

HIGHLIGHTS OF THE DAY

Market summary

	VNINDEX	HNXINDEX
Close	957.97	105.42
Change (%)	-1.66%	-1.36%
Volume (mn)	155.65	44.15
Value (VNDbn)	3273.00	490.00
Gainers	85	45
Losers	240	99
Unchanged	55	233

The market saw the third consecutive losing session with liquidity slightly climbing back to the average of 2019. Foreign investors were net buyers and the market breadth was negative.

On the HSX, declining stocks dominated completely. DHG and BHN were the only two gainers in the large-cap group. BVH's liquidity (-5%) surged after two sessions of decreasing at the maximum amplitude... VN30 basket had 02 winners and 28 losers. The HNX was more positive as the largest cap stock - ACB recovered. The HNX had similar movements.

Regarding sector movements, most sectors declined, except for textile and fishery sectors.

On the Derivative stock market, the futures declined less than VN30 Index, thereby narrowing the gap with the VN30 Index, lower from 12.2 to 21 points. Liquidity rebounded to the average level of 2019.

Liquidity in the banking system saw improvements in the trading week from April 22 to May 03, with interbank interest rates plunging for all terms, and SBV net withdrawal from the market. Specifically, by the end of May 03 trading session, interest rates of all terms shed 4%, the overnight term, 1-week term, and 2-week term rates closed at 3.35% (-0.433%); 3.375% (-0.475%); and 3.4% (-0.483%) respectively compared to the relevant figures in April 19. The reason is that after the SBV's move to stop calling for treasury bills on April 17, together with the State Treasury's money transfer from the SBV to commercial banks, money supply in the market increased dramatically and pushed interest rates on the interbank market down sharply.

In OMOs, both SBV-bill selling and reverse repos were used. SBV issued bills again to bring interbank interest rates to the expected threshold (about 3 - 3.5% for overnight interest rates). The total volume of outstanding bills in the week was up to VND50 trillion - the largest level since the beginning of the year. On the Reverse Repos, credit institutions only absorbed VND305.6 billion, while there was VND515 billion due. Thus, the SBV has net withdrawn VND44.5 trillion from OMOs.

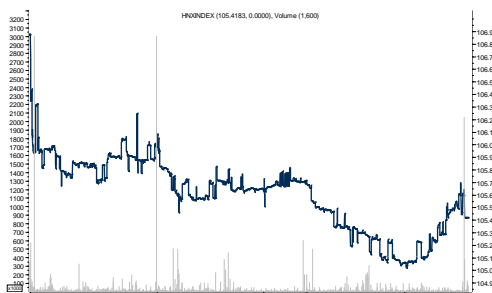
In the primary bond market, the State Treasury successfully mobilized VND2,700 billion out of VND11,501 billion of government bonds (the winning ratio reached 23%.) Deposit terms from 5 to 30 years had winning interest rates unchanged compared to the previous session.

Foreign currency market from April 22 to May 3 was recorded to be "hot" again. The interbank exchange rates last week sometimes increased by up to 70 dong compared to April 19, while unofficial exchange rates sometimes reached nearly VND 23,360/1 USD before falling back to 23,260 - 23,300. Meanwhile, the central exchange rate was adjusted up by about VND32. We suppose there are two main reasons for this. First, the USD markedly appreciated in the past week, and the DXY went up to over 98 points. Second, the sale of foreign currencies from banks to the SBV in the first three months affected supply - demand for foreign currency. Some bank reserves were negative, so they had to buy back.

