



State Securities
Commission
of Vietnam

DEVELOPMENT OF DERIVATIVES MARKET IN VIETNAM

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(This is the own viewpoint of the presenter)

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State Securities Commission of Vietnam

Outline

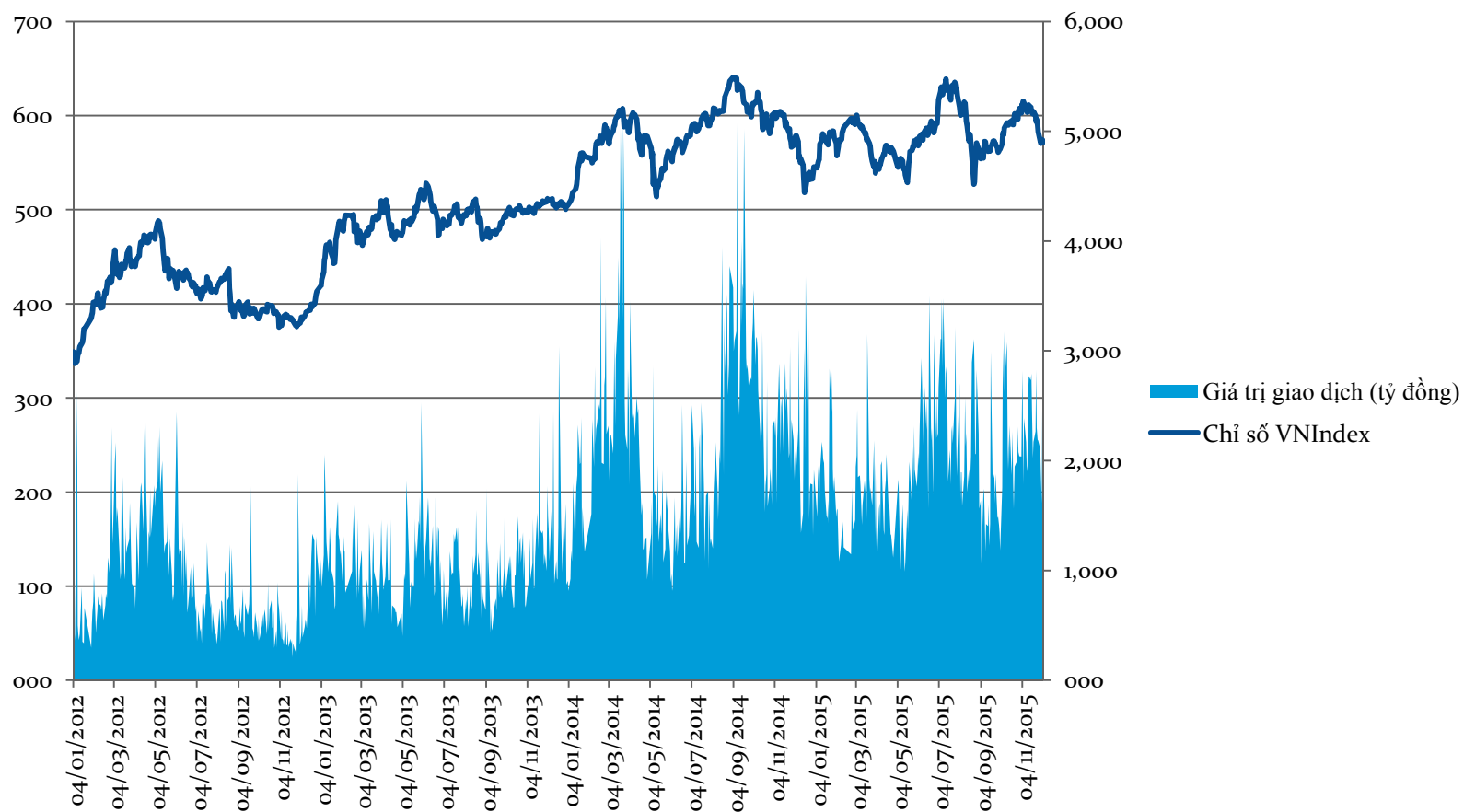


- Overview of Vietnam Securities Market
- Development of Derivatives Market in Vietnam
 - ▣ Why Derivatives Market?
 - ▣ Structure
 - ▣ Provisional roadmap
 - ▣ Regulatory framework

