

VIETNAM DAILY

[Market Commentary]

Stocks closed lower after April macro data revealed the full impact from the COVID-19 lockdown and weak 1Q results weighed on individual stocks

[Futures/ETFs]

Futures fell in lighter trading on soft April macro data that led to weakness in the underlying VN30 cash index

[Market Movers]

SAB, POW

[Macro/Strategy]

April Macro Updates

[Company Updates]

PVD, VNM, BID, VSC, HVN, REE, POW

May 04, 2020

	Index	Chg (%, bp)
Ho Chi Minh	762.47	-0.86
VN30	709.35	-0.84
VN30 futures	684.00	-2.65
Hanoi	105.72	-1.05
HNX30	201.76	-0.90
UPCoM	51.91	-0.59
USD/VND	VND23,451	+0.10
10-yr govt bond (%)	3.00	-0
Overnight rate (%)	2.08	+12
Oil (WTI, \$)	18.21	-7.94
Gold (LME, \$)	1,704.81	+0.26



Market Commentary

VNIndex 762.47P (-0.86%)
Volume (mn shrs) 254.0 (+20.4%)
Value (U\$m) 170.6 (-4.6%)

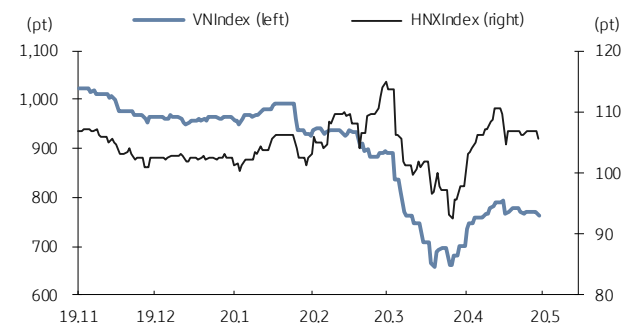
HNXIndex 105.72P (-1.05%)
Volume (mn shrs) 41.6 (-20.4%)
Value (U\$m) 12.6 (-10.6%)

UPCoM 51.91P (-0.59%)
Volume (mn shrs) 11.2 (-12.2%)
Value (U\$m) 5.4 (-15.5%)

Net foreign buy (U\$m) -5.4

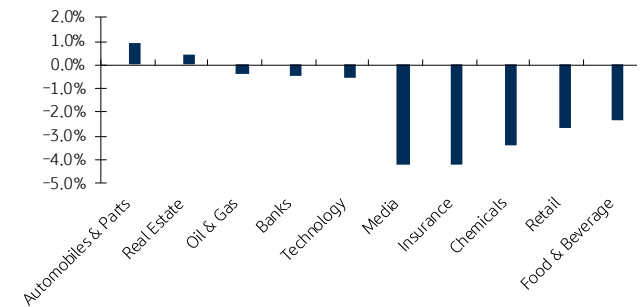
Stocks closed lower after April macro data revealed the full impact from the COVID-19 lockdown and weak 1Q results weighed on individual stocks. April PMI fell to a record low of 32.7 from the previous month's 41.9 and the 12-month outlook fell into pessimistic territory for the first time amid fears of a prolonged recovery. PV Power (POW, -6.9%), Saigon Beer (SAB, -4.9%) and Masan Group (MSN, -2.6%) all fell after reporting steep drops in quarterly earnings. The request by the Vietnam Aviation Administration to not fill seats over 80% for flights also caused Vietnam Airlines (HVN, -3.0%) and Vietjet (VJC, -1.0%) to trade weak. The rebound in oil prices during the holidays sent PV Gas (GAS, +0.6%) and PV Drilling & Well Services (PVD, +0.9%) higher but hit hard on fertilizer stocks like PV Fertilizer & Chemicals (DPM, -4.9%) and PV Ca Mau Fertilizer (DCM, -6.6%) on rising feedstock costs. Tire and rubber makers - Southern Rubber Industry (CSM, +6.9%), Danang Rubber (DRC, +2.9%) and Sao Vang Rubber (SRC, +2.0%) - rallied for another session on strong 1Q results with lower rubber costs. Foreign investors net sold, focusing on Sacombank (STB, -1.3%), SSI Securities (-2.3%) and PV Drilling & Well Services (PVD, +0.9%).

VN Index & HNX Index



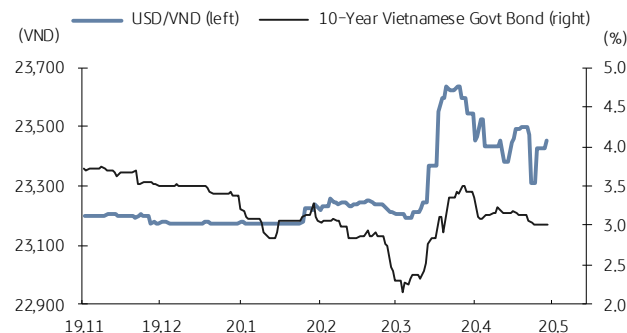
Source: Bloomberg, KB Securities Vietnam

VN Index sector performance



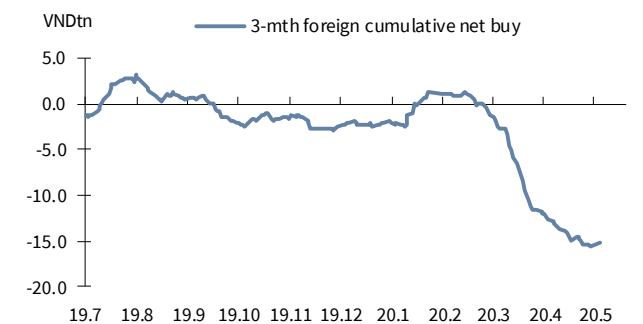
Source: Bloomberg, KB Securities Vietnam

