KB Securities VIETNAM

VIETNAM DAILY

June 10, 2020

[Market Commentary]

Stocks held gains and closed modestly higher helped by banks after a government think tank announced little chance of bad debt crisis

[Futures/ETFs]

Futures closed higher and outpaced the VN30 cash index as local short covering into the auction allowed the basis to close in contango

[Market Movers]

HDB, NLG, KBC

[Company Updates]

PVS, PLX, PNJ

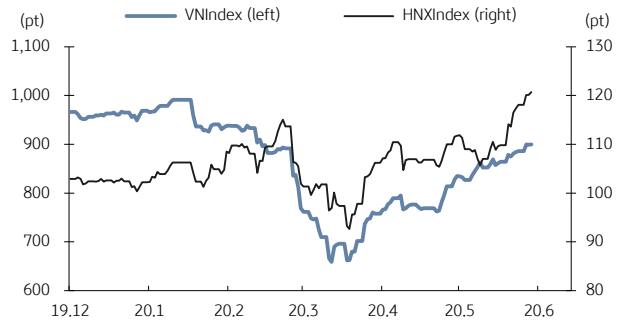
	Index	Chg (%, bp)
Ho Chi Minh	900.00	+0.06
VN30	839.11	+0.25
VN30 futures	839.30	+1.49
Hanoi	120.68	+0.46
HNX30	237.39	+0.10
UPCoM	57.30	+0.02
USD/VND	23,205	+0.00
10-yr govt bond (%)	3.03	-2
Overnight rate (%)	0.40	+23
Oil (WTI, $)	37.88	-2.72
Gold (LME, $)	1,718.11	+0.16

Market Commentary

VNIndex	900.00P (+0.06%)
Volume (mn shrs)	514.6 (+16.5%)
Value (U$mn)	307.5 (-0.5%)
HNXIndex	120.68P (+0.46%)
Volume (mn shrs)	72.9 (-16.6%)
Value (U$mn)	32.1 (+2.9%)
UPCoM	57.30P (+0.02%)
Volume (mn shrs)	34.1 (-11.3%)
Value (U$mn)	16.2 (+0.5%)
Net foreign buy (U$mn)	+7.8

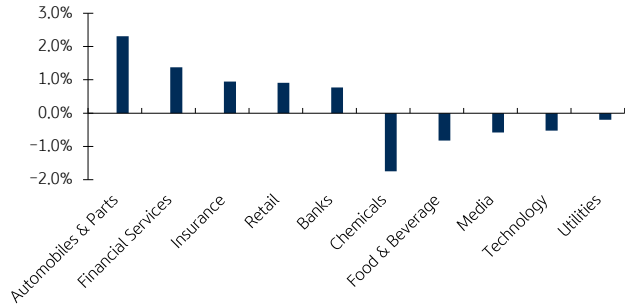
Stocks held gains and closed modestly higher helped by banks after a government think tank announced little chance of bad debt crisis. Military Bank (MBB, +2.8%) and Vietinbank (CTG, +1.9%) led the sector-wide rally in banks after the Central Institute of Economic Management (CIEM) under the Ministry of Planning & Industry said it expects zero risk of another bad debt crisis due to rising non-performing loans from the coronavirus. Sacombank (STB, +7.0%) was limit high on expectations it will be added to Van Eck Vietnam ETF next Friday after the new basket of stocks is announced this Friday. Kinh Bac City Development (KBC, +6.8%) also hit limit up when Vinatex-Tan Tao Investment - a sister company - registered to boost its stake. Industrial park shares outperformed again on hopes for more FDI, with Sonadezi Long Thanh (SZL, +3.6%) up and Tan Tao Investment & Industry (ITA, +7.0%) extending its limit-high performance to a sixth session on takeover speculation. Masan Meatlife (MML, -0.4%) and Dabaco (DBC, -6.9%) both fell on news that the government reduced import taxes on pork to pull down domestic pork prices. Foreign investors were net buyers, focusing on the Diamond ETF (FUEVFVND, +0.7%), Vinhomes (VHM, -0.1%) and Nam Long Group (NLG, +5.4%).

VN Index & HNX Index



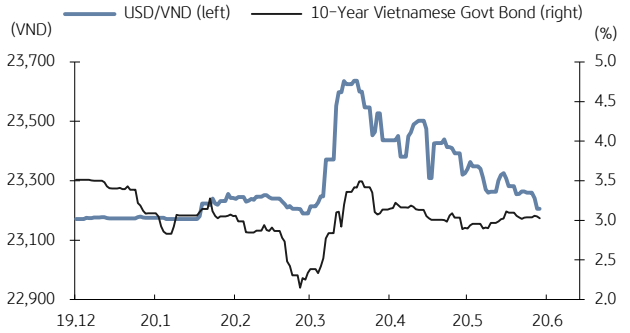
Source: Bloomberg, KB Securities Vietnam

