



VIETNAM DAILY NEWS



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Market Analysis

1. Shares decline on weakened sentiment

Shares lost ground on Thursday with strong selling due to weakened market sentiment over the Ukraine crisis.

The benchmark VN-Index on the Ho Chi Minh Stock Exchange (HoSE) lost 1.15 per cent to close at 1,494.85 points.

The index had gained 0.59 per cent to close Wednesday at 1,512.30 points.

The market's breadth turned negative with 396 stocks declining, while 75 rose.

Liquidity reached a new record with more than 1.16 billion shares traded on the southern bourse, worth VND35 trillion (US\$1.5 billion).

The 30 biggest stocks tracking VN30-Index dropped 1.09 per cent to 1,522.04 points. Twenty-five in the VN30 basket decreased, while five increased.

In the VN-30 basket, losers were HDBank (HDB) down 4.2 per cent, Sacombank (STB) down 4 per cent, Tien Phong Bank (TPB) down 3.5 per cent, Lien Viet Post Bank (LPB) down 3.8 per cent, Vingroup (VIC) down 3.5 per cent, Vietinbank (CTG) down 3.2 per cent, Hoa Phat Group (HPG) down 1.5 per cent, PVPower (POW) down 2.2 per cent, and Vinamilk (VNM) down 1.8 per cent.

Banking stocks were sold strongly and pressured the indices, including Asia Commercial Bank (ACB),

Bank for Investment and Development of Vietnam (BID), Vietinbank (CTG), Military Bank (MBB), Sacombank (STB), Tien Phong Bank (TPB) and Military Bank (MBB).

Real estate and construction stocks experienced a dramatic drop in prices on Thursday as a series of large-cap stocks declined such as Tasco Joint Stock Company (HUT), LDG Investment JSC (LDG), Licogi 14 JSC (L14), Development Investment Construction JSC (DIG), C.E.O Group JSC (CEO), Dat Xanh Group JSC (DXG), Ho Chi Minh City Infrastructure Investment JSC (CII) and DRH Holdings JSC (DRH).

Nineteen out of 25 sector indices on the stock market lost ground, including real estate, retail, banking, agriculture, rubber processing, seafood processing, construction materials and logistics, securities, healthcare, food and beverage, and construction.

Meanwhile, the HNX-Index on the Ha Noi Stock Exchange (HNX) decreased 1.73 per cent, to 434.88 points. The index had increased 1.87 per cent to close Wednesday at 442.54 points.

During the trading session, investors poured VND4.7 trillion into the northern market, equivalent to a trading volume of 159 million shares.

Macro & Policies

2. Viet Nam-India trade exceeds \$13 billion

Two-way trade between Viet Nam and India in 2021 surpassed US\$13 billion for the first time, up 36.5 per cent compared to the previous year.

The Viet Nam Trade Office in India cited data from the General Department of Viet Nam Customs, saying that Viet Nam exported \$6.25 billion worth of goods in the year, up 20 per cent year-on-year; while India's figure was \$6.95 billion, up 56 per cent.

Viet Nam's main exports to India in December last year were metals (\$79.3 million); computers, electronic products and components (\$78.8 million), phones and components (\$76.7 million), other goods (\$75.2 million), machinery, equipment, tools and spare parts (\$49.8 million). Those that recorded strong growth included pepper (up 101 per cent), coffee (up 90 per cent), and rubber products (up 88 per cent).

Plastic raw materials, chemicals, rubber, and coal were Vietnamese items that witnessed the strongest growth in 2021, surging 231 per cent, 162 per cent and 138 per cent, respectively.

Meanwhile, mobile phones and components continued to record the largest export turnover, hitting more than \$1.28 billion, accounting for about 21 per cent of Viet Nam's total export value to India in 2021, the department said.

In December last year, India mainly exported steel, metals, cotton, and machinery and equipment to Viet Nam, with respective turnover of \$116 million, \$37 million, \$35 million, and \$31 million.

The steel export posted the largest turnover in the whole year, reaching nearly \$1.4 billion, making up about 20 per cent of the total export value of goods from India to Viet Nam.

3. Ample room remains for Viet Nam-Singapore trade growth

Viet Nam is anticipating a great chance to further promote its trade with Singapore, which has yet to be on par with the potential of both nations, as President Nguyen Xuan Phuc is scheduled to pay a State visit to the city-state from February 24-26.

Despite adverse impacts from the COVID-19 pandemic, bilateral trade hit US\$8.3 billion in 2021, up 23.3 per cent from the previous year. In January 2022, the figure reached \$783.9 million, an increase of 6.8 per cent year on year.

