

HOSE (Ho Chi Minh Stock Exchange)		HNX (Hanoi Stock Exchange)	
<b>Index</b>	<b>569.6</b>	<b>Index</b>	<b>83.23</b>
Percentage change (weekly)	1.39%	Percentage change (weekly)	4.63%
Percentage change (year-to-date)	12.87%	Percentage change (year-to-date)	22.69%
52-week high	640.8	52-week high	91.5
52-week low	518.2	52-week low	72.5
<b>Liquidity</b>		<b>Liquidity</b>	
Total weekly trading volume (shares)	654,120,773	Total weekly trading volume (shares)	288,950,843
Total weekly trading value (million USD)	445.78	Total weekly trading value (million USD)	143.18
Average 52-week trading value (million USD)	448.57	Average 52-week trading value (million USD)	2418.52
<b>Foreign investor activity</b>		<b>Foreign investor activity</b>	
Buying value (million USD)	60.31	Buying value (million USD)	4.41
Selling value (million USD)	43.87	Selling value (million USD)	2.56
Net buy (million USD)	16.45	Net buy (million USD)	1.85

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)
GTT	28%	CIG	-18%	FLC	41.46	SHN	43%	OCH	-27%	FIT	10.86
KTB	23%	SC5	-17%	CII	28.19	HHG	30%	MIM	-22%	SHB	8.25
ITD	21%	PAC	-17%	VIC	17.81	AMV	26%	CCM	-18%	PVS	6.15
NVT	17%	ST8	-17%	HHS	17.32	ASA	24%	C92	-17%	SCR	5.68
PNC	16%	PTB	-15%	SSI	14.29	SHN	20%	HDA	-16%	VCG	5.44

GTT	Thuan Thao JSC	FLC	FLC Group	OCH	Ocean Hospitality and Services JSC
KTB	Tay Bac Mineral Investment JSC	CII	Ho Chi Minh City Infrastructure Investment JSC	MIM	MIMECO JSC
ITD	Innovative Technology Development Corporation	VIC	VINCOM JSC	CCM	Cantho Cement JSC
NVT	Ninh Van Bay Real Estate Joint Stock Company	HHS	Hoang Huy Group	C92	Engineering Construction JSC No 492
PNC	Phuong Nam Cultural JSC	SSI	SaiGon Securities Inc.	HDA	Dong A Paint
CIG	Coma18 Joint Stock Company	SHN	Ha Noi General Investment JSC	FIT	F.I.T Investment Joint Stock Company
SC5	Construction JSC No 5	HHG	Hoang Ha JSC	SHB	SaHaBank
PAC	Dry Cell and Storage Battery JSC	AMV	Dong A Paint	PVS	Petroleum Technical Services Corporation
ST8	Sieu Thanh JSC	ASA	SANA WMT JSC	SCR	SacomReal JSC
PTB	Phu Tai JSC	SHN	Ha Noi General Investment JSC	VCG	Vietnam Construction and Import-Export JSC

### Foreign investors net buy over \$66.5m in May

Trading of foreign investors has made positive contribution when the net buying trend was maintained in both stock exchanges. In the last week of May, although the trading of foreign investors slowed down, the net buying of hundreds of billion dong was kept unchanged. In the last week of May, foreign investors net bought in five sessions in a row. In general, they bought an overall 41.55 million shares with a total value of \$59 million, down by 21.4 percent in volume and 31.45 percent in value compared to the previous week. Foreign investors net sold 28.49 million shares, with total value of \$42.9 million, down by 23.75 percent in volume and 37.56 percent in value compared to the previous week. In total, foreign investors net bought 13.06 million shares, with total value of \$16.1 million, down by 15.74 percent in volume and 13.55 percent in value against the previous week. Meanwhile, on Hanoi Stock Exchange (HNX), foreign investors net bought in four consecutive sessions and net sold in only one session on Monday. Overall, throughout the week, foreign investors bought 6.74 million shares with total value of \$4.3 million, down by 36.25 percent in volume

