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2021.12.20

Currency	Rate	24H Chg
EUR/USD	1.124	0.00%
USD/CNY	6.3863	-0.12%
USD/RUB	74.1521	-0.01%
USD/JPY	113.58	-0.04%
USD/KRW	1189	0.68%
AUD/USD	0.712	-0.02%
GBP/USD	1.3229	0.00%

Index	Unit	24H Chg
Dow Jones	35365.4	-1.48%
S&P 500	4620.6	-1.03%
NASDAQ	15169.7	-0.07%
FTSE 100	7269.9	0.13%
Nikkei 225	28361.5	-0.65%
DAX	15531.7	-0.67%
Hang Seng	23095.2	-0.42%

Commodity	Price	24H Chg
Gold	1801.19	0.17%
Silver	22.39	0.08%
Coal (Qinhuangdao Port)	147.50	0.00%
Copper 3M Future	9437.5	-0.74%
Iron Ore	685.50	0.44%
Crude Oil	69.42	-2.03%

LIBOR	Yield	24H Chg
US 1M LIBOR	0.10%	-1.33%
US 3M LIBOR	0.21%	-0.47%
US 6M LIBOR	0.31%	0.40%
US 12M LIBOR	0.53%	0.95%

Government Bonds	Yield	24H Chg
US Treasury 10Y	1.38%	-1.33%
UK Treasury 10Y	0.76%	0.26%
GE Treasury 10Y	-0.38%	-8.62%
JP Treasury 10Y	0.05%	-6.12%

Mongolian Bonds	Coupon	Mature Date	Yield	24H Chg
MIK 2022	9.75%	1/29/2022	10.43%	0.00%
Chinggis	5.13%	12/5/2022	2.62%	0.15%
Gerege	5.63%	5/1/2023	3.31%	0.08%
DBM 2023	7.25%	10/23/2023	4.03%	-0.05%
Khuraldai	8.75%	3/9/2024	3.78%	-0.05%
MMC	9.25%	4/15/2024	18.73%	-0.21%
MIK 2024	8.85%	8/2/2024	10.43%	0.00%
Nomad	5.13%	4/7/2026	4.48%	0.03%
Mongol 27	3.50%	7/7/2027	4.66%	0.06%
Mongol 31	4.45%	7/7/2031	5.16%	-0.03%
Samurai JPY	1.52%	12/25/2023	0.01%	0.00%

## Highlights

- China cut its lending benchmark loan prime rate (LPR) for the first time in 20 months on Monday, matching market expectations, in a bid to prop up the slowing economy. The one-year LPR was lowered by 5 basis points to 3.80% from 3.85% previously, while the five-year LPR remained at 4.65%.
- Net profits of centrally-owned state firms in China reached 1.75 trillion yuan (\$274.52 billion) in January-November, the state asset regulator said on Saturday, according to state media. Total profits of the firms totalled 2.3 trillion yuan in the first 11 months of the year, with significant profitability improvement in the oil, steel and coal sectors.

## Forex

The U.S. dollar hovered near the highest since July of last year against major peers on Monday after a Federal Reserve official signaled a first pandemic-era interest rate hike could come as early as March. The euro sank with the British pound after the Netherlands went into lockdown on Sunday and Britain's health minister declined to rule out the chance of further restrictions before Christmas amid the rapid spread of the Omicron coronavirus variant. The dollar index =USD, which measures the currency against six major peers, stood at 96.629, not far from the peak at 96.938 reached last month. The euro, sterling and yen are trading respectively at 1.1245; 1.3232; 113.595 against the U.S. dollar.

## Gold

Gold prices edged higher on Monday, hovering near a three-week high hit in the previous session, as fears over the rapidly spreading Omicron coronavirus variant boosted the metal's safe-haven appeal. Spot gold XAU= was up 0.2% at \$1,800.42 per ounce by 0113 GMT. U.S. gold futures GCv1 were down 0.2% at \$1,801.50. Physical gold demand in India showed a modest improvement this week as some buyers rushed to stores anticipating a further rise in domestic prices, while customers in other Asian hubs started bullion shopping for Christmas.

