

# VIETNAM DAILY

## [Market Commentary]

Stocks closed positive after the Vietnam Institute for Economic & Policy Research – an independent think tank – gave a rosy outlook for GDP

## [Futures/ETFs]

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## [Market Movers]

VNM, FPT

## [Company Updates]

MPC, FPT, PVD, VHC

June 18, 2020

	Index	Chg (%, bp)
Ho Chi Minh	855.27	+0.10
VN30	797.08	+0.08
VN30 futures	797.10	-0.45
Hanoi	112.74	-0.47
HNX30	219.96	-0.67
UPCoM	55.77	-0.20
USD/VND	23,202	-0.03
10-yr govt bond (%)	3.00	-1
Overnight rate (%)	0.21	+8
Oil (WTI, \$)	38.20	+0.63
Gold (LME, \$)	1,730.64	+0.21



# Market Commentary

**VNIndex** 855.27P (+0.10%)  
**Volume (mn shrs)** 235.0 (-22.6%)  
**Value (U\$mn)** 183.9 (-1.8%)

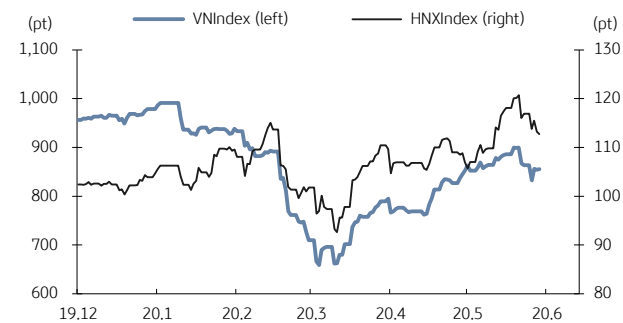
**HNXIndex** 112.74P (-0.47%)  
**Volume (mn shrs)** 48.3 (-31.3%)  
**Value (U\$mn)** 16.2 (-25.4%)

**UPCoM** 55.77P (-0.20%)  
**Volume (mn shrs)** 12.9 (-36.3%)  
**Value (U\$mn)** 5.2 (-25.1%)

**Net foreign buy (U\$mn)** -0.1

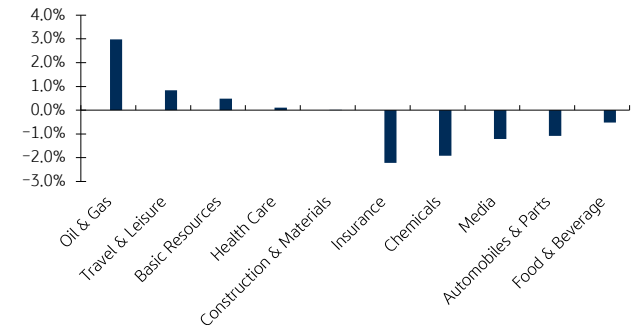
Stocks closed positive after the Vietnam Institute for Economic & Policy Research – an independent think tank – gave a rosy outlook for GDP. The institute expects Vietnam to post 5.5% GDP growth this year due to May’s early reopening and helped further as global economies reopen in June to bolster exports from 2H. Banks like Vietcombank (VCB, +1.0%) and Bank for Investment & Development (BID, +0.5%) benefitted from the news that eased yesterday’s fears of sluggish credit growth. Minh Phu Corp (MPC, +1.5%) and Vinh Hoan Corp (VHC, +1.8%) rose after releasing better May export data and the Vietnam Association of Seafood Exporters & Producers (VASEP) revealed a jump in shrimp exports to Canada. Oil & gas stocks slid after the US announced record high inventories, with PV Drilling & Well Services (PVD, -0.9%) and PV Technical Services (PVS, -0.8%) both weaker. Foreigners were net sellers, focusing on Vingroup (VIC, -1.0%), Ha Do Group (HDG, Unch) and Masan Group (MSN, -0.9%).

VN Index & HNX Index



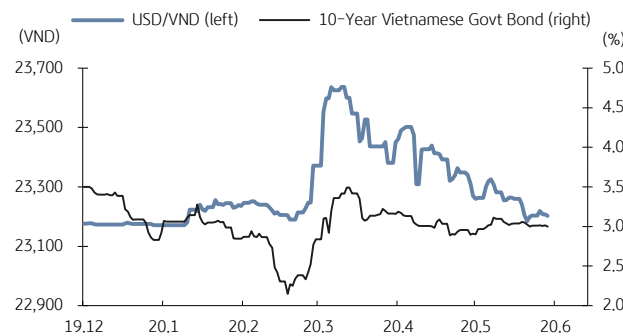
Source: Bloomberg, KB Securities Vietnam

VN Index sector performance



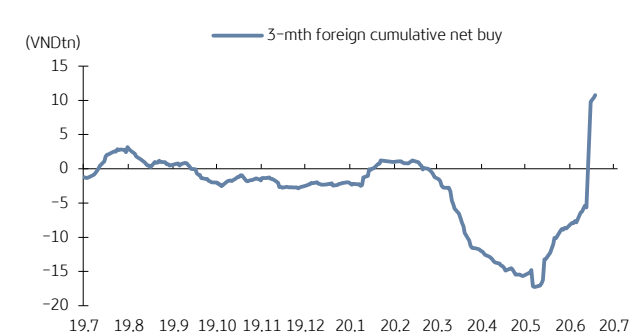
Source: Bloomberg, KB Securities Vietnam