USD/VND & 10-year government bond rates



Source: Bloomberg, KB Securities Vietnam

Vietnam - 3-mth cumulative net foreign buy



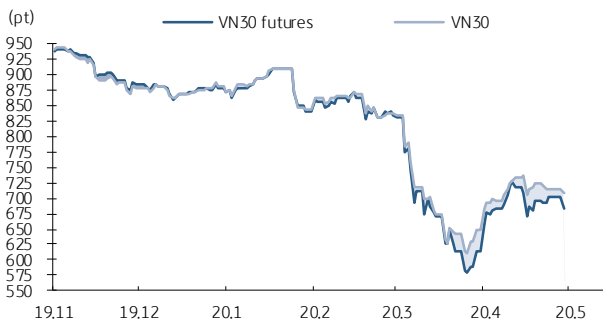
Source: FiiPro, KB Securities Vietnam

Futures/ETFs

VN30	709.35P (-0.84%)
VN30 futures	684.0P (-2.63%)
Open	680.1P
High	695.7P
Low	678.1P
Contracts	203,163 (-9.3%)

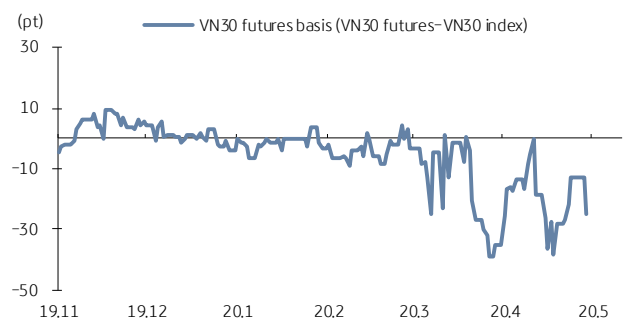
Futures fell in lighter trading on soft April macro data that led to weakness in the underlying VN30 cash index. The basis opened weak and fell to minus 35.33 basis points before recovery in VN30 index narrowed the basis to the minus 20-25 range. Intraday profit taking by locals in the afternoon session led by the drop in the VN30 cash index caused the basis to close at minus 25.25 basis points. Foreigners were quiet and trading both ways in light overall trading volume.

VN30 futures & VN30 index



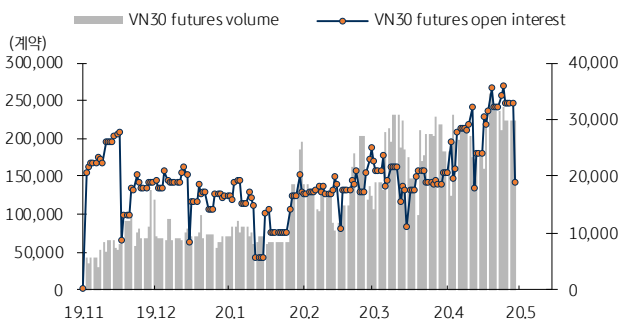
Source: Bloomberg, KB Securities Vietnam

Front month VN30 futures basis



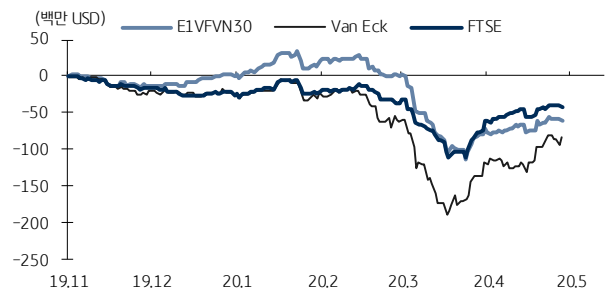
Source: Bloomberg, KB Securities Vietnam

VN30 futures volume & open interest



Source: Bloomberg, KB Securities Vietnam

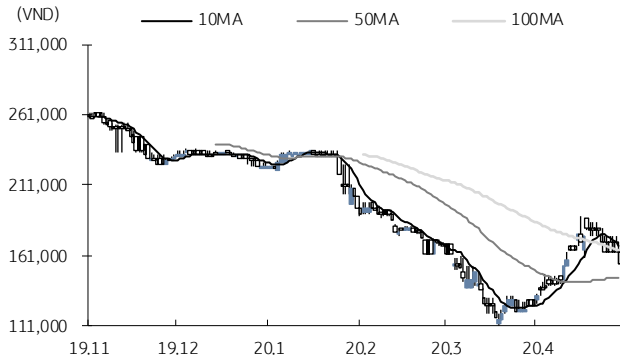
Vietnam ETFs - 3-mth cumulative net buy



Source: FiinPro, KB Securities Vietnam

Market Movers

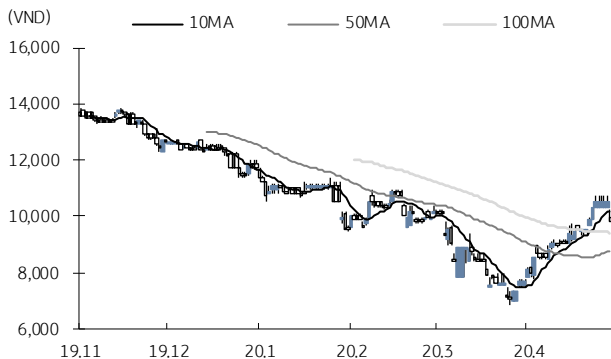
Sabeco (SAB)



Source: Bloomberg, KB Securities Vietnam

- SAB closed down 4.9% to VND 155,000
- SAB announced 1Q earnings at VND717 billion (down 44% YoY) on revenue of VND4,909 billion (down 47%).
- The sharp fall in revenue was largely due to stricter drunk driving laws and the nationwide social distancing during COVID-19 pandemic.
- However, the company’s gross profit margin was improved slightly to 27.6% (vs 23.5% in the same period last year) thanks to large expense cuts.

PV Power (POW)



Source: Bloomberg, KB Securities Vietnam

- POW closed down 6.9% to VND 9,820
- POW reported 1Q earnings at VND 505 billion (down 45% YoY) on revenue of VND7,975 billion (down 5.5% YoY).
- The plunge in POW’s earnings was attributable to the surge in financial expenses to VND410.6 billion (up 27.4%) due to exchange differences, and the sharp loss in other segments to only VND430 million (down 99% YoY) as there was no profit surprise recorded from the reversals of science and technology development fund of the subsidiary PV Power Nhon Trach 2 (NT2) as in 1Q19.

