

VietinbankSc Industry Report

Petroleum Distribution in Vietnam

Nov 2013

Nam H. Nguyen

2 About the Industry

- 2 Industry Definition
- 2 Main Activities
- 2 Similar Industries
- 2 Additional Resources

3 Industry at a Glance

4 Industry Performance

- 4 Executive Summary
- 4 Key External Drivers
- 6 Current Performance
- 6 Industry Outlook
- 8 Industry Life Cycle

10 Products & Markets

- 10 Supply Chain
- 11 Products & Services
- 12 Demand Determinants

- 13 International Trade

- 14 Business Locations

16 Competitive Landscape

- 16 Market Share Concentration
- 17 Key Success Factors
- 17 Cost Structure Benchmarks
- 19 Basic of Competition
- 20 Barriers to Entry
- 20 Industry Globalization

21 Operating Conditions

- 21 Technology & Systems
- 21 Revenue Volatility
- 21 Regulation & Policy
- 23 Industry Assistance

24 Key Statistics

- 24 Industry Data
- 24 Key Ratios

25 Major Players

- 25 Petrolimex
- 26 PV Oil
- 27 Others

29 Glossary

About the Industry

Industry Definition

Petroleum distribution industry involves importation, wholesale and retail of products derived from crude oil such as gasoline, diesel oil, fuel oil (mazut oil), kerosene and jet fuel.

Main Activities

The primary activities of the industry are

Petroleum gathering

Petroleum import

Petroleum transportation and distribution

Petroleum export

The major products and services in this industry are

Gasoline

Diesel oil

Fuel oil (mazut oil)

Kerosene

Aviation fuel

Similar Industries

0610 Crude oil exploration

0620 Natural gas exploration

0910 Supporting services for crude oil and natural gas exploration

1920 Production of refined petroleum products in Vietnam

47735 Retail kerosene, gas and coal for household fuel for household

Additional Resources

For additional information on this industry

www.vinpa.org.vn

Vietnam Petroleum Association

www.petrolimex.com.vn

Vietnam National Petroleum Group

www.pvoil.com.vn

PetroVietnam Oil Corporation

www.moit.gov.vn

Ministry of Industry & Trade of the Socialist Republic of Vietnam

www.petrotimes.vn

Industry at a Glance

Petroleum Distribution 2013

Key Statistics Snapshot

Revenue
VND 177,828bn
Profit after tax
VND 543.41bn

Annual Growth of Oil Consumption 08-13
6.20%
Annual Growth of Oil Consumption 13-18
4.75%

Market share

Petrolimex	50.0%
PV Oil	16.6%
Saigonpetro	6.5%
Thalexim	5.3%
Mipeco	2.4%
Others	19.2%

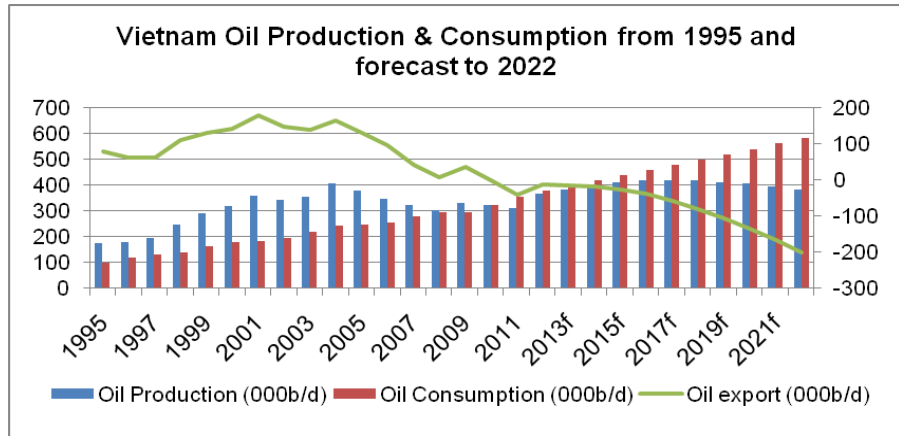
Key External Drivers

World Crude oil & Petroleum price

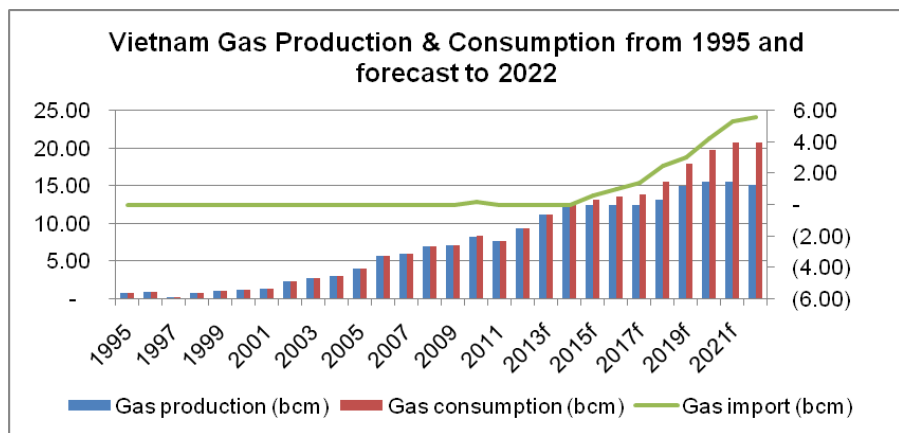
Volume of traded commodities & passengers

Total number of Vietnam Auto and Motorbikes

Electricity production



Source: www.indexmundi.com
BMI Vietnam Oil and Gas Report Q3 2013



Source: www.indexmundi.com
BMI Vietnam Oil and Gas Report Q3 2013

Industry Structure

Life Cycle Stage	Mature	Regulation Level	High
Revenue Volatility	Medium	Technology Change	Low
Capital Intensity	Medium	Barriers to Entry	High
Industry Assistance	High	Industry Globalization	Medium
Concentration Level	High	Competition Level	Medium

¹ The data were collected from the petroleum trading & distribution entrepreneurs listed in stock exchange plus Vietnam National Petroleum Group (Petrolimex) which accounts for about 50% - 55% of petroleum distribution market share.