## Copper

Copper prices fell on Monday as rapidly spreading Omicron coronavirus cases weighed on sentiment, but low inventories of the industrial metal cushioned the decline. Three-month copper on the London Metal Exchange CMCU3 eased 0.1% to \$9,426.5 a tonne, as of 0240 GMT, while the most-traded January copper contract on the Shanghai Futures Exchange SCFcv1 fell 0.5% to 68,960 yuan (\$10,813.18) a tonne. Copper prices, were supported by signs of lower inventories, with on-warrant LME-registered stocks easing to 80,550 tonnes. Inventories in Shanghai Futures Exchange warehouses fell to 34,580 tonnes last week, lowest since June 2009.

Stock	Price	24H Chg
Turquoise Hill Resources	14.98	-3.42%
Mongolian Mining Corp	1.8	-2.70%
Erdene Resource Dev	0.415	-1.19%
Centerra Gold	8.8	-2.22%

Macro economic indicator	Date	Actual
Inflation rate	2021 (XI)	10.5%
Policy rate	2021 (XII)	6.0%
Interbank rate	2021 (X)	6.07%
Interest rate on deposit (dom.currency)	2021 (X)	7.19%
Interest rate on deposit (for.currency)	2021 (X)	2.25%
Interest rate on lending (dom.currency)	2021 (X)	15.7%
Interest rate on lending (for.currency)	2021 (X)	9.3%

#### Forecasts

Currency	Q4 21	Q1 22	Q2 22	2022	2023
EUR/USD	1.16	1.17	1.17	1.17	1.18
GBP/USD	1.37	1.37	1.39	1.40	1.42
USD/CNH	6.40	6.40	6.40	6.34	-
USD/JPY	112	112	112	112	113
USD/RUB	71.33	70.0	70.50	70.0	72.70

#### Commodity

Gold	1750	1750	1725	1719	1650
Copper	9600	9600	9300	9250	8537
Coal	139.66	118.13	104.38	97.50	55.00

#### Economic Calendar

Source: Bloomberg

Last working day	Actual	Survey	Prior
JP BoJ Rate Decision	-0.1%	-0.1%	-0.1%
EU HICP Final YY	4.9%	4.9%	4.9%
EU HICP Final MM	0.4%	0.5%	0.8%
Expected today	Time	Survey	Prior
JP BoJ Rate Decision	-	-0.1%	-0.1%
Expected tomorrow	Time	Survey	Prior
CA Retail Sales MM	21:30	1.0%	-0.6%
EU Consumer Confid. Flash	23:00	-8.0	-6.8

export duty on unrefined copper and copper anodes for electrolytic refining would double to 30% next year.

#### Crude Oil

Oil prices slumped by about 2% early on Monday as surging cases of the Omicron coronavirus variant in Europe and the United States stoked investor worries that new restrictions on businesses to combat its spread may hit fuel demand. Brent crude LCOc1 futures fell \$1.36, or 1.9%, to \$72.16 a barrel..

#### Fixed Income

Benchmark U.S. 10-year yields drop 4bps to touch 1.3648%, lowest since Dec. 3. U.S. yields decline across curve amid concerns omicron spread is leading to activity restrictions. Treasuries are also supported as Manchin opposes Biden spending bill, prompting Goldman Sachs to cut U.S. GDP forecast.

#### Stock Market

U.S. stock index futures fell amid thin liquidity as investors fretted over omicron and U.S. Senator Joe Manchin's rejection of a roughly \$2 trillion tax-and-spending package, which leaves Democrats with few options for reviving President Joe Biden's agenda. Fresh lockdowns in parts of Europe to stem the rapid spread of omicron are also unsettling investors and weighing on risk sentiment.

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