May 04, 2020

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April Macro Updates

COVID-19 impacts April numbers

More sharp losses for April PMI and industrial production

— Vietnam's April Index of Industrial Production (IIP) plummeted by 10.5% YoY, with downward trends seen in most sectors (especially manufacturing). With the exception of pharmaceuticals (+29.3% YoY) and oil refining (+4.6% YoY), sectors such as electronics (-10.4%), textiles (-17.6%), metal production (-6.9%) and auto production (-44.2%) all fell. Vietnam's April IHS Markit Purchasing Managers' Index (PMI) also dropped to record low of 32.7 vs 41.9 in March. Severe declines were seen in production output, new orders, employment and purchasing amid suspended production and order cancellations for most companies. Most notable was the first pessimistic outlook for production over the next twelve months due to lingering COVID-10 concerns and fears of a prolonged recovery. Poor PMI numbers were seen across the region and fell below 50 for all countries. Although relaxation of social distancing rules and the restart of production should allow manufacturing to recover in the May survey, downside risk remains and there is only a small chance for PMI to move above the critical 50 reading in the near-term.

April retailing and service industry sales fall by 26% from the same period last year

— Total sales for retailing and services fell sharply by 26% YoY, of which revenue from tourism collapsed by 97.5%. Retail sales dropped by 13.4% YoY, while sales for food & catering services plummeted by 64.7% YoY due to the government-imposed three-week lockdown. Auto and scooter traffic levels have already improved since the end of April and send positive signals for recovery in retail activities in May but tourism may need more time and declines may continue at slightly lower levels seen in April data.

Exports collapsed in April but imports showed more positive signs

— Preliminary estimates from the General Statistics Office indicate April exports at only USD19.7 billion (down 3.5% YoY) and imports of USD20.4 billion (down 2.3% YoY). These would result in a USD700 million trade deficit for April and reduce the trade surplus to USD3 billion for the first four months of the year. Exports from FDI companies declined more sharply for a 4.5% YoY contraction in April vs the 1.4% YoY decrease seen at domestic companies. With the exception of computers, electronics and components – that rose sharply by 28.2% YoY – most key export items fell, including phones (-14.9%), textiles (-19.2%) and footwear (-10.6%). In contrast, April imports fell more for domestic companies at 4.4%, while FDI companies were largely flat at only -0.7% YoY. With the exception of fabrics (down 17.8% YoY), most import items were broadly unchanged, including computers (up 0.4%) and phones (down 2.3%).

May 04, 2020

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PV Drilling (PVD)

1Q turns positive as producers pump more oil before cuts

1Q earnings turn positive after 3 years of consecutive losses

— 1Q earnings turn positive to VND 24.3 billion (vs 1Q19's loss at VND 87.1 billion) on revenue of VND 1,676.9 billion (84.4% higher YoY) due to: 1) still high jack-up drilling rates; and 2) higher utilization rates as Malaysians maximize production volumes ahead of expected cuts. With drilling rates largely lagging oil prices by six months, PVD's average drilling rates increased by 10% YoY during the recent quarter as demand from Southeast Asia remained firm. Moreover, management estimates 1Q utilization rates for PVD's four jack up rigs at around 100% compared to the 82.5% seen during 1Q last year as Malaysian contractors pumped as much oil as they could before production cuts kicked in from late April. Higher utilization also led to lower "rig move" expenses that helped profitability. This would be PVD's first profit in three years without any reversals from the Investment & Development Fund (I&D Fund) and management has stated it would not need to continue making reversals in 2020E given the improving trend in margins.

Prepping Tender Assisted Drilling (TAD) rig for start up after sitting idle for past 3 years

— PVD will move ahead with investments for the derrick equipment set needed to start up the Tender Assisted Drilling rig after sitting idle for the past three years. Total capex for the derrick equipment set should be around USD30 million and PVD has already opened a Letter of Credit (LC) for USD15 million in 1Q. Management plans to have the TAD rig warm stacked by 4Q and expects to generate cash flow from 2H in 2021E. Last November 2019, PVD announced that the PVD Drilling V (TAD) won a six-year tender (with four-year extension option) with Brunei's Brunei Shell Petroleum (BSP) company.

Collecting bad debt from PVEP

— Management expects PVD to collect half of its outstanding VND45.3 billion in bad debt from Petro Vietnam Exploration Production (PVEP) in 2020E and the remaining portion in 2021E. In 2019, PVD managed to recover VND45.7 billion in bad debt from PVEP.

May 04, 2020

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Vinamilk (VNM)

Positive growth despite the pandemic

Flat 1Q earnings but GTNFoods acquisition allows positive 7% sales growth

— 1Q earnings only down 1% to VND2,777 billion due to: 1) resilient sales growth despite school closures and suspension of international/domestic flights; and 2) pick up in promotion costs due to the coronavirus. Topline growth reached VND14,153 billion or up 7% YoY vs 4Q's 9% largely due to the inclusion of GTNFoods into the consolidation (VNM now owns a 75% stake and sales grew by 2% YoY to VND633 billion). That said, parent-only sales growth was still resilient at 1% positive growth for the quarter. On a consolidated basis, domestic revenue was 85% of the total – growing by 8% YoY vs 4Q's 8% – and remained relatively stable despite the closure of schools and cancellation of domestic and international flights. Direct exports grew by 8% to VND1,081 billion albeit witnessing a sharp slowdown from 4Q's 26% YoY growth due to coronavirus outbreaks in key markets in the Middle East. Overall core profitability was stable – with the gross profit margin flat at 47% compared to the same period last year – but SG&A rose by 15% YoY after spending an additional VND229 billion or 12% YoY increase in costs for promotion and sales support and VND18 billion or 14% YoY increase in labor costs.

Exports of sweetened condensed milk should improve as China overcomes COVID-19

— Management expects exports of sweetened condensed milk to China should continually improve for the remainder of the year as the country relaxes the lockdown protocols that slowed the company's exports in 1Q. VNM completed production facilities on April 16th for “*Ong Tho*” exports after being granted an official transaction code and export license to China at the end of February. Management views China exports as an important growth opportunity given that the country more than doubled the import of sweetened condensed milk between 2016 and 2019.

