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Politics

Mongolian president arrives in Prague

First time in 30 years that a head of state arrives on official visit by train

Prague, Jan. 18 (ČTK) — President of Mongolia Tsakhiagiin Elbegdorj arrived in Prague by a regular EuroCity train from Berlin for a three-day official visit before 7:30 p.m. today, and he was welcomed by representatives of the Presidential Office, the Foreign Affairs Ministry and the Mongolian Embassy at the main station.

Elbegdorj traveled in a first-class car, immediately behind the engine car, that was designated for him. The train stopped at the first platform, and his car was exactly opposite the government lounge.

After the arrival, Elbegdorj was welcomed by Presidential Office protocol section head Jindřich Forejt aboard the train.

A red carpet was spread out on the platform, where Presidential Office head Vratislav Mynář and the president's spokesman Jiří Ovčáček met Elbegdorj. Then the delegation went to the government lounge that was protected by soldiers from the Prague Castle Guard.

Foreign representatives usually fly to the Czech Republic, and an official welcome ceremony takes place at the government airport terminal.

The last time a foreign head of state arrived in Prague by train for an official visit was some 30 years ago.

Elbegdorj will meet his Czech counterpart Miloš Zeman, Prime Minister Bohuslav Sobotka and the heads of the lower and upper houses of parliament. They will likely discuss economic affairs and water resources.

On Tuesday, Elbegdorj is to visit Charles University in Prague and meet students of Mongolian Studies.

Elbegdorj is accompanied by a large delegation, including Mongolian Foreign Minister Lundeg Purevsuren. Deputy Foreign Minister Martin Tlapa will meet the delegation on behalf of the Foreign Affairs Ministry.

[Source](#)

President Ts.Elbegdorj to pay an official visit to the Czech Republic

January 19 (news.mn) The President of Mongolia, Ts.Elbegdorj, left Ulaanbaatar yesterday to pay an official visit to the Czech Republic on the invitation of Milos Zeman, President of the Czech Republic.

The official visit will start tomorrow and continue until January 20th.

The 65th anniversary of diplomatic relations between Mongolia and the Czech Republic is going to be celebrated this year. According to one study, more than 5,000 Mongolian citizens are now working and living in the Czech Republic.

After paying his official visit to the Czech Republic, President Ts.Elbegdorj will take part in the 45th World Economic Forum to be held in Davos, Switzerland, from January 21-24.

[Source](#)



Premier meets youths

Ulaanbaatar, January 19 (MONTSAME) The Prime Minister Ch.Saikhanbileg Saturday received delegates who had taken a part in a general consultation of the Union of Mongolian Youths (UMY) in Ulaanbaatar.

The young people talked about problems the Mongolian youths face, highlighted measures that will be taken in future, and shared views with the PM on the related matters.

They also said that UMY's consultation had selected its top branches for 2014, in which Orkhon aimag's youths' union, led by B.Monkhbold, became the best, followed by Dornogobi aimag's union headed by E.Enkhjargal. "These best branches had managed to gather many young people in their areas and had done plenty of works aimed at delivering the youths' voice to the government and at strengthened their positions.

The UMY president A.Monkhbat said the union's members who are not split into any political parties or coalitions must do all their best to works for the motherland and their families. "In 2015, they have to be highly responsible, creative and rich," he noted.

"Big responsibilities are awaiting us, so the union will bring its action frame into national and international levels. We will prove our goals by our actions, and will make our voice and position stronger," Monkbat said.

[Source](#)

Independent MPs work in Darkhan-Uul

Ulaanbaatar, January 19 (MONTSAME) Independent members of the State Great Khural (parliament) S.Ganbaatar, Ts.Davaasuren and Kh.Bolorchuluun last weekend worked in Darkhan-Uul aimag's Orkhon soum, to receive views and proposals of the local residents. The MPs held the information meeting with people and voters of the soum.

[Source](#)

Coalition's faction backs agreement with Japan

Ulaanbaatar, January 19 (MONTSAME) At its regular meeting on Monday, the "Justice" coalition's faction at parliament discussed and then backed two issues--a bill on development policy and planning, and a matter on establishing an Economic Partnership Agreement (EPA) with Japan.