Industry Performance

Executive Summary | Key External Drivers | Current Performance
Industry Outlook | Industry Life Cycle

Executive Summary

Demand and Supply

Although the Vietnam economic growth from 2011 to 2013 is estimated at 5.6% on average - the lowest growth rate in the last 13 years, the oil and gas consumption growth are still higher, around 7% and 11% respectively. After demand and supply in petroleum decreased dramatically by over 10% in 2012, they are recovering to regain its growth momentum with 15 million tons. In the medium and long term, the Ministry of Industry & Trade stated that the Vietnam needs 95 million tons of petroleum which would be nearly 8 times higher than in 2012. By 2016, besides Dung Quat refinery, with the presence of Nghi Son refinery, the proportion of import volume will decrease from about 65% to 30% of total petroleum demand.

Key drivers

The growth rate of traded commodities volume, the total of cars and motorbikes will be the key drivers to push petroleum industry. Since Vietnam and many trade partners such as USA, Japan are in

the negotiation process to get access to "Trans-Pacific Strategy Economic Partnership Agreement" (abbreviated TTP), the volume of exported and imported goods will increase sharply 11% on average from 2014 to 2022.

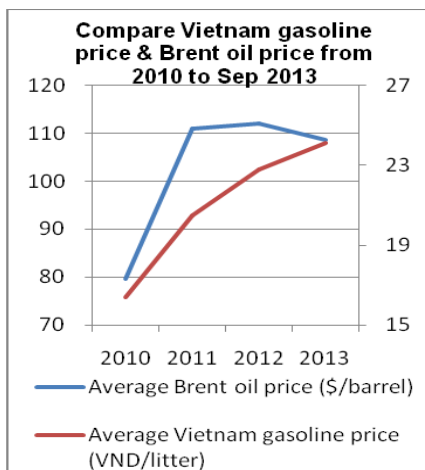
Basic of competition

Currently, Petrolimex is the market leader with from 50% to 55% of market share. Because pumping price is set by the government, the competition is based on distribution network and discount policy. The barriers for new entrants are very high for petroleum import while remains medium for lower level in supply chain.

New draft

Currently, the government is compiling a draft to allow foreign direct investment enterprises to participate in the distribution field of some of goods controlled by the government including petroleum for the first time. Draft will also consist of regulations which encourage the liberalization in this industry.

Key External Drivers



Source: www.indexmuni.com
Vietnam Petroleum Association
www.Petrolimex.com.vn

World Crude oil & Petroleum Price

According to the Ministry of Industry & Trade, Vietnam has to import 70% - 80% of total petroleum demand, mainly from Singapore. It is the reason why the imported price will vary based on world crude oil & petroleum price. The Vietnamese

Volume of traded commodities and passengers

Petroleum is the fuel for most of means of transportation in transporting goods and passengers such as train, airline, truck, ship and bus. An increase in volume of traded commodities & passengers will lead to the increase in quantity of means of transportation or a

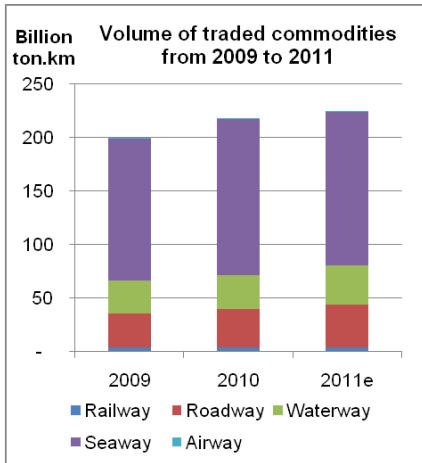
government imposes the petroleum prices on the import & distribution enterprises. The petroleum trading companies do not have any rights to set the price. Since selling price is controlled by government, the imported price has direct impacts on profit of distribution companies.

number of trips. As the result, the total petroleum demand will increase. According to General Statistics Office of Vietnam, the growth rate of traded commodities was 6.13% on average from 2009 to 2011 while the volume of passengers increased 14.3% on average during the same period.

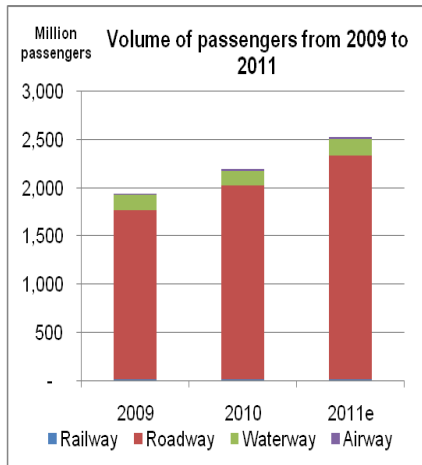
Industry Performance

Executive Summary | Key External Drivers | Current Performance
 Industry Outlook | Industry Life Cycle

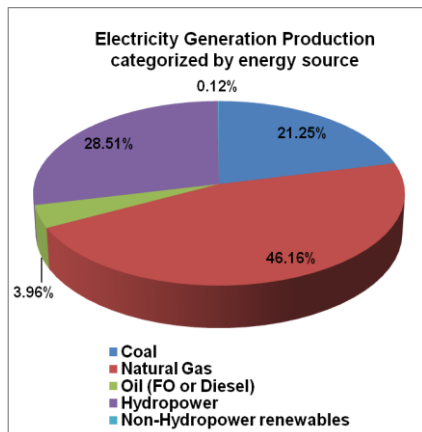
Key External Drivers continued



Source: www.gso.com.vn
 General Statistics Office of Vietnam



Source: www.gso.com.vn
 General Statistics Office of Vietnam

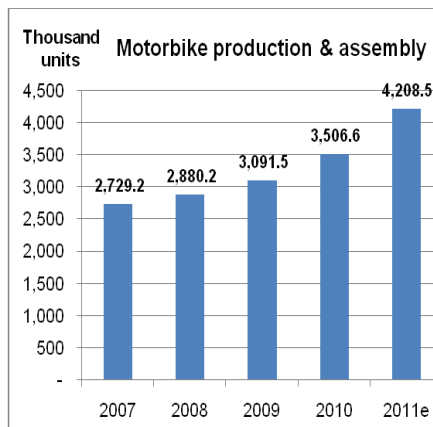


Source: BMI Vietnam Power Q3 2013

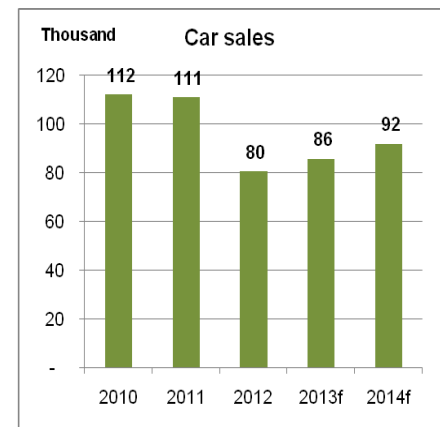
Total number of Vietnam Auto and Motorbikes

