VIETNAM DAILY NEWS

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Market Analysis

1. Market closes higher on rising demand in afternoon trade

Shares inched higher in the last session of the week, with the VN-Index continuing to set a new peak.

On the Ho Chi Minh Stocks Exchange (HoSE), the market benchmark VN-Index rose 6.26 points, or 0.44 per cent, to 1,444.27 points, marking the highest level since the market was founded. The index gained for the fourth session and consecutively broke new record highs.

The market's breadth was negative, while the liquidity was higher than yesterday. Accordingly, over 981.8 million shares were traded on the southern bourse, worth more than VND28.87 trillion (US$1.3 billion).

The benchmark struggled as selling pressure rose in the late morning, causing many large-cap stocks to fall. However rallies extended in the afternoon session as risk appetite improved, outweighing selling force and helping big stocks to tick higher.

The VN30-Index, tracking the 30 biggest stocks on HoSE, increased 3.09 points, or 0.2 per cent, to 1,532.35 points. Of the VN30 basket, 13 stocks climbed, while 16 declined and one ended flat.

The benchmark's uptrend was mostly driven by pillar stocks in real estate and banking. Data compiled by vietstock.vn showed that Vinhomes (VHM) led the gaining group, with an increase of 5.56 per cent.

Other large-cap stocks like BIDV (BID), Asia Commercial Joint Stock Bank (ACB), Vingroup (VIC) and Novaland (NVL) also supported the market's bullish sentiment. BID shares and ACB shares posted rises of more than 3.6 per cent, while VIC shares were up 0.84 per cent and NVL shares climbed nearly 1.4 per cent.

However, the selling force was still lingering, curbing the benchmark gains. Hoa Phat Group (HPG) lost the most, down 1.55 per cent yesterday. Other stocks with big losses included Sabeco (SAB), down 2.49 per cent, and VPBank (VPB), down 1.42 per cent.

Analysts from Saigon - Hanoi Securities JSC (SHS) said that technically, the market is still in the fifth impulse wave of the Elliott model, with a theoretical target of around 1,550 points.

However, there will be some corrections during the upward path due to rising profit-taking activities, SHS added.

On the Ha Noi Stock Exchange (HNX), the HNX-Index also edged higher, with a rise of 1.05 points, or 0.26 per cent, to 412.12 points.

During the session, investors poured nearly VND3.5 trillion into the northern market, equivalent to a trading volume of over 153.8 million shares.

On the other hand, foreign investors continued to net buy on the market, with a total value of VND25.63 billion. Of which, they net bought a value of VND61.77 billion on HoSE, while net sold a value of VND36.14 billion on HNX.

Macro & Policies

2. Cement producers increase sale prices amid rising input costs

Vietnamese cement producers have increased prices this month in the wake of a price hike of raw materials and input costs.

Prices of raw materials and input costs of the cement production industry such as electricity, coal, oil and gypsum have increased sharply, causing the industry's production costs to surge. Oil prices in the first nine months of this year alone increased by 24.1 per cent over the same period last year.

Despite efforts to reduce costs and increase efficiency in production to offset the price hike of raw materials and input costs, cement producers have to adjust up sale prices by VND50,000-100,000 per tonne depending on the product.

Hoang Long Cement Joint Stock Company increased the price of all kinds of cement including PCB30 and PCB 40 by VND80,000 per tonne from October 20.

The prices of Vicem But Son Cement Joint Stock Company and Tan Thang Cement Joint Stock Company have also risen by VND80,000 per tonne while the rate of Long Son Cement Company is VND90,000 per tonne.

After the price hike in the first half of this year, cement producers in the central and southern regions this month announced increases to prices in October and November 2021.

From October 21, a tonne of cement of Cong Thanh Cement Trading Company Limited in the central region increased by VND70,000.