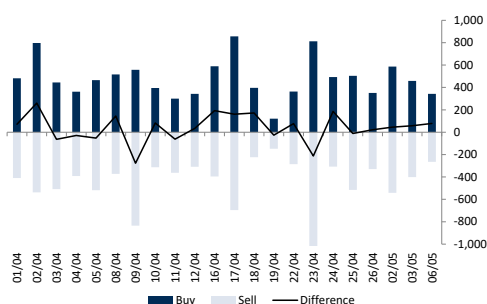
VNINDEX Intraday



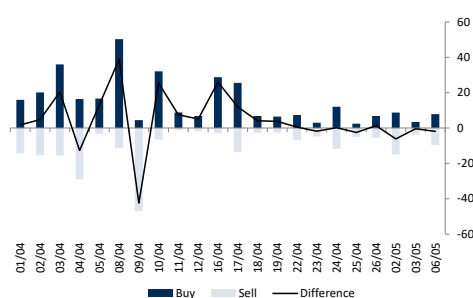
HNXINDEX Intraday



Foreigners' transaction on HSX (VNDbn)



Foreigners' transaction on HNX (VNDbn)



This week, the spotlight will shine on the exchange rate issue while the US-China trade talks are showing negative signs. It is most likely that the SBV will have measures to keep interbank interest rates high (over 3.5%) to limit commercial banks to hold USD.

The US-China trade tensions have currently exacerbated after President Donald Trump announced to raise tariffs from 10% to 25% on USD200 billion Chinese goods on May 10, and he would do that to the rest of Chinese commodities valued at USD325 billion. In a press conference on May 06, China's Foreign Ministry spokesman said the country's negotiating delegation is still preparing for the trade talks in the US, but Chinese Vice Premier Liu He, the leader of this delegation, has not been confirmed to participate in this round.

The move marked a significant escalation of tension between the two largest economies of the world, which made the stock markets and oil prices fall. The US stock futures fell more than 2%, Asian markets were in red. Closing the session today, the main indexes of Asia such as the Shanghai Composite and The Hangseng Index decreased by -5.58% and -2.90% respectively. S&P 500 and Dow Jones futures dropped more than 1.9%. The Nasdaq Mini was now down to -2.35%. Brent and WTI crude oil prices in the July future contracts also lost 1.5% to USD70 and USD61 per barrel respectively. The DXY is currently traded at 97.58 points while CNY has depreciated by -0.49%.

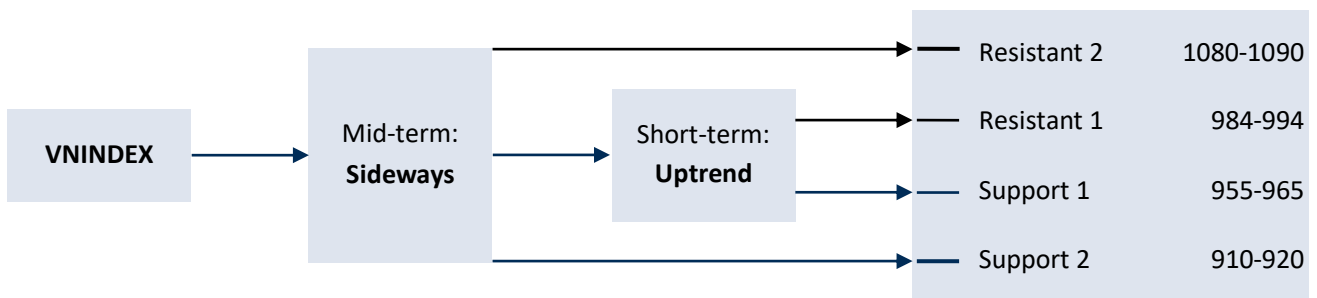
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INVESTMENT VIEWPOINTS AND STRATEGIES

VNINDEX



Market Trend



Investment Viewpoint

The announcement of the US to impose taxes from 10% to 25% on Chinese goods valued at USD 200 billion imposed an adverse impact on the global stock markets, and Vietnam stock market is no exception. Selling pressure increased strongly on a large scale except for textile stocks and some stocks related to M&A deals.

We observed that after a short recovery phase, the market is at a sensitive boundary and unfavorable news from the US-China trade war can bring the downward trend back. After reducing short-term positions, investors are recommended to wait for deep declining sessions before re-opening some short-term trading positions, focusing on stocks still maintaining mid-term uptrend.

