

VIETNAM DAILY

[Market Commentary]

Equities witnessed a sharp correction on both exchanges, with broad-based selling across the major blue chips

[Futures/ETFs]

Futures contracts all fell sharply today in line with the selloff in the VN30 index

[Market Movers]

Vinamilk (VNM)

Bank for Investment & Development of Vietnam (BID)

[Macro/Strategy]

November PMI

[Equity]

Binh Son Refining & Petrochemical (BSR)

[KBSV Model Portfolio]

PC1, MSN, FPT, REE, MWG, NLG, PVS, GMD, MBB.

December 2, 2019

| | Index | Chg (%, bp) |
|---------------------|-----------|----------------|
| Ho Chi Minh | 959.31 | -1.18 |
| VN30 | 875.10 | -1.39 |
| VN30 futures | 878.00 | -1.47 |
| Hanoi | 100.90 | -1.56 |
| HNX30 | 177.09 | -2.22 |
| UPCoM | 55.52 | -0.25 |
| USD/VND | VND23,173 | -0.10 |
| 10-yr govt bond (%) | 3.54 | -1 |
| Overnight rate (%) | 4.22 | +61 |
| Oil (WTI, \$) | 55.17 | +0.00 |
| Gold (LME, \$) | 1,456.19 | -0.53 |



Market Commentary

Ho Chi Minh 970.75P (+0.04%)
 Volume (mn shrs) 148.8 (+0.0%)
 Value (U\$m) 160.8 (-11.7%)

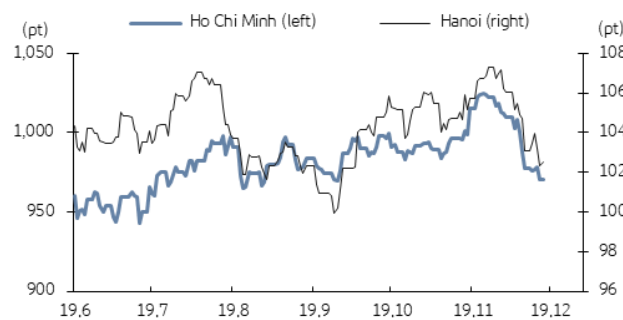
Hanoi 102.50P (+0.16%)
 Volume (mn shrs) 17.3 (+0.0%)
 Value (U\$m) 9.0 (-12.8%)

UPCoM 55.66P (-0.07%)
 Volume (mn shrs) 9.3 (+0.0%)
 Value (U\$m) 3.7 (-23.9%)

Net foreign buy (U\$m) +2.9

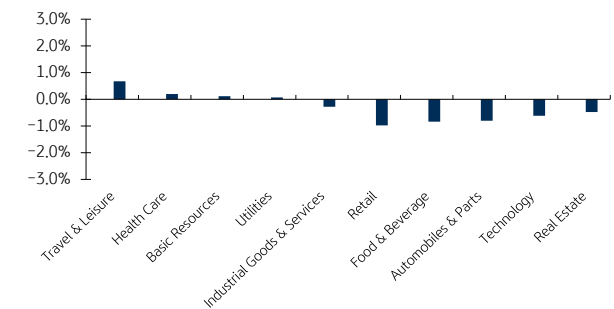
Equities witnessed a sharp correction on both exchanges, with broad-based selling across the major blue chips. Market liquidity was robust as losers outnumbered winners, with the VN30 index only seeing 4 gainers compared to 25 laggards. Both indices started the day quietly and traded near the previous day's close but then saw a sharp pick up in selling pressure at the beginning of the afternoon session. In particular, large caps were hit harder than the broader market with notable underperformance seen in VNM, VCB & GAS.

VN Index & HNX Index



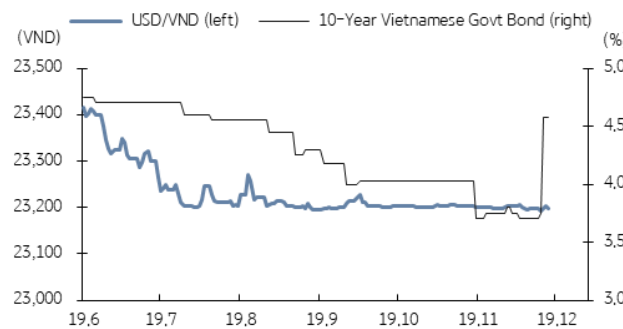
Source: Bloomberg, KB Securities Vietnam

VN Index sector performance



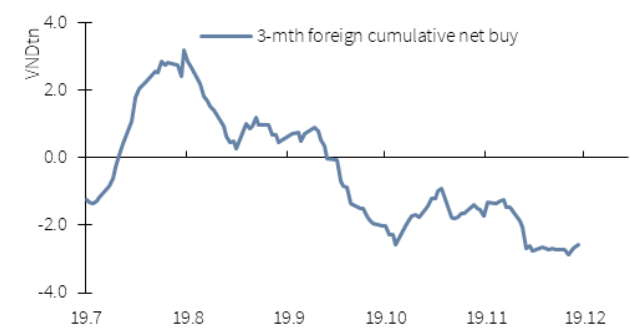
Source: Bloomberg, KB Securities Vietnam

