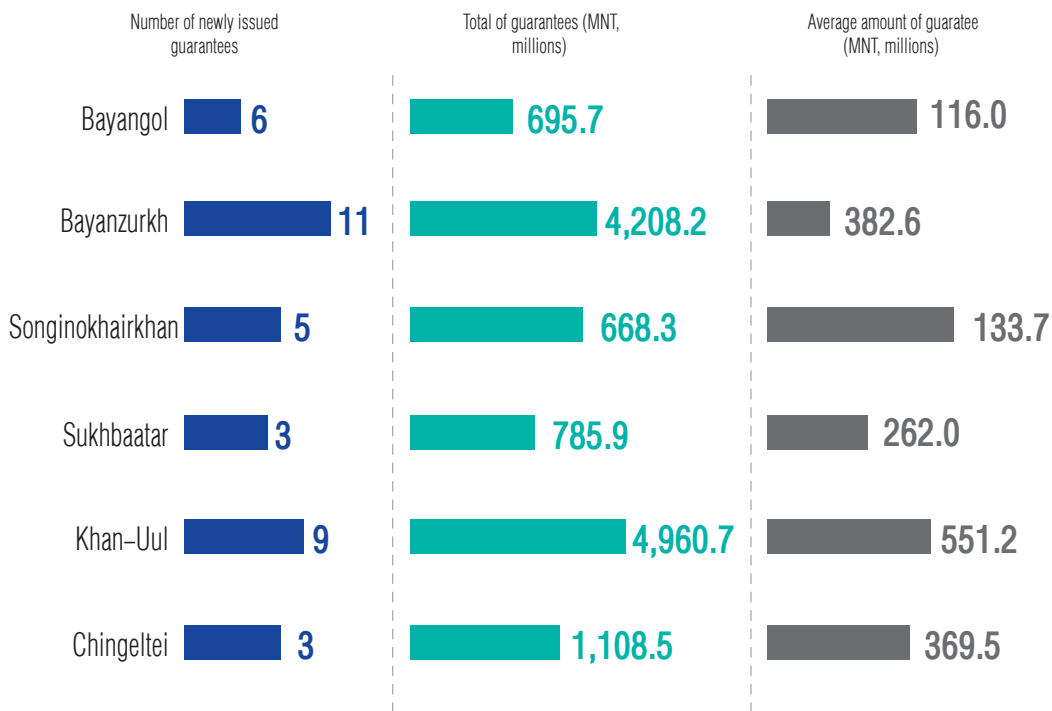
- Credit guarantees worth MNT17.1 billion were issued for 163 credits; an increase of 2.2 times to the same period of 2023.

ACCESSIBILITY



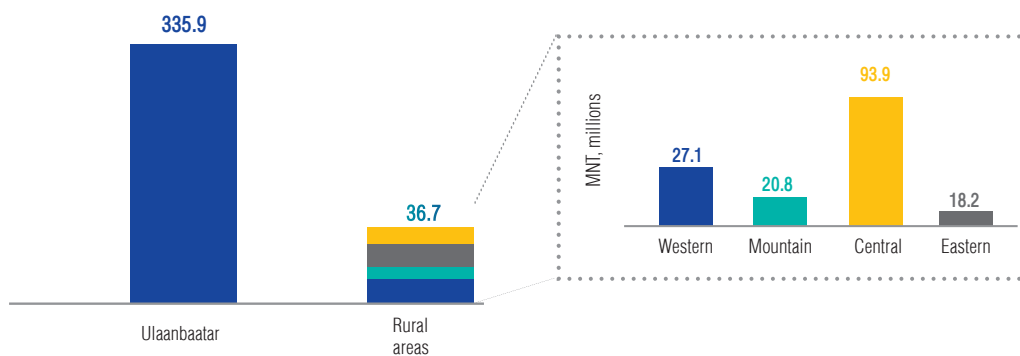
TOTAL GUARANTEE AMOUNT (MNT, million)





AVERAGE AMOUNT OF GUARANTEE

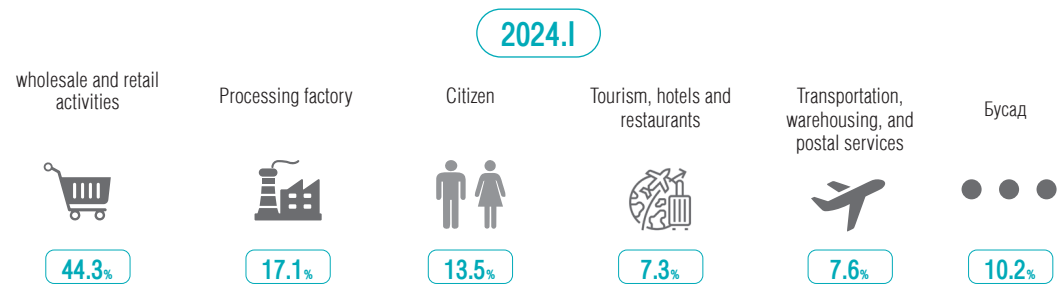
- o The average guarantee amount in Ulaanbaatar stood at MNT 335.9 million while MNT36.7 million in the provinces. The national average guarantee amount was MNT104.6 million.
- o Notably, in the central region, the loan outstanding reached the highest figure, amounting to MNT 93.9 million.



PRODUCTS AND SERVICES

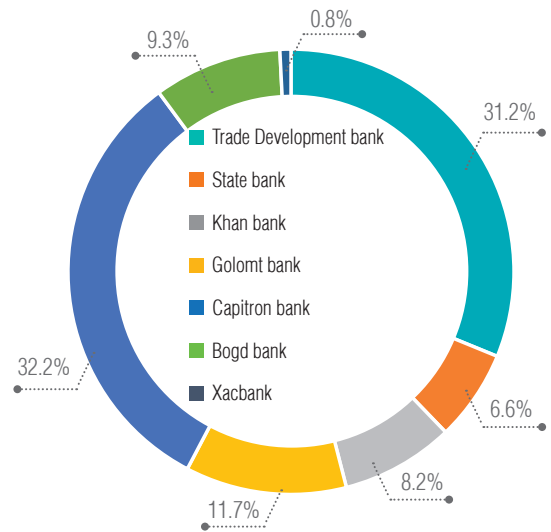
	Number of applications for a guarantee	Number of applications approved	Percentage
2021.I	28	14	50.0%
2022.I	5	4	80.0%
2023.I	29	20	69.0%
2024.I	170	150	88.2%

A total of 170 applications for guarantees were received, and 150 were approved. The number of submitted applications increased by 5.9 times compared to the same period of 2023.



44.3% of guarantees were issued for wholesale and retail, 17.1% for manufacturing, 13.5% for individuals, 7.3% for tourism, 7.6% for transportation, and 10.2% for other sectors.

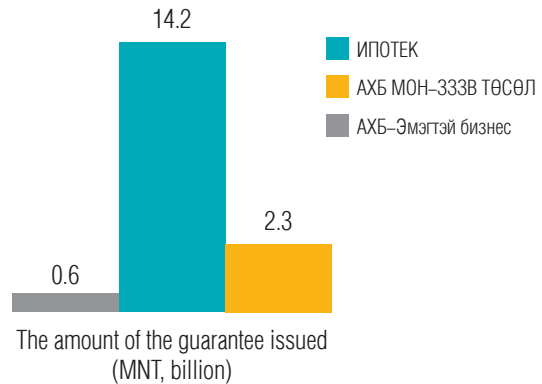
32.2% of the guarantees were issued by Capitron Bank, 31.2% by the Trade Development Bank, 11.7% by Golomt Bank, 9.3% by Bogd Bank, 8.2% by Khan Bank, 6.6% by State Bank, and 0.8% by Xac Bank.



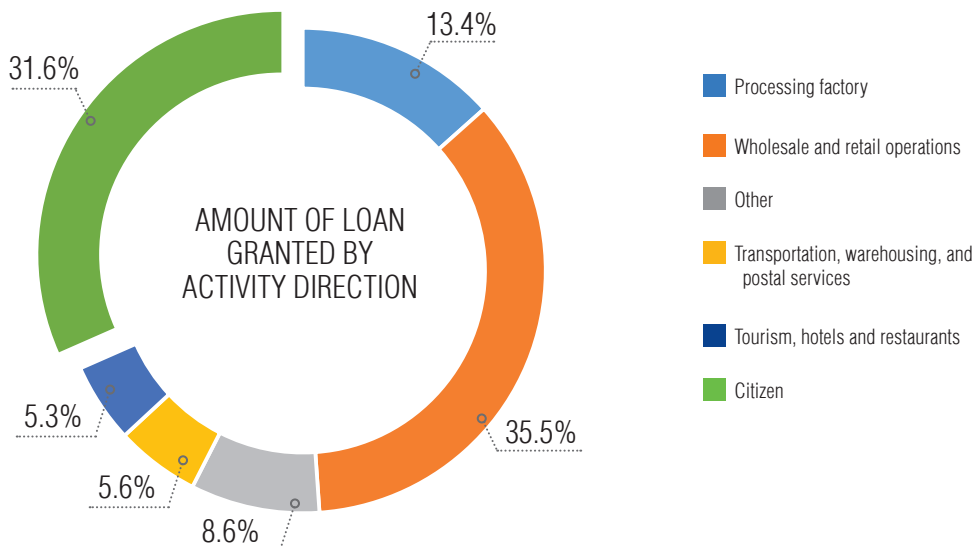
MNT2.3 billion of the guarantee source provided by the fund was allocated from mortgages, MNT14.2 billion from the MON-3338 project of the Asian Development Bank, and MNT0.6 billion for the project supporting women entrepreneurs of the Asian Development Bank.

- o The average term of the issued guarantees was 225.3 months (18.8 years).
- o This was an increase of 105.3 months (8.8 years) compared to the same period of 2023.