As the number of auto and motorbike increases, the petroleum demand increases. Low rate of vehicle ownership together with huge population provide an opportunity for massive auto and motorbike sales growth over long term. It is the one of the main factor to push up the total number of vehicle. In term of motorbike, due to strong demand, the growth rate of production & assembly was at double digits (about 13.43% in 2010

and 20.02% in 2011). According to BMI's auto report, within Vietnam Automobile Manufacturers' Association (VAMA), car sales are estimated to reach 80,487 units in 2012 and grow at 6.67% in 2013 and 14.15% in 2014 which are higher than average global annual new car sales in the same period (at 6.27%). With many obvious signs of recovery and development of auto and motorbike sales in Vietnam, the demand of petroleum as a fuel will increase dramatically in the future.



Source: www.moit.com.vn
 Ministry of Industry and Trade
www.edmunds.com



Source: BMI Vietnam Auto report Q3 2013

Electricity production

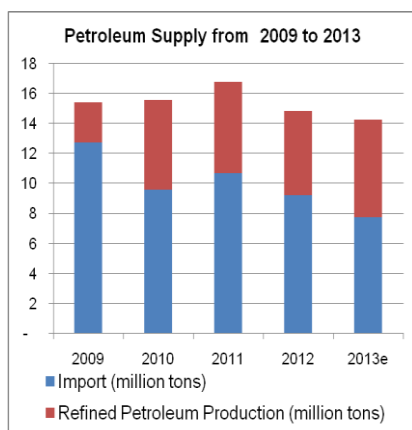
Besides role of a fuel for engine and vehicle, petroleum especially diesel oil and mazut oil is also a type of input fuel for power plants. Based on the data from BMI Vietnam Power Q3 2013, the total electricity generated by oil power plants accounted for 3.96% of total electricity production in Vietnam in 2012, which was estimated around 4.1 TWh out of total 103.52 TWh. Natural gas power plants ranked No.

1 for producing electricity with the proportion of 46.16%. These factories must reserve a specific amount of oil in case of gas shortage or incidents. Based on the decree by the Ministry of Industry and Trade, there are 5 oil power plants and 10 gas power plants. Despite of only small proportion, the demand of petroleum to generate electricity will impact on petroleum distribution industry in the future.

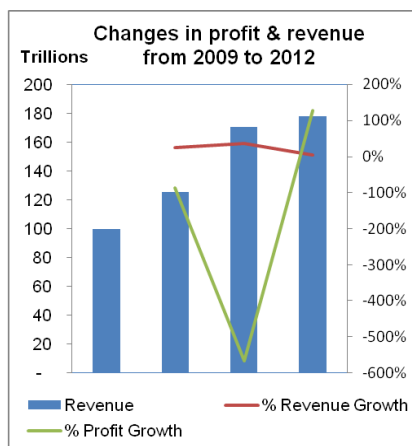
Industry Performance

Executive Summary | Key External Drivers | Current Performance
 Industry Outlook | Industry Life Cycle

Current Performance



Source: www.customs.gov.vn
www.indexmundi.com
 BMI Vietnam Oil & Gas Report Q3 2013



Source: VietinBank Sc

The recovery of petroleum demand & supply

Although the demand of oil consumption increased 6.2% on average from 2008 to 2013 and is forecasted to grow at 4.75% on average in the next 5 years, economic downturn had caused the demand of petroleum consumption and supply to decrease over the last two years, especially in 2012. In 2012, the industry experienced a decrease of 25.31%; however, the petroleum supply is estimated to recover in 2013 with over 14 million tons.

The proportion of imported petroleum

The percentage of import petroleum had decreased from 82.69% in 2009 to 62.16% in 2012. This decrease occurred when Dung Quat refined petroleum factory started its operation in 2010. It will be a positive factor impacting on the petroleum distribution & trading enterprises because it reduces the effect of fluctuation of world petroleum price on domestic pumping petroleum.

Revenue growth and profit margin

Based on the financial, annual and prospectus reports of all of listed petroleum distribution & trading companies in Vietnam and of Petrolimex whose market share is estimated from 50% to 55%, the

average growth rate of revenue from 2009 to 2012 was 12.32% and the total revenue stood at about VND 117,828bn in 2012. However, on the contrary, the profit after tax margin plunged strongly, especially in 2010 (at 0.4%) and 2011 (at -1.3%) from 3.4% in 2009. The profit after tax margin in 2012 passed over zero but was still small (at 0.3%). Actually, since petroleum is the essential goods of which prices need to be controlled by government, the margin in this industry tend to be low. Particularly, in 2011, due to big gap in exchange rates and increases in operating costs, most of companies suffered a big loss.

The market share

Petrolimex is the market leader which denominates 50%-55% of total market. Currently, there are 14 petroleum companies licensed to import petroleum by the government including both state-owned companies and private enterprises (apart from Petrolimex, no company of which shares are listed in stock exchange). Since the government sets many regulations such as standards of facilities, equipments, distribution channels, the obstacles to enter the industry are very high and the level of competitiveness at each of market segmentations is different from each other.

