

Snapshot	HOSE	HNX	UPCOM
Close (pts)	1,233.2	235.3	94.5
1 Day change (%)	-0.4%	-0.4%	0.0%
1 Month change	-1.9%	-2.1%	-4.4%
1 Year change	3.1%	-0.7%	6.7%

Value (US\$m)	463	31	22
Gainers	117	57	125
Losers	194	102	154
Unchanged	84	150	593

Market Commentary

Stocks resume downward trend

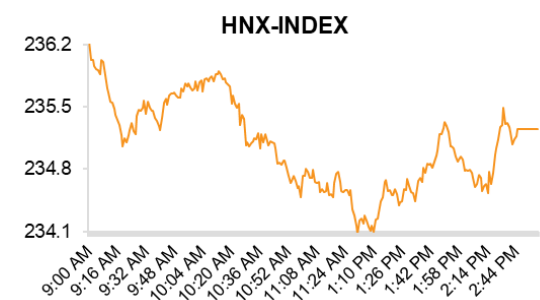
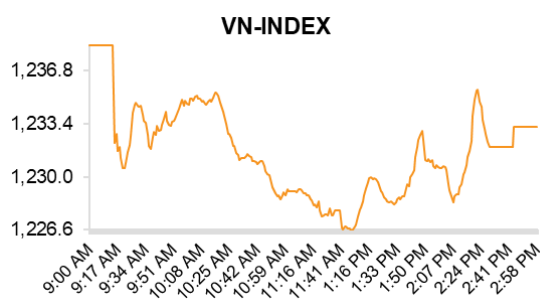
After a slight recovery of about 0.5% in yesterday's trading session, the VN-Index resumed its downward trend on Thursday, closing down 0.4%, or 5.2 points, to 1,233.2. The index has dropped about 4.7% since July 9. At the same time, market liquidity decreased sharply by about 40% DoD to VND9.7tn (USD381mn), reflecting the cautious sentiment of investors. The HNX Index also fell by 0.4%, or 0.9 points, closing at 235.3.

Real estate (+0.3%) and Chemicals (+0.7%) were the best performing sectors, led by VIC (+1.7%), BCM (+3.3%) and GVR (+0.9%). VIC paid VND4.6tn (USD183.6mn) in principal and interest of five bond lots in 2Q24. The company also recently completed the repurchase of USD500mn of convertible bonds issued in 2021.

Since the end of April, BCM has surged 37% amid the Prime Minister approving a reduction of state capital at Becamex IDC from 95.44% to 65% by the end of 2025. This is the basis for state shareholders to sell capital and reduce ownership at Becamex IDC.

In contrast, Banks (-0.7%), Basic Resources (-1.0%) and Financial services (-1.5%) were in the red, led by CTG (-2.0%), HPG (-1.3%) and SSI (-3.0%).

Foreign investors net sold today with a net trading value of VND492bn (USD19mn), focusing on SSI (VND168bn, USD7mn), TLG (VND71bn, USD3mn) and VHM (VND60bn, USD2mn). On the contrary, SBT (VND75bn, USD3mn) and FPT (VND24.6bn, USD1mn) were mainly bought.



Commentator(s):



Barry Weisblatt – Head of Research

Barry.weisblatt@vndirect.com.vn

Country	Index	1D Chg	Ytd Chg	P/E	P/B	ROE	Dividend	3M/ADTV	5Y LC Gov	YTD Net Foreign	LC/USD	LC/USD
Peering		(%)	(%)	(x)	(x)	(%)	yield (%)	(USDm)	Bond Yield	Flow (USDm)	% MoM	% YoY
China	Shanghai Index	-0.5%	-3.0%	13.7	1.2	8.6%	2.9%	45,945	1.9%	-3,356	0.6%	-1.2%
India	NSE500 Index	-0.1%	17.9%	28.2	4.4	15.5%	1.0%	13,811	6.9%	4,877	-0.3%	-2.2%
Indonesia	JCI Index	-0.3%	-0.4%	17.0	2.1	7.9%	3.4%	616	6.8%	-149	0.8%	-7.7%
Singapore	FSTAS Index	-0.9%	4.2%	13.2	1.1	8.4%	4.9%	825	3.0%	N/A	0.9%	-1.1%
Malaysia	FBME Index	-0.7%	15.2%	17.5	1.4	8.2%	3.5%	601	3.6%	165	0.9%	-2.1%
Philippines	PCOMP Index	-0.9%	5.3%	11.9	1.2	10.7%	3.1%	82	5.8%	-449	0.3%	-6.9%
Thailand	SET Index	-0.5%	-8.7%	15.6	1.2	7.4%	3.6%	1,054	2.4%	-3,279	1.6%	-4.6%
Vietnam	VN-Index	-0.4%	9.1%	15.3	1.7	12.1%	1.8%	718	2.0%	-1,950	0.6%	-6.5%

