



**MONGOLBANK**  
CENTRAL BANK OF MONGOLIA

## **MONGOLIA'S EXTERNAL SECTOR REVIEW**

4<sup>th</sup> quarter 2020

Ulaanbaatar  
2020



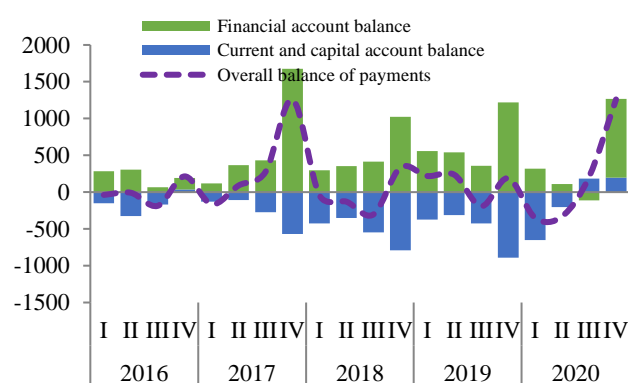
## 1. Balance of payment

In the 4<sup>th</sup> quarter of 2020, Mongolia's current and capital account recorded a surplus of USD 199 million, the financial account recorded a surplus of USD 1,070 million, the overall balance of payments reached a surplus of USD 1,259 million. Statistical errors and omissions reported to be USD -9 million (Graph 1).

Compared to the 4<sup>th</sup> quarter of 2019, the current and capital account deficit decreased by USD 1,088 reached a surplus of USD 199 million, and the financial account surplus decreased by USD 151 million respectively.

As of a recent quarter, foreign exchange reserve amounted to USD 4,534 million, 10.7 months of import coverage (estimated on the average import of the last three quarters).

Graph 1. Balance of payment (million USD)



### Trade in goods

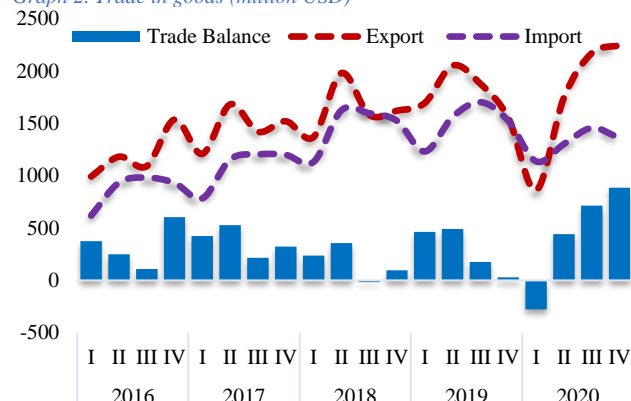
Total trade turnover, calculated according to the BoP methodology, increased by 17% from that of the previous year reaching USD 3,610 million, resulting in a trade surplus of USD 859 million.

Compared to the same period of last year, the export increased for non-monetary gold by USD 574 million (8 times), copper concentrate by USD 236 million (63%), iron ore by USD 22 million (14%), coal by USD 8 million (1%).

Import declined mainly due to (calculated by CIF terms) contractions in petroleum products by USD 74 million (24%) and capital goods by USD 125 million (19%) (Graph 2).

Thereby, the trade surplus increased by USD 918 million from the same period of the last year.

Graph 2. Trade in goods (million USD)

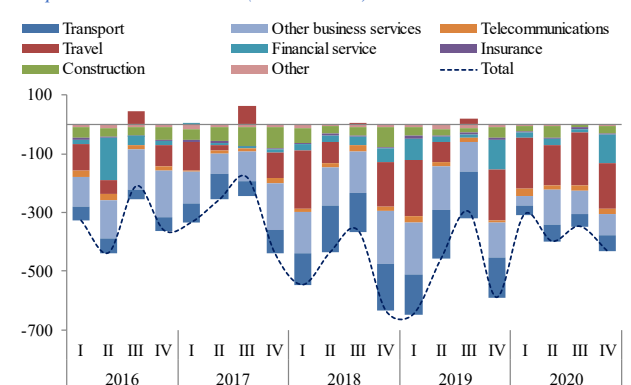


### Trade in services

In the 4<sup>th</sup> quarter of 2020, the service deficit decreased by 27% (or USD 157 million) from the same period of the last year and reached USD 432 million.

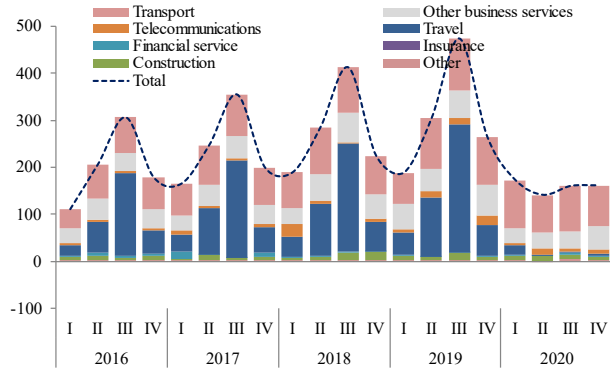
Specifically, the transportation service deficit decreased by USD 82 million, other business services deficit decreased by USD 47 million and the travel service deficit decreased by USD 15 million respectively. (Graph 3).

Graph 3. Trade in services (million USD)



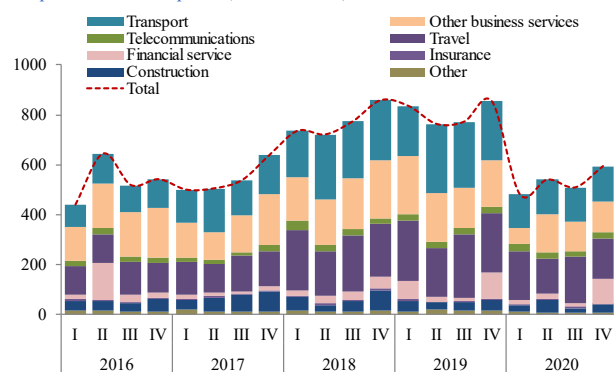
Moreover, service exports decreased by 39% (or USD 103 million) from that of the previous year reaching USD 161 million. Of which, 54% (or USD 87 million) explained by transportation, 31% (or USD 50 million) by other business services, 4% (or USD 6 million) by construction, 5% (or USD 9 million) by telecommunications and computers, and the remaining 2% (or USD 3 million) by financial services. (Graph 4).

Graph 4. Service exports (million USD)



Service imports decreased by 31% or (USD 260 million) from that of the previous year reaching USD 593 million. Of which, 27% or (USD 162 million) travel, 24% or (USD 140 million) transportation, 21% or (USD 123 million) other business services, and the remaining 17% or (USD 100 million) was for financial services (Graph 5).

