



САНХҮҮГИЙН
ЗОХИЦУУЛАХ ХОРОО
FINANCIAL REGULATORY COMMISSION
OF MONGOLIA

2021

INTRODUCTORY PRESENTATION
/The 20th group of the GLOPAC/

THE SECURITIES MARKET OF MONGOLIA

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CONTENT

1. ABOUT FRC
2. OVERVIEW OF SECURITIES MARKET OF MONGOLIA

ABOUT FRC

The Financial Regulatory Commission (FRC) is a parliamentary authority for regulation and supervision of the non-bank financial markets.

Established under the Parliament in 2006 in accordance with the Law on Legal Status of Financial Regulatory Commission.

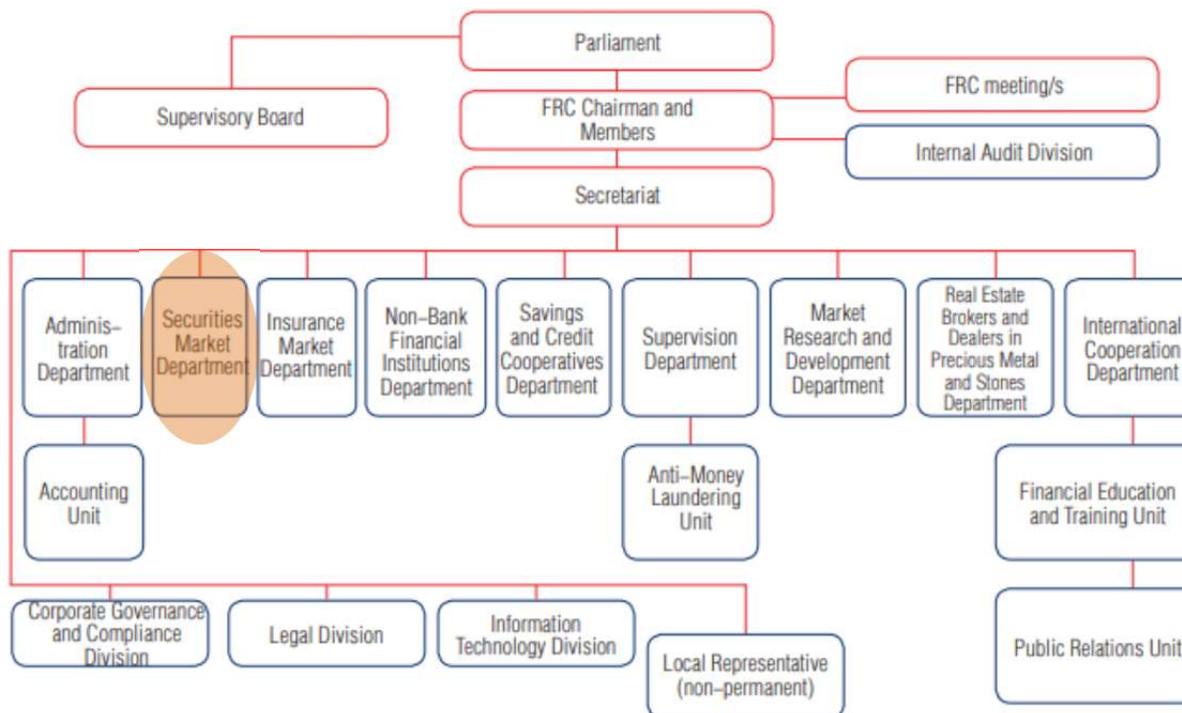
FRC's mission

to create a diversified, sustainable and inclusive financial system where fair competition is promoted and consumer protection is secured towards fostering economic growth and development.

FRC's Vision

to develop diversified and sustainable financial markets that ensure the rights of consumers and trust in marketplace by implementing sound financial policies and regulation, and establishing effective supervision system.

