

Snapshot	HOSE	HNX	UPCOM
Close (pts)	1,272.0	234.3	93.6
1 Day change (%)	0.1%	0.2%	0.0%
1 Month change	-1.0%	-2.4%	-0.5%
1 Year change	6.6%	-3.6%	0.3%

Market cap (USDbn)	212	12	60
Value (US\$m)	887	58	32
Gainers	152	83	160
Losers	160	87	157
Unchanged	82	134	564

Market Commentary

Stocks inch higher, led by banks

The VN-Index shot higher at the open on Friday and was up as much as almost 1% in the first hour of trading. However, sellers stepped in in the afternoon and the index closed up only 0.1%, or 0.77 points, to end at 1,272.04, still good for its fourth day of gains. Liquidity showed a significant improvement in the ETF restructuring session, with total trading value 52.7% higher than yesterday (VND21.8bn/USD909mn). The HNX-Index also gained 0.53 points (+0.2%) to close at 234.30.

For the week, the VN-Index gained 1.6% (+20.3 points) and daily trading value stayed flat compared to the previous week (VND16.3tn/USD679mn).

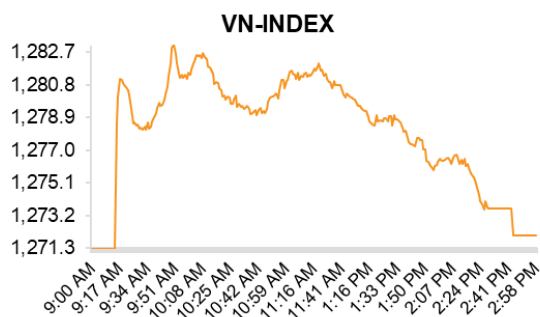
Banks (+0.3%) had the most positive impact on the market. Four of the top five market drivers today came from the banking sector, including ACB (+3.4%), TCB (+1.5%), MBB (+1.4%), and VPB (+1.1%), which together contributed about 2.4 points to the index's gain.

Oil & Gas (+2.0%) also performed well today, followed by Food & Beverage (+0.3%), Industrial Goods & Services (+0.9%), Utilities (+0.5%) and Financial Services (+0.2%). In contrast, Properties and Retail fell 0.7% and 0.2%, respectively.

Oil & Gas was led higher by PVD (+5.1%), PVS (+3.0%), PVC (+3.2%), OIL (+1.5%) and BSR (+1.7%) thanks to a recovery in oil prices. PVD, PVS and PVC are also expected to benefit from the Block B project (See our Analyst Note).

For the week, fisheries enjoyed solid gains, led by VHC (+3.6%), FMC (+1.2%), and ANV (+1.9%). The good performance was driven by positive news about an anti-dumping lawsuit in the US market (See our Analyst Note).

Foreign investors net sold today with VND304bn (USD12mn), breaking a four-day net bought streak. Selling momentum focused on VHM (VND266bn, USD11mn), VIX (VND191bn, USD8mn) and VNM (VND177bn, USD7mn). In contrast, SSI and TCB were the strongest bought with VND194bn (USD8mn) and VND125bn (USD5mn).



Commentator(s):



Barry Weisblatt – Head of Research

Barry.weisblatt@vndirect.com.vn

Country Peering	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	0.0%	-8.0%	13.2	1.2	8.6%	3.1%	37,736	1.7%	-17,979	1.0%	3.3%
India	NSE500 Index	1.4%	24.5%	28.8	4.5	15.6%	1.0%	12,703	6.7%	8,877	0.3%	-0.6%
Indonesia	JCI Index	-2.1%	6.5%	19.3	2.2	7.7%	3.1%	603	6.2%	3,642	1.9%	1.5%
Singapore	FSTAS Index	-0.4%	10.1%	14.3	1.2	8.1%	4.9%	920	2.3%	N/A	1.0%	5.6%
Malaysia	FBME Index	0.4%	15.8%	16.1	1.4	8.5%	3.5%	671	3.5%	981	4.2%	11.5%
Philippines	PCOMP Index	0.6%	13.8%	12.7	1.3	10.4%	2.9%	92	5.8%	-193	1.7%	2.1%
Thailand	SET Index	-0.2%	2.5%	17.6	1.4	7.7%	3.3%	1,325	2.2%	-2,571	3.4%	9.4%
Vietnam	VN-Index	0.1%	12.6%	15.3	1.7	12.3%	1.8%	591	2.0%	-2,168	1.3%	-1.3%

20-Sep

Macro note

Recent decisions by central banks and comments on Vietnam's FX management

Yesterday's Fed rate cut of 50 bps was met with a decision by the BoE to maintain its benchmark rate at 5%. This aligns with expectations given the UK's resilient economic growth and inflation trajectory. Consequently, the GBP/USD pair experienced a bearish shift, retreating below 1.3250. Meanwhile, the BoJ this afternoon decided to hold its interest rate steady at 0.25%, broadly as expected. This decision, coupled with Governor Ueda's dovish commentary, pushed the yen lower against the dollar, which appreciated by 0.74% to 143.65. As we approach year-end, we anticipate a gradual easing of credit conditions to be the major global macro theme.

In 2023, the SBV implemented four policy interest rate cuts in contrast to the Fed's rate hikes, bringing the refinancing interest rate to 4.5%/year and the rediscount interest rate to 3.0%/year. This divergent policy stance widened the interest rate differential between the USD and VND, leading to upward pressure on the USD/VND exchange rate. However, the SBV's flexible foreign exchange management, coupled with robust FDI inflows and remittances toward year-end, helped to mitigate the impact of these pressures, resulting in a year-end appreciation of the VND against the USD of 4.2%.

Following the Fed's recent rate cut, the VND has exhibited a relatively muted appreciation compared to the depreciating USD. As of September 19, the USD/VND exchange rate has increased by 1.3% YTD, vs the 1.5% appreciation observed prior to the Fed's rate cut. This suggests that the VND has effectively appreciated by 0.2% pts relative to the USD, demonstrating a reasonable level of resilience. When compared to regional currencies, particularly the Thai Baht, the USD/THB exchange rate has declined by 3.6% YTD, compared to a -2.6% decline prior to the Fed's rate cut. This indicates a significant strengthening of the THB against the USD by 1.0% pts. Both Vietnam and Thailand have export-oriented economies and also large tourism sectors. Rapid currency appreciation can have negative consequences on such sectors. As such, the SBV's proactive measures, including flexible FX management, open market operations, and foreign reserve accumulation, are expected to continue supporting export businesses and promoting economic growth in the near future.

