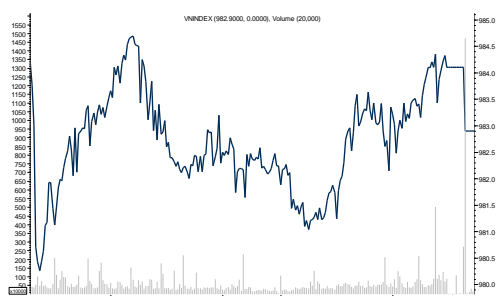


HIGHLIGHTS OF THE DAY

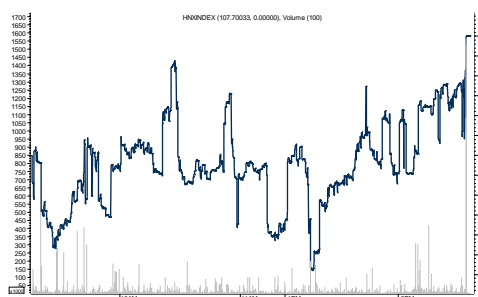
Market summary

	VNINDEX	HNXINDEX
Close	982.90	107.70
Change (%)	-0.64%	-0.16%
Volume (mn)	153.83	33.14
Value (VNDbn)	3226.00	355.00
Gainers	147	79
Losers	153	69
Unchanged	81	230

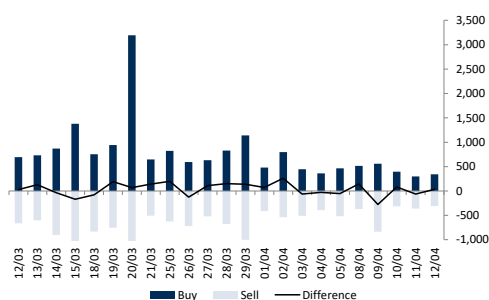
VNINDEX Intraday



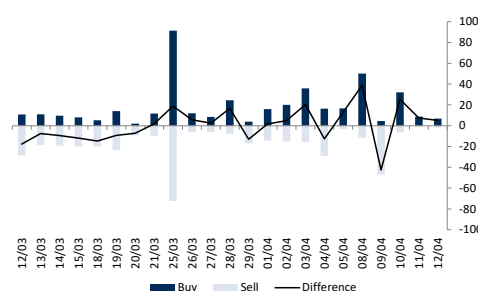
HNXINDEX Intraday



Foreigners' transaction on HSX (VNDbn)



Foreigners' transaction on HNX (VNDbn)



The 2 indices had contrasting movement with liquidity continuing to fall below the average level of 2019. Foreign investors were net buyers and market breadth was relatively balanced.

On the HSX, VIC (-1.6%) VCB (-0.7%) BVH (-1.7%) SAB (-1.3%) reversed to decline, along with banking sector pulling the market indices down, despite FPT (+ 2.6%) GAS (+ 1.4%) gained strongly. VN30 basket had 10 gainers and 17 losers. HNX gained slightly when the cash flow tended to pour into small and medium-cap stocks. The number of gainers on this floor dominated the number of losers. Especially, large-cap oil and gas tickers like PVS (+ 2.2%) PVI (+2.6%) ... gained well.

In terms of industry groups, the divergence dominated the market. Oil and gas group increased and banking group dropped.

In the derivatives market, all four contracts gained, thereby narrowing the average gap between contracts with the VN30 Index, from 8.1 to 17.3 points lower.

The maximum ratio of short-term funding using for medium and long-term loans will reduce to 30% (from the current level of 40%), according to the proposal of SBV through the draft replacing Circular 36/2014/NHNN This draft provides many key points, including 4 highlights that could have a great impact on the banking industry. Firstly, SBV proposed to adjust the roadmap to gradually reduce the maximum ratio of short-term funding using for medium and long-term loans. Option 1 is offered to maintain current level at 40% till 30/6/2020; then will reduce to 35% from 1/7/2020 to the end of 30/6/2021; from July 1, 2021 to 30%. With option 2, current level will maintain until June 30, 2020; then will be down to 37% from 1/7/2020 to the end of 30/6/2021; 34% from July 1, 2021 to June 30, 2022 and 30% from 1/7/2022 to 30%.

Secondly is the adjustment of risk weighting, especially for consumer loans and real estate loans. SBV proposed to increase the risk ratio to 150% for individual living expense loans with balance worth of VND 3 billion or more.