As of February this year, Singapore had 2,860 valid projects worth \$66 billion, ranking second among 140 nations and territories worldwide pouring capital into Viet Nam. Notably, in 2021, Singapore took the lead among all foreign investors with combined registered investment of over \$10.7 billion, accounting for 34.4 per cent of the total capital attracted by Viet Nam.

Nguyen Thi Thu Thuy, deputy director of the Viet Nam Trade Promotion Agency (Vietrade)'s Export Support Centre, said Singapore is a relatively small

market but a large free trade port, with almost no restrictions on imports. However, this market demands goods of very high quality, she noted.

According to the official, although the geographical distance between Singapore and Viet Nam is not far, not many Vietnamese agricultural products, food and consumer goods can penetrate this market.

Tran Thu Quynh, Vietnamese Trade Counsellor in Singapore, said there are 21 of the world's top 25 logistics service providers based in Singapore, while the country's seaport system is currently connected with 600 ports in 123 nations via 200 shipping routes.

Exporting goods to Singapore means Vietnamese businesses are not only able to serve local consumers and but also have a greater opportunity to approach international partners, buyers and customers present in this country, she said.

Given the complicated developments of COVID-19, Vietnamese businesses can penetrate the

Singaporean market through e-commerce platforms, Thuy suggested.

On the other hand, Vietnamese and Singaporean businesses have been advised to promote their cooperation by taking advantage of free trade agreements (FTAs) that the two countries have joined such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

and the Regional Comprehensive Economic Partnership (RCEP).

Besides, as the only two countries in the region having comprehensive agreements with the EU and the UK, Viet Nam and Singapore can supplement each other to jointly exploit and penetrate these markets.

4. National master planning needs breakthrough mindset: experts

There must be significant changes in the mindset and new momentum for building national master planning on development, Minister of Planning and Investment Nguyen Chi Dung said.

At present, the ministry is consulting with experts and scientists on a report about orientations for the national master planning until 2030, with a vision towards 2050.

The national master planning is scheduled to be submitted to the National Assembly in October.

Minister Dung said the building of the master plan needs the engagement of the entire political system, ministries, agencies, experts, scientists and institutes, as it would be used for the formation of other planning schemes.

It is set to create an effective, sustainable national development model, form key economic regions, economic centres and strategic urban areas, with modern, synchronous infrastructure.

It is also expected to spur national economic growth and contribute to fulfilling Viet Nam's target of becoming a developing nation with modern industry and high-middle income by 2030, and a developed country, with high income, a harmonious society and a quality, clean and safe environment.

The minister, however, pointed out bottlenecks in the mindset, saying breakthroughs have yet to be made, making the country lag behind global trends and changes.

Tran Hong Quang, head of the Viet Nam Institute for Development Strategies, suggested prioritising investment in the areas that have advantages in terms of geographical location, infrastructure and

human resources, in order to turn them into locomotives of development.

There should be North-South and East-West economic corridors, along with major economic regions that would drive the national economy, he said.

According to the report, in the period from now to 2030, it is expected to prioritise the development of the Eastern Economic Corridor and the coastal strip.

Regarding the East-West economic corridors, priority should be given to building economic corridors with many favourable conditions such as the development of a key transport system including seaports, international border gates and international airports.

At the same time, priority should be given to developing corridors capable of linking with regional and international economic corridors.

In addition, Quang said, Viet Nam now has four key economic zones with a fairly large scale, including 24 out of 63 central-run provinces and cities.

The scale of the key economic zones is large but there are no outstanding incentive mechanisms and policies, so many localities in the key economic zones have a development level below or equivalent to the national average.

On the basis of current key economic zones, Quang proposed, the master plan should select a number of regions to form dynamic regions of the country. These regions must be at the most favourable locations, have international airports and seaports in combination with transshipment ability, and also

have scientific and technological potential, and high-quality human resources.

After identifying the prioritised economic corridors and economic dynamic regions, it is necessary to arrange space for the development of production, infrastructure networks, and urban systems, said Quang.

Other experts emphasised the need to deal with roadblocks in planning, and shared their views on different issues mentioned in the report like the division of regions.

5. Loan provider F88 eyes billion-dollar stock listing

Consumer loan provider F88 targets market capitalization of \$1 billion when it lists on Vietnam's main bourse by 2024.

The Hanoi-based company, which offers quick loans against vehicles, plans to increase its branches to 800 this year from 521, chairman and CEO Phung Anh Tuan told Bloomberg.