Commentator(s):



Hang Le – Analyst

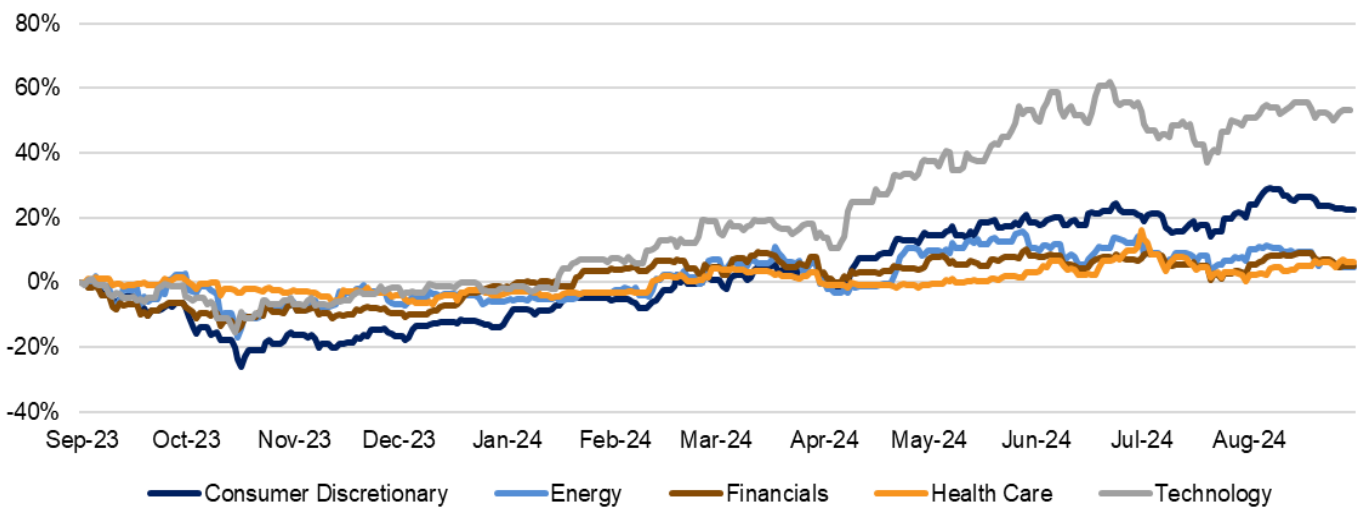
Hang.lethu3@vndirect.com.vn

Sectors (VN-Index)	Index Wgt (%)	Price 1D chg	P/E x	P/E x
Consumer Discretionary	3.9	-0.3%	35.7	4.6
Consumer Staples	8.6	0.1%	56.7	3.2
Energy	1.7	1.9%	17.1	1.9
Financials	44.0	0.3%	11.4	1.8
Health Care	0.8	-0.4%	21.5	2.8
Industrials	8.6	-0.1%	42.8	2.4
IT	4.2	0.1%	27.7	6.8
Materials	9.0	0.5%	27.0	2.1
Real Estate	13.3	-0.8%	41.0	1.7
Utilities	5.8	-0.3%	20.6	2.2

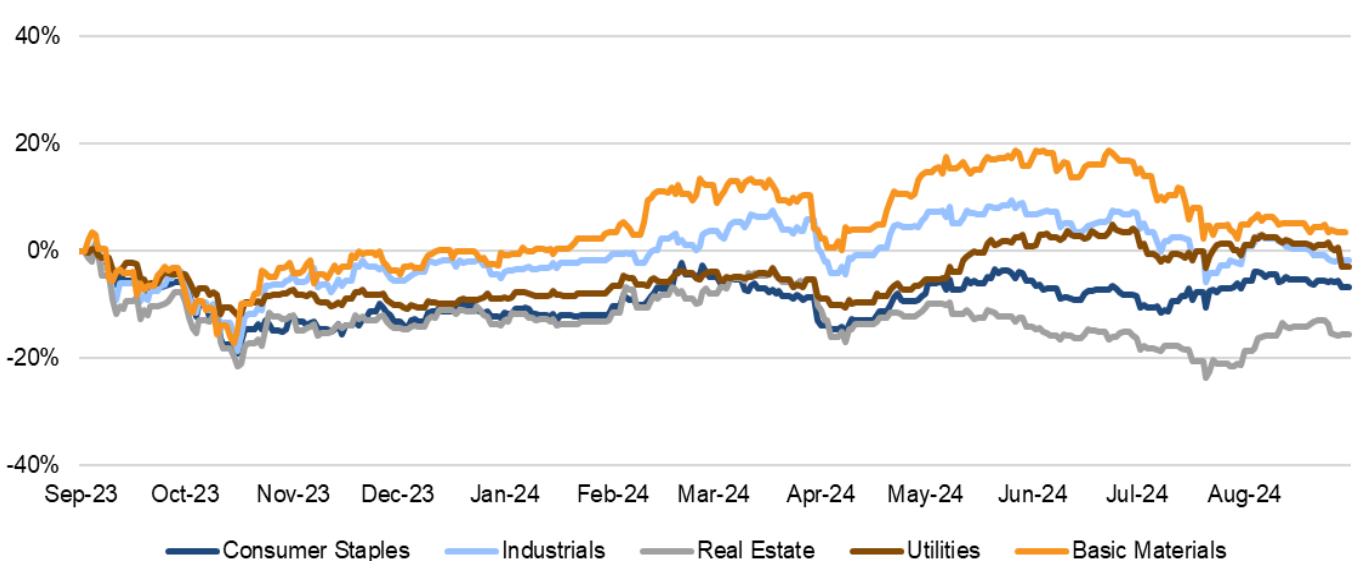
Source: Bloomberg

Energy (+1.9%), Materials (+0.5%), and Financials (+0.3%) rose, while Real Estate (-0.8%), Health Care (-0.4%), and Utilities (-0.3%) lost ground today. Top index movers included ACB (+3.4%), HPG (+1.6%), TCB (+1.5%), MBB (+1.4%), and VPB (+1.1%). Top index laggards consisted of VCB (-1.0%), VIC (-1.4%), VHM (-0.9%), VNM (-0.8%), and BID (-0.4%).