ORGANIZATIONAL STRUCTURE



SECURITIES MARKET DEPARTMENT

2 DIVISIONS:

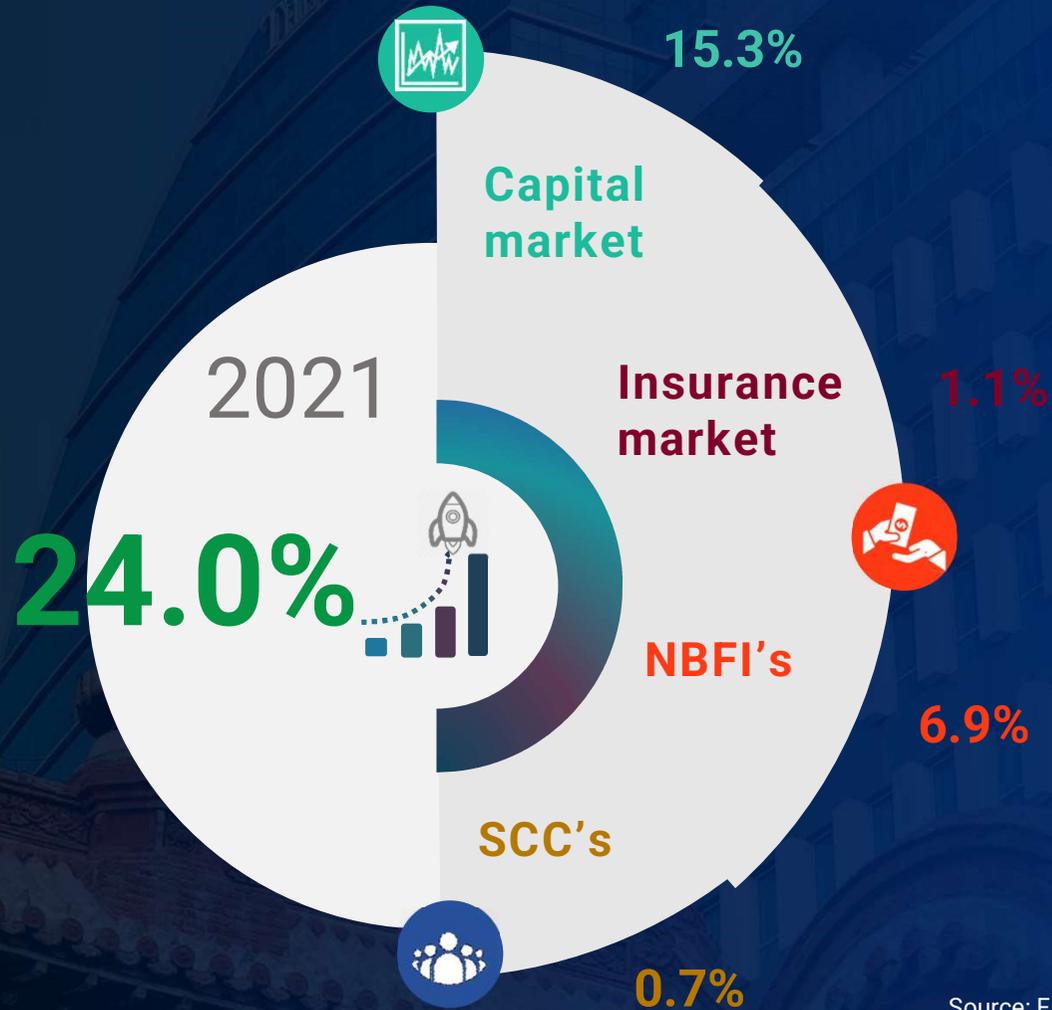
- POLICY
- REGISTERING AND LICENSING

AND

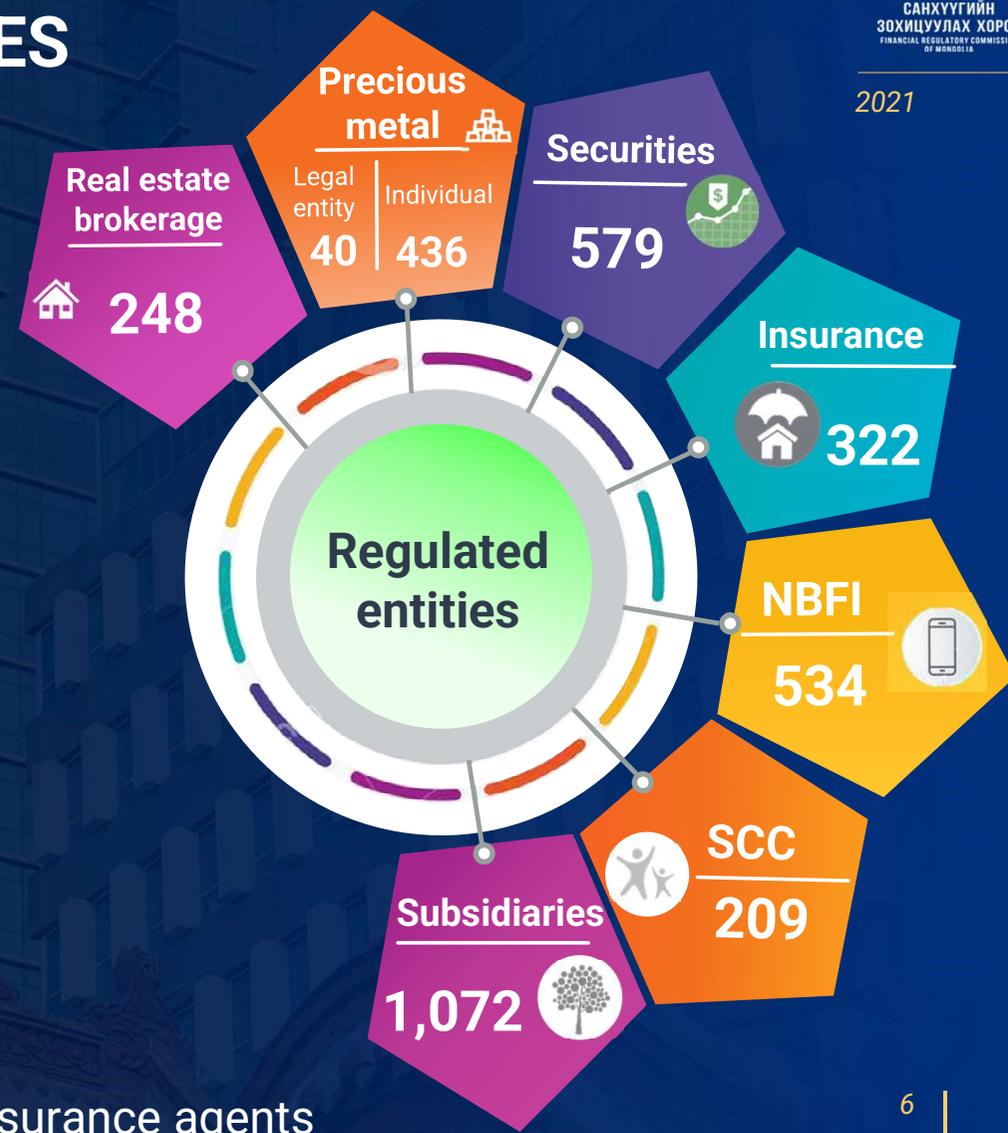
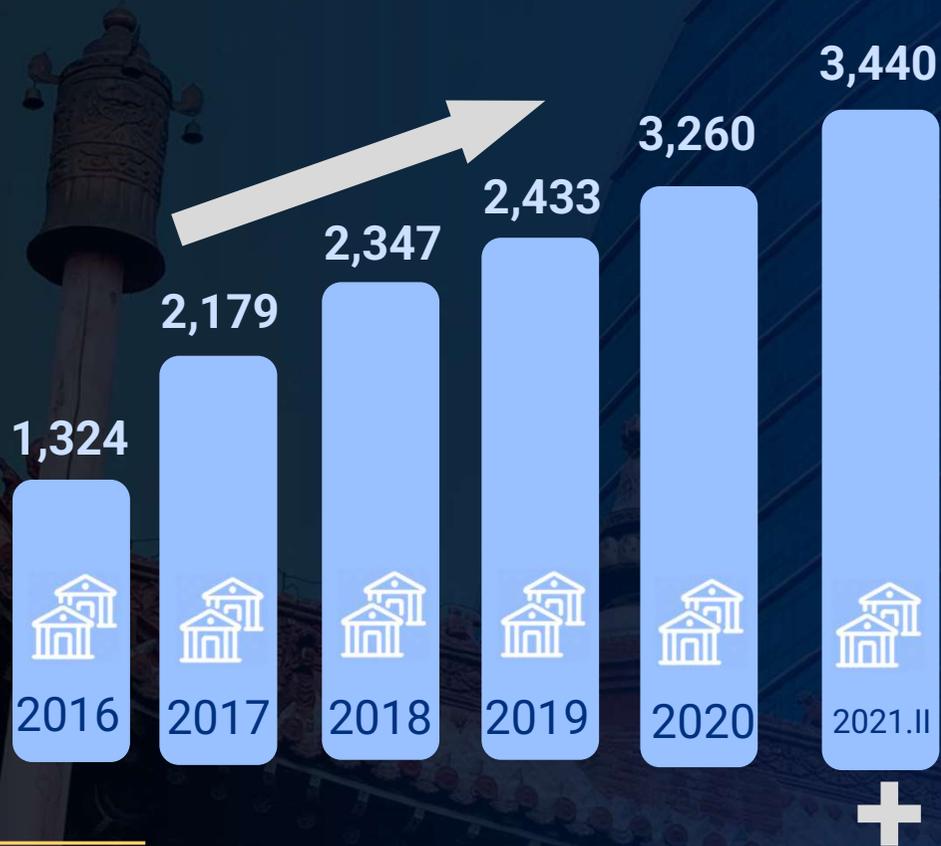
RECENT DEVELOPMENT OF NON-BANK FINANCIAL SECTOR

2021

Non-bank financial
sector as a share
of GDP



NUMBER OF REGULATED ENTITIES



+
2,403 Insurance agents

CAPITAL MARKET DATA

Figure 1. Market Capitalization (2017-2021)



Figure 2. Trade Data in Capital Market, 2020-2021 /MNT million/

Total value of securities trading	2020	2021	Growth rate
Total Securities trading	65.4	1,414.2	26.1 times
Stocks	53.9	305.0	5.7 times
Corporate Bonds	5.8	1,048.2	180.7 times
Government Securities	0.6	-	-
Investment funds	5.1	56.8	11.1 times
Asset Backed Securities	-	4.2	-

RECENT POLICY ACTIONS TAKEN BY FRC

1. Reform in the Banking Sector

FRC and the Bank of Mongolia drafted amendments to the Banking Law. The amendments were approved by the Parliament of Mongolia on January 29, 2021.

