

Snapshot	HOSE	HNX	UPCOM
Close (pts)	1,188.1	222.7	90.8
1 Day change (%)	-3.9%	-3.8%	-3.2%
1 Month change	-7.4%	-8.1%	-7.6%
1 Year change	-3.1%	-8.1%	-1.0%
Value (US\$m)	947	67	41
Gainers	23	32	64
Losers	332	168	258
Unchanged	40	107	552

Market Commentary

When there is blood in the streets...

The VN-Index plunged on Monday, closing down 3.9%, or 48.5 points, the largest decrease since April 15, to reach 1,188.07, the lowest level since April 23. 91 stocks hit their floor prices. The HNX also dropped 3.8%, or 8.8 points, to 222.7.

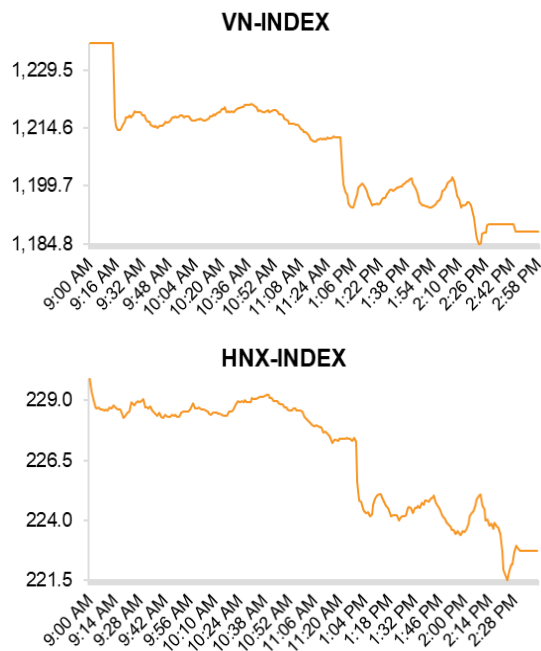
Today's losses were driven by news from the US that non-farm payrolls fell significantly short of expectations so that the risk of a US recession increased. (See our Macro Note). In response to this news, equity markets fell around the world. The Nikkei fell 12.4%, its largest percentage decline since October 1987. US treasury bonds rallied in a flight to safety. There was no Vietnam domestic news to prompt today's panic selling. In fact, the news increased the likelihood of two rate cuts this year from the US Fed, which would be very positive for Vietnamese equities. Today's sell-off therefore seems like an excellent buying opportunity. We may see continued selling tomorrow on weak sentiment, but the economic fundamentals of a weak US dollar leading to lower interest rates - in both the US and in Vietnam - should be supportive over the medium term.

No sectors gained today. Banks (-3.6%) led the sell-off, led by BID (-3.5%), TCB (-5.1%), CTG (-4.4%), VPB (-3.2%), VCB (-2.0%), and HDB (-6.1%). Financial Services (-5.1%), Industrial Goods & Services (-5.4%), Real Estate (-3.6%), Basic Resources (-4.3%), Construction & Materials (-3.6%) also witnessed considerable decreases.

Basic Resources fell -4.3%, including steel stocks HPG (-4.8%), HSG (-6.8%), and NKG (-7%) as a result of the lowest steel rebar price in eight years amid weak demand in China, and Vietnamese steel products being at risk of being included in an anti-dumping investigation by the European Union.

Foreign investors net sold VND750bn (USD29.8mn) today. The selling momentum focused on HPG (VND231bn, USD9.2mn), FPT (VND88bn, USD3.5mn), MWG (VND80bn, USD3.1mn) and STB (VND78bn, USD3.0mn). Foreigners net bought VNM (VND192bn, USD7.6mn) and VCB (VND94bn, USD3.7mn).

Top laggards today included VCB (-2.0%), BID (-3.5%), GVR (-7%), TCB (-5.1%), HPG (-4.8%), and CTG (-4.4%), which dragged an aggregate 12.9 points off the VN-Index. Conversely, top gainers included HNA (+3.8%), SVC (+6.3%) and EIB (+0.3%).