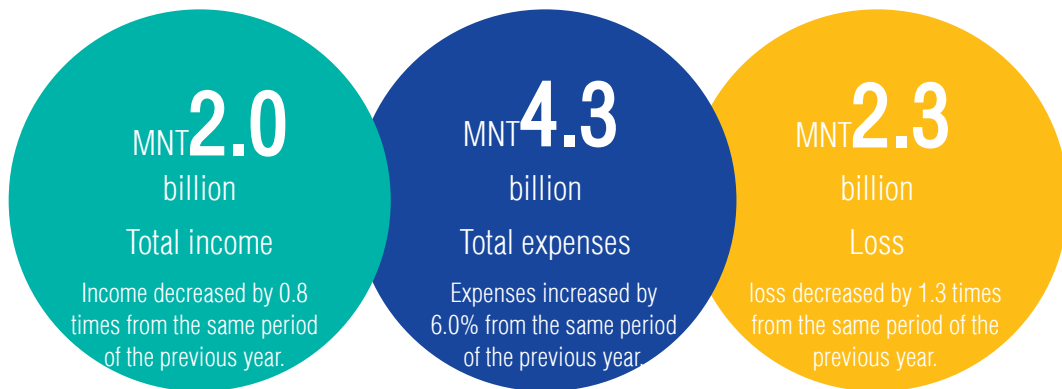
225.3
MONTHS



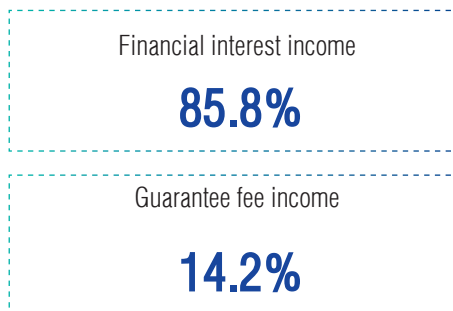
31.6% of guaranteed loans were issued for individuals, 35.5% for wholesale and retail, 13.4% for manufacturing, 5.6% for transportation, 5.3 for tourism, and 8.6% for other sectors.



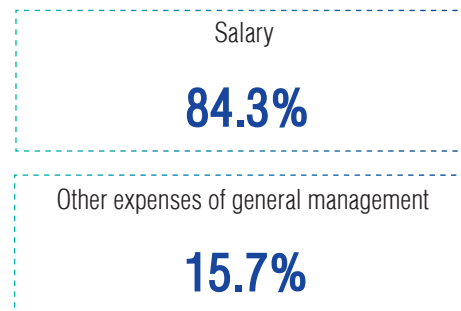
PROFITABILITY



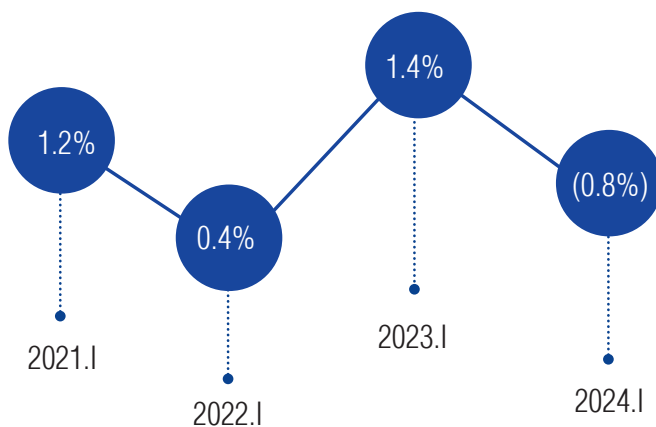
Income structure



Cost structure



Return on total assets

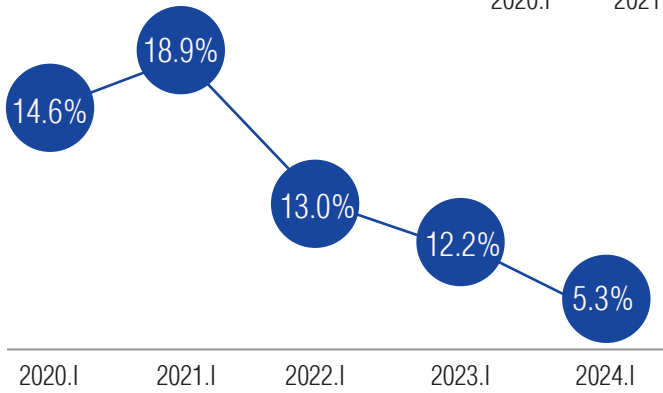
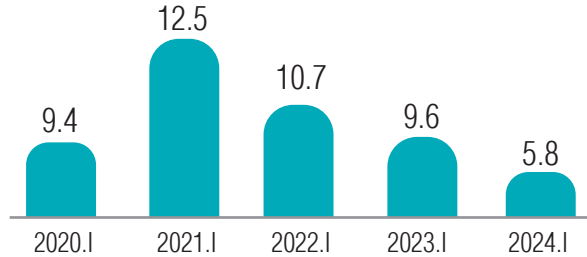


The loss was MNT2.3 billion, making the return on assets at -0.8, a decrease of 2.2 percentage points. It was because of the project's expense of MNT3.6 billion.

STABILITY

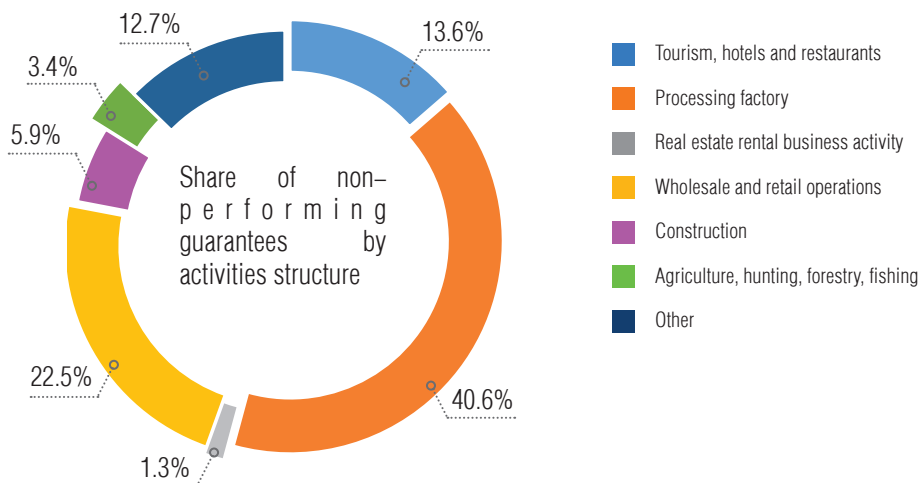
The balance of non-performing guarantees was MNT5.8 billion.

Balance of non-performing guarantees (MNT, billions)



The share of non-performing guarantees in the total outstanding balance decreased by 6.9 percentage points to 5.3% from the same period of the previous year

- o Among non-performing loans, 40.6% were in the manufacturing sector, 22.5% in the wholesale and retail, 13.6% in the tourism sector, 1.3% in the real estate sector, 5.9% in the construction sector, 3.4% in the agricultural sector, and 16.1% in other sectors.





REAL ESTATE BROKERS (and AGENTS)

Regulated entities

310



Market outlook

Real estate was bought
and transferred

MNT508.6
billion



Product and service

Accessibility



98.7% of entities
operated in Ulaanbaatar

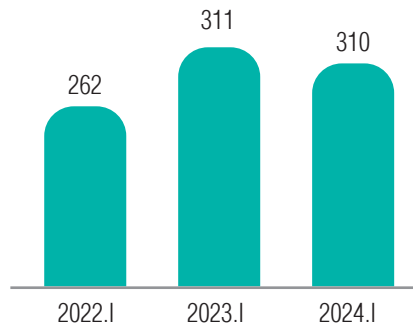
Regulated environment



MARKET OUTLOOK



310 licensed real state entities operated; a decrease of 1 compared to the same period of 2023.



The number of brokers was 323; a decrease of 3 (0.9%). The number of agents was 1,304; a decrease of 45 (3.3%).

Statistics



On average, entities had one broker and four agents. The highest number of agents per entity was 84.

SHARE CAPITAL

The share capital of 463 shareholders was MNT6.7 billion.

94.0% (435 shares) of shareholders are individuals, 3.2% (15 shares) are entities, and 2.8% (13 shares) are jointly owned by individuals and entities.

TOTAL ASSETS

Total assets were MNT251.8 billion. MNT220.4 billion or (87.6%) of the total assets were current assets, and the remaining 12.5% (MNT31.4 billion) were non-current assets. MNT212.6 billion (84.5%) of total assets were debt, and MNT39.2 billion (15.5%) was owners' capital.

Classification of assets and resources	Amount (MNT, billion)	Proportion of assets and resources
CURRENT ASSETS	220.4	87.5%
NON-CURRENT ASSETS	31.4	12.5%
LIABILITIES	212.6	84.5%
OWNER'S PROPERTY	39.2	15.5%

Considering the market share in terms of total assets, 11 companies accounted for 79.6% of the market, and 53 companies accounted for 95%.

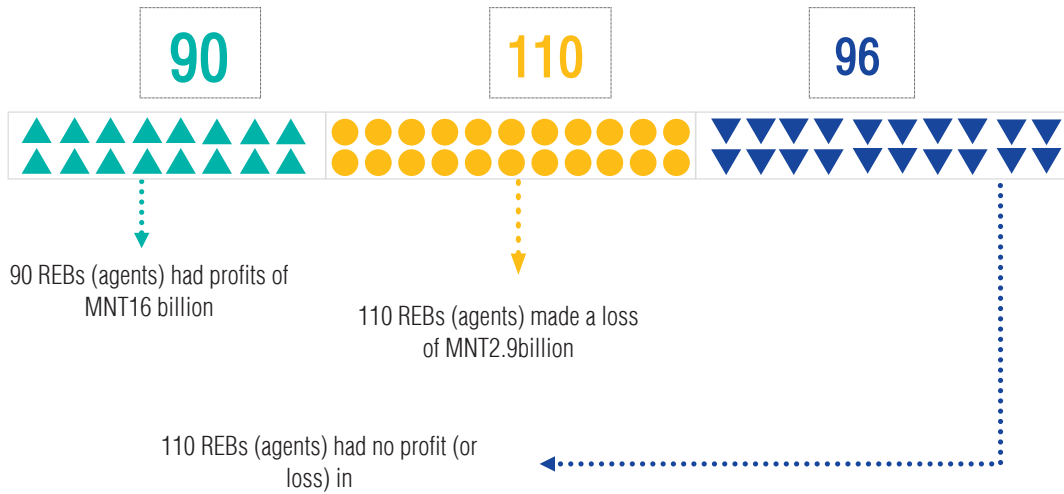
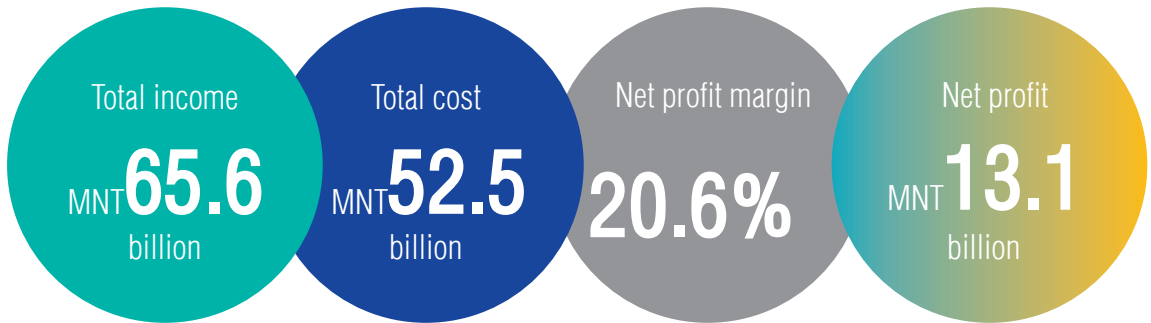
Considering the market share in terms of total assets, 11 companies constitute 80.7%.

