

HOSE (Ho Chi Minh Stock Exchange)		HNX (Hanoi Stock Exchange)	
<b>Index</b>	<b>579</b>	<b>Index</b>	<b>79.96</b>
Percentage change (monthly)	1.01%	Percentage change (monthly)	-0.79%
Percentage change (year-to-date)	14.74%	Percentage change (year-to-date)	17.87%
52-week high	638.7	52-week high	89.5
52-week low	518.2	52-week low	73.1
<b>Liquidity</b>		<b>Liquidity</b>	
Total monthly trading volume (shares)	2,545,293,001	Total monthly trading volume (shares)	984,789,393
Total monthly trading value (million USD)	1,936.25	Total monthly trading value (million USD)	469.14
Average 52-week trading value (million USD)	442.43	Average 52-week trading value (million USD)	125.14
<b>Foreign investor activity</b>		<b>Foreign investor activity</b>	
Buying value (million USD)	237.17	Buying value (million USD)	13.41
Selling value (million USD)	326.16	Selling value (million USD)	19.18
Net sales (million USD)	88.98	Net sales (million USD)	5.77

Top 5 Gainers	% change	Top 5 Losers	% change	Top 5 Most liquid	Total value (mil USD)	Top 5 Gainers	% change	Top 5 Losers	% change	Top 5 Most liquid	Total value (mil USD)
DTT	75%	SVT	-38%	MSN	95.88	DST	155%	SGH	-44%	TIG	34.20
DHM	57%	HAR	-29%	VNM	75.02	DLR	62%	KSQ	-40%	SHB	29.63
SSC	43%	HOT	-27%	SBT	71.84	VFR	55%	DPS	-38%	SCR	24.84
CIG	40%	KTB	-27%	VIC	68.55	PSC	54%	CTN	-33%	DBC	20.05
SBT	32%	PGD	-27%	FLC	63.74	DC4	48%	SPI	-31%	CTX	18.62

  

DTT	Do Thanh Technology Corporation	MSN	Masan Group	SGH	Saigon Hotel Corporation
DHM	Duong Hieu Trading and Mining JSC	VNM	Vietnam Dairy Products JSC	KSQ	Quang Anh Mineral Joint Stock Company
SSC	Southern Seed JSC	SBT	Sucrerie De Bourbon Tay Ninh	DPS	Soc Son Development Investment JSC
CIG	Coma18 Joint Stock Company	VIC	VINCOM JSC	CTN	Underground Works Construction JSC
SBT	Sucrerie De Bourbon Tay Ninh	FLC	FLC Group	SPI	Stone Company Spilit
SVT	Sai Gon Vien Dong Technology Joint Stock Company	DST	Nam Dinh Educational Book and Equipment JSC	TIG	Thang Long Invest Group JSC
HAR	An Duong Thao Dien Real estate Trading Investment JSC	DLR	Da Lat Real Estate Joint Stock Company	SHB	SaHaBank
HOT	Hoi An Tourist Holding Company	VFR	Transport and Chartering Corporation	SCR	SacomReal JSC
KTB	Tay Bac Mineral Investment JSC	PSC	Sai Gon Petrolimex Transportation and Service	DBC	Bac Ninh Agricultural Products JSC
PGD	Petrovietnam Low Pressure Gas Distribution Co	DC4	DIC No.4 JSC	CTX	Vietnam Investment Construction and Trading JSC