Vicem Hoang Mai Cement Joint Stock Company has also announced it would increase its selling price by VND50,000 per tonne for all types of cement in Da Nang, Quang Nam, Binh Dinh, Gia Lai, Kon Tum, Dak Lak, Phu Yen, Ninh Thuan, Binh Thuan and Khanh Hoa starting from October 25.

The sale of Vietnamese cement products reached 77.5 million tonnes in the first nine months of 2021, up 3.5 per cent year-on-year amid the COVID-19 pandemic which had negative impacts on many other industries.

Of the total, export volume was 31.9 million tonnes, up 19 per cent thanks to buying rebound seen in many large export outlets such as the US, Canada and China. State-owned Vietnam Cement Industry Corporation alone exported 14.5 million tonnes of cement, accounting for 45 per cent of the national cement exports.

Viet Nam is currently the fifth biggest cement manufacturer in the world, after China, India, the US, and Russia. Its cement output has doubled within 10 years, from 45.5 million tonnes in 2009 to about 100 million tonnes, turning the country from a cement and clinker importer to the world's largest exporter of these commodities.

Last year, the country shipped 101.5 million tonnes of these products to overseas markets, representing a rise of 1.5 per cent over 2019.

However, in order to maintain exports, cement producers should apply advanced technologies in production to enhance quality and added value while reducing environmental harm, which would significantly help boost competitiveness, experts suggested.

They should also monitor the cement market and adjust their production plans accordingly to keep prices from falling. In addition, cement firms should also work out long-term development strategies.

3. Textile and garment sector to recover with labour support

As the fourth wave of COVID-19 is brought under control in Việt Nam, the billion-dollar textile and garment industry is overcoming difficulties to resume production.

The worst wave of the pandemic so far has caused garment inventories to increase, production activities to be delayed, and the labour supply disrupted as many workers left for their hometowns.

According to a survey by the Research Center for Employment Relations (ERC), the industry could be exhausted with more than 60 per cent of migrant workers leaving or deciding to leave for their hometown.

Meanwhile most experts said as many orders were unfinished, demand for production and business from now to the end of the year was very high, adding if localities do not soon ease social distancing restrictions and implement measures to promote economic development, the export target of US$39 billion this year will be difficult to achieve.

In the most positive scenario, experts from the Vietnam Textile and Apparel Association (VITAS) said Viet Nam would control the pandemic and realise a 'new normal' from the beginning of this month, with exports reaching between $37.5 billion and $38 billion. In the worst-case scenario, when restrictions remain in place until the beginning of December, exports were expected to reach $33.5 billion to $34 billion.

Director of the Center for WTO and Integration, under the Vietnam Chamber of Commerce and Industry (VCCI), Nguyễn Thị Thu Trang, said during the pandemic many enterprises had their production chains broken, leading to a number of orders signed being cancelled or transferred to another country by customers.

Concerned about the export future of these products in such a situation, Trang said large textile and garment brands could move their orders to be produced in areas with good pandemic control to meet the needs of the year-end shopping season in European and American markets.

Therefore, Trang said: "If enterprises quickly restore production and smoothly complete the remaining orders in the coming months, there is no need to worry too much about the future," adding that in the long run, compared to many competitors, Viet Nam's textile and garment sector still has certain advantages in terms of product quality, technical level, ability to meet strict requirements on labour and environment, and especially preferential tariffs under FTAs.

Trang said the most important thing for garment enterprises was direct support policies such as financial support, exemption or reduction of taxes and other fees and an interest rate support package to quickly restore full production.

She said at the same time, the State would need to develop policies to help businesses make effective use of existing labour resources, loosen or remove restrictions on the maximum number of overtime hours, and help businesses attract workers to return to work through supporting the cost of meals, accommodation, or organising free periodic testing for employees.

Examples of bright spots amid the pandemic

While experts predicted most textile and garment enterprises would experience a challenging and difficult year in 2021, they also said the period until 2023 was a decisive time for recovery and enterprises needed to take advantage of opportunities.

