

HOSE (Ho Chi Minh Stock Exchange)		HNX (Hanoi Stock Exchange)	
Index	581.8	Index	85.52
Percentage change (weekly)	-0.50%	Percentage change (weekly)	-1.81%
Percentage change (year-to-date)	15.29%	Percentage change (year-to-date)	26.06%
52-week high	640.8	52-week high	91.5
52-week low	518.2	52-week low	76.0
Liquidity		Liquidity	
Total weekly trading volume (shares)	681,285,433	Total weekly trading volume (shares)	264,488,403
Total weekly trading value (million USD)	525.81	Total weekly trading value (million USD)	145.86
Average 52-week trading value (million USD)	465.99	Average 52-week trading value (million USD)	2422.76
Foreign investor activity		Foreign investor activity	
Buying value (million USD)	84.63	Buying value (million USD)	5.35
Selling value (million USD)	82.92	Selling value (million USD)	2.97
Net buy (million USD)	1.71	Net buy (million USD)	2.38

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)
TNT	37%	JVC	-28%	VIC	74.70	TET	31%	NGC	-47%	SCR	13.74
SC5	19%	KSS	-25%	FLC	50.75	DC2	30%	PSD	-41%	FIT	13.33
LHG	15%	SKG	-21%	SSI	25.53	HDA	23%	LHC	-34%	PVC	9.25
FDC	14%	ATA	-21%	MBB	19.45	BXH	18%	L44	-33%	PVS	7.58
PTC	14%	DAG	-20%	FPT	15.94	SHN	20%	PSC	-29%	VND	7.09

TNT Tai Nguyen Corporation

SC5 Construction JSC No 5

LHG Long Hau Corporation

FDC HCM City Fisheries Development Co

PTC Post and Telecommunications Investment and Construction JSC

JVC Japan Vietnam Medical Instrument Joint Stock Company

KSS Na Ri Hamico

SKG Superdong Fast Ferry Kieng Giang JSC

ATA NTACO Corporation

DAG Donga Plastic Group Joint Stock Company

VIC VINCOM JSC

FLC FLC Group

SSI SaiGon Securities Inc.

MBB Military Commercial Joint Stock Bank

FPT FPT Corporation

TET Northern Textiles And Garments Joint Stock Company

DC2 Investment & Development No 2 Company

HDA Dong A Paint

BXH Haiphong Cement Packing JSC

SHN Ha Noi General Investment JSC

NGC Ngo Quyen Export Seafood Processing JSC

PSD Petrovietnam General Distribution Services JSC

LHC Lam Dong Investment Hydraulic Construction JSC

L44 Lilama 45.4 Joint Stock Company

PSC Sai Gon Petrolimex Transportation and Service

SCR SacomReal JSC

FIT F.I.T Investment Joint Stock Company

PVC Drilling Mud JSC

PVS Petroleum Technical Services Corporation

VND VNDirect Securities company

Credit growth improves in H1

Local banks have reported a strong improvement in first-half lending, with credit having grown 5.78 percent by June 15 compared to the end of 2014 and 18.98 percent versus the same period last year. Credit growth was around 3.69 percent at the end of April and 4.26 percent by end-May but surged by 1.5 percentage points to 5.78 percent by June 15. Banks continued to prioritise lending to the agricultural and rural sector as total outstanding loans in this sector were estimated to edge up 7.71 percent against late 2014. VPBank Securities Co. (VPBS) said in a report that credit rose around 6.1 percent as of June 18 and roughly 3.5 percent year-on-year. Credit for the real estate sector had grown 10.9 percent as of May 31. The brokerage noted some banks such as HDBank, DongABank, Eximbank and PGBank had revised up their short-term deposit rates in dong. The rate spikes came a few days after some larger lenders such as BIDV, Vietcombank and Agribank adjusted up their short-term deposit rates by 0.1-0.3 percentage point. This might have resulted from high credit growth, VPBS said. According to the National Financial Supervisory Commission, deposit