101 companies with more than MNT90 million worth of assets accounted for 97.7%, 28 companies with MNT60 million to MNT90 million worth of assets accounted for 0.8%, and 181 companies with up to MNT60 million worth of assets accounted for 1.5%.

MARKET SHARE

Amount of assets	Companies	Market share
Up to MNT15million	91	0.5%
Up to MNT30 million	56	0.4%
Up to MNT60 million	34	0.6%
Up to MNT90 million	28	0.8%
More than MNT90 million	101	97.7%

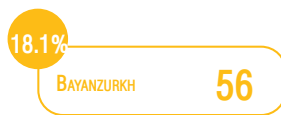
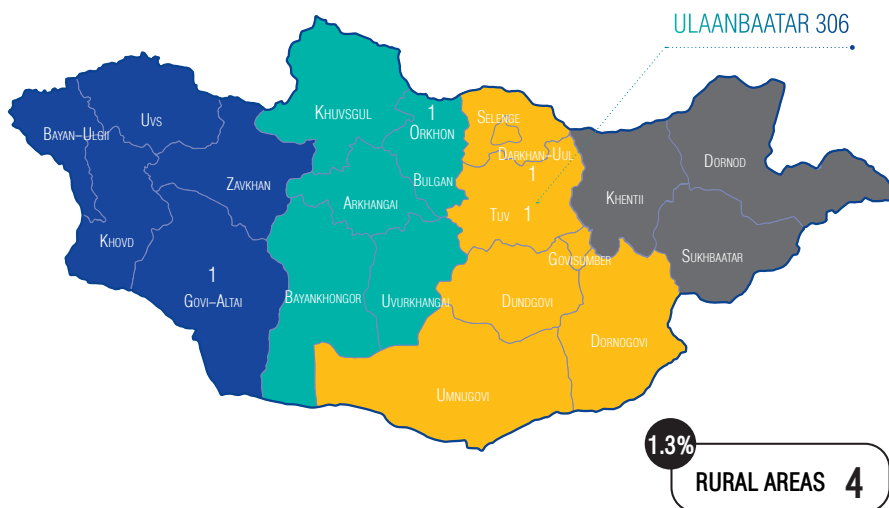
PROFITABILITY



		<1%	<5%	<10%	>10%
/ROE/	<p>33.4%</p> <p>2024.1</p>	192	15	10	93
/ROA/	<p>5.2%</p>	235	11	17	47

ХҮРТЭЭМЖТЭЙ БАЙДАЛ

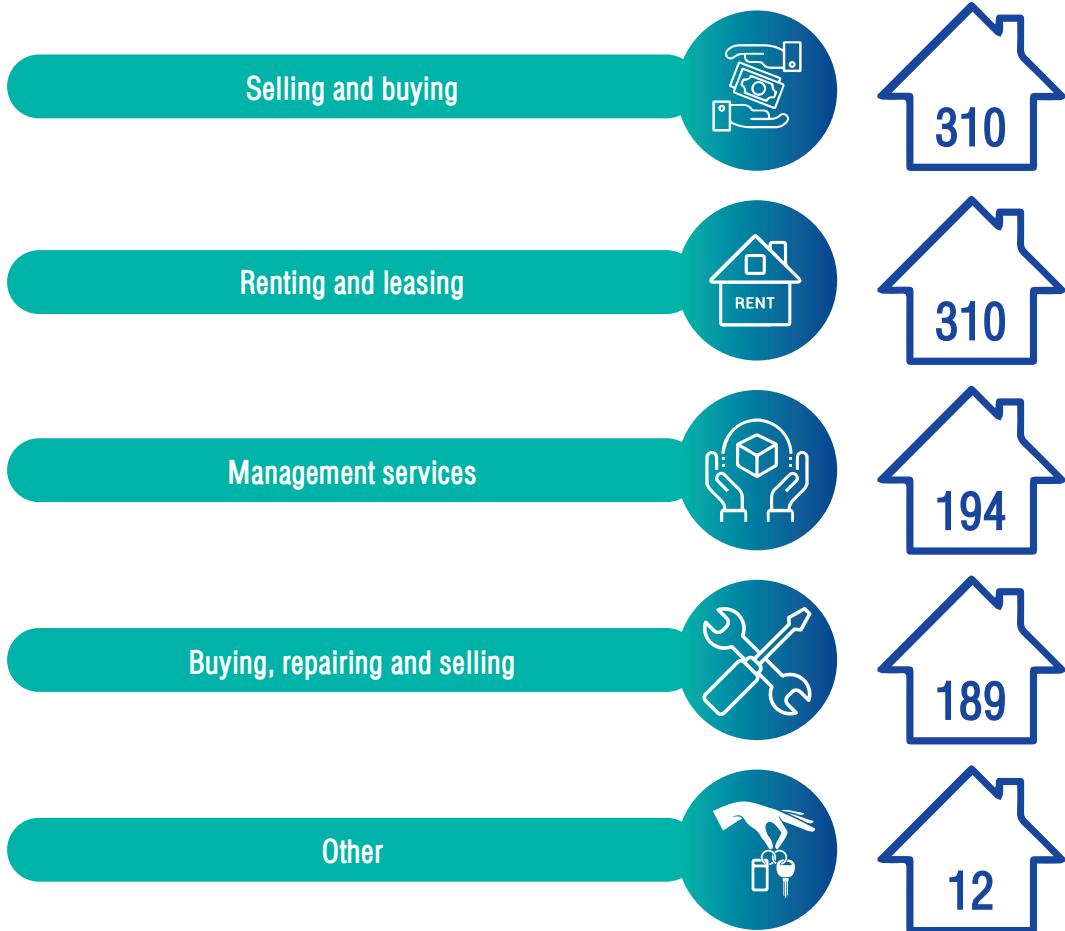
ACCESSIBILITY



Among licensed entities, 31.0% were in Sukhbaatar district, 26.7% in Khan Uul, 18.1% in Bayanzurkh, 10.3% in Bayangol, 11.3% in Chingeltei, and 1.3% in Songinokhairkhan district. 1.3% (4 entities) operate in provinces.

PRODUCTS AND SERVICES

NUMBER OF REB AND AGENTS, AND TYPES OF SERVICES (WITH DOUBLE-COUNTING)



NOTE

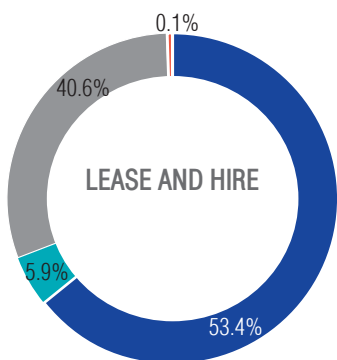
The average price of 1 square meter of an old apartment in districts was MNT3.7 million. Notably, the Sukhbaatar district recorded the highest price at MNT4.3 million, while the Songinokhairkhan district had the lowest at MNT2.6 million.

For new apartments in districts, the average price per square meter was MNT4.0 million. In the Khan-Uul district, the price reached the highest at MNT4.2 million, while the Songinokhairkhan district had the lowest at MNT2.7 million.

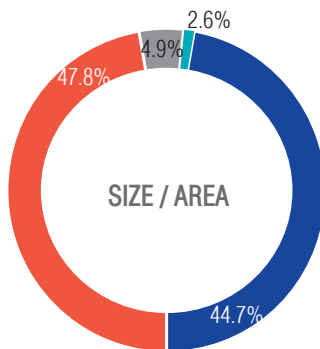
PRODUCTS AND SERVICES

RENTING AND LEASING, AND SELLING AND BUYING SERVICES

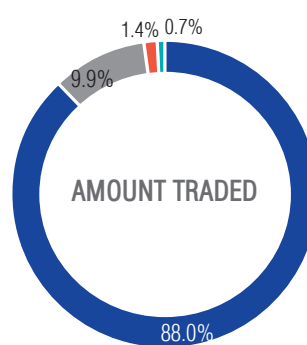
■ Apartment ■ Place ■ Production ■ Trade



Most (53.4%) deals in rented and leased real estate were residential, 40.6% were commercial, 5.9% were industrial real estate, and 0.1% were land.



47.8% of sold real estate were land, 44.7 % were residential, 4.9% were commercial, and 2.6% were industrial.

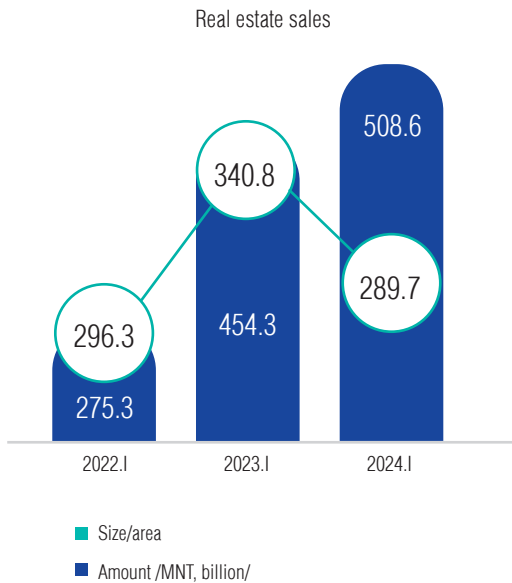
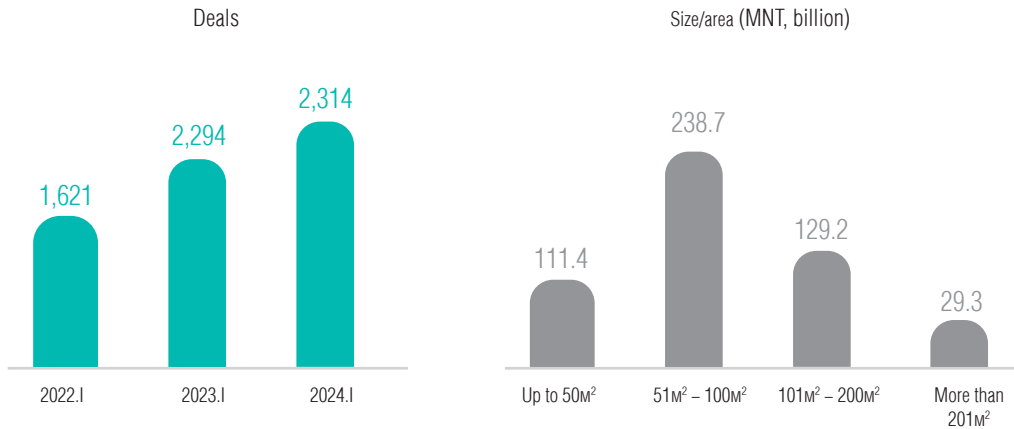


88.0% of the value of all sales were residential, 9.9% were commercial, 1.4% were land, and 0.7% were industrial.

