



# VIETNAM DAILY NEWS



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## Market Analysis

### 1. VN-Index dips as trading value hits nine-week low

Vietnam's benchmark VN-Index dropped 0.34 percent to 1,472.12 points Thursday with trading value plunging to the lowest since February 7.

The index stayed in the green throughout the morning but it started to fall during the afternoon, closing 5.08 points lower.

Trading value on the Ho Chi Minh Stock Exchange (HoSE), on which the index is based, dropped 16 percent to VND18.5 trillion (\$808 million).

The VN30 basket, comprising the 30 largest capped stocks, saw 20 tickers fell, led by three lenders: HDB of HDBank, down 2.5 percent; TPB of TPBank, down 2.4 percent; and STB of Sacombank, down 1.8 percent.

NVL of real estate giant Novaland dropped 1.7 percent, and VCB extended its losing streak to the fifth, also losing 1.7 percent.

Eight blue chips gained, with SAB of brewer Sabeco and MWG of Mobile World both rising 2.1 percent.

MWG has gained over 20 percent in less than a month, scaling another all-time peak.

Other gainers included GAS of Petrovietnam Gas, up 1.4 percent, and VPB of VPBank, up 1.3 percent.

Foreign investors were net sellers to the tune of VND218 billion, focusing on HPG of steelmaker Hoa Phat and VND of VNDirect Securities.

The HNX-Index for stocks on the Hanoi Stock Exchange, home to mid and small caps, dropped 0.88 percent while the UPCoM-Index for the Unlisted Public Companies Market gained 0.1 percent.

## Macro & Policies

### 2. Mining company seeks to expand alumina production by a fourth

Vietnam's alumina production could increase to 800,000 tons a year if a proposal by Vinacomin is approved.

The giant mineral company wants to increase the mining of bauxite, the principal ore from which aluminum is made, by 23 percent at its two mining and processing complexes in the Central Highlands, Tan Rai in Lam Dong province and Nhan Co in Dak Nong province.

If it gets the green light, the output of alumina, which is made from bauxite and is used as a starting material for the smelting of aluminum metal, at the complexes will rise by 150,000 tons a year.

The two mines have reserves of around 260 million tons, according to Vinacomin.

They have broken even years earlier than planned on surging global aluminum prices.

The Tan Rai complex, for instance, posted profits of VND379 billion (\$16.6 million) in 2017 and almost quintupled that a year later to VND1.8 trillion.

Vinacomin also sought the government's approval for its 2021-30 plans, which would serve as a basis for it to begin new bauxite projects in the Central Highlands.

Vietnam has the world's third largest bauxite reserves of 3.7 billion tonnes, according to the U.S. Geological Survey.

The majority of them are in the Central Highlands and have only been minimally mined.

### 3. Largest auto show to resume after two years of COVID-19 disruption

The Vietnam Motor Show (VMS), the largest of its kind in Vietnam, is set to return this October following two years of cancellation due to the COVID-19 impact.

The show will get underway at the Saigon Exhibition and Convention Center (SECC) in Ho Chi Minh City between October 26 - 30.

At least 11 automakers, including Audi, Honda, Jeep, Mercedes-Benz, Lexus, Mitsubishi, MG, Subaru, Toyota, Volkswagen, and Volvo have registered to participate in the show.

Members of the Vietnam Automobile Manufacturers Association (VAMA) and the Vietnam Car Importers Association (VIVA) are expected to send their latest brands to the event.

The national motor show will also draw the participation of several manufacturers and importers of motorcycles, along with a number of businesses in the support industry.

Conferences will also be held on the sidelines of the event, including one to discuss the global trend of electrified vehicles and the future development of the Vietnamese automobile industry.

The national motor show had previously been delayed in 2020 and 2021. This year all participants are required to follow COVID-19 prevention and control measures to ensure safety for those in attendance.

### 4. Action programme on economic restructuring for 2021-25 issued

Deputy Prime Minister Lê Minh Khái signed a resolution dated April 12 issuing the Government's

action programme to implement the National Assembly's resolution on economic restructuring plan for 2021-25.