USD/VND & 10-year government bond rates



Source: Bloomberg, KB Securities Vietnam

Vietnam – 3-mth cumulative net foreign buy



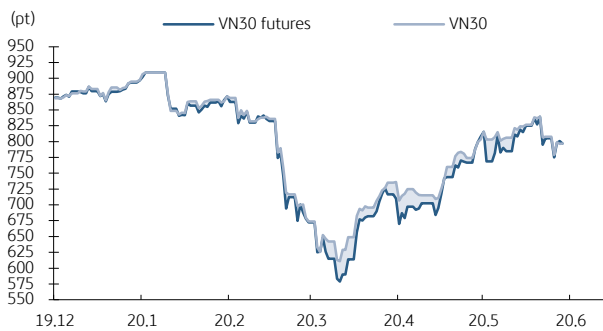
Source: FiinPro, KB Securities Vietnam

# Futures/ETFs

<b>VN30</b>	<b>797.08P (+0.08%)</b>
<b>VN30 futures</b>	<b>797.1P (-0.45%)</b>
<b>Open</b>	<b>794.1P</b>
<b>High</b>	<b>803.6P</b>
<b>Low</b>	<b>790.8P</b>
<b>Contracts</b>	<b>132,601 (-29.4%)</b>

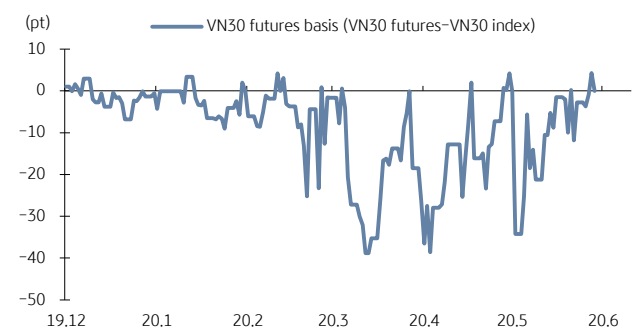
Futures closed down as foreigners sold June contracts to unwind long positions at the expiry, while the lack of foreign buying to rollover into the next contract period kept July contracts weak. The June basis opened at minus 4.43 basis points and traded mostly in contango into the expiry. The July basis opened at the weakest of the day at minus 16.63 basis points before narrowing and trading in backwardation between minus 7–14 basis points. Intraday short covering in the afternoon tightened the basis to as low as minus 6.60 basis points before closing at minus 9.68 basis points as locals unwound morning short positions when the VN30 cash index turned positive in afternoon trading. Foreigners were active sellers of June contracts as they unwound long positions throughout the day. Trading volumes remained light.

VN30 futures & VN30 index



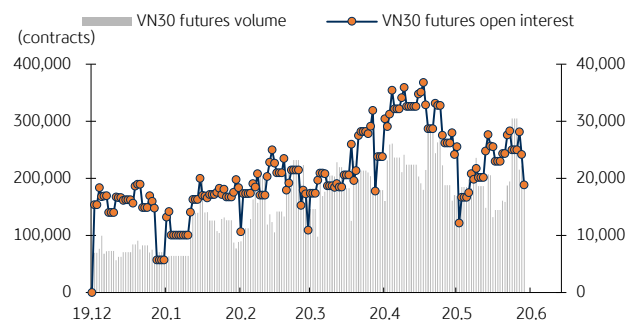
Source: Bloomberg, KB Securities Vietnam

Front month VN30 futures basis



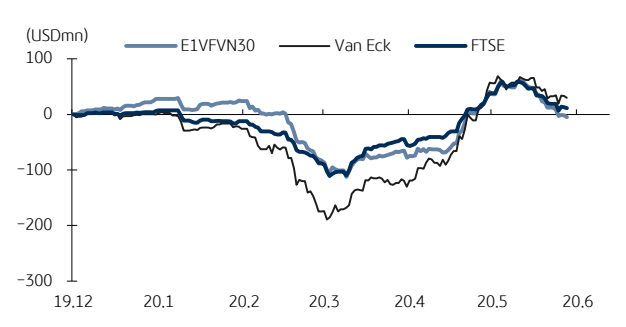
Source: Bloomberg, KB Securities Vietnam

