



# VIETNAM DAILY NEWS

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## Market Analysis

### 1. Blue chips drive VN-Index up

At the close, the benchmark VN-Index added 5.99 points to 958.54, with positive market breadth of 162 gainers and 128 losers. Trade on the southern exchange totaled over 232 million shares worth VND4.5 trillion, surging 77% and 56.3%, respectively, against the session earlier.

Market turnover got a boost from block deals, with 107.35 million shares changing hands at a total value of more than VND1.9 trillion. HNG, a subsidiary of Hoang Anh Gia Lai Company (HAG), saw over 69 million shares worth VND972 billion transacted, and lender TCB had more than seven million shares worth VND173 billion traded.

Dairy firm VNM closed the session up 2.9% at the highest level of the day, VND133,900 per share, on matching volume of more than 974,000 shares. Due to strong demand for the stock shortly before the end of the session, it positively contributed to the rise of the southern index.

Closing the day, property firm VIC rose slightly by 0.18% at VND112,900 per share, with 439,200 shares changing hands, while its subsidiaries VRE and VHM further gained ground with the rises of 1.8% at VND36,000 per share and 1.2% at VND85,000 per shares, respectively.

Besides this, other large-cap stocks saw positive signs at the end of the session. Insurer BVH soared 3.8% at VND76,100 and national flag carrier HVN improved 2.6% at VND40,100. Notably, construction firm ROS suddenly shot up to the ceiling price of VND32,000. The stock led the southern bourse by liquidity with 9.9 million shares changing hands.

Among bank stocks, some moved flat and lender STB and its fellow EIB closed the day down, while lender HDB went up 1.47% and had the biggest matching volume of 3.37 million shares.

Meanwhile, in the oil and gas sector, GAS dipped 1.2% at VND106,600 per share and PLX lost 0.8% at VND60,800.

The southern index failed to conquer the level of 960 points as animal feed firm MSN and steelmaker HPG suffered the reversal, tumbling 1% and 2.4%, respectively, while lenders VCB and TCB and brewery SAB only rose slightly.

The HNX-Index of the Hanoi Stock Exchange ended the session in the overwhelming red due to no positive contribution from blue chips and heavy sell-off.

The index fell 0.24 points, or 0.23% from the session earlier at 105.61. There were 26.35 million shares worth VND323 billion transacted at the end of the day, up over 11% in volume and value against Friday's session.

In the VN30 basket, the rise of securities firm SHS, construction firm VC3, industrial firm VCS and electricity firm TV2 saved the northern stock from a deep plunge.

Lender SHB ended at its reference price of VND7,400, taking the lead for liquidity with 5.5 million shares changing hands, followed by oil and gas firm PVS with 3.38 million shares transacted.

## Macro & Policies

### 2. NA considers resolutions on investment, social issues

Public Investment was increased to VNĐ401 billion (US\$17 million) from VNĐ300 billion (\$12.9 million) for compensation in site clearance cases to build national-standard public schools in Tân Bình District's Ward 6. The project was approved by the city's People's Council in 2015.

The members of the People's Council also passed another resolution on providing milk to improve nutrition and stature for kindergarten and primary students in the city from 2018 to 2020.

Instead of being implemented in the second semester of the 2018-19 academic year, the project will be carried out in the first semester of the 2019-20 year.

In addition, a resolution to award VNĐ100 million for first prize, VNĐ80 million for second prize and VNĐ60 million for third prize in the HCM City Innovation Contest was passed.

At the meeting, Võ Văn Hoan and Ngô Minh Châu were selected to become new vice chairmen of the HCM City People's Committee.

Võ Văn Hoan was former chief of the secretariat and spokesperson for the city People's Committee. He was elected with 82 of 90 votes. Ngô Minh Châu was former deputy head of the HCM City Police. He was elected with 88 of 90 votes.

