



VIETNAM DAILY NEWS

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Market Analysis

1. Stocks recover on thin trade

Closing the day, the VN-Index of the Hochiminh Stock Exchange rose 6.12 points, or 0.63%, against the session earlier at 975.91. There were 160 million shares worth VND3.6 trillion traded, down 8.8% and 11% versus Tuesday, in which block deals contributed roughly a-third to the overall value.

Most heavyweights advanced in the morning phase before losing steam in the afternoon phase. VIC, a property group, closed the day up a slight 0.2% at VND113,900 while others such as fuel firm GAS and lender CTG gained less than 1% each.

CTG remained the volume leader among heavyweights with over 3.3 million shares changing hands. Electricity firm POW ranked second with a trade volume of three million shares, jumping 3.7% at VND15,400.

Among blue chips, construction firm ROS led the southern market for liquidity with nearly 7.5 million shares exchanged, moving sideways at VND32,550. Property firm FLC, an associated company of ROS, ranked fourth by liquidity with matching volume of over four million shares, rising a slight 0.4% at VND5,130.

Meanwhile, real estate enterprise HAG and industrial zone operator ITA reported matching volume of 4.9 million shares and 4.4 million shares. The two stocks lost 4.4% and 1.2% at VND5,610 and VND3,160, respectively.

Foreigners returned to the buying side as they net purchased 4.9 million shares valued at more than VND109 billion, chiefly shares of consumer goods producer MSN. On Tuesday, the investors net sold 3.7 million shares worth VND125.2 billion.

The Hanoi Stock Exchange gained for the second straight day, buoyed by stocks in the banking and finance sector.

The HNX-Index rose 0.71 point, or 0.67%, at 107.56. However, turnover on the market also contracted sharply, with volume and value shedding 13% and 30.5% from the session earlier at 26.9 million shares worth VND331 billion, respectively.