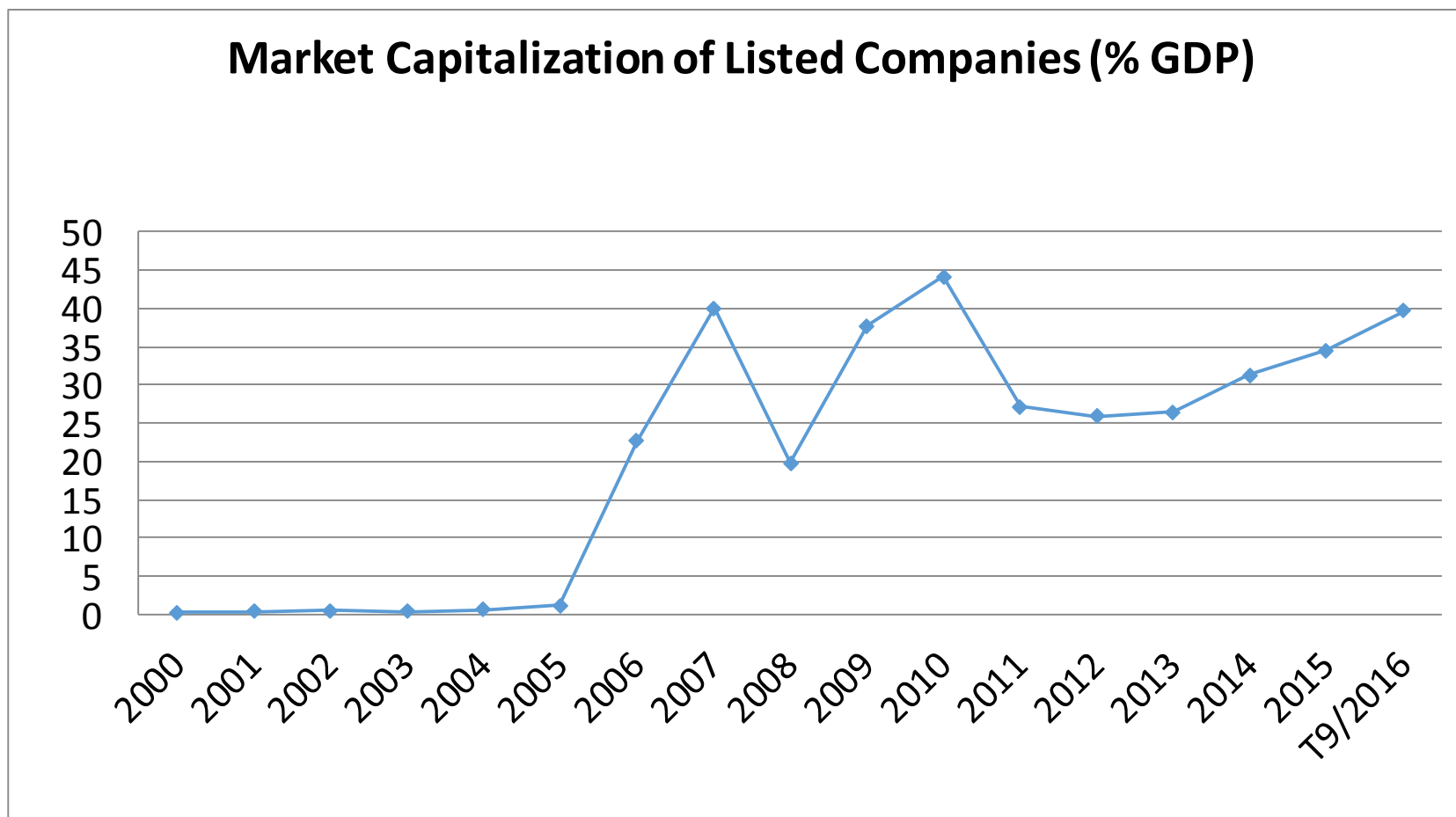
Vietnam Securities Market



VN-Index movements



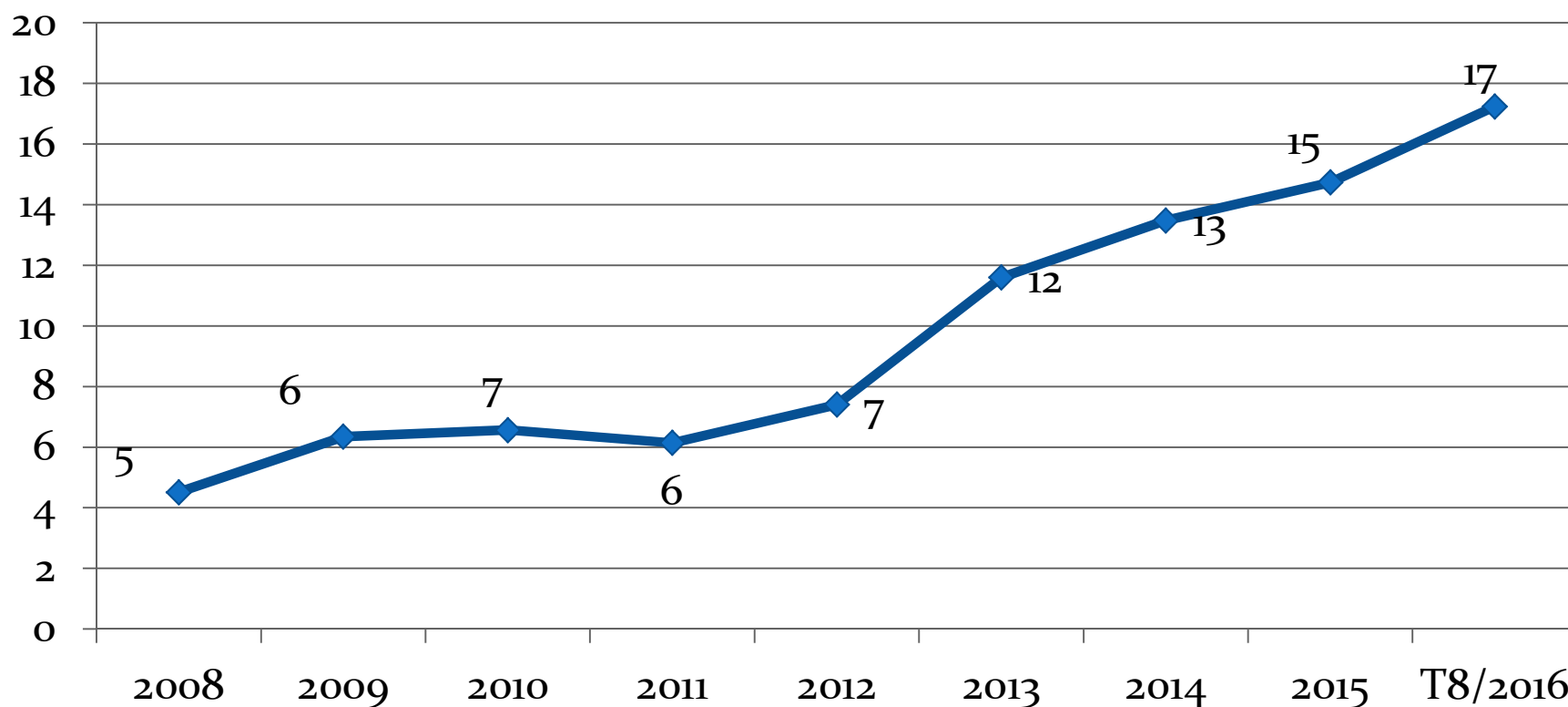
Vietnam Securities Market



Vietnam Securities Market



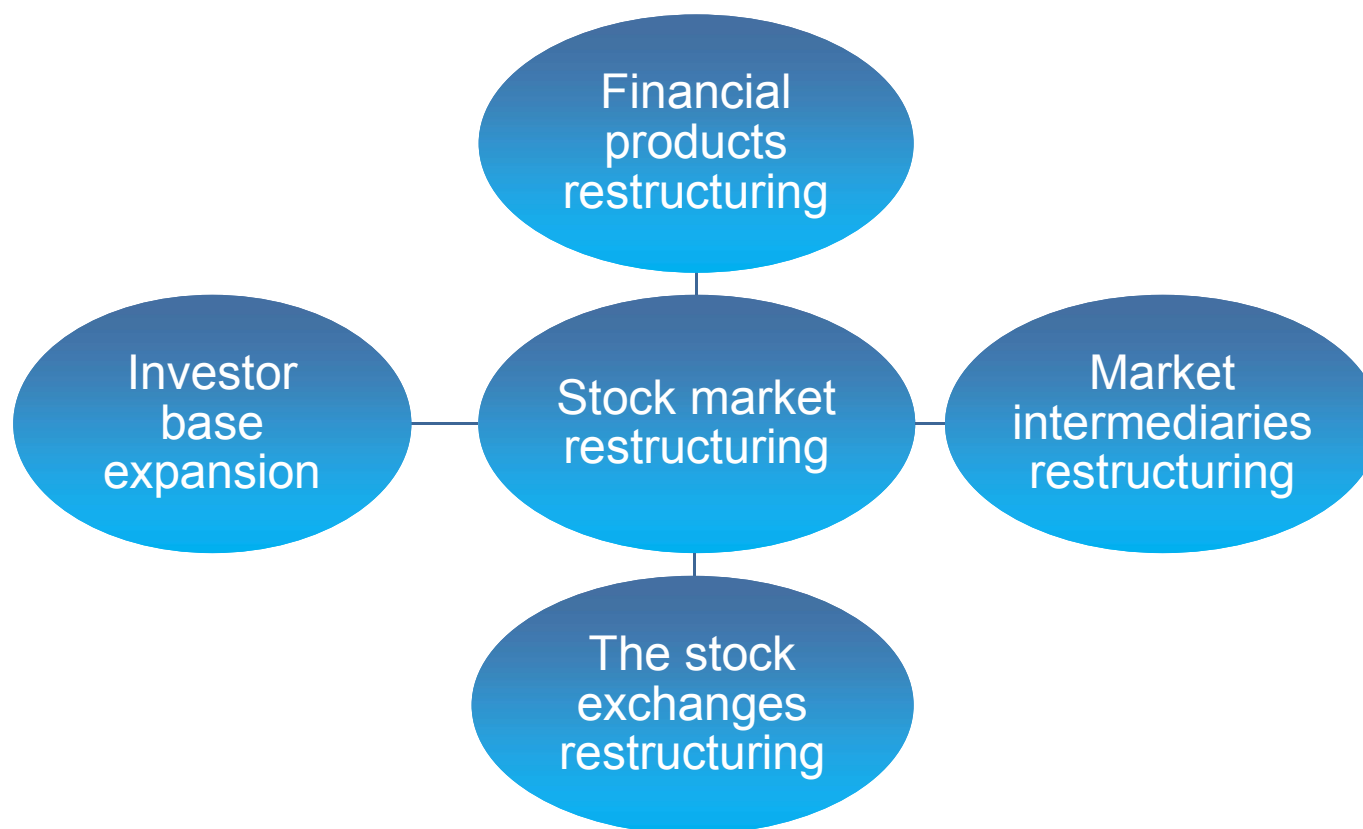
Foreign investment portfolio (US\$bil.)



Vietnam Securities Market



- Stock market restructuring plan: Four main pillars



Derivatives Market in Vietnam



- Why?
 - ▣ New financial instrument for investment
 - ▣ An important tool for risk management

Derivatives Market in Vietnam



- Structure
 - ▣ Infrastructure
 - Trading: Hanoi Stock Exchange (HNX)
 - Clearing & settlement: Vietnam Securities Depository (VSD)