VN Index sector performance



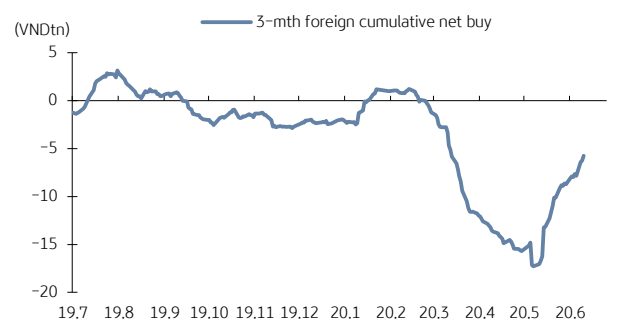
Source: Bloomberg, KB Securities Vietnam

USD/VND & 10-year government bond rates



Source: Bloomberg, KB Securities Vietnam

Vietnam - 3-mth cumulative net foreign buy



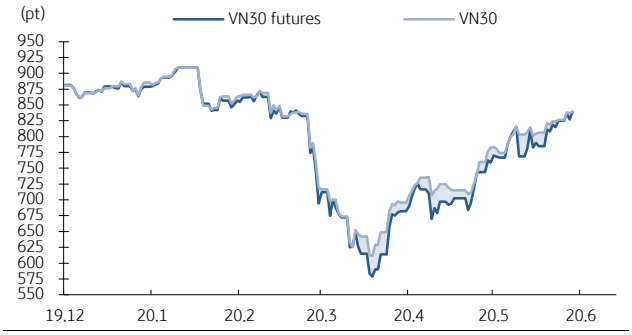
Source: FiinPro, KB Securities Vietnam

Futures/ETFs

VN30	839.11P (+0.25%)
VN30 futures	839.3P (+1.49%)
Open	829.5P
High	840.8P
Low	825.9P
Contracts	187,322 (+17.8%)

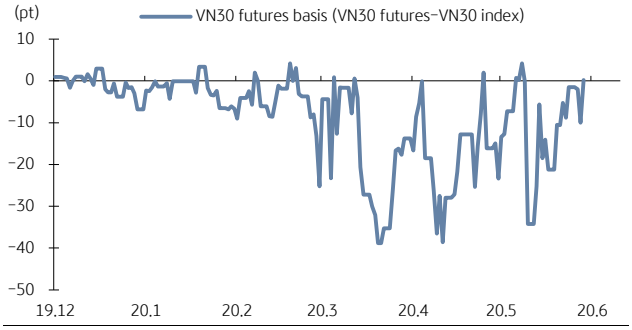
Futures closed higher and outpaced the VN30 cash index as local short covering into the auction allowed the basis to close in contango. The basis opened at minus 7.52 basis points and saw another day of trading in a tight range between minus 4-5 basis points on local intraday long positions in the morning session. Weakness in the VN 30 cash index in the afternoon session caused locals to turn to sellers and short June contracts before resilience in the cash market triggered short covering into the auction and pushed the basis to positive 0.19 basis points at the close. Foreigners were evenly balanced for most of the day but turned to active net sellers on the front contract when the basis began to strengthen in the afternoon. Trading volumes were healthier on the day.

VN30 futures & VN30 index



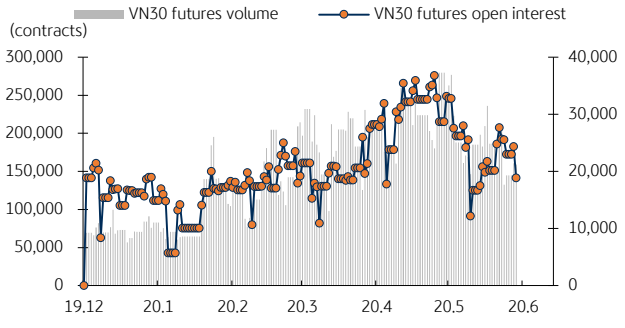
Source: Bloomberg, KB Securities Vietnam

Front month VN30 futures basis



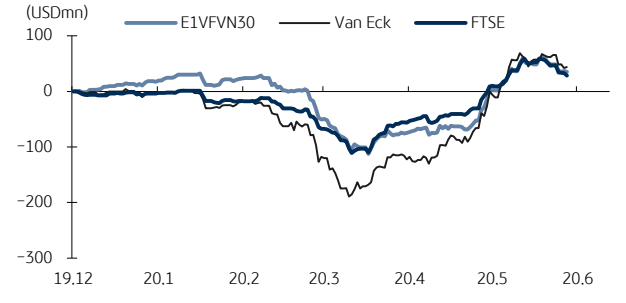
Source: Bloomberg, KB Securities Vietnam