USD/VND & 10-year government bond rates



Source: Bloomberg, KB Securities Vietnam

Vietnam – 3-mth cumulative net foreign buy



Source: FiinPro, KB Securities Vietnam

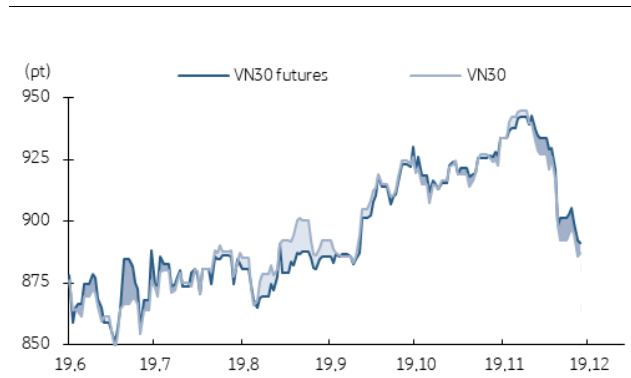
Futures/ETFs

VN30 887.47P (+0.20%)
 VN30 futures 891.1P (-0.13%)
 O p e n
 8 9 1 . 0 P
 H i g h
 8 9 4 . 7 P
 L o w
 8 8 9 . 8 P

Futures contracts all fell sharply today in line with the selloff in the VN30 index. Market liquidity recovered strongly as transactions focused mainly on F1912. The basis tightened modestly but remains high at around 3–12 points.

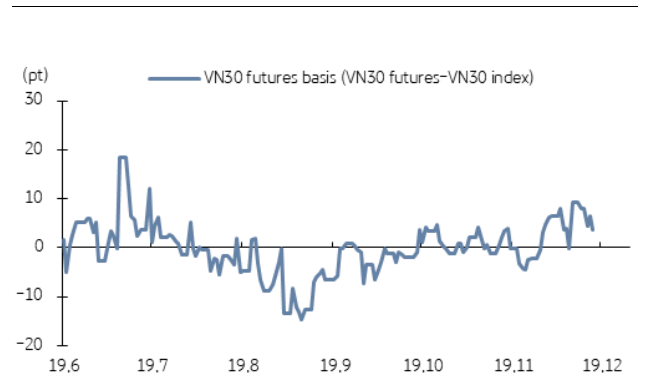
Contracts 37,177 (-54.7%)
 Open interest 18,857 (+0.0%)

VN30 futures & VN30 index



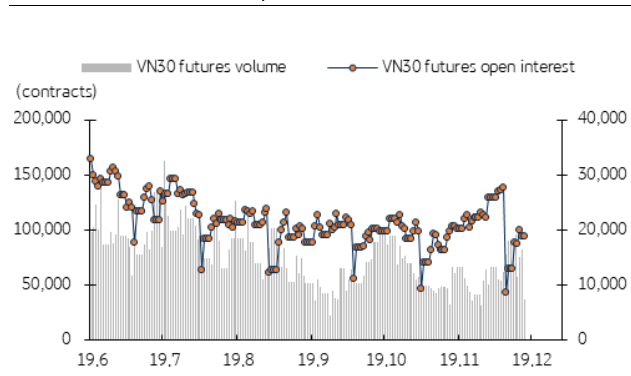
Source: Bloomberg, KB Securities Vietnam

Front month VN30 futures basis



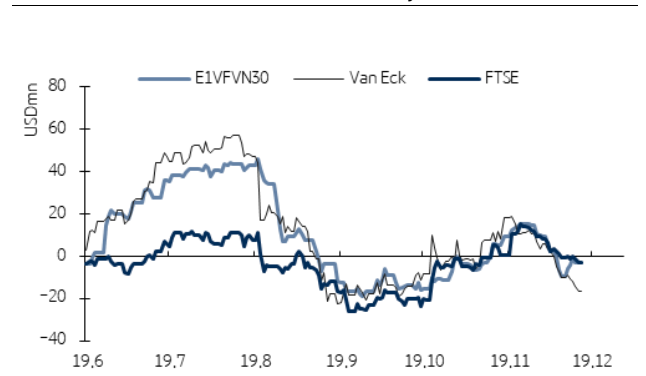
Source: Bloomberg, KB Securities Vietnam

VN30 futures volume & open interest



Source: Bloomberg, KB Securities Vietnam

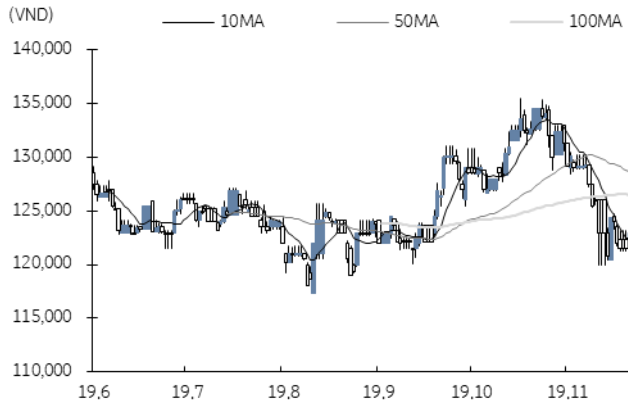
Vietnam ETFs - 3-mth cumulative net buy



Source: FiinPro, KB Securities Vietnam

Market Movers

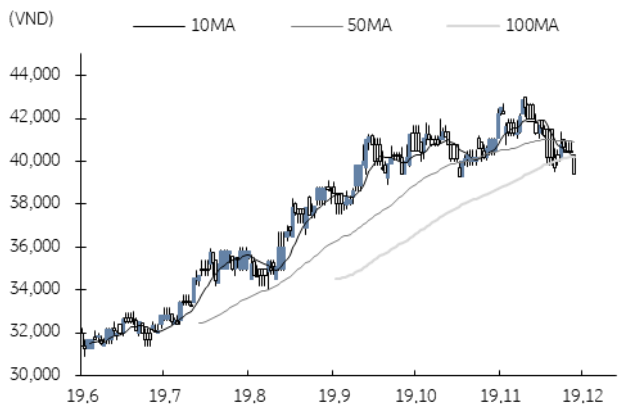
VinaMilk (VNM)



