WELCOME TO
HOCHIMINH STOCK EXCHANGE
MARKET OVERVIEW

BY HOCHIMINH STOCK EXCHANGE
CONTENTS

1. Vietnam At A Glance
2. Vietnam Securities Market
3. Hochiminh Stock Exchange: Performance
4. Hochiminh Stock Exchange: Outlook & Initiatives
5. Appendices & FAQ
VIETNAM AT A GLANCE

OFFICIAL NAME
The Socialist Republic of Vietnam

CAPITAL CITY
Hanoi

GPD per capita
USD 2,110.9

POPULATION
91.7 (million people)

LANGUAGE
Vietnamese

CURRENCY
Vietnam Dong (VND)

Vietnam has set its sight on becoming an upper-middle-income economy by 2035.
FIGURE 1.1: VIETNAM GDP GROWTH RATE

FIGURE 1.2: VIETNAM GDP Per capita in US$

Updated: 2016 (est.) | Frequency: Annually | Unit: US Dollar ($)

2,215 (est.)
**VIETNAM AT A GLANCE**

**HEALTHY FDI INFLOWS & POSITIVE EXPORTS GROWTH**

**TABLE: MAIN EXPORT AND IMPORT PARTNERS**

<table>
<thead>
<tr>
<th>Main Export Destinations</th>
<th>% Of Total</th>
<th>Main Import Sources</th>
<th>% Of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>19.2</td>
<td>China</td>
<td>34.1</td>
</tr>
<tr>
<td>UK, Germany</td>
<td>7.7</td>
<td>South Korea</td>
<td>14.3</td>
</tr>
<tr>
<td>China</td>
<td>13.2</td>
<td>Japan</td>
<td>6.4</td>
</tr>
<tr>
<td>Japan</td>
<td>8.4</td>
<td>Singapore</td>
<td>6.5</td>
</tr>
<tr>
<td>South Korea</td>
<td>4.1</td>
<td>Taiwan</td>
<td>4.7</td>
</tr>
</tbody>
</table>

*Source: BMI, ADB*

**TABLE: MAIN EXPORTS AND IMPORTS**

<table>
<thead>
<tr>
<th>Main Export Products</th>
<th>% Of Total</th>
<th>Main Import Products</th>
<th>% Of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone &amp; Spare Parts</td>
<td>16.1</td>
<td>Electronic Products</td>
<td>12.7</td>
</tr>
<tr>
<td>Textiles</td>
<td>13.8</td>
<td>Machinery And Equipment</td>
<td>15.2</td>
</tr>
<tr>
<td>Electronics</td>
<td>7.8</td>
<td>Mineral Fuels, Lubricants And Related Materials</td>
<td>11.2</td>
</tr>
<tr>
<td>Footwear</td>
<td>6.8</td>
<td>Fabrics</td>
<td>6.4</td>
</tr>
<tr>
<td>Aquatic Products</td>
<td>5.2</td>
<td>Steel</td>
<td>5.1</td>
</tr>
</tbody>
</table>

*Source: BMI, GSO*
VIETNAM AT A GLANCE

CREDIT RATING & RISK INDICATORS

- **Credit Rating:** “Stable” outlook [S&P: BB - ; Moody’s: B1 ; Fitch: BB -]
- **Good and Services Exports:** USD 14.81 billion (+12.8%)
- **Good and Services Imports:** USD 17.4 billion (+22.4%)
- **Trade Balance:** USD $1.9 billion (Deficit)
- **Risk Premium on lending:** 2.89 %
- **BMI Economic Risk Index (short-term)** 66.0 (Ave.: Regional 60.4 I Global 52.2 / Emerging Markets 47.9)
- **BMI Economic Risk Index (long-term)** 66.1 (Ave.: Regional 59.1 I Global 53.2 I Emerging Markets 49.0)
- **BMI Political Risk Index (short-term)** 82.5 (Ave.: Regional 69.1 I Global 63.7 I Emerging Markets 59.8)
- **BMI Political Risk Index (long-term)** 59.7 (Ave.: Regional 63.5 I Global 62.1 I Emerging Markets 57.2)