25-Jul

Macro note**Gasoline price decline takes pressure off inflation in mid-term**

The MoIT today announced a new round of gasoline price adjustments. The price of E5 RON 92 gasoline was lowered by VND274 per liter to VND21,900 per liter, while RON 95 gasoline was decreased by VND294 per liter, bringing its price to VND22,884 per liter.

The price of RON 95 gasoline fell for the third time in a row, dropping below the VND23,000 per liter mark. Since the beginning of 2024, domestic gasoline prices have undergone 30 adjustments: 13 decreases, 14 increases, and three mixed adjustments.

We believe the recent decline in gasoline prices will provide relief to the transportation sector, potentially mitigating inflationary pressures in July, as transportation costs account for a significant 9.67% of the overall CPI. In June, a 5.86% MoM decrease in gasoline prices contributed to a 0.22% pts reduction in headline inflation. Considering the high base effect, we anticipate the CPI to average between 3.5% and 3.6% in 2H, raising the full-year CPI forecast to 3.8% from a previous estimate of 3.6%.

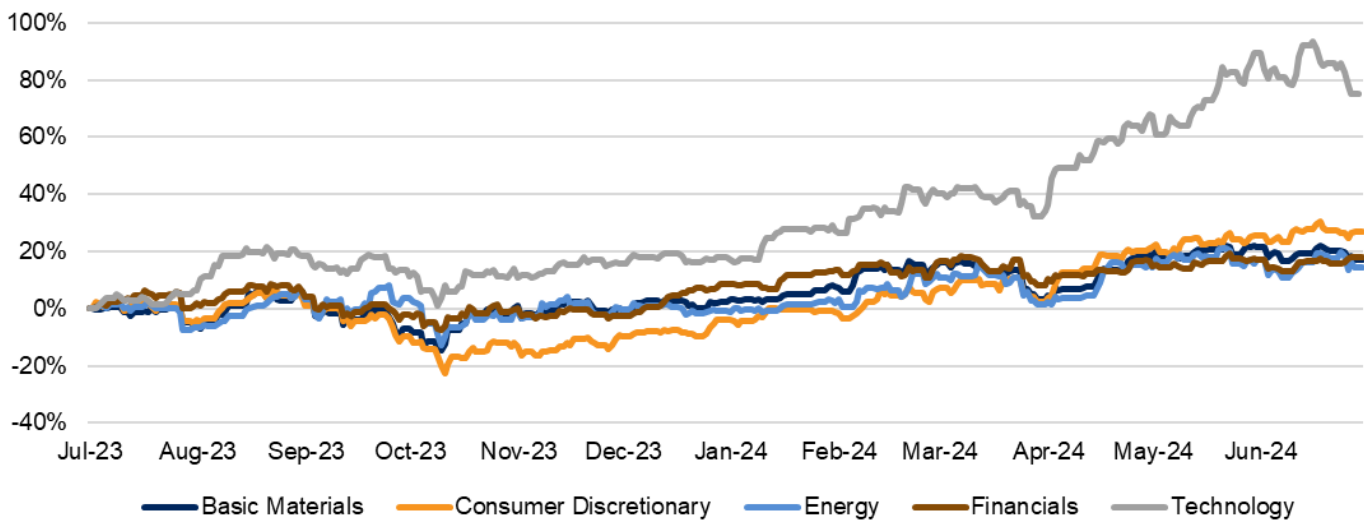
Commentator(s):**Hang Le – Analyst**Hang.lethu3@vndirect.com.vn