2. International standard for securities settlement & clearing system

FRC issued a resolution for the introduction of the principles of T+2 settlement cycle and delayed payment.

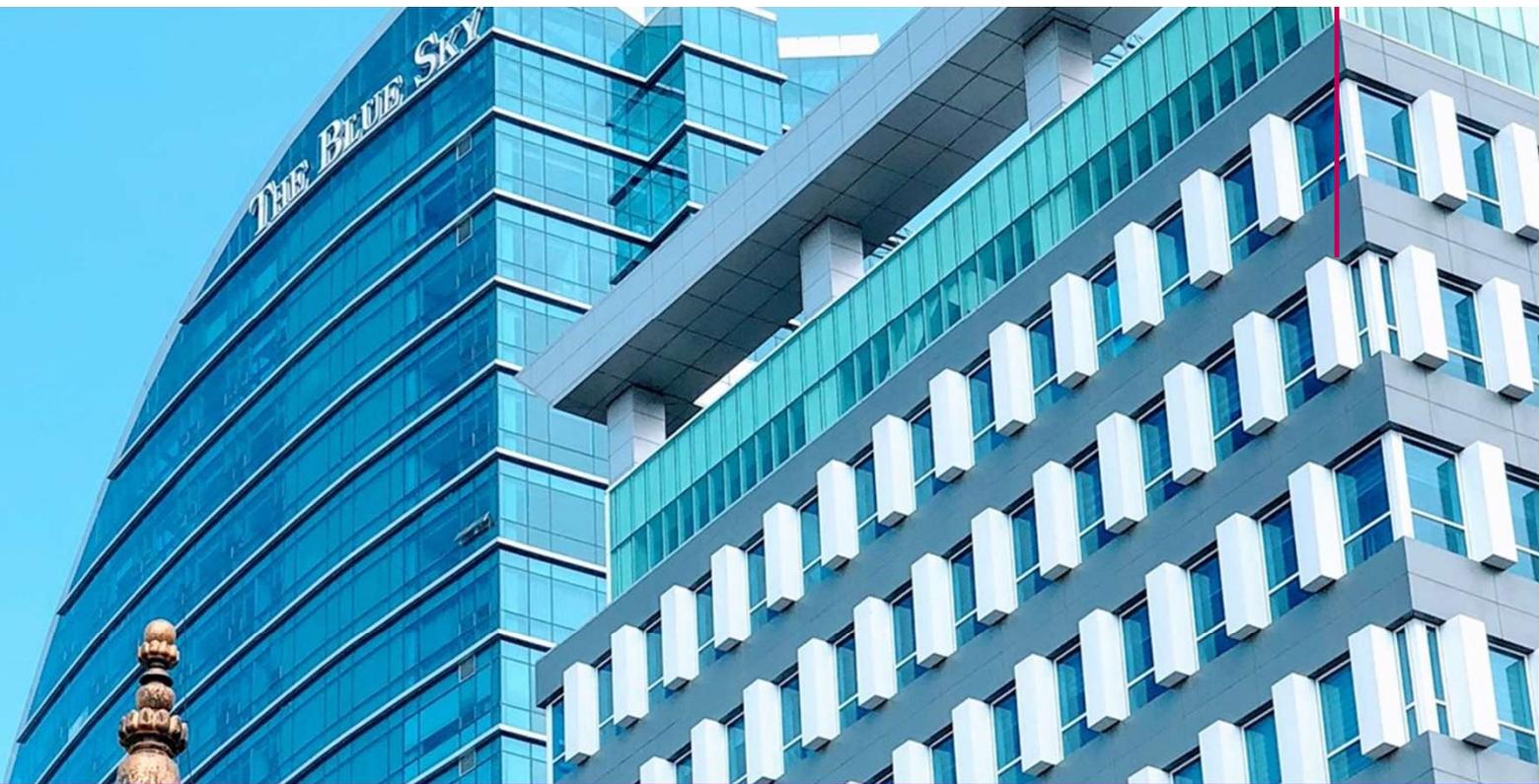
3. OTC MARKET

FRC approved the “Regulation on OTC Market operation”
MASD /Mongolian Association of Securities Dealers/ manages & monitors the OTC market.

Primary market trading took place on Sep 3, 2021 through electronic platform



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Thank you for your attention