



VIETNAM DAILY NEWS



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Market Analysis

1. Shares nosedive on late massive selling

Shares nosedived on Monday due to the fall of real estate stocks caused by massive selling at the end of the trading session.

On the Ho Chi Minh Stock Exchange (HoSE), the market benchmark dropped 1.62 per cent, to 1,503.71 points.

The market's breadth was negative with only 141 gainers, and 308 losers.

During the session, over 1.38 billion shares were traded on the southern bourse, worth nearly VND41.8 trillion (US\$1.84 billion).

The benchmark's downtrend was due to losses of many large-cap stocks, especially in real estate and banking sectors.

The VN30-Index, which tracks 30 biggest stocks on HoSE, fell 1.14 per cent, to 1,514.70 points.

Of the VN30 basket, 24 stocks slid, while only four inched higher and two ended flat.

Banking stocks fell and put great pressure on the overall market, with losers including Bank for Investment and Development of Vietnam (BID), Vietcombank (VCB), Sai Gon Thuong Tin Commercial Joint Stock Bank (STB), Sai Gon-Ha Noi Bank (SHB), Asia Commercial Bank (ACB), Military Bank (MBB), VPBank (VPB), Techcombank (TCB), Tien Phong Bank (TPB) and Lien Viet Post Bank (LPB).

Real estate stocks also lost ground, including Investment And Industrial Development

Corporation (BCM) and LDG Investment (LDG) both falling to the floor prices. Besides, Nam Long Group (NLG) decreased by 6.8 per cent, FLC Group Joint Stock Company (FLC) decreased by 6.2 per cent. Dat Xanh Group (DXG) fell 5.6 per cent and Ha Do Group (HDG) lost 5.2 per cent.

“VNIndex today witnessed a struggling session with the VN-Index touching the area of 1,535 points,” said BIDV Securities Co.

“Regarding the transactions of foreign investors, today they net sold on the HoSE and net bought on the HNX.

“In the coming sessions, the market is likely to struggle with a strong divergence among stocks, but it can be expected that 1,550 points will be the next destination for the VN-Index,” it said.

Foreign investors net sold VND477.07 billion on HOSE, including Vincom Retail (VRE) with VND266.61 billion, Vingroup (VIC) with VND160.42 billion, and Vinamilk (VNM) with VND125.61 billion.

Foreign investors were net buyers on HNX with the value of VND66.70 billion.

On the Ha Noi Stock Exchange (HNX), meanwhile, the HNX-Index lost 2.22 per cent to end at 482.89 points.

During the trading session, investors poured nearly VND5.2 trillion into the bourse, equivalent to a trading volume of more than 185.6 million shares.

Macro & Policies

2. HCM City businesses overcome economic 'storm'

Many enterprises in HCM City have successfully contributed to the economic recovery and development of the city after the pandemic.

In the last days of 2021, consumers were surprised to see Chuk Chuk stalls selling fresh juices, cakes and nutritional combos at GO!, Big C and Tops Market shopping malls.

The introduction of new food and beverage chain Chuk Chuk is a strategic move between Kido Group and Central Retail Viet Nam.

Between December 2021 and Lunar New Year 2022, Kido Group has plans to open more than 10 Chuk Chuk stores under Central Retail Viet Nam.

In the next phase, the two firms will bring the Chuk Chuk chain as well as Kido's essential products to the Thai market and other countries in the region.

"Kido will open 300 to 400 Chuk Chuk stores in 39 GO! Malls nationwide with the target of VND500 billion in revenue in 2022 and later expand the chain to Thailand, other Southeast Asian countries, China and Korea. In the period of 2023 to 2026, 1,000 stores will be opened," said Tran Le Nguyen, deputy chairman of the Board of Directors and general director of Kido Group.

Earlier, the group also cooperated with Son Kim Group to bring the Chuk Chuk chain into the GS25 store system and with FPT Corporation to complete the management information system (MIS), along with necessary digital transformation applications to standardise the management and development process of Chuk Chuk nationwide and abroad.

According to Nguyen Thi Xuan Lieu, deputy general director of the group, the moves are only a part of Kido Group's adaptation strategy in 2021.

"At the peak stages of the pandemic, we came up with many solutions to overcome difficulties. Specifically, when the pandemic disrupted the global supply chain and 100 per cent of Kido's raw materials had to be imported from abroad, we were able to actively work with reputable suppliers and

find transportation of raw materials for production," Lieu said.