As one of the biggest production firms in the northern province of Thái Bình and one of Viet Nam's leading apparel manufacturing and exporting companies, Tân Đệ Garment launched a mobile app earlier this month to connect all its employees from all nine factories in Thái Bình and Hưng Yên provinces.

A representative of the firm said the app was not just a venue for about 18,000 workers to exchange their activities and training but also to get updates on the company's policies, adding that all workers had been given at least one dose of vaccine and received cash thanks to Government policies.

Nguyễn Tiến Phương, chairman and CEO of Tân Đệ Garment Company, told Việt Nam News: "Before the pandemic, the company has it own stretagy in recruiting local employees as of its long term and sustainable development. The stretagy and the helpful support for workers employees from the beginning of the pandemic have shown effectiveness."

"We do not have to face the issue of workers leaving this time," said Phương.

He added a quick vaccine roll-out and insurance support also helped in keeping workers at this time.

Deputy general director of Garment 10 Corporation, Bạch Thăng Long told local media that thanks to many flexible solutions, the firm's revenue in the past nine months remained the same as in the same period last year, adding that he was striving to increase year-end profit compared to last year through cost cutting and increased productivity.

Vinatex General Director Cao Hữu Hiếu also said that the group had implemented many response measures to limit the negative impact of the pandemic and the increase in input material prices.

Hiếu said: "There is no other way, the production unit must work closely with customers for the most optimal solution."

Hiếu added: "In addition, the enterprises must work with suppliers to avoid excessively high prices affecting output, improving market forecasting to have a plan to import raw materials for reserves, avoiding the impact of high prices."

He said enterprises needed to develop many response scenarios in 2022 when the market recovers and production is resumed, adding that at the same time, they needed to take advantage of new-generation free trade agreements (FTAs) to boost exports.

Hiếu said in the first nine months, Vinatex's total revenue reached VNĐ24.68 trillion, down 12.4 per cent and profit was up 136.9 per cent, reaching VNĐ1.14 trillion over the same period in 2020 thanks to active solution and good support of customers.

Commenting on the textile and garment market in 2022, Lê Tiến Trường, chairman of Vinatex, said that the global market would continue to recover in terms of demand, especially in developed countries.

Trường added that in the first half of 2022, textile and garment enterprises would still have to implement solutions to prevent and control the pandemic. He said thanks to the Government's continuous promotion of vaccinations, localities would not implement large-scale social distancing, so in the second half of 2022, businesses would adapt and feel secure to work under the "new normal".

4. CPI in first ten months is lowest in last five years

The Consumer Price Index (CPI) in October was down by 0.2 per cent from September, meaning the CPI in the first ten months of this year grew 1.81 per cent over the same period last year, the lowest growth rate since 2016.

According to the General Statistics Office (GSO)'s meeting yesterday in Hà Nội, the CPI in the two remaining months of the year could increase as the driving factors change after social distancing measures are eased.

The GSO said in October, prices of food and catering services decreased by 1.28 per cent from September due to the drop of 0.25 per cent and 9.38 per cent in the prices of rice and pork, respectively, thanks to abundant supplies after social distancing.

It also said prices of housing and construction materials in October fell by 0.26 per cent due to a cut in housing rental rates to support people amid the pandemic, while electricity prices were also reduced because cooler temperatures affected demand for power and water compared to the previous month. Prices of post and telecommunications inched down 0.04 per cent.

Among eight groups of commodities and services experiencing rising prices last month, transport witnessed the highest month-on-month increase of 2.51 per cent, which was attributed to the fuel price hike.

Also rising, education prices inched up 0.25 per cent against September.

GSO said core inflation in October experienced a month-on-month decline of 0.17 per cent but a year-on-year rise of 0.5 per cent. In the first 10 months, the figure increased 0.84 per cent compared to the same period of 2020, reflecting price movements driven by the hikes of food, petrol and oil and gas prices.

GSO said core inflation in October and the first 10 months of 2021 compared to the previous year stood at the lowest level since 2011.

