May 5th 2021

Investment Strategy May 2021

RIGHT TIME TO RESTRUCTURE THE PORTFOLIO

Inflows from Fubon ETF and new funds related to Dragon Capital are noticeable flows to drive VN30 stocks

The force would come from Fubon ETF as the inflows were USD 119 Mn to rise total NAV to USD 309 Mn (+62% in just one month). Another noticeable news is from Vietnam DC25 Ltd., a fund related to Dragon Capital. They have just released information about the registration to buy 100 million fund certificates from VFMVSF from May 4th to June 2nd 2021. As of April 27th, the NAV/share value of VFMVSF was VND 11,931, so nearly VND 1,200 Bn is expected to flow into the stock markets (mainly VN30 stocks). Moreover, the inflows of USD 111 Mn into ETF VN Diamond in four consecutive months with total value of USD 111 Mn have proved for the strong attention of foreign investors to VN30 stocks.

The participation individual investors and margin expansion in upcoming times from share issuance of securities firms are key driving forces

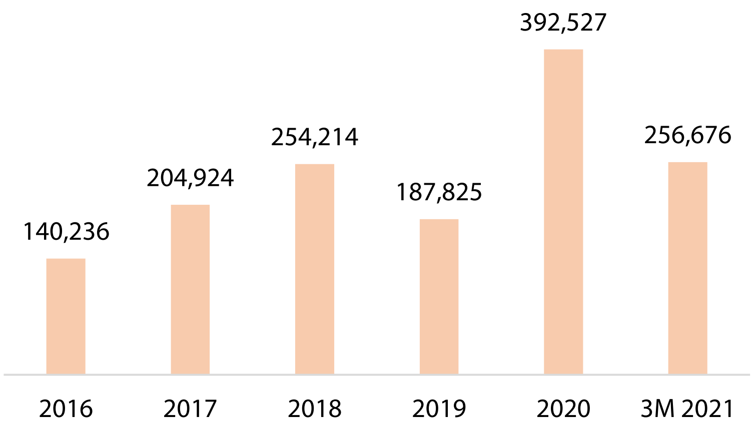
In Q1 2021, the number of individual accounts have growth strongly and reached 65% of that figure in 2020. We expect this number will continue its growth trend given the low-interest rate environment. Moreover, this flow is pure money as the margin only accounted for 13% of total trading volume (reduced significantly from Q3 2020) (Figure 12). Therefore, the money inflows would be more sustainable as it comes from new money instead of heavy dependence on leverage.

As of Q4 2020, the margin lending/charter capital rate peaked in last three years per Fiinpro data. Also, some securities firms nearly reached the maximum level of this ratio (c. two times). This would partly limit the market further growth as securities firms have not enough sources for lending. In upcoming times, we foresee this would not be considerable factor to limit VN-index upward movement as many securities firms, especially large firms (accounted for 37% of margin lending balance as end of Q4 2020) have presented their plan shareholders to increase charter capital

The strong recovery from Q1 2021 would be good base for businesses to achieve double-digit EPS growth in 2021, hence we believe that the VN Index can move in the range from 1,240 – 1,370.

Fundamentally, according to statistics from Bloomberg Consensus, the market expects EPS to increase by 18%. It is understandable as the strong recovery in Q1 2021 would be good base for business to maintain double digit growth for whole year when Covid-19 caused severe impact on 2020. On our sensitivity analysis, by adjusting the EPS in range of +/-5% from Bloomberg growth expectation along with using average P/E in last 3 years (c. 15.8), we believe VN-Index would likely to move in the range of 1,240 to 1,370.

Number of new trading accounts



Source: Rong Viet Securities

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When Q1-2021 business results are to be fully released, the market will move into a "quiet period". We think that buying opportunities will become more limited compared with the previous period. However, we realize that macro data continues to improve as compared to the previous month (the annual growth figure has become rather meaningless due to last year's social distancing in April), reinforcing the sustainability of the economy post Covid-19. In which, the index of industrial production (IIP) increased by 1.1% MoM; April total retail sales of consumer goods and services inched up 2.3% MoM; Vietnam's PMI expanded for the third consecutive month, reaching 54.7 points in April. According to IHS Markit, Vietnam's manufacturing sector has witnessed the eighth consecutive month of increase in the number of total new orders while the number of new export orders also continued its rise amid improving international demand; The increased number of new orders also indicated customers' stronger confidence in the sustainability of the growth outlook. Meanwhile, the CPI of April decreased by 0.04% MoM, and the average of 4M-2021 increased by only 0.89% YoY, showing that inflationary pressure is not something to worry about yet and low interest rate environment is expected to maintain in the foreseeable future. This, in our opinion, is the favorable foundation for leading companies to record positive business results in the coming time. Within our covered stocks, 2021 net profit of some large-cap stocks are forecasted to have quite robust growth, including Real estate stocks (+128 % YoY), steel producers (+ 104% YoY), banking stocks (+ 25% YoY), retailers (+ 25% YoY), and IT company (+ 21% YoY). Thereby, we believe that the stock market can conquer higher point in the rest of 2021.

