



VIETNAM DAILY NEWS

January 16th, 2020



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Market Analysis

1. VN-Index inches up, but most stocks in the red

Strong gains by several blue chips drove the VN-Index up 0.06 percent to 967.56 points Wednesday, even as most stocks fell.

188 stocks lost while 125 gained on the Ho Chi Minh Stock Exchange (HoSE), on which VN-Index is based.

Order-matched transactions fell slightly over the previous session, reaching VND1.98 trillion (\$85.40 million), but nowhere near last month's average trading of VND2.8 trillion (\$120.79 million) worth of shares per session.

The VN30-Index for Vietnam's 30 biggest market caps edged up 0.07 percent, with 14 losing tickers and eight gaining, but most losing stocks shed below 0.5 percent this session.

VPB of private mid-sized lender VPBank led gains this session with 2.4 percent, followed by BID of BIDV, one of the three largest state-owned banks in Vietnam, up 1.8 percent.

The other two, CTG of VietinBank, rose 0.4 percent, while VCB of Vietcombank shed 0.1 percent.

Other gainers included PNJ of Phu Nhuan Jewelry, up 1.2 percent, HPG of leading steelmaker Hoa Phat Group, 0.6 percent, and SAB of Vietnam's biggest brewer Sabeco, 0.4 percent.

The two largest market cap stocks on the VN30, VIC of Vietnam's biggest private conglomerate

Vingroup, and VHM of the former's real estate arm Vinhomes, both kept their opening price this session.

In the other direction, ROS shares of real estate developer FLC Faros was again the biggest losing stock on HoSE, having fallen 6.6 percent, its floor price.

This is the tenth session in the past three weeks that ROS has been the biggest losing stock on the market, having seen its value plummet over 45 percent since Christmas.

Other big losers this session included VRE of Vincom Retail, Vingroup's retail arm, which fell 1.6 percent, followed by HDB of private lender HDBank and GAS of state-owned energy giant PetroVietnam Gas which both fell 0.9 percent.

Meanwhile, HNX-Index for stocks on Hanoi Stock Exchange, Vietnam's second main bourse for small and mid-cap stocks, fell 0.17 percent, while UPCoM-Index for unlisted public companies also lost 0.61 percent.

Foreign investors were net sellers after four consecutive net buying sessions, with a net sell value of VND33.1 billion (\$1.43 million) on HoSE. Selling pressure was mostly focused on HPG of Hoa Phat Group and VNM of Vietnam's biggest dairy firm Vinamilk.

Macro & Policies

2. Cruise tourism considered promising in 2020

A source from Saigontourist Group noted that the passengers, mainly British, Australians and Americans, on the Quantum of the Seas were scheduled to explore attractions in HCMC and Vung Tau on arriving at the port.

The cruise ship left Phu My Port at 7 p.m. on the same day and is set to return to Vietnam in February, Saigontourist stated.

Earlier, on January 11 and 12, Saigontourist welcomed the Spectrum of the Seas cruise ship at Chan May Port in Hue City and Nha Trang Port.

Saigontourist's operations in the cruise tourism segment have gained ground since early 2020, a representative of the firm said, adding that it has welcomed 16,500 tourists and crew members on board international cruise ships, including the Celebrity Millennium, Spectrum of the Seas and Quantum of the Seas, during the first two weeks of the year.

These visitors mainly took sightseeing tours to HCMC, Danang, Hue, Halong and Nha Trang.

In addition, another local travel firm, Viet Excursions, noted that the number of international cruise ship arrivals in Vietnam has risen significantly since early this year.

Over the first two weeks of 2020, the Diamond Princess, Sapphire Princess and Silver Spirit cruise ships carried 6,100 guests to various ports nationwide, according to Viet Excursions.

“The number of cruise passengers and cruise ships was much higher than in the same period last year,” Phan Xuan Anh, chairman of Viet Excursions, pointed out, adding that the firm is planning to send a team to Cambodia to receive a cruise ship from the United States with 2,000 passengers on board on January 19.

3. Local firm ships 500 tonnes of molasses to Australia

Thanh Thanh Cong Trading Joint Stock Company, a member of the Thanh Thanh Cong Group, has exported 500 tonnes of molasses to Australia to help alleviate a shortfall across Queensland state caused by an ongoing drought.

In Australia, molasses are used as a feed supplement that farmers rely on to sustain their livestock during dry periods.

Due to a local shortage, Australia has had to turn internationally for supply.

Last year, TTC Trading exported 750 tonnes of molasses to Australia.

Molasses is a by-product of the sugar industry, the final product after sugarcane is refined into sugar.

In general, 100 tonnes of sugarcane will yield 10-11 tonnes of sugar and 3-4 tonnes of molasses.

The exports of molasses to Australia marked a successful first step in its roadmap to export by-products and after-sugar products to international markets, the company said./.

4. Tra Vinh draws over 205 trillion VND worth of investment

Domestic and foreign investors signed memoranda of understanding on 19 investment projects worth over 205 trillion VND (8.84 billion USD) in the Mekong Delta province of Tra Vinh at an

investment promotion conference held by the province on January 15.

At the event, the provincial People's Committee also granted investment certificates for five projects worth more than 5.3 trillion VND.

Addressing the event, Prime Minister Nguyen Xuan Phuc said Tra Vinh has achieved strong economic development over the past time, especially in calling for investment, which will inspire the Mekong Delta to develop high-tech agriculture.

He suggested local authorities enhance coordination with ministries and other localities in the Mekong Delta for stronger growth.

Tra Vinh should make use of its advantageous location as the gateway of the Mekong Delta facing the East Sea to develop sea-based economy,

seaports, hi-tech agriculture, processing industry, mechanical engineering, shipbuilding, supporting industry, logistics, eco-tourism, spiritual tourism, and marine tourism, the Government leader said.