Thirdly, SBV proposed to supplement "credit card balance, bank guarantee; balance committed to issue in the form of letter of credit letter (after deducting the deposit amount)" into total credit balance of credit. Finally, SBV proposed to allow customers to use security assets as bonds issued by credit institutions, subsidiaries of credit institutions, foreign bank branches; Bonds of issuers that customers borrow to buy bonds of that business.

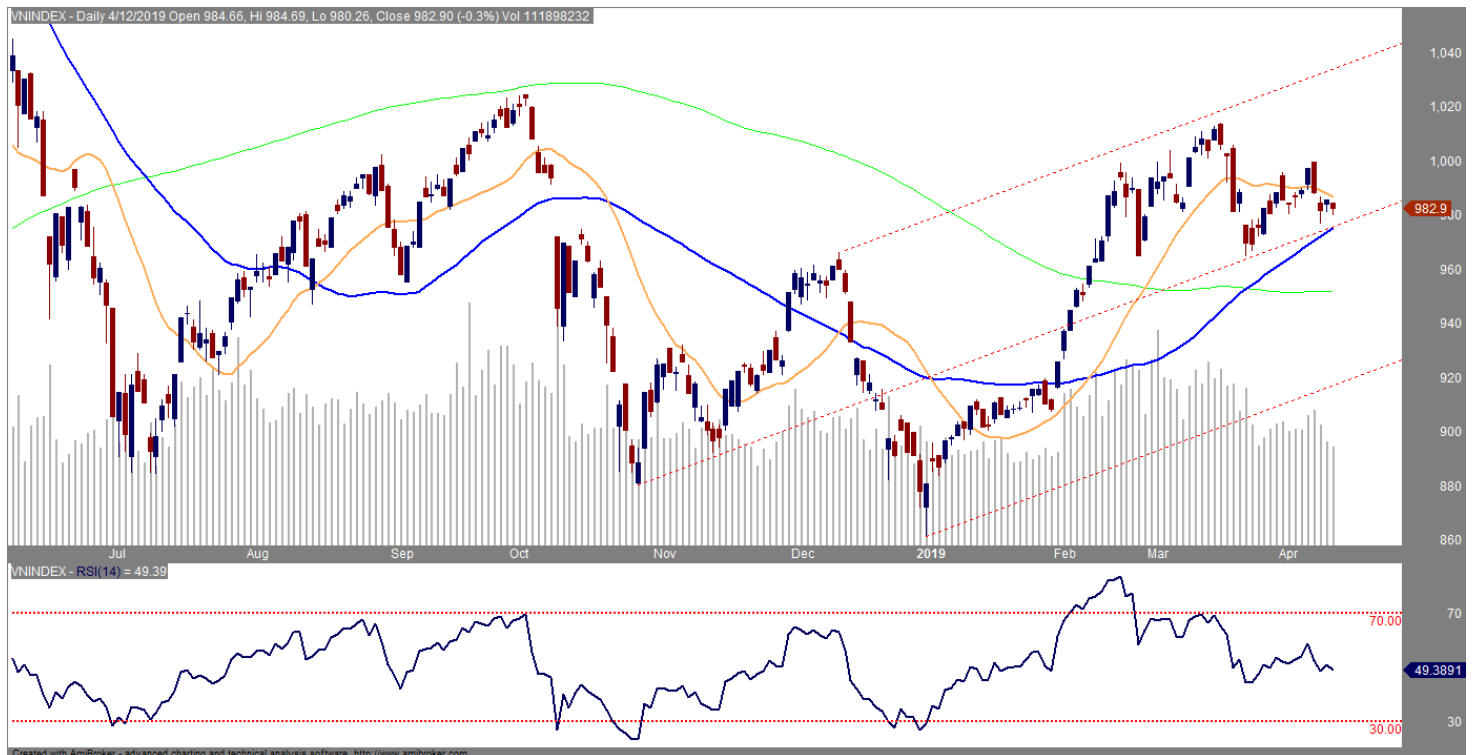
Preliminarily assessing the impact of the first 2 key points of this draft is affecting deposit rates, especially for terms longer than 12 months and real estate lending transactions. The increase in deposit rates will put pressure on lending rates to increase while if the above rate limit is 30%, the remaining room for lending to real estate will be limited. Furthermore, the adjustment of risk weighting will reduce the total credit balance for the real estate sector (which is mainly medium and long-term loans). The SBV's tightening of credit to real estate is clearly seen through the above draft, and will have a strong impact on real estate secondary businesses (buying and reselling), developing real estate projects, and other

industries, such as construction materials, furniture and construction.