rates were poised to inch up as the pickup of deposits had been lower than credit growth last month. Short-term rates on the inter-bank market also moved up by an average of 0.5 to 0.7 percentage point compared to the previous month, indicating a recovery of capital demand. The second reason might be an imbalance between deposit and lending sources. The ratio of medium to long-term loans to total outstanding loans rose to 52-55 percent at the end of May compared to 48 percent last year. Short-term loans accounted for less than 50 percent. The dong devaluation against the greenback has stoked speculative capital flow into exchange rate investments instead of bank deposits. Therefore, higher deposit rates would attract depositors back to banks. "Also, we note that the central bank has net withdrawn over US\$2.3 billion from the open market operations (OMO) from early May, resulting in commercial banks lacking in short-term liquidity," said VPBS. In theory, raising deposit rates will lead to a rise in lending rates. However, with Directive 01/CT-NHNN issued in January 2015, the central bank requires commercial banks to reduce lending rates for mid to long-term loans. The rising demand for capital suggests positive signs of the economy, but this situation will possibly squeeze profits of commercial banks, if they keep raising deposit rates while cutting or maintaining lending rates, VPBS added. Since the end of May, a number of commercial banks have added 0.2-0.5 percentage point to deposit rates for tenors of six months or longer to meet rising demand for medium- and long-term loans. A banker told the Daily that some banks are offering higher interest rates for deposits to compete with others and retain customers, not just because of stronger capital needs. A deputy general director of a commercial joint stock bank shared the same view, saying his bank plans to increase deposit rates but not because of higher demand for capital. "As some banks have revised up their deposit rates, customers have asked us for higher interest rates," he said. SGT

Economic Data (*)

	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15
Industrial Production (YoY)	7.50%	6.70%	8.60%	7.90%	11.10%	9.60%	17.50%	7.00%	9.10%	9.50%	7.50%	11.10%
Retail Sales (YoY)	10.32%	9.80%	9.10%	10.70%	12.20%	8.60%	13.00%	11.60%	9.40%	7.10%	9.30%	9.20%
Consumer Price Index (MoM)	0.23%	0.22%	0.40%	0.11%	-0.27%	-0.24%	-0.20%	-0.05%	0.15%	0.14%	0.16%	0.35%
Consumer Price Index (YoY)	4.94%	4.31%	3.62%	3.23%	2.60%	1.84%		0.34%	0.93%	0.99%	0.95%	1.00%
Export Value (YoY)	7.70%	10.30%	12.30%	5.50%	10.60%	13.50%	9.70%		4.20%	6.60%	9.00%	16.60%
Import Value (YoY)	13.60%	14.30%	14.50%	8.80%	23.10%	15.50%	35.50%		7.40%	19.30%	13.00%	
Trade Balance (USDbn)	(0.10)	1.10	(0.60)	0.00	0.40	(1.10)	(0.40)	(1.00)	(1.40)	0.10	(1.20)	(0.70)
Disbursed FDI (USDbn)	1.05	1.10	1.00	1.30	1.00	1.20	0.50	0.70	1.85	1.15	0.75	1.35
Net foreign portfolio investment (USDm)	-12.51	-13.18	-53.77	-66.58	-44.49	-3.46	8.42	54.57	43.11	84.80	64.15	
Accumulated	7M-14	8M-14	9M-14	10M-14	11M-14	12M-14	1M-15	2M-15	3M-15	4M-15	5M-15	6M-15
GDP (YoY)			5.62%			5.98%			6.03%			6.28%
Industrial Production (YoY)	6.20%	6.30%	6.70%	6.90%	7.50%	7.60%	17.50%	12.00%	9.10%	9.40%	9.20%	9.60%
Retail Sales (YoY)	11.40%	11.40%	11.10%	11.10%	11.10%	10.60%	13.00%	11.40%	10.00%	8.80%	9.10%	9.80%
Export Value (YoY)	14.10%	14.10%	14.10%	13.40%	13.70%	13.60%	9.70%	8.60%	6.90%	8.20%	7.30%	9.30%
Import Value (YoY)	11.40%	12.00%	11.10%	11.20%	12.60%	12.10%	35.50%	16.30%	16.30%	19.90%	15.80%	17.70%
Trade Balance (USDbn)	1.48	2.58	1.98	1.58	1.28	(1.10)	(0.40)	(1.40)	(2.80)	(2.70)	(3.90)	(4.60)
Disbursed FDI (USDbn)	6.80	7.90	8.90	10.20	11.20	12.40	0.50	1.20	3.05	4.20	4.95	6.30
Net foreign portfolio investment (USDm)	321.20	308.02	254.25	187.67	143.18	139.72	8.42	62.99	106.10	190.90	255.05	
Yearly data	2012	2013	2014									
GDP	5.03%	5.42%	5.98%									
Industrial Production	4.80%	5.90%	7.60%									
Retail Sales	16.00%	12.60%	10.60%									
Consumer Price Index	9.21%	6.60%	4.09%									
Export Value	18.30%	15.40%	13.60%									
Import Value	7.10%	15.40%	12.10%									
Trade Balance (USDbn)	0.28	0.86	2.00									
Disbursed FDI (USDbn)	10.50	11.50	12.40									
Net foreign portfolio investment (USDm)	497.79	310.06	139.72									
Credit growth	6.45%	12.51%	12.62%									
Money supply growth	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