VN30 futures volume & open interest



Source: Bloomberg, KB Securities Vietnam

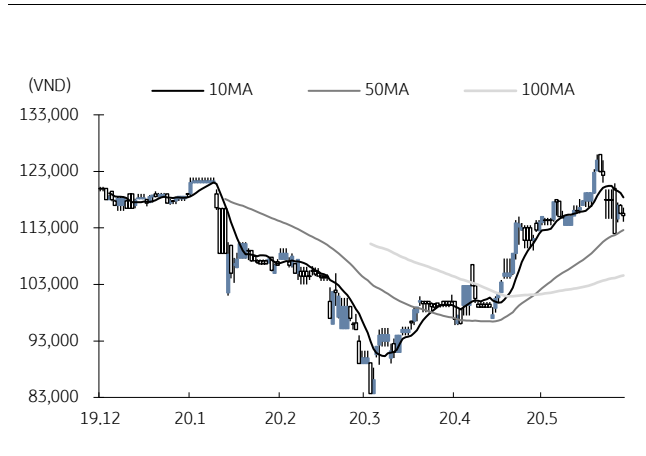
Vietnam ETFs – 3-mth cumulative net buy



Source: FinPro, KB Securities Vietnam

# Market Movers

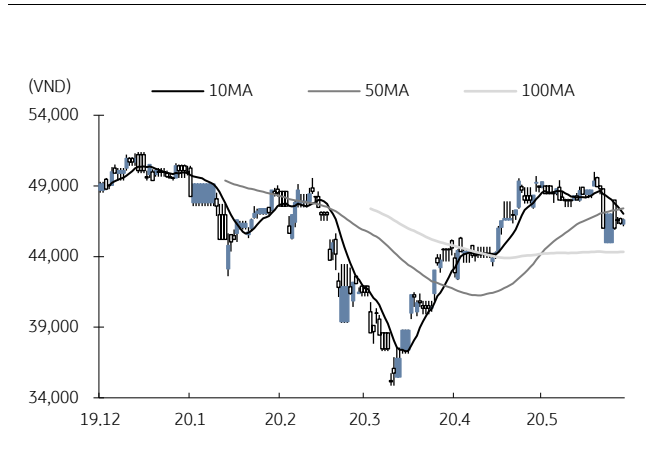
## Vinamilk (VNM)



Source: Bloomberg, KB Securities Vietnam

- VNM closed down 0.3% to VND 115,200
- VNM received approval from Russian authorities to export dairy products to the Eurasian Economic Union (EAEU) and will be the first Vietnamese dairy company to export to this region. The EAEU is the economic union creating an integrated single market for Russia, Belarus, Armenia, Kazakhstan and Kyrgyzstan.

## FPT Group (FPT)



Source: Bloomberg, KB Securities Vietnam

- FPT closed up 0.5% to VND 46,600
- FPT announced that its earnings for the first five months of the year were VND1,655 billion or up 15.6% YoY on a 12.4% YoY increase in revenue to VND11,199 billion. Based on pretax earnings, the company also said it had reached 36% of its full-year target, while revenue was 35% of its annual goal. Moreover, the company's pretax profit margin was 17.8% since the start of the year vs 17.3% during the same period last year.

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# Minh Phu Seafood Corp (MPC)

## Outlook still overly optimistic despite lower guidance

### Outlook remains overly optimistic despite officially revising down 2020E guidance

— Management officially revised down 2020E guidance in the proposal for the annual general shareholders' meeting to VND994 billion for pretax earnings or still double last year's results on VND15,206 billion in revenue or down 11% YoY. Previous guidance in the 2019 annual report expected pretax earnings of VND1,368 billion or a 175% increase but this outlook did not factor in any pandemic impact (no sales expectations were released before). Based on the new guidance, MPC completed 19% of its revenue goal and 7% of pretax earnings plan in 1Q. That said, management lacks a credible track record in meeting full-year guidance and has not met targets since 2015. Shareholders will meet on June 27.

### More focus on cutting costs and expanding production

— Management plans to boost internal shrimp farming at the *Kien Giang* and *Loc An* sites to 1,000 ponds from 150 ponds last year to actively hedge against the input shortages it witnessed in 2019. MPC lacked raw shrimps to supply its processing plants last year due to 1) suspension of raw shrimp imports from India over US anti-dumping concerns; and 2) inadequate internal sourcing due to bad weather conditions. MPC stopped processing Indian raw shrimps at its plants in June 2019 after a US congressman filed a claim against MPC that accused the company of evading antidumping duties levied on Indian shrimp imports into the US. This severely impacted 2019 earnings when farming sites directly-owned by MPC could only meet 10% of its internal processing demand and forced the company to meet the shortfall using higher-priced shrimp from external sources to satisfy supply contracts. Management also plans to automate and modernize its production chain to minimize costs in cooperation with FPT Corporation and Mitsui as its new strategic shareholder.

### Will suspend cash dividends for 2019 performance

— MPC will suspend cash dividends again for 2019 performance. The company has effectively maintained a zero payout ratio policy since 2014, with the exception of the VND7,000 per share cash dividend paid for 2018's record performance year. Management also excluded any mention of dividends for 2020E performance, which may largely be attributed to the company's high debt levels and weak retained earnings at only VND346 billion (vs about VND2 trillion in short-term borrowings).

# FPT Group (FPT)

## Earnings performance to May up 16%

### Performance to May: Pretax earnings up 16.0% on 12.4% increase in revenue

— Pretax earnings from the start of year to May were up 16.0% YoY to VND1,993 billion on a 12.4% YoY increase in revenue to VND11,199 billion. Of this, the technology sector saw pretax profits rise by 14.8% YoY on a 14.1% YoY increase in sales, while the telecommunications sector saw pretax profits up by 21.9% YoY on a 10.8% YoY increase in sales.