"All factories of Kido Group were not interrupted and goods have been continuously sent out to the market."

Similar to Kido Group, firms in various fields and industries in HCM City, especially in the four key industry groups, were able to thrive in 2021.

In the field of industrial production, CNS Amura Precision Company, a joint venture between Sai Gon Industry Corporation and a Singaporean partner, cited difficulties caused by the impact of COVID-19, such as labour shortages and high production costs.

This has encouraged the company to accelerate the application of science and technology into production and business to improve its products.

Tran Thanh Lam, director of the company, acknowledged that the COVID-19 pandemic posed both challenges and opened up many opportunities for businesses.

"Toys for the elderly and automatic toys are selling very well in European countries. Orders for these products have increased significantly. Some potential customers have come to visit our factory and had a positive impression with our production conditions. They are likely to order in the near future," Lam said.

"The company has been doing well and the target sales set at the beginning of 2021 was VND186 billion per year. That being said, by the end of November, they reached over VND200 billion, 15 per cent higher than expected."

Phuc Sinh Group, focusing on agricultural products export and e-commerce site for goods, also had a successful year.

The profit in 2021 was tripled year-on-year thanks to its flexible adaptation strategy in a difficult year.

During the social distancing period, Phuc Sinh Group and Kcoffee, a brand under Phuc Sinh Group, implemented a programme to give 2,000 gifts including rice, meat, green vegetables and spices for poor people affected by the pandemic.

Phan Minh Thong, chairman of the Board of Directors of Phuc Sinh Group, said that the company has just restored a preferential programme for long-term and elite employees to borrow money to buy a house. In 2021, two employees were able to borrow VND1 billion each to buy houses without interest over 10 years.

Flexibility

With regards to business prospects in 2022, Lam said that with strengths in the design engineer team, CNS Amura Precision would continue to promote research and development of new products and apply technological advances to improve labour productivity, reduce production costs and enhance the company's competitive advantage.

Meanwhile, Kido Group claims to have fulfilled its responsibility of bringing quality goods to consumers and will focus on creating new products.

"It is the effort of the Board of Directors as well as all employees of Kido Group. We thrive to ensure the flow of goods and believe all business and financial targets will be fulfilled," Lieu said, adding that the preparation in 2021 had created a momentum for Kido Group to grow faster and stronger, to soon become a leading food corporation in the country and region.

Phuc Sinh Group forecasts 2022 to be a year full of challenges as a new strain of the COVID-19 pandemic is raging in the company's main markets.

"We will have to embrace flexibility. The epidemic has been going on for a while and will not end any time soon. Inflation pressure and tight consumer spending require us to be patient and flexible to adapt effectively in 2022," Thong said.

In 2022, Phuc Sinh Group plans to build more coffee factories to supply the domestic market and further venture in the spice industry.

3. 19 State-owned enterprises achieved 70 per cent rise in profits

Nineteen State-owned groups and corporations under the Commission for the Management of State Capital at Enterprises (CMSC) achieved total pre-tax profit of VNĐ34.2 trillion (US\$1.5 billion) in 2021, exceeding the annual plan by 70 per cent.

The information was released at a conference to review the work in 2021 and deploy tasks in 2022 held on weekend in Hà Nội by CMSC.

The 19 bodies earned total revenue of VNĐ821.3 trillion, equivalent to 99 per cent of the annual plan and up by 8 per cent compared to 2020.

The total amount of money they contributed to the State budget was VNĐ62.4 trillion, 27 per cent higher than the whole year's plan.

Thirteen out of 19 corporations and groups completed and exceeded the annual revenue plan. In contrast, six enterprises did not fulfil revenue targets, namely Việt Nam Electricity (EVN), Vietnam

Airlines (VNA); The Airports Corporation of Việt Nam (ACV), The Việt Nam Railways Corporation (VNR), the Việt Nam National Coffee Corporation (Vinacafe) and Việt Nam Southern Food Corporation (Vinafood 2).

There were 14 out of 19 groups and corporations that completed and exceeded the before-tax profit plans for the year; 14 completed and exceeded the budget payment plan; five achieved higher profits than annual plans and in 2020.