and 45.95 percent in value compared to the previous week. They sold 5.18 million shares with total value of \$2.5 million, up by 5.32 percent in volume but down by 7.64 percent in value compared to the previous week. Overall, foreign investors net bought 1.56 million shares in HNX, equivalent to a total value of \$1.8 million, down by 72.46 percent in volume and by 65.68 percent in value compared to the previous week. On both the stock exchanges, foreign investors net bought 14.61 million shares, with total value of \$17.9 million, down by 30.92 percent in volume and 25.06 percent in value compared to the previous week. Overall, in May, foreign investors net bought 56.16 million shares, down by 39.39 percent against the previous month (92.66 million shares). The total net buying value was \$64.22 million, equivalent to over 66.5 million US dollars, down by 24.18 percent compared to the previous month (\$84.73 million). *DTCK*

## Economic Data (\*)

	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15
Industrial Production (YoY)	4.70%	6.00%	5.90%	6.10%	7.50%	6.70%	8.60%	7.90%	11.10%	9.60%	17.50%	7.00%
Retail Sales (YoY)	10.10%	11.20%	13.50%	15.20%	10.32%	9.80%	9.10%	10.70%	12.20%	8.60%	13.00%	11.60%
Consumer Price Index (MoM)	-0.44%	0.08%	0.20%	0.30%	0.23%	0.22%	0.40%	0.11%	-0.27%	-0.24%	-0.20%	-0.05%
Consumer Price Index (YoY)	4.39%	4.45%	4.72%	4.98%	4.94%	4.31%	3.62%	3.23%	2.60%	1.84%		0.34%
Export Value (YoY)	14.60%	23.20%	3.50%	10.20%	7.70%	10.30%	12.30%	5.50%	10.60%	13.50%	9.70%	
Import Value (YoY)	12.20%	16.10%	0.90%	14.10%	13.60%	14.30%	14.50%	8.80%	23.10%	15.50%	35.50%	
Trade Balance (USDbn)	(0.20)	0.80	(0.40)	(0.02)	(0.10)	1.10	(0.60)	0.00	0.40	(1.10)	(0.40)	0.30
Disbursed FDI (USDbn)	1.74	1.15	0.60	1.15	1.05	1.10	1.00	1.30	1.00	1.20	0.50	0.70
Net foreign portfolio investment (USDm)	-101.72	81.97	122.40	91.19	-12.51	-13.18	-53.77	-66.58	-44.49	-3.46	-8.42	54.57
<b>Accumulated</b>	<b>3M-14</b>	<b>4M-14</b>	<b>5M-14</b>	<b>6M-14</b>	<b>7M-14</b>	<b>8M-14</b>	<b>9M-14</b>	<b>10M-14</b>	<b>11M-14</b>	<b>12M-14</b>	<b>1M-15</b>	<b>2M-15</b>
GDP (YoY)	5.09%			5.18%			5.62%			5.98%		
Industrial Production (YoY)	5.20%	5.40%	5.60%	5.80%	6.20%	6.30%	6.70%	6.90%	7.50%	7.60%	17.50%	12.00%
Retail Sales (YoY)	10.20%	10.50%	11.00%	10.70%	11.40%	11.40%	11.10%	11.10%	11.10%	10.60%	13.00%	
Export Value (YoY)	14.10%	16.90%	15.40%	14.90%	14.10%	14.10%	14.10%	13.40%	13.70%	13.60%	9.70%	8.60%
Import Value (YoY)	12.40%	13.70%	9.60%	11.00%	11.40%	12.00%	11.10%	11.20%	12.60%	12.10%	35.50%	16.30%
Trade Balance (USDbn)	1.10	2.00	1.60	1.58	1.48	2.58	1.98	1.58	1.28	(1.10)	(0.40)	(0.10)
Disbursed FDI (USDbn)	2.85	4.00	4.60	5.75	6.80	7.90	8.90	10.20	11.20	12.40	0.50	1.20
Net foreign portfolio investment (USDm)	38.15	120.12	242.52	333.71	321.20	308.02	254.25	187.67	143.18	139.72	-8.42	46.15
<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)	0.28	0.86	2.00								
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