## Vietnam's FDI pledges dip, but actual inflows jump in 2015

Foreign investors in 2015 pledged to invest a total of \$15.58 billion in Vietnam, a drop of 0.4 percent from the previous year, a government agency said on Wednesday. The actual foreign direct investment (FDI) inflow, however, jumped 17.4 percent this year to a record of \$14.5 billion, the Foreign Investment Department said in a report. The figures from the agency, under the Planning and Investment Ministry, confirmed earlier government data. Nearly 70 percent of the new investment pledges are for the processing industry, followed by the energy and property sectors, the report said. South Korea retains its ranking as the biggest foreign investor in Vietnam, followed by Malaysia, the report said. Major projects include an increase of \$3 billion to display module production by a unit of Samsung Electronics and the \$2.4 billion coal-fired power plant to be built by Malaysian firm Janakuasa. Earlier on Wednesday, the government published a list of 17 business sectors that are open to foreign investors, with some conditions, in a bid to improve the investment environment. FDI inflows, along with overseas remittances, are important sources of foreign exchange for Vietnam to help stabilise the currency, the dong, and to offset the country's trade deficit, estimated at \$3.17 billion this year. Vietnam reverted to a deficit in its trade balance this year after three years of surpluses. The trade deficit is expected to widen to between \$4 billion and \$6 billion in 2016, based on projections by a government think tank and the trade ministry. Overseas remittances are forecast to rise 7.7 percent next year to \$14 billion, the National Financial Supervisory Commission said in a report released earlier this week. *Thanhniennews*

## Economic Data (\*)

	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Industrial Production (YoY)	17.50%	7.00%	9.10%	9.50%	7.50%	11.10%	11.30%	9.00%	10.10%	8.80%	8.90%	9.00%
Retail Sales (YoY)	13.00%	11.60%	9.40%	7.10%	9.30%	9.20%	12.30%	10.10%	9.70%	6.70%	6.60%	9.00%
Consumer Price Index (MoM)	-0.20%	-0.05%	0.15%	0.14%	0.16%	0.35%	0.13%	-0.07%	-0.21%	0.11%	0.07%	0.02%
Consumer Price Index (YoY)		0.34%	0.93%	0.99%	0.95%	1.00%	0.90%	0.61%	0.00%	0.00%	0.34%	0.60%
Export Value (YoY)	9.70%		4.20%	6.60%	9.00%	16.60%	10.80%	9.50%	12.80%	2.70%	7.90%	10.40%
Import Value (YoY)	35.50%		7.40%	19.30%	13.00%		14.80%	18.70%	9.90%	4.00%	14.40%	5.20%
Trade Balance (USDbn)	0.50	(0.50)	1.80	1.20	0.00	0.80	(0.50)	0.30	0.20	0.30	(0.26)	0.30
Disbursed FDI (USDbn)	0.50	0.70	1.85	1.15	0.75	1.35	1.00	1.20	1.20	2.10	1.40	1.30
Net foreign portfolio investment (USDm)	-8.42	54.57	-43.11	84.80	64.15	71.28	34.66	-36.00	46.00	51.80	-17.03	-94.75
<b>Accumulated</b>	<b>1M-15</b>	<b>2M-15</b>	<b>3M-15</b>	<b>4M-15</b>	<b>5M-15</b>	<b>6M-15</b>	<b>7M-15</b>	<b>8M-15</b>	<b>9M-15</b>	<b>10M-15</b>	<b>11M-15</b>	<b>12M-15</b>
GDP (YoY)			6.03%			6.28%			6.50%			6.68%
Industrial Production (YoY)	17.50%	12.00%	9.10%	9.40%	9.20%	9.60%	9.90%	9.90%	9.80%	9.70%	9.70%	9.80%
Retail Sales (YoY)	13.00%	11.40%	10.00%	8.80%	9.10%	9.80%	9.90%	10.10%	9.80%	9.60%	9.40%	9.50%
Export Value (YoY)	9.70%	8.60%	6.90%	8.20%	7.30%	9.30%	9.50%	9.00%	9.60%	8.50%	8.30%	8.10%
Import Value (YoY)	35.50%	16.30%	16.30%	19.90%	15.80%	17.70%	16.40%	16.40%	15.90%	14.30%	13.70%	12.00%
Trade Balance (USDbn)	0.50	0.00	1.80	3.00	3.00	3.80	3.30	3.60	3.80	4.10	3.84	4.14
Disbursed FDI (USDbn)	0.50	1.20	3.05	4.20	4.95	6.30	7.30	8.50	9.70	11.80	13.20	14.50
Net foreign portfolio investment (USDm)	8.42	62.99	19.88	104.68	168.83	240.11	274.77	238.77	284.77	336.57	319.54	224.79
<b>Yearly data</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>								
GDP	5.89%	5.03%	5.42%	5.98%								
Industrial Production	6.80%	4.80%	5.90%	7.60%								
Retail Sales	24.20%	16.00%	12.60%	10.60%								
Consumer Price Index	18.58%	9.21%	6.60%	4.09%								
Export Value	33.3%	18.30%	15.40%	13.60%								
Import Value	24.7%	7.10%	15.40%	12.10%								
Trade Balance (USDbn)	(9.50)	0.30	0.90	0.18								
Disbursed FDI (USDbn)	11.00	10.50	11.50	12.40								
Net foreign portfolio investment (USDm)	322.69	497.79	310.06	139.72								
Credit growth	10.90%	6.45%	12.51%	12.62%								
Money supply growth	12.37%	19.85%	16.13%	15.99%								