VN30 futures volume & open interest



Source: Bloomberg, KB Securities Vietnam

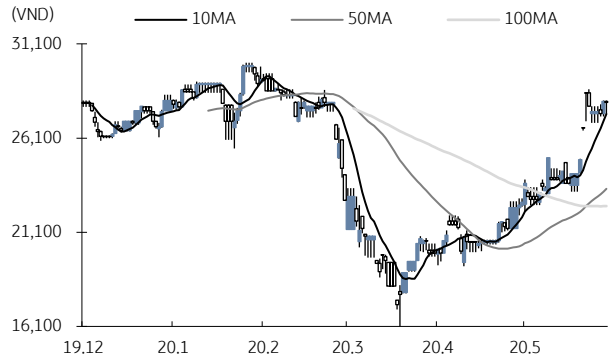
Vietnam ETFs - 3-mth cumulative net buy



Source: FiinPro, KB Securities Vietnam

Market Movers

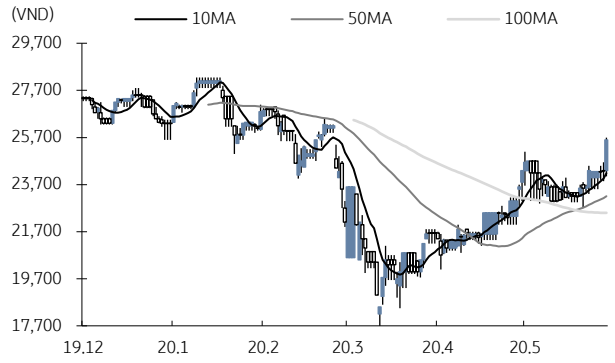
HDBank (HDB)



Source: Bloomberg, KB Securities Vietnam

- HDB closed down 0.2% to VND 28,000
- HDB announced a second tranche of bond issues for up to VND3.0 trillion for 2020E. The bonds are expected to be issued in 2-year, 3-year and 5-year maturities at rates fixed to prevailing rates when issued.
- HDB most recently sold VND1,050 billion in 2-year and 3-year bonds on April 13 and 23 at rates ranging between 5.8% and 6.5% per year.

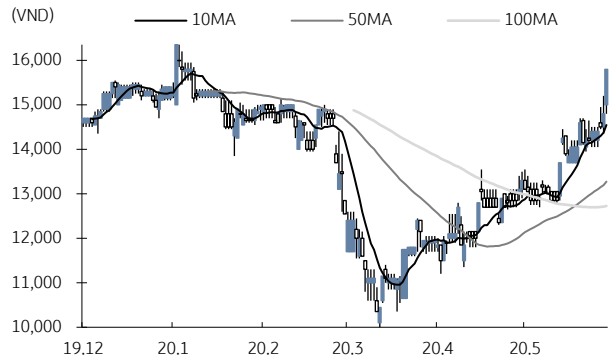
Nam Long Group (NLG)



Source: Bloomberg, KB Securities Vietnam

- NLG closed up 5.3% to VND 25,600
- NLG's CEO – Mr Nguyen Thanh Son – announced plans to expand the company's landbank by an additional 25ha in Hanoi and 9ha in Ho Chi Minh City. Management expects to achieve this using VND2,000 billion in funds ear marked for the acquisitions.
- The management also reiterated its confidence that its current 681ha green fields landbank can sustain growth at the company for the next 10 years.

Kinh Bac City Development (KBC)



Source: Bloomberg, KB Securities Vietnam

- KBC closed up 6.8% to VND 15,800
- Vinatex-Tan Tao Investment Corporation registered to buy 5 million shares in KBC to raise its stake to 11 million shares or 2.3% of outstanding shares. The purchases will be conducted between June 15 and July 14.
- KBC's Chairman – Mr Dang Thanh Tam – is also the current chairman and CEO of Vinatex-Tan Tao Investment.

June 10, 2020

Oil & Gas & Chemicals Analyst
Nguyen Vinh
vinhn@kbsec.com.vn

PV Tech Services (PVS)

Overly optimistic guidance but new order momentum

Overly aggressive guidance based on questionable USD60 Brent & 7% cash dividend

— Management released 2020E guidance for shareholders' approval at VND640 billion for earnings or down by 20.8% YoY on revenue of VND15,000 billion or down by 12.0% YoY. This compares to recent consensus earnings at about VND530–570 billion and the overly optimistic outlook is largely due to an unexplained base case scenario for Brent averaging USD60. Brent prices have averaged about USD38.40 so far this year are unlikely to rise fast enough to average USD60 as economies are only slowly reopening after the coronavirus. Aside from the questionable base case for oil, one positive development was management's confidence that main projects will be able to contribute more to 2020E profitability. This bodes well for the *Sao Vang-Dai Nguyet* and *Gallaf – Al Shaheen* projects and indicates both are on schedule to enter the peak & finishing process phase this year, which potentially offers USD100 million in additional revenue. On-time completion of these two projects should allow greater opportunity for PVS to bid for an estimated VND3 billion in new orders for projects planned over the next six years according to the consensus. Moreover, management plans to declare a VND700-per-share cash dividend for 2019 performance. Shareholders will meet on June 24.