Among the group of five units achieving higher profits than planned, the Việt Nam Oil and Gas Group (PetroVietnam) recorded VNĐ40.7 trillion in pre-tax profit, up by 139 per cent of the yearly plan and up 105 per cent over the same period of 2020.

Việt Nam National Shipping Lines (Vinalines) recorded VNĐ2.9 trillion in consolidated pre-tax profit in 2021, up by 474 per cent compared to 2020 and exceeding 204 per cent of the annual plan.

At the Chemical Industry Group (Vinachem), profit before tax reached VNĐ1.73 trillion. In 2020, this group recorded a consolidated loss of up to VNĐ2.16 trillion. In 2021, the group planned to experience another loss of VNĐ1.22 trillion.

For the Việt Nam National Oil and Gas Group (Petrolimex), the consolidated pre-tax profit last year was VNĐ3.82 trillion, up 171 per cent over the previous year and exceeding 14 per cent of the yearly plan.

At the conference, Deputy Prime Minister Lê Minh Khái said that the CMSC and the 19 corporations have successfully implemented the “dual goals” of fighting the COVID-19 pandemic, while maintaining production and business activities, contributing to the recovery and socio-economic development of the whole country.

In 2022, Deputy Prime Minister requested the CMSC to strengthen its capacity, strengthen the inspection and supervision tasks, especially financial supervision and investment supervision.

Khái requested that CMSC remove difficulties and reform administrative procedures, improve the investment and business environment to create the most favourable conditions for corporations to recover and develop production, to overcome negative impacts caused by the pandemic.

For the companies, the Deputy Prime Minister requested they conduct measures to prevent and control the COVID-19 pandemic to ensure safety for workers’ health and income, at the same time, strive to complete the highest level of the business plans in 2022; improve production and business efficiency; invest according to strategies and plans and in accordance with the market economic mechanism, to ensure efficiency and sustainable development.

Deputy Chairman of CMSC Nguyễn Ngọc Cảnh said CMSC would continue to effectively handle outstanding loss-making projects that were behind schedule and inefficient, continue to accelerate the restructuring of State-owned enterprises, promote the process of equitisation and rearrangement of enterprises under 19 groups and corporations.

Although recording positive business results in the context of the pandemic, CMSC leaders said that capital management activities at enterprises still had shortcomings and limitations.

This includes the settlement of a number of tasks that have not yet met the prescribed deadlines such as financial statements; the plan for profit distribution and setting up of funds in 2020; as well as corporate financial supervision reports.

The main reasons for the limitations and shortcomings were CMSC's heavy workload, diversified fields, limited human resources, lack of experienced and qualified employees.

4. Banks begin to hike deposit interest rates

BUSINESS BEAT

Compiled by Thiên Lý

In October, the average interest rates on bank deposits for six months and 12 months were 4.7 per cent and 5.5 per cent, down half a percentage point from a year earlier, according to Bảo Việt Securities Company.

But things changed in early November when the rates showed signs of rising after a very long time.

Deputy Governor of the State Bank of Việt Nam, Đào Minh Tú, said in 2021 the rates were at the lowest level in five years.

Sacombank was one of the first to hike the rates, increasing them by 0.4 percentage points on average.

Eximbank adjusted them upward by 0.1 percentage point for three months or less and 0.2 percentage points for six to nine months.

The highest rates of 7 per cent are offered by some large banks like ACB, Techcombank and MSB for high-value long-term deposits.

The rising trend is expected to continue.

Many analysts had forecast the rates would increase further at last year-end and this year.

So what caused this change?

Now many are pointing to the looming spectre of inflation, always a major factor in driving up all sorts of interest rates.

For more than a year, deposit rates were just 5-5.5 per cent on average, and investors were not unhappy since inflation was below 3 per cent.

In fact, in the first 10 months of 2021 the consumer price index only rose by 1.8 per cent year-on-year, the lowest rate since 2016.

According to the General Statistics Office, core inflation during the period was 0.84 per cent compared to the same period in 2020.

The agency said core inflation rate had been the lowest since 2011.

Core inflation is the indicator reflecting long-term general price changes, after excluding temporary changes of the Consumer Price Index (CPI).

Thus, people could still be induced to deposit their money in banks.

But now many economists expect inflation to rise as the prices of many commodities and goods have started to increase.