Therefore, we believe that May will be an appropriate time to restructure the portfolio, and patiently wait for opportunities to accumulate /hold stocks that are forecasted to post outperforming earnings growth the next quarters of 2021 and 2022 for longer time horizon. Accordingly, we continue favor HPG, PNJ, LHG, MWG, VCB, ACB, TCB and DXG. On the other hand, investors should consider reducing PPC as the one-off high cash dividend plan has been materialized following the recent AGM of the company; The same recommendation applies to DPM as the Q1-2021 results missed our expectation while the outlook for Q2-2021 is forecasted to be less optimistic as (1) DPM will cease production for machine maintenance for about a month and (2) unfavorable output price movement. Finally, we recommend adding four stocks namely LTG, GMD, SMC, and MSH.

Analysis of 46 stocks of Rong Viet Research, discussion with companies and specific evaluation in the "Company Report" or "Analyst Pinboard"

Japan Approves Joining the Regional Comprehensive Economic Partnership

- The puzzle is nearly complete.
- Japan's official participation is a plus given its power, economically and politically.
- ASEAN will benefit, regardless.

Japan's parliament on Wednesday April 28 approved joining the world's largest free-trade deal, the Regional Comprehensive Economic Partnership (RCEP). The agreement was signed by 15 Asia-Pacific countries including China and the 10 members of the Association of Southeast Asian Nations (ASEAN) plus Japan, South Korea, Australia and New Zealand. India decided not to participate. Negotiations on the agreement started in 2012. The RCEP is designed to eliminate as much as 90 percent of the tariffs on goods traded between its signatories over the next 20 years. All signatories to the RCEP have made clear that they will strive to complete ratification in 2021 to expedite its enactment by January 1, 2022.

It is/ will be the world's largest free trade zone across a wide assortment of indicators. Its 15 member states are home to 2.27 billion people, with a total gross domestic product of US$ 26 trillion and total exports of US$ 5.2 trillion. In a nutshell, RCEP is a victory for multilateralism and free trade.

Table 1. RCEP: share in global GDP, trade and investment

Source: UNCTAD

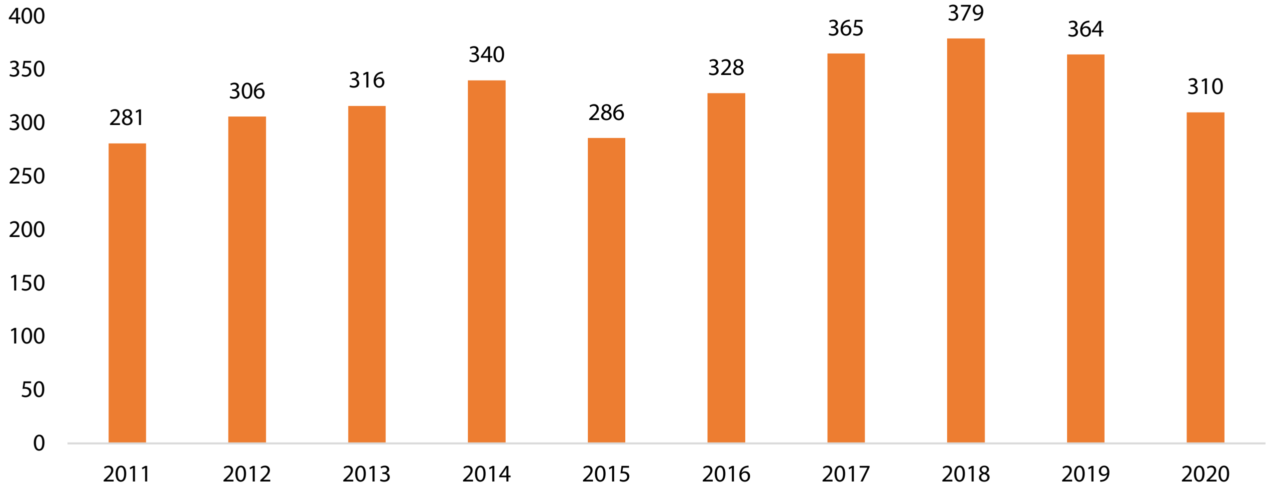
Notably, the April announcement becomes Japan's first economic partnership agreement involving both China and South Korea. Japan managed to have five agricultural product categories considered sensitive for the country — rice, wheat, beef and pork, dairy products and sugar — exempted from tariff cuts. Under the deal, food tariffs will be eliminated gradually, including China's tariffs on scallops and Indonesia's tariffs on beef. Japan will scrap its tariffs on Shaoxing rice wine from China and Makgeolli alcoholic drinks from South Korea. China and South Korea will abolish their tariffs on auto parts in stages. Over some 20 years, the proportion of industrial products exempted from tariffs will rise from 8% to 86% for China and from 19% to 92% for South Korea.