### Domestic IT segment hit hard by COVID-19

— Services for connected vehicles, cloud computing, AI and data analytics kept demand for FPT's IT services high, with pretax earnings at the foreign IT service segment increasing by 22.8% YoY on the 20.5% YoY growth in revenue. The same could not be said for the domestic IT segment, which was hit harder by the COVID-19 pandemic and saw pretax earnings plunge by 37.0% YoY on a 4.1% YoY drop in sales.

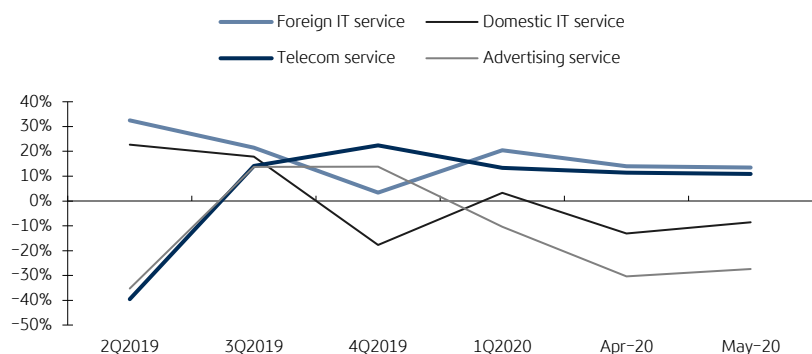
### Biggest winner was telecom services as cost cuts led to 31.3% jump in pretax earnings

— Pretax earnings for telecom services jumped by 31.3% YoY after successful cost cuts offset signs of slowing revenue to 12.4% YoY growth. But advertising orders were another casualty of the COVID-19 pandemic, with pretax earnings for advertising services falling sharply by 25.8% YoY on a 19.0% YoY drop in revenue.

The coronavirus continues to weigh on sales, with revenue growth for all segments down in April and May.

Domestic IT and advertising services were hit the hardest by the pandemic and witnessed negative sales growth. With the coronavirus now under control, both segments should begin to recover in 2H 2020E.

Fig 1. FPT - Revenue growth by segment



Source: FPT, KBSV

June 18, 2020

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# PV Drilling (PVD)

## Headwinds ahead

### Lower utilization from Malaysian production cuts & delays explains cautious guidance

— Main takeaways from the shareholders' meeting include: 1) approval of the conservative earnings guidance; 2) falling utilizations from Malaysian production cuts and delays; 3) pick up in capex related to Brunei Shell Petroleum contract; and 4) no cash dividends and only 10% stock dividends for 2019 and 2020E performance. Shareholders approved management's conservative 2020E earnings guidance at VND66 billion or down 20% YoY on VND3,000 billion in revenue or up 7% YoY. Management failed to explain its questionable USD60 assumption for average Brent prices this year but warned of headwinds to operations from the coronavirus and protracted US-China trade war. Management did highlight that plunging oil prices have already forced Malaysian contractors to cut production and delay some of PVD's drilling contracts that should lower the company's utilization rate to 89% from 99% at the start of the year. To compensate for this, PVD will also try to expand opportunities in Australia, Indonesia and the Middle East to reduce dependence on E&P activities in Southeast Asia.

### Big pickup in capex with USD35 million ear marked for Brunei Shell Petroleum contract

— Capex related to the Brunei Shell Petroleum (BSP) contract will total USD35 million and lead to a sharp pick up in the capex budget for 2020E (total capex in 2019 was only USD2.5 million). PVD will use 30% equity and 70% debt to finance investments for the Derrick Equipment Set (DES) needed for the *PV Drilling V-Tender Assisted Rig (TAD)* to fulfill the drilling contract for Brunei Shell Petroleum. In November 2019, management announced that the *PV Drilling V-TAD* won a six-year contract with Brunei Shell Petroleum (with a four-year extension option) after sitting idle for the past three years.

### Only 10% stock dividend for 2019/2020E and will try to collect bad debt from PVEP

— PVD will only issue a 10% stock dividend for performance in 2019 and 2020E due to difficulties being faced by the company and the drilling industry. To shore up its cash position, PVD will try to collect the remaining VND45.3 billion in bad debt from PetroVietnam Exploration Production (PVEP) for outstanding amounts related 2015's drilling contracts for *Block 09-2/09* and *Block 102/10 & 106/10* oil fields. That said, given the financial difficulties being faced by all of Vietnam's oil & gas industry, the attempt may prove futile this year.

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# Vinh Hoan Corp (VHC)

## May exports show early signs of recovery

### May *pangasius* sales flat but overall revenue down modestly from still weak feed trading

— May revenue was down 3% YoY to VND551 billion primarily due to still weak feed trading but sales for *pangasius* products – VHC’s main revenue generator – were almost flat at VND353 billion (-1% YoY). Feed sales dropped by 67% YoY to VND23 billion amid weak demand as most farmers remain reluctant to start new crops when selling prices for mature *pangasius* are still low at VND18,000 per kg. Revenue from wellness products increased by 47% YoY to VND67 billion but insufficient enough to turn total revenue growth positive.