## VIETNAM AT A GLANCE

### CREDIT RATING & RISK INDICATORS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Vietnam Score</td>
<td>53.9</td>
<td>55.2</td>
<td>48.4</td>
<td>58.8</td>
<td>53.0</td>
</tr>
<tr>
<td>East and Southeast Asia Average</td>
<td>57.3</td>
<td>58.2</td>
<td>55.7</td>
<td>57.6</td>
<td>57.8</td>
</tr>
<tr>
<td>Asia Average</td>
<td>49.3</td>
<td>51.7</td>
<td>47.4</td>
<td>47.4</td>
<td>50.5</td>
</tr>
<tr>
<td>Asia Position (out of 35)</td>
<td>10</td>
<td>11</td>
<td>13</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>Global Average</td>
<td>49.8</td>
<td>50.5</td>
<td>50.0</td>
<td>48.7</td>
<td>49.9</td>
</tr>
<tr>
<td>Global Position (out of 201)</td>
<td>81</td>
<td>67</td>
<td>110</td>
<td>53</td>
<td>86</td>
</tr>
</tbody>
</table>

*Note: 100 = Lowest risk; 0 = highest risk. Source: BMI Operational Risk Index*

Sources: BMI (2017) | Updated: YTD | Frequency: Quarterly
CONTENTS

1. Vietnam At A Glance
2. Vietnam Securities Market
3. Hochiminh Stock Exchange: Performance
4. Hochiminh Stock Exchange: Outlook & Initiatives
5. Appendices & FAQ
VIETNAM SECURITIES MARKET
VIETNAM SECURITIES MARKET

MINISTRY OF FINANCE

STATE SECURITIES COMMISSION

HOCHIMINH STOCK EXCHANGE

VIETNAM SECURITIES DEPOSITORY

HANOI STOCK EXCHANGE
VIETNAM SECURITIES MARKET

FIGURE 2.1: NUMBER OF LISTED COMPANIES

HOSE: 325  HNX: 382

Sources: HSX.VN | HNX.VN
Updated: 28/04/2017 | Unit: No. of Listed Companies
VIETNAM SECURITIES MARKET

FIGURE 2.2: MARKET CAPITALIZATION

HOSE : 76,761  
HNX : 7,373

Total: USD 84,134 million

≈ 35.1% GDP

Sources: HSX.VN | HNX.VN

Updated: 28/04/2017 | Unit: USD Million
### FIGURE 2.3: INVESTOR BASE

<table>
<thead>
<tr>
<th>Investor Accounts</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DOMESTIC</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual</td>
<td>1,493,646</td>
<td>1,613,547</td>
<td>1,665,355</td>
<td>3.21 %</td>
</tr>
<tr>
<td>Institutional</td>
<td>6,354</td>
<td>7,027</td>
<td>7,267</td>
<td>3.42 %</td>
</tr>
<tr>
<td><strong>FOREIGN</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual</td>
<td>15,209</td>
<td>16,464</td>
<td>16,811</td>
<td>2.11 %</td>
</tr>
<tr>
<td>Institutional</td>
<td>2,618</td>
<td>3,276</td>
<td>3,464</td>
<td>5.74 %</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,517,827</td>
<td>1,640,314</td>
<td>1,642,897</td>
<td>3.21 %</td>
</tr>
</tbody>
</table>
CONTENTS

1. Vietnam At A Glance
2. Vietnam Securities Market
3. Hochiminh Stock Exchange: Performance
4. Hochiminh Stock Exchange: Outlook & Initiatives
5. Appendices & FAQ
HOSE PERFORMANCE
2016 MARKET RECAP

- Market Cap: 76.7 USD Billion
- Listing Scale: 23.5 USD Billion
- Listing Securities: 325 Listed Companies
  - 39 Corporate Bonds
  - 1 Closed end Fund
  - 1 ETFs
  - 1 REITs
- Daily Trading Volume: 129.2 Million Securities
- Daily Trading Value: USD 107.2 Million
- Best Performing Sectors: Health Care, Materials, Consumer Discretionary
  - +46.3%
  - +35.7%
  - +23.2%
- Legal Frameworks: Covered Warrant, FOL, Listing & Disclosure (CG upgraded)

Updated: 28/04/2017

Exchange rate at VND 22,780 = USD 1
## HOSE PERFORMANCE

### PERFORMANCE OF LISTED COMPANIES

#### WHOLE MARKET

<table>
<thead>
<tr>
<th>Year</th>
<th>ROA</th>
<th>ROE</th>
<th>EPS (in VND)</th>
<th>ROS</th>
<th>P/E</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>2.71%</td>
<td>14.45%</td>
<td>2,499</td>
<td>10.39%</td>
<td>7.55</td>
</tr>
<tr>
<td>2012</td>
<td>2.99%</td>
<td>15.54%</td>
<td>2,621</td>
<td>11.29%</td>
<td>10.61</td>
</tr>
<tr>
<td>2013</td>
<td>3.13%</td>
<td>15.45%</td>
<td>2,722</td>
<td>12.24%</td>
<td>12.59</td>
</tr>
<tr>
<td>2014</td>
<td>2.51%</td>
<td>14.48%</td>
<td>2,654</td>
<td>11.59%</td>
<td>14.41</td>
</tr>
<tr>
<td>2015</td>
<td>2.42%</td>
<td>13.81%</td>
<td>2,453</td>
<td>11.69%</td>
<td>12.63</td>
</tr>
</tbody>
</table>