Source: Bloomberg, KB Securities Vietnam

- VNM has just released a statement confirming the quality of its raw materials for dairy products after the social network appeared "inaccurate" and "false" information on the import of raw materials
- VNM decreased by 2.6% following the general trend of the market, closing at VND118,300/share

Bank for Investment & Development of Vietnam (BID)



Source: Bloomberg, KB Securities Vietnam

- BID successfully issued VND 1,200 billion of 6-year bonds that qualify as Tier 2 capital under current regulations
- The instruments are non-convertible, without warrants or guarantees, issued and paid in VND, and require direct debt repayment obligations as secondary debt
- BID decreased by 2.7% in line with the general trend of the market, closing at VND39,400/share

December 2, 2019

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Azeri oil & MFO start up (BSR)

Improving business performance expected for 2020

PetroVietnam (PVN) signs crude oil import contract with Azerbaijan

- PetroVietnam (PVN) signs agreement with Azeri state energy company SOCAR on November 29th to import 5 million barrels of crude oil from Azerbaijan to supply Binh Son Refining & Petrochemical Co's (BSR) Dung Quat Refinery. The import of 5 million barrels in 1H2020 increases BSR's total crude oil imports to 11.6 million barrels or equivalent to 1.58 million tons or 24% of the company's total capacity output
- Operational benefits to BSR should include securing stable oil supply to make up for falling reserves from Bach Ho and other domestic oil fields, while financial benefits are likely a positive boost to gross margins as BSR reduces its mix of higher-priced Vietnamese crude oil supply with cheaper imported oil as well as the additional benefit from the elimination of the 5% crude oil import tax from November 1, 2019 after the government issued *Decision No. 28/2019/QĐ-TTg*.
- We estimate cost savings for BSR at VND800 billion or a VND250 increase in EPS

Launching Marine Fuel Oil (MFO) sales that meets IMO 2020 standards

- BSR has already manufactured and sold 6,000 tons of MFO to BB Energy Singapore customers with a sulfur content of less than 0.05% that meets IMO 2020 standards effective from January 1, 2020
- We expect spreads on MFO to widen as the demand for low sulfur fuel oil products jumps with the launch of IMO 2020 (albeit BSR's proportion of low sulfur MFO is quite low at only about 2-3% of production, sales & gross profit)

November performance inline but December looking weaker

- Production reached 6.4 million tons for the year until November or 107% of capacity in the absence of any maintenance shutdowns in 2019. Estimated revenue until November reached VND92,848 trillion or 94.7% of BSR's 2019 plan and October and November revenue recorded VND18,922 billion (or 82.2% of 3Q's revenue). However, gasoline and diesel prices are showing signs of weakness (gasoline falling & diesel moving sideways) and we expect a weak December to make it unlikely for BSR to reach its full-year revenue target for 2019
- We expect better performance for 2020 as gasoline and diesel spreads widen due to IMO 2020 and reduced trade war tensions. Despite BSR's scheduled 3-year maintenance (2-month shutdown), we expect strong product pricing to keep earnings flat to slightly higher in 2020

PMI & IIP in November

Contrasting movements

The Purchasing Managers' Index (PMI) in November has rebounded after decreasing in three months straight, which showed improvements in manufacturing sector

- PMI gained to 51 in November, ending the decrease in three straight months.
- In particular, production has rose for the first time in three months, after dipping in September and October. The number of new orders also increased more rapidly than in October.
- PMI of Vietnam recovered, while manufacturing sector in the region is still facing difficulties in searching for new orders.

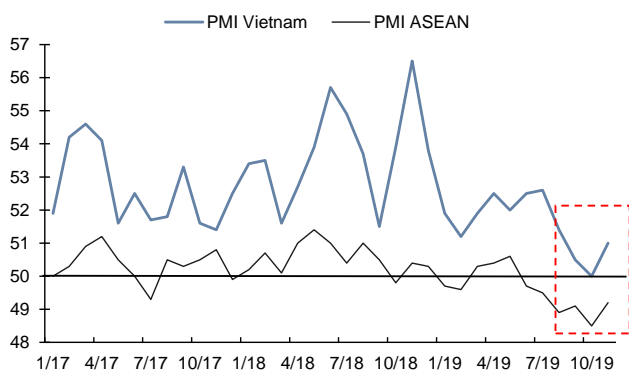
The Index of Industrial Production (IIP) showed some remarkable signs of slowing down

- IIP of the whole industrial sector only inched up 5.4% YoY – the lowest increase in the past 34 months. IIP of the processing-manufacturing industry gained 6.5% YoY – the first single-digit growth for 18 months.
- The main reason was the plunge in the electronics and coke/refined oil production. Specifically, Nghi Son Refinery closed for maintenance purpose in November, which caused petrol and oil production to plummet (-44.5% YoY). Regarding electronics, the production of smartphones and TVs remained a good growth in November (7.7% and 16.8% YoY respectively), so we believe the main reason for the downturn in electronics industry came from the sharp decline in smartphone components production (-24.6% YoY).