Mongolia approved several long- and middle-term policy on the developmental issues in the last 25 years, but their realization has not been successful because changes are made in it every time when the cabinet changes. The above draft on the development policy, being discussed at parliament, stipulates that works reflected in the bill will be realized no matter which political party or coalition win parliamentary election. However, the faction considers as necessity to refine this document, so it has set up a working group led by Ch.Ulaan MP.

The coalition also backed an establishment of the EPA with Japan. The information about it was given by O.Chuluunbat, an advisor to the PM.

[Source](#)



Economy

Exchange rate of USD equals 1,950 MNT

January 19 (news.mn) The USD exchange rate at some commercial banks in Mongolia is now equal to 1,950 MNT. However, the USD rates at Naiman Sharga currency exchange market are 1,941 MNT.

Since the new year, the exchange rate has increased steadily and the monetary policy committee of Mongol Bank organized a meeting and decided to raise its policy rate by 1.0 percentage points to 13 percent.

In the case that foreign investment does not increase and the flow of foreign currency to the economy does not recover, the USD exchange rate is expected to reach 2,500 MNT by the end of this year.

[Source](#)

Finance Minister J.Erdenebat Opens MSE 24th Anniversary Trading Session

January 19 (infomongolia.com) Upon the Decree No.22, the Government of Mongolia established the ground of Mongolian Stock Exchange (MSE) on January 18, 1991 with the intention of implementing its Privatization Policy and developing investment and securities market during the transitional period from a centrally planned economy to a market economy in Mongolia.

Celebrating the 24th anniversary of the MSE establishment, Finance Minister J.Erdenebat visited the Stock Exchange to get acquainted with activities and opened the 4,896 trading session hitting the 'cymbal' on January 19, 2015.

On this commemorative day, the MSE officially started the secondary market for government securities trading that aims to improve market liquidity and the increased availability of securities and investors to buy government securities daily as well as to resell before the payment date. Nevertheless, it would be open a competitive mode between the benchmark and yield curve on Mongolian stock market to determine the actual figures in economic emerging trends.

[Source](#)

Gov't securities secondary market tradings begin

Ulaanbaatar, January 19 (MONTSAME) On the occasion of the 24rd anniversary of the Mongolian Stock Exchange (MSE), the Minister of Finance J.Erdenebat hit the gong to start the 4,896th trade of the MSE on January 19. He also got au fait with the SX activities.

The MSE officially commenced on this historic event the secondary market trading of the Government Securities. This is expected to result in the improving of market liquidity of Government bonds, better allocations of the national securities, and in facilitating the environment where the Government securities are bid on daily basis, and re-commercialized before the deadline.



It will be of high importance in establishing reliable quantitative data to vividly demonstrate the country's economic tendencies, through providing an opportunity to have the benchmarks and yield curves transfer into more realistic procedures.

[Source](#)

Stock Exchange News for January 19

Ulaanbaatar, January 19 (MONTSAME) At the Stock Exchange trades on Monday, a total of 14 thousand and 962 units of 16 JSCs were traded costing MNT 64 million 703 thousand and 746.

"Binse" /11,835 units/, "State Department Store" /1,344 units/, "Hermes Center" /600 units/, "Genco tour bureau" /122 units/ and "Gutal" /100 units/ were the most actively traded in terms of trading volume, in terms of trading value were "Binse" (MNT nine million 349 thousand and 650), "Darkhan Nehii" (MNT one million and 576 thousand), "Gutal" (MNT 960 thousand), "Material impex" (MNT 854 thousand) and "State Department Store" (MNT 739 thousand and 200).

The total market capitalization was set at MNT one trillion 412 billion 750 million 981 thousand and 835. The Index of Top-20 JSCs was 14,603.99, decreasing 4.26 units or 0.03% against the previous day.

[Source](#)

Construction

MOU Signed to Construct New Central Sports Palace Replacing Current One in Ulaanbaatar

January 19 (infomongolia.com) On January 16, 2015, the Deputy Minister of Health and Sports T.Boldbaatar established a Memorandum of Understanding with representatives of "Shanghai Construction" Company to construct a new Central Sports Palace in Ulaanbaatar.

The "Shanghai Construction" is a Chinese company that earlier executed the Buyant Ukhaa Sports Complex in Yarmag area of UB and the new Palace will be constructed on the site, where the current Central Sports Palace locates to be demolished soon, which was built with assistance of the People's Republic of China back in 1958.

