



# VIETNAM DAILY NEWS



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## Market Analysis

### 1. Indices gain on aviation stocks

Shares continued their uptrend on Thursday and are on track to set a weekly gain, boosted by higher liquidity and recent positive news.

The market's benchmark on the Ho Chi Minh Stock Exchange (HoSE) rose 6.77 points, or 0.65 per cent, to 1,055.95 points. It extended the recent rally trend to the fourth straight session.

The breadth was positive with 216 stocks gaining points, while 101 ticker symbols declined. Liquidity also improved, of which the trading value on the southern bourse increased by 26.2 per cent over the previous session to nearly VND10.73 trillion (US\$452.5 million). The value was equivalent to a trading volume of nearly 509 million shares.

The VN30-Index finished the trading day at 1,050.28 points, a rise of 9.69 points, or 0.93 per cent. Nineteen of the 30 biggest stocks in the VN30 basket reported bullish performance, while five stocks hit lower and six were flat.

On the Ha Noi Stock Exchange (HNX), the southern market's benchmark index also edged higher for the fourth session in a row. Accordingly, it closed Thursday at 209.03 points, up 0.35 points, or 0.17 per cent.

During the session, nearly 57 million shares were traded on HNX, worth VND877.04 billion.

Leading the bullish trend were banking and manufacturing stocks. Specifically, Vietcombank (VCB) was the biggest gainer with an increase of 0.87 per cent in market capitalisation. It was followed by Vietnam Rubber Group (GVR) and Sacombank (STB), up 4.48 per cent and 4.54 per cent, respectively.

Aviation stocks got a boost on Thursday after China added Viet Nam to the list of countries approved for outbound tours, starting from March 15. Shares of Vietjet Aviation (VJC) soared 3.56 per cent, while Vietnam Airlines (HVN) logged the maximum intraday gain of 7 per cent.

Also supporting the market's uptrend, pillar stocks including Techcombank (TCB), PV Gas (PVG), FPT Corporation (FPT), Asia Commercial Joint Stock Bank (ACB), and Vietnam International Commercial Joint Stock Bank (VIB), witnessed strong rallies, up in a range of 0.85-2.42 per cent.

The market's sentiment was lifted this week after the Government issued a decree to strengthen the bond market, and the Fubon ETF fund plans to disburse capital into the Vietnamese market.

Foreign investors continued to inject capital into the market on Thursday, supporting the rally trend. Of which, they net bought VND192.61 billion on HoSE and VND4.93 billion on HNX.

## Macro & Policies

### 2. Hai Phong moves to develop more industrial parks

According to Chairman of the municipal People's Committee Nguyen Van Tung, Hai Phong is striving to promote three economic development pillars of industry - technology, seaport - logistics, and tourism - trade, especially industrial development in a modern, smart and sustainable manner.

The locality has paid special attention to drastically developing industrial parks and clusters, which play a decisive role in the city's socio-economic development.

Head of the Management Board of Hai Phong Economic Zone Authority (HEZA) Le Trung Kien reported that the total investment in IPs and economic zones accounts for 93% of the foreign direct investment (FDI) capital invested in the city.

In 2022, over 81% of FDI was poured into 56 projects operating in high technology, processing and manufacturing. Businesses operating in local economic and industrial zones posted a combined revenue of 26.7 billion USD, contributing 16.13 trillion VND (over 680 million USD) to the local budget and creating jobs for over 195,000 labourers.

According to HEZA, Hai Phong is home to the Dinh Vu - Cat Hai Economic Zone and 14 IPs that are operating in infrastructure investment, construction and business with a total area of over 6,000ha.

Under an action programme of the Standing Committee of the municipal Party Committee, Hai Phong plans to develop 15 more IPs with a total area of over 6,200ha in the 2021 - 2025 period.

The Prime Minister has given in-principle approval for the infrastructure development of the two projects of Xuan Cau and Tien Thanh IPs.

The Ministry of Planning and Investment is working on procedures for building the four others namely Nam Trang Cat, Thuy Nguyen, Trang Due, and Giang Bien.