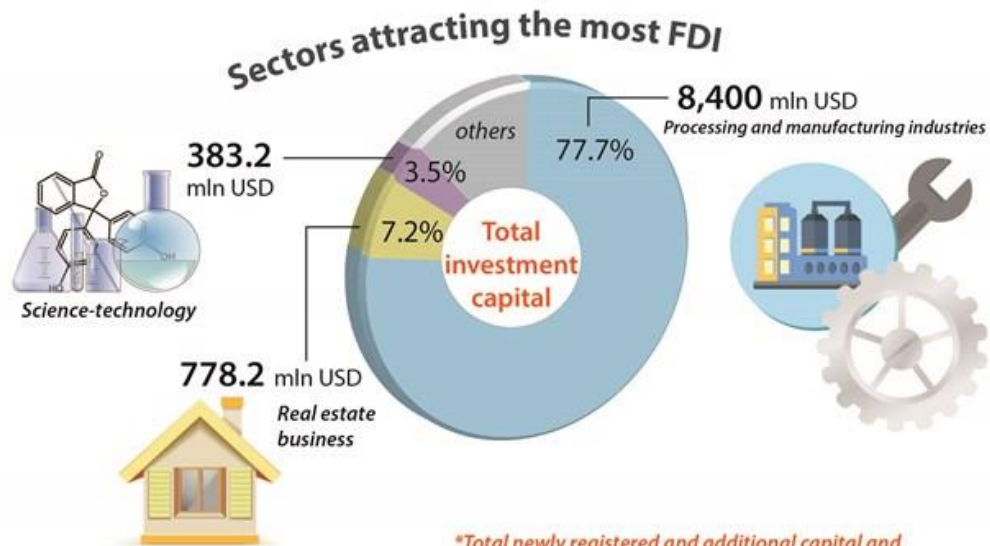
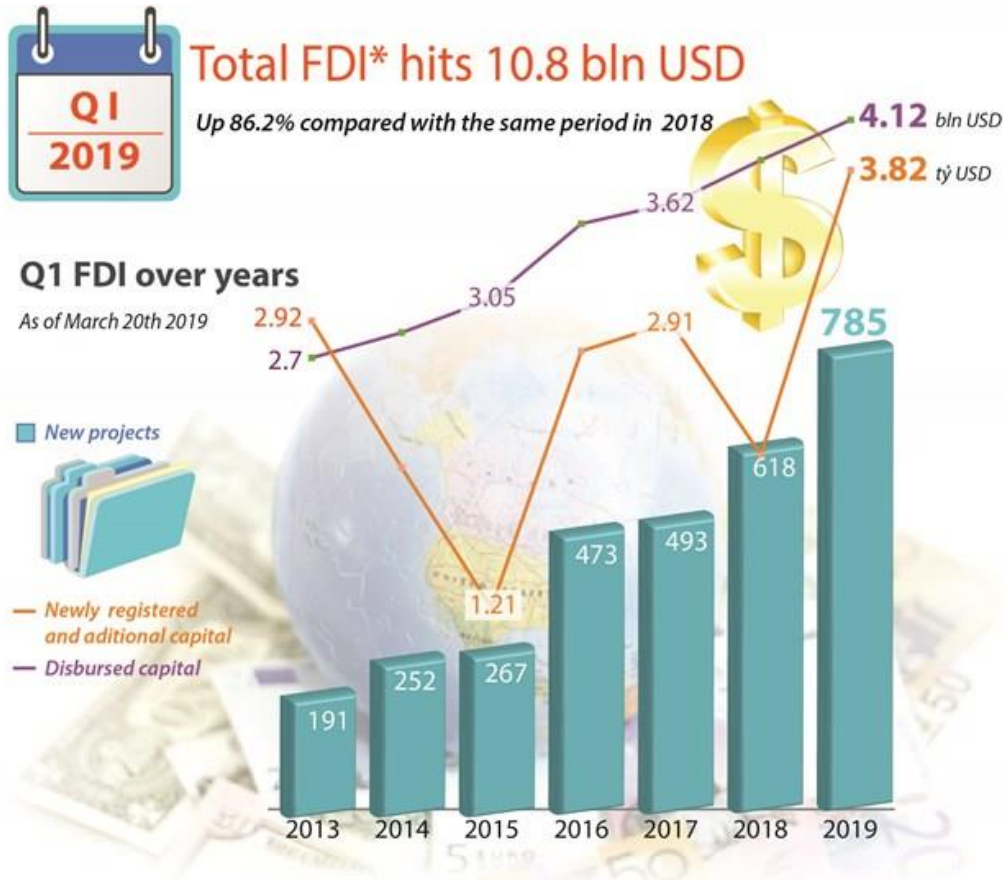
Lender SHB was most heavily traded stock with over 5.1 million shares exchanged, adding 2.7% at VND7,600. Its fellow bank ACB advanced 0.3% at VND30,400 while oil and gas stock PVS increased 0.9% at VND20,600.

TCS, a coal mining company, closed at the intraday high of VND9,000, up 8.4% compared to the previous day. It reported matching volume of 2.8 million shares.

Foreigners net bought around 793,000 shares worth VND2.5 billion on the northern bourse, down 3.4% and 55.7% against the previous day, respectively.

Macro & Policies

2. Total FDI hits 10.8 bln USD in Q1



Source: Ministry of Investment and Planning

<https://infographics.vn>

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3. Nemo Partners TMS to bridge Danang and Korean investors

According to the co-operation deal (MoU), the Danang Investment Promotion Agency (Danang IPA) will co-ordinate with Nemo Partners TMS to organise a seminar on investment promotion in the city, carry out projects, research and development (R&D) activities with local startup companies, hold investment days (D-day), and connect more Korean enterprises to the city, especially in areas where the city is looking to attract Korean capital and expertise, such as high-technology and information technology.

Nemo Partners TMS specialises in strategic consultancy, human resources, business, and technology with a wide network of Korean companies and partners. The company is currently present in seven countries, including the US, China, Vietnam, Myanmar, Cambodia, Libya, and the United Arab Emirates.

In recent years, Nemo Partners TMS has been co-operating with Danang IPA to organise investment promotion activities in Korea and introduce supporting companies like Hansung, Autech Otis Group, and KT Telecommunication Corporation to invest in Danang.

Speaking at the signing ceremony, Le Trung Chinh, Vice Chairman of the Danang City People's Committee, said that Korean enterprises and investors were ranked fifth among countries investing in the city with a total capital volume of approximately \$310 million.

This number, however, is still inadequate, so he invited Nemo Partners Company to bolster efforts, helping to connect big and enthusiastic investors to Danang city and vowed to provide favourable conditions to Korean businesses.