PMI & IIP December should stay positive in December

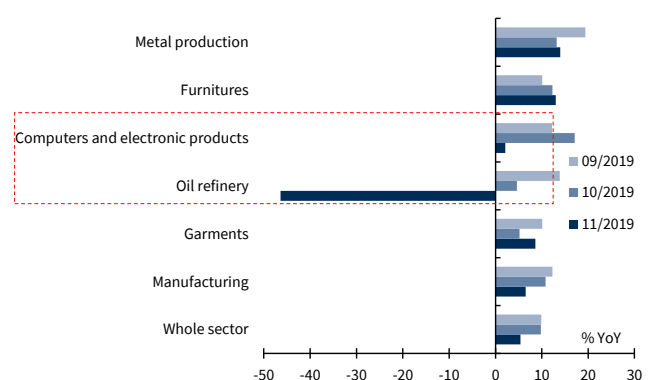
- PMI should remain unchanged or slightly increase against November given enterprises will increase manufacturing activities to prepare for shopping demand in the coming Lunar New Year.
- Meanwhile, IIP of the manufacturing sector should rebound given Nghi Son Refinery will come back to operation in December.

Fig 1. Vietnam PMI index vs ASEAN PMI index



Source: IHS Markit, KB Securities Vietnam

Fig 2. Vietnam – Monthly industrial production index



Source: General Statistics Office, KB Securities Vietnam

KBSV Model Portfolio

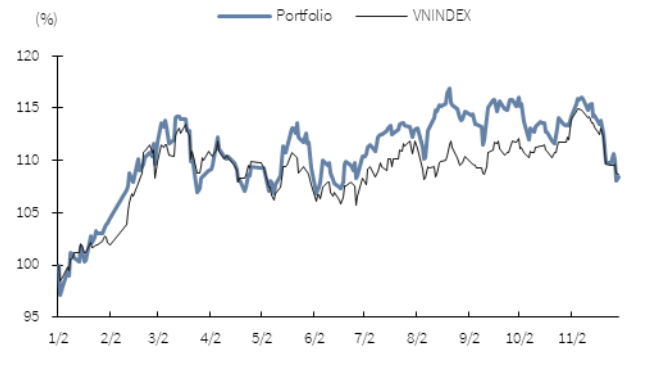
KBSV Research Team

Investment approach:

- Seeks to outperform the VN Index by identifying the most attractive stocks within our coverage universe over the next 3 months
- Employs a risk-managed exit strategy that sets a profit target of +30% and stop loss of -15%
- Uses an equal-active-weight approach that allocates 100% of the portfolio to stocks that, at times, can include a VN30 index ETF

| | VN Index | Master Portfolio |
|--------------|----------|------------------|
| Daily return | 0.04% | 0.34% |
| Cum. return | 8.7% | 8.4% |

Performance vs VN Index



KBSV model portfolio

| Ticker | Inclusion date | Close 19/12/02 | Daily return (%) | Cumulative return (%) | Main investment catalysts |
|---------------------------|----------------|----------------|------------------|-----------------------|---|
| Mobile World (MWG) | 19/08/09 | 108,400 | -0.6% | -4.1% | <ul style="list-style-type: none"> - Optimizing revenue from DMG & TGDD chains - BHX expects to reach break-even point soon at stores and distribution centers - In the long term, BHX aims to capture 10-15% of the food retail market |
| Nam Long Invest (NLG) | 19/06/03 | 27,650 | 0.2% | 2.2% | <ul style="list-style-type: none"> - Leader in mid- to high-end housing & Japanese partners for large urban area (UA) project - Largest urban area developer (Mizuki Park UA, Akari City UA & Waterpoint US) - Healthy financials & low debt ratios |
| Phu Nhuan Jewelry (PNJ) | 19/03/22 | 80,000 | -1.5% | 6.1% | <ul style="list-style-type: none"> - Strong topline supported by transaction volumes (2018 +34%) & ASPs (2018 +5%) - Strongest customer base to capture lucrative watch segment (5% of sales by 2022E) - Core business activities growing again after the "ERP" incident |
| Military Bank (MBB) | 18/12/18 | 21,400 | -3.4% | 5.4% | <ul style="list-style-type: none"> - Military Insurance Corporation (MIC) non-life premiums to boost 2019 non-bank income - Retail loan mix (Mcredit) supports 4% NIM against pricing competition (ACB/MBB) - Mcredit work-in-progress but low-cost funding from Shinsei triples key cash loan mkt |
| Refrig Elec Eng (REE) | 18/10/11 | 35,800 | -1.0% | 9.5% | <ul style="list-style-type: none"> - Office lease management & E-town Central occupancy generates stable cash flow - Strategic investments in utility industry provides stable/long-term dividend stream |
| FPT Corp (FPT) | 18/09/06 | 54,600 | -3.2% | 48.8% | <ul style="list-style-type: none"> - Software outsourcing foothold in Japan/US/Asia-Pacific/EU drives 25% overseas CAGR - Telecoms stable 15% growth/solid subscriber growth & profitable Pay-TV from 2020E - 20%+ earnings momentum by 2020E |
| Gemadept Corp (GMD) | 18/08/22 | 23,500 | -1.1% | -2.9% | <ul style="list-style-type: none"> - New business key stock driver & clarity on real estate projects/VIG stake positive catalysts - Nam Dinh Vu Phase 1 boosts handling capacity by 60% (occupancy 19E 80%/20E 100%) - Strategic tie up with CJ Logistics supports growth in logistics division & adds growth driver |
| Power Const No. 1 (PC1) | 19/11/06 | 17,500 | -3.8% | -6.2% | <ul style="list-style-type: none"> - Great contribution from Thanh Xuan Real Estate Project & transmission line construction. - Expect strong growth in power construction segment from investment demand from EVN - Output at PC1's hydroelectric plants expected to increase sharply in 2020 |
| Masan Group (MSN) | 19/10/11 | 69,000 | -1.4% | -10.4% | <ul style="list-style-type: none"> - MEATLife packaged pork business positive for branded consumer product business mode - Masan boosts meat distribution into HCMC market from fourth quarter of 2019 - Profit from MCH & Techcombank expected to continue to grow at double digits |
| Petro Tech Services (PVS) | 18/08/15 | 16,700 | -4.0% | -2.9% | <ul style="list-style-type: none"> - Despite strong share price rebound in early 2019, 2019E P/E still below regional peers - 9% EPS CAGR from Sao Vang- Dai Nguyet, Gallaf, Block B, White Lion Phase 2 projects |