Graph 5. Service imports (million USD)

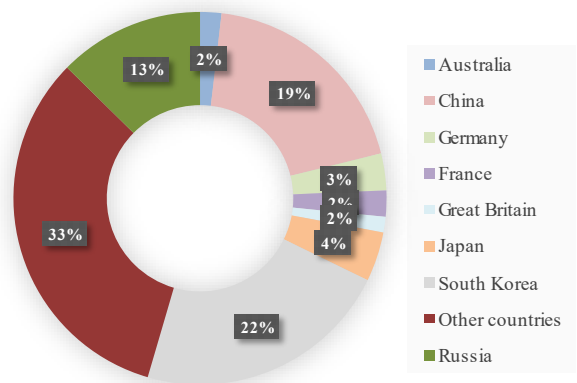


### Travel service

On average over last two years, travel revenue accounted for 29% of total service exports, whereas expenditures accounted for 30% of total service imports.

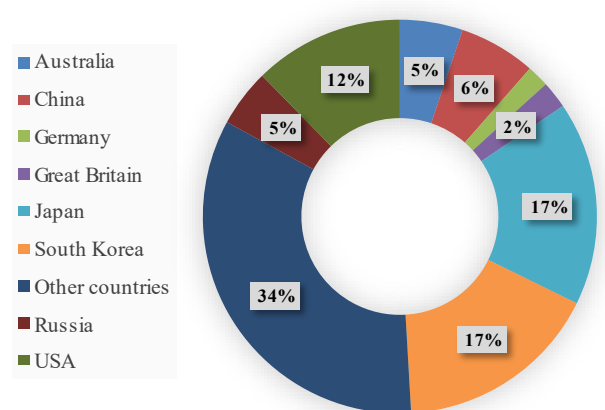
In particular, Mongolia collected 22% of its travel revenue from the visitors (business, leisure, educational and medical purposes) from South Korea, 19% from China, 13% from Russia, 4% from Japan, 3% from Germany and 38% from other countries (Graph 6).

Graph 6. Travel service exports, 2019.I-2020.IV



If we see travel expenditures by country: Mongolian citizens spent 17% of total travel spending on business, leisure, educational and medical travel in Japan, 17% in South Korea, 12% in the United States, 6% in China, and 5% in Australia (Graph 7).

Graph 7. Travel service imports, 2019.I-2020.IV

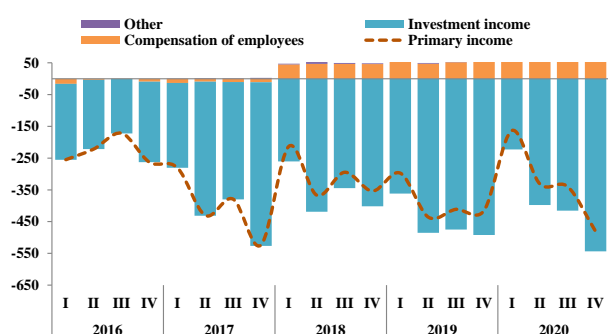


### Primary income

The primary income account recorded a deficit of USD 480 million which is an increase of 7% or (USD 30 million) from that of the previous year. This was mainly reflecting a decrease in investment income.

During the reporting quarter, Mongolian residents paid USD 96 million in dividends, USD 76 million in interest payment on foreign bonds, USD 131 million in interest payments to direct investors, USD 125 million in interest payment to other loans of non-residents lenders (Graph 8).

Graph 8. Primary income (million USD)



### Secondary income

In the 4<sup>th</sup> quarter of 2020, Mongolia received a total of USD 191 million in personal transfers and financial aids, which is USD 146 million increase from that of the previous year (Table 1):

- Personal transfer inflows from abroad decreased by 17%, outflows from Mongolia decreased by 48% from that of the previous year.
- Financial aid fund increased by USD 142 million from that of the previous year.

Table 1. Personal transfers 2020.IV (million USD)

	Inflow			Outflow		
	amount	%	change	amount	%	change
South Korea	20,887	38%	▼ -30%	2,658	18%	▼ -2%
United States	5,256	10%	▲ 66%	2,684	18%	▼ -42%
China	185	0%	▼ -37%	491	3%	▼ -54%
Hong Kong	282	1%	▼ -55%	210	1%	▼ -12%
United Kingdom	804	1%	▼ -27%	743	5%	▼ -50%
Russia	13,919	25%	▲ 33%	1,942	13%	▲ 1%
Singapore	2,594	5%	▲ 138%	252	2%	▼ -65%
Switzerland	1,243	2%	▼ -13%	53	0%	▼ -64%
Germany	1,440	3%	▼ -17%	635	4%	▲ 7%
Japan	723	1%	▼ -28%	328	2%	▼ -49%
Other	7,882	14%	▼ -56%	5,077	34%	▼ -66%
<b>TOTAL</b>	<b>55,215</b>	<b>100%</b>		<b>15,073</b>	<b>100%</b>	

### Foreign direct investment

In the 4<sup>th</sup> quarter of 2020, foreign direct investment inflows to Mongolia reached to USD 759 million, while outflows of disinvestment and loan repayment reached to USD 335 million, or net inflow of USD 424 million.

Foreign direct investment inflows decreased by USD 283 million from that of the previous year.

Foreign direct investment inflows by country:

- Investment from United States increased by USD 31 million from that of the previous year, reached USD 63 million,

- Investment from United Kingdom increased by USD 29 million, reached USD 46 million,
- Investment from Canada decreased by USD 264 million, reached USD 448 million,
- Investment from Luxembourg decreased by USD 36 million, reached USD 28 million (Table 2).

Table 2. FDI, inflow, by countries (million USD)

№	Country	2020		2020.IV/19.IV	
		Amount	Percentage	Changes	
1	Australia	3	0%	-2	▼
2	United States	63	8%	31	▲
3	United Kingdom	46	6%	29	▲
4	China, P.R.: Mainland	70	9%	-28	▼
5	Germany	1	0%	0	▲
6	Netherlands	0	0%	-4	▼
7	China, P.R.: Hong Kong	6	1%	-9	▼
8	Canada	448	59%	-264	▼
9	Luxembourg	28	4%	-36	▼
10	Russian Federation	1	0%	0	▼
11	Singapore	38	5%	-14	▼
12	Korea, Republic of (South Korea)	2	0%	-6	▼
13	Cayman Island	14	2%	14	▲
14	France	7	1%	4	▲
15	Japan	26	3%	6	▲
16	Other	6	1%	-5	▼
	<b>Total</b>	<b>759</b>	<b>100%</b>	<b>-283</b>	<b>▼</b>

Foreign direct investment by economic sectors:

- Investment in professional, scientific and technical activities sector increased by USD 47 million,
- Investment in administrative and support service activities sector increased by USD 20 million respectively,
- Investment in mining sector decreased by USD 285 million,
- Investment in other Financial and insurance activities sector decreased by USD 25 million respectively (Table 3).