Resolution No 54/NQ-CP sets the target of revamping the growth model and improving productivity, quality, competitiveness, self-reliance, adaptation and resilience of the national economy.

Accordingly, labour productivity is projected to grow more than 6.5 per cent annually, and the gap of national competitiveness with ASEAN-4 (Indonesia, Malaysia, Philippines, and Thailand) will be narrowed by 2025, especially in terms of institutions, infrastructure and human resources.

Spending on scientific research and technological development will be no less than one per cent of GDP, and the number of enterprises engaging in tech reform should increase by 15 per cent each year during the 2021-25 period.

The country strives to have some 1.5 million enterprises, of which 60,000-70,000 are medium and large-sized firms. The private economic sector is expected to contribute around 55 per cent of GDP. At least five national products are projected to win international brands.

Among 35,000 co-operatives set by the end of 2025, more than 3,000 will utilise high technology in production and consumption, and 50 per cent of agricultural cooperatives set up connectivity with businesses in value chains.

To fulfill the targets, the resolution specifies major tasks and solutions, with the first group of tasks focusing on restructuring public investment, State budget, credit organisations and public non-business units.

For public investment restructuring, the Government has assigned the Ministry of Planning and Investment to coordinate with ministries, agencies and localities to outline measures to raise the quality of institutions on public investment management and improve the economy's capacity of absorbing investment.

The Government also plans to build policies and solutions to push ahead with decentralisation, promote the responsibility of agencies and their leaders, and address obstacles to public investment management.

Meanwhile, the Ministry of Finance and other ministries and agencies will work on a project on reforming mechanisms for State budget management and allocation, which will be submitted to competent agencies for approval, along with other relevant policies.

The State Bank of Việt Nam (SBV) will coordinate with ministries, agencies and localities to consolidate institutions in monetary, credit and banking sectors, making them match market principles and operate in a healthy and stable fashion.

The project on restructuring credit institutions and handling bad debts for 2021-25 should be submitted to the Prime Minister for issuance this year.

Another group of tasks set in the resolution is to develop the financial, land and labour markets, and improve the efficiency of the allocation and use of human resources. A financial strategy by 2030 will be developed and sent to the PM for issuance this year.

The Ministry of Natural Resources and Development will take the main responsibility for building a draft law amending and supplementing some articles of the 2013 Land Law and making a report to the Government before the document is submitted to the NA for adoption this year.

The third group of tasks target corporate development, connectivity between enterprises of different economic sectors, and the reform and development of the collective economy and cooperatives.

The resolution also highlighted the tasks of urban economic development, regional connectivity and the restructuring of sectors towards modernity and green, sustainable growth.

## 5. Q1 foreign investment into real estate surpasses last year's figure

Foreign investment poured into real estate hit almost US\$2.7 billion in the first quarter of this year, outpacing the figure of the entire 2021, according to the Ministry of Planning and Investment.

Statistics show that foreign investment into real estate reached US\$2.69 billion in Q1 alone, higher than the US\$2.63 billion last year. It included US\$1.1 billion channeled into existing projects and US\$992 million spent on contributing capital to or buying shares from domestic firms.

The capital inflow was mainly driven by industrial real estate.

Notably, Singapore added nearly US\$941 million to a project on developing urban infrastructure and services of the Vietnam - Singapore Industrial Park (VSIP) in northern Bac Ninh province, which helped lead to a surge in foreign investment in the property sector.

GLP, an industrial property giant of Singapore, also announced the establishment of GLP Vietnam Development Partners I, a logistics infrastructure development fund worth US\$1.1 billion.

The city state remained the largest investor in Vietnam in Q1, with registered capital totalling US\$2.29 billion, equivalent to 25.7% of the total foreign investment.

## 6. Authorities freeze FLC ex-chairman's asset

The Ministry of Public Security has ordered localities to suspend all trading activities concerning FLC ex-chairman Trinh Van Quyet's real estate and shares after arresting him for alleged stock manipulation.