It also said as November-December will be a time to focus on production, travel and procurement for major holidays, while CPI in tourism services and entertainment is projected to see growth.

Production and business activities restored

Also at the meeting, GSO announced industrial production in October prospered when social distancing measures were eased, production and business activities were gradually restored to a new normal state.

The office said the index of industrial production (IPI) in October 2021 was estimated to increase by 6.9 per cent from September and down 1.6 per cent year-on-year.

In general, in the first ten months of 2021, the IIP increased by 3.3 per cent over the same period in 2020. This figure was higher than the growth rate of 2.6 per cent in the same period of 2020.

In which, the processing industry and manufacturing increased by 4.5 per cent, contributing 3.99 percentage points to overall growth while electricity production and distribution increased by 4.1 per cent, contributing 0.36 percentage points.

Statistics show that the IIP in the first ten months of some key industries belonging to level II increased sharply compared to the same period last year.

Specifically, metal production increased by 25.1 per cent; motor vehicle production increased by 12.5 per cent; production of coke, refined petroleum products by 10.5 per cent; textiles increased by 7.8 per cent; production of electronic products, computers and optical products by 6.4 per cent; and garment production and waste collection, treatment and destruction, and scrap recycling both increased by 5.1 per cent; and production of leather and related products increased by 4.3 per cent.

On the other hand, the IIP of some industries decreased, including production of drugs, pharmaceutical chemicals and medicinal materials, crude oil and natural gas exploitation, repair, maintenance and installation of machinery and equipment, beverage production and the production of other means of transport.

The office also said a number of key industrial products in the first ten months increased sharply compared to the same period last year, which included phone components, rolled steel, petrol and oil, LPG, iron, crude steel and automobiles.

While some products such as televisions of all kinds, natural gas, assorted beer, and crude oil extraction decreased.

The number of employees working in industrial enterprises as of October 1 increased by 7.7 per cent compared to the same time last month. Compared to the same period last year, it still decreased by 7.9 per cent, showing production firms were still facing many difficulties and labour shortage has become a key issue, said the office.

5. Viet Nam's international tourism looks forward to re-opening

From airlines to travel companies, Viet Nam's tourism industry is hoping to get the green light to resume international commercial flights, starting in November. However, the complexity of the COVID-19 pandemic around the world will require a vigilant re-opening plan.

The Civil Aviation Authority in mid-October proposed the Ministry of Transport launch pilot flights carrying foreign tourists to some destinations in Viet Nam, starting later this year. This is part of the authority's efforts to reboot the tourism sector and recover the economy.

Popular destinations for foreign visitors such as Phu Quoc, Khanh Hoa, Quang Nam, Da Nang and Quang Ninh will be allowed to welcome foreign tourists from November.

"This is a rational proposal to save the airlines and the tourism industry because they are the hardest hit by the pandemic in the past two years," Trinh Thi My Nghe, Vice-chairwoman of the Ha Noi Travel and Tourism Association, told Viet Nam News.

The selected destinations have tourist sources from China, South Korea, Russia and Australia which are doing well in pandemic prevention, Nghe said.

To allure foreign tourists the Ministry of Culture, Sports and Tourism has proposed that foreigners will not have to quarantine, providing they test negative for COVID-19 as soon as they arrive in Viet Nam.

If approved, this will help Viet Nam compete with other countries such as Thailand and Singapore, who are also in the process of opening their doors to foreign tourists.

Thailand will start receiving vaccinated foreign arrivals without quarantine from November 1.

Vietnam Airlines is still offering commercial flights departing from Viet Nam to some countries but has yet to operate any international flights, except those that serve the State's purposes and carry Vietnamese citizens home.

"If Viet Nam does not reopen international air routes soon, it will miss opportunities to attract visitors because neighbouring countries resumed international flights and even don't require visitors to be fully vaccinated. They just ask for negative PCR tests," a representative from Vietnam Airlines said.