A GSO official said the costs of raw materials used in many industries have risen sharply, especially in October, pushing up prices, including of essential consumer goods.

Besides, the rise in fuel prices has an effect on the prices of all kinds of goods, he pointed out.

The prices of petrol and other fuels were adjusted upward 18 times last year, resulting in A95 petrol going up by VNĐ7,860 per litre and E5 petrol by VNĐ7,600 by October.

Gas products saw their prices hiked eight times.

Consequently, the prices of a number of key raw materials have surged, including plastics by 12.9 per cent and textile fibres by 10.78 per cent, according to a GSO report.

Experts calculate that every 1 percentage point increase in raw material prices translate into a 2.06 per cent increase in product prices.

Inflation is expected to rise to 3.5-4 per cent in 2022.

Money supply

Bùi Thuý Hằng, deputy director of the central bank's monetary policy department, said as of November 25 the total outstanding loans at banks were up by 10.1 per cent.

With the Government injecting around VNĐ672.01 billion to help revive business activities, large sums of money have been pumped into the economy, significantly increasing money supply and thus inflationary risks.

Deputy Minister of Industry and Trade Đỗ Thắng Hải told a government meeting in December that inflationary pressure would be high in 2022, especially with both the global and Vietnamese economies expected to experience a strong bounce back as herd immunity is achieved.

Faced with the likelihood of inflation, banks have to increase their deposit interest rates to ensure positive real interest rates to prevent depositors from withdrawing their money and investing it in other assets like securities and real estate.

Hải said by doing this lenders, specially small ones with modest liquidity, would ensure they have enough funds to continue lending.

Analysts also pointed to other reasons for the increase in deposit interest rates.

With COVID-19 vaccination covering almost the entire adult population, hope is rising that the pandemic would soon be controlled and economic activities would return to normalcy, increasing demand for credit.

Anticipating this, banks have started increasing their deposit interest rates to mobilise more funds to meet future market demand when the cost of

money is still low and before competition drives it up.

But banking sector insiders expect deposit interest rates to only see slight changes.

Time will tell.

Far-sighted seafood producers buck COVID downturn

Early this year, most of the forecasts for the seafood industry were optimistic since the COVID pandemic was well controlled in Việt Nam, enabling the country to grab global market shares from other seafood exporting countries, many of which were badly affected by the outbreak.

But things changed since the fourth wave of the pandemic hit the country: most sectors were hit badly and seafood was no exception.

In the third quarter of 2021, tra fish (catfish) exports dried up as COVID raged in several provinces in the south, the key seafood exporting region.

Many companies had to halt production while a few operated at just 30-50 per cent of their capacity.

Consequently, exports of the catfish, one of the country's biggest earners, declined by 25 per cent year-on-year.

Things were not worse only because some businesses managed to do well thanks to stocking up on raw materials before the outbreak began.

Though Việt Nam is a power house of agriculture, especially fisheries, only those companies that prepared well by ensuring adequate availability of raw materials and markets have been able to beat the pandemic's effects.

Vĩnh Hoàn Corporation was one of them. It saw turnover and profit increase by 25 per cent and 33 per cent year-on-year in the first nine months of 2021 to VNĐ 2.3 trillion and VNĐ233 billion, respectively.

A spokesperson said exports were not affected much since the company had stockpiled a huge volume of raw materials like catfish fillet while supply sources both at home and abroad were broken amid the pandemic.

Besides, its main export markets are the US and China, whose demand for seafood products remained steady despite the outbreak, he added.

5. Coffee industry targets \$6 billion export value in 2030

The Việt Nam Coffee and Cocoa Association has targeted a coffee export turnover of US\$5-6 billion in 2030, doubling the export value at present.

To reach this figure, experts believe that the domestic coffee industry needs to increase the proportion of processed coffee products from less than 10 per cent at present to about 25 per cent or even more.

However, increasing the proportion of processed coffee products is a big challenge for the industry due to the level of technology, complex factory operation and awareness of farmers.

At present, Việt Nam has 160 coffee roasting facilities, 11 coffee blending facilities and eight instant-coffee processing facilities. The number of

instant-coffee processing facilities is small and most of them are operating below their designed capacity.

On the other hand, Việt Nam's processed coffee brands still have no place in the world market, and branding takes a lot of money and effort.