As for the total value of real estate rented or leased, 17.8% was less than 50 square meters, 36.6% was 51 to 100 square meters, 17.0% was from 101 to 200 square meters, and 28.6% was more than 201 square meters.

SELLING AND BUYING BROKERAGE

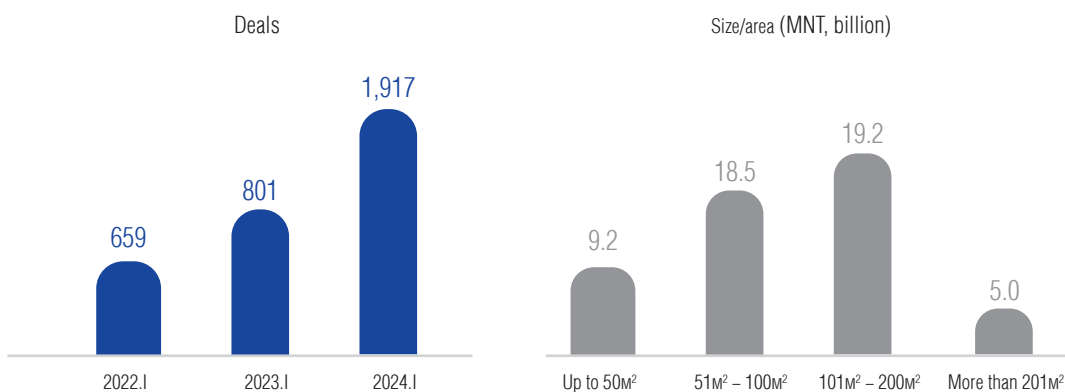
A total of 2,314 real estate deals, encompassing a combined area of 289,700 square meters and valued at MNT508.6 billion, were conducted.



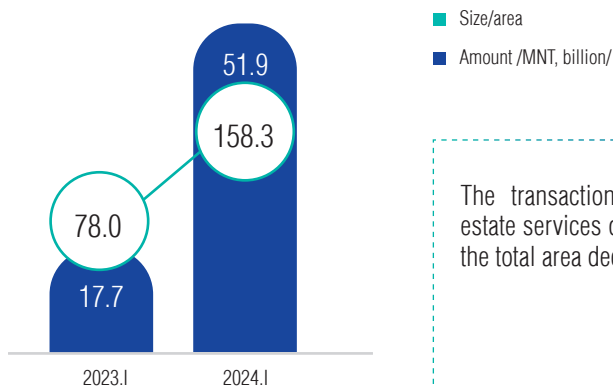
There was an 11.9% (MNT54.3 billion) increase in the total transaction amount of sold real estate services, accompanied by a 14.9% (51.1 square meters) reduction in the total area.

RENTING, LEASING, HIRING AND EMPLOYMENT SERVICES

Real estate with a total area of 158,300 m2 and a value of MNT51.9 billion was rented or leased through 1,917 deals.



Real Estate Lease



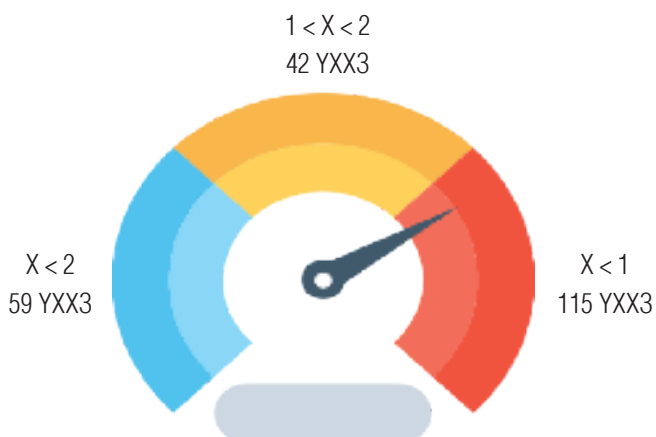
The transaction amount of rented real estate services decreased by 59.9% while the total area decreased by 28.6%.



SUSTAINABILITY

SHORT-TERM LIQUIDITY

- o 216 of the total of 310 real estate entities have short-term outstanding liabilities.



When calculating the ratio of current assets of 216 real estate entities with outstanding short-term liabilities, there are 59 entities with a ratio of more than 2, 42 entities with a ratio between 1 and 2, and 115 entities with a ratio of less than 1.

LONG-TERM LIQUIDITY

- o In terms of long-term liquidity, 31 entities have long-term outstanding loans. According to the ratio of their liabilities and assets, there are 16 whose liabilities are less than 50 percent of the total assets, 6 whose liabilities are between 50 and 100 percent, and 9 more than 100.

As for the financial leverage ratio (calculating the ratio of total assets to owners' equity), the accumulated losses of 100 entities exceeded the amount of owners' equity. 119 entities have been working with 100% of their own funds. The leverage ratio of 41 entities is up to 2, while 50 entities have a leverage ratio of more than 2.



REGULATORY ENVIRONMENT



POLICY AND LEGISLATION

- o "Code of Conduct for the Real Estate Brokerage Industry" was developed, based on the studies of South Korea, Singapore, and Japan.



MEETINGS AND SEMINARS

- o **Meeting and discussion:** A meeting was held under the theme "Audit Quality Control" with representatives of the United Kingdom's Institute of Chartered Accountants and the Ministry of Finance.
- o **Training:** "Real Estate Brokerage Training" that provided permission for brokerage employees was held three times, and 126 individuals attended.
- o **Others:** Posters with QR codes and videos calling for the public to stop the illegal activities of unlicensed operators and to prevent crimes and violations were released on the FRC's website and social media.



COOPERATION

- o The Mongolian National Audit Office and the Department of Property Relations requested to submit a price survey of the real estate properties rented and leased through the real estate brokerage entities, in order to determine the maximum amount of expenses to be spent by political parties, coalitions and candidates for the Mongolian Parliament Election, and to determine the minimum rental price for properties in the capital. Accordingly, the FRC delivered a real estate and residential rental price survey.



DEALERS IN PRECIOUS METALS AND STONES

Number of dealers

52

Legal entities

434

Individuals



Market outlook

Precious metals sold
and bought

MNT55.1
billion



Products and services

Accessibility



74.9%

Operated in Ulaanbaatar

Regulatory environment



MARKET OUTLOOK

NUMBER OF ENTITIES WITH LICENSES

52 licensed entities and 434 individuals were operating after the first license was issued by the FRC on 6 May 2020.

Entities (dealers in precious metals and stones, and dealers in products made by them)

52



92

Individuals (dealers in precious metals and stones, and dealers in products made from them)

Individuals (dealers in precious metals and stones)

122



220

Individuals (dealers in products made from precious metals and stones)

SHARE CAPITAL

The amount of share capital of 84 shareholders in 52 regulated entities was MNT10.0 billion

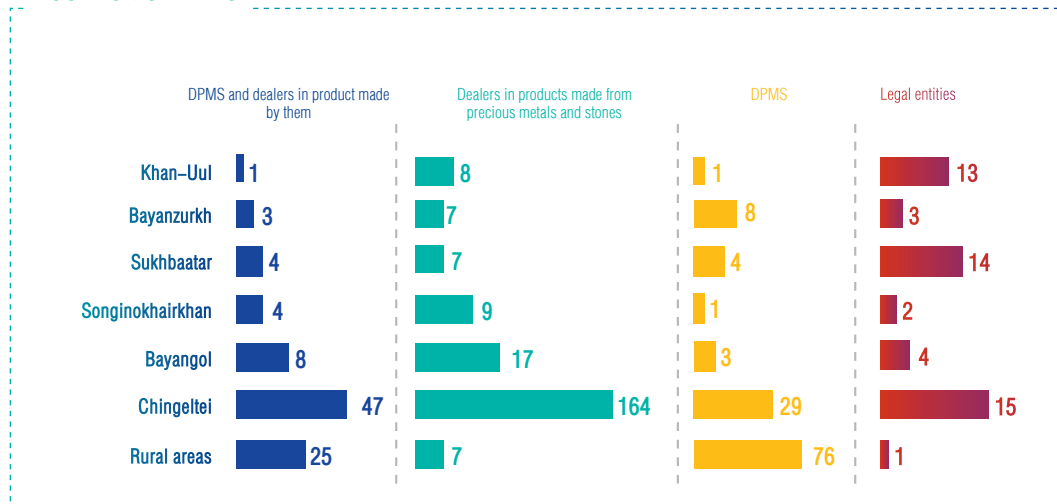
74.9% (325) of licensed dealers operated in Ulaanbaatar, and 25.1% (109) in rural areas.

In Ulaanbaatar

74.9%

ACCESSIBILITY

LOCATION OF DPMS



- The majority of dealers in precious metals and stones were located in the provinces, while the majority of dealers in products made from precious metals and stones were concentrated in Ulaanbaatar. Specifically, among dealers in precious metals and stones, 62.3% were situated in the provinces, while 37.7% were based in Ulaanbaatar.



PRODUCTS AND SERVICES

METALS BOUGHT AND SOLD

A total of 340.1 kilograms of metals, valued at MNT55.1 billion, were bought, while 229.1 kilograms of metals, valued at MNT 47.1 billion, were sold. The amount of metals bought increased by 2.4 times, while the amount of metals sold increased by 1.8%.