Safety concerns

Although the tourism industry can't wait to receive foreign arrivals soon, market insiders have warned the opening must be rolled out in line with the pandemic's developments. Safety protocols must be ensured.

"Regulations on quarantine and health guidelines are still essential," Nghe said, noting if Viet Nam receives tourists en masse and disease resurges, it will be very hard to control.

World health experts still predict another outbreak of COVID-19 by the end of this year. Many countries in recent days have reported a surge in COVID-19 infections, including China, Singapore, South Korea and some EU states.

Despite a high vaccination rate, Singapore on Thursday said it was looking into an 'unusual surge' of 5,324 new infections of COVID-19, the highest figure since the beginning of the pandemic.

Meanwhile, China is making all-out efforts to contain the disease spreading that has affected 11 provinces across the country.

"Easing pandemic prevention regulations need to be updated regularly. Pandemic prevention is still the top priority of Viet Nam," Nghe said.

Under the pilot programme for foreign visitors, visitors need to have a certificate showing they were fully vaccinated at least 14 days, and no longer than 12 months, before arrival.

All tourists must show a negative COVID certificate using the PCR method within 72 hours before departure and are required to book a tour package through designated travel agencies.

The Ministry of Foreign Affairs is temporarily recognising 'vaccine passports' of 72 countries and territories, and is in discussions with nearly 80 others on mutual recognition for the 'vaccine passport'.

Some localities such as Da Nang, Khanh Hoa and Phu Quoc have proposed pilot plans of receiving foreign tourists in November. Travel agencies are also ready. However, the tourism industry does not forecast a major recovery until next year.

According to Vietravel, recovery in the aviation and tourism industries is expected to be slow in the last quarter of this year as tourists will remain cautious with the disease developments and control measures.

"Currently, the implementation is still quite conservative with different vaccination rates among localities," a Vietravel's representative told Viet Nam News.

Tourism covers many aspects of the economy and so if tourism is to recover, related sectors such as transportation, accommodation, entertainment services and shops in each locality must be synchronised in their approach.

Vietravel said the demand for tourism and aviation in the domestic market will increase rapidly at the end of December and the first period of Q1/2022 with many upcoming holidays.

"For the foreign market, Vietravel and Vietravel Airlines are expected to restore products and routes in June 2022. According to our assessment, the demand for travelling abroad is large. However, the opening will be very cautious, so the recovery speed will be quite slow in the early period," the company said.

Viet Nam plans to welcome international visitors from November this year. The first phase starts only for those using 'combo packages' (airline ticket, COVID-19 testing fee, food and stay at a hotel for quarantine, with visits to select destinations).

The second phase starting from next year expects to see more international air routes and more destinations re-open.

In the third phase, full re-opening will be decided based on the pandemic development and the results of the two previous phases.

6. EUEVFTA serves as leverage for Việt Nam in recovery after pandemic

The EU-Việt Nam Free Trade Agreement (EVFTA) will open up many opportunities for Vietnamese businesses to attract investment capital and expand export markets in the post-COVID-19 period.

In the context of economic recovery in the post-COVID-19 period, along with the shaping and development of new trade and investment trends, the EVFTA would facilitate and increase competitiveness for domestic enterprises so that Việt Nam can participate in the process of restructuring supply chains with European Union (EU) partners, Deputy Minister of Industry and Trade Đặng Hoàng An said.

The participation in the chains would open up opportunities to attract investment capital and advanced technology, and create new resilience and sustainable growth in the future, he added.

The two sides could be optimistic about a strong surge in the Việt Nam-EU trade and investment cooperation development in the new normal, An said.

EuroCham chairman Alain Cany said over the last few weeks, Việt Nam had begun to emerge from lockdowns and resume normal business activities. This is now giving EuroCham members renewed optimism about the prospects both of their enterprises and of Việt Nam's business environment.

