

HIGHLIGHTS OF THE DAY

Market summary

	VNINDEX	HNXINDEX
Close	970.07	106.41
Change (%)	-1.19%	-1.30%
Volume (mn)	245.78	47.84
Value (VNDbn)	5043.00	585.00
Gainers	78	57
Losers	236	121
Unchanged	67	201

The market declined with liquidity rebounding to the average level of 2019. Foreign investors continued to net-buy and the market breadth was negative.

On the HSX, the number of losers were totally dominant. Large-cap stocks simultaneously dropped, but most of them recovered, narrowing the declining momentum at the end of the session. VNM and ROS rebounded to the reference price. The VN30 basket had no gainer and 27 losers. HNX was less negative because VSC (+ 1.3%) recovered and some small-cap stocks gained strongly like DNP (+ 6.6%) SGC (+9.9%)...

YEG shares had the third full gaining session after 13 consecutive losing sessions. GTN saw the second drop at the maximum band after a series of sharp rises with the information on VNM public offering. In contrast, HAG and HNG surged at the maximum amplitude with a strong increase in trading volume.

On the Derivative stock market, the futures declined less than VN30, narrowing the gap with the VN30 Index to (-10.4) – (-17.3) points. Liquidity decreased slightly, staying at the average level of 2019.

Liquidity in the banking system was abundant in the trading week from March 18 to March 22, with interbank interest rates plunging for all terms, and SBV withdrawing a large volume of VND from the system via selling bills. Specifically, by the end of March 22 trading session, the overnight term, 1-week term, and 2-week term rates closed at 2.933% (-0.092% wow); 3.033% (-0.092%); and 3.167% (-0.108%) respectively. This is the first time since last October 2018 overnight interest rates has dropped under 3%, which showed the abundant capital status in financial institutions and a decrease in the pressure of exchange rates and inflation.

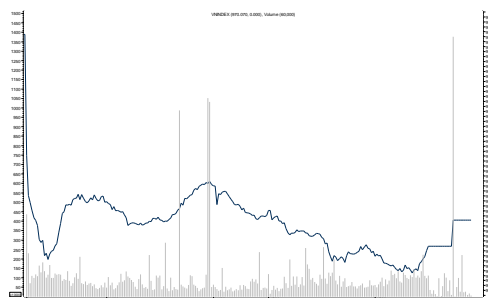
In open market operations, SBV-bills were continued to be sold, with the new issuance of VND 37.5 trillion, while about VND17 trillion was due. Some small commercial banks still have to cope with capital shortage, so the Reverse Repos was maintained. However, the bidding volume in the Reverse Repos to VND2.73 tn. By the end of the week, the SBV has withdrawn VND25.36 trillion, which was the sixth consecutive week of net withdrawal since the Lunar New Year.

In general, the credit growth rate in the first 2 months is still low. Credit outstanding only increased by 0.77% compared to the end of 2018, and lower than the mobilization growth rate of 1%, which significantly supported liquidity in the interbank money market.

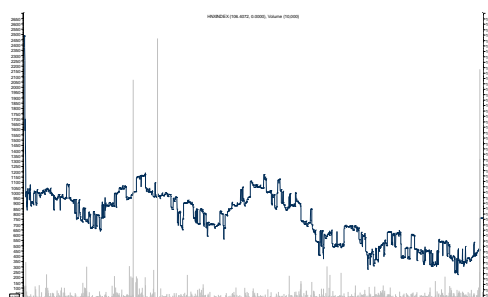
In the primary government bond market last week, there was only the State Treasury to bid for Government bonds with the volume of VND5,500 billion in four terms of 5, 10, 15, and 20 years. The demand for 5, 10 and 15-year bonds remained high, but there were no winning issuance due to high registered yields. As a result, only VND 200 billion of 20-year government bonds were mobilized with an interest rate of 5.2%, 36bps lower than that in the previous bid winning.