## Jan-May trade deficit put at \$3.7b

Figures of the general Department of Customs showed Vietnam had run a trade deficit of \$3.7 billion, or 6.58 percent of total exports, in the year to May 15 despite a pickup in exports. The trade deficit in the first half of this month was \$1.87 billion, according to the department. The nation's foreign trade had totaled \$116 billion as of May 15, up 13.6 percent from the same period a year earlier. The figure in the first half of May was \$14.5 billion. Exports had hit almost \$57 billion by the middle of May, rising 8.6 percent (nearly \$4.43 billion) year-on-year. However, outbound sales in the

*This newsletter is prepared by OIA for Oriental Partners. It should be used for reference only.*

*OIA is not responsible for any investment decisions based on it.*

*For further information, please e-mail us at [vietnam@orientaladvisors.com](mailto:vietnam@orientaladvisors.com)*

first two weeks of this month fell 9.6 percent versus the second half of April to nearly \$6.32 billion due to falling shipments of phones and spare parts (down \$264 million), crude oil (down \$92 million), garment and textile (down \$84 million), wood and wood products (down \$40 million) and vegetables (down nearly \$38 million). Meanwhile, imports in the year to May 15 had increased 18.7 percent year-on-year to some \$59.8 billion. The figure in the first half of May was around \$8.2 billion, surging 34.6 percent from the second half of April. Imports of machines and equipment had gone up by \$428 million, computer and electronic products up \$314 million, cloth up \$215 million, plastic material up \$126 million, and steel and iron up \$106 million. *SGT*

### **HSBC Vietnam Manufacturing PMI(TM): Output rises sharply amid record growth of new work**

Growth in the Vietnamese manufacturing sector gathered pace in May, with rising client demand leading to record growth of output and new orders. The rate of job creation also picked up pace during the month. Meanwhile, input costs increased for the first time in seven months, but firms continued to lower their output prices. The headline seasonally adjusted Purchasing managers' Index(TM) (PMI(TM)) – a composite indicator designed to provide a single-figure snapshot of operating conditions in the manufacturing economy – rose for the second month running to 54.8 in May, from 53.5 in April. The marked improvement in operating conditions signalled by the latest reading was the strongest since the series began in April 2011. Business conditions have now improved in each of the past 21 months. Central to the marked strengthening of the sector's health was a record increase in new business. Respondents indicated that the rise mainly reflected a greater need for products among customers. New export orders also rose, albeit at a much weaker pace than seen for total new business. As client demand increased, manufacturers raised production accordingly. As a result, output increased for the twentieth month in a row, and at the strongest pace in the series history. Firms were able to increase output partly as a result of a second successive month of job creation in May. Employment rose solidly, and at the sharpest pace since January. There was still evidence of pressure on capacity in the latest survey, however, as backlogs of work accumulated for the first time in five months. Panellists largely attributed higher outstanding business to sharp growth of new orders. After having fallen in each of the previous six months, input costs at Vietnamese manufacturing firms rose. Higher oil and electricity prices, as well as a weakening of the dong against the US dollar, were mentioned by respondents as factors leading input costs to increase. That said, the rate of inflation was relatively modest and firms continued to lower their output prices amid competitive pressures. Charges have now decreased in each of the past eight months. Rising production requirements led manufacturers to increase their input buying. Purchasing activity expanded sharply, and at the fastest pace in the series history. This contributed to a second successive monthly accumulation of stocks of purchases, with the expansion also the fastest recorded in just over four years of data collection so far. Suppliers' delivery times lengthened marginally as panellists mentioned limited stock holdings at vendors. This was despite some reports that quick payments had led to faster deliveries. Delays in the dispatch of products to clients contributed to an accumulation of stocks of finished goods in May, while strong output growth was also cited as a factor leading to increased post-production inventories. Commenting on the Vietnam Manufacturing PMI(TM) survey, Andrew Harker, Senior Economist at Markit said: "The Vietnamese manufacturing sector gained further momentum in May and growth rates are now the best we have seen in the four years of data collection so far. "Central to the recent success of firms in Vietnam has been their ability to secure new work in a competitive environment, and the recent 1 percent devaluation of the dong against the US dollar by the State Bank of Vietnam should help efforts to maintain international competitiveness. On the other hand, some firms did report a rise in costs as a result of the weaker currency, leading to a first rise in input prices in seven months." *Intellasia*