"We need to work together - to cooperate - to ensure that both domestic and foreign business communities can rebound and recover in the 'new normal'," Cany said.

Business leaders needed centralised rules implemented in a clear and consistent manner across all provinces and cities. This would enable companies to plan their re-opening in advance and resume at their full capacities wherever it is safe to do so, he said.

"In short, the challenge now is to ensure that private enterprise is able to rebound and recover as fast as possible. In doing so, we can help to achieve the second of the Government's twin goals: maintaining economic growth. The EVFTA gives us a tool with which to achieve this."

"If we can unlock the full potential of the EVFTA and resolve the teething problems of doing business in the 'new normal', we can help our companies to benefit from preferential tariffs and privileged market access. This, in the end, will benefit consumers on both sides who will get greater access to more competitive goods and services."

Việt Nam is in a stronger position than most to prosper in this post-pandemic period. The fundamentals that have underpinned its three decades of almost uninterrupted economic growth remain strong, according to Cany.

"And now that COVID-19 has been brought back under control, with the EVFTA in force, and the EVIPA soon to follow, Việt Nam has the chance to attract a new wave of foreign direct investment (FDI) from European investors looking for a prosperous, safe, and competitive place in which to invest and do business," he said.

With a strong commitment to ensuring transparency, openness and favourable conditions in the trade and investment environment, Việt Nam has gained access to high-quality investment sources from the EU with projects using advanced technologies, An said.

In the context of the COVID-19 pandemic, Việt Nam attracted US$22 billion from the EU in the first nine months of the year, up 4 per cent year on year, accounting for 5.5 per cent of Việt Nam's total FDI, according to an official from the Foreign Investment Agency (FIA) under the Ministry of Planning and Investment.

"This figure is a small part of the total FDI but it has an important meaning in the context of the pandemic," Vũ Văn Chung, deputy head of FIA, said.

The investment agreement between the two sides had not yet taken effect, but EU investment had increased to anticipate business and investment opportunities in the future, Chung said.

"The EU is considered one of the strategic markets in the policy of attracting FDI to Việt Nam in the future. Therefore, preferential policies will be adjusted to suit actual needs," he said.

"After the fourth outbreak of the pandemic, Việt Nam still strengthens measures to fight the pandemic and also restore production, including reduction of input costs. It also solves the barriers to entry of experts into Việt Nam."

"In the long term, Việt Nam will restructure the economy and develop railway and energy infrastructure to attract more FDI as well as restructure the labour force to serve investors."

Meanwhile, "the Ministry of Industry and Trade (MoIT) and trade offices of Việt Nam in the EU will stand side by side with businesses of the two sides to maximise opportunities offered by the EVFTA, thereby creating favourable conditions to foster trade and investment and address difficulties," An said.

Businesses are urged to take the initiative in innovating themselves, raising capacity and adjusting business strategies to quickly adapt to the new situation.

To effectively take advantage of the EVFTA and new investment and business opportunities after the pandemic, An said that it needed great efforts from both the Government and the business community, especially as the pandemic was still complicated and unpredictable.

"Việt Nam should also build suitable scenarios to adapt to the new situation in a flexible and effective manner and seize all resources for recovery of economic growth, as well as address bottlenecks of businesses," An said. At the same time, the Government needed to stabilise the business and investment environment.

"The pandemic also leads to changes in consumption trends, including online transactions of goods and services, thereby promoting the development of digital transformation and e-commerce," An said.

E-commerce has become a bright spot when traditional commerce methods are limited by the pandemic and this cross-border trade channel will have great potential of development in the future, according to An.

The pandemic has partly forced the domestic enterprises to have sustainable development and to actively change their business methods to catch up with new trends and improve competitiveness.

For example, tonnes of Bắc Giang lychees have been exported to the Europe through Viettel Post's Seashell e-commerce platform.

Cao Cẩm Linh, strategy director of Viettel Post Corporation, said there had been only 1,200 orders of lychees to the German market, but this is opening a new path for exporting Vietnamese farm produce.