HSX TOP 5 ONE-YEAR PERFORMANCE



HSX BOTTOM 5 ONE-YEAR PERFORMANCE



Analyst(s):



Hai Nguyen Ngoc

hai.nguyennhoc2@vndirect.com.vn

Analyst notes

Oil & Gas sector

Significant developments in Block B upstream project

PVS and its partners held the first cutting ceremony for the EPCI#1 and EPCI#2 packages of the Block B project on September 18 after signing an official LOA (Letter of Award) for EPCI#1 in early-September. This means that this upstream project will still be entirely implemented without FID. We think that it also signals the optimistic view of field owners that they could get FID as soon as they completely resolve the current bottlenecks of the project.

With estimated capex of over USD3.5bn for the first phase (until first gas in 2027), the multibillion-dollar Block B project chain will provide a huge workload for upstream service providers and be a new growth driver for gas distributors. PVS will be a first key beneficiary from the project thanks to an estimated EPC contract value of USD1.4bn (including both awarded and potential contracts), followed by PVD, PVB and PVC. GAS, as an investor of the midstream pipeline, will benefit from 2027 when the gas stream from Block B comes online.

Figure 1: Block B - O Mon project's key packages for the first phase

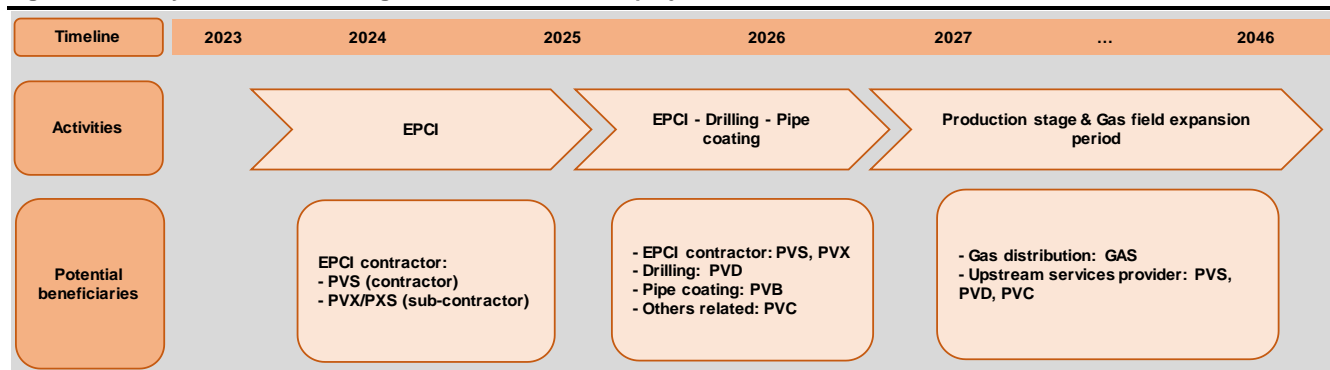
	Package	Est. capex (USDmn)	Contractors
Upstream	EPCI#1	1,086	A consortium of McDermott and PTSC
Upstream	EPCI#2	300	PTSC M&C
Upstream	FSO	N/A	TBA (PVS joined this bidding)
Midstream	PC offshore pipeline	750	TBA (Potential winner is a consortium of McDermott and PTSC)
Midstream	EPC onshore pipeline	314	A consortium of PTSC and Lilama 18

* TBA: To Be Announced

* PTSC M&C is a wholly subsidiary of PTSC (PVS)

Source: VNDIRECT RESEARCH, COMPANY REPORTS

Figure 2: The key beneficiaries during Block B – O Mon chain project timeline



Source: VNDIRECT RESEARCH, COMPANY REPORTS

Fishery sector**A good sign for Vietnamese pangasius exporters**

The US, the largest single import market for Vietnamese pangasius, just announced in the latest review by the US Department of Commerce that eight pangasius exporters from Vietnam have been exempted from anti-dumping tax.

The eight companies that would be exempt from anti-dumping tax this year are Bien Dong Seafood Company Ltd., Vinh Hoan Corporation (HOSE: VHC), Can Tho Import-Export Seafood Joint Stock Company, Dai Thanh Seafoods Company Ltd., Dong A Seafood One Member Co., Ltd., Hung Ca 6 Corporation, Nam Viet Corporation (HOSE: ANV) and NTSF Seafoods Joint Stock Company. VHC is the only Vietnamese exporter that was freed from anti-dumping tax during the previous review period (POR19) from August 1, 2021 to July 31, 2022.

This is a good sign for Vietnamese pangasius exporters as, since 2003, several companies have been subject to anti-dumping tax from the US. Pangasius export turnover in the first eight months of this year was estimated to grow 9% YoY to USD1.3bn, and we expect it to keep improving through end-2024.

Analyst(s):**Hoa Nguyen Thi Mai**

hoa.nguyenmai4@vndirect.com.vn

Update report

BANK FOR INVESTMENT AND DEVELOPMENT OF VIETNAM

BID – Prioritizing credit growth over NIM stabilization – ADD

- We maintain our ADD rating with 18.3% upside. We change our TP by +11.6% while the share price has increased by 10.4% since our last report.
- We adjust our TP to VND57,600 as we lower our cost of equity assumptions and roll our valuation to FY25.
- Current P/B of 2.1x is a 74% premium to the banking sector (1.2x) and close to its 5Y average of 2.17x. Our target P/B for BID is 2.1x (~54% premium to forward P/B of the sector), thus we think its current P/B is fair.