Sectors (VNIndex)	Index Wgt (%)	Price 1D chg	P/E x	P/B x
Consumer Discretionary	3.8	-0.6%	57.4	4.4
Consumer Staples	8.5	-0.3%	94.9	3.2
Energy	1.8	0.0%	18.2	1.8
Financials	43.6	-0.9%	11.1	1.8
Health Care	0.8	0.9%	19.1	2.7
Industrials	8.8	0.0%	39.2	2.5
IT	4.1	-0.7%	25.9	6.3
Materials	9.4	-0.6%	28.6	2.0
Real Estate	13.0	0.1%	40.5	1.6
Utilities	6.2	-0.5%	22.4	2.3

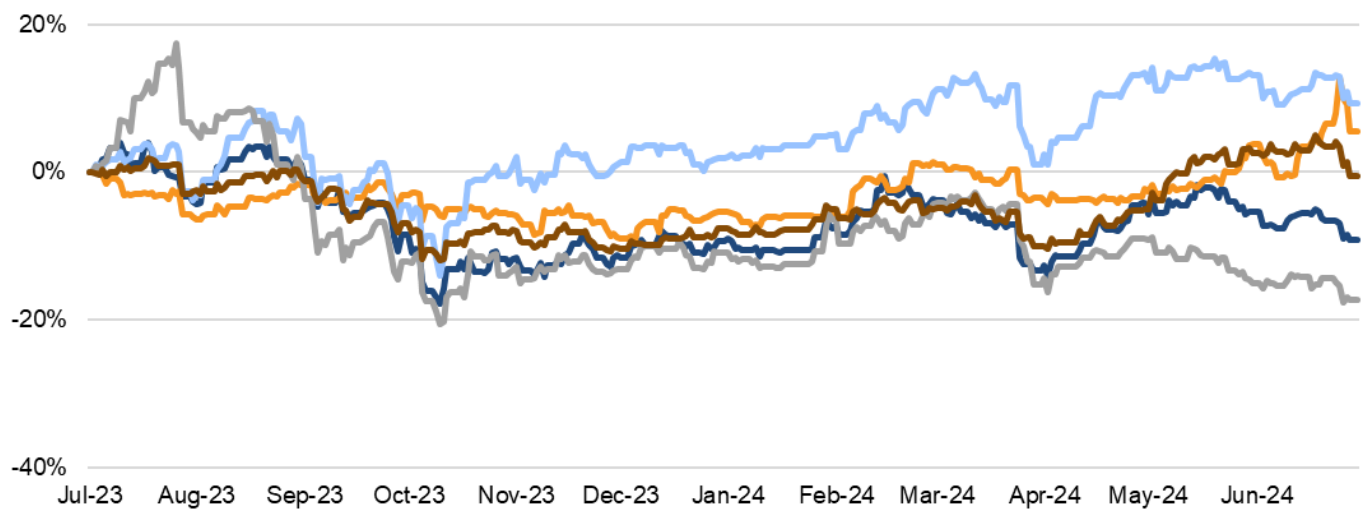
Source: Bloomberg

Estate (+0.5%) and Health Care (+0.0%) rose, while IT (-0.7%), Industrials (-0.7%), and Financials (-0.7%) lost ground today. Top index movers included VIC (+1.7%), BCM (+3.3%), GVR (+0.9%), REE (+2.2%), and BVH (+1.8%). Top index laggards consisted of CTG (-2.0%), HVN (-6.9%), HPG (-1.3%), LPB (-2.6%), and TCB (-1.1%).

HSX TOP 5 ONE-YEAR PERFORMANCE



HSX BOTTOM 5 ONE-YEAR PERFORMANCE



Current Price	VND94,800
52Wk High/ Low	VND103,100/71,575
Target Price	VND114,400
Last Updated	April 11, 2024
Last Rating	ADD
TP vs Consensus	5.9%
Upside	20.7%
Dividend Yield	1.8%
TSR	22.5%

Market Cap	USD1,250.8mn
3MADTV	USD4.9mn
Foreign Room	USD0.0mn
Outstanding Shares	328.0mn
	328.0mn

P/E TTM	<u>PNJ</u>	<u>PNJ</u>
P/B Current	16.2x	16.2x
ROA	3.1x	3.1x
ROE	14.7%	14.7%

*as of 7/25/2024

Share Price Performance



Ownership

Vietnam Enterprise Investments	3.0%
Cao Thị Ngọc Dung	2.8%
Others	94.2%

Business Description

PNJ was established in 1988 with a vision of "becoming Asia's leading jewelry manufacturing and retail company". After more than 30 years of development, PNJ has emerged as the leader in Vietnam's branded retail jewelry market, with excellent quality items and various styles.