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INVESTMENT PORTFOLIO RECOMMENDATIONS

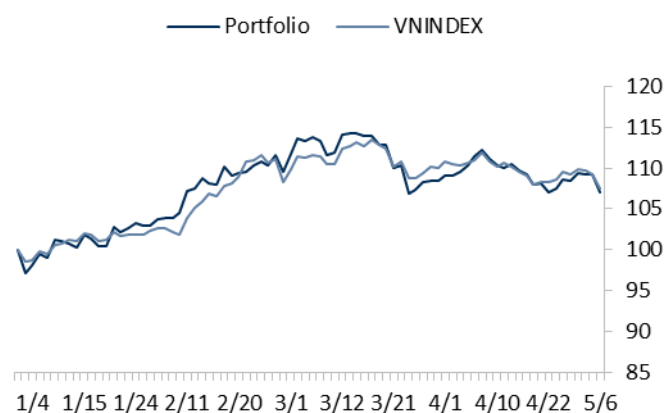
Investment Note

(1) The portfolio for mid-term investment (3-month at least) or may be flexible depending on the market movement.

(2) Profit taking threshold is +30% and cutting loss level is -15%.

(3) The fixed proportion of stocks in the portfolio is 100% (the proportion of each stock is equal) to make a comparison with VNINDEX. Investors should consider the general market trend to have a good proportion allocation and risk management.

Portfolio's performance vs VNINDEX



Stocks	Date of recommendation	Closing price	Daily returns	Accumulative returns	Main investment catalysts
BVH	5/6/2019	72.9	0.0%	0.0%	<ul style="list-style-type: none"> Mathematical reserve provisioning relief. As anticipated, the Government has issued Circular 1/2019/TT-BTC, which allows life insurance companies to apply a slightly less conservative discount rate to reserves. The Circular was issued in January and became effective on February 16. This should reduce liabilities and increase book value, helping to reduce the reported PB ratio. Maintaining the competitive advantage by focusing on expanding agency network instead of bancassurance channel. The difference of this strategy compared to others of foreign life insurance companies is to promote long-term exclusive bancassurance deals. More than 12 million shares were released from ESOP in early May 2019, causing a sharp increase in supply, negatively impacting stock price movements, helping BVH price to be more attractive.
PLX	5/6/2019	61	0.0%	0.0%	<ul style="list-style-type: none"> In the short-medium term, the profit from core business of PLX is expected to grow stably, in line with the increasing oil and gas consumption rate at 5% (PLX has currently owned 48% domestic oil market). In the long term, PLX's prospects depend on the strategy of adding value-added services through the system of gas stations. Currently, PLX's gas stations have sold insurance packages for vehicles, and provided gasoline purchase cards and motorbike care services. In addition, the room for developing a convenient store system at gas stations is still quite large Dramatic profit is expected to be gained from the merger of HDBank and PGBank.