In this week, VND interest rates are likely to come to a standstill or gain slightly as there was information on the State Treasury withdrawing deposits from state-owned banks, triggering the supply constraints of VND money supply. Information

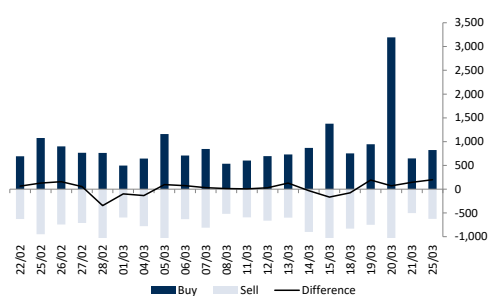
VNINDEX Intraday



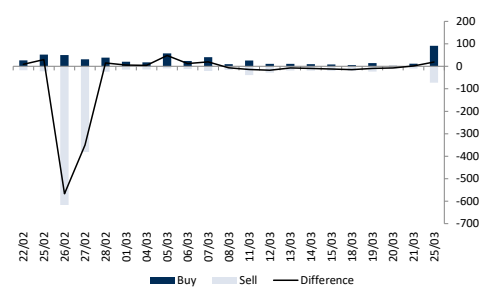
HNXINDEX Intraday



Foreigners' transaction on HSX (VNDbn)



Foreigners' transaction on HNX (VNDbn)



on macroeconomic data in Vietnam's first quarter of 2019 will be announced next Friday, with an obvious slowdown in GDP growth, which may have a certain sentiment impact on the market.

Asian markets plunged in today session due to concerns about recession in the US as on the last Friday, the US 10-year Treasury bond yields have fallen under the 3-month yields for the first time since 2007. To be more specific, the main indices such as the Nikkei 225, Hangseng Index, Shanghai Composite, and Kospi shed 3.01%, 1.97%, 2.03% and 1.7% respectively. MSCI of Asia – Pacific apart from Japan lost 1.5%.

Worries about weakening global economy sharply rose last week after Fed's prudent views and negative macroeconomic data. The normalization in the Fed's Balance Sheet is expected to end earlier than expected, which has partly pushed the 10-year Treasury bond yields to the lowest level since early 2018. Data on T-bond yields at the end of the session last Friday in the US for 3 months, 5 years, 10 years, 30 years were 2.46%, 2.24%, 2.44%, 2.88% respectively.

In addition, news on the US PMI in manufacturing and processing in March dropped to 52.5 points, a 21-month low; data on manufacturing output in Germany fell for three consecutive months, which also made worries about the global recession spread.

This reversal of yield curve raised concerns about a looming US economic crisis (National Australia Bank forecast the possibility of the US economic crisis in the next 10-18 months was 30-35%.) However, according to our assessment, it requires at least three months more to confirm that the yield curve of 3 months - 10 years reversal is a clue for a future economic recession.

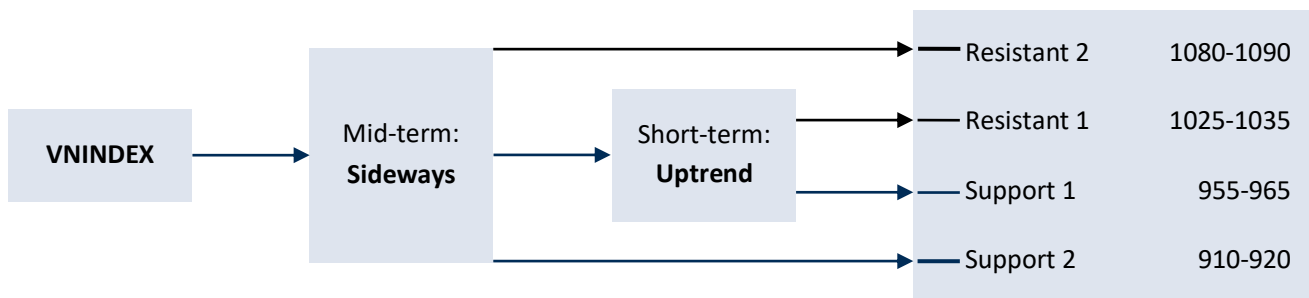
Thai Thi Viet Trinh – Macro Analyst – trinhttv@kbsec.com.vn