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Country	Index	1D Chg (%)	Ytd Chg (%)	P/E (x)	P/B (x)	ROE (%)	Dividend yield (%)	3M/ADTV (USDm)	5Y LC Gov Bond Yield	YTD Net Foreign Flow (USDm)	LC/USD % MoM	LC/USD % YoY
China	Shanghai Index	-1.5%	-3.8%	13.7	1.2	8.6%	3.0%	45,063	1.8%	-17,979	1.9%	0.9%
India	NSE500 Index	-2.8%	16.3%	28.4	4.4	15.5%	1.1%	13,858	6.8%	3,915	-0.4%	-1.3%
Indonesia	JCI Index	-3.4%	-2.9%	7.8	2.0	21.2%	3.5%	591	6.7%	69	0.5%	-6.2%
Singapore	FSTAS Index	-3.9%	-1.0%	12.9	1.1	8.4%	5.3%	845	2.6%	N/A	2.1%	1.5%
Malaysia	FBME Index	-5.7%	7.2%	17.2	1.4	8.2%	3.7%	628	3.5%	134	6.4%	3.0%
Philippines	PCOMP Index	-2.2%	2.7%	11.8	1.2	10.7%	3.2%	83	5.8%	-482	1.1%	-3.2%
Thailand	SET Index	-2.7%	-9.8%	15.9	1.3	7.4%	3.7%	1,079	2.3%	-3,336	3.6%	-1.0%
Vietnam	VN-Index	-3.9%	5.1%	14.4	1.7	12.6%	1.8%	711	2.0%	-1,968	1.3%	-5.5%

5-Aug

Macro note**Disappointing US job market data stokes fears of hard landing scenario**

Non-farm payrolls came in shockingly weak at 114,000, a significant miss vs the 185,000 consensus. This print, coupled with the unemployment rate ticking up to 4.3%, fueled recessionary fears and a broad-based market selloff. The DXY index plummeted to a four-month trough at 103.5, while the 10-year Treasury yield plunged to 3.79% from 4.20% a week prior.

Prior to the release of the weaker-than-expected July jobs report, market expectations leaned heavily toward a 25-bps interest rate cut, following Fed Chair Powell's comments at the July FOMC meeting. However, the unexpectedly weak employment data has boosted the likelihood of a more aggressive 50-bps reduction to 73.5% as of August 5.

The prospect of two rate cuts and a weakening greenback should be tailwinds for the Vietnamese stock market and currency. The SBV today reduced the OMO interest rate to 4.25% from 4.5% as FX pressures subsided. However, the looming fears of a hard landing scenario has cast a shadow over global stock markets the past few days, including Vietnam today. While Vietnam's economy has shown resilience with strong 2Q earnings of more than 15% seen in listed companies and robust 7M24 growth in manufacturing, exports, and FDI, our open economy, with the US being our largest trading partner, might reduce our export prospects due to weaker than anticipated US growth. Overall, market sentiment remains cautious as we await further economic indicators from both the US and Vietnam this week.

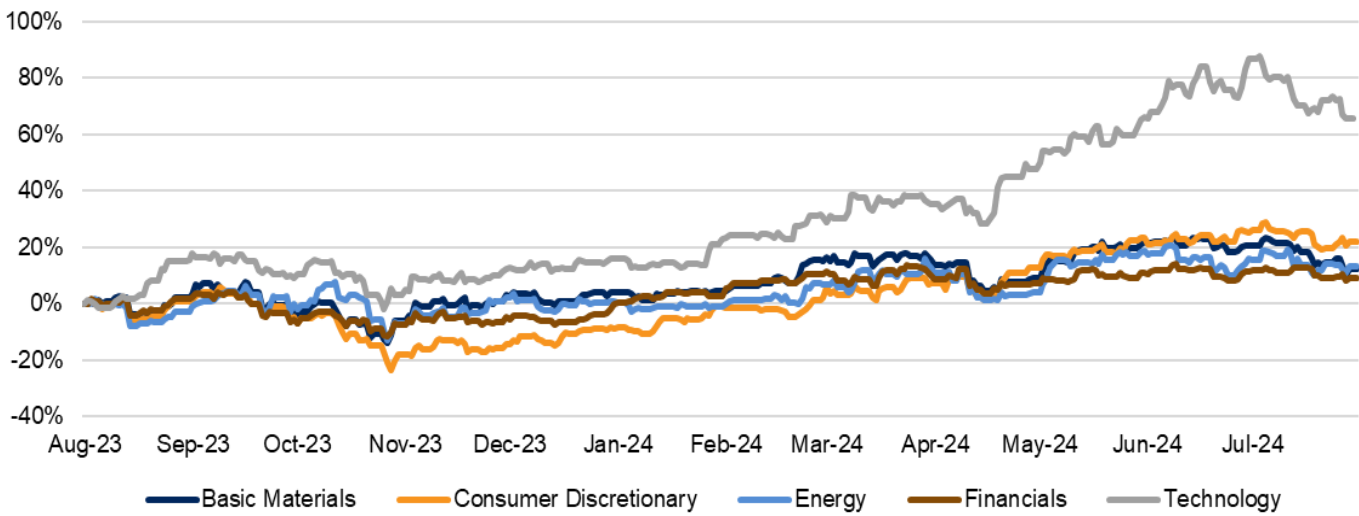
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Sectors (VNIndex)	Index Wgt (%)	Price 1D chg	P/E x	P/B x
Consumer Discretionary	3.9	-3.1%	33.1	4.2
Consumer Staples	8.8	-3.2%	49.8	3.0
Energy	1.8	-5.8%	17.1	1.9
Financials	44.0	-4.2%	10.7	1.7
Health Care	0.8	-3.1%	18.9	2.6
Industrials	8.5	-5.8%	40.8	2.3
IT	4.0	-3.9%	24.4	6.0
Materials	9.0	-5.2%	23.3	1.9
Real Estate	12.8	-4.0%	39.0	1.6
Utilities	6.4	-3.2%	21.1	2.2