Industry Outlook

Increase in demand

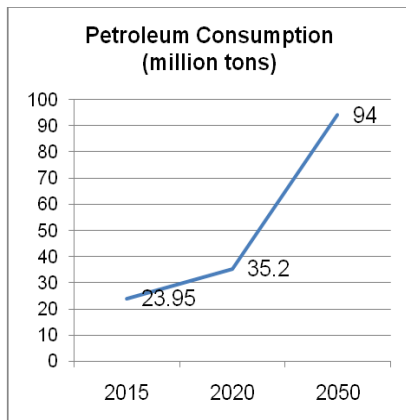
According to information from the Ministry of Industry & Trade, the demand of petroleum is forecasted to reach 94 million tons in 2050. Since 2013, the demand of petroleum will grow 5% per year in the next 5 years before growing at 3.33% from 2020 to 2050. The Vietnamese economy is in the recovery period and will stay stable. The figure from 2010 to 2015 in BMI

Vietnam Oil & Gas Report shows that Vietnam is the country with the highest growth rate of oil consumption at 5.57% on average from 2010 to 2015. This number is higher than that of China – the country has been consuming the largest volume of oil consumption in Asia area.

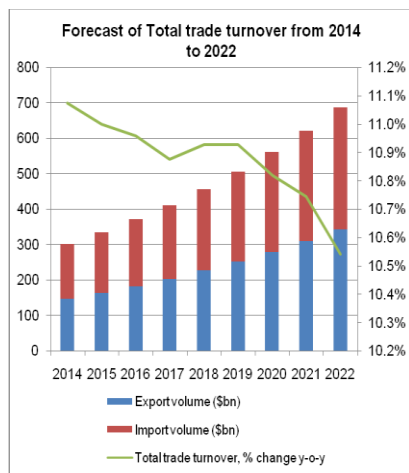
Industry Performance

Executive Summary | Key External Drivers | Current Performance
 Industry Outlook | Industry Life Cycle

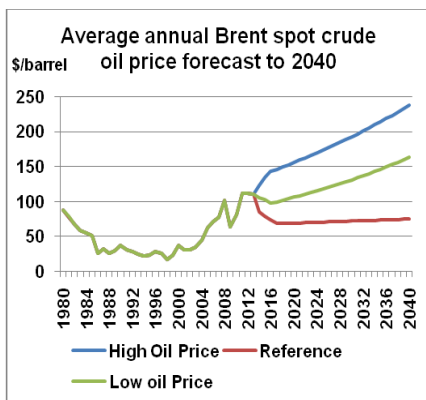
Industry Outlook continued



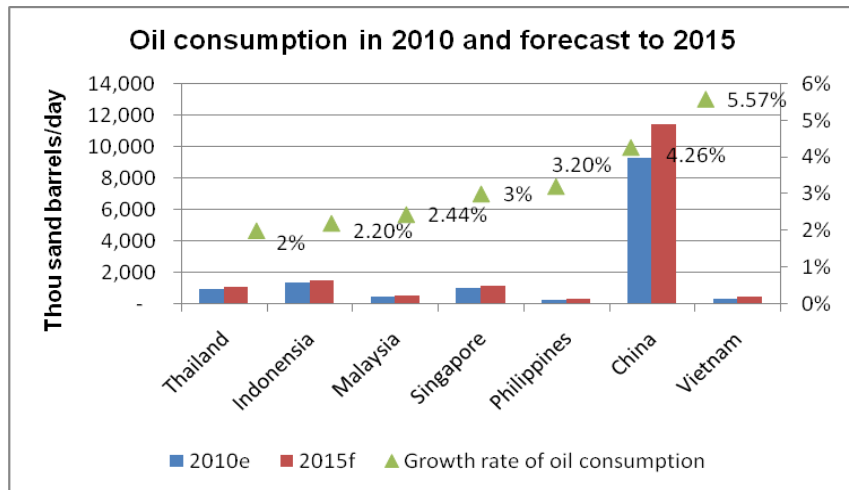
Source: www.vinpa.org.vn
 Vietnam Petroleum Associate



Source: BMI Vietnam Business Forecast Q3 2013



Source: www.eia.gov
 BMI Vietnam Oil & Gas Q3 2013



Source: BMI Vietnam Oil & Gas Report

The recovery of petroleum consumption is proved by key driver analysis, especially the volume of traded commodities. Vietnam is an emerging country and about to join many trade agreements as well as apply many regulations in process of trade liberalization set by WTO, ASEAN... As the result, the volume of traded commodities, especially exported and imported goods will increase at high rate (about 11% per year in the next 10 years), in turn the number of trips or the quantity of mean of transportation are pushed up, which will lead to high demand of petroleum.

Reduce in volume of imported petroleum

Currently, in accordance with the information provided by the Ministry of Industry & Trade, the only refinery in operation - Dung Quat Refinery meets 30% - 35% of demand of petroleum. On 23 Oct 2013, the Vietnam's second refinery named as Nghi Son Refinery was commenced and planned to start its operation as from 2016. By that time, two refineries' outputs are sufficient to meet about 60% of demand of petroleum products. As the result, the dependence of domestic petroleum price on the world oil price will be reduced in the future.

Remain small profit margin

Profit margin will continue to be small due to tight price control of the government. In the gasoline chart, the pump price (red line) was under basic price (green line). It means that the petroleum import enterprises suffered loss. In the future, to help the sellers avoid the extreme losses, the petroleum prices are more flexibly supported by the fuel price stabilization fund when crude prices are high. However, the exchange rate used to calculate price is still the exchange rate in interbank market, not real transaction exchange rate. Therefore, the huge loss in 2011 can occur again in the future for the same reason if the foreign exchange market is unstable. The companies can reduce loss with the small profit after tax margin (smaller than 2%).