The current Sports Palace features the total area of 8,165 square meters accommodating a single sporting arena with a seating capacity of approximately one thousand viewers and 7 equipped gyms for judo, freestyle wrestling, boxing, power lifting and gymnastic trainings as well as including other spaces for office rooms. Annually it hosts about 140 national, international and regional tournaments. Moreover, it is a venue for sports high school along with Mongolian Judo, Wrestling, Boxing, Gymnastics and Powerlifting Federations as well as Students' Sports Association, Paralympic Committee and other non-governmental organizations.



The venue is almost 60 years old, thus, the Agency for Specialized Inspection issued a notice twice prohibiting to conduct any activities, but with a lack of space, the national teams have been training there to date.

The new Palace of Sports will be a home of sporting arena with a seating capacity of 2,500 people with an additional 1,000-seat hall including a 50m swimming pool and over 30 gyms for trainings. Moreover, it plans to accommodate a hospital for athletes, laboratory, sports school, office rooms and a hotel, but when to start is not revealed yet.

[Source](#)

Tourism

Mongolia to participate in global tourism exhibition

January 19 (news.mn) The international tourism exhibition ITB Berlin 2015 is going to be organized in Berlin, Germany, from March 3-8.

ITB is the biggest annual event in the international tourism sector. More than 10,000 companies from 180 countries participate in this event, advertising their products and services, and almost 100,000 people visiting the event to see the exhibitors.

About 60,000 tourists and more than 8,000 journalists and media outlets are expected to attend ITB this year.

Mongolia is partnering with ITB Berlin this year, and has participated in the exhibition each year since 2000. In 2015 Mongolia is going to participate in ITB with a featured status, as it's single partner country.

The featured status allows Mongolia to be introduced to the world from this important stage, and offers a chance to participate in international and national business and social events. It is a unique chance to attract a larger number of tourists to Mongolia.

Featured status at ITB Berlin 2015 as the official partner country gives Mongolia a chance to organize and engage in the following activities:

- the official opening ceremony of the exhibition for more than 178,000 attendees
- organizing a meeting, gala concert, and reception introducing Mongolian culture and tradition to more than 3,600 international VIP guests.
- establish strategic partnerships with international tourism associations and other professional associations
- participate in industry meetings and cultural events
- disseminate published materials and catalogs about Mongolia

As an exhibitor, on behalf of the Mongolian government, the Ministry of Nature and Environment, more than Mongolian 18 tour operators, and the Ulaanbaatar City Tourism Board will participate in the exhibition.

More than 50 businesses from the domestic tourism sector will participate as attendees.

[Source](#)



Society

Trilateral accord on labour and social agreement signed

Ulaanbaatar, January 19 (MONTSAME) A state accord on labour and social agreement was signed last Friday by the government, Mongolia's Trade Unions (MTU) and Mongolia's Union of Employers (MUE).

A press conference about this was called last Friday by S.Chinzorig, the Minister of Labour; Kh.Amgalanbaatar, the MTU president; Kh.Ganbaatar, the MUE vice-president; and B.Lhagvajav, the president of the Mongolian National Chamber of Commerce and Industry (MNCCI).

It was said that the parties had discussed 70 proposals and divided them into 53 clauses in six chapters in the accord. They had considered as necessity to maintain principles such as consulting common matters of the social welfare and labour for the population and the labour relations in the 2015-2016 national trilateral accord; not causing a pressure on the state budget in times of economic difficulties; maintaining job places rather than augmenting salaries, allowance and pensions of state servants; and utilizing other financial and economic measures in order to save the population's revenues.

The MTU demand about a 60% pay rise for state servants was solved by a way of adding MNT 90 billion for the expenses of salaries and social insurance incentives, and MNT 13 billion--for increasing pensions. All this will be reflected in the 2015 budget clarification, said S.Chinzorig, the Minister of Labour.

This year's trilateral accord was a special action because the parties established a cooperation memorandum which aims to save jobs by maintaining a stability, to prevent a decline in population's incomes by supporting the employment, and to ensure a participation of the social agreement's sides in overcoming the current economic difficulties in a short time.

[Source](#)

Health

Health Minister meets union's delegation

Ulaanbaatar, January 19 (MONTSAME) The Minister of Health and Sport G.Shiilegdamba Friday received delegates of the Mongolian Union for Health Development and Reforms.