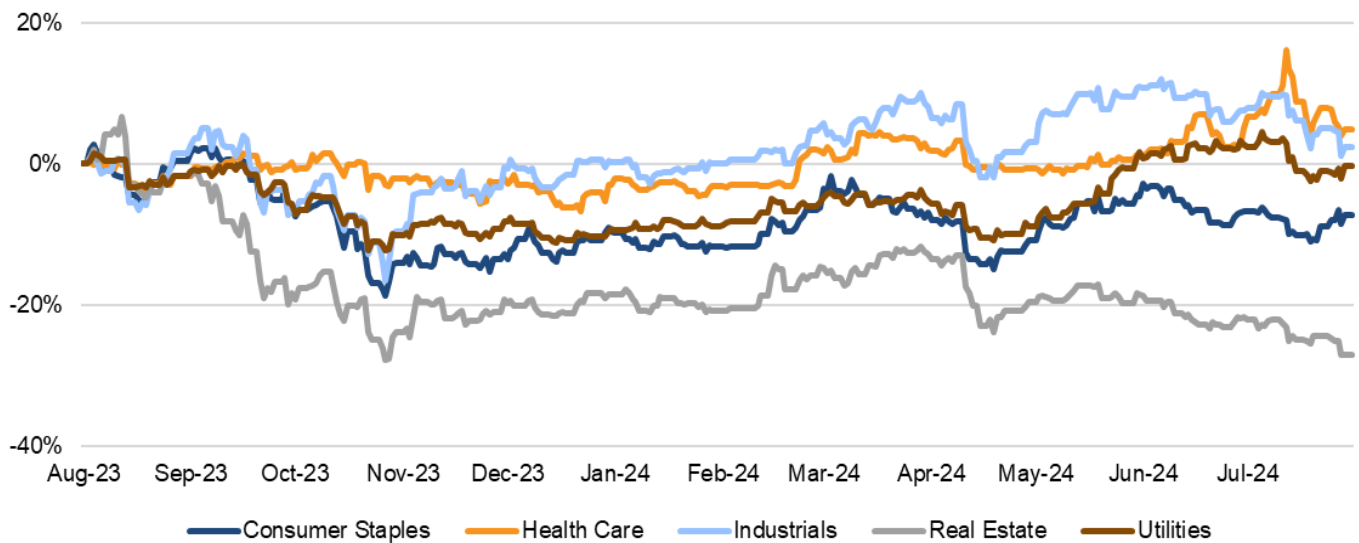
All sectors lost ground today, led by Materials (-5.6%), Industrials (-5.4%), and Energy (-4.9%), Top index movers included HNA (+3.8%), SVC (+6.4%), EIB (+0.3%), BSI (+0.5%), and SRC (+4.8%). Top index laggards consisted of VCB (-2.0%), BID (-3.5%), GVR (-7.0%), TCB (-5.1%), and HPG (-4.8%).