Source: Bloomberg, KB Securities Vietnam

Market Monitors

Ho Chi Min – Net foreign buys/sells

| Ticker | Chg (%) | For. Ownership (%) | Net buy (VND bn) |
|--------|---------|--------------------|------------------|
| VRE | 2.8% | 32.6% | 53.9 |
| ROS | -2.2% | 3.5% | 34.2 |
| HPG | 1.1% | 37.7% | 30.5 |
| KDH | -0.2% | 44.2% | 16.2 |
| VCB | 0.0% | 23.8% | 7.7 |

| Ticker | Chg (%) | For. Ownership (%) | Net sell (VND bn) |
|--------|---------|--------------------|-------------------|
| VIC | 0.0% | 14.1% | -88.0 |
| SAB | -1.7% | 63.4% | -9.6 |
| DXG | 1.1% | 45.6% | -6.9 |
| STB | 0.0% | 18.9% | -5.4 |
| SSI | -0.3% | 55.7% | -4.4 |

Source: FiinPro, KB Securities Vietnam

Hanoi – Net foreign buys/sells

| Ticker | Chg (%) | For. Ownership (%) | Net buy (VND bn) |
|--------|---------|--------------------|------------------|
| SVN | 5.6% | 0.9% | 0.3 |
| SHB | -3.2% | 10.9% | 0.3 |
| SHS | 0.0% | 11.4% | 0.2 |
| NVB | 1.1% | 4.5% | 0.1 |
| CDN | 1.7% | 21.3% | 0.1 |

| Ticker | Chg (%) | For. Ownership (%) | Net sell (VND bn) |
|--------|---------|--------------------|-------------------|
| PVS | 0.6% | 21.9% | -6.1 |
| TIG | 1.6% | 15.3% | -0.5 |
| PVG | 4.3% | 1.4% | -0.3 |
| AMV | 4.4% | 2.0% | -0.2 |
| IVS | 0.0% | 0.7% | -0.2 |

Source: FiinPro, KB Securities Vietnam

Sectors – Top 5 best/worst weekly performance

| Top 5 best performers | Chg (%) | Key stocks |
|-----------------------------|---------|--------------------|
| Travel & Leisure | 2.1% | VJC, HVN |
| Industrial Goods & Services | 1.1% | HPG, GEX |
| Basic Resources | 1.1% | HSG, SMC, TNI, VIS |
| Telecommunications | 0.7% | FPT |
| Health Care | 0.7% | |

| Top 5 worst performers | Chg (%) | Key stocks |
|----------------------------|---------|--------------------|
| Personal & Household Goods | -0.6% | HAG |
| Banks | -0.6% | CTG, HDB, VPB |
| Chemicals | -0.6% | PHR |
| Automobiles & Parts | -0.4% | |
| Financial Services | -0.4% | MSN, HCM, SSI, FIT |

Source: Bloomberg, KB Securities Vietnam

Sectors – Top 5 best/worst monthly performance

| Top 5 best performers | Chg (%) | Key stocks |
|-----------------------------|---------|--------------------|
| Basic Resources | 4.3% | DTL, HSG |
| Health Care | 3.0% | DBD, DCL, IMP |
| Industrial Goods & Services | 0.8% | GMD, HPG, SGN, GEX |
| Retail | 0.2% | FRT, SCS, PNI, AST |
| Travel & Leisure | -0.2% | VNG |

| Top 5 worst performers | Chg (%) | Key stocks |
|------------------------|---------|-------------------------|
| Banks | -1.1% | VCB, CTG, HDB, BID, VPB |
| Food & Beverage | -1.1% | BHN, HNG, SAB, VNM |
| Automobiles & Parts | -0.4% | |
| Real Estate | -0.4% | DXG, TCH, NVL, VIC, VHM |
| Utilities | -0.3% | PGD, POW, PPC, VSH |