Leaders of the municipal People's Committee had meetings with representatives of HEZA, localities and investors of IPs to review difficulties and obstacles related to land clearance and disbursement of capital, and discuss measures to accelerate the development of IPs in Hai Phong.

In parallel with the development of new IPs, municipal authorities have also concentrated on expanding existing IPs and industrial clusters, towards creating solid foundation to attract more investment inflows, developing Hai Phong into one of the leading localities in industrialisation and modernisation in the country in accordance with the Politburo's Resolution on building and development of Hai Phong city by 2030, with a vision to 2045.

### 3. Vietnam emerges as attractive market for Singapore firms

The event was jointly hosted by the Investment and Trade Promotion Centre (ITPC) of HCM City, the Vietnam Trade Office in Singapore and the Singapore Chinese Chamber of Commerce and Industry (SCCCI).

Addressing the event, SCCCI President Kho Choon Keng said Singapore and Vietnam have shared close and long-term economic relations, and their two-way trade grew steadily in the past decade, hitting 31 billion SGD (over 22.9 billion USD) in 2022.

Singapore has been always among Vietnam's largest foreign investors, especially in HCM City, he said.

Many Singaporean companies have established their offices or are actively seeking opportunities in many areas in Vietnam, including infrastructure development, production, transportation, logistics, education, tourism, finance and agriculture, Kho added.

Apart from further strengthening cooperation in existing fields, the two countries can also expand their cooperation in new areas, such as sustainability, green economy and digital economy, Kho noted.

According to Cao Xuan Thang, First Secretary in charge of the Vietnam Trade Office in Singapore, said there is ample room for Vietnam and Singapore to step up their trade and investment cooperation.

Singapore is emerging as a service and finance centre in Southeast Asia, while Vietnam has also become an attractive destination for investors and goods distributors, Thang stressed.

Cao Thi Phi Van, Vice Director of ITPC, Singapore ranks second among 140 countries and territories investing in Vietnam with total registered capital of 71.85 billion USD. Singapore remains the biggest foreign investor in HCM City with over 1,677 projects worth nearly 14.02 billion USD, she added.

Van attributed the results to Vietnam's political stability, transparent and attractive investment

environment, positive economic growth, and qualified and hard-working labour force, saying that the country is maintaining its advantages in attracting foreign investors, especially those from Singapore.

Notably, HCM City becomes more and more attractive to international investors thanks to the synchronous infrastructure system, which facilitates trade connection among domestic and international areas, she added.

Nguyen Quoc Vinh, Head of ITPC's Investment Promotion Division, said HCM City has always made efforts to maintain rapid economic growth and promote sustainable and comprehensive development in all fields.

Investing in the city, businesses will have the opportunity to access a large number of customers, he said, adding that HCM City is also a bridge helping businesses effectively approach to the ASEAN community with a market of 500 million people, Vinh said.

#### 4. Diplomatic advances to bolster FDI

Large volumes of work are ahead for the Vietnamese government and ministries this year, involving how to expand trade and woo more foreign investment.

Vietnam and India are reported to begin talks on a bilateral free trade agreement (FTA) in an effort to boost bilateral trade and investment, especially in the context of robust growth in bilateral trade volumes. A joint working group is set to be founded this year to examine the feasibility of the new deal. The study will then be taken up by the two governments. The outlook is also expected to be debated at a joint meeting between both nations in the next few months.

India-Vietnam trade turnover soared from \$5.6 billion in 2016 to \$15 billion last year – up 13.6 per cent on-year.

Elsewhere, Vietnam and Israel are set to conclude negotiations of a bilateral FTA within this year when they will celebrate 30 years of diplomatic relations, before officially inking the deal in early next year. The negotiations began in 2015.

“Once the FTA becomes valid, the trade and investment ties between both countries will flourish,” said the Ministry of Industry and Trade's (MoIT) Department for Multilateral Trade Policies. “In the first eight months of 2022, Vietnam's export turnover to Israel hit \$548 million and its imports from the Middle Eastern country were worth \$941 million.”