TRADE BETWEEN DEALERS IN PRECIOUS METALS, INDIVIDUALS AND ENTITIES



AMOUNT OF JEWELRY BOUGHT AND SOLD



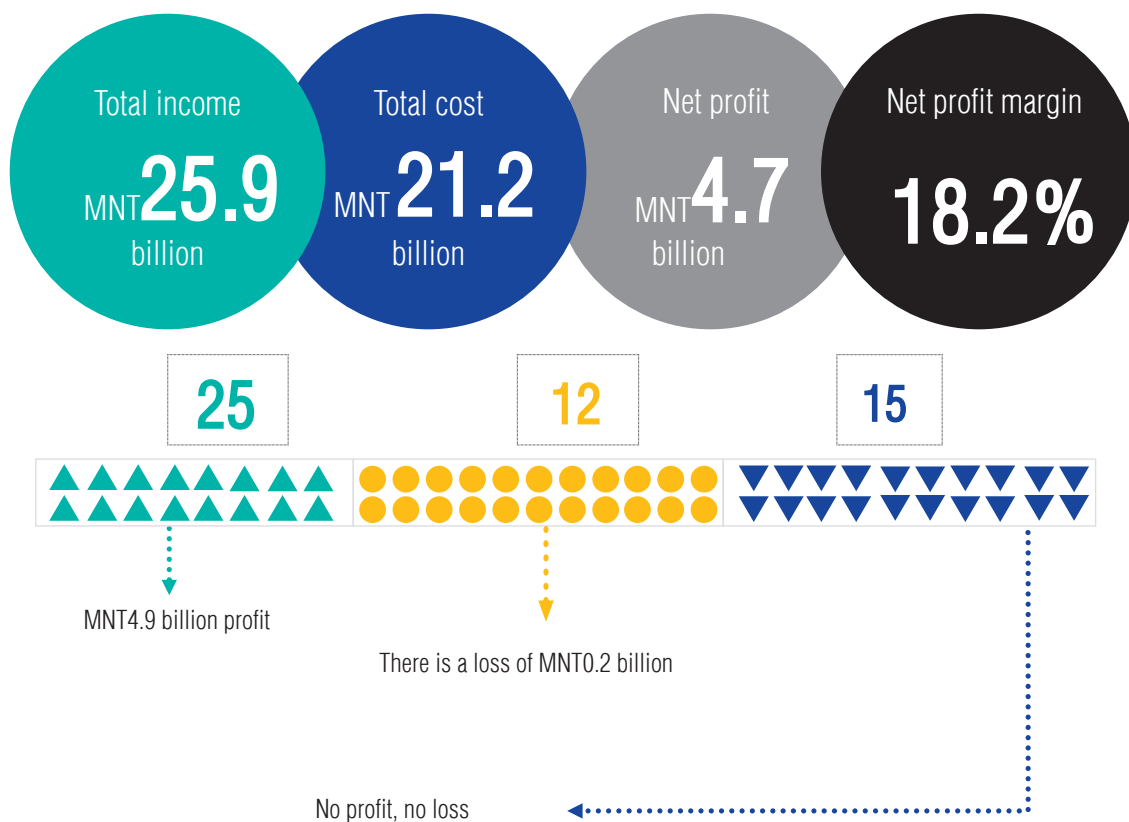
The amount purchased: Jewelry with a value of MNT5.8 billion was bought, and MNT9.6 billion was sold.

PRECIOUS METAL SALES AMOUNT /MNT, BILLION/



CLASSIFICATION OF ASSETS AND RESOURCES	Amount /MNT, billion/	Proportion of assets and resources
CURRENT ASSETS	58.5	82.9%
NON-CURRENT ASSETS	12.1	17.1%
LIABILITIES	39.1	55.3%
OWNER'S PROPERTY	31.5	44.7%

PROFITABILITY



REGULATORY ENVIRONMENT



COOPERATION

- The FRC and the "National Association of Precious Metals, Precious Stones and Jewelry Sector" is planning to organize "Mongolian Jewelry & Metal Forum, Expo-2024" on April 11-14, 2024, to ensure the coordination of activities of all participants in the precious metals, precious stones, and jewelry industry, support them with policies and regulations, and promote their products and services. Accordingly, relevant preparation works to involve both the public and private sectors were completed. It was planned to involve the Central Bank of Mongolia, Ministry of Culture, Ministry of Mining and Heavy Industry, Department of Metrology Policy and Measurement Standards, Intellectual Property Office, Mineral Resources and Petroleum Authority, National Association of Precious Metals, Precious Stones and Jewelry Industry, and other government and non-government organizations.
- The Memorandum of Understanding to be signed by the FRC and National Association of Precious Metals, Precious Stones and Jewelry Sector was drafted, to develop the sector of precious metals, precious stones, or articles made from them, increase the contribution to society and economy, empower professional market participants, create professional responsibility, create fair competition in the market, and improve cooperation of governmental and non-governmental organizations.



MEETINGS AND SEMINARS

- o **Meeting, discussion, and events:** A meeting was held for senior officers and inspectors of 21 provinces of the Department of Standards and Metrology on March 21, 2024, to provide information related to the precious metals, stones, and articles made from them.
- o **Training:** Virtual training for Department of Standards and Metrology officers and FRC local representatives was held on February 24, 2024. In the training, a total of 104 participants, including 21 inspectors of the Department of Standards and Metrology in 21 provinces, 25 FRC local representatives, and 58 dealers attended. The main topic includes FRC measures, license requirements, registration matters, on- and off-site supervision, AML/CFT, reporting requirements, and irregularities. During the Capacity Building Training for Financial Sectors' Officials in the Selenge province held on March 15, 2024, information related to the DPMS legislation, license requirements, and other regulations was provided. 87 accountants attended the training. In accordance with the Training contract signed by the FRC and the National Association of Precious Metals, Precious Stones and Jewelry Sector, three times of training were held, involving 124 participants.
- o **Other:** The FRC, Mongolian Authority for Fair Competition and Consumer Protection, and the National Association of Precious Metals, Precious Stones and Jewelry Sector, involved 85 DPMS dealers operating in the “Mungun Zaviya” shopping center in the Preventive Inspection Campaign being organized by the Department of Standards and Metrology from February 01 to June 10, 2024. Information calling for the public to be served by individuals and entities licensed by the FRC was provided.
- o Posters with QR codes and videos calling for the public to stop the illegal activities of unlicensed operators and to prevent crimes and violations were released on the FRC's website and social media.



SANDBOX

Number of requests **20***



Market outlook

A Tested product **6**

+
1,111
by agreement



Repo brokerage services

MNT 214.1
billion trading

P2P loan service



7,405

Customers

MNT **2.3**
billion loan

Mutual Funding Services



1,850

Investors

MNT **138.7**
million funding

Insurtech services



36

Registered customers

MNT **4.7**
billion loan

TESTED PRODUCT

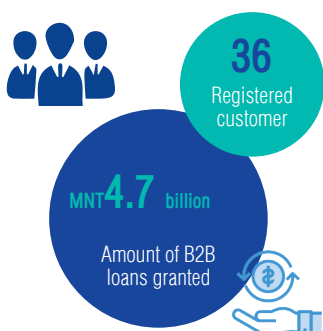
By type of request, product or service submitted to Sandbox

Out of a total of 20 requests to test products and services in the sandbox environment, there is one request for the first quarter of 2024.



B2B credit services

The B2B service entered the Sandbox environment on the first quarter of 2024. This service allows to provide the short-term financing needs of enterprises and enable efficient use of resources in the market by circulating excess reserves in the organization's current account.



The B2B service started operating in February 2024, and as of the first quarter of 2024, there are 36 customers registered on the platform. A total of MNT 4.7 billion loans was granted through the platform, of which MNT 1.9 billion loans were repaid. The average interest rate for B2B loan is 1.5% and the terms are 14, 21, 28 days.



Average interest rate on B2B loans



Repo brokerage services

Repo services entered the Sandbox on December 2021. Additionally, Integrated payment, registration and storage platform to introduce depository receipt, commercial paper, factoring (discounted claims), and trust services have been tested for its second year.

Certificate of Deposit

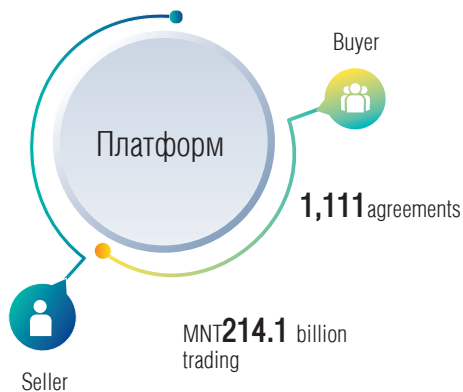
From September 2023 to the first quarter of 2024, a total of MNT 69.6 million certificates of deposit was traded.

Анхдагч арилжааны дүн Хоёрдогч арилжааны дүн
MNT **57.5** million MNT **12.1** million

Trust

From October 2023 to the first quarter of 2024, a total MNT 2.3 billion trust services were mediated.

Анхдагч арилжааны дүн Хоёрдогч арилжааны дүн
MNT **1.4** billion MNT **86.0** million



A total of 39 lenders and 31 borrowers participated in the repurchase agreement, resulting in trading with a value of MNT 214.1 billion through 1,111 agreements. Also, the money market had 170 times of excess supply of MNT 100.4 billion and 4 times of excess demand of MNT 700.0 million. The average term of the loans made through the repo transaction platform is 37 days, while the average interest rate on depo loan is 17.7%.