Table 3. FDI, inflow, by economic sector (mln USD)

№	Economic sector	IV улирал		2020.IV/19.IV	
		2019	2020	Changes	
1	Construction	17	2	-15	▼
2	Education services	0	0	0	▼
3	Processing industries	8	3	-5	▼
4	Wholesale and retail trade; repair of motor vehicles and motorcycles	48	45	-3	▼
5	Accommodation and food service activities	0	0	0	▼
6	Information and communication	3	4	1	▲
7	Professional, scientific and technical activities	4	51	47	▲
8	Financial and insurance activities	52	28	-25	▼
9	Transportation and storage	8	4	-4	▼
10	Administrative and support service activities	9	29	20	▲
11	Mining and quarrying	873	588	-285	▼
12	Other service activities	16	1	-16	▼
13	Real estate activities	3	3	0	▼
14	Agriculture, forestry and fishing	0	0	0	▲
15	Electricity, gas, steam and air conditioning supply	0	0	0	▲
16	Other	1	1	0	▲
	<b>Total</b>	<b>1043</b>	<b>759</b>	<b>-283</b>	<b>▲</b>

### Portfolio investments

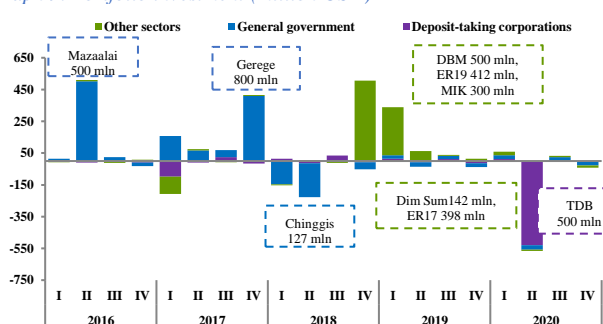
In the 4<sup>th</sup> quarter of 2020, portfolio investment recorded a deficit of USD 50 million, a decrease

of USD 20 million from that of the previous year (Graph 9).

The major transactions of the reporting quarter:

- Government issued USD 600 million worth of bond and repaid USD 201 on Chinggis, USD 367 on Mazaalai bond respectively.
- USD 27 million interest payment on Mazaalai bond,
- USD 24 million interest payment on Chinggis bond
- USD 23 million interest payment on Gerege bond issued by government was respectively paid to non-resident holders.

Graph 9. Portfolio investment (million USD)

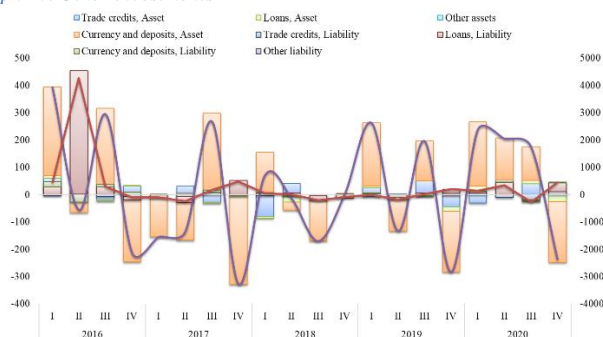


## Other investments

This account records other sources of investment, such as commercial and concessional loans, trade credits, cash and current deposits.

In the reporting quarter, other investments account recorded a net inflow of USD 692 million, an increase of USD 206 million from that of the previous year (Graph 10). The change was mainly due to an increase in long term loan disbursements of General Government.

Graph 10. Other investments



## 2. International investment position

In the 4<sup>th</sup> quarter of 2020, Mongolia's net international investment position reached USD 37,140 million.

Mongolia's foreign assets stood at USD 7,908 million, of which 57% was in foreign exchange reserve, 29% in other investment, 9% in direct investment, remaining 5% in portfolio investment.

While total investment in Mongolia or foreign liabilities amounted to USD 45,048 million, of which 54% in foreign direct investment, 36% in other investment liabilities, and remaining 10% in portfolio investment (Graph 11).

Short or negative position in foreign direct investment increased by 4% or (USD 1,309 million) during the quarter.

**By categories:** Foreign assets increased by 11% or (USD 768 million), foreign liabilities increased by 5% or (USD 2,077 million).

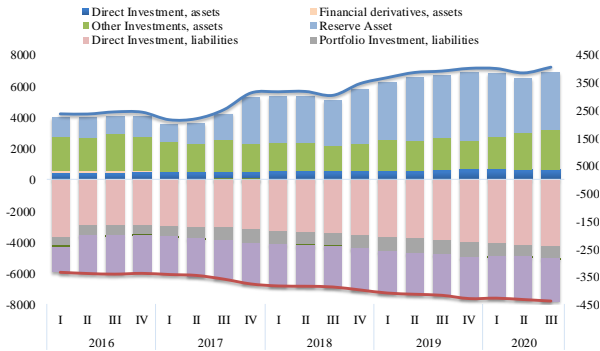
**By accounts:** Short position in foreign direct investment and other investment increased by USD 1,626 million and USD 757 million respectively. Whereas, short position in portfolio investment and foreign-exchange reserve decreased by USD 894 million and USD 185 million respectively.

If we look at a total change in position during the recording quarter: financial account transactions of balance of payments totalled to USD 190 million, other changes in volume were USD -409 million, price changes were USD -223 million, and exchange rate changes were USD -37 million (Table 4).

Table 4. Position (million USD)

Indicators	12/31/2019	12/31/2020	Changes	
			amount	percent
<b>International Investment Position</b>	<b>-35,831</b>	<b>-37,140</b>	<b>1,309</b>	<b>4%</b>
<b>I. Assets</b>	<b>7,140</b>	<b>7,908</b>	<b>768</b>	<b>11%</b>
1. Direct Investment	665	689	24	4%
2. Portfolio Investment	284	401	117	41%
3. Financial Derivatives	9	4	-6	-61%
4. Other Investment	1,841	2,288	447	24%
5. Reserve Assets	4,341	4,526	185	4%
<b>II. Liabilities</b>	<b>42,971</b>	<b>45,048</b>	<b>2,077</b>	<b>5%</b>
1. Direct Investment	22,556	24,206	1,650	7%
2. Portfolio Investment	5,430	4,654	-776	-14%
3. Other Investment	0	0	0	1023%
4. Other Investment	14,985	16,189	1,204	8%

Graph 11. Foreign assets, liabilities (million USD)



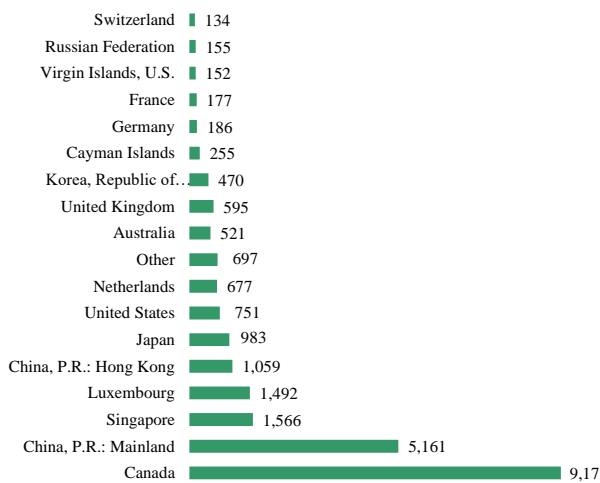
**Direct investments**

53% or (USD 12,799 million) of the foreign direct investment in Mongolia is invested in shareholders equity, and the remaining 47% or (USD 11,406 million) made in debt instrument such as loan from parent companies.