(\*)

- Data sourced directly from GSO (General Statistics Office). Inconsistencies may arise due to unpublished adjustments to past records.
- Monthly data represents estimate at current month end. Accumulated data represents actual data of previous months plus estimate data of current month

## Market capitalisation of stock market reaches over US\$59.15 billion

Chair of the State Securities Commission (SSC) Vu Bang said that in 2015, the market capitalisation of the stock market reached more than \$59.15 billion, equivalent to 34 percent of GDP with the average transaction scale at about \$221.61 million per session. The aforementioned information was given at the conference of the securities industry on summing up the 2015 and implementation of tasks in 2016 on December 18. As per SSC's report, as of December 2015, on Hochiminh City Stock Exchange (STC) and Hanoi Stock Exchange (HNX), there were 682 shares and fund certificates with total listed value following par value at \$23.57 billion, up 24 percent compared to 2014 and 571 stock codes with total listed value of \$31.65 billion, up five percent compared with the end of 2014. The total capital mobilisation value in January-November touched more than \$9.11 billion, down nine percent year-on-year in which, the issuance of shares and equitisation was \$1.07 billion (up 46.6 percent compared with 2014). The production and business situation of listed companies have improved significantly. In January-September, the total sales increased 5.9 percent, the total profits after tax rose 17.5 percent year-on-year. The restructuring of securities companies continued to be pushed with 81 brokers operating normally (down about 23 percent). The number of investors' accounts were 1.5 million units (up 105,000 accounts compared to the end of 2014), in which accounts of foreign investors were 17,644 units (up 5.44 percent). So far, seven companies have carried out restructuring, and 43 companies are operating normally. In 2015, SSC licensed to establish two open securities investment funds, three member securities investment funds, approved the first real estate securities fund, bringing the total number of securities funds operating in the market to 30. In 2016, the SSC will continue implementing effectively the in-depth development and completes the restructuring of stock market, enhancing market transparency and developing new products, stimulating demand, widening domestic and foreign capital inflows, preparing to operate derivative securities market; enhancing international integration, deploying effective implementation of international commitments and solutions to upgrade Vietnam's stock market.

Intellasia

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## **A glance at Vietnam's economy in 2015**