The visitors reported that the union had organized an open forum themed "Development and reforms of Mongolia's health-2014" with some 300 experts and officials participation, and gave the Minister a declaration issued by the forum.

In response, the Minister said his Ministry is undertaking works to tackle many problems such as the governance of health sector, financing, human resources, and an improvement of the first medical aid at a policy level. "The Ministry will reflect issues of the declaration in the reforms of health sector," he added.

[Source](#)



Meeting protocol of mutual understanding signed

Ulaanbaatar, January 19 (MONTSAME) A project will be co-implemented by Mongolia's Ministry of Health and Sport and Japan International Cooperation Agency (JICA) to improve post-graduate training for medical doctors working at the first and secondary levels.

A related meeting protocol of mutual understanding was signed Friday by D.Atarmaa, the Vice Minister of Health and Sport, and by Sawada Hiromi, the deputy permanent representative of the JICA to Mongolia. Mongolia actively cooperates with the government of Japan, especially with the JICA in the health sector. The JICA has been implementing projects and programmes on renovating medical equipment and facilities in hospitals, on preparing their operators, and on repair. Moreover, the sides had decided to establish a hospital at the National University of Medical Sciences within a non-refundable aid from Japan's government.

[Source](#)

Company News

Turquoise Hill says Mongolia mine concentrator output restored

Jan 19 (Reuters) - Turquoise Hill Resources Ltd said on Monday the concentrator at the Oyu Tolgoi copper and gold mine in Mongolia has resumed full production following a fire in December.

Releasing its 2014 production figures, the company, which owns some 66 percent of Oyu Tolgoi, also said it had produced 148,400 tonnes of copper and 589,000 ounces of gold in concentrates last year - in line with company forecasts.

Turquoise Hill, which is majority-owned by mining giant Rio Tinto, said repairs from the fire at the concentrator, a part of the milling process that produces a concentrate of valuable metals, were completed on Jan. 2.

Rio is the operator of Oyu Tolgoi.

In 2015, the mine is expected to produce 175,000 to 195,000 tonnes of copper and 600,000 to 700,000 ounces of gold in concentrates, Turquoise Hill said, repeating forecasts it gave last month. (Reporting by Nicole Mordant in Vancouver; Editing by Christian Plumb)

[Source](#)

Turquoise Hill output at higher end of target

January 19 (mining.com) Rio Tinto-controlled Turquoise Hill Resources (TSE:TRQ) on Monday announced that production in the final quarter of 2014 rose thank to higher grades despite a concentrator fire at its massive Oyu Tolgoi mine in Mongolia earlier in December.



Turquoise Hill, which owns 66% of Oyu Tolgoi with the remainder held by the government of the Asian nation, for the full year 2014 mined 589,000oz of gold and 148,000t of copper in concentrates.

Output was towards the top end of forecasts that were adjusted downwards in October to 550,000oz – 600,000oz of gold and 135,000t – 150,000t copper.

The Vancouver-based company is keeping its production estimates for 2015 to 600,000oz – 700,000oz of gold and 175,000t to 195,000t of copper in concentrates. The mine also produces small quantities of silver.

Turquoise Hill said in a statement repairs from the fire were completed on January 2 and the concentrator has returned to full production. Based on the 2015 mine schedule, production from the high-grade zone is expected to resume in mid-2015.

Operating cash costs were expected to be about \$900 million and capital expenditures were expected to be \$230 million, of which roughly \$185 million related to sustaining capital.

Rio Tinto, which owns just over half of Turquoise Hill, has been in talks with the Mongolian government for a \$5.4 billion expansion of Oyu Tolgoi for nearly two years, but no deal has been reached due to disagreements over funding of the underground project.

Shares in Turquoise Hill gained nearly 2% in Toronto on Monday (New York was closed due to a public holiday) where it is worth \$6.7 billion, but is down 7% since the start of the year as the price of copper decline to multi-year lows.

[Source](#)

Copper takes shine off Rio Tinto result

January 20 (The Australian) **MINING giant Rio Tinto has had an uncharacteristically subdued fourth quarter, missing copper guidance and analyst forecasts and not delivering to some expectations on iron ore.**

Mined copper output slumped 23 per cent from the previous quarter to 128,300 tonnes, as the big Escondida mine in Chile, which Rio (RIO) owns in a joint venture with BHP Billiton, was hit by water restrictions.