At the end of this quarter, FDI stocks in Mongolia by investor countries reported as below:

- USD 9,174 million from Canada, 38% of total investment,
- USD 5,161 million from China, 21% of total investment,
- USD 1,566 million from Singapore, 6% of total investment,
- USD 1,492 million from Luxembourg, which is 6% of the total FDI (Graph 12).

Graph 12. Foreign direct investment, stock, 2020.IV (million USD)



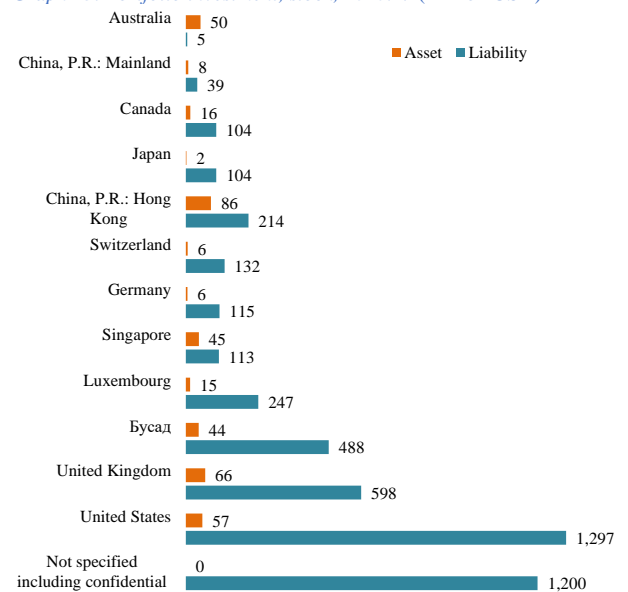
**Portfolio investments position**

At the end of 4<sup>th</sup> quarter of 2020, Mongolia’s foreign portfolio investment assets recorded USD 401 million, an increase of 41%. While foreign liabilities recorded USD 4,654 million, a decrease of 14% from that of the previous year.

**Asset:** Securities held by residents by country of issuance: Hong Kong 21%, United Kingdom 16%, United States 14%, Australia 13%, Singapore 11% respectively.

**Liability:** Securities issued by residents by country of ownership: United States 28%, United Kingdom 13%, Luxembourg 5%, Hong Kong 5%, Switzerland 3%, remaining 26% were traded on the secondary market, making it unable to identify owners’ country of residence (Graph 13).

Graph 13. Portfolio investment, stock, 2020.IV (million USD)



**3. Gross External Debt statistics**

At the end of the 4<sup>th</sup> quarter of 2020, Mongolia’s outstanding external debt totaled USD 32,162 million, an increase of 5 percent or USD 1,484 million compared to previous year. This change can be mainly explained by the following factors:

- Government external debt increased 12 percent or USD 949 million due to increased concessional borrowing by the government

from foreign organizations and financial institutions.

- Central Bank external debt increased by USD 235 million with refer an advance of gold export and exchange rate depreciation against RMB.
- External debt of private sector increased by USD 301 million. Eventhough, the total external debt amount of Deposit taking corporations and Other sector has decreased by USD 509 million and USD 263 million respectively, the increase was mainly driven by “Oyu Tolgoi” LLC’s intercompany lending from its parent company (Table 5)

Table 5. Gross external debt position (million USD).

Indicators	12/31/2019	12/31/2020	YoY changes		* %
			amount	%	
<b>Gross External Debt</b>	<b>30,678</b>	<b>32,162</b>	<b>1,484</b>	<b>5%</b>	<b>100%</b>
<b>I. General Government</b>	<b>7,702</b>	<b>8,650</b>	<b>949</b>	<b>12%</b>	<b>27%</b>
Bonds and notes	3,123	2,862	-261	-8%	
Loans	4,578	5,788	1,210	26%	
<b>II. Central Bank</b>	<b>1,985</b>	<b>2,220</b>	<b>235</b>	<b>12%</b>	<b>7%</b>
<b>III. Deposit taking corporations</b>	<b>2,140</b>	<b>1,631</b>	<b>-509</b>	<b>-24%</b>	<b>5%</b>
Short term	612	577	-35	-6%	2%
Long term	1,528	1,055	-473	-31%	3%
<b>IV. Other sector</b>	<b>8,517</b>	<b>8,254</b>	<b>-263</b>	<b>-3%</b>	<b>26%</b>
Short term	631	501	-129	-21%	2%
Long term	7,887	7,753	-134	-2%	24%
<b>V. Intercompany loans</b>	<b>10,334</b>	<b>11,406</b>	<b>1,072</b>	<b>10%</b>	<b>35%</b>

\*: Contribution to total growth

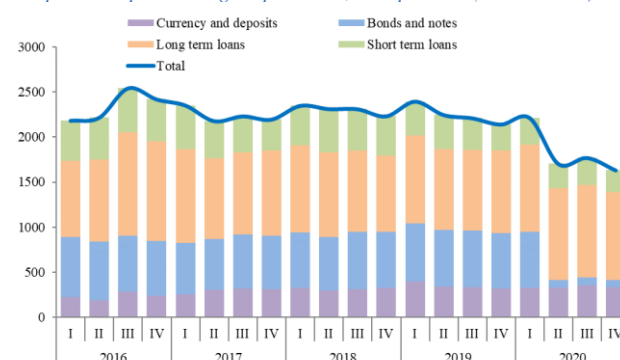
### Banking sector

In the end of the 4<sup>th</sup> quarter of 2020, external debt of Mongolia’s banking sector recorded USD 1,631 million, a decrease of USD 509 million from that of the last year (Graph 14).

Among these external liabilities, 60% were long-term loan, 21% were current and savings account payables held by non-residents, 15% were short-term loans, and the remaining 4% were bonds.

Outstanding long-term and short-term bank loans reached USD 977 million, USD 240 million respectively.

Graph 14. Deposit taking corporations, debt position (million USD)



### Non-banking sector

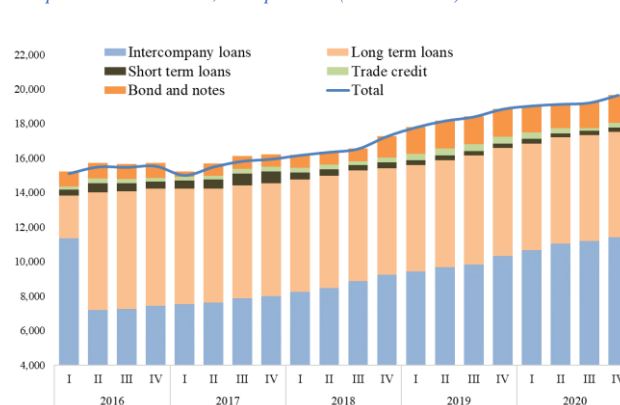
In the end of the 4<sup>th</sup> quarter of 2020, non-banking sector external debt recorded USD 19,661 million, with increase of USD 809 million from that of the previous year (Graph 15).

Of which, 58% or (USD 11,406 million) was attributable to resident companies’ liabilities to direct investors that is intercompany lending, most of which was utilized in the mining industry.