SECTOR COVERAGE

Earnings Flash

Phu Nhuan Jewelry Joint Stock Company

PNJ - Earnings return to growth - [In-line]

- According to preliminary estimates by PNJ, 2Q24 revenue jumped 41.9% YoY thanks to revenue growth in the company's two main segments, retail and 24K gold.
- 2Q24 results were in line with our forecast for FY24 as PNJ's bottom line completed 53.4% of our full-year forecast.
- We see minimal pressure on our target price of VND114,400, which we will update after further review.

Revenue maintained double-digit growth

For 2Q24, PNJ enjoyed revenue growth of 41.9% YoY to VND9.5tn (USD375.5mn) thanks to positive growth in both main segments, in which:

- Retail segment revenue rose 17.0% YoY to VND5.4tn (USD180.9mn) thanks to: 1) new collections such as "Tiny Pearl" and "INSIDE OUT 2"; 2) effective marketing campaigns; and 3) expanding its customer base as well as a higher return customer rate.
- 24K gold sales jumped 103.6% YoY to VND4.0tn (USD158.3mn) due to skyrocketing demand for gold. We estimate sales volume increased by 53.8% YoY and the average selling price rose 20% YoY in 2Q24.
- Wholesale sales improved 40.0% YoY to VND868bn (USD34.2mn) amid positive signs of a consumption recovery as in this segment jewelry is processed for other domestic wholesale customers and unbranded jewelry stores.

Higher domestic gold price push down the gross margin

2Q24 gross profit increased 20.8% yoy to VND1.4tn (USD58.1mn). Meanwhile, gross margin narrowed by 2.7% pts to 15.5%, which we believe resulted from: 1) the fluctuation of the domestic gold price recently (+23.8% YoY in 2Q24); and higher contribution from 24K gold segment (with lower gross margin).

However, we see that domestic gold price are cooling down after the government's policy. Thus, we expect domestic gold prices to stabilize in 2H24, supporting PNJ's gross margin to improve.

Earning back to growth momentum after remaining flat in 1Q24

Base on our estimate, SG&A expenses increased 33.9% YoY due to the company's effort of implementing various effective marketing campaigns and sales programs. However, the % of SG&A/ revenue declined 0.6% pts YoY in 2Q24, leading to 28.4% YoY increase in net profit of VND429bn (USD14.9mn)

Read the full report: [HERE](#)

Commodity prices

Energy	%dod	%mom	%yoy
WTI	0.0%	-5.6%	-4.2%
Brent Crude	-1.7%	-5.5%	-3.9%
JKM LNG	2.1%	-3.5%	20.2%
Henry Hub LNG	-0.8%	0.6%	7.7%
NW Thermal Coal	-5.6%	-21.9%	-24.7%
Singapore Platt FO	-0.1%	0.3%	6.9%

Precious Metals	%dod	%mom	%yoy
Gold	-1.7%	2.5%	20.9%
Domestic SJC Gold	0.0%	3.4%	16.8%
Silver	-4.2%	-3.4%	13.0%
Platinum	1.5%	-4.3%	-0.2%