The National Financial Supervisory Commission (NFSC), the economic advisor to the Vietnamese government, has prepared a report to review the country's economy in 2015, which has witnessed many positive improvements in the face of challenges. Achievements Vietnam's economy has obviously improved in 2015, with a GDP growth rate of 6.68 percent, exceeding the official target of 6.2 percent, according to the report. The industrial production index, which indicates the real output of the country's manufacturing, increased 9.8-10 percent from a year earlier, while the number of newly-established companies also rose 26.6 percent against 2014. The total registered capital of the new businesses in 2015 was also 39.1 percent higher than last year, the report said without giving details. Total retail sales of consumer goods surged about 10.6-10.8 percent, the fastest pace in five years. This year Vietnam has managed to stabilise the macro-economy and control inflation at a low level, according to the NFSC. Vietnam's inflation was kept at 0.6 percent, the lowest since 2001. The Southeast Asian country's Incremental Capital-Output Ratio (ICOR) also dropped to 4.62 in 2015, compared to the 5.2 recorded in 2014, 5.6 in 2013 and 6.4 in 2008-12. ICOR is the ratio of investment to growth which is equal to one divided by the marginal product of capital. The higher the ICOR is, the lower the productivity of capital or the marginal efficiency of capital. The banking system restructuring plan also resulted in stable liquidity, healthy credit growth and fewer short-term loans. While short-term lending accounted for as much as over 50 percent of the total outstanding loans in 2011-13, the proportion narrowed to 45.1 percent at the end of the third quarter of this year, according to the NFSC. Credit growth in 2015 topped 18 percent, much higher than the 14.2 percent a year earlier. The year 2015 has also seen Vietnam improve its rankings in the World Economic Forum's competitiveness index for the second year in a row. While the Southeast Asian country stood at the 75th place in the 2013 report, the respective rankings in 2014 and 2015 were 70th and 68th. In the "Doing Business 2016: Measuring Regulatory Quality and Efficiency" report released by the World Bank in October, Vietnam also jumped three notches to the 90th place, after going from 99th to 93rd in the previous rankings. According to the NFSC, these improvements are attributable to the implementation of the new law on enterprises and the amended law on investment, as well as solutions set out in the government's Resolution No.19. The resolution, issued in March 2015, shows the government's aspiration to improve Vietnam's business environment to match regional leaders in 2015-16. In 2015, Vietnam also signed four significant trade pacts, which all help expand the country's export markets. The deals include the Trans-Pacific Partnership (TPP) agreement with the US and ten other nations in the Pacific Rim, the free trade agreement with the Russia-led Eurasian Economic Union, and the trade accords with the Europe Union and South Korea. The trade pact between Vietnam and South Korea came into effect on December 20, whereas both the trade deals with the EEU and EU are scheduled for implementation in 2018. The TPP, meanwhile, is pending ratification by 12 member nations before entering into force. The process is expected to begin in Vietnam in mid-2016. Even though the economic picture of Vietnam in 2015 has been quite bright, the NFSC noted that there are still many difficulties, especially in regard to the state budget. This year proved tough for small businesses, particularly those with a registered capital smaller than US\$446,429, as firms in this category topped the list to go bankrupt, cease operations or be dissolved in 2015, according to the report. In the meantime, domestic firms were outplayed by foreign counterparts, with the former experiencing a 2.6 percent drop in export turnover and the latter enjoying an 11.5 percent surge. Vietnam's state revenue was severely hurt by the collapse of oil prices, as the budget collection fell 34 percent short of its target. The government suffered a budget deficit equal to five percent of its GDP, whereas public debts are forecast to make up 61.3 percent of the gross domestic product in 2015. Vietnam caps its sovereign debt at 65 percent of GDP.

*Tuoitrenews*

## **Industrial production index sees five-year record increase**

Vietnam's industrial production index increased 9.8 percent in 2015, the biggest expansion in the past five years, according to the general Statistical Office (GSO). Power production and distribution posted the highest increase at 11.4 percent, followed by processing and manufacturing sector with 10.6 percent, water supply, wastewater and garbage treatment – 7.4 percent and mining – 6.5 percent. In terms of industries, production of electronic products, computers and optical products went up by 37 percent, motorised vehicle 26.7 percent; leather and related products 17.4 percent, and textile 13.9 percent. As to localities, Thai Nguyen saw the biggest expansion of industrial production index with 97 percent, followed by Quang Nam – 35.3 percent, Hai Phong – 16.6 percent, Da Nang – 12.9 percent, Binh Duong – 10.9