Average interest rate on repo loans

17.7%



Average tenure of repo loans

37 days

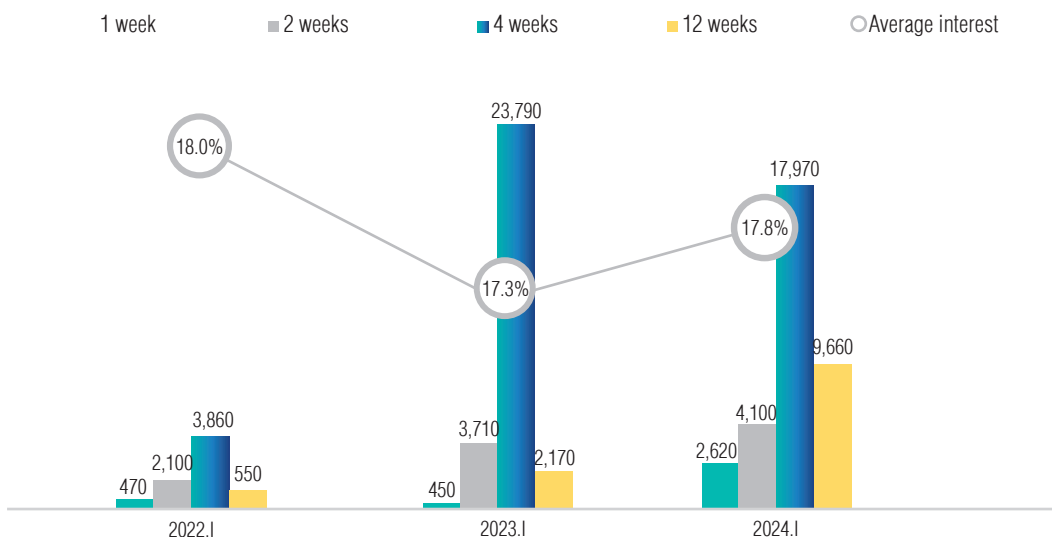
7 хоног 14 хоног 28 хоног 84 хоног

Money market statistics

Time	Number of creditors	Number of borrowers	Number of trades	Trade amount	Average interest	Average loan term
2023.I	18	14	149	30,120,000,000	17.2	31
2024.I	21	20	139	34,350,000,000	17.7	37

In the reporting quarter of repo loans, the number of completed transactions and the amount of transactions decreased by 10 compared to the same period of the previous year, but the total amount of transactions increased by 14.0% and the annual weighted average interest rate increased by 0.5 point, making the amount of transactions MNT 34.3 billion.

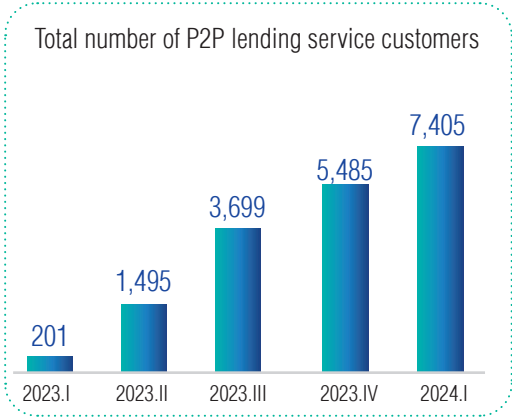
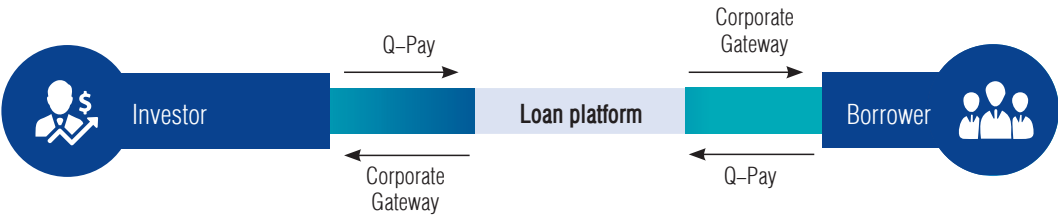
Money market interest rate and trading amount, repo loan term



63.8% of the total repo transactions made in the same period of the previous year 4-week, 17.3% 12-week, 13.9% 2-week, and 5.0% 1-week repo transactions.

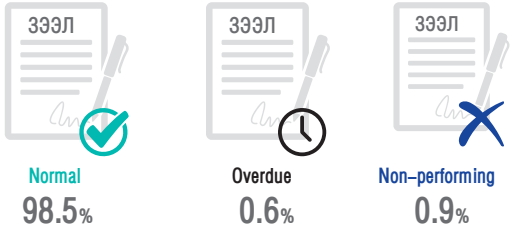
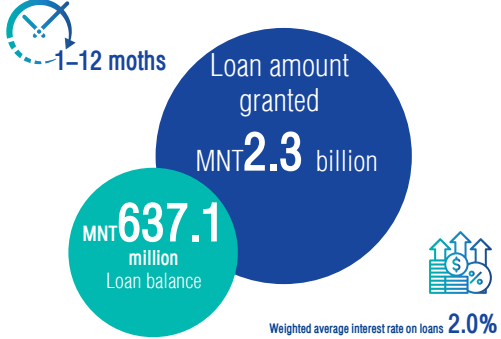
P2P loan service

The P2P loan service is testing for the second year by extending the sandbox period in accordance with Order No.33 of the Chairman of the Financial Regulatory Commission of 2024, using artificial intelligence and blockchain technology for credit evaluation and registration, and developing a service that directly connects investors and borrowers.

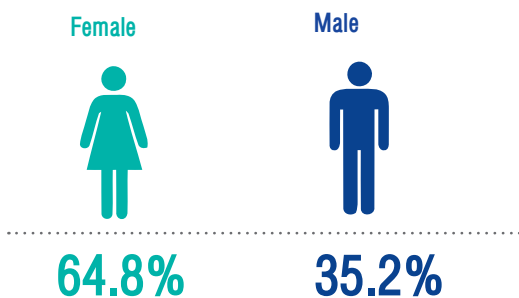


7,405 customers received P2P lending services. Among them, 1.1% were investors and 98.9% were borrowers.

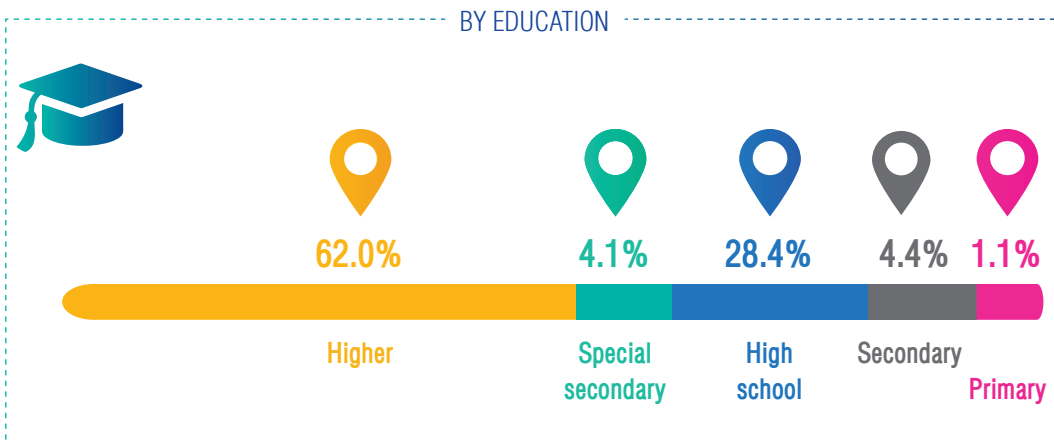
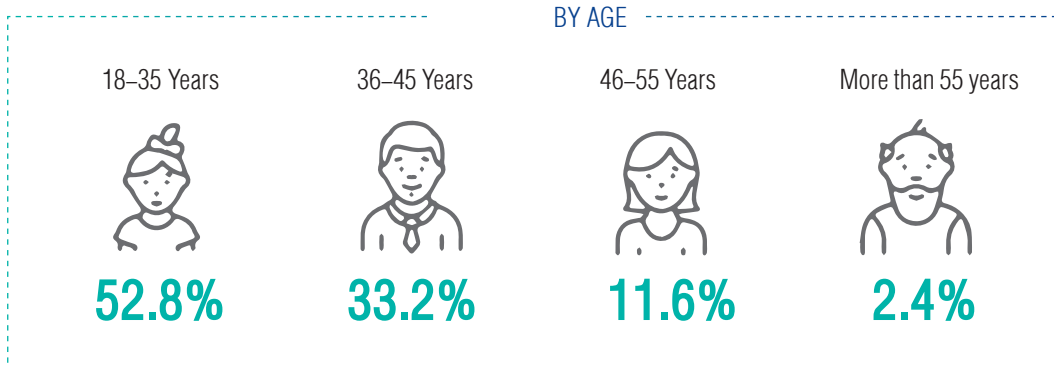
A total of MNT2.3 billion in loans were granted through the platform, and MNT1.6 billion was repaid, leaving an outstanding loan amount of MNT637.1 million. Also, 78.2% of the loan portfolio is less than 3 months, 15.9% is 4–6 months, and 5.9% percent is 7–9 months. Within the investment portfolio through the platform, 37.0% represents a one-year investment, while 63.0% constitutes investments with a duration of less than one year.



98.5% of total loans provided through the P2P platform are categorized as normal loans, 0.6% were overdue, and 0.9% were non-performing loans. The monthly weighted average interest rate is 2.0%.

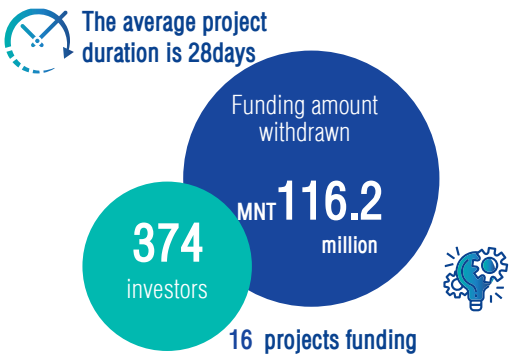


Among P2P customers, 64.8% are women, and 35.2% are men. In terms of age demographics, 52.8% fall within the 18–35 age group, 33.2% are aged 36–45, 11.6% are aged 46–55, and 2.4% are over 55 years old. Education-wise, 62.0% of customers have higher education, 4.1% have special secondary education, 28.4% have completed high school, 4.4% have secondary education, and 1.1% have primary education.