INVESTMENT VIEWPOINTS AND STRATEGIES

VNINDEX



Market Trend



Investment Viewpoint

Negative signals from the US bond market have affected most of the world stock markets today as well as Vietnam stock market. The effect of VIC stocks on the market was still strong, but some stocks of Top 10 largest cap size continue to cheer the move at the short-term technical support zone, thereby narrowing the decline of VNINDEX in the closing session.

The short-term upward trend was still being reserved despite strong correcting sessions. We have observed that both the general index and many other key stocks still need to undergo a few more correcting sessions before returning to the remarkable support areas. Investors are recommended to accumulate target stocks at short-term positions in the next losing sessions.

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

INVESTMENT PORTFOLIO RECOMMENDATIONS

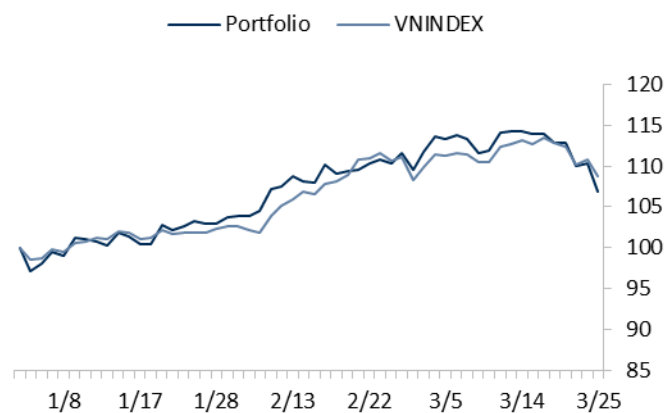
Investment Note

(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	99.7	-2.4%	-0.8%	<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	48.6	-3.2%	-8.5%	<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	25.6	-1.9%	-3.8%	<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	14.2	-2.7%	2.2%	<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	22.15	-3.3%	4.7%	<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	21.55	-5.1%	-13.3%	<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	31.55	-3.7%	-3.5%	<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	44.4	-1.4%	3.0%	<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	26.25	-2.6%	8.5%	<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	20.1	-4.3%	16.9%
-----	-----------	------	-------	-------

- 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
Containers & Packaging	0.90%	INN SVI MCP VBC...
Paper	0.50%	DHC VID HAP CAP...
Technology & Hardware Equipmer	0.20%	SAM ELC ST8 POT...
Coal	0.10%	NBC TVD HLC TC6...
Insurance	-0.60%	BVH PVI BIC BMI...
Top 5 worst performers	Change	Major stocks in sector
Fishing	-3.00%	VHC ANV FMC HVG...
Tires	-3.50%	DRC CSM SRC
Oil Equipment & Services	-4.10%	PVS PVD PVC PVB...
Rubber	-4.40%	PHR DPR TRC HRC...
Forestry	-5.50%	TTF DLG GTA

Top 5 largest net buying/selling stocks by foreign investors

Ticker	Exchange	hold by foreigner	maining room	Net buying value
CTG	HSX	29.91%	3,046,802	52,927,460,000
VCB	HSX	23.68%	234,394,066	51,256,890,000
E1VFN30	HSX	100.00%	1,182,620	49,045,526,000
HPG	HSX	39.79%	195,522,793	37,794,500,000
VNM	HSX	59.38%	707,491,854	37,618,260,000
Ticker	Exchange	hold by foreigner	maining room	Net selling value
DXG	HSX	3.13%	494,663	-11,553,690,000
YEG	HSX	54.22%	17,414,650	-12,426,570,000
NBB	HSX	20.23%	19,700,934	-18,324,590,000
VJC	HSX	21.50%	46,048,746	-31,022,100,000
VRE	HSX	32.20%	391,280,536	-88,164,360,000

