

# Vietnam Money News Daily

May 4, 2016

## **Economic Indicators:**

IMF Projects Vietnam Economy to Expand 6.3% This Year, 6.2% in 2017  
Vietnam Economic Growth Enters Short-term Downtrend: NFSC

## **Banking & Finance:**

Ratings on Vietnam Affirmed at 'BB-/B' with Stable Outlook: Standard & Poor's  
Vietnam Interbank Rates Rise in Apr 11-15 Week, Trading Volume up: C.Bank  
If Required Reserve Ratios Cut, VND100 Trillion Can Go to Economy: BIDV Exec  
4 Reasons behind Interest Rate Hikes in Vietnam: Economist  
Vietnam May Resume Dollar Loans for Local Firms, Boost Lending to SMEs  
Asian Banker Summit to Take Place in Hanoi on May 10-12

## **Business:**

Vietnam Biggest City Proposed Developing Affordable Housing Segment  
Vietnam to Cut Several Lines of Taxes to Facilitate Local Business  
Vietnam Hoa Lac Hi-Tech Park to Offer Preferential Policies  
Vietnam Cooking Gas Prices Rise VND5,500 a 12-kg Cylinder from May  
U.S. Companies Eye Vietnam Aviation Market

## **Trade:**

Vietnam Authorities Inspect Thai Firm about Acquisition of Metro Cash & Carry  
Russia Ratifies EAEU-Vietnam FTA  
Vietnam President Asks Danang to Boost Preparations for APEC Summit  
Ministry Plans to Open Vietnam-Cambodia-Thailand Shipping Route  
Vietnam Incurs \$78M Trade Gap with Brazil in Q1: Ministry  
Vietnam Posts \$74.66M Trade Surplus with Australia in Q1: Ministry

## **Foreign Investment:**

Trans-national Companies Put Vietnam on Global Investment Map: Economist  
Vietnam Competes against Regional Peers, India in FDI Attraction  
Vietnam Prioritizes ODA for Infrastructure, Manpower, Climate Change

## **Stock Market:**

Vietnam G-Bond Sales Fall 11.6% m/m to VND30.3 in April  
Airports Corp of Vietnam Sells Its Bad Debt at Agribank Subsidiary to DATC  
Flows to Market Vectors Vietnam ETF Flat Last Week  
Vietnam State Firms Fetch \$39M from Share Auctions on Hanoi Bourse in Apr  
Vietnam Investment Firm Buys 4M Shares of Realty Estate Firm PVL  
PetroVietnam Drilling Consolidated Net Profit Slumps 88% to \$2.5M in Q1  
PetroVietnam Offshoot PVS Consolidated Net Profit Falls 14% to \$12.6M in Q1  
Vietnam Logistics Firm GMD Consolidated Net Profit +4% to \$3M in Jan-Mar  
Vietnam Steel Maker POM Posts Consolidated Net Profit of \$1.35M in Q1  
Vietnam REE Corp Consolidated Net Profit Down 32% to \$4.4M in Jan-Mar  
Vietnam FPT Corp Consolidated Net Profit Falls 18.6% to \$15.4M in Q1  
Vietnam Baoviet Holdings Consolidated Net Profit Rises 6.7% to \$16.8M in Q1  
Vietnam Ocean Group Posts Pretax Profit of VND9.3B in Jan-Mar  
Vietnam Masan Group Consolidated Net Profit Skyrockets to VND253B in Q1