As our colleague My Tran underlined in a note "Potential impact of the RCEP on Vietnam may be limited". Her main argument is that "the deal could lead to rising imports without an enough compensating access to the Chinese market and may boost competition for Vietnamese producers". Having said that, various studies, highlighted in My Tran's note estimate that gains for Vietnam should range from 0.4 to 07% of GDP by 2030.

Intra-regional investment, accounting for around 30% of total GDP in RCEP, and probably rising following the officialization of Japan, has significant room to grow. In ASEAN, already 40% of international investments come from RCEP members.

The RCEP will build on existing commitments or market access initiatives developed by member countries through various free trade agreements (FTAs). There are currently 27 FTAs between RCEP countries.

Table 2. FDI inflows in RCEP, 2010-2020, US$ bn



Source: UNCTAD
Note: 2020 is based on annualized first half data

RCEP is a very important destination for international project finance accounting for 26% of the world's total (US$ 1.3 trillion) for the period 2010-2020. Vietnam is the world's fifth largest recipient with a cumulative value from 2010 to 2020 of US$ 175 bn and the second one in Asia-Pacific behind Australia (US$ 368 bn). Renewable energy projects accounted for 40% of all RCEP total financing projects. Significant growth is expected over the next decade as projects in renewable sectors have been prioritized in many RCEP member countries.

Table 3. Comparing RCEP to other regional trade agreements

Agreement	Countries	Share of global GDP, %	Share of global trade in goods, %	Share of global population, %
RCEP	15	30.0	29.7	29.6
CPTPP	11	15.0	15.4	6.6
USMCA	3	25.8	16.1	6.5
Mercosur	4	3.4	1.5	3.5
AfTCFA	54	3.1	2.8	17.0
GCC	8	1.8	3.4	0.8

Source: European Parliament, Policy Dept for External Relations, Feb 2021
Note: CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership), USMCA (United States- Mexico- Canada Agreement), AfCTFA (African Continental Free Trade Agreement), GCC (Gulf Cooperation Council)

According to simulations by Petri and Plummer[1], RCEP is expected to substantially contribute to GDP growth in the region by 0.4 percentage points by 2030, which amounts to a raise in annual real income by US$ 187 billion. Trade is expected to increase within the region by over 10% percent in the next five years.

Most countries participating in RCEP are well integrated into global value chains(GVCs). The volume of trade within GVCs has increased drastically between 2000 and 2018. In the past decade, in particular the less developed members increased their participation in global production by on average 15 percentage points. Most firms in these global production networks provide inputs for further production in other countries, often within the region.

[1] Petri, Peter and Michael Plummer. "East Asia Decouples from the United States". June 11, 2020. Peterson Institute for International Economics.

A note on RCEP and digital currencies.

One focus will be the impact that the RCEP will have on China's digital yuan as well as potentially other countries' digital currencies. According to a report published last year by the Bank for International Settlements[2], 80 percent of central banks in the world are currently working on central bank digital currencies.

Asia seems to be the place where such digital currencies show the greatest promise in view of the adaptability of Asian central banks. The RCEP will undoubtedly pave the way for China's new digital Renminbi expansion throughout Asia.