4. Ho Chi Minh City calls for Public Private Partnership investment

The Public Private Partnership (PPP) seminar held by the Ho Chi Minh City Department of Planning and Investment in collaboration with the World Bank, is attended by representatives of the Ministry of Planning and Investment and many other ministries, the World Bank in Vietnam, the Asian Development Bank, JICA, Ho Chi Minh City Finance and Investment State-Owned Company, foreign embassies and consulate offices to Vietnam, the European Chamber of Commerce in Vietnam, and many international consultancy firms such as KPMG Vietnam, Deloitte Vietnam, PWC Vietnam, as well as representatives from educational institutions, hospitals, and medical centres.

Key issues discussed in the seminar are solutions for the effective use of the state budget, international experiences on investment under the Public Private Partnership (PPP) form, and strategies to mobilise private capital for infrastructure development and service provision

in healthcare, education, solid waste treatment, wastewater treatment, and flood control.

Other related issues touch upon the constraints within the relevant legal and regulatory frameworks to promote PPP investment efficiency and strategies to improve private sector participation in service provision and infrastructure development across these four fields.

Speaking at the seminar, Ousmane Dione, country director of the World Bank in Vietnam, said that to create a successful PPP model, all sides should recognise the model's long-term nature whereby public and private stakeholders share not only the interests but also the risks.

“For many partnerships without a balanced sharing of risks and interests, failure will be a very likely outcome, thus PPP must become a partnership model in which each and every stakeholder has their benefits,” Dione said.

He added that the legal, regulatory, and institutional framework must be clear to facilitate investors to accept long-term risks with the expectation to rely on these legal and institutional frameworks.

In addition to the sharing of international experiences on the mobilisation of social capital and promotion of PPP, there was also a debate session on the privatisation of investment in solid waste treatment, wastewater treatment, and flood control, as well as healthcare and education.

5. Vietnam to end plastic scrap imports from 2025

It has ordered the Ministry of Natural Resources and Environment to work with other government bodies to eliminate unnecessary procedures which are delaying their delivery.

Customs data shows almost 21,600 containers of scrap remain uncleared at ports as of February 22, 44 percent of them for more than three months.

The government instructed the environment ministry to issue environmental safety certificates to eligible containers so that their importers could use them to manufacture products. All imports of plastic scrap as feedstock would cease on December 31, 2024, it said.

Prime Minister Nguyen Xuan Phuc ordered to scrap imports temporarily last July,

According to the Ho Chi Minh City Department of Planning and Investment, to complete the city's five-year socioeconomic development plan (2016-2020), the total investment capital demand from the budget from 2016 to 2020 is VND326.556 billion (\$14.2 billion). Meanwhile, the state can only allocate VND171.895 billion (\$7.5 billion), which is 52 per cent of the investment demand.

saying Vietnam must not become a dumping ground for other countries' scrap, leaving thousands of containers stuck at ports for months.

His orders followed a surge in imports in the first six months after China banned imports of certain wastes.

But steel, paper and plastic industries have expressed concern since they need to import metal, paper and plastic scrap as feedstock.

Vietnam imported 9.2 million tons of scrap last year, up 14 percent from 2017, according to Vietnam Customs.

6. Vietnam authorities to assess Thai petrochemical plant for license

The government has recently ordered the Ministry of Natural Resources and Environment to "quickly" appraise the Long Son Petrochemical (LSP) complex project and report within this month.

At \$5.4 billion, LSP will be Vietnam's first integrated petrochemical project. To be built in Ba Ria-Vung Tau Province, 100 kilometers to the southeast of Ho Chi Minh City, it will have a capacity of 1.6 million tons of olefins a year. Olefins are high-density synthetic fibers.

Roongrote Rangsiyopash, SCG chairman and CEO, told Prime Minister Nguyen Xuan Phuc at a meeting last month that his company would complete the project in time and begin commercial operations in 2023.

LSP was conceived as a joint venture between SCG, the state-run PetroVietnam and Qatar Petroleum in 2008. Due to the global recession, the project stalled, and the Qatari partner withdrew in 2015 with SCG buying its stake in 2017.

Last year SCG also bought PetroVietnam's 29 percent stake to become the sole owner. Permission for the project had been given to PetroVietnam, but following its pullout, SCG needs to get fresh approval.