Order book gaining momentum in 2020E but margins may be squeezed

— The new order pipeline remains promising, with PVS well-positioned to win several international orders – especially, the *Gallaf batch 2* (Quatar), *Pecean FPSO* topside module (Ghana) and *Fenix* (Argentina) projects – as well as important local orders – including, *Block B, Blue Whale* and the *Nam Du U Minh* Engineering Procurement Construction (EPC) contract – but low oil prices and competition are likely to squeeze margins. Moreover, PVS already finished the Front End Engineering Design (FEED) process for the *Nam Du U Minh* project in 2019, which should open up the bidding for an additional USD250 million in new orders.

No further details on 1Q's incident with the JV for *Floating Storage Offloading MV12*

— Technical issues at the JV for the *Floating Storage Offloading (FSO) MV12* led to provisions that caused equity method gains from joint ventures to fall by 82% in 1Q. Management has yet to follow up with any further details or whether the technical issues have been resolved. Other JVs for FPSO/FSO operations (Floating Production Storage Offloading/Floating Storage Offloading) continue to run normally, with the investment process for *FSO Sao Vang Dai Nguyet* still on schedule to go online in 2021E.

FIRST TO MARKET

June 9, 2020

Oil & Gas & Chemicals Analyst
Nguyen Vinh
vinhn@kbsec.com.vn

Petrolimex (PLX)

Fourth treasury sale; free float increases to 10%

PLX announces fourth tranche of treasury share sell down

— PLX registered to sell another 15 million treasury shares between June 16 and July 15 or 1.3% of shares outstanding and 14% of current free-float. After selling this tranche remaining treasuries would be 88 million shares or 7.3% of outstanding shares and 82% of current free float. Implications include: 1) creating near-term overhang on PLX shares as the volume of treasury shares represents about 15-trading days of stock (unless cleared by block trades in the put-through market); but 2) will boost the thin free-float to 10.0% from 8.9%; and 3) allow the company to book about VND543 billion in gains to shareholders' equity or a 2.5% increase to 1Q's book value per share as the average purchase prices for these shares was VND10,600 per share.

Proceeds from treasury sale adds to PLX's cash pile & healthy *Price Stabilization Fund*

— Despite 1Q's negative operating cash flow, PLX is sitting on a large VND15 trillion cash pile or 27% of total assets vs VND343 billion in debt due this year. Moreover, contributions to the *Price Stabilization Fund* to offset sharp rises in retail pump prices are at healthy levels at VND2.3 trillion. Management will likely use these extra cash resources to continue the acquisition of existing gas stations as well as opening new locations to expand the network of directly-owned gas stations.

Treasury shares a legacy from 2011's privatization & boosts free float

— We view any treasury sale positively to resolve legacy issues from the company's privatization and additional boost to free float. The current treasury sell down has its roots in the company's privatization in 2011 when the government provided PLX with VND2.8 trillion in receivables to make up for a capital shortfall just prior to its quasi-listing. The spinout of PLX from the government was conducted at an asset value of VND 7.3 trillion vs the original VND10.2 trillion asset value due to falling land prices and the differential of VND2.8 trillion was resolved by: 1) VND2.4 trillion in suspended dividends as the government gave up cash dividends between 2012-2016 to pay down its receivables obligation; and 2) VND350 billion in redeemable preferred shares that were ultimately converted to common shares and bought into treasury shares. PLX originally issued 155 million redeemable preferred shares in 2016 as part of a bonus share offering that the company would redeem at VND10,000 par value plus an additional VND600 per share by the end of the year. Minorities received payment for redeemed shares but the government's preferred shares were converted to common shares. The government, however, used these common shares for payment in kind against the claim on the receivables, with PLX taking these shares into treasury.

June 10, 2020

Consumer & Retailing Analyst
Dao Phuc Phuong Dung
dungdpp@kbsec.com.vn

Phu Nhuan Jewelry (PNJ)

Shareholders approve cautious 2020E earnings

2020E earnings down 30% YoY as lower incomes hit spending on discretionary items

— Shareholders approved PNJ's revised 2020E guidance for a 30% YoY drop in earnings to VND832 billion and 15% YoY decrease in sales to VND14,485 billion. Management warned that consumption patterns may still be impacted by the coronavirus as lower disposable incomes force many consumers to tighten discretionary spending. Moreover, the COVID-19 pandemic has also delayed the company's export activities since the start of the year. Shareholders also approved PNJ's plan to issue more than 2.5 million ESOP shares at VND20,000 per share for key management sometime this year (the BOD will decide on the specific date at a later time).

PNJ will continue to expand the domestic network despite weaker consumption

— The company will continue to expand the domestic retail network despite the negative impact from the coronavirus. Management seems well aware that the expansion into the weak consumer environment may depress same-store-sales in the near term but opted to continue to strengthen the strategic footprint of its stores and to grow overall topline sales. PNJ will simultaneously open nine new stores on June 11 to bring its total number of stores to 360 locations. *PNJ Watch* currently has 44 stores but will reach 54 stores by the end of June. PNJ will also strengthen its multi-channel sales network to gain market share in the post-pandemic era with the launch of an e-commerce platform.