Source: Bloomberg

HSX TOP 5 ONE-YEAR PERFORMANCE



HSX BOTTOM 5 ONE-YEAR PERFORMANCE



Commodity prices

Energy	% dod	% mom	% yoy
WTI	0.0%	-13.4%	-13.0%
Brent Crude	-1.8%	-12.8%	-12.5%
JKM LNG	-2.0%	-4.5%	24.6%
Henry Hub LNG	-5.1%	4.1%	12.5%
NW Thermal Coal	-3.6%	-8.3%	-22.2%
Singapore Platt FO	-0.9%	-7.2%	-10.7%

Precious Metals	% dod	% mom	% yoy
Gold	-0.1%	1.1%	24.9%
Domestic SJC Gold	0.0%	4.4%	17.6%
Silver	-3.1%	-12.4%	16.0%
Platinum	-3.8%	-10.1%	0.2%

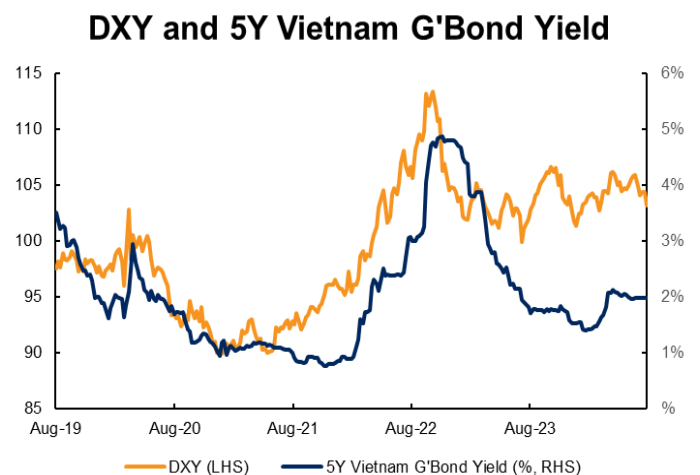
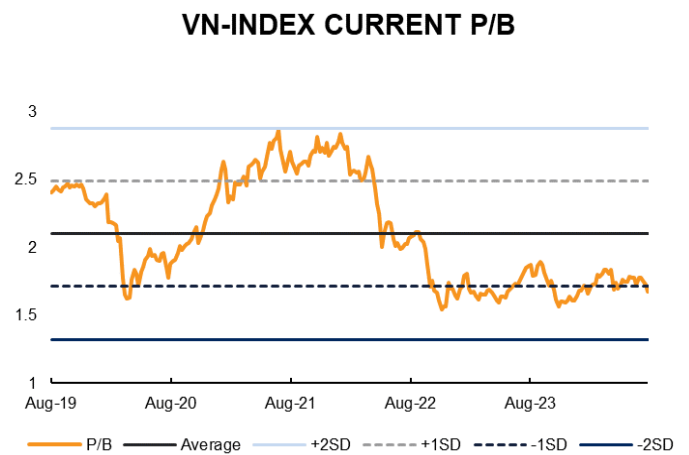
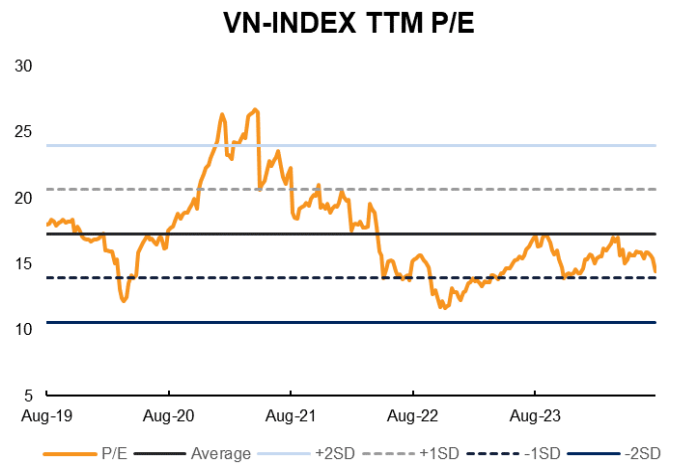
Base Metals	% dod	% mom	% yoy
Tungsten	0.0%	-1.5%	5.7%
Copper	-2.3%	-13.9%	3.7%
Aluminum	-1.5%	-10.7%	2.0%
Nickel	0.0%	-4.3%	-24.9%
Zinc	-1.5%	-9.1%	6.5%
Lead	NA	NA	NA
Steel	-0.4%	-5.7%	-8.7%
Iron Ore	0.0%	-9.8%	-13.6%

Agriculture	% dod	% mom	% yoy
Rice	0.4%	-11.4%	-6.0%
Coffee (Arabica)	-1.7%	-1.6%	40.4%
Sugar	-1.3%	-11.3%	-24.6%
Cocoa	-0.8%	-3.4%	112.5%
Palm Oil	-3.3%	-5.9%	NA
Cotton	-1.0%	-1.2%	-22.0%
Dry Milk Powder	-0.5%	2.0%	16.1%
Wheat	-1.4%	-7.2%	-16.1%
Soybean	1.0%	-12.5%	-28.0%
Cashews	NA	-7.4%	-24.2%
Rubber	-1.5%	-2.8%	63.3%
Urea	NA	NA	NA