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Vietnam to End Foreign Investment Limits in Many Companies

Vietnam will eliminate limits on foreign ownership in many listed companies, a step likely to spur investment inflows and reduce market volatility. Overseas investors will be allowed to increase holdings of voting shares in a number of industries to 100 percent from 49 percent currently, according to a statement on the government's website late Friday. The decree will take effect in September. The foreign investment cap in banks will remain at 30 percent. There are about 30 companies whose foreign ownership is at the 49 percent limit, according to Hanoi-based VNDirect Securities JSC. Investors including Templeton Emerging Markets Group and Dragon Capital Group Ltd have said they've been unable to buy as many shares as they want in the market's most attractive companies. "As soon as the limits are raised, you will see a rush to buy in the blue chips," said Patrick Mitchell, the head of institutional sales at VinaSecurities JSC in HCM City. The benchmark VN Index has gained 6.6 percent this year, making it the best performer in Southeast Asia. Vietnamese regulators see foreign investment as one key to the stock market's growth. The end of investment limits is a "game-changer" that will "immediately make Vietnam the most attractive Asian frontier market," said Andy Ho, chief investment officer of HCM City-based VinaCapital, which manages about \$1.4 billion in assets. Sectors the government regards as strategic are likely to continue to have investment limits, Ho said. These include banking, telecommunications, airlines and defense. Overseas investors have bought a net \$135.6 million of Vietnam stocks in 2015 through June 25, heading for the ninth straight year of purchases, according to data compiled by Bloomberg. The nation's stocks are valued at \$58.6 billion, compared with \$558.1 billion in Singapore, the region's largest market. Greater foreign ownership and the depth created by new listings are likely to make the Vietnamese market less volatile in the future, VinaCapital's Ho said. Vietnam's gross domestic product rose 6.44 percent in the second quarter from the same period a year earlier. The government is targeting GDP growth of 6.2 percent this year, up from 5.98 percent in 2014. *Intellasia*

More than \$4b FDI capital poured into information and communications sector

As per the Foreign Investment Agency (FIA), as of May 20, 2015, there have been 1,152 FDI projects in the field of information and communications with a total registered capital of about \$4.14 billion. Investment projects in this sector accounted for 1.6 percent of the total investment of the whole country, ranking 7/18 economic sectors having FDI in Vietnam. Luxembourg is the leading country among countries and territories having investment in Vietnam in the field of information and communication with the capital amounting to \$1.04 billion allocated in two projects. Japan led in the number of projects with 329 projects and ranked the second in the total registered capital with \$807.7 million, followed by Singapore with 91 projects and \$738.8 million registered investment. HCM City attracted the most FDI in this field with 751 projects, accounting for more than half of the total registered capital with nearly \$2.3 billion. Hanoi ranked the second with 333 projects and \$1.69 billion registered capital, reckoning for 41 percent. Hai Phong ranked the third with \$57.1 million investment. In terms of the form of investment, investors mainly focused capital in business cooperation contracts with a total registered investment of about \$1.95 billion. The form of joint venture led in the number of projects with 152 projects, followed by joint stock companies and 100 percent foreign owned companies. As per FIA, in the near future, the information and communication field has many opportunities to attract more FDI as many new economic policies which is more open and flexible will officially take effect, especially the Law on Investment and the revised Law on Business, etc. These laws have loosened many regulations, facilitating foreign investors to participate in the information and communication market in Vietnam. Some typical investment projects are: the CDMA 800Mhz mobile phone network services between Vietnam Posts and Telecommunications Group (VNPT) and Hutchison Telecommunication (Luxembourg); the project on construction of new facilities, upgradation and improvement of telecommunication service between VNPT and France Cable Et Radio Vietnam Co., Ltd. Under Decision No. 337/QD-BKH of the Ministry of Planning and Investment (MOPI) on the issuance of the regulation on contents of the system of Vietnam economic sectors, telecommunications is included in the information and communications sector. *DNSG*