The HCM City Party's Committee Secretary Nguyễn Thiện Nhân said that 2019 would be the

year of breakthroughs in administrative reform and implementation of Resolution 54, which was approved in late 2017 by the National Assembly, creating special policies for HCM City.

Under Resolution 54, the city can more easily call for capital and investment, as well as set its own policies on methods of staff assessment and salaries.

Adding personnel to the city's agencies will also create breakthroughs, Nhân said.

By the end of next month, the city will add new vice chairmen for the People's Council, People's Committee and other personnel for city departments.

Nguyễn Thị Lệ, chairwoman of the city People's Council, praised the council and the People's Committee for their efforts in the implementation of social and economic tasks this year.

In the first quarter of this year, the city saw positive socio-economic development results, creating a foundation for growth of the manufacturing industry, commerce and services, she said. Administrative reform had also progressed well, she added.

In the upcoming time, the People's Council will also supervise the investment of projects to build belt roads No 2 and 3, among other tasks.

### 3. Loc Troi Group and Tan Vuong Food JSC to export 84,000 tonnes of rice to China

The export of rice is under five memorandums of understanding signed between the two companies and their Chinese partners during a seminar on rice trade co-operation between Viet Nam and China held in the southern province of An Giang last week.

An Giang annually exports more than 400,000 tonnes of rice to foreign countries, earning about US\$220 million. The province's rice products have been shipped to 63 countries, including the US, Germany, Spain, Canada, Australia, New Zealand, Japan, Singapore, the Philippines and several Middle Eastern countries.

According to figures from China's Customs Office, China spent \$1.6 billion importing rice in 2018, of which \$740 million comprised Viet Nam's rice, occupying 45 per cent of the total.

Earlier this year, Viet Nam Southern Food Corporation (Vinafood 2) and Food Valley of China (FVC) inked a memorandum of understanding on rice trade, in which China will import 100,000 tonnes of rice from Viet Nam.

#### 4. HCMC urges quicker execution of projects

At a meeting today, May 10, on the city's socioeconomic performance in the first four months of the year, HCMC Chairman Nguyen Thanh Phong pointed out that projects such as the Lotte smart complex and Saigon Sports City in District 2, waste-to-energy plants, Ring Road No. 2 and the September 23 Park upgrade have lagged behind schedule.

Besides projects under construction, Phong urged the completion of plans to develop a logistics center, an exhibition center, ecommerce and a smart city.

He asked leaders of the relevant departments and agencies to quickly remove obstacles hindering the execution of these projects, including those under the management of State agencies.

Explaining the slow execution of waste-to-energy projects, Nguyen Toan Thang, director of the municipal Department of Natural Resources and Environment, said that the department has held two tenders to choose consultants for these projects, but no firms showed interest due to the low value of the contracts.

Thang proposed setting specific standards for the consultants of these projects, and tenders will be

held after a certain number of enterprises meet these standards.

In addition, solutions to cope with African swine fever were also discussed.

A representative of the HCMC Department of Agriculture and Rural Development said that after the neighboring provinces of Dong Nai and Binh Phuoc reported African swine fever outbreaks, the department plans to set up more stations at the city's gateways and along roads leading to the city to check vehicles transporting pigs and pork to the city. Dong Nai currently supplies 45%-50% of the city's pork demand.

The department will also tighten control over slaughterhouses and stand ready to respond to the epidemic if it spreads to the city.

Meanwhile, the Department of Industry and Trade is working with the city's pork suppliers, remarked Pham Thanh Kien, director of the department.

HCMC Vice Chairman Le Thanh Liem stated that the chairpeople of districts must assume responsibility before the city government if their districts are home to illegal slaughterhouses.

#### 5. First 5G call in Vietnam successfully tested

At the event, the mobile internet speed reached 1.5-1.7 Gigabits per second, much faster than 4G and equivalent to the speed of commercial cables.

A representative of Viettel said that the group will pilot its 5G mobile service in HCMC and Hanoi, adding that it is working out solutions to calculate

5G mobile service charges when it is put into commercial service.