Livestock	% dod	% mom	% yoy
Live Hogs	-1.0%	3.3%	-10.2%
Cattle	-0.4%	-0.5%	3.4%

Source: Bloomberg

Market Value Drivers



VNDS RESEARCH COVERAGE SUMMARY

Ticker	Market cap (US\$m)	3M ADTV (US\$m)	Foreign Room (US\$m)	Closing price (VND)	Adjusted target price (VND)	Total shareholder return (%)	Dividend yield (%)	TTM P/E	Current P/B	ROE	Recommendation
AVIATION											
ACV	9,279	2.7	4,269	107,000	136,200	27.3%	0.0%	32.2	4.6	18%	ADD
VJC	2,155	4.5	303	99,900	120,100	20.2%	0.0%	44.7	3.2	8%	HOLD
Simple Avg	5,717	3.6	2,286			23.8%	0.0%	38.5	3.9	13%	
CONSTRUCTION											
CTD	236	3.6	5	59,300	80,200	35.2%	0.0%	19.9	0.7	4%	HOLD
HHV	172	2.1	71	10,000	17,000	70.0%	0.0%	11.2	0.5	4%	ADD
Simple Avg	204	2.8	38			52.6%	0.0%	15.5	0.6	4%	
CONSUMER											
BAF	167	3.6	80	17,500	26,800	53.1%	0.0%	20.6	1.8	9%	ADD
DGW	361	5.1	88	54,300	68,000	26.2%	0.9%	24.1	3.3	14%	HOLD
MWG	3,588	12.8	112	61,600	72,100	17.9%	0.8%	40.9	3.4	9%	ADD
PNJ	1,269	5.8	0	95,200	114,400	22.0%	1.8%	15.5	3.0	21%	ADD
QNS	667	1.6	239	46,900	62,400	39.3%	6.2%	6.5	1.6	27%	ADD
VHC	599	3.3	421	67,000	68,000	4.2%	2.8%	20.0	1.8	9%	ADD
VNM	5,778	11.8	2,838	69,400	81,000	22.3%	5.6%	16.7	4.2	26%	ADD
Simple Avg	1,775	6.3	540			26.4%	2.6%	20.6	2.7	16%	
FINANCIALS											
ACB	4,128	11.6	0	23,200	30,300	34.3%	3.7%	6.3	1.4	24%	ADD
BID	10,469	4.4	1,335	46,100	51,600	11.9%	0.0%	11.5	2.0	19%	ADD
CTG	6,450	10.9	248	30,150	39,500	31.0%	0.0%	8.0	1.2	16%	ADD
HDB	2,843	12.1	48	24,500	29,000	18.4%	0.0%	5.9	1.4	27%	ADD
LPB	2,761	22.5	122	27,100	23,700	-12.5%	0.0%	8.2	1.8	26%	ADD
MBB	4,851	18.6	0	22,950	28,400	25.6%	1.8%	5.6	1.2	23%	ADD
SSI	1,780	18.0	1,038	29,600	36,500	26.4%	3.1%	15.7	1.8	12%	HOLD
TCB	6,259	20.0	65	22,300	26,900	20.6%	0.0%	7.3	1.1	17%	ADD
TPB	1,473	6.8	21	16,800	23,600	40.5%	0.0%	7.8	1.0	14%	ADD
VCB	19,349	8.2	1,296	86,900	111,800	28.7%	0.0%	14.6	2.7	20%	ADD
VIB	2,046	7.2	-317	20,250	29,600	52.4%	6.2%	6.7	1.3	21%	ADD
VPB	5,737	20.1	207	18,150	23,700	30.6%	0.0%	12.0	1.1	10%	ADD
Simple Avg	5,679	13.4	339			25.6%	1.2%	9.1	1.5	19%	
GARMENT & TEXTILE											
MSH	130	0.5	58	43,600	46,200	11.2%	5.3%	12.5	1.9	16%	HOLD
TCM	184	0.3	55	45,450	42,300	-6.9%	0.0%	37.3	2.2	6%	HOLD
Simple Avg	157	0	56			2.2%	2.6%	24.9	2.1	11%	
INDUSTRIALS											
BCM	2,783	2.6	1,314	67,500	99,000	47.9%	1.2%	26.8	3.7	15%	ADD