Financing from direct investros are long-term and issued in order to stimulate cash flow and current assets of the direct investment enterprises, in most cases with flexible repayment schedules, and no interest or strict policies which differs from other types of loans.

Resident entities received an advance payments for export goods from abroad and non-paid imported good amouthed to USD 258 million at the end of the reporting period.

Graph 15. Other sector, debt position (million USD)



*Sources:*

1. Government: Ministry of Finance, Debt Management Division
2. Bank of Mongolia: Payment Systems department, Research and Statistics department
3. Bank: Bank balance reports, monthly balance of payments, foreign debt records
4. Other sectors: Quartely balance of payments data from entities, and foreign debt registration.



**APPENDIX 1. MONGOLIA: BALANCE OF PAYMENTS ANALYTIC PRESENTATION (USD million)**

Үзүүдэлт	Q IV			Change		Change	
	2018	2019	2020	amount	2019/18	amount	2020/19
<b>I. Current account</b>	<b>-820</b>	<b>-967</b>	<b>165</b>	<b>-147</b>	<b>-18%</b>	<b>1,132</b>	<b>117%</b>
<b>Goods and services</b>	<b>-537</b>	<b>-562</b>	<b>454</b>	<b>-24</b>	<b>-5%</b>	<b>1,016</b>	<b>181%</b>
<b>Credit</b>	<b>1,847</b>	<b>1,818</b>	<b>2,409</b>	<b>-28</b>	<b>-2%</b>	<b>591</b>	<b>32%</b>
<b>Debit</b>	<b>2,384</b>	<b>2,380</b>	<b>1,955</b>	<b>-4</b>	<b>0%</b>	<b>-425</b>	<b>-18%</b>
<b>1. Goods</b>	<b>97</b>	<b>28</b>	<b>886</b>	<b>-70</b>	<b>-72%</b>	<b>859</b>	<b>3101%</b>
1.1 Export FOB (credit)	1,622	1,554	2,248	-68	-4%	694	45%
1.2 Import FOB (debit)	1,525	1,526	1,362	1	0%	-165	-11%
<b>2. Services</b>	<b>-635</b>	<b>-589</b>	<b>-432</b>	<b>45</b>	<b>7%</b>	<b>157</b>	<b>27%</b>
<b>Credit</b>	<b>224</b>	<b>264</b>	<b>161</b>	<b>40</b>	<b>18%</b>	<b>-103</b>	<b>-39%</b>
<b>Debit</b>	<b>859</b>	<b>854</b>	<b>593</b>	<b>-5</b>	<b>-1%</b>	<b>-260</b>	<b>-31%</b>
2.1 Transport	-161	-135	-53	26	16%	82	61%
<b>Credit</b>	<b>81</b>	<b>101</b>	<b>87</b>	<b>20</b>	<b>25%</b>	<b>-14</b>	<b>-14%</b>
<b>Debit</b>	<b>241</b>	<b>236</b>	<b>140</b>	<b>-6</b>	<b>-2%</b>	<b>-96</b>	<b>-41%</b>
2.2 Tourism	-151	-173	-158	-22	-14%	15	9%
<b>Credit</b>	<b>61</b>	<b>66</b>	<b>4</b>	<b>5</b>	<b>8%</b>	<b>-62</b>	<b>-94%</b>
<b>Debit</b>	<b>212</b>	<b>239</b>	<b>162</b>	<b>27</b>	<b>13%</b>	<b>-77</b>	<b>-32%</b>
2.3 Other services	-323	-282	-221	41	13%	61	22%
<b>Credit</b>	<b>82</b>	<b>98</b>	<b>70</b>	<b>15</b>	<b>18%</b>	<b>-27</b>	<b>-28%</b>
<b>Debit</b>	<b>405</b>	<b>379</b>	<b>291</b>	<b>-26</b>	<b>-6%</b>	<b>-88</b>	<b>-23%</b>
<b>B. Primary income</b>	<b>-353</b>	<b>-450</b>	<b>-480</b>	<b>-97</b>	<b>-27%</b>	<b>-30</b>	<b>-7%</b>
<b>Credit</b>	<b>88</b>	<b>106</b>	<b>82</b>	<b>18</b>	<b>20%</b>	<b>-24</b>	<b>-22%</b>
<b>Debit</b>	<b>441</b>	<b>556</b>	<b>562</b>	<b>115</b>	<b>26%</b>	<b>6</b>	<b>1%</b>
1. Compensation of employees	46	44	63	-2	-4%	19	43%
2. Investment income	-402	-505	-544	-103	-26%	-38	-8%
3. Other	2	11	0	8	344%	-10	-96%
<b>B. Secondary income</b>	<b>70</b>	<b>45</b>	<b>191</b>	<b>-25</b>	<b>-36%</b>	<b>146</b>	<b>323%</b>
<b>Credit</b>	<b>101</b>	<b>79</b>	<b>209</b>	<b>-21</b>	<b>-21%</b>	<b>130</b>	<b>164%</b>
<b>Debit</b>	<b>30</b>	<b>34</b>	<b>18</b>	<b>4</b>	<b>13%</b>	<b>-16</b>	<b>-47%</b>
of which: General government	18	1	101	-17	-93%	100	8306%
<b>II. CAPITAL ACCOUNT</b>	<b>29</b>	<b>78</b>	<b>33</b>	<b>48</b>	<b>166%</b>	<b>-44</b>	<b>-57%</b>
<b>1. Gross acquisitions (DR.) / disposals (CR.) of nonproduced nonfinancial</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>Credit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>Debit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>2. Capital transfers</b>	<b>29</b>	<b>78</b>	<b>33</b>	<b>48</b>	<b>166%</b>	<b>-44</b>	<b>-57%</b>
<b>Credit</b>	<b>29</b>	<b>78</b>	<b>34</b>	<b>48</b>	<b>165%</b>	<b>-44</b>	<b>-57%</b>
<b>Debit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-28%</b>	<b>0</b>	<b>-1%</b>
<b>Net lending (+) / net borrowing (-) (balance from current and capital account)</b>	<b>-791</b>	<b>-889</b>	<b>199</b>	<b>-98</b>	<b>-12%</b>	<b>1,088</b>	<b>122%</b>
<b>III. FINANCIAL ACCOUNT</b>	<b>-1,024</b>	<b>-1,221</b>	<b>-1,070</b>	<b>-197</b>	<b>-19%</b>	<b>151</b>	<b>12%</b>
<b>Net lending (+) / net borrowing (-) (balance from financial account) (B9)</b>	<b>-1,024</b>	<b>-1,221</b>	<b>-1,070</b>	<b>-197</b>	<b>-19%</b>	<b>151</b>	<b>12%</b>
<b>1. Direct investment</b>	<b>-660</b>	<b>-770</b>	<b>-427</b>	<b>-111</b>	<b>-17%</b>	<b>343</b>	<b>45%</b>
1.1 Asset	6	82	-3	77	1347%	-85	-104%
1.1.1 Equity and investment fund shares	9	42	-3	33	393%	-45	-107%
1.1.2 Debt instruments	-3	40	0	43	1533%	-40	-100%
1.2 Liability	665	853	424	187	28%	-428	-50%
1.2.1 Equity and investment fund shares	309	322	218	13	4%	-104	-32%
1.2.2 Debt instruments	356	531	207	175	49%	-324	-61%
<b>2. Portfolio investment</b>	<b>-449</b>	<b>30</b>	<b>50</b>	<b>479</b>	<b>107%</b>	<b>20</b>	<b>68%</b>
2.1 Asset	8	7	11	-2	-22%	5	71%
2.1.1 Equity and investment fund shares	18	1	10	-16	-92%	9	621%
2.1.2 Debt securities	-9	5	1	15	155%	-4	-81%
2.2 Liability	458	-23	-39	-481	-105%	-16	-67%
2.2.1 Equity and investment fund shares	2	1	2	-1	-54%	1	80%
2.2.2 Debt securities	455	-25	-41	-480	-105%	-16	-67%
<b>3. Financial derivatives (other than reserves) and employee</b>	<b>0</b>	<b>5</b>	<b>-1</b>	<b>4</b>	<b>1228%</b>	<b>-6</b>	<b>-120%</b>
3.1 Asset	0	5	-1	5	1617%	-6	-130%
3.2 Liability	-1	0	0	1	89%	0	-540%
<b>4. Other investment</b>	<b>85</b>	<b>-485</b>	<b>-692</b>	<b>-570</b>	<b>-673%</b>	<b>-206</b>	<b>-43%</b>
4.1 Asset	3	-283	-236	-286	-10232%	47	17%
4.1.1 Other equity	0	0	0	0		0	
4.1.2 Currency and deposits	2	-222	-222	-225	-11012%	0	0%
4.1.3 Loans	-2	-17	-26	-15	-838%	-9	-55%
4.1.4 Insurance, pension, and standardized guarantee schemes	0	0	0	0		0	
4.1.5 Trade credit and advances	3	-44	12	-46	-1828%	56	127%
4.1.5 Other accounts receivable	0	0	0	0		0	
4.2 Liability	-82	202	455	284	347%	253	125%
4.2.1 Other equity	0	0	0	0		0	
4.2.2 Currency and deposits	28	-5	30	-34	-118%	35	677%
4.2.3 Loans	-120	165	323	285	237%	158	96%
4.2.3.1 Central bank	0	0	-16	0		-16	
bank	-104	-40	-135	64	62%	-95	-239%
4.2.3.3.1 Short term	-29	20	-21	49	172%	-41	-201%
4.2.3.3.2 Long term	-75	-60	-114	15	20%	-54	-89%
4.2.3.2 General government	258	292	526	34	13%	234	80%
4.2.3.4 Other sectors	-275	-88	-52	187	68%	35	40%
4.2.4 Insurance, pension, and standardized guarantee schemes	0	0	0	0		0	
4.2.5 Trade credit and advances	10	43	102	32	317%	60	140%
4.2.6 Other accounts payable	0	0	0	0		0	
4.2.7 Special drawing rights /Long-term/	0	0	0	0		0	
<b>Total of Current, Capital and Financial Accounts</b>	<b>334</b>	<b>189</b>	<b>1,259</b>	<b>-145</b>	<b>-43%</b>	<b>1,071</b>	<b>568%</b>
<b>V. Reserve assets</b>	<b>334</b>	<b>189</b>	<b>1,259</b>	<b>-145</b>	<b>-43%</b>	<b>1,071</b>	<b>568%</b>
1. Reserve	370	189	1,259	-181		1,071	
2. IMF loan	36	0	0	-36		0	
3. Exceptional financing	0	0	0	0		0	