Last year it partnered with electronics retailer Mobile World to offer cash loans and with CIMB

Bank Vietnam to reach underbanked parts of the country.

It is looking to raise VND4 trillion (\$175.21 million) this year through bonds or international loans.

Established in 2016 it received funding from Mekong Capital and Granite Oak in 2017.

It achieved profits of VND16.6 billion in 2019 and VND44.8 billion in 2020, according to the latest data available.

6. Gold prices soar to new peak

Vietnamese gold prices hit a new all-time high of VND64.8 million (US\$2,838.4) per tael Thursday as global rates skyrocketed amid tensions over the Ukraine situation.

Saigon Jewelry Company sold gold at VND64.8 million per tael [of 37.5 grams or 1.2 ounces], up 1.4 percent from Wednesday afternoon.

DOJI sold at VND64.7 million, also up 1.4 percent. The previous high in Vietnam was VND62.4 million

in August 2020. In the global market, the metal rose by 1.7 percent to a nine-month high of \$1,930.65 per ounce as geopolitical tensions supported demand for safe-haven bullion.

Vietnamese prices are VND11.35 million, or 21.5 percent, higher than global rates.

Gold continued to be the top asset class for 72 percent of Vietnamese investors, the WGC said citing a study of 2,000 investors last year.

7. Border province extends entry ban on trucks as tardy Chinese clearance continues

The northern border province of Lang Son has extended its entry ban on trucks headed for China until Mar. 5.

Nearly 2,000 trucks are stuck in the province, waiting to complete customs procedures to enter China, Lieu Anh Minh, deputy director of the province Department of Industry and Trade, said.

The ban could end sooner if the speed of clearance picks up, he told VnExpress.

Province authorities are working with their Chinese counterparts to double the number of trucks passing through daily, he said.

As the Chinese side is strengthening Covid-19 prevention measures at border areas, they only clear around 100 trucks a day, and Lang Son customs authorities estimate it will take 15-17 days for all the vehicles waiting for clearance to pass through.

As of Feb. 22, some 75 percent of those trucks were laden with fresh fruits.

The pileup first began at the end of last year but was partly resolved during the Lunar New Year holidays earlier this month. But it is now occurring again.

China was Vietnam's second-largest market for agricultural, forestry and fishery products behind the U.S. with exports being worth US\$8.4 billion in the first 11 months of last year, or 19.2 percent of Vietnam's total agricultural exports.

Corporate News

8. NVL: Novaland, Tai Nguyen start Grand Sentosa mixed-use project in HCM City

↓ -1.81%

Novaland Group and Tai Nguyen Joint Stock Company on Tuesday broke ground for the Grand Sentosa in HCM City.

The mixed use development comprising commercial space and luxury housing on one of the main streets in the south of the city, Nguyen Huu Tho, has two facades overlooking rivers.

Spread over 8.3ha, it will bring to the market over 2,000 condominiums and town houses.

It will have modern amenities to meet the requirements of high-income buyers including foreigners living and working in the southern part of HCM City.

It is expected to be completed in 2024.

9. GTA: Thuan An Wood plans to increase its profit after tax in 2022 by 10%

↓ -0.57%

Thuan An Woodworking Joint Stock Company (HOSE : GTA) has just announced the 2022 Annual General Meeting of Shareholders. In which, the unit set a goal of bringing in more than VND 17 billion of profit after tax, an increase of 10% compared to the implementation in 2021. .

GTA said that 2022 is expected to continue to be a difficult year for the wood processing industry in general and Thuan An Wood in particular. The situation of the Covid-19 epidemic is still unpredictable and the end time cannot be predicted. This is forecasted to affect the order situation and production and business of the Company.

On the basis of existing and upcoming orders, GTA aims to bring in nearly VND 570 billion in total revenue in 2022, an increase of 7% compared to the previous year and more than VND 17 billion in profit after tax, an increase of 10%. .

In addition, GTA also plans to pay dividends to shareholders in 2022 at the rate of 11% (the rate in 2021 is 8.5%).

Returning to the business situation in 2021, net revenue reached more than VND 511 billion and profit after tax was nearly VND 16 billion, down 10% and 14% respectively compared to the previous year. Compared with the plan entrusted by shareholders, the unit has completed the revenue target and exceeded 15% of the target of profit after tax in 2021.

Notably, cash flow from operating activities was negative nearly VND 34 billion while the previous year was positive VND 24 billion, a large fluctuation from payments to suppliers of goods and services.

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