 - ▣ Market intermediaries
 - Trading members and clearing members
 - ▣ Investors
 - Institutional investors and individual investors
 - ▣ Regulator
 - State Securities Commission of Vietnam

Derivatives Market in Vietnam



- Provisional roadmap
 - ▣ Regulation and guiding rules (almost done)
 - ▣ 2017: Launching derivatives market
 - Government bond futures & Index futures
 - ▣ 2018-2019: Introducing options products
 - Stock options, Index options, government bond options
 - ▣ 2020: Other products
 - Interest rate and other money market derivatives
 - ...

Derivatives Market in Vietnam



- Regulatory framework
 - ▣ Securities law (National Assembly)
 - ▣ Derivatives market decree (Government)
 - Number: 42/2015/NĐ-CP, Date: 05/05/2015
 - ▣ Derivatives market circular (Ministry of Finance)
 - Number: 11/2016/TT-BTC, Date: 19/01/2016
 - ▣ Guiding rules
 - Trading rules (HNX)
 - Clearing and settlement rules (VSD)

Derivatives Market in Vietnam



- Some challenges
 - ▣ Cash market not developed yet (liquidity)
 - ▣ Complexity
 - Products
 - Risk management
 - Infrastructure (exchanges & clearing house)
 - ▣ Inexperience
 - New for all: Regulator, exchanges & clearing house, market intermediaries, investors
 - Design (specifications) of first products



Thank you!