## APPENDIX 2. INTERNATIONAL INVESTMENT POSITION DETAILED REPORT (In millions of U.S.Dollars)

Description	6/30/2019	9/30/2019	12/31/2019	3/31/2020	6/30/2020	9/30/2020	12/31/2020
<b>Net International Investment Position</b>	<b>(34,501)</b>	<b>(34,795)</b>	<b>(35,831)</b>	<b>(35,684)</b>	<b>(36,488)</b>	<b>(36,661)</b>	<b>(37,140)</b>
<b>Assets</b>	<b>6,874</b>	<b>6,964</b>	<b>7,140</b>	<b>7,129</b>	<b>6,846</b>	<b>7,218</b>	<b>7,908</b>
<b>Direct Investment</b>	<b>565</b>	<b>584</b>	<b>665</b>	<b>671</b>	<b>688</b>	<b>691</b>	<b>689</b>
<b>Equity and investment fund shares</b>	<b>497</b>	<b>515</b>	<b>556</b>	<b>566</b>	<b>581</b>	<b>584</b>	<b>582</b>
Direct investor in direct investment enterprises	497	515	556	566	581	584	582
Direct investment enterprises in direct investor (reverse investment)	0	0	0	0	0	0	0
Between fellow enterprises	0	0	0	0	0	0	0
<b>Debt Instruments</b>	<b>69</b>	<b>68</b>	<b>109</b>	<b>105</b>	<b>108</b>	<b>107</b>	<b>107</b>
Direct investor in direct investment enterprises	68	68	108	104	107	107	107
Direct investment enterprises in direct investor (reverse investment)	1	1	1	1	1	1	1
Between fellow enterprises	0	0	0	0	0	0	0
<b>Portfolio Investment</b>	<b>288</b>	<b>286</b>	<b>284</b>	<b>292</b>	<b>320</b>	<b>331</b>	<b>401</b>
<b>Equity and investment fund shares</b>	<b>262</b>	<b>262</b>	<b>255</b>	<b>263</b>	<b>282</b>	<b>293</b>	<b>362</b>
Central Bank	0	0	0	0	0	0	0
Monetary authorities (where relevant)	0	0	0	0	0	0	0
Deposit-taking corporations, except central bank	23	22	22	22	22	22	23
General government	0	0	0	0	0	0	0
Other sectors	240	240	233	242	260	272	339
Other financial corporations	214	216	218	227	241	249	254
Nonfinancial corporations, households, and NPISHs	26	25	15	15	19	22	85
<b>Debt securities</b>	<b>25</b>	<b>24</b>	<b>29</b>	<b>29</b>	<b>38</b>	<b>37</b>	<b>39</b>
Central Bank	0	0	0	0	0	0	0
Monetary authorities (where relevant)	0	0	0	0	0	0	0
Deposit-taking corporations, except central bank	9	6	6	6	6	6	6
General government	0	0	0	0	0	0	0
Other sectors	16	17	23	23	32	31	33
Other financial corporations	10	10	10	10	10	15	17
Nonfinancial corporations, households, and NPISHs	6	7	12	12	16	16	16
<b>Financial derivatives (other than reserves) and employee stock options</b>	<b>6</b>	<b>5</b>	<b>9</b>	<b>10</b>	<b>7</b>	<b>5</b>	<b>4</b>
Central Bank	0	0	0	0	0	0	0
Monetary authorities (where relevant)	0	0	0	0	0	0	0
Deposit-taking corporations, except central bank	0	0	1	0	0	0	0
General government	0	0	0	0	0	0	0
Other sectors	5	4	9	10	7	5	4
Financial derivatives (other than reserves)	0	0	0	0	0	0	0
Employee stock options	0	0	0	0	0	0	0
<b>Other investment</b>	<b>1,921</b>	<b>2,112</b>	<b>1,841</b>	<b>2,069</b>	<b>2,282</b>	<b>2,500</b>	<b>2,288</b>
<b>Other equity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Currency and deposits</b>	<b>1,402</b>	<b>1,541</b>	<b>1,324</b>	<b>1,549</b>	<b>1,712</b>	<b>1,877</b>	<b>1,678</b>
Central Bank	0	0	0	0	0	0	0
Monetary authorities (where relevant)	0	0	0	0	0	0	0
Deposit-taking corporations, except central bank	665	873	582	743	946	1,193	926
General government	0	0	0	0	0	0	0
Other sectors	737	668	742	806	765	684	752
Other financial corporations	13	27	2	2	4	5	5
Nonfinancial corporations, households, and NPISHs	724	641	740	804	761	680	746
<b>Loans</b>	<b>156</b>	<b>156</b>	<b>145</b>	<b>178</b>	<b>175</b>	<b>188</b>	<b>162</b>
Central Bank	0	0	0	0	0	0	0
Monetary authorities (where relevant)	0	0	0	0	0	0	0
Deposit-taking corporations, except central bank	156	156	145	145	145	145	136
General government	0	0	0	0	0	0	0
Other sectors	0	0	0	33	30	43	26
<b>Insurance, pension, and standardized guarantee schemes (F60)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Trade credit and advances</b>	<b>364</b>	<b>416</b>	<b>372</b>	<b>341</b>	<b>395</b>	<b>435</b>	<b>447</b>
<b>Other accounts receivable</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Reserve assets</b>	<b>4,094</b>	<b>3,978</b>	<b>4,341</b>	<b>4,087</b>	<b>3,548</b>	<b>3,690</b>	<b>4,526</b>
Monetary gold	864	950	1,117	1,220	1,009	930	493
Gold bullion	864	950	1,117	1,220	1,009	930	493
Unallocated gold accounts	0	0	0	0	0	0	0
Of which: Monetary gold under swap for cash collateral	0	0	0	0	0	0	0
Special drawing rights	52	50	49	48	47	47	46
Reserve Position in the IMF	0	0	0	0	0	0	0
Other reserve assets	3,178	2,978	3,175	2,819	2,493	2,713	3,988
Currency and deposits	2,342	2,451	1,658	2,299	1,974	1,983	1,622
Claims on monetary authorities	2,006	2,132	1,437	2,014	1,900	1,936	1,500
Claims on other entities	335	319	221	285	74	46	121
Securities	836	526	1,516	521	519	731	2,366
Debt securities	836	526	1,516	521	519	731	2,366
Equity and investment fund shares	0	0	0	0	0	0	0
Financial derivatives	0	0	0	0	0	0	0
Other claims	0	0	0	0	0	0	0