Will break ground on the second factory in Long An in 2020E

— PNJ will begin construction of the second factory this year that will be located in the Long An region and away from any large urban center due to environmental concerns on the plated products that the new facility will produce. The current factory located in a residential area of Ho Chi Minh City will focus primarily on the premium segment to reduce the reliance on imported products and thereby reduce import taxes for the company. PNJ's chairwoman stated that each year PNJ imports approximately 0.5 tons of goods that are subject to the 35% special consumption tax or equivalent to VND100 billion per year.

KBSV Model Portfolio

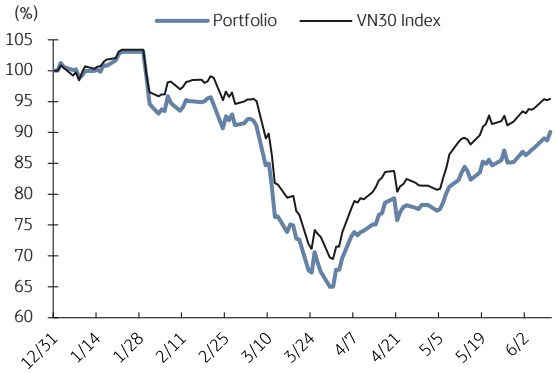
KBSV Research Team

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	0.25%	1.61%
Cum. return	-4.54%	-9.88%

Performance vs VN30 Index



KBSV domestic model portfolio

Ticker	Inclusion date	Close 20/06/10	Daily return (%)	Cumulative return (%)	Main investment catalysts
Mobile World (MWG)	19/08/09	89,400	0.8%	-22.9%	- 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	25,600	5.3%	-4.5%	- 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	65,000	-0.8%	-15.2%	- 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	18,600	2.8%	-5.7%	- Military Insurance Corporation (MIC) non-life premiums to boost 2019 non-bank income - Retail loan mix (Mcredit) supports 4%NIM against pricing competition (ACB/MBB) - Mcredit work-in-progress but low-cost funding from Shinsei triples key cash loan mkt
Refrig Elec Eng (REE)	18/10/11	31,950	0.0%	-6.0%	- 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	48,800	-0.3%	45.8%	- 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	24,650	1.9%	1.0%	- 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	117,800	0.0%	-8.8%	- 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	27,000	-0.4%	15.1%	- 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	15,800	6.8%	15.3%	- 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)
FUEVFVND	0.7%	100.0%	139.0
VHM	-0.1%	13.9%	41.6
NLG	5.4%	47.5%	37.6
VCB	0.1%	23.8%	25.3
VNM	-1.6%	58.9%	23.6
Ticker	**Chg (%)**	**For. Ownership (%)**	**Net sell (VND bn)**
PC1	2.0%	19.0%	-59.0
TDH	6.8%	29.5%	-19.8
HPG	-0.4%	36.2%	-15.8
CII	0.5%	41.9%	-11.9
GVR	-2.9%	0.6%	-11.0

Source: FiinPro, KB Securities Vietnam

Hanoi – Net foreign buys/sells

Ticker	Chg (%)	For. Ownership (%)	Net buy (VND bn)
NTP	0.8%	18.8%	1.4
TIG	5.8%	14.1%	1.0
VCS	-0.7%	2.7%	0.9
TAR	-3.3%	0.0%	0.3
ICG	7.3%	6.8%	0.2
Ticker	**Chg (%)**	**For. Ownership (%)**	**Net sell (VND bn)**
PVS	-0.7%	12.5%	-7.0
SHB	0.6%	7.1%	-3.3
SHS	-4.4%	7.0%	-2.4
HLD	4.6%	8.7%	-0.6
DGC	-2.2%	0.8%	-0.6

Source: FiinPro, KB Securities Vietnam

Sectors – Top 5 best/worst weekly performance

Top 5 best performers	Chg (%)	Key stocks
Automobiles & Parts	7.0%	TCH, HHS
Financial Services	6.1%	SSI, HCM
Travel & Leisure	6.0%	HVN, VJC
Insurance	5.5%	BVH, BMI
Construction & Materials	5.1%	HBC, BMP
Top 5 worst performers	**Chg (%)**	**Key stocks**
Media	-0.4%	PNC, YEG
Real Estate	0.1%	VIC, VHM
Technology	1.3%	SAM, ST8
Utilities	1.3%	PGD, CHP
Industrial Goods & Services	1.6%	LGC, SVI

Source: Bloomberg, KB Securities Vietnam

Sectors – Top 5 best/worst monthly performance

Top 5 best performers	Chg (%)	Key stocks
Financial Services	13.1%	SSI, HCM
Banks	12.6%	VCB, BID
Basic Resources	12.6%	HPG, HSG
Food & Beverage	7.4%	VNM, SAB
Retail	7.2%	MWG, FRT
Top 5 worst performers	**Chg (%)**	**Key stocks**
Technology	-0.2%	FPT, ST8
Personal & Household Goods	1.1%	LIX, TLG
Automobiles & Parts	2.9%	SVC, HTL
Health Care	3.0%	DBD, VDP
Insurance	3.9%	BIC, PGI