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BMP	374	1.1	57	115,500	126,00	19.8%	10.4%	11.1	3.3	34%	ADD
GMD	935	5.2	5	75,600	90,200	22.7%	3.4%	19.8	2.5	13%	HOLD
HAH	183	9.2	41	37,800	48,000	29.6%	2.6%	14.9	1.6	12%	HOLD
IDC	747	4.7	186	56,800	63,900	16.9%	4.4%	10.2	3.9	38%	ADD
KBC	745	5.5	212	24,350	37,900	55.6%	0.0%	71.6	1.0	1%	ADD
PHR	290	0.9	89	53,700	53,700	5.6%	5.6%	15.7	2.0	13%	ADD
PTB	159	0.8	0	59,800	62,900	6.8%	1.7%	12.2	1.4	12%	HOLD
SCS	305	1.0	17	80,800	95,100	23.9%	6.2%	12.9	6.0	47%	HOLD
SZC	245	2.7	41	34,200	42,700	29.5%	4.7%	21.3	2.1	12%	HOLD
VTP	337	4.6	142	69,500	93,300	36.5%	2.2%	30.0	5.3	18%	HOLD
Simple Avg	646	3.5	191			26.8%	3.9%	22.4	3.0	20%	
MATERIALS											
DGC	1,531	16.1	472	101,200	143,600	46.4%	4.5%	13.7	3.0	23%	HOLD
HPG	6,612	27.4	1,625	25,950	44,000	69.6%	0.0%	NA	1.5	11%	ADD
HSG	491	12.3	151	20,000	34,000	70.0%	0.0%	NA	1.1	11%	ADD
NKG	213	6.3	76	20,300	35,000	72.4%	0.0%	NA	0.9	7%	ADD
Simple Avg	2,212	15.5	581			64.6%	1.1%	13.7	1.6	13%	
OIL & GAS											
BSR	2,680	8.9	1,312	21,700	24,700	17.2%	3.4%	7.8	1.2	16%	HOLD
GAS	6,999	4.1	3,299	76,500	84,100	13.9%	3.9%	15.7	2.5	16%	HOLD
PLX	2,303	4.1	45	45,500	47,100	6.8%	3.3%	16.3	2.3	15%	ADD
PVD	575	5.1	191	25,950	36,800	41.8%	0.0%	27.5	0.9	4%	HOLD
PVS	720	8	194	37,800	46,500	25.7%	2.7%	16.7	1.4	8%	HOLD
PVT	376	5.4	134	26,500	32,400	26.0%	3.7%	9.8	1.3	15%	HOLD
Simple Avg	2,276	5.9	863			21.9%	2.8%	15.6	1.6	12%	
PETROCHEMICALS											
DPM	510	5.2	211	32,700	38,600	24.1%	6.1%	21.5	1.1	5%	HOLD
POWER											
NT2	222	0.7	80	19,350	27,100	47.8%	7.7%	120.5	1.4	1%	HOLD
POW	1,241	8.4	557	13,300	14,800	11.3%	0.0%	29.5	1.0	3%	ADD
Simple Avg	731	4.5	318			29.5%	3.9%	75.0	1.2	2%	
POWER & PROPERTY											
HDG	342	7.9	117	25,550	35,700	41.7%	2.0%	13.8	1.4	11%	HOLD
PC1	329	5.7	120	26,550	34,700	30.7%	0.0%	32.7	1.6	5%	ADD
REE	1,227	3.5	0	65,400	67,000	4.0%	1.5%	17.2	1.7	10%	ADD
Simple Avg	633	5.7	79			25.4%	1.2%	21.2	1.6	9%	
PROPERTY											
DXG	350	4.8	121	12,200	22,100	81.1%	0.0%	47.1	0.8	2%	HOLD

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KDH	1,099	4.7	133	34,500	43,800	27.0%	0.0%	48.5	2.0	4%	ADD
NLG	579	4.7	1	37,800	43,900	18.1%	2.0%	36.3	1.6	4%	ADD
VHM	5,985	13.6	2,089	34,500	66,400	95.2%	2.7%	6.4	0.8	13%	ADD
VRE	1,521	8.3	405	16,800	29,600	76.2%	0.0%	8.5	1.0	12%	ADD
Simple Avg	1,907	7.2	550			59.5%	0.9%	29.4	1.2	7%	
TECHNOLOGY											
FPT	6,900	33.7	268	118,600	136,800	17.1%	1.8%	24.3	6.3	28%	ADD

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