Sector Performance in the week

Top 5 best performers	Change	Major stocks in sector
Paper	7.30%	DHC VID HAP CAP...
Brewers	1.30%	SAB BHN THB HAD...
Pharmaceuticals	0.50%	DHG PME TRA DMC...
Insurance	0.00%	BVH PVI BIC BMI...
Automobiles	-0.30%	TCH SVC HHS HAX...
Top 5 worst performers	Change	Major stocks in sector
Clothing & Accessories	-6.00%	TCM STK FTM EVE...
Investment Services	-6.60%	SSI VCI HCM VND...
Forestry	-7.00%	TTF DLG GTA
Tires	-7.10%	DRC CSM SRC
Oil Equipment & Services	-8.60%	PVS PVD PVC PVB...

Sector Performance in the month

Top 5 best performers	Change	Major stocks in sector
Forestry	14.60%	TTF DLG GTA
Rubber	12.80%	PHR DPR TRC HRC...
Paper	8.40%	DHC VID HAP CAP...
Clothing & Accessories	7.90%	TCM STK FTM EVE...
Water	7.70%	BWE CLW NBW TWD...
Top 5 worst performers	Change	Major stocks in sector
Investment Services	-4.60%	SSI VCI HCM VND...
Fishing	-5.10%	VHC ANV FMC HVG...
Automobiles	-5.60%	TCH SVC HHS HAX...
Steel	-7.50%	HPG HSG NKG POM...
Food Products	-9.50%	VNM MSN SBT KDC...

Rights exercise in the next 5 trading days

Ticker	Exchange code	Ex-date	Record Date	Exercise Date	Events	Exercise Rate
CLL	HSX	26/03/2019	27/03/2019	08/04/2019	Cash Dividends	VND2000/share
VNL	HSX	26/03/2019	27/03/2019	19/04/2019	Cash Dividends	VND800/share
SBH	UPCOM	27/03/2019	28/03/2019	16/04/2019	Cash Dividends	VND500/share
SRT	UPCOM	27/03/2019	28/03/2019	18/04/2019	Cash Dividends	VND112/share
ND2	UPCOM	27/03/2019	28/03/2019	26/04/2019	Cash Dividends	VND1000/share
MCC	HNX	28/03/2019	29/03/2019	18/04/2019	Cash Dividends	VND500/share
DNH	UPCOM	28/03/2019	29/03/2019	19/04/2019	Cash Dividends	VND500/share
VMC	HNX	28/03/2019	29/03/2019	24/04/2019	Cash Dividends	VND3000/share
SAF	HNX	28/03/2019	29/03/2019	24/05/2019	Cash Dividends	VND3000/share
ITC	HSX	29/03/2019	01/04/2019	16/04/2019	Cash Dividends	VND1000/cp
C21	UPCOM	29/03/2019	01/04/2019	16/04/2019	Cash Dividends	VND1000/share
KBE	UPCOM	29/03/2019	01/04/2019	18/04/2019	Cash Dividends	VND1000/share
ADP	UPCOM	29/03/2019	01/04/2019	18/04/2019	Cash Dividends	VND400/share
SHI	HSX	29/03/2019	01/04/2019	07/05/2019	Cash Dividends	VND300/share
VLA	HNX	29/03/2019	01/04/2019	22/05/2019	Cash Dividends	VND800/share
NTR	UPCOM	29/03/2019	01/04/2019	30/07/2019	Cash Dividends	VND900/share
SMA	HSX	01/04/2019	02/04/2019	12/04/2019	Cash Dividends	VND200/share
VDP	HSX	01/04/2019	02/04/2019	22/05/2019	Cash Dividends	VND2000/share
MPC	UPCOM	01/04/2019	02/04/2019	31/05/2019	Cash Dividends	VND5000/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