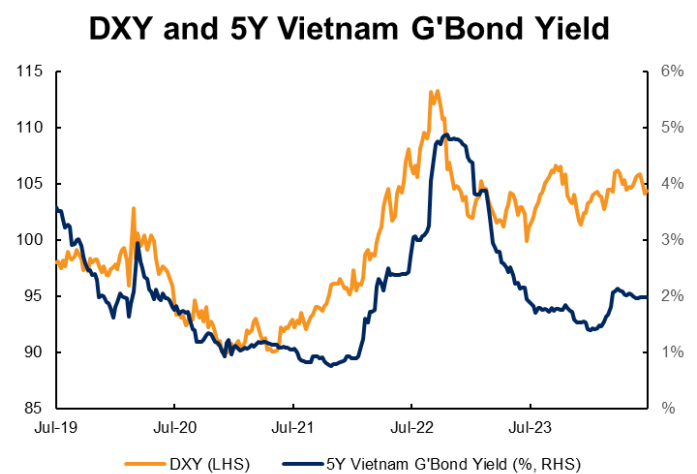
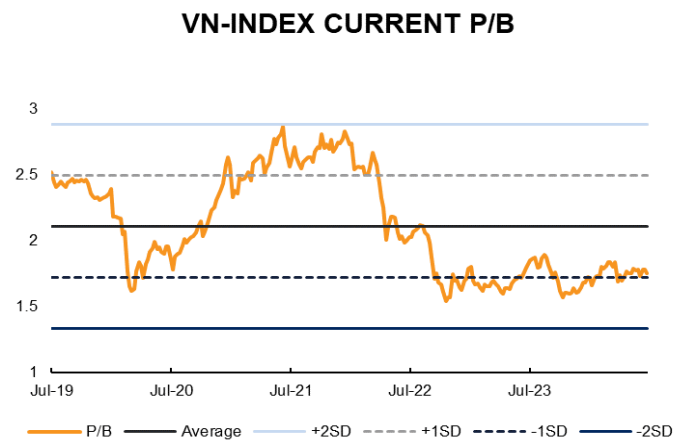
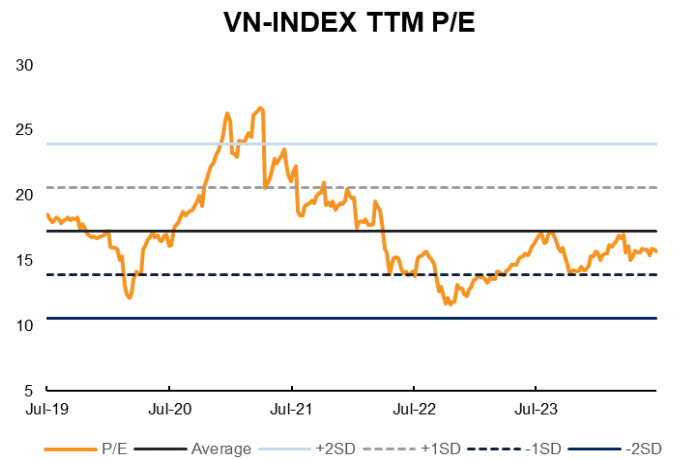
Base Metals	%dod	%mom	%yoy
Tungsten	0.0%	-3.5%	5.7%
Copper	-1.1%	-7.6%	6.7%
Aluminum	0.3%	-8.2%	3.8%
Nickel	-1.2%	-8.8%	-26.5%
Zinc	-1.2%	-3.9%	11.3%
Lead	NA	NA	NA
Steel	-0.4%	-4.8%	-6.3%
Iron Ore	-1.1%	-6.8%	-13.5%

Agriculture	%dod	%mom	%yoy
Rice	0.5%	-20.1%	-6.7%
Coffee (Arabica)	-0.7%	-0.8%	41.8%
Sugar	1.6%	-4.8%	-26.3%
Cocoa	-1.6%	1.6%	133.3%
Palm Oil	-0.3%	1.6%	NA
Cotton	-0.1%	-7.8%	-24.4%
Dry Milk Powder	-0.2%	-0.3%	43.8%
Wheat	-0.5%	0.5%	-28.4%
Soybean	-0.4%	-4.8%	-27.0%
Cashews	NA	0.0%	-27.0%
Rubber	0.3%	-9.1%	56.2%
Urea	NA	NA	NA