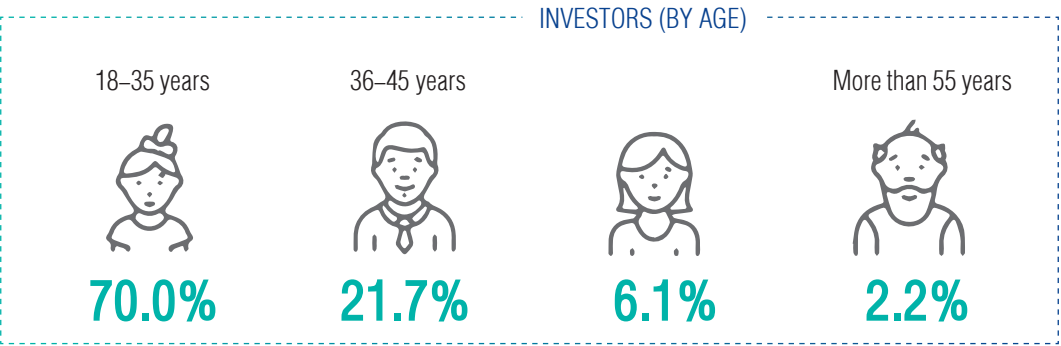
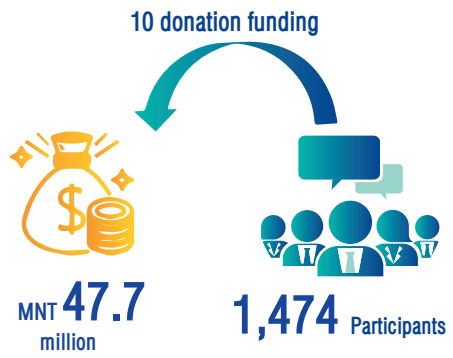
Crowdfunding Services

The crowdfunding service entered the sandbox environment and tested the crowdfunding service from December 2022. Two crowdfunding service providers are gradually introducing crowdfunding services based on incentives, loans, share, donations in the sandbox environment.



Incentive-based crowdfunding successfully raised MNT116.2 million from 374 investors across 16 projects. 374 investors invested a total of MNT 116.2 million in 16 incentive-based crowdfunding projects, and 10 incentive crowdfunding projects worth MNT 111.8 million were successfully implemented. For projects, on average, the total necessary funds were raised with 41.6% realization. 8 of these 16 projects funded by the platform are less than 1 month, and the average project duration is 28 days.

Donation-based 10 crowdfunding projects were posted on this platform, and MNT 11.5 million were successfully donated out of MNT 47.7 million donations from a total of 1,474 contributors. A loan-based one crowdfunding project raised MNT11.0 million from two investors.



Among the investors, 70.0% are aged 18–35 years, 21.7% are in the 36–45 age range, 6.1% are aged 46–55, and 2.2% are over 55 years old.

REGULATORY ENVIRONMENT

Context of improving the regulatory environment.

A professional and technical assistance program project, financed by the Asian Development Bank is focused on improving the legal and regulatory environment for the fintech industry in Mongolia. The project includes

(1) developing a road map for Mongolia's fintech and innovation ecosystem, and (2) producing a report with assessment and policy recommendations for the introduction of supotech in financial supervision and inspection. The Financial Regulatory Commission is the main implementer of the project, which is set to run until 2025, with the Central Bank and Ministry of Finance as joint implementers. Companies participating in the sandbox environment are starting to implement monitoring systems to track real-time digital data.

As part of the Public awareness of the sandbox environment



The “Finsec” forum, organized jointly by the Public Center for Combating Cyber Attacks and Violations, the Financial Regulatory Commission, and the Fintech Association was held to discuss the issues facing fintech companies and users. The forum aimed to share best practices, and provide information on the regulatory and legal environment.

As part of monitoring and collaborating with participants in the sandbox environment

A total of 66 meetings were held with 25 companies interested in testing their products and services within the sandbox environment.



a digital database is being developed to gather news and reports on a weekly, monthly, and quarterly basis, including reports and news forms tailored for each of the six testing items.

Operations are regularly monitored and inspected on-site, with additional distance control measures based on participant reports



We regularly conduct research on the development and regulatory environment for testing products and services internationally.

We participate Regularly in both online and classroom training sessions and meetings focused on fintech development and regulatory environment.





VIRTUAL ASSET SERVICES

Registered platform

12



Market outlook

Number of costumers

875,082



Accessibility

Day trading of
domestic virtual
assets

MNT4.2 billion



Products and services

Profitability



Total income

MNT **5.6** billion

Net profit

MNT **3.0** billion

Regulatory environment



MARKET OUTLOOK

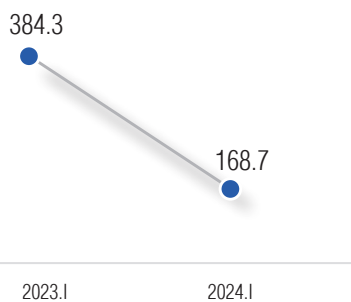
NUMBER OF VIRTUAL ASSET SERVICE PROVIDERS

12 virtual asset service providers (VASPs) are operating. The number of VASPs did not increase or decrease from the same period of the previous quarter.

Areas of activity /duplicate/



Market valuation (MNT, billion)

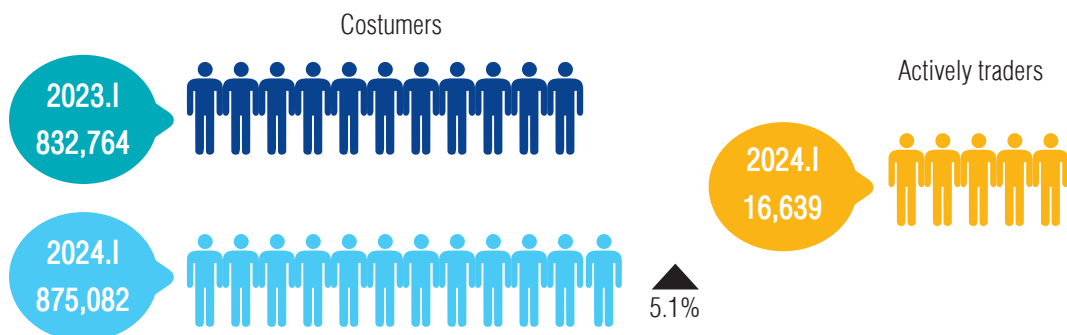


The market capitalization of domestic VAs was MNT168.7 billion; a decrease of 2.3 times (MNT215.6 billion) compared to the previous quarter.

MARKET SHARE (BY TOTALTRADE)

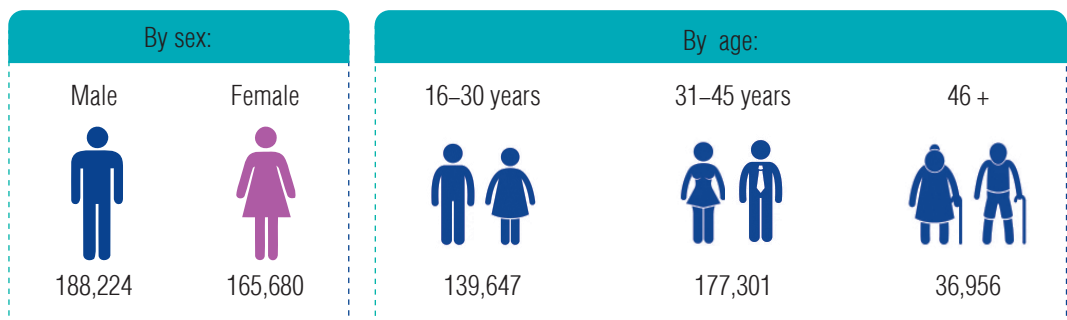
Considering the market share of virtual asset service providers in terms of total trading, 2 VASPs account for more than 20.0%, 2 VASPs account for 10–20%, and 8 VASPs account for less than 10.0%.

ACCESSIBILITY

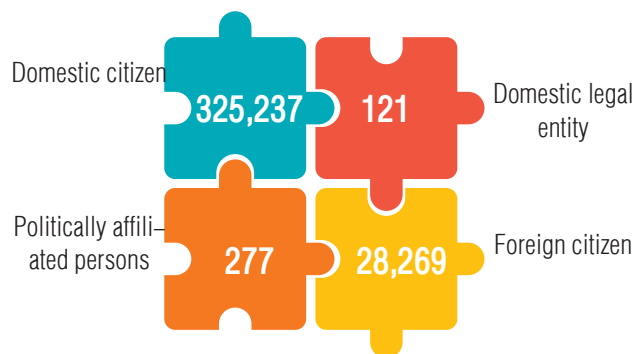


875,082 customers (duplicated) are registered as VASPs, an increase of 5.1% from the same period of last year. 40.4% or 353,904 are verified, and of which, 1.6% or 16,639 are actively involved in trading.

CONFIRMED COSTUMERS



CLASSIFICATION OF VERIFIED CUSTOMERS:



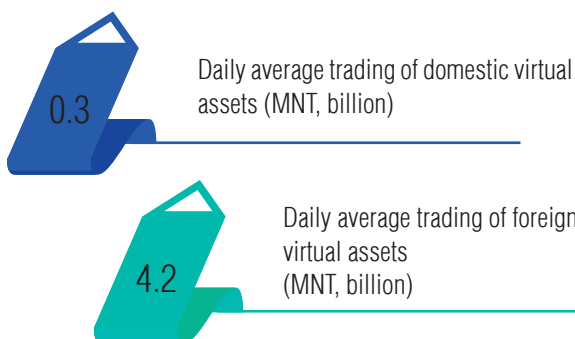
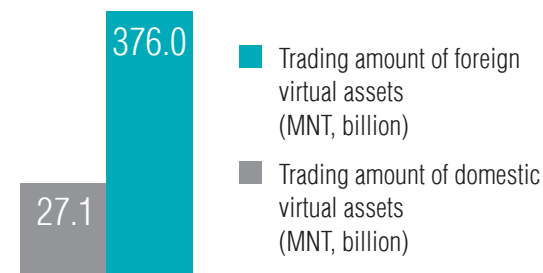
In total, 353,904 verified customers were divided into the following categories: 325,237 or 91.9% were domestic citizens, 28,269 or 7.9% were foreign citizens, 277 or 0.08% were of political affiliations, and 121 or 0.03% were domestic legal entities.

PRODUCTS AND SERVICES

VIRTUAL ASSET TRADING

A total of MNT403.1 billion was traded on the registered virtual asset service provider. Of which:

- MNT 27.1 billion or 6.7% of the total trading was domestic virtual asset trading.
- Foreign virtual assets trading amounted to MNT376.0 billion or 93.3%.

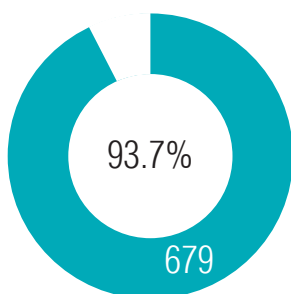


The average trade of foreign virtual assets was MNT4.2 billion, and the average trade of domestic virtual assets was MNT0.3 billion.