Globalization

Overseas investment strategy is successfully applied by market leaders such as Petrolimex, PV Oil. In 2010, PV Oil spent \$4,434 equivalent to VND 85 trillion to buy a petroleum distribution and trading company of Shell Group in Laos and quickly dominated 30% of market share in Laos. Both Petrolimex and PV Oil have plans to expand their overseas investment activities in not only Laos, Cambodia but also new

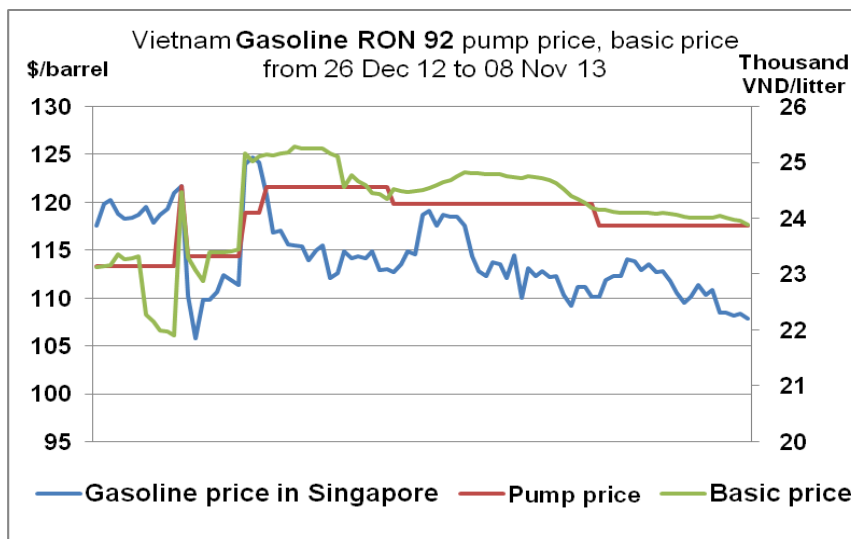
Industry Performance

Executive Summary | Key External Drivers | Current Performance
 Industry Outlook | Industry Life Cycle

Industry Outlook continued

market including Myanmar and Srilanka. With new draft allowing FDI enterprises to enter petroleum distribution industry, the powerful

petroleum groups will probably penetrate and make fair competition in Vietnam market.



Source: www.vinpa.org.vn
 Vietnam Petroleum Association

Industry Life Cycle

Level
 This industry is
Mature

The petroleum industry is in a mature stage of its life cycle, typified by slow revenue growth, small profit margin and limitation of new product

Revenue growth

In term of revenue, although the petroleum demand has been recovering from 2013 to 2018 with growth rate of 5% on average, the revenue is forecasted to rise just 2% in the next 5 years since the selling price is controlled by the government. The petroleum revenue contributed to 11.46% of GDP from 2009 to 2012; however, this proportion in total GDP will decrease to 6.46% by 2018. It proves that the growth rate of revenue in this industry will be lower than that of economy.

Profit margin

It is the fact that the profit of petroleum import companies is very small and eventually negative. Most of time before 2013, the import companies had got loss. The profit in the financial statement came from other fields. For examples, PV Oil made profit from crude oil export while Petrolimex invested in petroleum transportation, petrochemicals and gas distribution to gain profit. In basic price's structure, the government imposes the profit quota at VND 300 for gasoline and VND 100 for diesel which is equivalent to 1.2% margin and 0.4% margin respectively.

New product

Bio-fuel such as gasoline E5 is newly appeared fuel in Vietnam petroleum industry. However, the demand of this kind of gasoline is very low due to lack of people's

Industry Performance

Executive Summary | Key External Drivers | Current Performance

Industry Outlook | Industry Life Cycle

Industry Life Cycle

awareness of products. The selling price is also controlled by the government; therefore, it can't be the factor which pushes the growth rate of this industry.

New regulation

The new draft related to the new participants and supply chain

structure in petroleum distribution industry are expected to loose price regulation set by government which is currently a constrained factor. If the market follows the market rules, the revenue growth and profit margin can be improved.

Products & Markets

Supply Chain | Products & Services | Demand Determinants
 Major Markets | International Trade | Business Location

Supply Chain

List of 14 petroleum importation entrepreneurs in 2013 (The Company Level 1)

Vietnam National Petroleum Group – Petrolimex

Petro Vietnam Oil Corporation – PV Oil

The One-Member Limited-Liability Oil & Gas Company of Ho Chi Minh City - Saigon Petro

Dong Thap Petroleum Trading Co Ltd (Petimex Dong Thap)

Military Petroleum Corporation – Mipecorp

Thanh Le Import Export Trading Corp – Thalexim

Petrolimex Jet Fuel Joint Stock Co

Nam Viet Petrochemical Joint Stock Co

Military Petrochemical JSC

Hiep Phuoc Electricity Co Ltd

Vietnam Air Petro Co., Ltd. – Vinapco

Hai Ha Co., Ltd.

Hung Phat Production & Commercial Co., Ltd.

Traffic supplies export import joint stock trading company – Tratimex

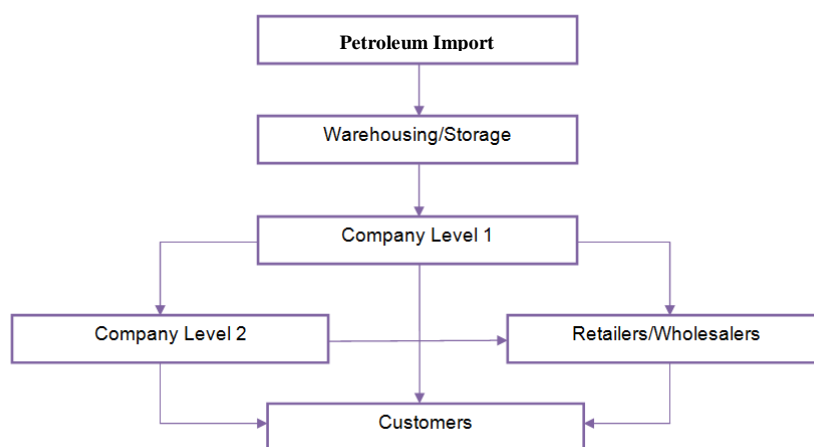
Source: Ministry of Industry & Trade

Vietnam Petroleum Distribution

Petroleum Import Company	14
Wholesalers	344
Retailers	4,632
Petroleum Station	10,000

Source: Vietnam Competition Authority

Distribution Channel of Petroleum



Source: Petrolimex

There are three distribution channels:

- Direct sales
- Wholesales to dealers
- Retail sales through petroleum stations.

Direct sales

It is the one in which the company sells directly petroleum products to customers through bidding or signing contract. Customers in this channel are mostly other enterprises; which mainly operate in manufacturing, transportation with stable, regular and large demand of petroleum.

Wholesales to dealers

There are 14 companies licensed to import petroleum. These companies sell imported goods to others called dealers who don't have import licenses. The dealers include wholesaler and retailers who have to meet many compulsory requirements such as business registration, specialized facilities & equipments, transportation vehicles, number of petroleum stations and trained human resources. The dealers are discounted in price set by import companies. In the distribution channel, each of

wholesaler just sign contract with one import company and one retailer only has one wholesaler.