Deputy Minister of Industry and Trade Đỗ Thắng Hải said that to gain the target of \$6 billion, Việt Nam's coffee industry needed to strengthen connection between production and trade, expand export markets and develop products associated with brand building, towards building a sustainable coffee value chain.

According to the Minister of Agriculture and Rural Development Lê Minh Hoan, if the coffee industry wants to have sustainable development, there must be linkages among provinces or economic regions to

form a larger-scale production area and build a brand for Tây Nguyên coffee.

The Ministry of Agriculture and Rural Development (MARD) will continue to implement projects on sustainable development for the domestic coffee industry.

For the Central Highlands provinces, the ministry will set up logistics infrastructure for the coffee industry to create higher coffee value and more processed products. This will form a coffee production chain to increase value of coffee beans and income for coffee producers.

"The Europe-Việt Nam Free Trade Agreement (EVFTA) has opened up great opportunities for the domestic coffee industry. In the future, the ministry will develop its projects on exporting agricultural products to the EU, including coffee. At the same time, it will also have a strategy for Vietnamese agricultural products to enter large distribution systems in Europe," Hoan said.

"If Central Highlands coffee wants to reach out to the world market, it needs to change production, harvesting and processing in accordance with climate change and green consumption of the world market."

The coffee industry needs to restructure effectively, including building a specialised cultivation area associated with the development of coffee processing; and application of advanced technology.

It need to promote linkage of raw material areas with processing facilities to create a stable supply of quality goods, meeting the requirements of the market.

The industry must have solutions to remove difficulties and support for farmers and businesses in attracting investment; apply science and technology for production; and improve quality of human resources.

In addition, branding must be paid more attention to. Now, the building and developing of brands have not been realised and effectively implemented by businesses. This is one reason why Việt Nam's agricultural produce, including coffee, are unknown on the world market.

The local enterprises need to survey terms of market share, taste, quality, and price. They must determine the proportion of processed products to build a clear development direction, advertising, marketing and brand positioning strategies.

The State will support enterprises to build and develop their brands through campaigns on communication and image promotion, and training programmes on improving design ability.

Export in 2022

The global coffee price in 2022 is forecast to remain high. The COVID-19 pandemic has limited supply from major coffee producing countries such as Colombia and some other South American countries, according to the association. Congestion at international ports is also predicted to be prolonged.

Currently, some roasters plan to mix Arabica and Robusta coffee to lower the selling price due to the lack of Arabica coffee supply.

In the long term, this can change consumer tastes and make customers more accustomed to drinking Robusta coffee, and help Việt Nam increase Robusta coffee exports.

Meanwhile, European, American and Asian consumers will also gradually know and like Vietnamese coffee beans.

Experts said that if local enterprises have strategies to enter strict export markets such as the EU, the US and Japan, they will be promising markets for Vietnamese coffee exports.

The coffee industry's strategy in the future is to develop processed coffee products, such as roasted coffee and instant coffee, rather than focusing on the export quantity of green coffee as at present.

According to the experts, despite many challenges, developing the coffee processing industry will be a key solution not only to increase export value but also to help the coffee industry have sustainable development.

Deputy Minister of Industry and Trade Hải said that in recent years, trade promotion activities had been enhanced to develop the export market for coffee products.

Under the National Trade Promotion Programme, the Ministry of Industry and Trade (MoIT) has coordinated with localities producing coffee, organisations and enterprises to implement trade promotion activities, such as participation in specialised exhibition of agricultural produce and food at home and abroad.

In 2021, Việt Nam's coffee exports reached 1.52 million tonnes, worth of about \$3 billion, down 2.7 per cent in volume, but up 9.4 per cent in value year on year. Last year, Việt Nam mainly exported Robusta coffee.

According to the MoIT's Import and Export Department, loosening social distancing measures due to COVID-19 has created more favourable conditions for customs clearance, and higher coffee demand on the world market, which were the factors to make Việt Nam's coffee exports recover at the end of 2021.

The coffee exports in December 2021 reached 130,000 tonnes, earning \$305 million, up 21 per cent in volume and 26.2 per cent in value compared to November 2021.

The average export price of Việt Nam's coffee in December 2021 reached \$2,344 per tonne, the highest level since June 2017. The price increased by 4.3 per cent month-month and 28.7 per cent year-on-year.