If Seashell can connect Vietnamese enterprises to foreign markets, including the EU, the beneficiary is the local enterprises, according to Linh.

Efficiency from EVFTA

Deputy Minister An affirmed that the EVFTA not only provided leverage to promote bilateral trade but also an advantage for the business communities of Việt Nam and the EU in the context of the global economy and trade being affected by COVID-19.

According to the General Department of Vietnam Customs, bilateral trade between Việt Nam and the EU after this agreement came into effect in August 2020 reached US$54.87 billion, up 12.1 per cent year on year, including the export turnover of $38.48 billion, up 11.3 per cent and import turnover at $16.39 billion, up 14 per cent.

Although Việt Nam was heavily affected by the fourth outbreak of the pandemic, bilateral trade value in the first nine months of 2021 still recorded growth of 13.4 per cent year on year to $41.3 billion, including an export value of $28.85 billion (up 11.7 per cent) and an import value of $12.4 billion (up 17.6 per cent).

According to Eurostat, Việt Nam has become the largest commodity trade partner of the EU in ASEAN just one year after the EVFTA took effect with the bilateral trade value of 43.2 billion euros ($50.5 billion).

Besides that, more and more domestic businesses are taking incentives from the EVFTA by using certificate of origin (C/O).

According to MoIT's Import-Export Department, in the first year of implementation of the agreement, agencies and organisations authorised to issue C/O of the EUR.1 form granted about 207,682 certificates to Vietnamese products worth a total of about $7.71 billion, allowing them to export to 27 EU countries.

Enterprises exporting goods to the EU have also implemented self-certification of origin for 6,115 batches of goods to enjoy preferential tariffs under the EVFTA.

7. Industrial clusters accelerate production after long break

After social distancing orders were eased in many provinces and cities, businesses have been working to resume operations, ensure orders are fulfilled and production chains restored.

Factories in industrial parks are reopening, but can't run at full capacity due to preventive measures for COVID-19.

"Currently, leather and footwear companies in the industrial park only operate at about 30-40 per cent of capacity," Phan Thi Thanh Xuan, General Secretary of Viet Nam Leather, Footwear and Handbag Association (Lefaso), told Viet Nam News.

Restrictions are being lifted at a normally busy time of the year with festivals and celebrations, which is also the main shopping season in many countries. However, not all businesses are benefiting this year.

"Our southern companies have missed this Christmas season since we have to prepare from August. At the moment, only northern factories can meet demand for the Christmas and year-end holidays," Xuan added.

"And actually they are speeding up."

However, disruptions during social distancing still strongly affected industries, causing many enterprises to struggle in restarting production.

Each province carries out different requirements, with some very open in supporting businesses, while others were not, said the general secretary of Lefaso.

"Workforce is not a problem for us at the moment as we run at low capacity, but local rules are," Xuan said.

The special working group of the Ministry of Industry and Trade noted that in Binh Duong Province, most businesses' concerns were over procedures to return to production, testing requirements, operating under the "three-green" model and vaccine issues.

All enterprises in Binh Duong's industrial cluster have resumed operations, but the capacity has only reached 44 per cent compared to the pre-pandemic period.

As soon as the normal state returns, the Department of Industry and Trade of Binh Duong suggested that businesses wishing to return to operation develop plans in the new situation, send them to all related agencies and immediately start the work.

Binh Duong Province will give the rights to enterprises to resume production, and the local government will carry out post-inspection work.

The Department of Industry and Trade of Binh Duong has issued a guiding document approving the granting of initiative rights for enterprises to reopen, while the State management agency will perform post-check to accelerate the restoration of production. Currently, Binh Duong Province has allowed businesses to test and issue certificates for workers to travel by themselves.