VHC	18/04/2019	90.2	-1.4%	-5.0%	<ul style="list-style-type: none"> Vinh Hoan JSC (VHC) is the largest tra fish exporter in Vietnam with an estimated market share of 50% in the US, which is the most valuable market. The company will benefit from the long-term growth trend of global fishery consumption amid a decrease of wild-caught supply. The rising demand, unfavorable weather conditions and a decline in white fish supply caused constraints in tra fish market, and boosted VHC's profit margin in 2018. This trend is forecast to continue in 2019. Tra fish market position is enhanced amid the US-China trade tensions and the EU-Vietnam Free Trade Agreement (EVFTA) in the future. In the 3Q/2018, the United States imposed 10% tax on tilapia imported from China and could increase to 25%, which helps to reduce the competitive pressure of tilapia on Vietnamese tra fish in the US market. The elimination of the looming import tariff of EVFTA is also an advantage for tra fish industry.
PNJ	22/03/2019	101.9	-0.8%	1.4%	<ul style="list-style-type: none"> Jewelry retail sales has witnessed a high growth as the number and value of the purchase orders increased. In 2018, PNJ jewelry retail sales surged 41%, supported by the estimated increase of 34% in the number of transactions and 5% gain in the average purchase value. Given the advantage of the available customer base, the segment of watches and accessories of PNJ is strong enough to be successful as the watch market in Vietnam has no large distribution enterprise despite gaining high value. Watches are expected to account for 5% of total revenue gained from PNJ contracts in 2022. The negative operating cash flow of PNJ in the previous years is resulted from the store system expansion, and the inventory increase. It is expected that PNJ will have a positive operating cash flow from 2019.
TCB	04/03/2019	23.3	-2.9%	-12.4%	<ul style="list-style-type: none"> Operating effectiveness has been continuously improved, which helped the bank to be ranked at the top group in 2018. TCB achieved this success thanks to the strategic value chain of Vingroup - Masan - Vietnam Airlines ecosystem combined with the economic growth oriented by export, consumption and real estate investment. The bank is currently the pioneer in some core business segments: Market share ranking No.1 in mortgage loans; advisory and brokerage involved in corporate bonds; bancassurance fee; ranking at the top in transaction banking growth. Effective operating model and dynamic BOM are the premise for the current result. Strong capital base, guaranteed asset quality and the viable strategy are the foundation for TCB to keep its growth momentum in 2019.

MBB	18/12/2018	21.5	-2.7%	4.6%	<ul style="list-style-type: none"> ▪ NOII to continue gaining traction in 2019. The current strong NFI from insurance services was mainly driven by the non-life segment through Military Insurance Corporation (MIC). ▪ A strong CASA ratio and increasing retail book (ex MCredit) are drivers for continuous NIM expansion. We believe NIM has headroom to expand from its current high level of 4.5%, given the CASA ratio will remain at a high level and the loan yield gap between ACB and MBB has been closing since 2014. Though funding costs could inch up related to valuable papers issuance in 2019F, we expect it to still be managed below 4% due to its current strong CASA ratio. ▪ MCredit is still finding its feet but funding advantage increases odds of success. We believe MCredit can triple its loan book in 2018 from a low base, contributing ~1.8% to the consolidated book. Half of MCredit's current funding comes from Shinsei and thus provides significant flexibility in chasing market share in the key cash loan market.
REE	11/10/2018	31	-3.0%	-5.2%	<ul style="list-style-type: none"> ▪ In 2019, profit will likely increase by 9%-10% due to the dramatic rebound of electromechanical segment (58%) compared to the low basic level in 2018. This is achieved thanks to REE provisions, the positive growth of 37% in office for lease segment, and successful operation of E-town Central. ▪ Profit growth in the long term is maintained thanks to new M&A deals (in electricity and real estate segment). ▪ With expected EPS in 2018 at VND5,500/share, REE is comparatively low with ROE reaching 18,6%.
FPT	6/9/2018	48.75	-2.5%	13.1%	<ul style="list-style-type: none"> ▪ Software processing which is the main force of software development segment has been thriving in most of the key markets - Japan, United States, Asia Pacific, European. ▪ The acquisition of Intellinet in the U.S allows FPT to provide strategic package IT services to customers, especially in digital transformation projects. ▪ FPT profit is forecast to maintain growth rate at over 20% until 2020. With the forecast EPS in 2018 of VND3,500/share, FPT shares are traded at attractive P/E.
GMD	22/8/2018	25.7	-1.9%	6.2%	<ul style="list-style-type: none"> ▪ Potential business growth is the key driver for the bounce back of stocks, combining with the divestment of real estate projects or information about VIG divestment at the company. ▪ Increase of expected return; attractive long-term valuation. The operation of Nam Dinh Vu Phase 1 project will be the driving force for revenue growth in 2019-2020. The project

has increased GMD's handling capacity from 1,250,000 teus to 2,000,000 teus, a rise by 60%. According to the plan, the occupancy rate for 2019 is 80% and 100% in 2020.