The average export price for the whole of 2021 was estimated at \$1,969 per tonne, up 12.4 per cent compared to 2020.

However, to increase the export turnover, the core factor is still the development of processed coffee products. In 2021, Việt Nam's deep-processed coffee exports were only 121,000 tonnes, earning \$433 million. Thus, the volume only accounted for 8 per cent, while the export turnover of processed coffee products accounted for 15 per cent of the total turnover.

6. Three border crossings to reopen in Quang Ninh

China will resume customs clearance at three border crossings in Quang Ninh Province from January 11, according to the Ministry of Industry and Trade.

Three border crossing reopened: Bac Luan 1 bridge, Bac Luan 2 bridge and Km 3+4 floating bridge. These bridges are crucial to trade flows between Quang Ninh and Guangxi (China).

Upon resumption, China will proceed with clearing the backlog of stranded trucks at the border with a priority given to those loaded with agricultural and frozen produce.

As China has been reopening many border crossings in recent days, the ministry urges firms and truck drivers to continue to comply with safety rules and regulations on producing, packaging and transporting in order to avert any possibility of border re-closure.

Border provinces are also strongly advised to step up inspection and supervision to ensure firms and truck drivers stick to safety rules and regulations.

Any batch of goods that does not follow the rules and regulations will be discarded, and its owner heavily fined.

“As the pandemic is raging worldwide, customs clearance at all border gates will continue to be tightened. Customs processing, thus, is not going to return to the normal rate soon,” the ministry added.

About 1,200 trucks are still stuck at the three border crossings.

Previously, two border gates in Cao Bang Province, Soc Giang and Tra Linh, were announced as reopening from January 7.

7. MoIT aims for 8% export growth this year

Although much of the economy was impacted by the fourth wave of COVID-19 in 2021, Viet Nam's imports and exports reached a record of nearly US\$670 billion, an increase of almost 23 per cent from 2020.

This rise has put Viet Nam into the top 20 leading economies in terms of international trade.

Minister of Industry and Trade Nguyen Hong Dien announced the data at a meeting in Ha Noi on Sunday. He said: "Entering 2022, the trade industry has set a target of increasing export turnover by 6 to 8 per cent from 2021, while the trade balance will maintain a surplus."

In a year-review meeting, Dien said of the total turnover, export reached \$336.25 billion, up 19 per cent while the trade surplus was \$4 billion. He said the industry had a successful year in exporting despite a slew of difficulties.

The minister said: "Viet Nam has maintained a trade surplus for the sixth consecutive year."

Deputy Minister of Industry and Trade Tran Quoc Khanh said export growth has surpassed the target of 4-5 per cent as set by the National Assembly and the Government.

Khanh said shipments of raw materials decreased last year while the export volume of processed and industrial products increased; processed products accounted for 86.24 per cent of the export structure.

Growth was seen in markets that Viet Nam has signed Free Trade Agreements (FTA) with; China with 15 per cent, the US had 24.2 per cent, the EU saw 14 per cent, ASEAN had 25.8 per cent, the Republic of Korea with 15.8 per cent, India 21 per cent, New Zealand 42.5 per cent and Australia 3.1 per cent.

Minister Dien said that in overcoming difficulties, the industry and trade sector has completed the year with many targets exceeding the plan. In detail, industrial production has continued to expand and maintain a growth rate of nearly 5 per cent. The processing and manufacturing industry increased

by 6.37 per cent, continuing to affirm its role as a driving force for the growth of the whole industry, making positive contributions to economic growth, creating jobs and ensuring social security.

The oil and gas industry finished all targets ahead of schedule, contributing the most to the budget with VND75.4 trillion. The coal industry has made efforts to overcome difficulties and completed its target plan for 2021.

MoIT added that the electricity sector has successfully served the socio-economic development and people's daily life, putting into operation eight power projects with a total capacity of 4,350 MW into use and lowering the electricity prices in the country.

At the meeting, MoIT's representative also recognised the dependence on the Foreign Direct Investment sector, which has increased compared to recent years. However, the added value of exports has not performed as expected as the market diversification of some products was still slow and unable to meet the standards and quality requirements of the markets. This is not making good use of tariff preferences gained from FTAs.

The representative said: "Some agricultural products are too dependent on the neighbouring market and there is always a potential risk of prolonged congestion at the border gate."