Management sticks to 10% full-year sales growth target and announces stock buyback

— Management reiterated its 10% consolidated sales growth target (VND62,000 billion) and pretax profit margin at no less than 20% (VND12,400 billion or slightly down from 2019) for 2020E. Moreover, VNM will utilize its investment & development fund to buy 17.5 million treasury shares (1% of outstanding) via the stock market or put-through transactions.

May 04, 2020

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BIDV (BID)

Weak 1Q dragged down by provisions

1Q net profit down 29% as management slows credit growth & takes on more provisions

— Weak 1Q earnings of VND1,444 billion (down 29% YoY/52% QoQ) as management slows credit growth and spends more on credit provisions to prepare for the deterioration in credit quality. The tougher credit conditions slowed overall credit growth to 8.1% YoY vs 4Q's 12.2% YoY growth, while loan growth slowed to 7.9% YoY from 4Q's 13.0% YoY.

Higher provisions to protect against the deterioration in credit quality

— Substandard & below non-performing loans were largely flat at 1.74% compared to previous quarter and the same period last year. The broader asset quality measure saw 1Q's precautionary & below ratio witness some slippage to 4.01% from 4Q's 3.97%. Despite comparatively better asset quality performance, management opted to boost credit provisioning numbers to defend against the worsening lending environment. Credit costs rose sharply to VND6,041 billion (+16% YoY/+72% QoQ) or 0.55% of loans vs 4Q's 0.31% of loans and 0.51% in the first quarter last year. Management's proactive provisioning raised coverage for substandard & below loans to 86.1% from 4Q's 74.2% and precautionary & below loans to 37.5% from 4Q's 32.5%.

Tight cost controls offset some of the negative impact to earnings

— Fees were down 14% QoQ to VND1,084 billion due to cuts to transaction fees to support customers during the coronavirus lockdown. Overall non-interest income was down from the previous quarter but helped by a 30% gain from foreign-exchange and gold trading to VND419 billion and quadrupling in gains from trading securities to VND180 billion. Tighter costs provided the largest offset to higher credit provisions, with the cost-to-income ratio broadly kept in check at 30.7% from the 28.0% seen during the same period last year despite the addition of 960 new employee hires since the end of 2019.

Viconship (VSC)

Delivers positive profit growth despite Covid-19

Positive 42% earnings growth helped by lower interest expenses

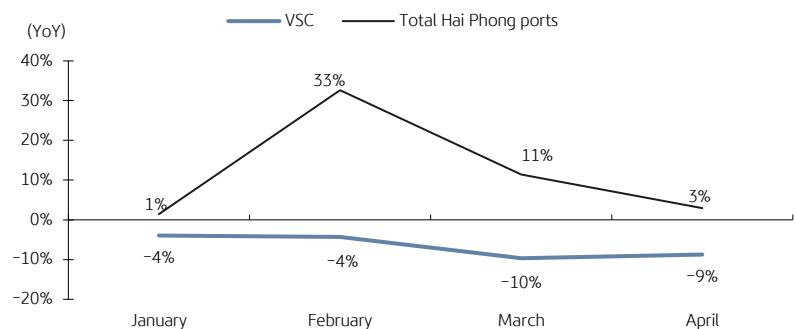
— 1Q earnings up 41.7% YoY to VND71.7 billion due to: 1) fewer bank loans that dropped interest expenses by 80.7% YoY; and 2) cost reductions from improved IT systems. Revenue was down 3.5% YoY to VND408.5 billion and profitability remained stable, with the gross margin steady at 24.9% vs the 23.6% seen during the same period last year.

Container volume continued to decline as competition heats up

— Vessels docked fell by 14.4% YoY and total vessel tonnage decreased by 6.7% YoY in the first four months of 2020 as competition heats up from the Hai Phong port cluster, especially the Lach Huyen port. This downward trend in total container volume will likely continue in the short- and mid-term as long as: 1) Wharves 1-2 at the Lach Huyen port run at full capacity; and 2) the impact of COVID-19 on the container port industry impacts more significantly in 2Q.

VSC's total vessel tonnage dropped in the first four months of the year compared to the same period last year compared to continuing positive growth at the Hai Phong port cluster (especially in February when COVID-19 concerns led to a spike up in growth)

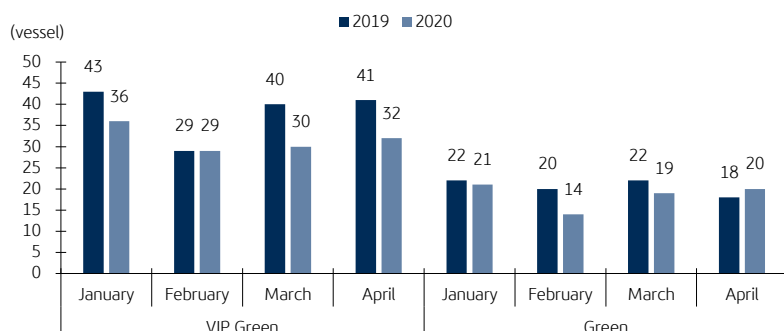
Fig 1. Vietnam – Growth in vessel tonnage, Jan–Apr 2020 (% YoY)



Source: Maritime Administration of Hai Phong

VSC's total number of vessels docked in the first four months of the year fell by 17% for the VIP Green port and 9.7% YoY for the Green port

Fig 2. Vietnam – Total vessels docked, Jan–Apr 2019 & Jan–Apr 2020 (vessels)



Source: Maritime Administration of Hai Phong

May 04, 2020

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Vietnam Airlines (HVN)

Hard hit due to Covid-19

Hit with losses due to Covid-19

— Steep 1Q losses of VND2,589 billion due to: 1) sharp 70.3% YoY drop in total flights in March that led to 18.5% YoY drop in flights for the quarter to 27,232 flights; and 2) high fixed-cost base that also witnessed a rise in financial expenses from foreign exchange losses. Revenue fell by 26.5% YoY to VND18,937 billion; gross profit turned negative to minus VND632 billion compared to VND3,952 billion during the same period last year; and financing costs jumped by 43.8% YoY to VND1,128 billion.

Recovery in 2Q may be too premature

— The number of flights during the nationwide lockdown between March 18 and April 18 were only 1,522 or down 85% YoY according to statistics from the Aviation Administration. With the restart of international flights still to be determined, the impact from COVID-19 will also likely spill over to 2Q results and limit any possible recovery. Moreover, HVN was forced to raise an additional VND4,274 billion in short-term borrowings in 1Q and should see the additional interest burden impact results for the rest of the year.