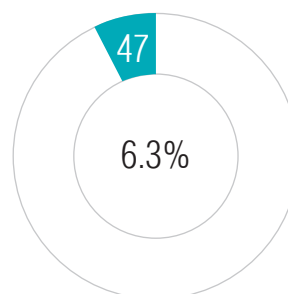
NUMBER OF DOMESTIC AND FOREIGN VIRTUAL ASSETS TRADED ON THE VASPS

A total of 726 virtual assets are being traded through 12 VASPs, of which 47 were domestic virtual assets and 679 were foreign virtual assets.



Foreign virtual assets account for 93.7% of the total traded virtual assets. Domestic virtual assets increased by 14.6% from the same period of last year.

The trading amount of domestic VAs reached MNT136.6 billion, while the average daily trading amount was MNT150.1 million.



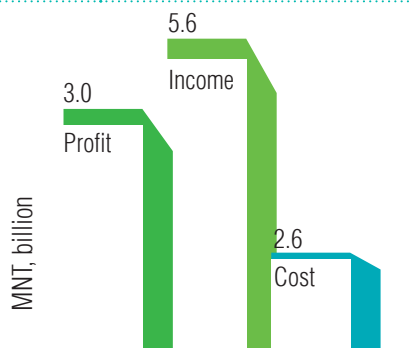
PROFITABILITY

TOTAL ASSETS

The total asset of VASPs are MNT57.9 billion. Of which: MNT37.9 billion or 65.5% are current assets, the remaining MNT20.0 billion or 34.5% are non-current assets, MNT33.8 billion or 58.4% of resources are liabilities, MNT24.1 billion or 41.6% are owners' property.

Classification of assets and resources	Amount /MNT, billion/	Proportion of assets and resources
Current assets	37.9	65.5%
Non-current Assets	20.0	34.5%
Liabilities	33.8	58.4%
Owner's property	24.1	41.6%

VASPs earned a total of MNT5.6 billion, spent MNT2.6 billion, and made a profit of MNT3.0 billion.



SHARE CAPITAL

As for the percentage of the share capital, 1 company has more than 10%, 9 companies have 5–10%, and 2 companies have less than 5%. Those 12 VASPs have a total of MNT24.9 billion.

REGULATORY ENVIRONMENT



COOPERATION

- o The Financial Action Task Force (FATF) Plenary was held on 21–23 February in Paris, France. Representatives of more than 200 countries and observers of international organizations participated in the plenary and made relevant decisions in the field of Anti-Money Laundering, Combating the Financing of Terrorism, and Counter Proliferation Financing. In relation to the FATF's recommendations and standards, the measures taken to improve the implementation of the recommendations related to beneficiaries, transparency of payment and settlement systems, and prevention of abuse of virtual asset services and non-profit organizations were presented, and relevant decisions were approved.
- o Mongolia and the Republic of Korea discussed further cooperation in the field of cross-border supervision, information exchange, anti-money laundering and combating the financing of terrorism, and prevention of the abuse of new technologies and virtual asset markets in the above sectors.



APPENDIX



CAPITAL MARKET DATA

Statistics	2022.1	2023.1	2024.1
Market valuation (MNT, billions)	5,378.6	6,530.2	11,800.3
MV/GDP	12.5%	12.4%	17.1%
Liquidity	1.8%	0.6%	1.0%
Stock trading (MNT, billions)	95.4	52.5	128.5
Debt instrument trading (MNT, billions)	17.9	11.9	42.6
Asset-backed securities trading (MNT, billions)	5.3	7.3	16.7
Investment fund (MNT, billions)	1.2	13.8	17.2
TOP-20 index	38,096.88	36,723.77	44,693.58
MSE A index	13,902.71	15,170.17	17,799.40
MSE B index	12,229.99	12,478.32	12,207.55
Number of JSCs	314	318	309
Number of SCs	55	52	51
Commercial value of agricultural products / billion MNT/	74.5	63.8	59.5

INSURANCE MARKET DATA

Statistic	2022.I	2023.I	2024.I
Total assets (MNT, billions)	418.5	487.0	582.3
Total insurance and reinsurance premiums (MNT, billions)	51.3	76.2	110.0
Total compensation (MNT, billions)	26.2	26.5	35.8
Reserve fund (MNT, billions)	179.8	216.9	270.5
Reinsurance fee (MNT, billions)	12.2	21.9	35.2
Net profit (MNT, billions)	3.4	3.7	8.3
Professional participants:			
Non-life insurance	15	15	16
Life insurance	1	2	2
Reinsurance	1	1	1
Insurance agent	2,422	2,376	2,462
Insurance broker	59	64	63
Damage assessor	25	25	25
Actuary	38	40	40
Auditor	144	139	147
Auditor's company	43	41	45

NBFi DATA

	/Тэрбум төгрөг/		
Statistic	2022.1	2023.1	2024.1
Нийт хөрөнгө	2,972.8	3,702.0	5,062.1
Эргэлтийн хөрөнгө	2,874.6	3,583.7	4,819.0
Cash	374.2	513.7	588.2
Short-term investments	19.8	33.2	57.6
Total loans	2,293.6	2,864.0	4,078.7
Normal loans	2,065.3	2,510.0	3,644.9
Overdue loans	79.3	126.0	151.8
Non-performing loans	149.0	228.0	282.0
Credit risk fund	117.5	165.4	212.0
Other real estate to be owned and other property to be owned (net)	16.3	22.6	27.0
Non-current assets	98.3	118.3	243.1
Total liabilities	1,108.5	1,385.7	2,144.5
Trust service payable	280.4	398.6	759.1
Payables to domestic and foreign banks and financial institutions	358.5	393.6	705.5
Project loan financing	23.9	30.2	18.4
Owner's property	1,864.3	2,316.3	2,917.6
Secondary charity	70.9	76.0	72.4
Share capital	1,164.6	1,361.1	1,655.7
Accumulated profit	587.7	816.4	1,189.6
Number of NBFIs	529	514	531
Ulaanbaatar	444	420	436
Provinces	85	94	95
Customers	4,645,134	3,862,489	4,458,031
Total income	184.4	258.5	378.1
Interest income	145.6	210.3	331.8
Non-interest income	32.4	40.8	40.8
Non-operating income	6.3	7.4	5.5
Total cost	105.8	159.0	232.2
Interest expenses	19.5	29.1	75.6
Non-interest expenses	66.6	91.6	102.6
Potential risk costs	12.2	27.4	31.3
Non-core operating expenses	1.5	1.8	22.7
Net profit	78.6	99.6	145.9

SCC'S DATA

	/Тэрбум төгрөг/		
Statistic	2022.I	2023.I	2024.I
Total assets	291.3	274.4	316.2
Current assets	280.4	270.4	312.0
Cash	51.2	42.5	71.7
Liability	11.7	17.3	19.6
Non-current Assets	10.9	4.1	4.1
Fixed assets /net/	3.7	3.9	4.0
Intangible assets	7.2	0.2	0.2
Investments and other non-current assets	0.0	0.0	0.0
Total loans	219.3	212.5	220.3
Normal loans	206.9	196.6	205.1
Overdue loans	5.3	8.4	8.3
Non-performing loans	7.0	7.5	6.9
Liabilities	225.6	215.2	244.9
Savings	202.1	191.5	219.9
Short term loan	3.5	2.5	3.4
Long-term liabilities	4.0	5.8	1.0
Other	15.9	15.5	20.5
Own assets	65.7	59.3	71.3
Members' contributions	26.4	26.3	28.3
Property of cooperatives	39.1	32.6	42.7
Accumulated income /loss/	19.0	10.2	17.6
Total income	16.3	15.7	17.5
Total income	15.3	14.6	16.7
Other operating income	0.4	0.2	0.3
Non-operating income	0.7	0.9	0.5
Total expenses	13.1	14.1	15.6
Interest expenses	8.6	8.5	9.8
Potential contingency fund costs	0.4	1.3	0.8
Operating costs	3.8	4.1	4.7
Non-operating expenses	0.0	0.0	0.0
Net income	3.2	1.7	1.9
Number of SCCs	205	191	184
Number of Ulaanbaatar SCCs	114	101	95
Number of local SCCs	91	90	89
Members /thousand/	74,966	69,962	73,293

CREDIT GUARANTEE FUND

/Тэрбум төгрөг/

Statistic	2022.I	2023.I	2024.I
Total assets	256.9	255.0	293.3
Warranty balance	82.4	78.8	108.6
Of which: overdue	1.3	4.8	1.7
:non-performing	10.7	9.6	5.8
Guaranteed loan balance	162.0	154.2	221.9
Of which: overdue	2.4	8.1	2.3
:non-performing	22.7	23.6	19.3
Operating income	2.1	2.5	2.0
Operating expense	0.5	0.7	4.3
Operating result	1.6	1.8	(2.3)
Total guarantees	4	26	163
Amount of bail issued	1.8	7.9	17.1
of which: agriculture	0.0	0.3	0.3
manufacturing	1.3	3.6	2.9
wholesaling and retailing	0.1	2.5	7.6
services	0.4	1.5	6.3
Average period of guarantee issued /in months/	100.0	119.5	225.3
Number of requests submitted for bail	5	29	170
Of which: Number of approved requests	4	20	150

REBs DATA

Statistic	2023.I	2024.I
REBs (including agencies)	311	310
Brokers	326	323
Agents	1,349	1,304
Area of real estate bought and sold (m ²)	340.8	289.7
Value of real estate bought and sold	454.3	508.6
Area of real estate rented and leased (m ²)	78.03	158.3
Value of real estate rented and leased	17.7	51.9

DPMS DATA

Statistic	2023.1	2024.1
Entities (DPMS, and dealers in products made from them)	47	52
Individuals (DPMS, and dealers in products made from them)	72	92
Individuals (dealers in products made from precious metals and stones)	253	220
Individuals (DPMS)	140	122
Weight of bought precious metals (kilogram)	258.03	340.1
Value of purchased precious metals (MNT, billion)	22.5	55.1
Weight of sold precious metals (kilogram)	316.5	229.1
Value of sold precious metals (MNT, billion)	26.5	47.1
Total value of bought products (MNT, billion)	4.2	5.8
Total value of sold products (MNT, billion)	7.2	9.6

VASP DATA

/Тэрбум төгрөг/

Statistics	2023.I	2024.I
Number of VASP	12	12
Costumers	832,764	875,082
Of which: Actively trades	167,375	16,639
Confirmed	455,685	353,904
Number of domestic virtual assets	41	46
Valuation of domestic virtual assets market	384.3	166.9
Amount of domestic virtual asset trades performed on registered virtual asset service provider /increased amount/	71.0	27.1
Share capital	24.9	24.9
Total assets	64.4	57.9
Operating Profit/Loss	(2.4)	3.0