Financial Highlights

- 6M24 total operating income (TOI) rose 8.3% YoY driven by mild NII growth (+3.3% YoY) and robust non-II growth (+28% YoY).
- 2Q24 asset quality outperformed the sector as BID's NPL held firm (-7bps YoY, +2bps QoQ) and group 2 ratio declined (-59bps YoY, -46bps QoQ).
- We forecast FY24 ROE of 18.8%, lower than in FY23, due to a YoY increase in NPL ratio and higher COF than in FY23.

Investment Thesis

BID has the motivation to accelerate credit growth in 2H24

BID recorded 5.9% credit growth YTD in 1H24 and has a 14% quota from the SBV for FY24. The Prime Minister has requested the SBV to reallocate unused credit quotas to institutions needing more, motivating BID - an SOCB, to achieve its credit target. We also expect retail demand recovery toward year-end to further boost BID's credit growth, as retail clients make up 45% of its loan book.

Increasing mobilization to support credit growth hurts NIM

BID's LDR is near the regulated cap of 85%. To support its capacity for credit growth, BID was approved to raise funds via a third private placement of bonds. We expect that this will slow the decline of BID's cost of funds and cause its NIM to inch down to 2.31% by year-end vs 2.50% for 2Q24.

Rising import-export activity will be main factor improving Non-II

We expect FY24 Non-II to increase by 25% YoY thanks to a rise in net fee income (NFI) and net other income. Trade finance, accounting for the largest share in NFI, is expected to drive FY24 NFI up 15% YoY as export-import activity will accelerate toward year-end. Additionally, net other income will rise due to a rebound in bad debt collection as the real estate market recovers.

Conservatively provisioning to boost ROE

We expect the YE24 NPL ratio to decline to 1.36% from 1.52% in 2Q24 after rising from 1.25% at YE23 and the write-off ratio to stay intact at 1.33% based on our forecast recovery in the retail sector. BID mildly raised its credit costs in 2Q24, in order to protect its ROE, primarily with the implementation of a private placement of shares in FY24 (~2.9%). We project FY24 credit costs to remain low at 1.1%, just slightly above the 1.07% in 2Q24, as the bank aims to maintain a high ROE to attract investors, and the retail segment will recover in 2H24.

Read the full report: [HERE](#)

Current Price	VND48,700
52Wk High/Low	VND54,400/35,496
Target Price	VND57,600
Previous TP	VND51,600
TP vs Consensus	9.3%
Upside	18.3%
Dividend Yield	0.0%
Total stock return	18.3%

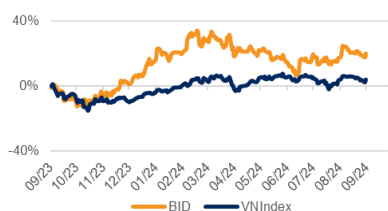
Growth rating	Positive
Value rating	Neutral
ST Technical Analysis	Positive

Market Cap	USD11,419mn
3m Avg daily value	USD4.5mn
Avail Foreign Room	USD1,449mn
Outstanding Shares	5,700.4mn
Fully diluted O/S	5,700.4mn

	BID	Peers	VNI
P/E TTM	12.2x	9.0x	13.9x
P/B Current	2.1x	1.6x	1.7x
ROA	0.9%	1.8%	2.1%
ROE	17.0%	19.6%	12.3%

*as of 9/19/2024

Share Price performance



Share price (%)	1M	3M	12M
Ordinary share	2.5%	4.7%	17.3%
Relative to index	0.5%	-1.2%	2.6%

Ownership

State Bank of Vietnam	81.0%
KEB Hana Bank	15.0%
Others	4.0%

Business Description

BID was founded in 1957 under the name Bank for Construction of Vietnam, with the mission of allocating the state's capital for building infrastructure, industrial facilities and construction projects to serve the national welfare. It was equitized in December 2011 through an IPO and officially became a joint stock commercial bank in April 2012.

Current Price	VND38,000
52Wk High/Low	VND40,000/VND27,200
Target Price	VND45,800
TP vs Consensus	-1.7%
Upside	22.8%
Dividend Yield	0.0%
Total stock return	22.8%

Growth rating	Positive
Value rating	Positive
ST Technical Analysis	Positive

Market Cap	USD1,130.6mn
3m Avg daily value	USD3.8mn
Avail Foreign Room	USD113.6mn
Outstanding Shares	799mn
Fully diluted O/S	799mn

	KDH	Peers	VNI
P/E TTM	37.4x	25.8x	14.5x
P/B Current	1.8x	1.4x	1.8x
ROA	2.7%	2.1%	2.1%
ROE	4.6%	4.4%	12.1%

*as of 9/18/2024

Share Price performance



Share price (%)	1M	3M	12M
Ordinary share	4.6	0.0	13.3
Relative to index	2.6	-2.7	1.1

Ownership

Tien Loc Investment Limited	11.5%
Gam Ma Investment Company	8.8%
A Au Investment Trading Company	8.7%
Others	71.0%

Business Description

Khang Dien Group is one of the leading property companies in Vietnam in terms of scale and reputation. With over 50 quality property projects, KDH has provided over 20,000 diverse products to the market, including residential properties, villas, townhouses, and apartments in HCMC.

KHANG DIEN HOUSE TRADING & INVESTMENT JSC

KDH – Stable earnings driven by a solid pipeline – ADD

- We retain our rating of ADD with a 23% upside and no dividend. We increase our TP by 4.6% while the share price has increased by 4.2% since our last report.
- The main drivers of our change in TP are a WACC revision, positive legal moves for KDH projects, and the successful launch of The Privia project exceeding our expectations.
- Current P/B of 1.8x is above its peers of 1.4x but undervalues KDH' s earnings growth prospects for FY24-25.

Financial Highlights

- 1H24 net profit (NP) fell 68.4% YoY to VND342bn (USD14mn) due to weaker handover activity but is on track to meet our full-year forecast as we expect strong handover results from the Privia project in 4Q24.
- Prepayments from customers and inventory have increased by more than 230% and 72% since the beginning of 2023, respectively, showing strong signals that revenue growth is poised to accelerate in coming quarters.
- We expect NP growth of 29.1%/19.5% in FY24-25, respectively.