Management estimates 2020E losses at VND20 trillion; initiates restructuring & cost cuts

— Management has warned that the negative impact from COVID-19 will likely be felt until 4Q and expects full-year revenue to be down a whopping 61.2% YoY to VND38,140 billion. At this level of performance, management estimates 2020E losses at VND19,651 billion. Restructuring efforts include staff cuts and sale of five A321 aircraft valued at USD37 million (handover expected for June). HVN also sold its 49% stake in Cambodia Angkor Air to private investors as reported by Cambodian media.

May 04, 2020

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REE Corporation (REE)

1Q earnings dragged down by hydro power & COVID-19

1Q earnings down by 27% YoY but revenue up slightly by 9%

— 1Q earnings down 27% YoY to VND278 billion due to: 1) unfavorable weather conditions for the hydro power plants that led to 46% YoY drop in earnings to VND100 billion for the utilities segment; 2) negative COVID-19 impact on the Mechanical & Electrical Engineering (M&E) segment that saw profits fall by 40% YoY to VND 33 billion; and some offset from 3) the 19% YoY increase in profits to VND127 billion for the office leasing segment after the new Etown 5 project officially began operations in 4Q 2019. Revenue reached VND1,184 billion or up 9% YoY and benefitted from the inclusion of the *Huong Hum Hydro Power* and *Thuan Binh Wind Power* subsidiaries into the REE's consolidation from 4Q 2019.

Management guiding flat earnings performance for 2020E

— Management expects 2020E earnings of VND1,620 billion (down 1.2% YoY) on revenue of VND5,965 billion (up 23% YoY) alongside more favorable weather conditions for the hydroelectric segment that should allow better business performance in the second half. The company plans to approve this business plan at the annual general shareholders' meeting scheduled for May 15th and also to declare a cash dividend of VND1,600 per share for 2019 earnings. Moreover, management will propose adopting a new holding company structure separating business lines into four segments – M&E, Real Estate, Power and Water – to facilitate more transparent capital raising activities. Management believes the new structure will allow investors to better assess the fair value of each business and allow the combined entity to reach the BOD's target of USD1 billion market capitalization over the next five years.

May 04, 2020

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PV POWER (POW)

1Q earnings drop 47% due to unfavorable weather

1Q earnings sharply down 47% mainly due to unfavorable weather.

— 1Q earnings down 47% YoY to VND444 billion due to: 1) large losses from the *Dakdrink Hydro Power* and *Hua Na Hydro Power* stations due to unfavorable weather; and 2) VND136 billion in foreign-exchange losses from overseas debt. Revenue fell by 5.5% to VND7,975 billion after electricity production dropped by 4.3% YoY to 5,267 million kWh, with output from *Nhon Trach 1* (lack of fuel), *Hua Na* and *DakDrink* (low water levels) down 60% YoY. POW made up for lost output by boosting generation from *Vung Ang 1* by 50% YoY during the quarter.

Constraints in the Southeast region reduced LNG supply to 15.0–15.5 million sm³ per day

— Fuel shortages for the Southeast region will likely continue for the foreseeable future, with gas capacity reduced to 15.0–15.5 million sm³ per day from 18 million sm³ per day at the end of 2019. Gas supply from the *Cuu Long* basin continued to suffer from system problems at the *Rong Doi* rig between Dec 12, 2019 and Jan 10, 2020 and problems at *Block 11.2* from March 8, 2020. Problems at *Block 11.2* could take as long as four months to repair.

Management only released 2Q pretax earnings guidance of VND840 billion for now

— Full-year 2020E guidance has been delayed with the push back in the annual general shareholders' to June 12 due to the coronavirus. So far, management has only released a 2Q pretax earnings target of VND840 billion (–3% YoY) on revenue of VND9,658 billion (–2% YoY) and electricity output of 5,717 million kWh (–5% YoY). The *Nhon Trach 3* and *Nhon Trach 4* projects remain on schedule and management are finalizing the feasibility report, negotiating the PPA electricity price contract with EVN and preparing the LNG supply contract with PV Gas. Moreover, the company has also begun working with local and foreign credit institutions to arrange capital for the projects.

KBSV Model Portfolio

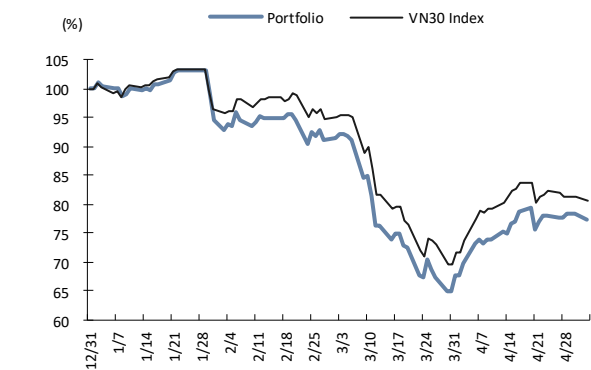
KBSV Research Team

Investment approach:

- Seeks to outperform the VN30 Index by identifying the most attractive stocks within our coverage universe over the next 3 months
- Employs a risk-managed exit strategy that sets a profit target of +30% and stop loss of -15%
- Uses an equal-active-weight (with monthly rebalancing method) approach that allocates 100% of the portfolio to stocks that, at times, can include a VN30 index ETF

	VN30 Index	Master Portfolio
Daily return	-0.84%	-1.19%
Cum. return	-19.31%	-22.66%