#### VN30

<table>
<thead>
<tr>
<th>Year</th>
<th>ROA</th>
<th>ROE</th>
<th>EPS (in VND)</th>
<th>ROS</th>
<th>P/E</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>2.22%</td>
<td>15.39%</td>
<td>2,569</td>
<td>18.32%</td>
<td>15.10</td>
</tr>
<tr>
<td>2013</td>
<td>2.40%</td>
<td>15.81%</td>
<td>2,782</td>
<td>18.15%</td>
<td>15.77</td>
</tr>
<tr>
<td>2014</td>
<td>1.93%</td>
<td>12.64%</td>
<td>2,393</td>
<td>15.34%</td>
<td>14.70</td>
</tr>
<tr>
<td>2015</td>
<td>2.04%</td>
<td>13.27%</td>
<td>2,418</td>
<td>15.62%</td>
<td>11.72</td>
</tr>
</tbody>
</table>

Stock Par Value: 10,000 VND
## HOSE PERFORMANCE

### PERFORMANCE OF LISTED COMPANIES

#### FINANCIAL PERFORMANCE

<table>
<thead>
<tr>
<th>Number of Listed Companies</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit</td>
<td>292</td>
</tr>
<tr>
<td></td>
<td>USD 6,323 mil</td>
</tr>
<tr>
<td>Loss</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>USD 149 mil</td>
</tr>
</tbody>
</table>

#### DIVIDEND YIELD

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Dividend Yield (in Cash Dividend only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>3.62 %</td>
</tr>
<tr>
<td>2015</td>
<td>4.12%</td>
</tr>
<tr>
<td>2016</td>
<td>1.46%*</td>
</tr>
</tbody>
</table>

(*) Figure unaudited

Stock Par Value: 10,000 VND
**Hose Performance**

**Auctioning Activity**

- Subscription Rights
- Secondary Offerings/SOE's Divestment
- SOE Equitization IPOs

<table>
<thead>
<tr>
<th>Year</th>
<th>Subscription Rights</th>
<th>Secondary Offerings/SOE's Divestment</th>
<th>SOE Equitization IPOs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>16</td>
<td>59</td>
<td>18</td>
</tr>
<tr>
<td>2006</td>
<td>22</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>2007</td>
<td>1</td>
<td>55</td>
<td>21</td>
</tr>
<tr>
<td>2008</td>
<td>2</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>2009</td>
<td>6</td>
<td>25</td>
<td>5</td>
</tr>
<tr>
<td>2010</td>
<td>5</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>2011</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>2012</td>
<td>15</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>2013</td>
<td>10</td>
<td>40</td>
<td>11</td>
</tr>
<tr>
<td>2014</td>
<td>21</td>
<td>33</td>
<td>15</td>
</tr>
</tbody>
</table>

*Sources: HSX.VN*

*Updated: 12/2016 | Frequency: Annually | Unit: No. of Auction*
HOSE PERFORMANCE

AVERAGE TRADING VOLUME

Source: HSX.VN

Updated: 28/04/2017 | Frequency: Monthly
H O S E   P E R F O R M A N C E

TRADING OF FOREIGN INVESTORS

Domestic Trading  Foreign Trading

Updated: 28-Feb-2017  |  Frequency: Monthly  |  Unit: Percentage (%)
FOREIGN TRADING VALUE

<table>
<thead>
<tr>
<th>Year</th>
<th>Buy</th>
<th>Sell</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>2,115.3</td>
<td>1,854.7</td>
</tr>
<tr>
<td>2014</td>
<td>3,199.2</td>
<td>3,064.4</td>
</tr>
<tr>
<td>2015</td>
<td>3,032.3</td>
<td>2,945.7</td>
</tr>
<tr>
<td>2016</td>
<td>3,928.8</td>
<td>4,268.0</td>
</tr>
<tr>
<td>3/1 - 28/4/2017</td>
<td>1,656.2</td>
<td>1,402.5</td>
</tr>
</tbody>
</table>

Updated: 28-April-2017 | Frequency: Yearly | Unit: USD Million
FOREIGN TRADING VALUE

- Foreign Buy: 1,656
- Foreign Sell: 1,403

14.26% Foreign
12.08% Domestic
MARKET PERFORMANCE 2000 - 2016

Market cap (USD mil.)
Trading val. (USD mil)
No. of List Co.