- Logistic profit will grow with a support from CJ Logistics. With the deeper involvement of CJ Logistic, the management expects to bring better growth motivations for the logistics sector.

PVS	15/8/2018	22.5	-4.7%	30.8%
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- Stock price has started to recover after a dramatic and prolonged decline.
- The price is still low compared to the potential for recovery and growth as the major projects of the oil and gas industry has officially kicked off such as Block B - O Mon, Su Tu Trang phase 2, petrochemical complex Long Son.
- In case that oil price rallies and stays at over USD60/barrel, higher than the average breakeven point of Vietnam at about USD55/barrel, the launch of these projects is only a matter of time.

MONEY FLOW TRACKING AND RIGHTS EXERCISE

Sector Performance in the day

Top 5 best performers	Change	Major stocks in sector
Clothing & Accessories	1.70%	TCM STK FTM EVE...
Electronic & Electrical Equipments	1.20%	GEX LGC CAV PAC...
Containers & Packaging	0.30%	INN SVI MCP VBC...
Technology & Hardware Equipmen	0.30%	SAM ELC ST8 POT...
Pharmaceuticals	-0.10%	DHG PME TRA DMC...
Top 5 worst performers	Change	Major stocks in sector
Cement	-2.30%	HT1 BCC BTS HOM...
General Mining	-2.70%	KSB HGM BMC BKC...
Gas Distribution	-3.90%	GAS PGD PGS PGC...
Oil Equipment & Services	-4.10%	PVS PVD PVC PVB...
Insurance	-4.40%	BVH PVI BIC BMI...

Top 5 largest net buying/selling stocks by foreign investors

Ticker	Exchangehold by foreigner	Remaining room	Net buying value
HPG	HSX	39.93%	190,884,548
PLX	HSX	11.38%	111,527,200
VCB	HSX	23.74%	232,037,024
VRE	HSX	32.31%	388,691,613
VNM	HSX	59.34%	708,119,541
Ticker	Exchangehold by foreigner	Remaining room	Net selling value
HDB	HSX	25.52%	43,935,015
GAS	HSX	3.69%	867,142,632
SSI	HSX	59.10%	208,609,991
DXG	HSX	48.64%	1,144,863
BVH	HSX	24.77%	169,791,423

Sector Performance in the week

Top 5 best performers	Change	Major stocks in sector
Cement	7.50%	HT1 BCC BTS HOM...
Electronic & Electrical Equipments	1.90%	GEX LGC CAV PAC...
Clothing & Accessories	0.90%	TCM STK FTM EVE...
Brewers	0.60%	SAB BHN THB HAD...
Tile & Paving Materials	0.10%	VCS VGC CVT VIT...
Top 5 worst performers	Change	Major stocks in sector
Industrial Real Estate	-4.10%	KBC ITA LHG TIX...
General Mining	-4.10%	KSB HGM BMC BKC...
Gas Distribution	-4.20%	GAS PGD PGS PGC...
Forestry	-4.30%	TTF DLG GTA
Insurance	-13.30%	BVH PVI BIC BMI...

Sector Performance in the month

Top 5 best performers	Change	Major stocks in sector
Paper	7.80%	DHC VID HAP CAP...
Gas Distribution	3.80%	GAS PGD PGS PGC...
Conventional Electricity	2.80%	NT2 PPC VSH CHP...
Coal	2.40%	NBC TVD HLC TC6...
Containers & Packaging	1.90%	INN SVI MCP VBC...
Top 5 worst performers	Change	Major stocks in sector
Fertiliser	-7.00%	DPM DCM BFC LAS...
Industrial Real Estate	-7.60%	KBC ITA LHG TIX...
General Mining	-8.10%	KSB HGM BMC BKC...
Forestry	-16.20%	TTF DLG GTA
Insurance	-16.40%	BVH PVI BIC BMI...