Investment Thesis

Keppel JV projects showed strong progress

KDH owns 51% of the Foresta complex (comprising the Emeria and Clarita projects) with Keppel Land, with an area of 11.8 hectares in a prime location in HCMC. These projects enjoy a high profit margin of nearly 60% for low-rise and over 50% for high-rise segments. With rapid construction progress, over 60 villas have reached raw structural completion. KDH is currently applying for a sales permit, and expects to launch in late 2024 to 1H25.

Robust project pipeline drives steady growth

The Tan Tao mega residential project, which is actively undergoing land clearance and has a 1/500 master plan approved for certain sub-areas, is also planned for development in 2026-27. In addition to over 1,000 units of the sold out Privia project scheduled for handover in 4Q24, the Foresta cluster is expected to generate sustained revenue from 2025-2027. The Le Minh Xuan IP project approved its 1/500 master plan and will be the next key project to be undertaken in 2025-26.

Successful private placement reduces leverage but dilutes EPS

KDH raised VND3,000tn (USD122mn) by issuing 110mn shares to 19 strategic investors. Proceeds will repay debt and contribute capital to continue land clearance activities and fulfill financial obligations for large projects including Le Minh Xuan IP, Tan Tao, and Phong Phu 2. With an issuance price of VND27,500/share, 25% below the market price, the share price is expected to be diluted by 3.2% to VND36,000.

Capitalizing on old land price framework, amended laws are favorable for KDH

The amended real estate laws favor KDH because it only launches projects when the construction is nearly complete or even finished. KDH can also maintain impressive an profit margin thanks to expedited land clearance and land use fee payments for many large projects, taking advantage of the Government's old land price framework.

Read the full report: [HERE](#)

Current Price	VND12,300
52Wk High/Low	VND15,300/VND10,450
Target Price	VND14,600
Previous TP	VND14,800
TP vs Consensus	3.0%
Upside	18.7%
Dividend Yield	0.0%
Total stock return	18.7%

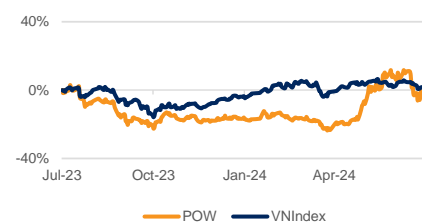
Growth rating	Positive
Value rating	Positive
ST Technical Analysis	Negative

Market Cap	USD1,195.5mn
3m Avg daily value	USD6.4mn
Avail Foreign Room	USD527.4mn
Outstanding Shares	2,341.9mn
Fully diluted O/S	2,341.9mn

	POW	Peers	VNI
P/E TTM	26.9x	38.3x	13.9x
P/B Current	0.9x	1.6x	1.7x
ROA	1.4%	3.1%	2.1%
ROE	3.2%	4.0%	12.3%

*as of September 20, 2024

Share Price performance



Share price (%)	1M	3M	12M
Ordinary share	-8.7%	29.5%	0.4%
Relative to index	0.1%	3.1%	3.2%

Ownership

PVN	79.9%
Others	20.1%

Business Description

PVPower is the second-largest listed electricity producer in Vietnam. With a power portfolio of 4,200 MW, it represents 5.4% of the country's total capacity. POW's main strength lies in advanced thermal power plants with state-of-art technology. Ca Mau 1 and 2, Nhon Trach 2 and Vung Ang 1 are POW's key power plants, accounting for 87% of total volume.

PVPOWER Corp

POW – Two steps ahead of the power consumption boom– ADD

- We retain our ADD rating with 18.7% upside. Since our last report, we slightly decreased our TP by 1.3% while the share price rose by 6.2%.
- Our lower TP is mainly due to a reduction of peer EV/EBITDA from 8.4x down to 7.8x. However, our DCF valuation increased due to higher FY24-25 EPS forecasts and lower WACC assumptions.
- Current P/B of 0.9x is below the domestic peer average of 1.6x and is attractive considering the upcoming commencement of NT3 and 4.

Financial Highlights

- POW's EPS surged 218% YoY in 2Q24, driven by a return of Vung Ang 1's unit 1 generator and lower YoY O&M costs in 2Q24 as POW didn't have to use expensive diesel oil to substitute for gas in power generation.
- We expect FY24 net profit to increase 9.4% then jump 28.6%/35.1% in FY25/26 as Nhon Trach 3 and 4 commence operations.

Investment Thesis

NT3 and 4 will be the main growth drivers once they resolve PPA delays

NT3 and 4 gas-fired power plants are two crucial POW projects with total investment of VND34tn (USD1.4bn). However, they face potential delays due to ongoing challenges in finalizing the PPA with EVN and construction of transmission lines. Thus, we expect NT3 and 4 to come online between 2Q25 to 1Q26, six months later than POW's schedule. We consider NT3 and 4 as POW's mid- and long-term growth engines as they will lift POW's total capacity by 36% and contribute 16.4%/44.2% to the company's top line in FY25-26.

Heavy rainfall hindered Vung Ang 1 coal-fired power mobilization in 2H24

Higher-than-expected rainfall in recent months has boosted hydropower generation, resulting in hydropower replacing coal-fired power as the dominant power source. To reflect this, we cut our Vung Ang 1 2024 volume forecast 10% to 5.5 billion kWh. However, we remain optimistic on the mid- and long-term prospects of Vung Ang 1, especially amid surging power consumption and completion of Quang Trach – Pho Noi line 3, which boosts power transmission to key northern consumption centers.

Gas supply issues appear to be improving

Gas-fired power plants have demonstrated strong performance, surpassing our previous volume forecasts. Ca Mau 1 and 2, in particular, have exceeded our previous volume forecasts for 8M24 thanks to their stable gas supply from PM3-CAA. 2024 is a difficult year for NT2 but the situation is not as bad as feared, and we expect the plant to break even this year. From 2025, NT2's gas supply should improve thanks to the expiration offtake period of two BOT gas-fired power plants.

POW is financially well-prepared for Nhon Trach 3 and 4

POW's strong financial standing, evidenced by a net D/E ratio of only 5.4% at the beginning of this year, positions the company well to manage the loan requirements for the substantial NT3 and 4 project. While we anticipate POW's net D/E ratio to reach a peak of 40-44% during FY25-26 due to significant borrowings to fund NT3 and 4, this level is still considered reasonable.