However, the mobile carrier may collect fees based on customers' experience rather than the data volume they use.

Minister of Information and Communications Nguyen Manh Hung described the event as a significant milestone for Vietnam as it is one of the first countries in the world to successfully test the 5G service, after the United States, Australia, Japan and South Korea.

Earlier, he had confirmed that Vietnam would pilot 5G this year and officially provide the service in 2020.

## 6. Pepper prices take nosedive

Speaking at a conference on the 2018-2019 pepper crop, held by the Vietnam Pepper Association (VPA) in HCMC on May 10, VPA Chairman Nguyen Nam Hai said that the price of pepper stood at VND55,000-VND60,000 per kilogram in 2018, but it has dropped further to VND41,000 per kilogram now, the local media reported.

Hai attributed the sharp fall in pepper prices to the oversupply in the domestic and international markets.

The world's total volume of pepper amounted to some 556,000 tons in 2018, up 8.3% against the previous year. Vietnam topped the list in terms of pepper output, at 230,000 tons, accounting for 42% of the global market's total pepper supply. Brazil came in second, with 70,200 tons of pepper.

The pepper supply in the global market has grown consistently by 8-10% since 2015, but demand for the product has increased by only 2%. The oversupply led to tumbling prices, causing heavy losses for pepper farming households.

At the conference, many experts and firms predicted that the global market will continue to see the pepper volume soar in the coming time, resulting in further declines in pepper prices.

Viettel will cooperate with Sweden's Ericsson Group during the pilot phase.

The group is the first telecom carrier in Vietnam to be permitted to test the 5G service. Accordingly, it will be allowed to launch the service on a trial basis in HCMC and Hanoi for one year.

According to the International Pepper Community, the world's pepper volume is expected to amount to 602,000 tons this year, up 8.27%, with Brazil's pepper output rising by 28% and that of Cambodia growing by 17%.

Vietnam was forecast to see a 9% increase in pepper output to 250,000 tons this year.

In the context of the continuing drop in pepper prices, some pepper firms suggested collaborating with each other and working with farmers to create a clean pepper manufacturing region to export the product at higher prices.

In addition, it is necessary for firms to enhance their capacity for processing pepper and keep a close watch on product quality and input materials. New technologies and diverse pepper-based products are also part of the solution to raise the pepper price.

Moreover, it is vital to boost promotion activities, expand the pepper importing markets and raise the pepper market share in Northeast Asia, the United States and the European Union, as well as to increase pepper consumption in the domestic market.

## Corporate News

### 7. CRE: BOD approves to plan the stock issuance to raise its charter capital

↑ 0.00%

On May 10, 2019, the Board of Directors of Century Land Joint Stock Company approved to plan the stock issuance to raise its charter capital as follows:

- Stock name: Century Land Joint Stock Company
- Stock code: CRE
- Stock type: common share
- Par value: 10,000 dong
- Number of shares expected to be issued: 79,999,892 shares
- Total value (based on par value): VND799,998,920,000
- Issue price: VND10,000
- Charter capital after the offering: VND1,599,998,920,000
- Time of implementation: 90 days from the approval date by the State Securities Commission of Vietnam (SSC).
- Exercise ratio: 1:1
- The rights should be transferred only once.
- How to deal with fractional shares: The number of newly issued shares bought by each existing shareholder will be rounded down. The fractional shares and the shares refused to buy (if any) will be decided by the Board of Directors.

### 8. DHG: Notice of trading of shares by an internal shareholder - Taisho Pharmaceutical Co.,Ltd

↓ -0.68%

Notice of trading of shares by an internal shareholder - Taisho Pharmaceutical Co.,Ltd of DHG Pharmaceutical Joint Stock Company as follows:

File Attachment

[20190513\\_DHG-190513-Notice-of-trading-of-shares-by-an-internal-shareholder---Taisho-Pharmaceutical-Co.Ltd.pdf](#)

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