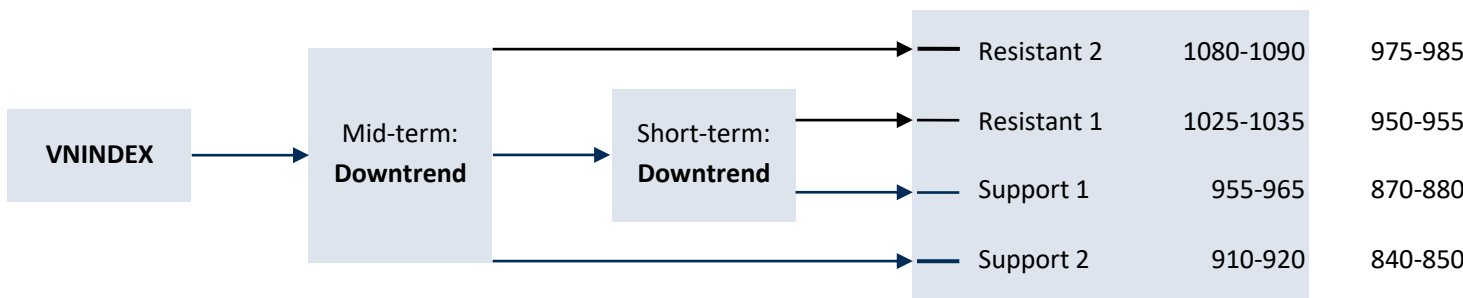
Thai Thi Viet Trinh – Macro Analyst – trinhttv@kbsec.com.vn

INVESTMENT VIEWPOINTS AND STRATEGIES

VNINDEX



Market Trend



Investment Viewpoint

The market traded sideways in a narrow range and low liquidity when large-cap stocks strongly diverged. Cash flow continues to shift to small and medium capitalization stocks but has not yet formed a clear trend. Therefore, the technical state of the market is still in the sensitive area.

According to our observation, the market appears quite a lot of stocks trying to create new peaks despite the adjustment of VIC and banking group. This shows that cash flow is still in the market and circulating among stock groups. Even so, the adjustment span is too short, causing the recovery momentum to be unsustainable. In case the market continues to recover, investors can apply the 1st sale - buy later strategy for the current positions.

Dang Thanh The – Senior Associate – thedt@kbsec.com.vn

INVESTMENT PORTFOLIO RECOMMENDATIONS

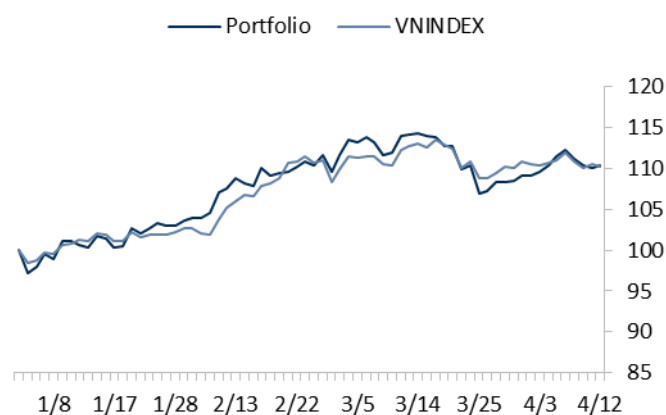
Investment Note

(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
PNJ	22/03/2019	99.6	-0.6%	-0.9%	<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.
BMP	05/03/2019	48.7	0.8%	-8.3%	<ul style="list-style-type: none"> The current price of BMP stocks is quite attractive as BMP is the leading company in plastic pipe industry, with healthy financial status, sales policy with the most attractive 15% discount on the market, and stable dividend payment history. After two consecutive years of decreasing profit, BMP profit is expected to rebound in 2019 thanks to a slight increase in production (+6%) and profit margin (+0.6%) given that the prices of PVC compound manufacturing input materials are lower than the 2018 average. Besides, the direct competitor HSG no longer has many promotion policies as before due to its own difficulties. Export potential to Thailand and the support of managing shareholder Nawa Plastic is a favorable factor for long-term