Retail sales through petroleum stations

Finally, the licensed companies can sell petroleum through their own petroleum station network. Each company sets the strategy to take the specific market segmentation or region based on its own advantages. They do not share profit with other dealers through discount premium.

“The company level I” and “The company level II”

In the chart, “The company level I” are licensed companies and “The company level II” are the subsidiaries or joint ventures with licensed companies. “The company level I” sells petroleum to “The company level II”. Then “The company level II” re-sell petroleum products through three aforementioned distribution networks. For example, Petrolimex has 42 petroleum distribution subsidiaries in Vietnam and 2 subsidiaries in Singapore and Laos.

Products & Markets

Supply Chain | Products & Services | Demand Determinants
 Major Markets | International Trade | Business Location

Supply Chain continued

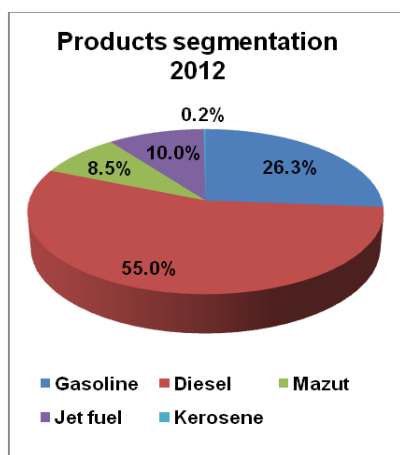
The proportion in total volume of each petroleum products is classified by distribution methods

	Direct sales	Wholesales to dealers	Retail sales through petroleum station
Gasoline	5%	45%	50%
Diesel (DO 0.05)	95%		5%
Kerosene	95%		5%
Mazut (FO 3.5S)	95%		5%

There was a wide petroleum distribution system including 344 wholesalers, 4,032 retailers and about 10,000 petroleum stations in Vietnam. With regarding to Petrolimex which accounts for 50%-55% of market share and is the largest petroleum importer in Vietnam, gasoline is mainly distributed through “wholesales to dealer” (45%) and its own petroleum station (50%). Petrolimex owns and operates about 2,100 stations

accounting for 16% of the total number of stations in Vietnam but the traded petroleum volume accounts for nearly 30% of total volume in this distribution channel. Diesel, kerosene, mazut are sold through 3 methods but 95% of volume is traded directly between Petrolimex and customers. The distribution channel of other companies is quite similar to the one Petrolimex applies.

Products & Services



Source: www.customs.gov.vn
 General Department of Vietnam Customs
 Vietnam National Oil & Gas Group - PetroVietnam

Uses of Petroleum Products

Gasoline RON A92, RON A95 E5	used as a fuel for most of means of transport, engine & machines.
Diesel DO 0.05S, DO 0,25S	used as a fuel for public transportation modes, equipments in construction, agriculture, ports industry such as forklifts, cranes, excavators as well as a feedstock for electricity generation factory
Mazut FO, FO – R	used for larger boilers in producing steam such as industrial boilers, asphalt, internal combustion engines of ships
Kerosene	used as a fuel for tractors, generators, lamps, jet or as a solvent in factories
Aviation fuel	used as a fuel for aero planes, aircraft

Products & Markets

Supply Chain | Products & Services | Demand Determinants
 Major Markets | International Trade | Business Location

Products & Services continued

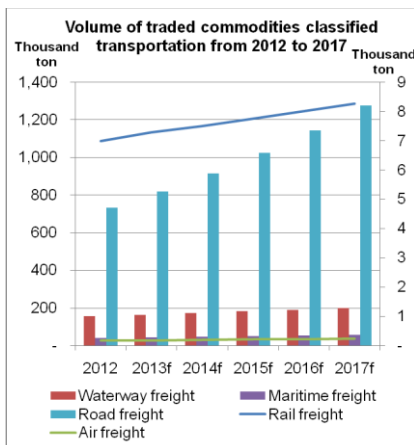
- Among the petroleum products, Diesel was the most used fuel in Vietnam of which demand was over 8.1 million tons and taking up 55% of the market. Diesel was used widely as fuel in electricity generator factories and engines.
- Right after, gasoline ranked No. 2 and accounted for 26.3% of the total petroleum demand with nearly 3.8 million tons.
- In 2012, the proportion of kerosene consumption was very

small at 0.2% of market share. The volume of kerosene decreased 48.02% compared to 2009 and has been replaced by gasoline or diesel.

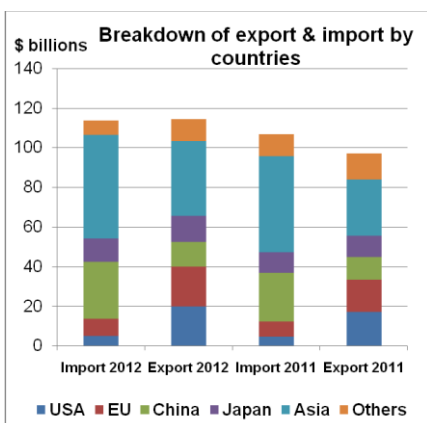
- Jet fuel took up 10% which was quite close to Mazut oil (8.5%).

BMI forecasted that annual oil consumption in Vietnam will grow 4.75% on average during the period from 2013 to 2018.

Demand Determinants



Source: BMI Vietnam Freight Q3 2013



Source: www.gso.gov.vn

Demand for petroleum products is affected by the volume of traded goods & passengers, the growth rate of Vietnam auto & motorbike sales as well as electricity production.