Livestock	%dod	%mom	%yoy
Live Hogs	0.1%	4.3%	-6.3%
Cattle	0.3%	-1.1%	4.6%

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	9,616	2.8	4,122	111,800	136,200	21.8%	0.0%	33.7	4.8	18%	ADD
VJC	2,309	4.6	314	107,900	120,100	11.3%	0.0%	98.3	3.6	4%	HOLD
Simple Avg	5,962	3.7	2,218			16.6%	0.0%	66.0	4.2	11%	
CONSTRUCTION											
CTD	263	3.7	5	66,500	80,200	20.6%	0.0%	23.3	0.8	3%	HOLD
HHV	191	2.3	80	11,200	17,000	51.8%	0.0%	12.4	0.6	4%	ADD
Simple Avg	227	3.0	43			36.2%	0.0%	17.9	0.7	4%	
CONSUMER											
BAF	175	3.9	85	18,550	26,800	44.5%	0.0%	27.9	2.0	7%	ADD
DGW	394	4.8	107	59,700	68,000	14.8%	0.9%	26.8	3.7	14%	HOLD
MWG	3,523	12.8	112	61,000	72,100	19.0%	0.8%	85.2	3.5	4%	ADD
PNJ	1,253	5.8	0	94,800	114,400	22.5%	1.8%	16.3	3.0	20%	ADD
QNS	685	1.6	235	48,600	62,400	34.4%	6.0%	6.8	1.7	27%	ADD
VHC	625	3.4	452	70,500	68,000	-0.9%	2.6%	17.3	1.6	11%	ADD
VNM	5,417	9.6	2,706	65,600	81,000	29.4%	5.9%	16.6	4.3	26%	ADD
Simple Avg	1,725	6.0	528			23.4%	2.6%	28.1	2.8	16%	
FINANCIALS											
ACB	4,244	10.9	0	24,050	30,300	29.5%	3.5%	6.5	1.4	24%	ADD
BID	10,360	4.1	1,376	46,000	51,600	12.2%	0.0%	12.0	2.1	19%	ADD
CTG	6,694	10.6	273	31,550	39,500	25.2%	0.0%	8.4	1.3	17%	ADD
HDB	2,883	12.2	52	25,050	29,000	15.8%	0.0%	6.5	1.5	26%	ADD
LPB	3,072	23.5	143	30,400	23,700	-22.0%	0.0%	9.2	2.0	26%	ADD
MBB	5,021	17.0	1	23,950	28,400	20.4%	1.8%	6.2	1.3	23%	ADD
SSI	1,902	18.2	1,185	31,900	36,500	17.3%	2.9%	18.7	2.0	11%	HOLD
TCB	6,332	21.4	62	22,750	26,900	18.2%	0.0%	7.5	1.2	17%	ADD
TPB	1,548	6.0	22	17,800	23,600	32.6%	0.0%	8.7	1.1	13%	ADD
VCB	19,277	8.0	1,313	87,300	111,800	28.1%	0.0%	15.0	2.8	21%	ADD
VIB	2,085	7.7	-332	20,800	29,600	48.3%	6.0%	6.3	1.4	24%	ADD
VPB	5,752	20.5	203	18,350	23,700	29.2%	0.0%	12.1	1.1	9%	ADD
Simple Avg	5,764	13.3	358			21.2%	1.2%	9.8	1.6	19%	
GARMENT & TEXTILE											
MSH	132	0.5	58	44,600	46,200	8.7%	5.2%	12.8	2.0	16%	HOLD
TCM	198	0.3	55	49,100	42,300	-13.8%	0.0%	40.3	2.4	6%	HOLD
Simple Avg	165	0	56			-2.6%	2.6%	26.5	2.2	11%	
INDUSTRIALS											
BCM	2,826	2.2	1,315	69,100	99,000	44.5%	1.2%	31.0	3.8	14%	ADD