Read the full report: [HERE](#)

Non-prefunding report

Stock market to benefit from non-prefunding policy

- On September 18, 2024, Circular 68/2024/TT-BTC was officially issued, allowing securities companies to offer non-prefunding services to foreign institutional clients.
- Vietnam's stock market will likely benefit from increased foreign investment.
- The circular also helps Vietnam's stock market be upgraded to Secondary Emerging Market status by FTSE in September 2025.
- However, the circular may also create risks of settlement defaults for securities companies who aggressively pursue foreign institutional clients.

Non-prefunding has been officially approved

On September 18, 2024, Circular 68/2024/TT-BTC was officially issued, allowing securities companies to offer non-prefunding services to foreign institutional clients. Previously, foreign investors could not purchase securities unless sufficient funds were available in their accounts before the buy order was submitted. This restricted portfolio rotation, as foreign institutional clients had to wait for funds to be settled from securities sales before making further purchases. According to Vietnam's regulations, funds from stock sales are only settled and available for reinvestment on the morning of T+2.

Vietnam's stock market may attract new foreign institutional investors

We see three potential impacts from the approval of non-prefunding on Vietnam's stock market: 1) more foreign institutional investors are attracted as Vietnamese regulations move closer to international standards; 2) growing expectations of increased foreign capital flowing into Vietnam's stock market; and 3) improved market liquidity.

However, systemic risk also increases. Securities companies bear the risk of investor defaults. If many foreign investors fail to make timely payments and securities companies are forced to sell off pledged stocks, this could create significant selling pressure, increase stock price volatility, and negatively impact the stability of the market.

Securities companies will compete to serve foreign institutional clients

The brokerage sector will benefit from serving more foreign institutional investors and gaining higher brokerage income as liquidity increases. Aside from these benefits, there is also potential risk such as settlement risks due to the delay of foreign institutional funds to T+2 after buying. Therefore, securities companies need to enhance risk management related to clients, marginable stocks, market conditions, and appropriate lending ratios. We assess the risk as low, given the reputation of foreign institutions and their interest in maintaining

investment in the Vietnamese stock market but acknowledge that competitive pressures could increase these risks over time.

To attract foreign institutional investors, we believe securities companies will compete based on: 1) transaction fees; 2) prefunding rates (own capital/total purchase value); 3) the size of advance funds offered; and 4) service quality (information and reports). For the first factor, although securities firms may provide funds to foreign institutional clients, foreign institutional clients will only be charged transaction fees. For the second factor, the ability to offer lower prefunding rates will provide a competitive advantage. Factor three will depend on the company's equity capital as securities companies with larger equity bases will have a distinct advantage. We believe factor four will increase pressure on securities companies to boost equity capital, given the regulation that limits debt-to-equity ratios to no more than five times. In summary, large-scale securities companies with low transaction fees and competitive non-prefunding margin rates will benefit by attracting foreign institutional clients.

Analyst(s):**Hung Vu**

hung.vumanh3@vndirect.com.vn

Read the full report: [HERE](#)

Commodity prices

Energy	% dod	% mom	% yoy
WTI	0.0%	-3.2%	-20.6%
Brent Crude	-0.3%	-3.3%	-20.2%
JKM LNG	1.5%	-10.4%	-10.2%
Henry Hub LNG	-3.0%	-8.1%	-8.4%
NW Thermal Coal	2.7%	16.4%	-5.4%
Singapore Platt FO	0.8%	-7.2%	-19.2%

Precious Metals	% dod	% mom	% yoy
Gold	0.9%	4.1%	34.2%
Domestic SJC Gold	0.3%	1.3%	18.8%
Silver	2.5%	6.1%	34.1%
Platinum	-0.4%	3.7%	5.2%

Base Metals	% dod	% mom	% yoy
Tungsten	0.0%	0.9%	8.9%
Copper	0.7%	3.8%	15.2%
Aluminum	0.0%	5.4%	16.2%
Nickel	0.7%	-1.4%	-18.1%
Zinc	0.9%	3.8%	11.6%
Lead	NA	NA	NA
Steel	0.2%	2.0%	-13.3%
Iron Ore	1.2%	-3.3%	-26.3%

Agriculture	% dod	% mom	% yoy
Rice	-0.3%	3.4%	-3.0%
Coffee (Arabica)	-1.8%	3.0%	62.5%
Sugar	3.6%	29.4%	-15.2%
Cocoa	0.5%	-17.9%	118.2%
Palm Oil	1.8%	6.9%	NA
Cotton	0.6%	4.6%	-15.7%
Dry Milk Powder	0.1%	13.1%	27.0%
Wheat	0.8%	6.9%	-3.2%
Soybean	0.2%	6.1%	-23.0%
Cashew s	NA	8.0%	-15.6%
Rubber	0.7%	14.4%	66.7%
Urea	NA	NA	NA