Traded commodities & passengers

Because the demand of traded commodities increases, the volume of petroleum consumption is higher to meet the need of fuel for the rising quantity of means of transportation as well as the number of trips per day. In the BMI Vietnam Freight Transport Q4 2013, the growth rate of the volume of traded commodities from 2013 to 2017 is estimated at 10.48% on average. By 2017, more than 1,277 billion tons of commodities will be transported. The figure of the volume of traded commodities by railway, airway, waterway and roadway are 4.12%, 13.13%, 5.2% and 11.7% alternatively. As the result, the high growth rate in commodities transported in roadway and airway will be a positive motivation to push demand of gasoline & jet fuel. On the contrary, the consumption of diesel probably rises at lower rate due to smaller figures for waterway and railway. BMI also believed in average annual growth rate of trade turnover at 11% in the next 10 years. Currently, Vietnam along with

11 other countries including United State, Japan is in the negotiation process to join "Trans-Pacific Strategic Economic Partnership Agreement" (abbreviated as TTP).²Through TTP, Vietnam's GDP will increase about 10% and the exported goods volume will increase 37%. Furthermore, in the long term, the import tax will reduce to 0% and Vietnam can push export turnover to USA, EU and Japan which are currently three of the largest export markets of Vietnam with 46% of total export volume.

Total number of auto & motorbike

Gasoline & diesel oil are the most popular fuel for cars and commercial vehicle. Therefore, the volume of consumption of two types of petroleum goods will increase in if the total number of auto & motorbike increase impacted mainly by the growth rate of vehicle sales. Compare the car passengers and motor vehicle per 1,000 people in Vietnam to other countries in ASEAN and China, the figures shows that the personal ownership of vehicle in Vietnam is still very low. Vietnam ranked No.7 for car passenger ownership and No. 8 for motorbike ownership per 1,000 people (from ten to twenty times lower than that in Singapore and

² www.cafef.vn

Products & Markets

Supply Chain | Products & Services | Demand Determinants
 Major Markets | International Trade | Business Location

Demand Determinants continued

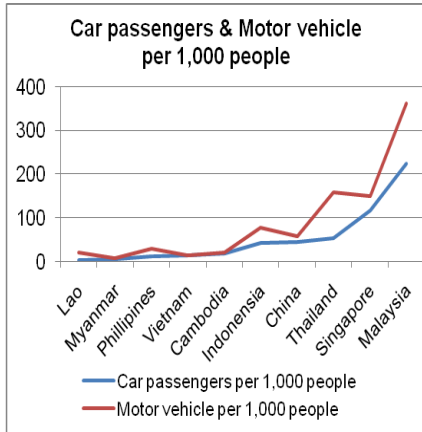
Malaysia). Because Vietnam is one of the countries with the highest growth rate in the world, the demand of car & motor vehicle is rising. BMI forecasted that after

decreasing 27.6% in total car sales in 2012 due to economy crisis, from 2013 to 2017, total car sales will grow at 6.7% on average.

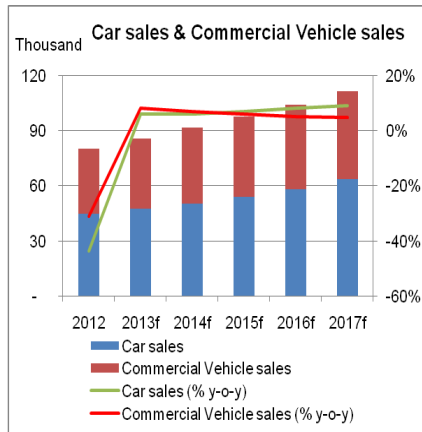
Electricity production

Diesel oil and mazut oil are used as a fuel to generate electricity in oil power plants. The growth rate of total electricity production will be 9.8% on average in the next 5 years. 5 oil power plants only account nearly 5% of total plants in Vietnam in 2012. The contribution of oil power plants to total generating energy declines from 3.4% in 2012 to 1.84% forecasted in 2017. The Ministry of Industry and Trade stated that Vietnam would focus more on coal power plants because

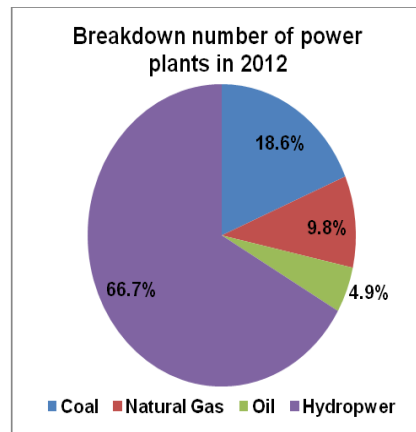
productivity of oil & gas in others would be much higher than that in electricity industry and it was economics math for the government. Therefore the effects of electricity industry will be reduced in the future. Among 5 oil power plants, the management unit of Hiep Phuoc Power plants was granted by the Ministry of Industry & Trade to import 110 million and 100 million tons of mazut oil in 2012 and 2013 respectively which was the second largest mazut oil importer, just behind Petrolimex.