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percent, Dong Nai – 8.6 percent. Hanoi registered a 8.2 percent and HCM City – 7.9 percent. The inventory index of the processing and manufacturing industry as of December 1 increased 7.4 percent from last month and 9.5 percent from one year ago, compared to an increase of 10 percent at the same time of last year. While electricity equipment, metal, furniture and paper production saw reductions or lower growth in inventory index, high increases were seen in the inventory index of electronic products, computers, optical products, beverage, leather and relevant product, motorised vehicles, garment, rubber, plastic, drug and pharmaceuticals. The number of employees working in industries as of December 1, 2015, increased 1.1 percent from last month and 6.4 percent from the previous year. Of which, the workforce in the State sector increased by 1.3 percent, private enterprises 4.6 percent and foreign-invested enterprises 8 percent. VNA

### **Vietnam successfully manages monetary policy**

The Vietnamese government's flexible monetary policy contributed greatly to Vietnam's macro-economic stability and socio-economic development. In 2015, the Vietnamese government pursued a proactive and flexible monetary policy to stabilise the dong and the macro-economy as well as to achieve socio-economic development targets. This year, Vietnam achieved positive results concerning payment, interest rates, and exchange rates. In 2015, the State Bank of Vietnam implemented a flexible adjustment of exchange rates. This year, exchange rates fluctuated drastically following the devaluation of the Chinese yuan and the US Federal Reserve's raising the interest rate of the USD. One day after the Chinese yuan was devalued on August 11, Vietnam adjusted the VND/USD exchange rate margin from 1 percent to 2 percent. One week later, to regulate the market and reduce negative impacts of the FED's possible increase of interest rates, on August 19, Vietnam adjusted the average inter-bank VN/USD exchange rate 1 percent and expanded the exchange rate margin to 3 percent. As a result, exchange rates and the forex market were stabilised. Vietnam's gold market remained stable reflecting the effectiveness of the market management solutions of the State Bank of Vietnam. Efforts to deal with bad debts have proved successful. The bad debt ratio of the Vietnamese banking system slid to 2.72 percent at the end of November 2015. In 2015 credit growth reached 18 percent, with the money supply increasing 13.55 percent as of December 21 and deposits rising 13.59 percent, enabling credit institutions to provide credit capital for the economy. The average interest rate was reduced about 0.2-0.5 percent per year, supporting business production and ensuring stability in the currency and foreign exchange market. Huynh Van Tiep is a National Assembly deputy for Can Tho city: "The State Bank managed to ensure the stability of the gold market and the interest rates. The exchange rates were stabilised and foreign currency reserves and credit growth increased, helping to stabilise and promote business and production activities". Success in implementing the monetary policy helped Vietnam stabilise its macro-economy, control inflation – CPI increased 0.63 percent, the lowest rate since 2002 – and achieve economic growth of more than 6.5 percent. The tight but flexible monetary policy contributed to achieving the targets of macro-economic stability, shifting the growth model, and improving investment effectiveness and productivity. Doctor Nguyen Tri Hue, a Banking Finance expert, says: "The State Bank of Vietnam managed to maintain a low inflation rate this year. This is a great achievement. Effectively controlling inflation will promote economic growth. I believe the State Bank of Vietnam will have more programmes and plans to promote economic growth and control inflation in the near future". Vietnam is likely to face three major challenges in implementing its monetary policy next year: capital pressure, exchange rate management, and the bond market's impact on interest rates. In 2016, the State Bank of Vietnam plans to strengthen its management of the forex and gold market to prevent the dollarisation of export payments and promote e-payments. These solutions aim at realising the National Assembly's target of keeping inflation below 5 percent and achieving an economic growth rate of 6.7 percent. deputy Governor of the State bank of Vietnam Nguyen Thi Hong said: "We will closely follow market developments, strengthen inflation control and mobilise all necessary tools and solutions to ensure macro-economic stability. Because Vietnam has signed several trade agreements, the Banking sector will support enterprises' integration by expanding financial services". In 2015, the success of the monetary policy contributed greatly to Vietnam's economic growth and created a momentum for Vietnam to achieve more sustainable growth next year. *Vietnamnet*