Source: Bloomberg, KB Securities Vietnam

Vietnam – Focus stocks

| Sector | Code | Company name | Price | Mkt cap (VNDbn, USDmn) | Trading value (VNDmn, USDmn) | For avail (%) | PER (X) | | EPS CAGR (%) | ROE (%) | | P/B (X) | | Performance (%) | | | |
|-----------------------------|------|------------------|---------|------------------------------|---------------------------------------|---------------------|---------|------|--------------------|---------|------|---------|-----|-----------------|------|-------|-------|
| | | | | | | | 19E | 20E | | 19E | 20E | 19E | 20E | 1D | 1W | 1M | YTD |
| | | | | | | | | | | | | | | | | | |
| Real estate | VIC | VINGROUP JSC | 115,000 | 384,783 (16,602) | 48,784 (2.1) | 219 | 68.1 | 43.6 | 44.1 | 6.1 | 8.1 | 4.9 | 4.4 | -0.6 | -0.9 | -6.1 | 20.7 |
| | VHM | VINHOMES JSC | 91,900 | 307,820 (13,281) | 199,287 (8.6) | 33.9 | 16.7 | 11.4 | 34.4 | 31.3 | 34.9 | 5.0 | 3.4 | 0.0 | -1.4 | -3.5 | 25.2 |
| | VRE | VINCOM RETAIL JS | 34,000 | 79,180 (3,416) | 162,858 (7.0) | 16.3 | 28.6 | 22.4 | 18.3 | 9.6 | 10.7 | 2.6 | 2.4 | -1.3 | 0.6 | -3.0 | 21.9 |
| | NVL | NO VA LAND INVES | 56,100 | 52,198 (2,252) | 20,516 (0.9) | 31.3 | 18.3 | 17.3 | -4.3 | 15.2 | 12.9 | 2.3 | 2.0 | -1.2 | -1.9 | -4.9 | -12.6 |
| | KDH | KHANG DIEN HOUSE | 26,400 | 14,373 (620) | 9,187 (0.4) | 4.8 | 15.5 | 11.8 | 20.8 | 12.9 | 15.1 | 1.9 | 1.7 | 0.0 | 0.2 | 1.5 | 4.0 |
| | DXG | DAT XANH GROUP | 14,000 | 7,364 (314) | 33,146 (14) | 3.5 | 5.1 | 4.9 | 3.3 | 18.6 | 18.2 | 0.9 | 0.9 | -1.1 | -1.4 | -9.1 | -25.2 |
| Banks | VCB | BANK FOR FOREIGN | 83,500 | 309,691 (13,362) | 58,232 (2.5) | 6.2 | 18.9 | 14.7 | 24.5 | 24.4 | 24.3 | 3.8 | 3.0 | -2.1 | -1.2 | -6.0 | 56.1 |
| | BID | BANK FOR INVESTM | 39,400 | 158,468 (6,837) | 35,757 (15) | 14.2 | 25.1 | 18.0 | 15.9 | 12.9 | 14.1 | 2.0 | 1.9 | -2.7 | -0.8 | -3.9 | 14.5 |
| | TCB | VIETNAM TECHNOLO | 22,700 | 79,453 (3,428) | 47,455 (2.0) | 0.0 | 8.4 | 7.2 | 8.5 | 16.8 | 16.5 | 1.3 | 1.1 | -0.9 | -2.6 | -4.4 | -12.2 |
| | CTG | VIETNAM JS COMM | 19,800 | 73,723 (3,181) | 77,316 (3.3) | 0.7 | 11.4 | 10.1 | 16.1 | 10.9 | 12.0 | 1.0 | 0.9 | -3.2 | -6.4 | -11.2 | 2.6 |
| | VPB | VIETNAM PROSPERI | 19,500 | 46,932 (2,025) | 35,063 (15) | 0.0 | 6.2 | 5.1 | 13.6 | 20.5 | 20.8 | 1.2 | 0.9 | -3.2 | -3.5 | -9.3 | -2.3 |
| | MBB | MILITARY COMMERC | 21,400 | 49,770 (2,147) | 117,149 (5.0) | 0.0 | 6.6 | 5.8 | 18.3 | 211 | 20.9 | 1.3 | 1.1 | -3.4 | -4.5 | -6.8 | 18.8 |
| | HDB | HDBANK | 25,550 | 25,065 (1081) | 54,553 (2.4) | 6.3 | 7.9 | 6.7 | 12.9 | 19.1 | 18.8 | 1.3 | 1.2 | -3.6 | -8.1 | -12.8 | -15.7 |
| | STB | SACOMBANK | 10,000 | 18,037 (778) | 32,862 (14) | 11.2 | 8.2 | 6.2 | 56.6 | 8.6 | 10.3 | 0.7 | 0.6 | -1.0 | -1.5 | -8.3 | -16.3 |