Performance vs VN30 Index



KBSV domestic model portfolio

Ticker	Inclusion date	Close 20/05/04	Daily return (%)	Cumulative return (%)	Main investment catalysts
Mobile World (MWG)	19/08/09	79,400	-2.8%	-31.5%	<ul style="list-style-type: none"> - Optimizing revenue from DMG & TGDD chains - BHX expects to reach break-even point soon at stores and distribution centers - In the long term, BHX aims to capture 10-15% of the food retail market
Nam Long Invest (NLG)	19/06/03	22,500	0.0%	-16.0%	<ul style="list-style-type: none"> - Leader in mid- to high-end housing & Japanese partners for large urban area (UA) projects - Largest urban area developer (Mizuki Park UA, Akari City UA & Waterpoint US)
Phu Nhuan Jewelry (PNJ)	19/03/22	56,500	-0.7%	-26.3%	<ul style="list-style-type: none"> - Strong topline supported by transaction volumes (2018 +34% & ASPs (2018 +5%) - Strongest customer base to capture lucrative watch segment (5% of sales by 2022E) - Core business activities growing again after the "ERP" incident
Military Bank (MBB)	18/12/18	15,850	-0.6%	-19.6%	<ul style="list-style-type: none"> - Military Insurance Corporation (MIC) non-life premiums to boost 2019 non-bank income - Retail loan mix (M credit) supports 4% NIM against pricing competition (ACB/MBB) - M credit work-in-progress but low-cost funding from Shinsei triples key cash loan mkt
Refrig Elec Eng (REE)	18/10/11	29,600	-1.3%	-12.9%	<ul style="list-style-type: none"> - Office lease management & E-town Central occupancy generates stable cash flow - Strategic investments in utility industry provides stable/long-term dividend stream
FPT Corp (FPT)	18/09/06	50,500	-0.6%	31.2%	<ul style="list-style-type: none"> - Software outsourcing foothold in Japan/US/Asia-Pacific/EU drives 25% overseas CAGR - Telecoms stable 15% growth/solid subscriber growth & profitable Pay-TV from 2020E - 20%+ earnings momentum by 2020E
Vietin Bank (CTG)	20/01/31	20,050	0.2%	-17.8%	<ul style="list-style-type: none"> - Building on strong earnings recovery in 2019 & optimistic outlook for 2020 - Growing expectations for capital increase in 2020 to offset loan-growth concerns - Already improved asset quality and benign credit risks for 2020
Vietjet (VJC)	19/02/05	114,300	-1.0%	-11.5%	<ul style="list-style-type: none"> - nCoV outbreak impact meaningful but short-lived & fully-reflected in stock price - Lower fuel costs silver lining to offset lower passenger volumes - Growth prospects intact as Long Thanh airport project schedule pulled forward
Hoa Pha Group (HPG)	19/12/04	21,000	-2.3%	-10.4%	<ul style="list-style-type: none"> - Steel consumption starts to rebound - Construction steel prices show signs of rising again - Increased capacity from Dung Quat project helps HPG expand market share
Kinhbac City Development (KBC)	20/03/09	12,350	-2.8%	-9.9%	<ul style="list-style-type: none"> - Strong pricing for upcoming land sales after Trang Due urban land sales in 4Q19 - Beneficiary of more production facilities from EU companies after EU-Vietnam FTA - Re-location of supply chains from China after COVID-19 scare

Source: Bloomberg, KB Securities Vietnam

Market Monitors

Ho Chi Min – Net foreign buys/sells

Ticker	Chg (%)	For. Ownership (%)	Net buy (VND bn)
VHM	2.0%	14.7%	20.2
MSN	-2.6%	36.0%	20.0
HDB	4.4%	21.3%	17.8
CTG	0.3%	29.6%	14.8
VPB	-2.2%	22.9%	14.8

Ticker	Chg (%)	For. Ownership (%)	Net sell (VND bn)
STB	-1.3%	10.1%	-15.4
SSI	-2.3%	51.2%	-14.0
PVD	0.9%	13.9%	-13.4
NVL	-0.8%	6.0%	-10.9
KBC	-2.8%	22.4%	-10.0

Source: FinPro, KB Securities Vietnam

Hanoi – Net foreign buys/sells

Ticker	Chg (%)	For. Ownership (%)	Net buy (VND bn)
SHB	-1.9%	7.9%	1.5
HAD	0.0%	9.5%	0.7
AMV	-0.6%	2.6%	0.6
PVI	-0.3%	54.3%	0.2
TTT	0.0%	5.8%	0.2

Ticker	Chg (%)	For. Ownership (%)	Net sell (VND bn)
PVS	-0.9%	14.6%	-27.8
HUT	-5.6%	8.8%	-3.9
SHS	-1.3%	9.4%	-0.9
ART	-3.9%	6.6%	-0.8
PVC	0.0%	12.2%	-0.5

Source: FinPro, KB Securities Vietnam

Sectors – Top 5 best/worst weekly performance

Top 5 best performers	Chg (%)	Key stocks
Automobiles & Parts	3.2%	SVC, DRC
Banks	1.1%	CTG, VCB
Health Care	0.8%	DHG, PME
Real Estate	0.1%	VHM, PDR
Oil & Gas	-0.1%	PVD, PLX

Top 5 worst performers	Chg (%)	Key stocks
Food & Beverage	-6.2%	SAB, VNM
Insurance	-4.5%	BVH, PGI
Basic Resources	-3.5%	HPG, VIS
Retail	-3.5%	MWG, FRT
Financial Services	-3.2%	HCM, SSI

Source: Bloomberg, KB Securities Vietnam

Sectors – Top 5 best/worst monthly performance

Top 5 best performers	Chg (%)	Key stocks
Travel & Leisure	17.4%	HVN, VJC
Automobiles & Parts	16.3%	TCH, DRC
Retail	12.7%	MWG, FRT
Basic Resources	11.8%	HPG, HSG
Chemicals	10.9%	DCM, PHR

Top 5 worst performers	Chg (%)	Key stocks
Insurance	-0.9%	BVH, BIC
Banks	-0.4%	BID, VCB
Real Estate	0.7%	VIC, FLC
Oil & Gas	1.0%	PLX, PVD
Financial Services	3.6%	HCM, SSI