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	95,600	323,360 (13,933)	58,913 (2.5)	22.7	46.3	28.7	26.7	8.2	11.9	3.9	3.3	-0.6	-1.2	-1.9	-16.9
	VHM	VINHOMES JSC	77,500	254,937 (10,984)	224,534 (9.6)	35.1	9.5	8.4	34.7	38.3	30.6	3.0	2.3	-0.1	-0.5	9.3	-8.6
	VRE	VINCOM RETAIL JS	27,950	63,511 (2,736)	112,539 (4.8)	18.2	23.9	18.7	6.3	9.6	11.1	2.2	2.0	0.2	-0.5	10.5	-17.8
	NVL	NOVA LAND INVES	54,500	52,840 (2,277)	57,105 (2.5)	32.4	17.9	18.9	-10.9	12.0	11.5	2.1	1.9	0.0	0.4	1.1	-8.4
	KDH	KHANG DIEN HOUSE	23,550	12,354 (532)	17,844 (0.8)	5.2	11.4	10.1	15.8	14.4	14.6	1.5	1.4	0.2	1.5	10.3	-12.5
	DXG	DAT XANH GROUP	12,200	6,329 (273)	47,117 (2.0)	8.8	6.2	5.4	-14.2	12.0	14.3	0.7	0.7	-0.4	5.2	24.7	-15.9
Banks	VCB	BANK FOR FOREIGN	89,600	332,315 (14,318)	88,629 (3.8)	6.2	19.6	16.1	12.9	20.3	20.2	3.4	2.9	0.1	1.9	21.9	-0.7
	BID	BANK FOR INVESTM	43,500	174,958 (7,538)	68,458 (2.9)	12.3	32.6	20.3	-11.3	9.1	12.3	2.3	2.1	0.3	6.1	14.5	-5.7
	TCB	VIETNAM TECHNOLO	21,850	76,478 (3,295)	57,956 (2.5)	0.0	7.3	6.4	5.9	16.6	16.4	1.1	0.9	1.4	2.3	15.6	-7.2
	CTG	VIETNAM JS COMM	24,650	91,782 (3,955)	164,543 (7.1)	0.2	13.7	10.2	16.4	10.1	12.0	1.2	1.1	1.9	2.7	17.9	17.9
	VPB	VIETNAM PROSPERI	24,150	58,872 (2,537)	152,537 (6.5)	0.0	7.6	6.3	1.0	16.8	16.6	1.2	1.0	0.2	-0.6	5.9	20.8
	MBB	MILITARY COMMERC	18,600	44,853 (1,933)	147,751 (6.3)	0.0	5.8	4.8	7.8	18.3	18.5	1.0	0.8	2.8	3.0	12.0	-10.6
	HDB	HDBANK	28,000	27,046 (1,165)	27,345 (1.2)	8.9	8.0	6.4	10.2	19.9	21.5	1.2	1.0	-0.2	-1.8	25.0	1.6
	STB	SACOMBANK	11,500	20,742 (894)	148,448 (6.4)	14.5	11.5	7.4	10.6	7.2	10.0	0.7	0.6	7.0	8.0	20.8	14.4
	TPB	TIEN PHONG COMME	22,000	17,965 (774)	4,712 (0.2)	0.0	5.8	4.9	44.5	24.0	21.6	1.1	-	1.6	0.2	21.5	4.5
	EIB	VIETNAM EXPORT-I	18,100	22,253 (959)	6,851 (0.3)	0.0	38.9	37.3	-6.9	3.6	3.6	1.4	1.3	0.0	2.5	18.7	1.7
Insurance	BVH	BAO VIET HOLDING	52,800	39,195 (1,689)	55,544 (2.4)	20.7	37.7	28.4	-5.4	6.1	8.0	2.0	1.9	0.8	5.8	10.2	-23.0
	BMI	BAOMINH INSURANC	24,000	2,192 (094)	6,821 (0.3)	13.2	-	-	-	6.8	8.6	1.0	0.9	5.0	11.9	7.1	-3.2
Securities	SSI	SSI SECURITIES C	16,000	9,615 (414)	82,007 (3.5)	49.8	11.3	8.9	-17.7	8.8	10.7	0.9	0.9	0.9	5.3	18.5	2.8
	VCI	VIET CAPITAL SEC	25,250	4,148 (179)	22,027 (0.9)	71.6	9.0	7.0	-24.9	11.1	13.0	0.9	0.9	1.6	6.8	28.5	-14.4
	HCM	HO CHI MINH CITY	20,650	6,304 (272)	51,568 (2.2)	46.8	14.1	8.8	-22.5	11.0	17.1	1.4	1.3	-0.2	7.3	19.7	-3.3
	VND	VNDIRECT SECURIT	13,750	2,867 (124)	12,304 (0.5)	13.1	12.4	7.8	-19.1	7.4	11.2	0.9	0.8	0.7	6.2	23.3	-4.5
Consumer staples	VNM	VIET NAM DAIRY P	123,000	214,189 (9,229)	162,454 (7.0)	41.1	21.6	20.1	4.4	37.9	39.2	7.1	6.5	-1.6	5.5	17.1	5.6
	SAB	SAIGON BEER ALCO	178,000	114,148 (4,918)	14,145 (0.6)	36.6	28.1	23.3	1.2	21.6	24.2	5.6	5.0	-0.4	-1.1	3.5	-21.9
	MSN	MASAN GROUP CORP	62,900	73,527 (3,168)	96,109 (4.1)	9.8	46.0	29.5	-45.3	4.0	7.1	1.7	1.6	-0.2	-1.7	3.1	11.3
	HNG	HOANG ANH GIA LA	16,500	18,291 (788)	16,249 (0.7)	48.7	-	-	-	-	-	-	-	1.9	7.8	27.9	18.7
Industrials (transport)	VJC	VIETJET AVIATION	117,800	61,708 (2,659)	55,369 (2.4)	11.6	25.3	12.3	-31.3	14.3	27.0	3.6	3.2	0.0	3.5	-1.8	-19.4
	GMD	GEMADEPT CORP	20,900	6,206 (267)	9,103 (0.4)	0.0	16.3	15.0	-54.5	6.0	7.0	1.0	1.0	0.7	6.1	14.8	-10.3
	CII	HO CHI MINH CITY	20,000	4,777 (206)	32,636 (1.4)	28.1	14.0	14.9	105.5	7.7	7.0	1.0	1.0	0.5	2.3	1.5	-11.1
Industrials (capital goods)	ROS	FLC FAROS CONSTR	3,470	1,970 (085)	88,085 (3.8)	46.7	-	-	-	-	-	-	-	-6.0	14.9	-2.0	-79.9
	GEX	VIETNAM ELECTRIC	17,600	8,271 (356)	54,800 (2.4)	33.9	11.4	8.9	-16.2	11.7	13.9	1.2	1.2	0.3	3.2	13.9	-9.0
	CTD	COTECCONS CONSTR	69,400	5,295 (228)	34,136 (1.5)	2.7	9.4	9.4	-39.4	6.4	6.8	0.6	0.6	-1.6	3.1	6.0	35.3
	REE	REE	31,950	9,906 (427)	21,587 (0.9)	0.0	6.3	5.5	-5.9	14.1	14.5	0.9	0.8	0.0	0.8	4.4	-12.0