Israeli trade counsellor at the Israeli Embassy to Vietnam Gal Saf also said, “Israeli companies are showing their interest in the Vietnamese market. They hope that the bilateral FTA will soon be signed and take effect so that they can soon benefit from advantages and incentives it can bring about.”

Vietnam's activities related to trade and investment also involves the country, together with other 11 member states of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), in conducting negotiations with the UK in Phu Quoc Island last week.

“Vietnam will continue working with other member states to soon complete negotiations for the UK to join the CPTPP. The UK’s membership will bring about wonderful opportunities in trade and investment for all participating nations,” said MoIT Minister Nguyen Hong Dien.

On February 20, the government promulgated Resolution No.21/NQ-CP on an action plan to boost economic diplomacy in service of national development towards the end of this decade. “We will continue negotiating, signing, and completing an FTA network at many levels in line with the country’s priorities and benefits,” read Resolution 21.

Vietnam will also “expeditiously consider participating in cooperation frameworks in new sectors such as digital economy, digital transformation, energy transformation, circular economy, green growth, and sustainable supply chains.”

The government has ordered relevant authorities to coordinate closely with the Ministry of Foreign Affairs (MoFA), the Ministry of Planning and Investment (MPI), and the MoIT to take advantage and propose frameworks to strengthen economic and trade cooperation, and specialised cooperation with government agencies and localities of partner countries.

The government will also continue attracting and taking advantage of development resources in terms of finance, technology, and policy consultancy from participation and cooperation in multilateral forums.

MoFA Standing Deputy Minister Nguyen Minh Vu told VIR, “The diplomatic sector has actively

promoted Vietnam’s economic and trade relations with partners, especially FTA partners; lobbied partners to remove trade barriers for Vietnamese goods; and provided information about partners’ policies and detected opportunities to expand exports.”

Meanwhile, the government has underlined that Vietnam will attract foreign direct investment (FDI) selectively based on ensuring the environment and sustainability.

“Priorities will be given to projects with high added values and advanced technology in service of infrastructure development, digital economy, digital transformation, and green growth,” said Deputy Prime Minister Tran Luu Quang. “We will also focus on boosting economic diplomacy to woo high-quality FDI from multinational corporations.”

According to the MoFA, in 2023, Vietnam will continue carrying out group-oriented diplomatic activities to attract big projects worth multi-billions of US dollars, in the context of increasing competition in luring this kind of funding in the region.

“Group-oriented diplomatic activities in particular and economic diplomatic activities in general are making great contributions to Vietnam’s efforts in FDI attraction and trade expansion,” said Prime Minister Pham Minh Chinh at a recent conference on boosting economic diplomacy.

The MoFA also reported that the diplomatic sector has contributed to helping Vietnam attract a large sum of overseas remittance, at \$17.2 billion in 2020, over \$18 billion in 2021, and nearly \$19 billion last year.

## 5. Vietnam spends 1.7 billion USD importing petrol in two months

According to the Vietnam National Petroleum Group (Petrolimex), from January 20 to February 21, the group imported 168,596 cubic metres of petrol, 162,308 cubic metres of diesel and 24,931 cubic metres of mazut to supply to the domestic market.

The group also purchased 284,369 cubic metres of gasoline, 245,619 cubic metres of diesel and 1,651

cubic metres of kerosene from domestic oil refineries.

During the reviewed period, Petrolimex’s sale volume of gasoline, diesel, kerosene and mazut reached 435,800 cubic metres, 344,935 cubic metres, 1,961 cubic metres and 18,171 cubic metres, respectively.

Based on market demand forecasts in 2023, the ministry has allocated import quotas of gasoline and oil to businesses at 27.34 million cubic

metres/tonnes, an increase of 15% compared to the previous year to ensure supply for the market.

## 6. State revenue from exports-imports down 19% in first two months

The country's total export-import value was worth more than \$96 billion in the first two months, down 13 per cent year-on-year.