43 68 106 103 171 324 6,402 15,989 7,446 21,700 25,945 19,908 29,767 36,950 43,100 50,326 65,717

4 45 47 131 872 1,179 3,810 10,779 6,697 18,984 16,704 7,073 9,640 11,663 23,539 21,387 26,903

5 11 20 22 28 35 106 140 175 203 277 303 308 301 305 303 321

YTD: 717.73

Source: HSX.VN

Updated: 28-April-2017 | Frequency: Daily | Unit: Point

(since July 28th, 2000 – Annually Average Growth: ~ + 14%)
ASIA PACIFIC INDICES PERFORMANCE 2016

**Sources:** WFE (2016)
## HOSE Performance

### HOSE Index Series

<table>
<thead>
<tr>
<th>Index</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>VN Index</td>
<td>21.97%</td>
<td>8.12%</td>
<td>6.13%</td>
<td>14.82%</td>
<td>5.33%</td>
</tr>
<tr>
<td>VN30</td>
<td>15.83%</td>
<td>7.02%</td>
<td>-1.01%</td>
<td>5.48%</td>
<td>10.35%</td>
</tr>
<tr>
<td>VN100</td>
<td>19.58%</td>
<td>8.49%</td>
<td>4.38%</td>
<td>7.00%</td>
<td>11.03%</td>
</tr>
<tr>
<td>VNMIdcap</td>
<td>31.35%</td>
<td>20.42%</td>
<td>17.19%</td>
<td>8.24%</td>
<td>14.27%</td>
</tr>
<tr>
<td>VNSmallcap</td>
<td>29.99%</td>
<td>26.64%</td>
<td>2.18%</td>
<td>8.94%</td>
<td>8.99%</td>
</tr>
<tr>
<td>VNAIAllShare</td>
<td>20.07%</td>
<td>9.45%</td>
<td>4.21%</td>
<td>7.46%</td>
<td>10.79%</td>
</tr>
</tbody>
</table>

Updated: 31-March-2017 | Frequency: Monthly | Unit: Percentage (%)
## HOSE PERFORMANCE

### HOSE SECTOR PERFORMANCE (as of 31/03/2017)

<table>
<thead>
<tr>
<th>No.</th>
<th>SECTOR</th>
<th>1 month</th>
<th>3 month</th>
<th>6 month</th>
<th>1 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>VNAllShare Energy</td>
<td>4.84%</td>
<td>1.65%</td>
<td>-5.90%</td>
<td>6.49%</td>
</tr>
<tr>
<td>2</td>
<td>VNAllShare Materials</td>
<td>-1.61%</td>
<td>-3.18%</td>
<td>-4.86%</td>
<td>36.08%</td>
</tr>
<tr>
<td>3</td>
<td>VNAllShare Industrials</td>
<td>6.97%</td>
<td>7.71%</td>
<td>6.14%</td>
<td>21.85%</td>
</tr>
<tr>
<td>4</td>
<td>VNAllShare Consumer Discretionary</td>
<td>4.90%</td>
<td>3.62%</td>
<td>5.21%</td>
<td>32.00%</td>
</tr>
<tr>
<td>5</td>
<td>VNAllShare Consumer Staples</td>
<td>1.08%</td>
<td>-3.61%</td>
<td>-13.73%</td>
<td>14.33%</td>
</tr>
<tr>
<td>6</td>
<td>VNAllShare Health Care</td>
<td>4.24%</td>
<td>14.82%</td>
<td>11.54%</td>
<td>33.46%</td>
</tr>
<tr>
<td>7</td>
<td>VNAllShare Financial (ex Real Estate)</td>
<td>1.60%</td>
<td>12.09%</td>
<td>-0.85%</td>
<td>3.84%</td>
</tr>
<tr>
<td>8</td>
<td>VNAllShare Real Estate</td>
<td>10.11%</td>
<td>8.50%</td>
<td>11.94%</td>
<td>29.23%</td>
</tr>
<tr>
<td>9</td>
<td>VNAllShare Utilities</td>
<td>0.48%</td>
<td>-3.43%</td>
<td>-5.38%</td>
<td>12.04%</td>
</tr>
<tr>
<td>10</td>
<td>VNAllShare Information Technology</td>
<td>1.26%</td>
<td>4.64%</td>
<td>4.62%</td>
<td>9.57%</td>
</tr>
</tbody>
</table>
HOSE PERFORMANCE