All details concerning assets held by him and his two sisters Trinh Thi Thuy and Trinh Thi Minh Hue, who have also been arrested, need to be submitted to the ministry by Friday, it stated.

The ministry had earlier required eight banks to provide transaction details of the bank accounts of Quyet and some people involved.

Quyet was arrested on March 29. Police have also arrested Huong Tran Kieu Dung, deputy chairwoman of FLC, and Nguyen Quynh Anh, CEO of BOS Securities Corp.

They alleged that from Dec. 1 last year to Jan. 10 this year, Quyet ordered leaders of BOS and other companies to use 20 stock accounts to trade back and forth FLC shares to create fake demand.

The moves pushed Quyet's prices up, and he sold 74.8 million shares to gain VND1.69 trillion (\$73.8

million), of which VND530 billion was gained illegally, the security ministry revealed.

Quyet only disclosed information regarding the sale after completion, while the law requires a three-working-day notice in advance.

Quyet, 47, has a large stock portfolio and was once one of the wealthiest people on the Vietnamese stock exchange.

He began his career as a lawyer in 2001, when he and his associates established SMiC Law Office, which later became SMiC Law Firm. He also established several businesses, with the FLC brand formed in early 2010 after merging all of them.

FLC's charter capital stood at VND10.5 trillion (over \$459 million) in early 2021, after more than 10 years of operation.

As of January 2022, Quyet owned over 215 million FLC shares, equivalent to approximately 30 percent, as well as tens of millions of stocks in related companies like ROS.

## 7. Cryptocurrency Coin98 to be listed in world's second biggest exchange

Coin98 is set to become the second Vietnam blockchain app after Axie Infinity to have its cryptocurrency listed on Coinbase, one of the world's largest cryptocurrency exchanges.

The U.S.-based Coinbase, the second biggest exchange after Binance, said in a recent blog that the Coin98 token (C98) is one of the 50 assets it is considering for a listing in the second quarter of this year.

Axie Infinity, one of the world's biggest blockchain-based play-to-earn game, was listed in Coinbase last year.

The possible listing would be a major milestone for Coin98 since it is a large exchange with strict

processes for examining cryptocurrency projects, Tran Xuan Tien, a spokesperson for the wallet, said.

"It shows that the path that we are on is recognized by worldwide users and major organizations."

Coin98, established in 2017, says it has more than 700,000 users in 150 economies with Vietnam, Indonesia and Nigeria accounting for the largest numbers. It has so far recorded trading volumes of over \$500 million.

C98 traded at \$1.66 at 9:26 a.m. Thursday, down 34 percent since the beginning of the year.

It has a market cap of \$306 million, ranking 170th in the world's biggest cryptocurrencies.

## Corporate News

### 8. VIC: VinFast cooperates vs Electrify America to provide charging services for electric vehicles

↓ -0.61%

Vietnamese automaker VinFast and Electrify America, the largest open ultra-fast charging network in the US, on April 13 (New York time) announced an agreement to provide owners of VinFast electric vehicles with charging services, plus two complimentary charging sessions.

The agreement, which was signed within the framework of the New York International Auto Show (NYIAS 2022), is expected to bring a complete driving experience to customers, contributing to accelerating the global electric vehicle revolution.

Electrify America has 800 EV charging stations and about 3,500 individual chargers open or with construction completed. Combined with Electrify America's ultra-fast charging technology – including 150kW and 350kW chargers, the fastest speeds available today – VinFast owners can feel confident taking their vehicles on long road trips and daily driving needs.

As more electric vehicle options become available to consumers, it's important to have easy access to fast and convenient charging while on the road, said Rob Barrosa, Senior Director of Sales, Business Development & Marketing of Electrify America.

"Our collaboration with VinFast is offering a seamless integration within the VinFast app making ultra-fast charging with Electrify America even easier," he said

In particular, customers who own VinFast's VF 8 and VF 9 models will enjoy the smart Plug & Charge feature to connect to Electrify America's network of ultra-fast charging stations across the US. This is an innovative technology that allows vehicle drivers to pay for a charging session by simply plugging in their EV once billing information is set up on the VinFast app

"Through our premium, smart, and environmentally-friendly vehicles, our goal is to reduce range and charging anxiety and help the world switch to cleaner, more sustainable transportation," said Craig Westbrook, Chief Service Officer of VinFast US.