| | TPB | TIEN PHONG COMME | 21,850 | 18,061 (779) | 4,809 (0.2) | 0.0 | 7.2 | 5.6 | 33.5 | 218 | 22.6 | 1.4 | 1.1 | -0.2 | 0.2 | -2.7 | 9.5 |
| | EIB | VIETNAM EXPORT-I | 16,650 | 20,470 (883) | 2,984 (0.1) | 0.0 | 28.9 | 22.0 | 18.8 | 6.0 | 6.0 | 1.3 | 1.2 | -2.6 | -4.0 | 0.9 | 18.5 |
| Insurance | BVH | BAO VIET HOLDING | 68,500 | 48,011 (2,071) | 11,126 (0.5) | 23.7 | 39.8 | 29.9 | 19.2 | 8.3 | 9.6 | 2.9 | 2.6 | -2.6 | -5.0 | -7.4 | -23.0 |
| | BMI | BAOMINH INSURANC | 25,900 | 2,366 (102) | 3,215 (0.1) | 11.5 | 27.7 | - | - | 7.9 | - | 1039.7 | - | -0.6 | -1.3 | -1.9 | 25.1 |
| Securities | SSI | SSI SECURITIES C | 19,500 | 9,907 (427) | 35,698 (15) | 44.4 | 7.8 | 7.4 | 4.3 | 12.3 | 12.8 | 1.6 | - | -1.5 | -3.7 | -9.3 | -26.8 |
| | VCI | VIET CAPITAL SEC | 33,400 | 5,489 (237) | 5,186 (0.2) | 62.4 | - | - | - | 14.4 | 16.5 | - | - | -0.9 | 0.9 | -4.6 | -28.2 |
| | HCM | HOCHIMINH CITY | 23,200 | 7,088 (306) | 30,859 (13) | 42.6 | 8.0 | 6.5 | 15.7 | 12.5 | 15.3 | - | - | -0.9 | -2.5 | -2.9 | -2.6 |
| | VND | VNDIRECT SECURIT | 13,850 | 2,889 (125) | 4,452 (0.2) | 8.5 | 9.3 | 7.2 | - | 9.8 | 12.7 | - | - | 0.0 | -0.7 | 1.1 | -15.5 |
| Consumer staples | VNM | VIET NAM DAIRY P | 118,300 | 206,005 (8,888) | 15,014 (6.5) | 41.4 | 21.1 | 19.9 | 6.9 | 38.7 | 38.1 | 7.4 | 6.7 | -2.6 | -3.7 | -10.6 | -1.4 |
| | SAB | SAIGON BEER ALCO | 229,000 | 146,853 (6,336) | 9,388 (0.4) | 36.6 | 30.3 | 23.7 | 25.1 | 33.5 | 36.0 | 8.7 | 7.5 | 1.3 | -1.7 | -11.9 | -14.4 |
| | MSN | MASAN GROUP CORP | 69,000 | 80,657 (3,480) | 39,103 (17) | 9.1 | 17.9 | 15.4 | -1.7 | 13.9 | 14.5 | 2.4 | 2.1 | -1.4 | -3.5 | -8.9 | -11.0 |
| | HNG | HOANG ANH GIA LA | 14,550 | 16,129 (696) | 4,889 (0.2) | 48.6 | - | - | - | - | - | - | - | -0.3 | -0.3 | -1.7 | -9.1 |
| Industrials (transport) | VJC | VIETJET AVIATION | 146,100 | 76,533 (3,302) | 65,694 (2.8) | 10.3 | 14.0 | 12.0 | 6.4 | 38.0 | 37.3 | 4.7 | 3.7 | 0.8 | 2.2 | 0.4 | 21.8 |
| | GMD | GEMADEPT CORP | 23,500 | 6,978 (301) | 6,275 (0.3) | 0.0 | 12.8 | 11.6 | -44.5 | 9.5 | 10.0 | 1.1 | 1.1 | -1.1 | -2.1 | -12.0 | -10.1 |
| | CII | HOCHIMINH CITY | 23,000 | 5,700 (246) | 8,712 (0.4) | 18.9 | 11.2 | 5.7 | 254.4 | 11.0 | 12.2 | - | - | -4.2 | -4.2 | -6.1 | -12.5 |
| Industrials (capital goods) | ROS | FLC FAROS CONSTR | 24,500 | 13,906 (600) | 730,688 (315) | 45.4 | - | - | - | - | - | - | - | 0.8 | -1.6 | -2.8 | -36.7 |
| | GEX | VIETNAM ELECTRIC | 20,000 | 9,765 (421) | 15,332 (0.7) | 33.0 | 8.0 | 10.1 | -2.5 | 13.2 | 13.3 | 1.5 | 1.4 | -0.7 | -2.4 | -4.8 | 3.8 |
| | CTD | COTECCONS CONSTR | 63,000 | 4,806 (207) | 7,098 (0.3) | 1.2 | 7.2 | 7.5 | -30.7 | 8.6 | 7.8 | 0.6 | 0.5 | -0.8 | -5.5 | -17.2 | -60.6 |
| | REE | REE | 35,800 | 11,100 (479) | 29,481 (13) | 0.0 | 6.3 | 6.1 | 1.1 | 16.7 | 15.9 | 1.0 | 0.9 | -1.0 | -1.4 | -4.9 | 16.2 |

