IFRC

Intelligent Financial Research & Consulting

ifrc INDEX

VIETNAMESE LISTED COMPANIES DATABASE

IFRC builds and maintains a homogeneous database, that is verified and monitored, of Vietnamese listed companies.

The database includes data of the transaction price and volume, information on corporate actions to adjust value and evaluate portfolio performance.

OUR STRENGTH

➔ Expertise in the design and calculation of the index
➔ Specialist of data treatment and sales
➔ Responsiveness
➔ Network of professionals and users
➔ Independence & Transparency

These Products and Services are created and supervised by:

Dr. MAI Huu Minh

IFRC Founder-CEO

Ex-Chief of Index R&D Dept.
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An indices expert with 15 years of experience in the design, development and management of Indices in NYSE EURONEXT

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INTRODUCTION

IFRC is a company in the specialised financial services and IT. It is recognized both in Europe and Vietnam for its experience and expertise indexing. In Vietnam, IFRC has developed a family of 88 indices for the first group Petrovietnam, consultant for HSX and HNX stock exchanges and member of Indexes Committees.

One of the aims of IFRC is to build a Vietnamese indexes family following international standards which could be tradable easily and become underlying of structured products (ETF, Certificates, Options, Futures, …).

To achieve this goal, IFRC must have both an application to calculate these indices, but also a reliable database, complete and updated daily. This database could be also proposed to potentials clients like stock exchanges, fund managers, private or institutional investor, brokers, international data vendors, … because there is **no vietnamese reliable database at the moment.**

That's a reason why IFRC planned and began to work in a stock market database in Vietnam. This product, named **VNDB (Vietnam Database)**, is not only used for index calculation but also for many kind of purposes in the financial market.

» WHY

The Vietnamese stock market is changing

➔ After speculative bubble, time for consolidation
➔ Restore investor confidence with international standard, transparency, indicators
➔ Available, complete and easy to automate information to attract foreigners investors

No effective tradable and hedging tools

➔ Recent launches of "tradable" indexes (VNI30, HNX30) but not relevant : not sufficiently long historical (only one year for the HNX30), concern only one vietnamese market and not vietnam global market, and not follow international standard
➔ High ETF demand : crisis in Europe, looking for alternative and profitable investments
➔ Derivatives Markets (Options and Futures) is coming : will provide hedging tools for funds managers to reduced their risks

No reliable database for design underlying

➔ IFRC data vendors survey
➔ No correct data from single source (same for the official Stock Exchanges) : missing information, not precise because rounding, or wrong because not updated
➔ Need to clean, correct, complete and organise to fit market demand : make information from one access, easy for automation

» WHAT

Create and maintain a market database

Market Database for Vietnamese stocks from the beginning (2000)

- Quick data (easy to obtain, and ready to use : shares, prices, adjusted prices, and dividends)
- Complete data (including corporated actions, adjusted coefficients)

Add values data

- Performance : different periodicity, with or without dividend
- Risk analysis : beta, volatility, spread, ...
- Sentiment indicators : buy/sell, orders, ...
- Free float : ownership

Goals

- Sell data for data vendors (foreign and internal)
- Use data for IMS (Indexes Management System)
- Use data for research and publication
- Use data for new indexes development

» HOW

Acquire exchange and other information sources

- Exchanges
- From "selected" sources after our data vendors survey and analysis
- Gather all possible information from websites : financial, data vendor, exchange, brokers, companies, ...

Clean data

- Cross check
- Detect anomalies automatically and manually
- Correct and complete manually

Build market database

- Cleaned Bulk information
- Add values data

» WHO

Looking for potential client

Potential clients are :

- Exchanges
- Investors (private or institutional)
- Fund managers (vietnamese or foreigner)
- Brokers : looking for data, research and innovations to provide to their clients
- International data vendor (Reuters, Bloomberg...)
- Local financial institutions in Vietnam

The database is also used by the IFRC IMS (Indexes Management System)

Looking for partnership

To complete our competence, make project done quicker, reduce costs

Possible partners :

- Data vendor : to avoid buying data, and already have a client
- Funds managers : theirs interest is to save money and have correct information
- IT services : to help us to handle this project and share revenues

Other financial sources ...

» WHEN

IFRC already started in 2012

IFRC begun the VNDB project in the beginning of Q2 2012.

- Made a market research of stock market data providers in Vietnam
- Analysed provided data
- Defined data structure to fit international standard
- Defined actions and schedule to select and clean data

Target date Q2 2013

Manage daily data and clean historical data progressively in 3 dimensions :

Time

- Daily first (not to lose current information)
- As from 2009
- As from the beginning

Universe

- Top 500 capitalisations (most used stocks)
- Other companies in the next step

Data

- Quick data (easy to obtain, and ready to use : shares, prices, adjusted prices, and dividends) Q1 2013
- Complete data (including corporated actions, adjusted coefficients), Q2 2013