Of the figure, exports were worth \$49.44 billion, down 10 per cent, and imports \$46.62 billion, down 16 per cent.

The National Assembly has assigned the General Department of Customs this year to collect VND425 trillion (\$17.9 billion) worth of State budget revenue.

Economic expert Dinh Trong Think of the Academy of Finance said it was challenging to meet the target as a decline in global consumption demand mostly caused by high inflation and economic recession in most countries has adversely affected the country's import and export activities.

In addition, the customs sector's revenue collection faces challenges when implementing the tariff reduction roadmap as committed to in trade agreements.

As of the end of last year, the Government issued 16 decrees on preferential import and export tariffs to implement 16 agreements in the 2022-27 period.

This year many imported products with high tax rates will see tax cuts according to the schedule, and the reduction will be even deeper in the following years.

The department has issued a directive to improve State management in State budget revenue collection, including improving customs administrative procedures and enhancing trade facilitation.

The customs sector will continue to embrace digital transformation with an aim to achieve the target of paperless customs under a directive issued last year by the department.

Accordingly, all customs procedures nationwide will be conducted on digital platforms.

The sector will also step up connectivity and digital transformation through the national single window system.

It will strengthen inspection of customs procedures and tax administration, especially post-customs clearance inspection and specialised inspection.

It will also focus on fighting against smuggling and trade fraud.

## 7. Difficult year awaits shrimp exporters: experts

Viet Nam has around 747,000 hectares of saltwater shrimp farms which produced over 1.08 million tonnes last year. Exports were worth US\$4.3 billion, or 40 per cent of the country's total seafood exports, after rising by 11.2 per cent.

The world's second largest exporter ships the crustacean to around 100 markets, with Europe, the US, Japan, and China being the biggest ones.

But there would be head winds in 2023, according to Truong Dinh Hoe, general secretary of the Vietnam

Association of Seafood Exporters and Producers, told a shrimp industry conference last week in Soc Trang Province.

Global prices having been dropping since mid-2022, and would continue to do so as supply increases, he said.

“Viet Nam's shrimp also has to compete with strong rivals such as Ecuador and India. In 2023 Ecuador's white-legged shrimp output is expected at 1.5 million tonnes, double that of Viet Nam's. The country has geographical advantages and low production costs.”

Vuong Quoc Nam, deputy chairman of Soc Trang People's Committee, a major exporter, said shrimp production has been buffeted by climate change,

rising petrol prices and input costs and shrimp diseases.

Experts told the conference that Viet Nam's shrimp production costs are higher than its neighbours' since businesses still have to import shrimp seeds.

The issuance of farming area codes to ensure traceability is also limited, and farming households and businesses struggle to acquire land or invest in large-scale concentrated farming areas due to rising land prices.

Deputy Minister of Agriculture and Rural Development Phung Duc Tien said farmers, businesses and authorities need to work together more closely to address industry problems.

## Corporate News

### 8. PET: Plan to hold AGM 2023

↑ 2.56%

The Board resolution dated March 08, 2023, the BOD of Petrovietnam General Services Corporation approved to hold the Annual General Meeting 2023 as follows:

- Estimated time: April 28, 2023
- Venue: Notice later
- Record date: March 29, 2023.

### 9. HAX: Record date for holding AGM 2023

↑ 0.00%

On March 07, 2023, the Hochiminh Stock Exchange issued an Announcement No. 407/TB-SGDHCM about the record date of Hang Xanh Motors Service Joint Stock Company as follows:

- Ex-right date: March 21, 2023
- Record date: March 22, 2023

- 1) Reason and purpose: to hold the 2023 Annual General Meeting of Shareholders
- 2) Content:
  - Exercise ratio: 01 share – 01 voting right
  - Time: April 22, 2023
  - Venue: Hang Xanh Motors Service Joint Stock Company head office, 333 Dien Bien Phu, ward 15, Binh Thanh district, Ho Chi Minh city, Viet Nam.



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