Source: Bloomberg, KB Securities Vietnam

Vietnam – Focus stocks

Sector	Code	Company name	Price	Mkt cap (VNDbn, USDmn)	Trading value (VNDmn, USDmn)	For avail (% -1d)	PER (X)		EPS CAGR (%)	ROE (%)		P/B (X)		Performance (%)			
							19E	20E		19E	20E	19E	20E	1D	1W	1M	YTD
Real estate	VIC	VINGROUP JSC	91,800	310,507 (13,242)	94,316 (4.0)	22.6	41.4	24.6	31.3	8.8	12.4	3.7	3.2	-0.1	-1.3	0.9	-20.2
	VHM	VINHOMES JSC	64,900	213,489 (9,104)	77,030 (3.3)	34.3	8.0	6.6	35.3	38.5	32.5	2.5	1.8	2.0	-2.6	12.5	-23.5
	VRE	VINCOM RETAIL JS	23,450	53,286 (2,272)	76,368 (3.3)	17.5	18.7	14.7	10.2	10.2	11.7	1.9	1.7	1.5	-2.7	20.3	-31.0
	NVL	NOVA LAND INVES	52,800	51,192 (2,183)	36,804 (1.6)	32.4	17.4	18.6	-11.3	12.0	11.8	2.1	1.8	-0.8	0.4	1.7	-11.3
	KDH	KHANGDIEN HOUSE	20,900	11,379 (485)	12,030 (0.5)	4.8	9.9	8.7	16.8	14.6	15.2	1.3	1.3	-0.2	2.0	14.2	-22.3
	DXG	DATXANH GROUP	9,350	4,851 (207)	30,547 (1.3)	8.7	4.5	4.0	-11.5	12.3	15.2	0.5	0.5	-5.5	-2.2	12.5	-35.5
Banks	VCB	BANK FOR FOREIGN	67,400	249,978 (10,661)	107,218 (4.6)	6.4	14.2	11.7	16.7	20.4	20.2	2.6	2.2	-0.9	-2.6	2.9	-25.3
	BID	BANK FOR INVESTM	35,300	141,977 (6,055)	43,921 (1.9)	12.2	18.9	15.0	5.7	11.9	11.5	1.8	1.6	-0.8	-2.5	2.9	-23.5
	TCB	VIETNAM TECHNOLO	17,400	60,902 (2,597)	33,213 (1.4)	0.0	5.6	4.8	8.2	16.9	17.4	0.8	0.7	1.2	2.7	9.8	-26.1
	CTG	VIETNAM JS COMM	20,050	74,654 (3,184)	122,958 (5.2)	0.4	8.5	6.1	28.8	12.3	15.0	0.9	0.8	0.3	4.4	6.6	-4.1
	VPB	VIETNAM PROSPERI	20,050	48,877 (2,084)	96,995 (4.1)	0.5	5.4	4.6	10.3	19.3	18.0	1.0	0.8	-2.2	0.8	14.2	0.3
	MBB	MILITARYCOMMERC	15,850	38,221 (1,630)	103,359 (4.4)	0.0	4.4	3.9	15.0	20.3	20.2	0.8	0.7	-0.6	-1.9	7.5	-23.8
	HDB	HDBANK	21,550	20,816 (888)	35,537 (1.5)	8.7	5.8	4.8	13.8	20.6	20.2	0.9	0.8	4.4	4.6	10.2	-21.8
	STB	SACOMBANK	8,980	16,197 (691)	85,514 (3.6)	13.6	6.9	5.4	39.1	9.4	10.8	0.6	0.5	-1.3	-1.9	7.5	-10.6
	TPB	TIEN PHONG COMME	17,400	14,208 (606)	2,070 (0.1)	0.0	3.8	3.5	44.5	25.7	21.6	0.9	-	0.0	-1.7	3.9	-17.3
	EIB	VIETNAM EXPORT-I	15,050	18,503 (789)	6,209 (0.3)	0.0	32.4	31.0	-6.9	3.6	3.6	1.1	1.1	0.3	-1.6	-1.0	-15.4
Insurance	BVH	BAOVIETHOLDING	44,100	32,736 (1,396)	29,460 (1.3)	20.3	26.8	19.8	1.0	6.9	9.0	1.7	1.6	-4.5	-6.8	4.3	-35.7
	BMI	BAOMINHINSURANC	21,600	1,973 (084)	9,346 (0.4)	12.9	-	-	-	-	-	-	-	-4.4	6.9	39.4	-12.9
Securities	SSI	SSI SECURITIES C	12,700	7,632 (325)	46,231 (2.0)	48.9	7.8	7.2	-11.9	10.5	10.6	-	-	-2.3	-4.5	11.2	-18.4
	VCI	VIETCAPITAL SEC	17,750	2,916 (124)	9,001 (0.4)	66.2	-	-	-	14.1	-	-	-	0.9	-5.6	18.3	-39.8
	HCM	HOCHIMINH CITY	15,500	4,731 (202)	34,746 (1.5)	45.2	9.1	5.4	-16.4	12.5	17.7	1.0	0.9	-6.1	-8.3	22.0	-27.4
	VND	VNDIRECTSECURIT	10,750	2,242 (096)	11,031 (0.5)	12.2	-	-	-	8.6	-	-	-	-1.8	-3.2	-3.6	-25.3
Consumer staples	VNM	VIETNAM DAIRYP	97,600	169,958 (7,248)	153,737 (6.6)	41.5	17.3	15.9	3.7	38.2	38.9	5.8	5.3	-1.4	1.6	2.7	-16.2
	SAB	SAIGON BEER ALCO	155,000	99,399 (4,239)	18,802 (0.8)	36.7	21.7	18.3	7.5	24.3	26.5	4.9	4.4	-4.9	-14.2	24.0	-32.0
	MSN	MASANGROUP CORP	57,300	66,981 (2,856)	86,473 (3.7)	13.0	25.3	19.9	-30.3	7.4	8.3	1.6	1.4	-2.6	-1.5	9.6	1.4
	HNG	HOANGANH GIA LA	12,900	14,300 (610)	2,785 (0.1)	48.7	-	-	-	-	-	-	-	0.0	1.6	4.9	-7.2
Industrials (transport)	VJC	VIETJET AVIATION	114,300	59,875 (2,553)	35,490 (1.5)	11.3	14.2	11.9	-9.5	25.6	27.3	3.5	3.1	-1.0	-1.8	14.4	-21.8
	GMD	GEMADEPT CORP	18,000	5,345 (228)	8,727 (0.4)	0.0	13.1	11.4	-53.2	7.3	8.3	0.9	0.9	-3.2	2.3	18.4	-22.7
	CII	HOCHIMINH CITY	19,300	4,783 (204)	22,494 (1.0)	24.4	10.3	9.4	136.4	9.6	9.7	0.9	0.9	-2.8	0.3	2.9	-14.2
Industrials (capital goods)	ROS	FLC FAROS CONSTR	3,520	1,998 (085)	77,380 (3.3)	46.6	-	-	-	-	-	-	-	-6.4	-3.3	-5.4	-79.7
	GEX	VIETNAM ELECTRIC	15,000	7,324 (312)	20,886 (0.9)	33.7	8.8	6.6	-12.1	9.6	15.5	1.0	1.0	-3.5	-7.1	7.9	-22.5
	CTD	COTECCONS CONSTR	61,000	4,654 (198)	17,168 (0.7)	2.6	8.3	8.2	-39.4	6.4	6.8	0.6	0.5	-2.7	7.6	26.4	18.9
	REE	REE	29,600	9,178 (391)	19,927 (0.8)	0.0	5.5	4.6	-2.8	14.9	15.6	0.8	0.7	-1.3	0.3	2.6	-18.5