### Signs of recovery from the COVID-19 pandemic across most markets, except the US

— On a sequential basis, VHC’s revenue recovered by 11% MoM and showed early signs of recovery from the pandemic vs the 25% MoM drop in April sales. China sales demonstrated the strongest recovery and bounced back by 142% MoM and 49% YoY to VND111 billion with the end of lockdowns. The EU market also showed recovery signs, with May export revenue up 0.1% MoM and 29% YoY to VND143 billion to maintain positive growth since the start of the year. Importantly, the EU market surpassed the US to become VHC’s largest export market in May after the US maintained social distancing protocols during that same month. US exports were down 13% MoM and 45% YoY to VND109 billion in May but VHC’s management has already hinted at partial recovery in June results.

### On track to meet the company’s optimistic scenario for revenue guidance in 2020E

— VHC has completed 31% of its optimistic sales scenario for 2020, with total revenue at VND2,685 billion (-6% YoY) for the first five months of the year. Moreover, the EVFTA approved on June 8 should also become effective from August 1 and drop the 5.5% import tariff on *pangasius* to 4.1% and further support recovery to reach the company’s optimistic sales target. That said, one area of concern that will need to be monitored is the recent cluster outbreak in China as management assumes full recovery in *pangasius* exports to China market by 3Q.



# KBSV Model Portfolio

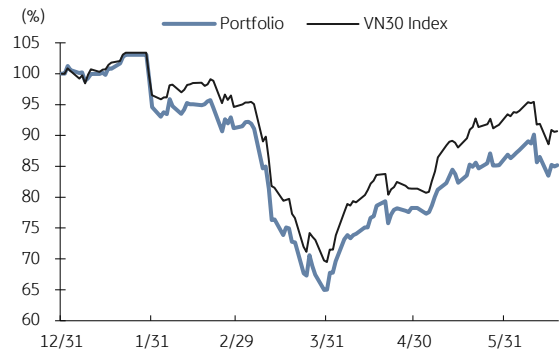
KBSV Research Team

## 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	0.08%	0.26%
Cum. return	-9.33%	-14.80%

## Performance vs VN30 Index



## KBSV domestic model portfolio

Ticker	Inclusion date	Close 20/06/18	Daily return (%)	Cumulative return (%)	Main investment catalysts
Mobile World (MWG)	19/08/09	83,800	0.0%	-27.7%	<ul style="list-style-type: none"> <li>- Optimizing revenue from DMG &amp; TGDD chains</li> <li>- BHX expects to reach break-even point soon at stores and distribution centers</li> <li>- In the long term, BHX aims to capture 10-15% of the food retail market</li> </ul>
Nam Long Invest (NLG)	19/06/03	24,900	0.0%	-7.1%	<ul style="list-style-type: none"> <li>- Leader in mid- to high-end housing &amp; Japanese partners for large urban area (UA) projects</li> <li>- Largest urban area developer (Mizuki Park UA, Akari City UA &amp; Waterpoint US)</li> </ul>
Phu Nhuan Jewelry (PNJ)	19/03/22	58,200	-0.2%	-24.1%	<ul style="list-style-type: none"> <li>- Strong topline supported by transaction volumes (2018 +34%) &amp; ASPs (2018 +5%)</li> <li>- Strongest customer base to capture lucrative watch segment (5% of sales by 2022E)</li> <li>- Core business activities growing again after the "ERP" incident</li> </ul>
Military Bank (MBB)	18/12/18	17,300	0.0%	-12.3%	<ul style="list-style-type: none"> <li>- Military Insurance Corporation (MIC) non-life premiums to boost 2019 non-bank income</li> <li>- Retail loan mix (M credit) supports 4%NIM against pricing competition (ACB/MBB)</li> <li>- M credit work-in-progress but low-cost funding from Shinsei triples key cash loan mkt</li> </ul>
Refrig Elec Eng (REE)	18/10/11	30,900	0.8%	-9.1%	<ul style="list-style-type: none"> <li>- Office lease management &amp; E-town Central occupancy generates stable cash flow</li> <li>- Strategic investments in utility industry provides stable/long-term dividend stream</li> </ul>
FPT Corp (FPT)	18/09/06	46,600	0.5%	39.2%	<ul style="list-style-type: none"> <li>- Software outsourcing foothold in Japan/US/Asia-Pacific/EU drives 25% overseas CAGR</li> <li>- Telecoms stable 15% growth/solid subscriber growth &amp; profitable Pay-TV from 2020E</li> <li>- 20%+ earnings momentum by 2020E</li> </ul>
Vietin Bank (CTG)	20/01/31	22,900	-0.4%	-6.1%	<ul style="list-style-type: none"> <li>- Building on strong earnings recovery in 2019 &amp; optimistic outlook for 2020</li> <li>- Growing expectations for capital increase in 2020 to offset loan-growth concerns</li> <li>- Already improved asset quality and benign credit risks for 2020</li> </ul>
Vietjet (VJC)	19/02/05	111,000	1.1%	-14.1%	<ul style="list-style-type: none"> <li>- nCoV outbreak impact meaningful but short-lived &amp; fully-reflected in stock price</li> <li>- Lower fuel costs silver lining to offset lower passenger volumes</li> <li>- Growth prospects intact as Long Thanh airport project schedule pulled forward</li> </ul>
Hoa Pha Group (HPG)	19/12/04	26,800	2.1%	14.3%	<ul style="list-style-type: none"> <li>- Steel consumption starts to rebound</li> <li>- Construction steel prices show signs of rising again</li> <li>- Increased capacity from Dung Quat project helps HPG expand market share</li> </ul>
Kinhbac City Development (KBC)	20/03/09	14,700	-1.3%	7.3%	<ul style="list-style-type: none"> <li>- Strong pricing for upcoming land sales after Trang Due urban land sales in 4Q19</li> <li>- Beneficiary of more production facilities from EU companies after EU-Vietnam FTA</li> <li>- Re-location of supply chains from China after COVID-19 scare</li> </ul>