					prospects of BMP business operation.
TCB	03/04/2019	24.9	-0.8%	-6.4%	<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.
KBC	23/01/2019	14.95	0.0%	7.6%	<ul style="list-style-type: none"> ▪ FDI from Korea, Taiwan, and Japan – mainly absorbed by industrial plants has been rising sharply thanks to the shift of factories' location from China to Vietnam. ▪ The demand for industrial land lease in KBC strongly increased in 2018-2019. In 2019, the area for lease is forecast to be 120 ha (+14% yoy), in which there is 70 ha of Quang Chau Industrial Plant and 30 ha of Nam Son Hap Linh Industrial Plant. ▪ Gross profit margin still stays high – with the average of 58% in 2018-2019. ▪ Phuc Ninh Urban Area Project may gain VND1,000 billion of revenue 2019. Profit margin may reach 75%. ▪ Lower the number of long-term loans. Loan/equity ratio is 28%. ▪ Industrial plant projects of affiliated companies in Hue, Da Nang will be the attractive point to investors in the long-term after Northern industrial plants run out of land source in the next 2-3 years.
MBB	18/12/2018	21.9	-0.5%	6.6%	<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.

					<ul style="list-style-type: none"> ▪ 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.
DXG	15/11/2018	22.5	0.2%	-9.5%	<ul style="list-style-type: none"> ▪ The close-loop business model creates competitive advantage and solid fundamental for DXG. The effectiveness of brokerage sector strongly supports project development sector and generates stable cashflows. ▪ The current landbank is sufficient for the next five years of development. The right product segment orientation gives DXG opportunities. ▪ Profits from LDG's projects might generate extraordinary profit for DXG.
REE	11/10/2018	31.8	0.0%	-2.8%	<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	48.2	2.6%	11.8%	<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	26	-1.0%	7.4%	<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	23.3	2.2%	35.5%
-----	-----------	------	------	-------

- 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
Cement	2.90%	HT1 BCC BTS HOM...
Software & Computer Services	2.30%	FPT CMG SGT CMT...
Oil Equipment & Services	1.70%	PVS PVD PVC PVB...
Gas Distribution	1.40%	GAS PGD PGS PGC...
Plastics	1.30%	AAA RDP DAG HII...
Top 5 worst performers	Change	Major stocks in sector
Brewers	-1.00%	SAB BHN THB HAD...
Insurance	-1.10%	BVH PVI BIC BMI...
Automobiles	-1.10%	TCH SVC HHS HAX...
Water	-1.20%	BWE CLW NBW TWD...
Tires	-1.30%	DRC CSM SRC

Top 5 largest net buying/selling stocks by foreign investors

Ticker	Exchange	hold by foreigner	remaining room	Net buying value
VIC	HSX	6.53%	1,015,171,442	28,440,840,000
VNM	HSX	59.33%	708,341,764	24,699,510,000
VHM	HSX	15.35%	1,127,150,126	17,930,260,000
VRE	HSX	31.92%	397,813,566	17,005,670,000
GAS	HSX	3.62%	868,473,232	12,037,560,000
Ticker	Exchange	hold by foreigner	remaining room	Net selling value
NVL	HSX	3.13%	294,840,727	-9,640,340,000
HPG	HSX	54.22%	197,516,547	-11,662,540,000
HDB	HSX	25.64%	42,810,985	-13,904,100,000
AAA	HSX	8.38%	53,364,561	-15,725,000,000
VJC	HSX	20.81%	49,796,775	-39,974,460,000

Sector Performance in the week

Top 5 best performers	Change	Major stocks in sector
Fishing	6.10%	VHC ANV FMC HVG...
Plastics	5.30%	AAA RDP DAG HII...
Gas Distribution	2.50%	GAS PGD PGS PGC...
Paper	2.00%	DHC VID HAP CAP...
Clothing & Accessories	1.90%	TCM STK FTM EVE...
Top 5 worst performers	Change	Major stocks in sector
Rubber	-2.90%	PHR DPR TRC HRC...
Tile & Paving Materials	-3.30%	VCS VGC CVT VIT...
Electronic & Electrical Equipments	-3.70%	GEX LGC CAV PAC...
Automobiles	-4.10%	TCH SVC HHS HAX...
Water	-5.00%	BWE CLW NBW TWD...