On March 29, VinFast and the state of North Carolina signed a memorandum of understanding on the construction of the plant with an investment of up to US\$2 billion in the first phase, at the selected mega site in Chatham County, North Carolina.

### 9. THD: THD sets a target of more than VND 1,500 billion in pre-tax profit in 2022, IPO Thaigroup in the second quarter

↑ 0.13%

According to the General Meeting of Shareholders in 2022, the Board of Directors of Thaiholdings Joint Stock Company ( HNX : THD ) is expected to submit to shareholders for approval the business plan in 2022 with a slight increase in revenue and profit compared to 2021. Notably, THD is expected to IPO Subsidiary Thaigroup in Q2.

In 2022, THD is expected to bring in VND 8,880 billion in net revenue and VND 1,503 billion in pre-tax profit, up 8% and 5% year-on-year, respectively.

Regarding the implementation of projects, the Enclave Phu Quoc project is expected to complete the clearance and compensation in the second quarter, the Kim Lien Hotel project will be

completed in terms of legality and reports. Research reports of relevant agencies and departments of the Project.

In addition, the Company plans to transfer a number of profitable companies and projects such as Apatit project, Ton Dan Company.

The company said that it will increase its charter capital through the dividend payment plan for the entire accumulated profit after tax in 2021. Estimated charter capital after dividend is over VND 4,000 billion.

THD 's Board of Directors also plans to submit to shareholders for approval a report on the failure to increase capital in 2021 from VND 3,500 billion to VND 6,800 billion. In which, nearly 50% of the amount expected to be collected from the issuance is for the purchase of private placement shares of Enclave Phu Quoc JSC.

The company said that due to the complicated situation of the COVID-19 epidemic, which had a strong impact on the tourism industry, the Board of Directors of the Company had difficulties in moving to implement the resort investment project. Enclave Phu Quoc complex, affecting the development of the Enclave Phu Quoc project. THD 's Board of Management assessed that in 2021, the issuance of capital increase will not achieve the highest efficiency of the capital obtained from the issuance. Therefore, the Company has temporarily suspended the issuance and will not increase capital in 2021.

#### **Bau Thuy wants to collect 52.5 million THD shares**

THD 's Board of Directors also plans to submit to shareholders for approval the proposal to increase the ownership rate of THD shares by Mr. Nguyen Duc Thuy (Bau Thuy).

Specifically, Mr. Thuy plans to buy 52.5 million shares from 13 individuals by agreement method, equivalent to 15% of charter capital.

If the deal is successful, the total volume of shares held by Mr. Thuy will increase to more than 140 million shares, equivalent to 40% of the capital. The expected implementation time is in the second quarter of 2022.

#### **Thaigroup Group IPO in Q2**

The company also plans to carry out IPO and increase charter capital of Thaigroup Group JSC in the second quarter of 2022. THD is currently the parent company owning 81.6% of capital in Thaigroup.

Regarding Thaigroup's business results in 2021, total revenue reached VND 4,111 billion and profit after tax reached VND 1,100 billion. In which, financial revenue is more than trillion dong and other income is more than VND 772 billion.

Other sudden profits are due to other incomes from the transfer of companies and projects. In which, in the second quarter of 2021, Thaigroup transferred the Minh Tam cement factory project with a value of 680 billion VND, in the fourth quarter the Company collected VND 840 billion from the transfer of the Cat Linh project of Binh Minh Company to the Company. Tan Hoang Minh and VND 310 billion divest from Thanh Long Company and Linkgroup Company. In 2021, Thaigroup has self-trading in additional securities, bringing in nearly VND 51 billion in profit.

In 2022, Thaigroup is expected to bring in nearly VND 4,905 billion in revenue and other income and nearly VND 1,252 billion in pre-tax profit.

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