Source: Bloomberg, KB Securities Vietnam

# Market Monitors

## Ho Chi Min – Net foreign buys/sells

Ticker	Chg (%)	For. Ownership (%)	Net buy (VND bn)
FUESSVFL	0.4%	98.2%	105.9
VHM	0.7%	20.0%	87.2
PLX	2.1%	13.4%	30.1
HPG	2.1%	35.8%	28.7
VRE	18.0%	30.7%	22.5

Ticker	Chg (%)	For. Ownership (%)	Net sell (VND bn)
VIC	-1.0%	14.0%	-185.6
HDG	0.0%	15.6%	-49.1
MSN	-0.9%	39.1%	-18.1
VCB	1.0%	23.8%	-15.8
VNM	-0.4%	58.9%	-12.5

Source: FinPro, KB Securities Vietnam

## Hanoi – Net foreign buys/sells

Ticker	Chg (%)	For. Ownership (%)	Net buy (VND bn)
TKU	7.2%	6.4%	4.5
NTP	0.8%	18.8%	1.8
VCS	-0.2%	2.8%	1.2
TIG	6.0%	14.0%	0.5
SHB	-3.5%	6.9%	0.4

Ticker	Chg (%)	For. Ownership (%)	Net sell (VND bn)
SHS	-1.6%	6.5%	-2.6
WCS	10.0%	26.4%	-0.6
NHP	12.5%	2.0%	-0.3
INN	0.4%	9.9%	-0.2
HLD	0.5%	8.6%	-0.1

Source: FinPro, KB Securities Vietnam

## Sectors – Top 5 best/worst weekly performance

Top 5 best performers	Chg (%)	Key stocks
Health Care	-1.5%	JVC, DCL
Real Estate	-2.6%	NVL, FLC
Basic Resources	-3.0%	HSG, DTL
Industrial Goods & Services	-3.4%	PDN, EMC
Construction & Materials	-4.1%	SII, EVG

Top 5 worst performers	Chg (%)	Key stocks
Insurance	-8.4%	BVH, BMI
Automobiles & Parts	-8.0%	TCH, DRC
Personal & Household Goods	-7.6%	PNJ, TLG
Food & Beverage	-6.7%	VNM, SAB
Media	-6.7%	YEG, PNC

Source: Bloomberg, KB Securities Vietnam

## Sectors – Top 5 best/worst monthly performance

Top 5 best performers	Chg (%)	Key stocks
Financial Services	3.1%	FIT, SSI
Banks	2.9%	VCB, BID
Construction & Materials	2.3%	VGC, HBC
Health Care	1.5%	JVC, DCL
Basic Resources	1.1%	HSG, POM

Top 5 worst performers	Chg (%)	Key stocks
Media	-14.2%	YEG, PNC
Personal & Household Goods	-5.2%	PNJ, LIX
Technology	-3.7%	FPT, SAM
Insurance	-3.2%	BVH, BIC
Automobiles & Parts	-2.6%	TCH, DRC