Sector Performance in the month

Top 5 best performers	Change	Major stocks in sector
Forestry	14.40%	TTF DLG GTA
Paper	10.10%	DHC VID HAP CAP...
Plastics	8.50%	AAA RDP DAG HII...
Cement	6.50%	HT1 BCC BTS HOM...
Gas Distribution	6.30%	GAS PGD PGS PGC...
Top 5 worst performers	Change	Major stocks in sector
Fertiliser	-4.50%	DPM DCM BFC LAS...
General Mining	-5.10%	KSB HGM BMC BKC...
Investment Services	-5.50%	SSI VCI HCM VND...
Electronic & Electrical Equipments	-6.50%	GEX LGC CAV PAC...
Tires	-6.60%	DRC CSM SRC

Rights exercise in the next 5 trading days

Ticker	Exchange code	Ex-date	Record Date	Exercise Date	Events	Exercise Rate
NHT	UPCOM	16/04/2019	17/04/2019		Share dividends	Ratio 100:50
TBB	UPCOM	16/04/2019	17/04/2019	03/05/2019	Cash dividends	VND400/share
BWA	UPCOM	17/04/2019	18/04/2019	06/05/2019	Cash dividends	VND700/share
NDX	HNX	18/04/2019	19/04/2019	29/04/2019	Cash dividends	VND1000/share
TVP	UPCOM	18/04/2019	19/04/2019	06/05/2019	Cash dividends	VND1000/share
QNS	UPCOM	18/04/2019	19/04/2019	09/05/2019	Cash dividends	VND500/share
VNX	UPCOM	18/04/2019	19/04/2019	10/05/2019	Cash dividends	VND5000/share
DRL	HSX	19/04/2019	22/04/2019	06/05/2019	Cash dividends	VND898/share
DRL	HSX	19/04/2019	22/04/2019	06/05/2019	Cash dividends	VND602/share
BDG	UPCOM	19/04/2019	22/04/2019	06/05/2019	Cash dividends	VND3500/share
SFN	HNX	19/04/2019	22/04/2019	08/05/2019	Cash dividends	VND800/share
SMB	HSX	19/04/2019	22/04/2019	10/05/2019	Cash dividends	VND2000/share
HEV	HNX	19/04/2019	22/04/2019	15/05/2019	Cash dividends	VND1100/share
HAX	HSX	19/04/2019	22/04/2019	30/05/2019	Cash dividends	VND1500/share
HSG	HSX	22/04/2019	23/04/2019		Share dividends	Ratio 100:10
NDX	HNX	22/04/2019	23/04/2019	10/05/2019	Cash dividends	VND1000/share

(Source: HSX, HNX, KBSV)

DISCLAIMER

This report has been prepared for informational purposes only, and does not constitute an offer or solicitation of a contract for trading. Opinions in this report reflect professional judgment at this date based on information and data obtained from sources KBSV considers reliable. However, KBSV does not guarantee that the information and data are accurate or complete, and, therefore, this report is subject to change without prior notice. Individual investments should be made based on each client's own judgment and we expressly disclaim all liabilities for any investment decisions and any results thereof. This report is a copyrighted material of KBSV and, thus, it may not be reproduced, distributed, or modified without the prior consent of KB Securities. This report is not prepared for academic purposes and any third party wishing to quote from it for academic publications should receive the prior consent of KBSV.

KB SECURITIES VIETNAM (KBSV)

Head Office:

Level G, 2&7, Sky City Tower, 88 Lang Ha Street, Dong Da District, Hanoi, Vietnam.

Tel: (+84) 24 7303 5333 - Fax: (+84) 24 3776 5928

Hanoi Branch

Level 1, VP Tower, 5 Dien Bien Phu Street, Ba Dinh District, Hanoi, Vietnam

Tel: (+84) 24 3776 5929 - Fax: (+84) 24 3822 3131

Saigon Branch

Level 1, Saigon Trade Center, 37 Ton Duc Thang Street, Ben Nghe Ward, District 1, HCMC, Vietnam

Tel: (+84) 28 7306 3338 - Fax: (+84) 28 3910 1611

Ho Chi Minh Branch

Level 2, TNR Tower Nguyen Cong Tru, 180-192 Nguyen Cong Tru Street, District 1, HCMC, Vietnam

Tel: (+84) 28 7303 5333 - Fax: (+84) 28 3914 1969

CONTACT INFORMATION

Institutional Client Center: (+84) 28 7303 5333 - Ext: 2656

Private Customer Care Center: (+84) 24 7303 5333 - Ext: 2276

Hotmail: ccc@kbsec.com.vn

Website: www.kbsec.com.vn