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
BMP	374	1.1	57	115,500	126,000	19.8%	10.4%	11.1	3.3	34%	ADD
GMD	953	5.9	7	77,700	90,200	19.5%	3.4%	9.3	2.6	31%	HOLD
HAH	206	8.6	43	43,000	48,000	13.9%	2.3%	17.8	1.9	11%	HOLD
IDC	743	4.8	194	57,000	63,900	16.5%	4.4%	9.7	3.6	38%	ADD
KBC	842	5.8	234	27,750	37,900	36.6%	0.0%	21.2	1.2	6%	ADD
PHR	300	1.0	94	56,100	53,700	1.1%	5.4%	16.4	2.0	13%	ADD
PTB	180	0.9	0	68,200	62,900	-6.3%	1.5%	14.4	1.7	12%	HOLD
SCS	321	1.0	18	85,500	95,100	17.1%	5.8%	13.7	6.3	47%	HOLD
SZC	268	2.8	45	37,650	42,700	17.7%	4.3%	23.4	2.3	12%	HOLD
VTP	366	4.9	159	76,000	93,300	24.8%	2.0%	30.1	5.7	20%	HOLD
Simple Avg	671	3.6	197			18.6%	3.7%	18.0	3.1	22%	
MATERIALS											
DGC	1,665	15.9	514	111,000	143,600	33.5%	4.1%	15.0	3.2	23%	HOLD
HPG	6,912	26.9	1,742	27,350	44,000	60.9%	0.0%	NA	1.7	9%	ADD
HSG	556	11.6	166	22,850	34,000	48.8%	0.0%	NA	1.3	8%	ADD
NKG	241	6.4	86	23,200	35,000	50.9%	0.0%	NA	1.1	6%	ADD
Simple Avg	2,344	15.2	627			48.5%	1.0%	15.0	1.8	12%	
OIL & GAS											
BSR	2,658	8.3	1,324	21,700	24,700	17.2%	3.4%	7.8	1.2	16%	HOLD
GAS	6,969	3.9	3,293	76,800	84,100	13.4%	3.9%	15.8	2.6	17%	HOLD
PLX	2,327	3.6	48	46,350	47,100	4.9%	3.3%	18.1	2.2	13%	ADD
PVD	608	5.2	199	27,700	36,800	32.9%	0.0%	26.6	1.0	5%	HOLD
PVS	774	8	211	41,000	46,500	15.9%	2.4%	17.6	1.5	9%	HOLD
PVT	388	5.4	136	27,600	32,400	21.0%	3.6%	10.0	1.4	15%	HOLD
Simple Avg	2,287	5.8	868			17.5%	2.8%	16.0	1.6	12%	
PETROCHEMICALS											
DPM	541	5.2	221	35,000	38,600	16.0%	5.7%	26.4	1.2	4%	HOLD
POWER											
NT2	227	0.7	84	20,000	27,100	43.0%	7.5%	124.6	1.4	1%	HOLD
POW	1,194	8.1	559	12,900	14,800	14.7%	0.0%	38.6	1.0	3%	ADD
Simple Avg	711	4.4	321			28.8%	3.7%	81.6	1.2	2%	
POWER & PROPERTY											
HDG	379	7.4	132	28,500	35,700	27.0%	1.8%	16.4	1.6	10%	HOLD
PC1	349	5.4	131	28,400	34,700	22.2%	0.0%	47.7	1.7	4%	ADD
REE	1,309	3.5	0	70,500	67,000	-3.6%	1.4%	17.2	1.9	12%	ADD
Simple Avg	679	5.4	88			15.2%	1.1%	27.1	1.7	8%	
PROPERTY											
DXG	407	5.0	130	14,300	22,100	54.5%	0.0%	31.7	1.0	3%	HOLD

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KDH	1,137	5.0	123	36,000	43,800	21.7%	0.0%	53.1	2.1	4%	ADD
NLG	632	5.0	1	41,550	43,900	7.5%	1.8%	39.9	1.7	4%	ADD
VHM	6,503	13.6	2,257	37,800	66,400	78.1%	2.5%	7.0	0.9	13%	ADD
VRE	1,769	8.1	474	19,700	29,600	50.3%	0.0%	10.0	1.1	12%	ADD
Simple Avg	2,089	7.3	597			42.4%	0.9%	28.3	1.4	7%	
TECHNOLOGY											
FPT	7,213	34.0	267	125,000	136,800	11.1%	1.7%	25.6	6.6	28%	ADD

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ADDRESS

Headquarter

1 Nguyen Thuong Hien Str
Hai Ba Trung Dist, Hanoi
T: +84 24 3972 4568
F: +84 24 3972 4568

HCMC Office

The 90th Pasteur Building
90 Pasteur Str, Dist 1, HCMC
T: +84 28 7300 0688
F: +84 28 3914 6924

Da Nang Office

57 Duy Tan Str,
Hai Chau, Da Nang City
T: +84 511 382 1111

Vinh - Nghe An Office

122 Hermann Gmeiner str,
Vinh City, Nghe An
T: +84 23 8730 2886
F: NA

Can Tho Office

3rd floor STS Building, 11B Hoa Binh
Ninh Kieu City, Can Tho
T: +84 710 3766 959
F: NA

Quang Ninh Office

Viet Han Apartment, Hong Gai
Ha Long City, Quang Ninh
T: +84 98 8619 695
F: NA

Thanh Hoa Office

2nd floor 11 Hac Thanh str
Thanh Hoa City, Thanh Hoa
T: +84 90 3255 202
F: NA

Binh Duong Office

18th floor Becamex Tower
Thu Dau Mot City, Binh Duong
T: +84 27 4222 2659
F: +84 27 4222 2660

Nam Dinh Office

5 Nguyen Du str,
Nam Dinh City, Nam Dinh
T: +84 22 8352 8819
F: NA