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	91,000	307,801 (13,264)	47,692 (2.1)	22.7	49.1	31.5	20.0	6.8	8.9	3.5	3.1	-1.0	-2.2	-5.7	-20.9
	VHM	VINHOMES JSC	76,500	251,648 (10,845)	245,239 (10.5)	29.0	9.4	8.4	34.3	38.2	30.4	3.0	2.3	0.7	0.0	6.4	-9.8
	VRE	VINCOM RETAIL JS	27,550	62,602 (2,698)	111,053 (4.8)	18.3	24.3	18.5	4.7	9.1	11.1	2.2	2.0	0.2	5.6	12.2	-19.0
	NVL	NOVA LAND INVES	58,300	56,524 (2,436)	59,799 (2.6)	32.4	19.2	20.2	-10.9	12.0	11.5	2.3	2.0	2.1	7.0	10.4	-2.0
	KDH	KHANGDIEN HOUSE	23,400	12,275 (529)	16,822 (0.7)	5.2	11.3	10.1	15.8	14.4	14.6	1.5	1.4	0.4	0.2	7.3	-13.0
	DXG	DATXANH GROUP	12,050	6,251 (269)	52,774 (2.3)	8.4	6.1	5.4	-14.2	12.0	14.3	0.7	0.7	0.4	4.3	13.7	-16.9
Banks	VCB	BANK FOR FOREIGN	85,000	315,255 (13,586)	81,524 (3.5)	6.2	18.6	15.3	13.0	20.4	20.2	3.2	2.7	1.0	-3.4	8.3	-5.8
	BID	BANK FOR INVESTM	40,500	162,892 (7,020)	63,937 (2.7)	12.3	30.4	18.9	-11.3	9.1	12.3	2.1	1.9	0.5	0.0	4.1	-12.2
	TCB	VIETNAM TECHNOLO	20,200	70,703 (3,047)	50,007 (2.2)	0.0	6.9	5.9	4.6	16.3	16.4	1.0	0.8	-0.5	-3.3	-2.2	-14.2
	CTG	VIETNAM JS COMM	22,900	85,266 (3,674)	160,894 (6.9)	0.1	12.7	9.5	16.4	10.1	12.0	1.1	1.0	-0.4	-0.2	7.3	9.6
	VPB	VIETNAM PROSPERI	22,300	54,362 (2,343)	133,050 (5.7)	0.0	7.1	5.8	0.4	16.7	16.7	1.1	0.9	-0.2	-3.5	-11.2	11.5
	MBB	MILITARY COMMERC	17,300	41,718 (1,798)	135,865 (5.8)	0.0	5.4	4.5	7.8	18.2	18.5	0.9	0.8	0.0	-1.1	1.5	-16.8
	HDB	HDBANK	26,550	25,645 (1,105)	30,338 (1.3)	8.9	7.6	6.1	10.2	19.9	21.5	1.1	0.9	-1.1	-2.4	14.4	-3.6
	STB	SACOMBANK	11,400	20,562 (886)	194,367 (8.4)	14.6	11.4	7.4	10.6	7.2	10.0	0.7	0.6	-1.7	3.2	17.2	13.4
	TPB	TIEN PHONG COMME	20,650	16,862 (727)	3,373 (0.1)	0.0	5.5	4.6	44.5	24.0	21.6	1.0	-	0.5	0.2	-4.0	-1.9
	EIB	VIETNAM EXPORT-I	18,100	22,253 (959)	5,834 (0.3)	0.0	38.9	37.3	-6.9	3.6	3.6	1.4	1.3	0.0	0.6	14.9	1.7
Insurance	BVH	BAOVIET HOLDING	48,000	35,631 (1,536)	55,326 (2.4)	20.8	34.3	25.8	-5.4	6.1	8.0	1.8	1.7	0.0	-2.4	-1.6	-30.0
	BMI	BAOMINH INSURANC	21,900	2,001 (086)	6,336 (0.3)	13.3	-	-	-	6.8	8.6	0.9	0.9	0.5	-3.9	0.9	-11.7
Securities	SSI	SSI SECURITIES C	15,000	9,014 (388)	87,404 (3.8)	49.6	10.6	8.3	-17.7	8.8	10.7	0.9	0.8	0.0	0.7	6.0	-3.6
	VCI	VIETCAPITAL SEC	21,850	3,590 (155)	21,811 (0.9)	71.6	7.8	6.1	-24.9	11.1	13.0	0.8	0.7	-1.6	-7.0	-9.0	-25.9
	HCM	HOCHI MINH CITY	18,550	5,663 (244)	53,072 (2.3)	47.3	12.7	7.9	-22.5	11.0	17.1	1.3	1.2	-1.1	-3.6	-0.8	-13.1
	VND	VNDIRECT SECURIT	12,900	2,690 (116)	10,638 (0.5)	13.1	11.6	7.3	-19.1	7.4	11.2	0.8	0.7	-1.1	-0.8	7.5	-10.4
Consumer staples	VNM	VIETNAM DAIRY P	115,200	200,607 (8,645)	143,118 (6.2)	41.1	20.2	18.8	4.5	37.9	39.2	6.7	6.1	-0.3	-5.8	3.7	-1.1
	SAB	SAIGON BEER ALCO	166,300	106,645 (4,596)	12,778 (0.5)	36.7	26.2	21.8	1.2	21.6	24.2	5.3	4.7	0.1	-6.0	-3.9	-27.1
	MSN	MASANGROUP CORP	57,000	66,630 (2,871)	101,165 (4.4)	9.9	41.7	26.8	-45.3	4.0	7.1	1.5	1.4	-0.9	-2.6	-8.8	0.9
HNG	HOANGANH GIA LA	15,200	16,850 (726)	13,664 (0.6)	48.7	-	-	-	-	-	-	-	-	-1.0	-5.0	7.0	9.4
Industrials (transport)	VJC	VIETJET AVIATION	111,000	58,146 (2,506)	57,423 (2.5)	11.7	23.9	11.6	-31.3	14.3	27.0	3.4	3.0	1.1	-2.2	-2.6	-24.1
	GMD	GEMADEPT CORP	19,400	5,760 (248)	8,070 (0.3)	0.0	15.1	13.9	-54.5	6.0	7.0	1.0	0.9	0.0	-0.3	0.5	-16.7
	CII	HOCHI MINH CITY	18,900	4,514 (195)	38,471 (1.7)	30.2	13.3	14.1	105.5	7.7	7.0	0.9	0.9	-1.6	-3.1	-8.7	-16.0
Industrials (capital goods)	ROS	FLC FAROS CONSTR	3,080	1,748 (075)	104,459 (4.5)	46.9	-	-	-	-	-	-	-	-2.2	-4.6	-9.7	-82.2
	GEX	VIETNAM ELECTRIC	16,600	7,801 (336)	46,596 (2.0)	34.0	10.7	8.4	-16.2	11.7	13.9	1.1	1.1	1.8	-2.4	-0.9	-14.2
	CTD	COTECCONS CONSTR	62,600	4,776 (206)	33,205 (1.4)	2.7	8.5	8.4	-39.4	6.4	6.8	0.6	0.5	-0.2	-6.6	-8.6	22.0
	REE	REE	30,900	9,581 (413)	20,858 (0.9)	0.0	6.1	5.3	-5.9	14.1	14.5	0.8	0.7	0.8	1.3	-1.4	-14.9