The Rio-operated Oyu Tolgoi copper and gold mine in Mongolia was hit by a fire at the concentrator.

Deutsche Bank had been expecting quarterly production of 147,600 tonnes and UBS was predicting 138,900.

As a result of the weak quarter, 2014 mined copper production of 603,000 tonnes missed guidance of 615,000 tonnes.

Fourth-quarter shipments (including minor partners' share) from Rio's WA-dominated iron ore unit rose 13 per cent to a record 82.2 million tonnes as the company continues to expand its Pilbara region infrastructure and mines.

This brought full-year sales to 302.6 million tonnes, just beating guidance of 300 million tonnes.

The quarterly effort missed UBS sales expectations of 83.9 million tonnes but beat Deutsche Bank expectations of 81 million tonnes.

Total production of 79.1 million tonnes, up 12 per cent from the previous quarter, fell shy of both UBS and Deutsche Bank expectations by about 1 million tonnes.



Fourth quarter production from the Pilbara region (including the share of minority partners) was 75.3 million tonnes, bringing total 2014 production to 280.6 million tonnes. Rio said it was targeting production of 330 million tonnes in 2015 as its latest expansions go full tilt and bring more low-cost output onto an oversupplied market.

Rio chief Sam Walsh said it had been a good quarter.

"We have had a successful year of production, capped off with a robust fourth quarter," Mr Walsh said.

"In a challenging market, Rio Tinto remains focused on operating and commercial excellence to leverage our low-cost position and maximise value for shareholders."

Analysts expected Rio to beat its own iron ore sales guidance, despite the significant falls in the value of Australia's largest commodity export.

When the big miners last reported production numbers in October, they were criticised for overproducing and driving down the price of iron ore.

Benchmark iron ore for immediate delivery to the port of Tianjin in China was trading at \$US67.80 a tonne, down 0.3 per cent from its previous close of \$US68 a tonne at the end of the latest offshore session.

The commodity is trading near the five-and-a-half-year low of \$US65.70 reached on December 23.

[Source](#)

Rio Tinto keeps ramping up iron ore production even as prices slump

January 19 (abc.net.au) Anglo-Australian mining giant Rio Tinto has again increased its iron ore output, even as prices plunged during 2014.

The miner increased iron ore shipments by 13 per cent in the December quarter compared with the same period last year, and shipped off 17 per cent more ore in 2014 than over the previous year.

That is even as spot prices for the steel making commodity slumped from as \$US135 per dry metric tonne in January 2014 to around \$US70 by year end in the major Chinese port of Qingdao.

Rio Tinto said it achieved an average price of \$US84.30 per wet metric tonne, which would imply a dry price higher than that.

In total, Rio shipped 82.2 million tonnes of iron ore last quarter, and 302.6 million tonnes over the whole of 2014.

The company's iron ore production was also up 12 per cent over the quarter and 11 per cent over the year, with numbers slightly under what the company shipped.

The vast bulk of that ore came from Western Australia's Pilbara, with production of 280.6 million tonnes, of which Rio's share was 231.5 million while the rest was owned by its joint venture partners.

The expansion of production is set to continue this year, with Rio saying that infrastructure for its upgrade to 360 million tonnes per annum capacity is 80 per cent complete, and that it expects to extract 330 million tonnes of ore from the Pilbara this year.

While increasing the output of one key steel making ingredient, Rio simultaneously cut back on the production of another.



Hard coking coal output slumped 31 per cent in the final quarter, and was down 9 per cent over the year.

Thermal coal, used to fuel power stations, also saw output slide 16 per cent in the quarter and 6 per cent over the year, but Rio Tinto said it was 15 per cent higher when the Clermont mine (which was divested during the year) is excluded.

Mined copper production was up 4 per cent for the year as the company's Oyu Tolgoi mega-mine in Mongolia ramped up, but it was down 23 per cent over the year.

Aluminium production was down just 1 per cent over the year and the quarter, with bauxite production also lower.

Rio Tinto shares were down 1.1 per cent by 10:20am (AEDT), slightly eclipsing a fall for its main rival BHP Billiton.

[Source](#)