Rights exercise in the next 5 trading days

Ticker	Exchange code	Ex-date	Record Date	Exercise Date	Events	Exercise Rate
FTS	HSX	07/05/2019	08/05/2019		Share dividends	100:10
VGT	UPCOM	07/05/2019	08/05/2019	17/05/2019	Cash dividends	VND100/share
DNN	UPCOM	07/05/2019	08/05/2019	17/05/2019	Cash dividends	VND780/share
VCW	UPCOM	07/05/2019	08/05/2019	22/05/2019	Cash dividends	VND300/share
NDT	UPCOM	07/05/2019	08/05/2019	24/05/2019	Cash dividends	VND500/share
ST8	HSX	07/05/2019	08/05/2019	28/05/2019	Cash dividends	VND1000/share
FTS	HSX	07/05/2019	08/05/2019	10/06/2019	Cash dividends	VND500/share
DGC	HNX	08/05/2019	09/05/2019		Share dividends	100:15
VWS	UPCOM	08/05/2019	09/05/2019	16/05/2019	Cash dividends	VND500/share
MIG	UPCOM	08/05/2019	09/05/2019	20/05/2019	Cash dividends	VND800/share
VDT	UPCOM	08/05/2019	09/05/2019	24/05/2019	Cash dividends	VND2000/share
DPG	HSX	08/05/2019	09/05/2019	29/05/2019	Cash dividends	VND500/share
SGH	HNX	08/05/2019	09/05/2019	17/06/2019	Cash dividends	VND600/share
QNS	UPCOM	09/05/2019	10/05/2019		Share dividends	100:20
LDG	HSX	09/05/2019	10/05/2019		Share dividends	100:25
SDG	HNX	09/05/2019	10/05/2019	24/05/2019	Cash dividends	VND2000/share
QNU	UPCOM	09/05/2019	10/05/2019	24/05/2019	Cash dividends	VND395/share
HPW	UPCOM	09/05/2019	10/05/2019	24/05/2019	Cash dividends	VND800/share
VCM	HNX	09/05/2019	10/05/2019	27/05/2019	Cash dividends	VND2000/share
VNC	HNX	09/05/2019	10/05/2019	28/05/2019	Cash dividends	VND1000/share
PSC	HNX	09/05/2019	10/05/2019	30/05/2019	Cash dividends	VND1350/share
DNL	UPCOM	09/05/2019	10/05/2019	30/05/2019	Cash dividends	VND1400/share
VQC	UPCOM	09/05/2019	10/05/2019	31/05/2019	Cash dividends	VND1500/share
TTP	UPCOM	09/05/2019	10/05/2019	10/06/2019	Cash dividends	VND500/share
PVI	HNX	09/05/2019	10/05/2019	01/08/2019	Cash dividends	VND2000/share
KHS	HNX	10/05/2019	13/05/2019	24/05/2019	Cash dividends	VND1700/share
DAP	UPCOM	10/05/2019	13/05/2019	30/05/2019	Cash dividends	VND1000/share
BAL	UPCOM	10/05/2019	13/05/2019	31/05/2019	Cash dividends	VND1300/share

DC4	HNX	13/05/2019	14/05/2019		Share dividends	100:10
PKR	UPCOM	13/05/2019	14/05/2019	24/05/2019	Cash dividends	VND1454/share
CKA	UPCOM	13/05/2019	14/05/2019	27/05/2019	Cash dividends	VND2000/share
VFG	HSX	13/05/2019	14/05/2019	28/05/2019	Cash dividends	VND2000/share
EAD	UPCOM	13/05/2019	14/05/2019	29/05/2019	Cash dividends	VND1750/share
BTW	HNX	13/05/2019	14/05/2019	11/06/2019	Cash dividends	VND1000/share
CVT	HSX	13/05/2019	14/05/2019	26/06/2019	Cash dividends	VND2500/share

(Source: HSX, HNX, KBSV)

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