Source: Bloomberg, KB Securities Vietnam

Vietnam – Focus stocks

Sector	Code	Company name	Price	Mkt cap (VNDbn, USDmn)	Trading value (VNDmn, USDmn)	For avail (%, -1d)	PER (X)		EPS CAG R (%)	ROE (%)		P/B (X)		Performance (%)			
							19E	20E		19E	20E	19E	20E	1D	1W	1M	YTD
Utilities	GAS	PETROVIETNAM GAS	63,800	122,110 (5,207)	59,408 (2.5)	45.7	15.1	12.3	-17.6	15.4	19.8	2.4	2.3	0.6	-2.0	7.8	-31.9
	NT2	PETROVIETNAM NHO	20,050	5,772 (246)	10,287 (0.4)	31.4	8.1	7.7	-2.9	16.9	18.4	1.3	1.3	-2.4	1.5	17.6	-7.4
	PPC	PHA LAI THERMAL	24,350	7,807 (333)	5,297 (0.2)	32.5	7.9	8.4	-8.0	16.6	15.4	1.3	1.2	-2.2	2.3	9.7	-9.5
Materials	HPG	HOA PHAT GRP JSC	21,000	57,983 (2,473)	160,780 (6.9)	12.3	7.0	5.4	-1.7	17.2	19.1	1.1	0.9	-2.3	-2.8	19.0	-10.6
	DPM	PETROVIETNAM FER	13,600	5,322 (227)	39,850 (1.7)	33.4	9.4	9.1	-2.8	9.1	7.8	0.7	0.6	-4.9	-11.1	9.7	5.0
	DCM	PETROCA MAU FER	7,900	4,182 (178)	14,122 (0.6)	47.2	9.7	21.5	-14.7	7.8	3.5	0.7	0.7	-6.6	-1.1	38.8	21.5
	HSG	HOA SEN GROUP	7,550	3,355 (143)	47,030 (2.0)	31.5	8.5	6.4	0.0	7.0	8.5	0.5	0.5	2.7	11.2	52.5	1.5
	AAA	ANPHAT BIOPLAST	11,650	1,994 (085)	30,495 (1.3)	36.6	5.0	8.5	51.8	14.8	9.0	0.6	0.5	-5.7	-6.4	13.1	-8.3
Energy	PLX	VIETNAM NATIONAL	40,100	47,752 (2,036)	58,341 (2.5)	6.9	12.7	11.4	6.8	17.0	19.8	2.2	2.0	-0.5	-1.5	0.5	-28.4
	PVD	PETROVIETNAM DRI	9,230	3,887 (166)	62,999 (2.7)	35.1	29.8	11.9	-7.6	1.0	2.6	0.3	0.3	0.9	-3.8	22.4	-38.7
	PVT	PETROVIET TRANSP	9,650	2,716 (116)	23,778 (1.0)	23.0	5.1	4.7	-9.6	11.5	12.2	0.5	0.5	-1.8	-4.5	12.1	-42.6
Consumer discretionary	MWG	MOBILEWORLD INV	79,400	35,954 (1,533)	134,523 (5.7)	0.0	8.9	7.2	15.4	29.9	30.7	2.3	1.8	-2.8	-4.9	21.4	-30.4
	PNJ	PHU NHUAN JEWELR	56,500	12,723 (543)	51,000 (2.2)	0.0	12.2	10.2	6.3	23.6	23.1	2.4	2.0	-0.7	-4.9	8.9	-34.3
	YEG	YEAH1 GROUP CORP	54,500	1,608 (069)	1,855 (0.1)	68.8	22.9	16.7	-28.1	6.7	8.5	1.5	1.4	-4.0	-9.5	9.7	47.3
	FRT	FPT DIGITAL RETA	19,800	1,564 (067)	15,895 (0.7)	8.7	10.4	9.6	-33.4	11.1	10.6	1.0	0.8	-6.8	-8.3	55.9	-5.9
Healthcare	PHR	PHUOC HOA RUBBER	43,300	5,867 (250)	37,160 (1.6)	40.3	5.5	5.0	30.3	38.0	35.0	1.9	1.6	-4.2	3.1	19.1	13.4
	DHG	DHG PHARMACEUTIC	94,100	12,303 (525)	2,922 (0.1)	45.7	19.2	17.7	4.1	19.5	19.2	3.4	3.3	0.9	1.3	15.0	2.8
	PME	PYMEPHARCO JSC	59,900	4,493 (182)	1,266 (0.1)	37.9	-	-	-	-	-	-	-	-2.9	1.2	11.5	10.3
IT	FPT	FPT CORP	50,500	34,424 (1,468)	98,979 (4.2)	0.0	10.3	8.9	17.2	24.1	25.0	2.2	2.0	-0.6	-1.0	13.2	-13.4

Source: Bloomberg, KB Securities Vietnam

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Investment ratings & definitions

Investment Ratings for Stocks

(based on expectations for absolute price gains over the next 6 months)

Buy:	Hold:	Sell:
+15% or more	+15% to -15%	-15% or more

Investment Ratings for Sectors

(based on expectations for absolute price gains over the next 6 months)

Positive:	Neutral:	Negative:
Outperform the market	Perform in line with the market	Underperform the market

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