Source: Bloomberg, KB Securities Vietnam

## Vietnam – Focus stocks

Sector	Code	Company name	Price	Mkt cap (VNDbn, USDmn)	Trading value (VNDbn, 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	72,200	138,187 (5,955)	54,580 (2.3)	45.7	18.1	14.4	-17.1	15.7	19.2	2.8	2.6	-1.0	-0.6	-1.8	-22.9
	NT2	PETROVIETNAM NHO	21,350	6,146 (265)	7,586 (0.3)	31.1	8.7	8.1	-2.9	16.8	18.4	1.4	1.4	0.0	4.1	5.2	-1.4
	PPC	PHA LAI THERMAL	24,300	7,791 (336)	5,422 (0.2)	32.6	8.1	8.7	-9.4	16.3	14.8	1.3	1.3	1.3	0.0	0.2	-9.7
Materials	HPG	HOA PHAT GRP JSC	26,800	73,997 (3,189)	361,983 (15.6)	13.2	8.7	6.7	-1.4	17.4	19.0	1.3	1.2	2.1	5.1	6.8	14.0
	DPM	PETROVIETNAM FER	14,100	5,518 (238)	54,419 (2.3)	37.7	9.7	9.4	-2.2	7.9	8.6	0.7	0.7	0.7	0.7	2.9	8.9
	DCM	PETROCA MAU FER	8,500	4,500 (194)	16,421 (0.7)	47.1	10.5	23.1	-14.7	7.8	3.5	0.7	0.7	-0.7	3.8	3.9	30.8
	HSG	HOA SEN GROUP	11,350	5,044 (217)	137,108 (5.9)	35.6	8.9	8.0	20.0	9.9	9.8	0.8	0.7	-1.3	10.2	20.0	52.6
	AAA	ANPHAT BIOPLAST	12,700	2,174 (094)	35,261 (1.5)	35.1	5.5	9.3	51.8	14.8	9.0	0.7	0.5	0.0	-1.6	2.8	0.0
Energy	PLX	VIETNAM NATIONAL	46,700	55,611 (2,397)	43,496 (1.9)	6.6	21.4	16.2	-11.4	13.0	17.2	2.6	2.3	2.1	5.2	3.0	-16.6
	PVD	PETROVIETNAM DRI	10,450	4,401 (190)	71,350 (3.1)	36.8	35.2	24.0	-9.0	1.0	0.9	0.3	0.3	-0.9	-4.1	-4.1	-30.6
	PVT	PETROVIET TRANSP	10,650	2,997 (129)	19,206 (0.8)	23.5	6.9	6.0	-17.0	9.4	10.5	0.6	0.6	-0.9	-2.3	-1.8	-36.6
Consumer discretionary	MWG	MOBILEWORLD INV	83,800	37,946 (1,635)	111,905 (4.8)	0.0	9.6	7.7	14.3	29.1	29.8	2.4	1.9	0.0	0.7	-2.0	-26.5
	PNJ	PHU NHUAN JEWELR	58,200	13,106 (565)	56,553 (2.4)	0.0	14.4	11.7	0.3	21.8	22.7	2.5	2.2	-0.2	-3.8	-8.3	-32.3
	YEG	YEAH1 GROUP CORP	54,000	1,593 (069)	1,757 (0.1)	69.2	22.7	16.5	-28.1	6.7	8.5	1.4	1.4	0.9	-3.6	-7.8	45.9
	FRT	FPT DIGITAL RETA	23,800	1,880 (081)	36,845 (1.6)	13.7	11.8	10.9	-31.7	12.2	12.1	1.3	1.2	-1.4	-7.9	9.4	13.1
Healthcare	PHR	PHUOC HOA RUBBER	51,400	6,965 (300)	85,989 (3.7)	38.5	6.5	6.3	30.3	38.0	32.7	2.3	1.9	2.8	2.8	15.4	34.6
	DHG	DHG PHARMACEUTIC	92,000	12,029 (518)	2,045 (0.1)	45.6	18.7	17.2	4.4	19.6	19.3	3.4	3.2	0.0	0.0	0.4	0.5
	PME	PYMEPHARCO JSC	65,000	4,876 (210)	1,514 (0.1)	37.9	-	-	-	-	-	-	-	3.5	2.7	0.0	19.7
IT	FPT	FPT CORP	46,600	36,530 (1,574)	87,154 (3.7)	0.0	10.7	9.3	18.0	24.1	25.2	2.3	2.0	0.5	1.3	-3.6	-8.1

Source: Bloomberg, KB Securities Vietnam

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## Investment ratings & definitions

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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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