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
Utilities	GAS	PETROVIETNAM GAS	78,000	149,288 (6,432)	60,871 (2.6)	45.7	17.9	15.4	-15.7	16.0	19.3	3.0	2.9	-0.5	0.0	12.1	-16.8
	NT2	PETROVIETNAM NHO	21,550	6,204 (267)	8,309 (0.4)	31.1	8.7	8.2	-2.9	15.5	18.4	1.4	1.4	-0.9	1.7	7.5	-0.5
	PPC	PHA LAI THERMAL	25,300	8,112 (349)	5,573 (0.2)	32.6	8.3	9.1	-8.3	16.3	14.8	1.3	1.3	-1.6	3.7	2.4	-5.9
Materials	HPG	HOA PHAT GRP JSC	27,000	74,549 (3,212)	331,326 (14.2)	12.8	8.7	6.8	-1.4	17.4	19.0	1.4	1.2	-0.4	0.2	15.4	14.9
	DPM	PETROVIETNAM FER	14,950	5,850 (252)	53,365 (2.3)	37.2	10.2	9.9	-2.2	7.9	8.6	0.7	0.7	0.7	2.0	8.3	15.4
	DCM	PETRO CA MAU FER	8,800	4,659 (201)	16,447 (0.7)	47.1	10.9	23.9	-14.7	7.8	3.5	0.7	0.8	1.3	6.2	10.3	35.4
	HSG	HOA SEN GROUP	11,050	4,910 (212)	121,411 (5.2)	35.1	8.7	7.8	20.0	9.9	9.8	0.7	0.7	-2.2	11.2	41.5	48.6
	AAA	AN PHAT BIOPLAST	13,750	2,354 (101)	34,234 (1.5)	35.2	6.0	10.1	51.8	14.8	9.0	0.7	0.6	1.9	9.1	14.1	8.3
Energy	PLX	VIETNAM NATIONAL	47,700	56,802 (2,447)	45,007 (1.9)	6.7	21.9	16.5	-11.4	13.0	17.2	2.7	2.4	0.2	2.1	8.9	-14.8
	PVD	PETROVIETNAM DRI	11,700	4,927 (212)	77,988 (3.3)	36.8	39.4	26.8	-9.0	1.0	0.9	0.4	0.4	-0.4	2.6	20.7	-22.3
	PVT	PETROVIET TRANSP	11,700	3,293 (142)	21,558 (0.9)	23.7	7.6	6.5	-17.0	9.4	10.5	0.6	0.6	0.4	0.0	15.3	-30.4
Consumer discretionary	MWG	MOBILE WORLD INV	89,400	40,482 (1,744)	115,015 (4.9)	0.0	10.0	8.0	15.5	29.9	30.7	2.6	2.0	0.8	4.7	6.7	-21.6
	PNJ	PHU NHUAN JEWELR	65,000	14,637 (631)	65,048 (2.8)	0.0	15.8	12.8	1.0	21.2	23.4	2.9	2.5	-0.8	2.5	11.7	-24.4
	YEG	YEAH1 GROUP CORP	57,600	1,700 (073)	2,198 (0.1)	69.3	24.2	17.6	-28.1	6.7	8.5	1.5	1.5	-0.2	0.0	4.9	55.7
	FRT	FPT DIGITAL RETA	27,750	2,192 (094)	35,552 (1.5)	13.4	13.8	12.7	-31.7	12.2	12.1	1.5	1.4	1.3	5.9	35.4	31.8
	PHR	PHUOC HOA RUBBER	53,400	7,236 (312)	91,841 (3.9)	38.9	6.7	6.6	30.3	38.0	32.7	2.4	2.0	-0.6	-2.0	21.0	39.8
Healthcare	DHG	DHG PHARMACEUTIC	93,200	12,186 (525)	1,998 (0.1)	45.6	19.0	17.5	4.4	19.6	19.3	3.4	3.2	-0.9	0.2	-2.9	1.9
	PME	PYMEPHARCO JSC	64,000	4,801 (207)	1,748 (0.1)	37.9	-	-	-	-	-	-	-	0.8	8.1	3.9	17.9
IT	FPT	FPT CORP	48,800	38,255 (1,648)	104,901 (4.5)	0.0	11.2	9.7	18.0	24.1	25.2	2.4	2.1	-0.3	0.3	4.5	-3.7