Last August SCG obtained loans of \$3.2 billion from a syndicate of six banks for the project.

The delay has taken the estimated cost up from \$4.5 billion to \$5.4 billion but SCG still believes it

is a "very competitive price when compared to other projects globally." The construction of the plant is set to create 20,000 jobs.

SCG has been investing in Vietnam since 1992 in many sectors such as cement, construction materials, packaging, and petrochemicals. Its revenues in the country were almost VND31 trillion (\$1.33 billion) last year after rising by 20 percent from 2017.

7. Vietnamese mango exports increase

In recent years, Vietnamese farmers have applied new technologies to produce mangos throughout the year.

China was Viet Nam's major mango importer, accounting for more than 84.6% of total mango export value.

The southern region boasts the largest area of mangos, with more than 80,000ha.

The value increased from US\$ 46 million in 2015, US\$ 68 million in 2016 and US\$ 156 million in 2017.

Dong Thap province alone has more than 9,200 ha. Last year, the locality shipped some 2,500 tons of mango, including 1,550 tons to China and 850 tons to Japan.

The mango price is expected to drop in March and April which mark the main mango season in

countries like Viet Nam, Cambodia, Thailand, the Philippines, India and Pakistan, experts said.

Mango has become the sixth Vietnamese fruit allowed to enter the U.S. market, following dragon fruit, rambutan, lychee, longan, and star apple. To clear way to sell its mangoes in the world's biggest economy, the PPD applied for a licence in 2009.

The country has exported mangoes to 40 countries over the world. Its main importers are China, European countries, the Republic of Korea, Japan, Australia, and New Zealand.

Mango is one of Viet Nam's fruits of strength with a total of nearly 90,000ha of farms nationwide, produce nearly 800,000 tons per year. In particular, Viet Nam has nearly 50 delicious mango varieties.

8. Tax reform plan introduced

The General Department of Taxation has recently issued a decision on a tax reform plan in the 2019-2020 period.

Accordingly, coordinating regulations with non-tax agencies will be built and introduced. The tax

agencies will regularly conduct surveys to grade satisfactory levels of tax payers.

Regarding tax debt management, in the 2019-2020 period, a set of criteria on tax debt management will be composed.

9. Chu Lai OeZ obtains VND 15 trillion investment

The four projects were an agricultural and forestry industrial park, the expansion of Thaco-Chu Lai Mechanical Automotive industrial park, the new wharf at Chu Lai-Truong Hai port and residential quarters for workers.

These project were funded by the Truong Hai joint-stock Automobile company (Thaco) in the Master Plan of Chu Lai Open Economic Zone until 2035 approved by the PM in 2018.

The agricultural and forestry industrial park, which was built on 451ha with an investment of more than VND 8.1 trillion (US\$ 359.2 million), was designed as the largest farm produce

processing zone and hi-tech agriculture Research and Development (R&D) centre for export in the central and central highlands. Once coming into operation, the center will have a total capacity to process and export 500,000 tons of fruit and farm produce each year.

The VND2.6 trillion (US\$115 million) 790m wharf in the 140ha Chu Lai- Truong Hai port will handle 50,000-tonne vessels. The residential urban and resettlement scheme will cover 30 hectares and accommodate 5,000 local workers and residents. That project will cost VND2.76 trillion (US\$122 million)/.

Corporate News

10.LTG: Extension of holding annual General Meeting of Shareholders 2019

↓ -1.56%

Loc Troi Group Joint Stock Company announced the extension of holding annual General Meeting of Shareholders 2019 as follows:

An Giang Authority for Investment and Planning approved the extension of holding annual General Meeting of Shareholders 2019 of Loc Troi Group Joint Stock Company to 30/06/2019.

11.LTG: Notice of record date for Annual General Meeting of Shareholders 2019

↓ -1.56%

1. Issuer: Loc Troi Group Joint Stock Company
2. Stock code: LTG
3. Par value: VND10,000/share
4. Record date: 23/04/2019
5. Ex-date: 22/04/2019

6. Reason:

* Annual General Meeting of Shareholders 2019:

- Exercise rate: 1 share – 1 vote
- Exercise date: 17/05/2019
- Place: to be informed later in the invitation
- Agenda: to be informed later in the invitation.

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