Description	6/30/2019	9/30/2019	12/31/2019	3/31/2020	6/30/2020	9/30/2020	12/31/2020
<b>Liabilities</b>	<b>41,375</b>	<b>41,759</b>	<b>42,971</b>	<b>42,813</b>	<b>43,334</b>	<b>43,879</b>	<b>45,048</b>
<b>Direct investment</b>	<b>21,230</b>	<b>21,687</b>	<b>22,556</b>	<b>22,931</b>	<b>23,469</b>	<b>23,802</b>	<b>24,206</b>
<b>Equity and investment fund shares</b>	<b>11,583</b>	<b>11,864</b>	<b>12,189</b>	<b>12,273</b>	<b>12,438</b>	<b>12,602</b>	<b>12,799</b>
Direct investor in direct investment enterprises	11,583	11,864	12,189	12,273	12,438	12,602	12,799
Direct investment enterprises in direct investor (reverse investment)	0	0	0	0	0	0	0
Between fellow enterprises	0	0	0	0	0	0	0
<b>Debt instrument</b>	<b>9,647</b>	<b>9,822</b>	<b>10,366</b>	<b>10,658</b>	<b>11,030</b>	<b>11,200</b>	<b>11,406</b>
Direct investor in direct investment enterprises	9,647	9,822	10,366	10,658	11,030	11,200	11,406
Direct investment enterprises in direct investor (reverse investment)	0	0	0	0	0	0	0
Between fellow enterprises	0	0	0	0	0	0	0
<b>Portfolio investment</b>	<b>5,431</b>	<b>5,412</b>	<b>5,430</b>	<b>4,746</b>	<b>4,329</b>	<b>4,527</b>	<b>4,654</b>
<b>Equity and investment fund shares</b>	<b>77</b>	<b>78</b>	<b>79</b>	<b>79</b>	<b>81</b>	<b>84</b>	<b>87</b>
Central bank	0	0	0	0	0	0	0
Monetary authorities (where relevant)	0	0	0	0	0	0	0
Deposit-taking corporations, except central bank	20	20	20	20	20	20	20
General government	0	0	0	0	0	0	0
Other sectors	57	58	59	59	61	63	67
Other financial corporations	25	26	26	24	24	25	27
Nonfinancial corporations, households, and NPISHs	31	32	33	35	37	38	40
Equity securities other than investment fund shares	0	0	0	0	0	0	0
Investment fund shares or units	0	0	0	0	0	0	0
<b>Debt securities</b>	<b>5,354</b>	<b>5,334</b>	<b>5,351</b>	<b>4,667</b>	<b>4,248</b>	<b>4,444</b>	<b>4,567</b>
Central bank	0	0	0	0	0	0	0
Monetary authorities (where relevant)	0	0	0	0	0	0	0
Deposit-taking corporations, except central bank	622	627	609	622	86	83	77
General government	3,107	3,095	3,123	2,488	2,753	2,870	2,862
Other sectors	1,625	1,612	1,619	1,558	1,410	1,491	1,628
Other financial corporations	1,124	1,123	1,118	1,039	1,016	1,085	1,127
Nonfinancial corporations, households, and NPISHs	501	489	501	519	393	406	501
<b>Financial derivatives (other than reserves) and employee stock options</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>
Central bank	0	0	0	0	0	0	0
Monetary authorities (where relevant)	0	0	0	0	0	0	0
Monetary authorities (where relevant)	0	0	0	0	0	0	0
Deposit-taking corporations, except central bank	0	0	0	0	0	0	0
Other sectors	0	0	0	0	0	0	0
Other financial corporations	0	0	0	0	0	0	0
Nonfinancial corporations, households, and NPISHs	0	0	0	0	0	0	0
Financial derivatives (other than reserves) and employee stock options	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0
Forward-type contracts	0	0	0	0	0	0	0
Employee stock options	0	0	0	0	0	0	0
<b>Other investment</b>	<b>14,714</b>	<b>14,660</b>	<b>14,985</b>	<b>15,135</b>	<b>15,535</b>	<b>15,549</b>	<b>16,189</b>
<b>Other equity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash and Deposits</b>	<b>2,081</b>	<b>2,012</b>	<b>2,039</b>	<b>2,020</b>	<b>2,028</b>	<b>2,120</b>	<b>2,174</b>
Central bank	1,747	1,683	1,717	1,692	1,698	1,762	1,837
Monetary authorities (where relevant)	0	0	0	0	0	0	0
Deposit-taking corporations, except central bank	334	329	322	328	330	358	337
General government	0	0	0	0	0	0	0
Other sectors	0	0	0	0	0	0	0
Other financial corporations	0	0	0	0	0	0	0
Nonfinancial corporations, households, and NPISHs	0	0	0	0	0	0	0
<b>Loans</b>	<b>12,341</b>	<b>12,375</b>	<b>12,629</b>	<b>12,736</b>	<b>13,220</b>	<b>13,273</b>	<b>13,736</b>
Central bank	286	265	268	281	386	392	383
Monetary authorities (where relevant)	0	0	0	0	0	0	0
Deposit-taking corporations, except central bank	1,274	1,250	1,207	1,263	1,287	1,329	1,217
General government	4,341	4,335	4,683	4,748	5,139	5,182	5,788
Other sectors	6,439	6,526	6,471	6,444	6,408	6,370	6,348
Other financial corporations	322	415	428	406	389	359	363
Nonfinancial corporations, households, and NPISHs	6,117	6,111	6,042	6,038	6,019	6,011	5,985
<b>Insurance, pension, and standardized guarantee schemes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Trade credit and advances</b>	<b>292</b>	<b>273</b>	<b>318</b>	<b>379</b>	<b>288</b>	<b>155</b>	<b>278</b>
<b>Other accounts payable - other</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## ANNEX 3. MONGOLIA'S GROSS EXTERNAL DEBT POSITION (in millions of USD)