Moreover, Binh Duong's authorities also allowed businesses to access quality test kits for only a few tens of thousands of dong per test. Enterprises are allowed to combine 3-5 samples, so the cost of testing for each worker will be very low. At the same time, the time limit for test results is up to 7 days. Workers in Binh Duong have received the first dose of vaccine and it is expected that the second dose will be completed this month.

A report on industrial production from the southern special working group of the Ministry of Industry and Trade showed that in Ben Tre Province, the activities of enterprises are relatively stable, with obstacles basically being solved, creating favourable conditions for enterprises to resume business activities, as well as deploy disease prevention measures.

As of October 13, the whole province recorded 2,258 enterprises in operation with 67,015 employees.

Of which, there are eight companies operating under the "three-on-site" model with 863 employees, while 2,250 businesses operating in the new situation with 66,152 employees.

Southern governments also implemented plan No 6601/KH-UBND on bringing workers back to HCM City and the provinces of Binh Duong, Dong Nai and Long An to work.

Data showed that as of October 8, there were 1,056 registered workers in Ben Tre City.

Currently, Ben Tre Province has 2,224 enterprises operating with 65,430 employees, accounting for 54 per cent of the total number of operating enterprises and up 1,559 enterprises compared to when Directive 16 was applied.

Accordingly, 19 companies operate under the "three-on-site" model with 3,393 employees, while the rest operate in production in the new situation with 62,037 employees.

In Dong Nai Province, there were a total of 3,898 companies completing the self-assessment on the risk of COVID-19 infection at the enterprise, according to the special working group of the Ministry of Industry and Trade.

The result showed that more than 3,180 businesses are in the low-risk group, while only 49 in the medium-risk group.

Businesses in the province are restoring production activities according to plans to ensure safety against the pandemic.

Of which, as of October 11, in the industrial park, the total number of enterprises implementing the "three-on-site" model is 1,176, with a total of 154,699 resident workers. Meanwhile, there are 139 enterprises implementing the plan for workers to go home every day with a total registered workforce of 41,762 people.

Corporate News

8. CTG: VietinBank posts pre-tax profit of nearly VNĐ14 trillion

↑ 0.64%

The commercial bank' quarterly pre-tax profit also hit VNĐ3.06 trillion in Q3. Meanwhile, net interest income reached VNĐ9.87 trillion in the same quarter, accounting for the lion's share of total operating income and going up 24 per cent year-on-year. By late September, loans and advances to customers topped VNĐ1.08 quadrillion, presenting an increase of 6.8 per cent against early 2021.

In regard to provisions against credit risk, the commercial bank's provisions for loans to customers rose to VNĐ21.5 trillion by September 30, VNĐ8.9 trillion higher than in early 2021. Bad debt coverage ratio was at 119 per cent on the same date.

VietinBank has been adopting various policies to help customers overcome their difficulties during the COVID-19 pandemic. To name a few, the commercial bank was cutting interest and fees, rescheduling debts, keeping debt classifications in accordance with regulations of the State Bank of Việt Nam, and offering supportive packages to customers facing hardships.

VietinBank said it would continue to stick to sustainable growth policies and not lower the bar in credit criteria in order to keep credit risk in check.

9. VRE: Vincom Retail - VRE: FALL DOWN in both revenue and profit in Quarter 3/2021. Profit reaches 24.25 billion dong, decreasing by -95.76% YoY.

↑ 0.21%

Vincom Retail - VRE: FALL DOWN in both revenue and profit in Quarter 3/2021. Profit reaches 24.25 billion dong, decreasing by -95.76% YoY.

Vincom Retail (HOSE) has announced Financial Statements in Quarter 3/2021 with negative business performance. Particularly, revenue and profit in this period reach 787.36 billion dong and 24.25 billion dong, down -55.27% and -95.76% compared to the same period last year, respectively.

From year to date, total revenue of Vincom Retail is 4,524.13 billion dong and total profit is 1,192.70 billion dong. Therefore, company has accomplished 50.27% in Revenue Plan and 47.71% in Profit Plan for the year.

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Disclaimer:

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