The PM added that the Government will have proper policies and mechanisms for the Mekong Delta and particularly Tra Vinh to enable the region to mobilise all resources and improve investment environment as well as win the cooperation and support of donors and investors at home and abroad.

Secretary of the provincial Party Committee Tran Tri Dung said Tra Vinh commits itself to creating all possible conditions for businesses to make investment in the province./.

5. WB's Vietnam Development Report 2019 launched

The Vietnam Development Report (VDR) 2019: Connecting Vietnam for Growth and Shared Prosperity was co-launched by the World Bank (WB) and the Ministry of Investment and Planning in Hanoi on January 15.

The report is a series of flagship analytical and policy reports by the WB in Vietnam.

In his remarks at the launching event, Deputy Prime Minister Vuong Dinh Hue said the government of Vietnam wants experts to continue bringing out solutions for developing trade infrastructure.

Most of the ideas currently focus on North-South connectivity, he said, adding Vietnam already had North-South railway, Highway 1A and Ho Chi Minh Trail, and the country is developing North-South Expressway and North-South High Speed Railway.

"Vietnam hopes to see more for East-West connectivity to foster the development of marine economy following the already-announced Marine Strategy," he continued, saying the government expects the WB can help Vietnam in this matter.

Minister of Investment and Planning Nguyen Chi Dung said with a multi-faceted and multi-dimensional approach, the report provides policy makers and stakeholders with development policy options and investment strategies to enhance Vietnam's connectivity to promote inclusive development and enhance climate resilience.

"Connectivity is such a multi-faceted and multi-dimensional concept that is not just about physical infrastructure but also about space for economic activities, the availability and capacity," Dung noted.

It presents a comprehensive overview of connectivity issues in Vietnam, said WB Country Director Ousmane Dione. It uses a set of new analyzing tools and methods to give policy options and investment strategies to support Vietnam's integration into global and domestic markets, spatial inclusion, and resilience, he added.

The report outlines nine key recommendations across four priority areas regarding global market integration, domestic market connectivity, inclusive connectivity and climate resilience improvement./.

6. Japan's second largest advertising firm expands in Vietnam

Japan's second largest advertising company Hakuhodo Digital is expanding its presence in Vietnam with the launch of a full-service digital marketing agency, Hakuhodo Digital Vietnam, headquartered in Ho Chi Minh City.

The agency, which officially commenced operation this month, provides a full complement of digital marketing services in one stop, from digital strategy planning and creative development to media planning, buying and content services.

"Hakuhodo Digital Vietnam aims to provide actionable and business-effective digital business solutions for clients leveraging deep insight into "sei-katsu-sha" (the consumer)," said its CEO Emmanuel James Mangahas.

"With the advent of the completely digitalized society in Vietnam, we look forward to providing superior value as a member of the Hakuhodo Group," he said.

Vietnam continues to enjoy robust economic growth, with a GDP growth rate of 7 percent in the

first three quarters of 2019, leading to the rapid adoption of digital services, the agency noted in a press release.

Mobile social media user numbers have also grown by around 16 percent from last year, an astonishing rate compared to those of industrialized countries.

"All this has seen unprecedented need for information dissemination and product promotion measures leveraging digital media," it stated.

Hakuhodo has provided marketing solutions to global and local clients in Vietnam through two core companies since 2002. In 2018, it further strengthened its business base in the country by subsidiarizing a group of major local independent agencies.

With the launch of Hakuhodo Digital Vietnam, the group said it is further bolstering this foundation to enhance its problem-solving capabilities in the ASEAN region./.

Corporate News

7. POW: POW asks for the extension of submission of financial statements

↑ 0.00%

PetroVietnam Power Corporation sent documents to HOSE to ask for the extension of submission for financial statements.

- For the quarterly financial statements: within 30 days from the last day of quarter;

- Reviewed semi-annual financial statements: within 60 days from the last day of first six months of fiscal year.

- Audited annual financial statements: within 100 days from the last day of fiscal year.

However, the request of POW will be reviewed by the State Securities Commission.

8. Stock market briefs Jan 15, 2020

↑ 4.32%

HANOI - January 31 has been chosen as the ex-dividend date for shareholders of Vinaconex Trading and Manpower JSC (VCM) to receive a 2019 cash dividend of 20%, with the record date being February 3 and the payment date being February 28.

HCMC - Do Ngoc Quynh has officially taken up the post of acting general director at securities firm VNDirect today, January 15. Quynh, 45, has over 22 years of experience in the field of finance and banking.

HCMC - Lo Hong Hiep, general director of Ocean Group JSC (OGC), purchased two million OGC shares between December 12 and January 10 via order-matching transactions. Also, OGC deputy general director Nguyen Thi Dung bought over 0.97 million OGC shares during the same period. None of them had owned OGC shares before the deals.

HCMC - The State Securities Commission has slapped an administrative fine of VND350 million on Trung Do JSC for its failure to register transactions on the local stock market. Based in Vinh City, Nghe An Province, Trung Do chiefly specializes in developing civil, industrial, traffic, irrigation construction projects, as well as in manufacturing and selling building materials. Its charter capital is VND150 billion.

HCMC - Thanh Cong Textile Garment Investment Trading JSC (TCM) estimated its turnover in the last quarter of 2019 at VND760 billion and pre-tax profit at VND54 billion, down 7.5% and up 170% over the same period in 2018, respectively.

HCMC - Le Phuoc Vu, chairman of Hoa Sen Group (HSG), will buy three million HSG shares from January 17 to February 15 via order-matching and put-through deals, to spur his holding in the firm to over 52.7 million shares, or a 12.45% stake.

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