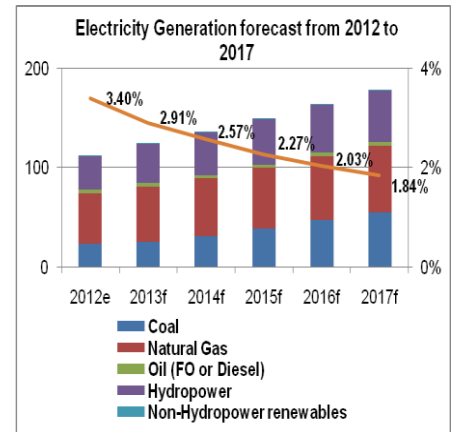
Source: www.chartsbin.com



Source: BMI Vietnam Autos Q3 2013

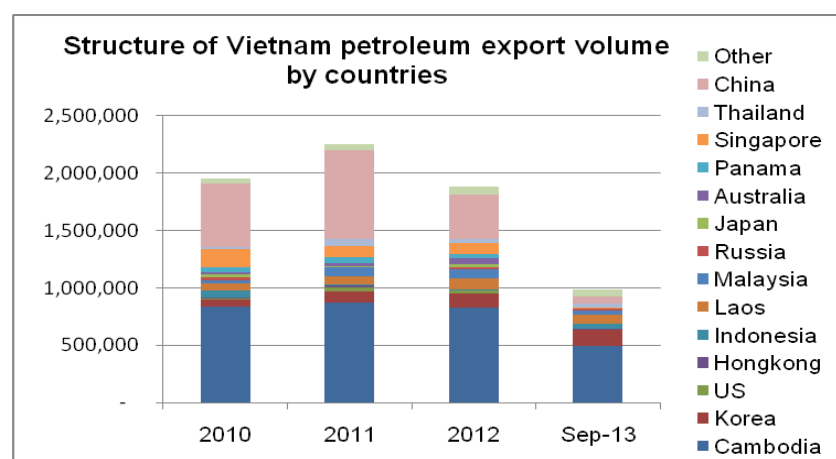


Source: BMI Vietnam Power Q3 2013



Source: BMI Vietnam Power Q3 2013

International Trade



Source: www.customs.gov.vn

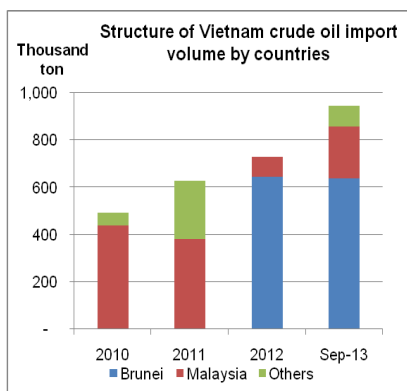
Products & Markets

Supply Chain | Products & Services | Demand Determinants
 Major Markets | International Trade | Business Location

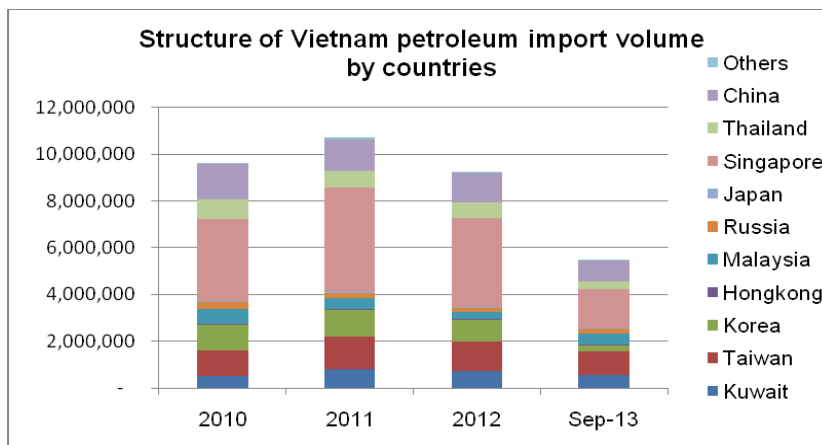
International Trade continued



Source: www.customs.gov.vn



Source: www.customs.gov.vn



Source: www.customs.gov.vn
 General Department of Vietnam Customs

Petroleum import & export

Based on the data from General Department of Vietnam Customs, Vietnam imports petroleum mainly from Singapore with 37.2% on average, then China (about 14.6%) and Taiwan (at 14.2%). The volume of imported petroleum had decreased more and more since Dung Quat refinery went on operation stably and could meet from 30% to 35% demand of Vietnam petroleum. Regarding to petroleum import, Cambodia is the largest import market accounting for 43.9% in 2012. China ranked No.2 not only for petroleum export but also for import. The volume of petroleum export decrease significantly, especially in 2013 export volume to China. In general, Asia is still the biggest partner with Vietnam in petroleum international trade.

Crude oil import & export

Crude oil is one of the strategic export goods of Vietnam taking up about 20% to 30% of export value. In structure of Vietnam export crude oil; there are many countries who

export petroleum to Vietnam such as Singapore, Japan, China, Malaysia, Thailand or Korea also import crude oil with large volume from Vietnam. It is one of the big issues to Vietnam because if Vietnam continues exporting raw materials and importing finished petrochemicals and not investing on technology as currently, Vietnam will waste natural resources and foreign currency. Looking at chart of Vietnam crude oil import volume, the figure shows a trend of larger import, especially in 2013. In spite of large remaining crude oil reserves and exploration, Vietnam had imported 947,010 thousand tons in the first 9 months in 2013, which is 30% higher than 2012 with 728,452 thousand tons. Vietnam wants to ensure the stable and long term fuel for oil completed and planed refineries. Vietnam had signed many crude oil contracts with the Brunei recently. As the result, the crude oil import volume from this country increased sharply and took up 88.5% and 67.6% in 2012 and 2013.

Business Location

Based on number of station data from Petrolimex, PV Oil and

Mipecorp, the number of station in north and south is quite close each

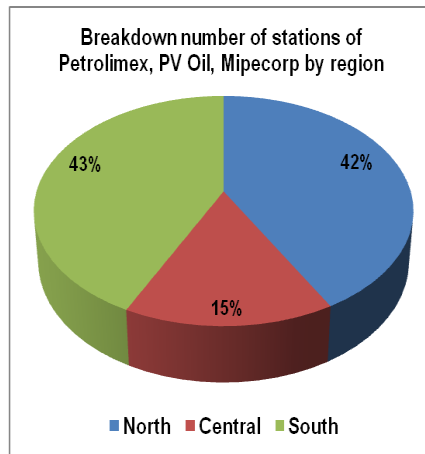
Products & Markets

Supply Chain | Products & Services | Demand Determinants
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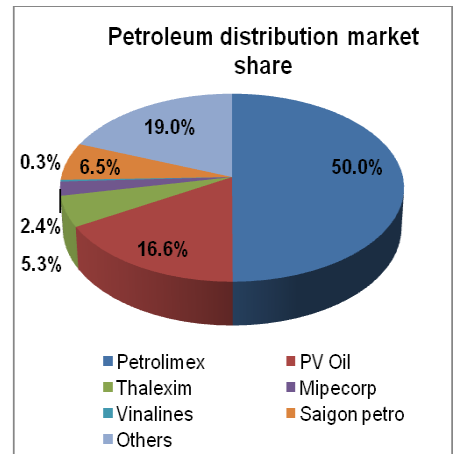
Business Location continued

other with 42% and 43%. There is only 15% of total petroleum station located in central. The figure shows that the demand in north and south is much bigger than in central. However, the number of station from 3 companies is only nearly 2,200 while there are approximately 10,000 stations in Vietnam. It proves

that although Petrolimex, PV Oil and Mipecorp account for 69% of market share, these companies not only develop and distribute petroleum products through their own stations but also through the stations of wholesalers and retailers who take up 19% of the remaining of market share.



Source: Petrolimex, PV Oil, Mipecorp



Source: Ministry of Industry & Trade

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