Vietnam 4<sup>th</sup> Largest Bank Posts Q1 2016 Net Profit +62% to \$81My  
 Vietnam Plastic Producer NTP to Pay Dividend of VND1,000/Share for 2015  
 Vietnam Port Operator DVP to Pay 2nd Dividend of VND5,000/Share for 2015  
 Vietnam Post Corporation to Build \$8.7M Logistics Center in Danang  
 CDH Electric Bee Sells 4.4M Shares of Vietnam No.1 Phone Retailer MWG  
 Vietnam Hydropower Firm TMP to Pay Dividend of VND2,500/Share on June 01  
 Vietnam Auto Trader HTL Net Profit Set to Fall 51% to \$2.9M in 2016  
 Vietnam Stationery Maker TLG Consolidated Net Profit Soars 72% to \$2.1M in Q1  
 Dragon Capital Chairman Hails Positive Steps by Vietnam PM  
 Trailing Net Profit of Hochiminh Bourse-listed Firms Rises 5.2% y/y in Q1  
 UPDATE: Foreigners Net Sell \$59M Worth of Vietnamese Stocks in April  
 Foreigners Net Buy \$4.1M Worth of Vietnamese Stocks on May 04  
 May 4: VN Index Rises on Rate Cuts, Earnings Reports; Likely to Re-test 600 Thur

---

<b>Forex rate</b>	Buy	Sell	<b>Gold</b>	Buy	Sell
<b>USD/VND</b>			<b>(mlnVND)</b>		
Interbank	21,828		SJC (11 am)	33.78	34.00
SBV	22,300	22,483	SJC (3 pm)	33.80	34.02
Vietcombank	22,260	22,330			
OTC	22,280	22,300			

### **Economic Indicators:**

#### **IMF Projects Vietnam Economy to Expand 6.3% This Year, 6.2% in 2017**

The U.S. television channel CNBC this week quoted the International Monetary Fund (IMF) as forecasting that Vietnam's economy will grow 6.3% this year and 6.2% in 2017, down from 6.7% last year.

Together with Thailand, Singapore and Indonesia, Vietnam would remain drivers in the Asia-Pacific region, according to the IMF.

Asia's economies may have been dragged by a slowdown in China, but they'll still power most of the world's growth, the International Monetary Fund (IMF) said Tuesday.

"Asia is impacted by the still weak global recovery, and by the ongoing and necessary rebalancing in China," said Changyong Rhee, director of the Asia-Pacific Department at the IMF, in a statement.

"But domestic demand has remained remarkably resilient throughout most of the region, supported by rising real incomes, especially in commodity importers, and supportive macroeconomic policies in many countries."

The Asia Pacific region is expected to grow at a strong 5.3% this year, accounting for nearly two-thirds of global growth, the IMF said in its Regional Economic Outlook. That

would still mark a tick down from last year's 5.4% growth. ([www.cnbc.com/](http://www.cnbc.com/) May 2, [vov.vn/](http://vov.vn/) May 4)

### **Vietnam Economic Growth Enters Short-term Downtrend: NFSC**

Vietnam's economic growth has entered a short-term downward trend after recording a 5.46% expansion in the first quarter of this year, down by 0.66 percentage point from the same period of last year, the state-run Thoi bao Ngan hàng (Banking Times) newspaper said in a report, citing the National Financial Supervisory Commission (NFSC), a government think tank.

The reasons are that aggregate supply encountered challenges such as prolonged severe droughts and salinization both hurting agricultural production, while aggregate demand was recovering more slowly, NFSC said.

Drops of global oil prices directly affected mining industry. Meanwhile, the output of mobile phones dropped 17.6% year-on-year, pushing down the processing industry, the think tank explained.

Domestic demand was weaker than that in the previous years, NFSC said, adding that the expansion of the retail sales and service revenue in Q1/2016 (if excluding price factors) dropped 1.3 percentage points from the same quarter of last year and fell 0.8 percentage point year-on-year in January-April.

NFSC noted that the growth pace peaked in Q2/2015 and entered a short-term downward trend since Q3/2015.

“To achieve economic growth of 6.7% this year, it will require big efforts and determination,” NFSC said, projecting inflation to be 3%-4% this year.

Regarding state budget, NFSC attributed the situation to drops of global oil prices and state budget incomes collected from import-export activities. ([thoibaonganhang.vn/](http://thoibaonganhang.vn/) May 4)