While exports were a highlight last year, the export capacity of domestic businesses, especially small and medium enterprises, was not high.

At the meeting, Deputy Prime Minister Le Van Thanh expressed his appreciation to the Ministry of Industry and Trade (MoIT) for their role in overcoming challenges to achieve these strong results. He also pointed out the difficulties and limitations of the industry, known as the slow implementation of the national electricity master plan and the national energy master plan for the period 2021-2030 and a vision to 2050.

Deputy PM Thanh also mentioned that the MoIT should fix the electricity price regulation

mechanism, especially feed-in-tariff prices for renewable energy projects, as well as the problem of power system regulation.

The deputy PM said the progress of implementing key projects of some corporations and enterprises was still slow and has not met the requirements. Border trade management has shortcomings and the MoIT should improve the situation of smuggling, trade fraud, imitation and counterfeit goods in Viet Nam.

Thanh emphasised that the MoIT should focus on leading and directing the construction and implementation of national electricity and the energy master plans, as they were of great significance.

He also asked the MoIT to focus on removing difficulties and improving production and business efficiency in energy, processing, manufacturing, chemicals, fertilisers, and goods production industries such as textiles and leather, wood processing, agriculture, forestry and fishery.

The deputy PM told the MoIT to forecast domestic and international market developments, especially import and export activities with unpredictable fluctuations.

At the same time, the department should promote exports and diversify markets and export goods, especially to new potential markets, as well as solve problems in customs clearance activities, and prevent congestion at border gates, especially the Viet Nam - China border gates.

Corporate News

8. MSN: Resolution of General Meeting of Shareholders

↓ -0.65%

On January 07, 2022, MaSan Group Corporation announces the Resolution of General Meeting of Shareholders to approve the following contents:

1) Approving the plan for stock issuance to raise its charter capital from the owner's equity:

- Stock name: MaSan Group Corporation
- Stock type: common share
- Par value: VND10,000/share
- Issuance ratio: 5:1 (Those who own 05 shares will receive 01 new share.)
- Expected issuance volume: 236,106,938 shares
- Total value of issuance (at par value): VND2,361,069,380,000

- Plan to deal with fractional shares: The distributed shares will be rounded down to units, the fractional shares (if any) will be cancelled.

- For example: at the record date, shareholder A owned 451 shares. With 20% performing ratio, the shareholder A will receive: $451 * 20\% = 90.2$ shares. According to rounding policy, the shareholder A receives 90 new shares and fractional shares of 0.2 will be cancelled.

- Transfer restriction: none

2) Approving the increase of the company's charter capital. Accordingly, the amendment, supplement of the company's charter with new charter capital.

3) Approving the registration to deposit at the Vietnam Securities Depository (VSD) and list on the Hochiminh Stock Exchange (HOSE) for new shares.

4) Approving the adjustment of the maximum foreign ownership ratio from 100% to 49% of the company's charter capital.

9. VCB: Vietcombank remains best-performing credit institution

↓ -0.38%

The JSC Bank for Foreign Trade of Vietnam (Vietcombank) remained the best-performing credit institution and the largest contributor to the State budget among the listed ones in 2021.

The bank, with over 50 percent of its charter capital owned by the State, fulfilled and surpassed the targets for last year despite the continued abnormal socio-economic changes, Chairman of its Board of Directors Pham Quang Dung told the bank's meeting in Hanoi on January 10.

In 2021, it mobilised 1.154 quadrillion VND (almost 51 billion USD) from individuals and

organisations, up 9.5 percent from the previous year.

Outstanding loans were estimated at 963.6 trillion VND, rising 15 percent from the end of 2020. Meanwhile, non-performing loans (NPLs) were maintained at 0.63 percent of the total, lowest among the large-scale credit institutions.

Vietcombank contributed about 11 trillion VND to the State budget last year.

Besides, it pushed ahead with measures supporting pandemic-hit businesses, individuals, and households, such as providing concessional loans,

reducing fees and lending interest rates, and restructuring loans. It assisted clients with interest rate cuts worth 7.1 trillion VND, more than doubling the sum in 2020 and raising the two-year figure to 10.8 trillion VND.

In 2022, the bank looks to increase its total asset value by 8 percent, pre-tax profit by at least 12 percent, and credit by 12 percent year on year while keeping the NPL rate at under 1.5 percent.

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