Description	6/30/2019	9/30/2019	12/31/2019	3/31/2020	6/30/2020	9/30/2020	12/31/2020
<b>General Government</b>	<b>7,448</b>	<b>7,430</b>	<b>7,806</b>	<b>7,236</b>	<b>7,891</b>	<b>8,052</b>	<b>8,650</b>
<b>Short-term</b>	-	-	-	-	-	-	-
Currency and deposits 5/	-	-	-	-	-	-	-
Debt securities 4/	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-
Trade credit and advances	-	-	-	-	-	-	-
Other debt liabilities 6/	-	-	-	-	-	-	-
<b>Long-term</b>	<b>7,448</b>	<b>7,430</b>	<b>7,806</b>	<b>7,236</b>	<b>7,891</b>	<b>8,052</b>	<b>8,650</b>
Special drawing rights (SDRs), Allocation 7/	-	-	-	-	-	-	-
Currency and deposits 5/	-	-	-	-	-	-	-
Debt securities 4/	3,107	3,095	3,123	2,488	2,753	2,870	2,862
Loans	4,341	4,335	4,683	4,748	5,139	5,182	5,788
Trade credit and advances	-	-	-	-	-	-	-
Other debt liabilities 6/	-	-	-	-	-	-	-
<b>Central Bank</b>	<b>2,034</b>	<b>1,948</b>	<b>1,985</b>	<b>1,973</b>	<b>2,084</b>	<b>2,154</b>	<b>2,220</b>
<b>Short-term</b>	<b>1,747</b>	<b>1,683</b>	<b>1,717</b>	<b>1,692</b>	-	-	-
Currency and deposits 5/	1,747	1,683	1,717	1,692	-	-	-
Debt securities 4/	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-
Trade credit and advances	-	-	-	-	-	-	-
Other debt liabilities 6/	-	-	-	-	-	-	-
<b>Long-term</b>	<b>286</b>	<b>265</b>	<b>268</b>	<b>281</b>	<b>2,084</b>	<b>2,154</b>	<b>2,220</b>
Special drawing rights (SDRs), Allocation 7/	286	265	268	281	386	392	383
Currency and deposits 5/	-	-	-	-	1,698	1,762	1,837
Debt securities 4/	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-
Trade credit and advances	-	-	-	-	-	-	-
Other debt liabilities 6/	-	-	-	-	-	-	-
<b>Deposit-Taking Corporations, except the Central Bank</b>	<b>2,230</b>	<b>2,205</b>	<b>2,138</b>	<b>2,212</b>	<b>1,703</b>	<b>1,770</b>	<b>1,631</b>
<b>Short-term</b>	<b>717</b>	<b>677</b>	<b>610</b>	<b>626</b>	<b>600</b>	<b>657</b>	<b>577</b>
Currency and deposits 5/	334	329	322	328	330	358	337
Debt securities 4/	-	-	-	-	-	-	-
Loans	383	348	288	298	270	300	240
Trade credit and advances	-	-	-	-	-	-	-
Other debt liabilities 6/	-	-	-	-	-	-	-
<b>Long-term</b>	<b>1,513</b>	<b>1,529</b>	<b>1,528</b>	<b>1,586</b>	<b>1,103</b>	<b>1,112</b>	<b>1,055</b>
Currency and deposits 5/	-	-	-	-	-	-	-
Debt securities 4/	622	627	609	622	86	83	77
Loans	891	902	919	965	1,017	1,029	977
Trade credit and advances	-	-	-	-	-	-	-
Other debt liabilities 6/	-	-	-	-	-	-	-
<b>Other Sectors</b>	<b>8,356</b>	<b>8,411</b>	<b>8,407</b>	<b>8,381</b>	<b>8,106</b>	<b>8,016</b>	<b>8,254</b>
<b>Short-term</b>	<b>559</b>	<b>521</b>	<b>562</b>	<b>622</b>	<b>498</b>	<b>361</b>	<b>501</b>
Currency and deposits 5/	-	-	-	-	-	-	-
Debt securities 4/	2	2	2	2	2	2	2
Loans	285	266	262	261	228	223	241
Trade credit and advances	272	253	298	359	268	135	258
Other debt liabilities 6/	-	-	-	-	-	-	-
<b>Long-term</b>	<b>7,797</b>	<b>7,890</b>	<b>7,845</b>	<b>7,759</b>	<b>7,608</b>	<b>7,656</b>	<b>7,753</b>
Currency and deposits 5/	-	-	-	-	-	-	-
Debt securities 4/	1,623	1,610	1,617	1,556	1,408	1,489	1,625
Loans	6,154	6,260	6,208	6,183	6,180	6,147	6,107
Trade credit and advances	20	20	20	20	20	20	20
Other debt liabilities 6/	-	-	-	-	-	-	-
<b>Direct Investment: Intercompany Lending</b>	<b>9,647</b>	<b>9,822</b>	<b>10,366</b>	<b>10,658</b>	<b>11,030</b>	<b>11,200</b>	<b>11,406</b>
Debt liabilities of direct investment enterprises to direct investors	9,647	9,822	10,366	10,658	11,030	11,200	11,406
Debt liabilities of direct investors to direct investment enterprises	-	-	-	-	-	-	-
Debt liabilities to fellow enterprises	-	-	-	-	-	-	-
<b>Gross External Debt Position</b>	<b>29,715</b>	<b>29,817</b>	<b>30,702</b>	<b>30,461</b>	<b>30,814</b>	<b>31,193</b>	<b>32,162</b>