### **Retail, service revenue increases by 9.1 per cent**

Retail sales and service revenue in the first five months of the year totalled \$60.67 billion), according to the general Statistical Office (GSO). The figure represents a 9.1 per cent increase on the year, the GSO said, adding that it rose 8.2 per cent excluding inflation. Retail sales in the past five months accounted for 75 per cent of the sector's total revenue, reaching \$46.37 billion. The hospitality sector saw an 11.2 per cent increase in revenue, or \$6.78 billion), owing to the increased spending during the long holiday. Meanwhile, the tourism sector, which is valued at \$0.5 billion, fell 11.8 per cent. Purchasing power growth stood at around 8 per cent in the first five months. It increased, inflation excluded, 9.2 per cent in March, 10.7 per cent in February and 11.9 per cent in January. The growth of purchasing power has declined and stood at 8 per cent in April and May. GSO statistician Vu Manh Ha said these indices do not reflect real purchasing power, because they are calculated based on the consumer price index (CPI). The CPI has been fluctuating. It decreased in January and February, but increased again by 0.15 per cent in March, 0.14 per cent in April and 0.16 per cent in May. But the money inflow of consumption and services did not fluctuate much. *Vietnamnews*

### **Foreign capital disbursements higher than pledged capital**

Foreign direct investment (FDI) disbursements have surpassed fresh approvals in the first five months of this year as shown by the latest report of the Foreign Investment Agency (FIA). The agency under the Ministry of Planning and Investment put disbursed FDI capital in the year to May 20 at \$4.95 billion, rising 7.6 percent year-on-year and over \$660 million higher than FDI pledges in the same period. Capital registered for fresh FDI projects has remained low this year as no large projects have been licensed this month. According to FIA, cities and provinces had approved 592 FDI projects with total registered capital of \$2.95 billion as of May 20, down 19.4 percent compared to the same period last year. Besides, 210 FDI enterprises had registered an additional \$1.34 billion for their operational projects, dropping 27.1 percent over a year ago. In all, foreign companies had pledged a total of \$4.29 billion for their fresh and operational projects from January to May 20, down 22 percent year-on-year. Experts said that a decline in fresh FDI, foreign enterprises had disbursed more capital in the period, indicating investor confidence in Vietnam's prospects. FIA is still optimistic about FDI results this year as the registered capital of big-ticket projects licensed in previous years is being disbursed quickly. Last week, South Korea's technology giant Samsung started work on a complex worth at least \$1.4 billion to manufacture household appliances and other products at Saigon Hi-Tech Park in HCM City's District 9. FDI disbursements are a better reflection of the investment situation in Vietnam than registered capital, according to investment authorities and analysts. In previous years, realised capital was low while approvals were high. Many multi billion-dollar projects were canceled years as their investors failed to mobilise capital. Companies from 47 countries and territories have set up shop in Vietnam this year. South Korea took the lead with fresh and additional capital pledges totalling \$1.1 billion, 25.7 percent of the total. The northeast Asian country was followed by British Virgin Islands with \$663.24 million (15.4 percent), Turkey with \$660.2 million and Japan with \$431.7 million. The period saw foreign companies investing in 14 sectors in Vietnam. Of these, the manufacturing-processing industry attracted 269 new projects and had 142 projects with increased capital of \$3.15 billion (73.4 percent). The property sector ranked second with fresh and additional capital of \$461.5 million (10.7 percent) and the wholesale-retail sector took the third place with \$234.12 million, according to FIA. In addition to high FDI disbursements, foreign-invested enterprises have performed well this year, FIA said. Exports of the FDI sector, inclusive of crude oil, have picked up 12.2 percent to \$44.37 billion so far this year, accounting for 70 percent of the nation's total. Meanwhile, the sector imported \$39.67 billion worth of materials and equipment, up 23.2 percent and equivalent to 67 percent of the national import. Overall, the sector has enjoyed a trade surplus of \$4.69 billion in January-May. *SGT*