HOSE SECTOR INDICES BY MARKET CAP

- Financial ex Real Estate: 16874.55
- Consumer Staples: 13775.06
- Real Estate: 7189.94
- Utilities: 5804
- Industrials: 4737.36
- Materials: 4176.47
- Consumer Discretionary: 2389.3
- Information Technology: 1079.01
- Healthcare: 865.70
- Energy: 630.54

Updated: 31-March-2017 | Frequency: Quarterly | Unit: USD Million
**HOSE PERFORMANCE**

**HOSE SECTOR INDICES BY LISTED COMPANIES**

- **Industrials:** 67
- **Materials:** 37
- **Real Estate:** 31
- **Consumer Staples:** 26
- **Consumer Discretionary:** 23
- **Financials Ex Real Estate:** 18
- **Utilities:** 11
- **Energy:** 9
- **Health Care:** 6
- **Information Technology:** 5

*Updated: 31-Mar-2017 | Frequency: Quarterly | Unit: No. of Listed Company*
H O S E  P E R F O R M A N C E

ACCESSIBILITY TO FOREIGN INVESTOR

OPPORTUNITIES:

- Foreign Ownership Limitation lifted-up (detailed in Decree 60, Circular 123)
- Other FTAs
- Information Disclosure in English
- Legal Framework enhanced

CHALLENGES:

- Administrative procedures
CONTENTS

1. Vietnam At A Glance
2. Vietnam Securities Market
3. Hochiminh Stock Exchange: Performance
4. Hochiminh Stock Exchange: Outlook & Initiatives
5. Appendices & FAQ
HOSE OUTLOOK AND INITIATIVES

2016 HIGHLIGHTS

LIQUIDITY
- New Index Series & Indices (Using GICS® from MSCI)
- Introduction of VNX Allshare
- New product: CW, REITs
- ↓ Tick Size & ↑ Order Size

CORPORATE GOVERNANCE
- Guidance: Vietnam Corporate Governance Initiative (VCGI)
- Policy Enforcement: Mandatory rule for CG disclosure in Circular 155; Annual Report Award; Sustainability Report Awards
- Awareness: IFRS, Internal Audit
- Education: ASEAN CG scorecard training; CG capacity training for listed companies

MARKET TRANSPARENCY
- Sustainability Reporting Handbook in Vietnamese
- Information Disclosure in English orientation
- E&S disclosure regulations
## HOSE OUTLOOK AND INITIATIVES

### UPGRAADING TO EMERGING STATUS & PROMOTING ESG

### I - MARKET ENHANCEMENT: INCREASING SCALE & LIQUIDITY

<table>
<thead>
<tr>
<th>NEW PRODUCTS</th>
<th>CORPORATE BONDS</th>
<th>ETF &amp; REIT</th>
<th>TRADING UTILITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Covered Warrants</td>
<td>Strategies to develop Corporate Bonds</td>
<td>Increasing ETFs &amp; REITs</td>
<td>New trading utilities are in the making to enhance liquidity of market</td>
</tr>
<tr>
<td>Sustainability Index</td>
<td></td>
<td></td>
<td>Suporting SOE IPOs and listings</td>
</tr>
<tr>
<td>Benchmark Indices for ETF</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Bonds market</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**GOAL: TOTAL MARKET CAPITALISATION IN 2020: 70 – 100% GDP (with 60% from HOSE)**
HOSE OUTLOOK AND INITIATIVES

UPGRADING TO EMERGING STATUS & PROMOTING ESG

II - ENHANCING QUALITY: LISTED PRODUCTS & TRANSPARENCY

ESG – ENVIRONMENTAL AND SOCIAL

- Enforcement of ESG reporting in annual reports on listed companies
- Sustainability Index (July 2017)

ESG - CORPORATE GOVERNANCE

- Strengthening CG practice in listed companies
- Towards Regional and Global Standards
- GRI reporting standard training for Listed Companies

INFORMATION DISCLOSURE

- Trading utilities to enhance liquidity of market
- Supporting SOE IPOs and listings
III – SYNCHRONIZATION: ACCELERATING IT SYSTEMS

UPGRADING TO EMERGING STATUS & PROMOTING ESG

INFRASTRUCTURE
- Readiness of Infrastructure
- Human Capacity

LINKAGE
- Development plan for securities firm members
- Towards the linkage of regional exchanges
HOSE OUTLOOK AND INITIATIVES

IV - ENHANCING QUALITY: LISTED PRODUCTS & TRANSPARENCY

SUPPORTING

- Supporting listed companies in competitiveness
- Enhancing capital mobilizing

MoU

- Executing signed MoUs
- Developing opportunities for new MoUs

ASEAN LINKAGE

- Actively contributing to the ASEAN Linkage
- Expanding regional cooperation
THANK YOU