Livestock	% dod	% mom	% yoy
Live Hogs	0.2%	7.1%	-3.1%
Cattle	0.9%	-1.5%	-3.1%

Source: Bloomberg

Market Value Drivers

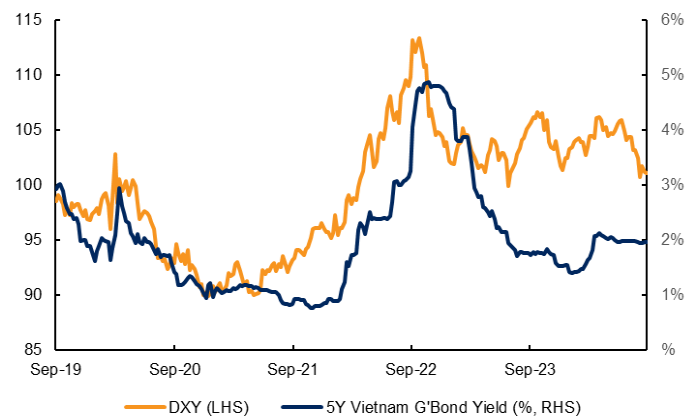
VN-INDEX TTM P/E



VN-INDEX CURRENT P/B



DXY and 5Y Vietnam G'Bond Yield



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	9,555	2.0	4,262	108,000	136,200	26.1%	0.0%	32.5	4.7	18%	ADD
VJC	2,316	5.6	384	105,200	120,100	14.2%	0.0%	61.5	3.5	6%	HOLD
Simple Avg	5,936	3.8	2,323			20.1%	0.0%	47.0	4.1	12%	
CONGLOMERATE											
VIC	6,573	8.6	2,516	42,300	46,800	10.6%	0.0%	42.8	1.2	3%	HOLD
CONSTRUCTION											
CTD	251	2.3	6	61,700	80,200	30.0%	0.0%	20.7	0.7	4%	HOLD
HHV	212	1.7	86	12,050	17,000	41.1%	0.0%	13.3	0.6	5%	ADD
Simple Avg	231	2.0	46			35.5%	0.0%	17.0	0.7	4%	
CONSUMER											
BAF	202	2.1	95	20,800	26,800	28.8%	0.0%	26.0	2.0	9%	ADD
DGW	423	4.2	95	47,900	68,000	43.0%	1.1%	27.6	3.7	14%	HOLD
MWG	4,040	12.8	112	68,000	72,100	6.8%	0.8%	45.1	3.8	9%	ADD
PNJ	1,343	6.1	0	98,800	126,700	30.0%	1.7%	16.1	3.1	21%	ADD
QNS	717	0.7	251	48,000	53,000	16.5%	6.1%	6.7	1.7	27%	HOLD
VHC	660	2.0	449	72,400	68,000	-3.5%	2.5%	20.7	1.9	9%	ADD
VNM	6,175	13.8	3,004	72,700	81,000	16.7%	5.3%	17.5	4.4	26%	ADD
Simple Avg	1,937	6.0	572			19.8%	2.5%	22.8	3.0	16%	
FINANCIALS											
ACB	4,656	8.8	0	25,650	30,300	21.5%	3.3%	7.0	1.5	24%	ADD
BID	11,364	4.8	1,448	49,050	57,600	17.4%	0.0%	12.3	2.2	19%	ADD
CTG	7,857	10.3	259	36,000	39,900	10.8%	0.0%	9.6	1.4	16%	ADD
HDB	3,202	13.0	37	27,050	29,000	7.2%	0.0%	6.5	1.5	27%	ADD
LPB	3,243	8.3	145	31,200	25,400	-18.6%	0.0%	9.4	2.1	26%	REDUCE
MBB	5,338	18.4	0	24,750	28,400	16.5%	1.7%	6.1	1.3	23%	ADD
OCB	1,168	2.4	11	11,650	13,400	15.0%	0.0%	9.8	1.0	10%	ADD
SSI	2,061	16.5	1,176	33,600	36,500	8.6%	0.0%	17.8	2.1	12%	HOLD
TCB	6,743	17.3	107	23,550	26,900	14.2%	0.0%	7.7	1.2	17%	ADD
TPB	1,620	6.9	15	18,100	23,600	30.4%	0.0%	8.4	1.1	14%	ADD
VCB	20,580	8.2	1,373	90,600	112,800	24.5%	0.0%	15.2	2.8	20%	ADD
VIB	2,234	3.7	-339	18,450	26,100	48.3%	6.8%	7.2	1.4	21%	ADD
VPB	6,110	17.7	273	18,950	23,700	25.1%	0.0%	12.5	1.1	10%	ADD
Simple Avg	5,860	10.5	346			17.0%	0.9%	10.0	1.6	18%	
GARMENT & TEXTILE											
MSH	145	0.3	65	47,600	54,300	18.9%	4.8%	13.1	2.0	16%	HOLD
TCM	194	0.3	55	46,950	42,300	-9.9%	0.0%	25.1	2.3	9%	HOLD

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
Simple Avg	170	0	60			4.5%	2.4%	19.1	2.1	13%	
INDUSTRIALS											
BCM	2,999	2.4	961	71,300	83,900	18.8%	1.2%	29.6	3.9	15%	ADD
BMP	374	1.1	57	115,500	120,000	19.8%	10.4%	11.1	3.3	34%	ADD
GMD	989	3.5	5	78,400	90,200	18.5%	3.4%	20.0	2.6	13%	HOLD
HAH	198	6.6	42	40,100	48,000	22.2%	2.5%	15.8	1.7	12%	HOLD
IDC	785	0.0	0	58,500	63,900	13.5%	4.3%	10.5	4.1	38%	ADD
KBC	831	3.4	225	26,650	37,900	42.2%	0.0%	77.2	1.1	1%	ADD
PHR	323	0.6	99	58,600	64,300	14.9%	5.1%	19.5	2.1	11%	ADD
PTB	169	0.4	0	62,000	79,650	30.1%	1.6%	12.7	1.5	12%	ADD
SCS	312	0.8	18	80,800	95,100	22.7%	5.0%	12.9	6.0	47%	HOLD
SZC	269	1.7	46	36,800	42,700	20.4%	4.4%	22.9	2.2	12%	HOLD
VTP	393	3.1	155	79,400	93,300	19.5%	1.9%	34.8	6.1	18%	HOLD
Simple Avg	695	2.1	146			22.0%	3.6%	24.3	3.1	19%	
MATERIALS											
DGC	1,780	12.7	544	115,300	143,600	28.5%	4.0%	15.5	3.4	23%	HOLD
HPG	6,668	21.9	1,738	25,650	44,000	71.5%	0.0%	NA	1.5	11%	ADD
HSG	508	11.1	187	20,300	26,000	28.1%	0.0%	NA	1.1	11%	ADD
NKG	230	4.6	86	21,450	22,000	2.6%	0.0%	NA	1.0	7%	HOLD
Simple Avg	2,296	12.6	639			32.7%	1.0%	15.5	1.7	13%	
OIL & GAS											
BSR	3,012	8.4	1,423	23,900	28,400	21.9%	3.1%	8.6	1.3	16%	ADD
GAS	6,960	4.4	3,262	73,100	93,500	31.6%	3.7%	15.1	2.5	16%	ADD
PLX	2,375	3.8	45	46,000	47,100	3.9%	1.5%	16.0	2.3	15%	ADD
PVD	611	3.6	200	27,050	34,600	27.9%	0.0%	28.6	1.0	4%	HOLD
PVS	808	5	205	41,600	49,100	20.4%	2.4%	18.3	1.5	8%	ADD
PVT	404	2.9	143	27,900	33,700	24.3%	3.5%	10.3	1.4	15%	ADD
Simple Avg	2,362	4.6	880			21.7%	2.4%	16.2	1.7	12%	
PETROCHEMICALS											
DPM	565	4.6	228	35,500	36,800	9.3%	5.6%	21.3	1.2	5%	HOLD
DCM	815	8.1	325	37,900	44,100	16.4%	0.0%	15.0	2.1	13%	ADD
Simple Avg	690	6.4	276			12.8%	2.8%	18.1	1.6	9%	
POWER											
NT2	233	0.4	83	19,950	27,100	46.2%	10.4%	124.3	1.4	1%	HOLD
POW	1,194	6.5	538	12,550	14,600	16.3%	0.0%	28.0	0.9	3%	ADD
Simple Avg	714	3.5	311			31.3%	5.2%	76.2	1.2	2%	
POWER & PROPERTY											
HDG	392	6.1	135	28,700	35,700	26.1%	1.7%	15.8	1.6	10%	HOLD