Source: Bloomberg, KB Securities Vietnam

KB SECURITIES VIETNAM RESEARCH

Head of Research – Nguyen Xuan Binh
binhnx@kbsec.com.vn

Macro/Strategy

Head of Macro & Strategy – Tran Duc Anh
anhtd@kbsec.com.vn

Macro Analyst – Thai Thi Viet Trinh
trinhttv@kbsec.com.vn

Market Strategist – Le Anh Tung
tungla@kbsec.com.vn

Equity (Hanoi)

Head of Equity Research (Hanoi) – Duong Duc Hieu
hieudd@kbsec.com.vn

Information Technology & Logistics Analyst – Nguyen Anh Tung
tungna@kbsec.com.vn

Property Analyst – Pham Hoang Bao Nga
ngaphb@kbsec.com.vn

Power & Construction Material Analyst – Le Thanh Cong
conglt@kbsec.com.vn

Financials Analyst – Nguyen Thi Thu Huyen
huyenntt@kbsec.com.vn

Equity (Ho Chi Minh)

Head of Equity Research (Ho Chi Minh) – Harrison Kim
harrison.kim@kbfg.com

Consumer & Retailing Analyst – Dao Phuc Phuong Dung
dungdpp@kbsec.com.vn

Fisheries & Pharmaceuticals Analyst – Nguyen Thanh Danh
danhnt@kbsec.com.vn

Oil & Gas & Chemicals Analyst – Nguyen Vinh
vinhn@kbsec.com.vn

Research Marketing

Korea Marketing Analyst – Seon Yeong Shin
shin.sy@kbsec.com.vn

KB SECURITIES VIETNAM (KBSV)

Head Office:
Levels G, 2 & 7, Sky City Tower, 88 Lang Ha Street, Dong Da District, Hanoi, Vietnam
Tel: (+84) 24 7303 5333 - Fax: (+84) 24 3776 5928

Hanoi Branch:
Level 1, VP Building, 5 Dien Bien Phu, Ba Dinh District, Hanoi, Vietnam
Tel: (+84) 24 7305 3335 - Fax: (+84) 24 3822 3131

Ho Chi Minh Branch:
Level 2, TNR Tower Nguyen Cong Tru, 180-192 Nguyen Cong Tru Street, District 1, HCMC, Vietnam
Tel: (+84) 28 7303 5333 - Fax: (+84) 28 3914 1969

Saigon Branch:
Level 1, Saigon Trade Center, 37 Ton Duc Thang, Ben Nghe Ward, District 1, HCMC, Vietnam
Tel: (+84) 28 7306 3338 - Fax: (+84) 28 3910 1611

CONTACT INFORMATION
Institutional Client Center: (+84) 28 7303 5333 - Ext: 2656
Private Customer Care Center: (+84) 24 7303 5333 - Ext: 2276
Email: ccc@kbsec.com.vn
Website: www.kbsec.com.vn

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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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