Source: Bloomberg, KB Securities Vietnam

Vietnam – Focus stocks

| Sector | Code | Company name | Price | Mkt cap (VNDbn, USDmn) | Trading value (VNDmn, USDmn) | For avail (%) | PER (X) | | EPS CAGR (%) | ROE (%) | | P/B (X) | | Performance (%) | | | |
|---------------------------|------|------------------|---------|------------------------------|---------------------------------------|---------------------|---------|------|--------------------|---------|------|---------|-----|-----------------|------|-------|-------|
| | | | | | | | 19E | 20E | | 19E | 20E | 19E | 20E | 1D | 1W | 1M | YTD |
| Utilities | GAS | PETROVIETNAM GAS | 98,000 | 17,567 (8,093) | 39,510 (17) | 45.4 | 15.5 | 15.5 | 2.4 | 25.9 | 25.7 | 3.9 | 3.6 | -2.5 | -4.9 | -6.2 | 13.2 |
| | NT2 | PETROVIETNAM NHO | 22,500 | 6,477 (279) | 5,892 (0.3) | 30.3 | 8.8 | 8.4 | -10 | 20.0 | 20.4 | 18 | 17 | -0.4 | -1.3 | -2.6 | -8.5 |
| | PPC | PHA LAITHERMAL | 28,100 | 9,009 (389) | 8,568 (0.4) | 33.0 | 9.9 | 9.8 | -13.3 | 16.5 | 16.3 | 16 | 15 | 1.1 | 4.1 | 7.3 | 55.2 |
| Materials | HPG | HOA PHAT GRP JSC | 22,950 | 63,367 (2,734) | 134,549 (5.8) | 112 | 8.7 | 6.8 | 7.0 | 16.8 | 18.3 | 13 | 11 | 0.4 | 3.1 | 4.8 | -3.6 |
| | DPM | PETROVIETNAM FER | 12,800 | 5,009 (216) | 3,567 (0.2) | 30.1 | 19.4 | 118 | -18.4 | 3.6 | 6.0 | 0.6 | 0.6 | -12 | -3.4 | -7.9 | -42.6 |
| | DCM | PETRO CA MAU FER | 6,800 | 3,600 (155) | 1,381 (0.1) | 46.5 | 9.0 | 110 | - | 6.4 | 5.3 | 0.6 | 0.6 | -10 | -0.7 | -7.6 | -34.0 |
| | HSG | HOA SEN GROUP | 7,850 | 3,322 (143) | 34,924 (15) | 317 | 8.8 | 6.9 | -6.5 | 6.7 | 7.8 | 0.5 | 0.5 | 0.9 | 4.5 | 9.0 | 32.6 |
| | AAA | AN PHAT PLASTIC | 13,850 | 2,371 (102) | 42,847 (18) | 37.1 | 6.2 | 6.2 | 49.2 | 16.4 | 16.3 | 0.8 | 0.8 | -18 | -1.8 | -12.1 | -5.8 |
| Energy | PLX | VIETNAM NATIONAL | 56,700 | 67,519 (2,913) | 15,235 (0.7) | 6.6 | 17.5 | 15.6 | 14.6 | 19.2 | 19.5 | 3.1 | 3.2 | -16 | -3.9 | -4.5 | 7.0 |
| | PVD | PETROVIETNAM DRI | 15,050 | 6,338 (273) | 25,732 (11) | 27.8 | 38.2 | 23.1 | 34.9 | 14 | 2.1 | 0.5 | 0.5 | -2.6 | -2.9 | -8.2 | 13.4 |
| | PVT | PETROVIET TRANSP | 17,150 | 4,827 (208) | 8,741 (0.4) | 17.0 | 9.6 | 7.3 | 3.1 | 13.6 | 13.2 | 0.9 | 0.9 | -14 | -0.3 | -0.9 | 9.2 |
| Consumer discretionary | MWG | MOBILE WORLD INV | 108,400 | 47,988 (2,070) | 92,890 (4.0) | 0.0 | 12.9 | 10.3 | 25.2 | 34.5 | 32.0 | 4.0 | 3.0 | -0.6 | -3.2 | -13.4 | 24.6 |
| | PNJ | PHUNHUAN JEWELR | 80,000 | 17,805 (768) | 41,367 (18) | 0.0 | 16.1 | 13.4 | 20.7 | 27.8 | 28.2 | 3.9 | 3.2 | -15 | -3.5 | -4.0 | 14.4 |
| | YEG | YEAH1GROUP CORP | 43,500 | 1,283 (055) | 1,396 (0.1) | 67.5 | - | 26.2 | -40.0 | -4.1 | 3.6 | 10 | 0.9 | -17 | -4.7 | -18.5 | -81.5 |
| | FRT | FPT DIGITAL RETA | 27,700 | 2,188 (094) | 3,215 (0.1) | 10 | 6.4 | 6.0 | 3.5 | 27.9 | 23.9 | 16 | 14 | 3.0 | -3.8 | -31.4 | -55.7 |
| | PHR | PHUOC HOA RUBBER | 54,000 | 7,317 (316) | 23,982 (10) | 42.2 | 6.8 | 6.7 | 31.3 | 30.8 | 35.3 | 2.4 | 2.0 | -4.9 | -5.3 | -8.0 | 61.4 |
| Healthcare | DHG | DHG PHARMACEUTIC | 94,000 | 12,290 (530) | 1,532 (0.1) | 45.6 | 20.6 | 19.3 | 4.0 | 20.1 | 20.0 | 3.7 | 3.5 | 0.9 | 0.8 | 16 | 19.0 |
| | PME | PYMEPHARCO JSC | 51,000 | 3,826 (165) | 316 (0.0) | 37.9 | - | - | - | - | - | - | - | -2.9 | -5.6 | -7.3 | -19.7 |
| IT | FPT | FPT CORP | 54,600 | 37,034 (1,598) | 119,707 (5.2) | 0.0 | 11.7 | 10.0 | 24.3 | 24.0 | 24.7 | 2.4 | 2.2 | -3.2 | -3.5 | -6.7 | 42.3 |

Source: Bloomberg, KB Securities Vietnam

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Investment ratings & definitions

Investment Ratings for Stocks

(based on expectations for absolute price gains over the next 6 months)

| Buy: | Hold: | Sell: |
|--------------|--------------|--------------|
| +15% or more | +15% to -15% | -15% or more |

Investment Ratings for Sectors

(based on expectations for absolute price gains over the next 6 months)

| Positive: | Neutral: | Negative: |
|-----------------------|---------------------------------|-------------------------|
| Outperform the market | Perform in line with the market | Underperform the market |

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