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
PC1	365	4.6	131	28,900	34,700	20.1%	0.0%	26.5	1.7	7%	ADD
REE	1,275	2.9	0	66,600	68,200	3.9%	1.5%	17.5	1.8	10%	ADD
Simple Avg	678	4.5	89			16.7%	1.1%	19.9	1.7	9%	
PROPERTY											
DXG	457	5.8	151	15,600	22,100	41.7%	0.0%	61.1	1.1	2%	HOLD
KDH	1,399	3.9	170	37,850	45,800	21.0%	0.0%	53.2	2.2	4%	ADD
NLG	651	3.3	2	41,600	45,800	12.0%	1.9%	40.0	1.7	4%	ADD
VHM	7,742	17.9	2,817	43,750	52,700	20.5%	0.0%	8.1	1.0	13%	ADD
VRE	1,801	8.8	485	19,500	23,400	20.0%	0.0%	9.9	1.1	12%	ADD
Simple Avg	2,410	8.0	725			23.0%	0.4%	34.5	1.4	7%	
TECHNOLOGY											
FPT	8,031	30.6	241	135,300	136,800	2.6%	1.5%	27.7	7.2	28%	ADD

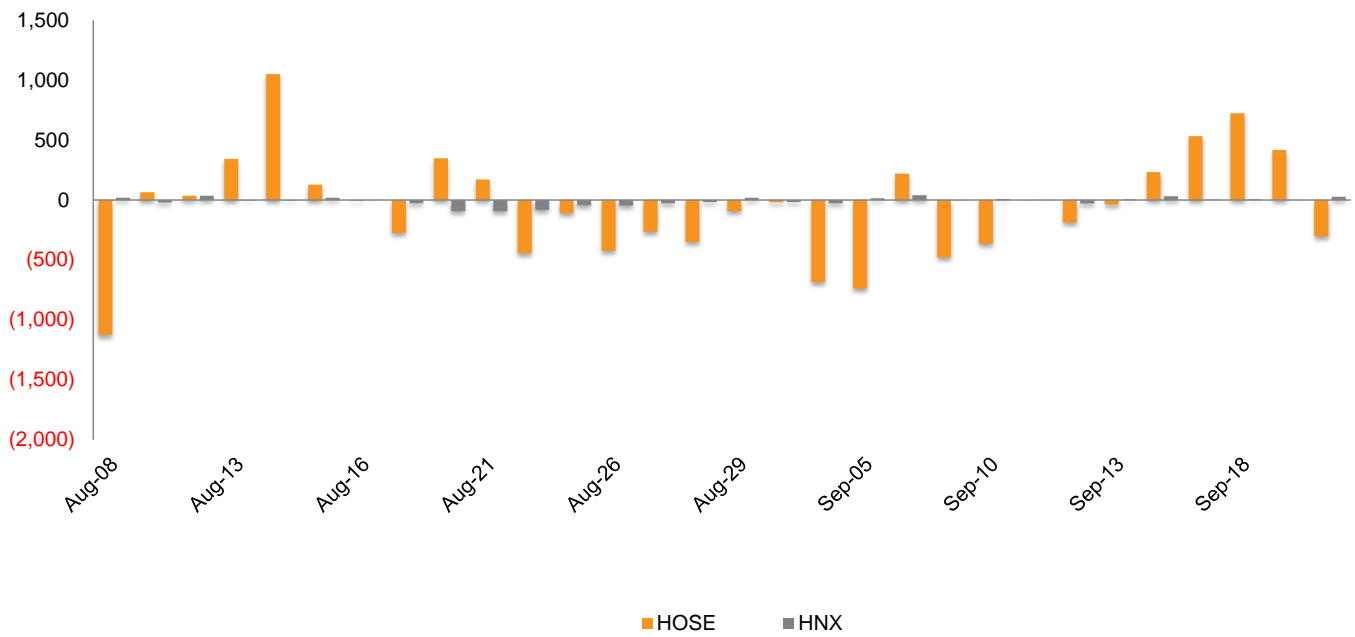
FOREIGN ACTIVITIES - TODAY

Value (VND'bn)	HOSE	HNX
BUY	2,918.9	73.3
% of market	13.4%	5.2%
SELL	3,223.1	46.3
% of market	14.8%	3.3%
NET BUY (SELL)	(304.2)	27.0

FOREIGN ACTIVITIES - YTD ACCUMULATION

Value (VND'bn)	HOSE	HNX
BUY	352,159.1	11,743.9
% of market	9.0%	6.8%
SELL	412,083.5	11,644.2
% of market	10.5%	6.7%
NET BUY (SELL)	(59,924.4)	99.8

Foreign net buy/sell (30 sessions) in VND'bn



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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