The free trade area created by the RCEP will undoubtedly also be a big market for the Yen eventual cross-border adoption. It will help any of the other central bank digital currencies in Asia.

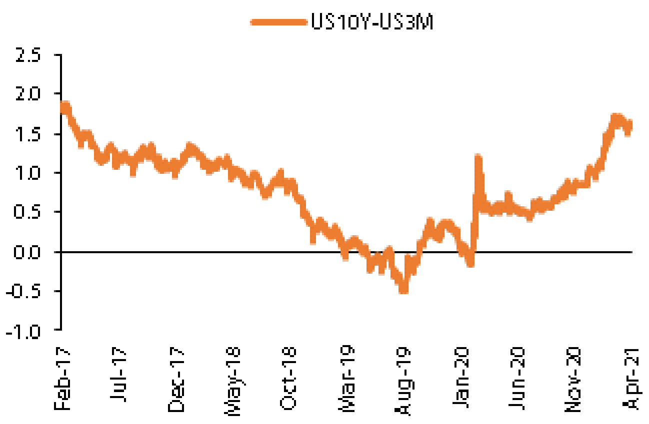
Bottom line

A key challenge for RCEP will be to follow through on integration in a time of global geopolitical and trade tensions. It can be done.

[2] BIS Papers No 114. Monetary and Economic Department. January 2021.

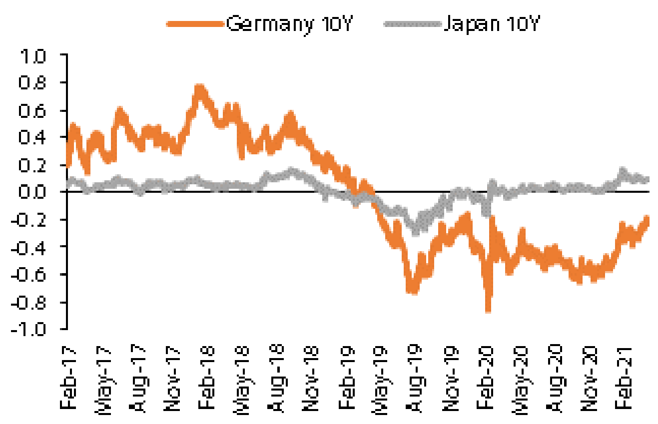
GLOBAL ECONOMIC INDICATORS IN APRIL

US G-Bond yields gap (%/year)



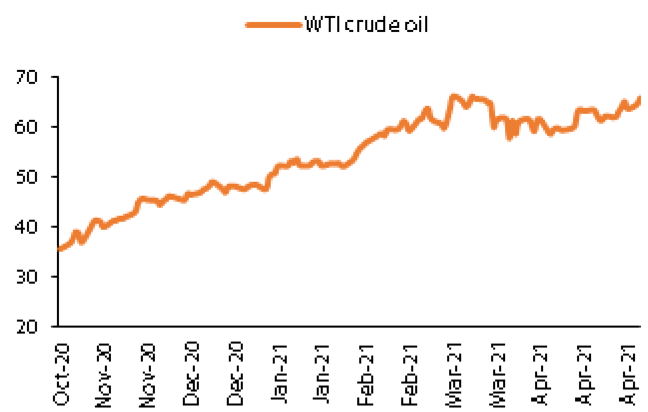
Source: Bloomberg, Rong Viet Securities

Germany and Japan 10Y G-Bond yields (%/year)



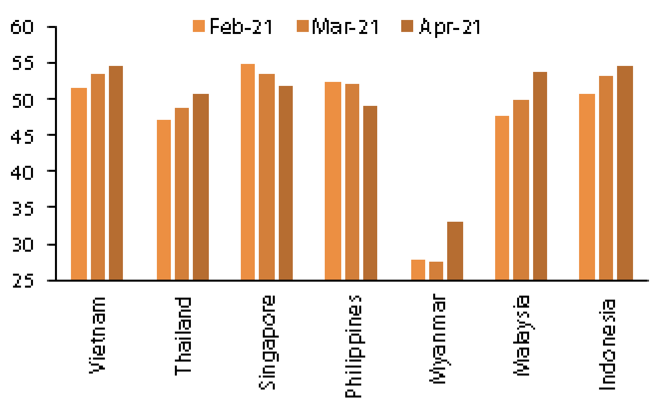
Source: Bloomberg, Rong Viet Securities

WTI crude oil price (USD/barrel)



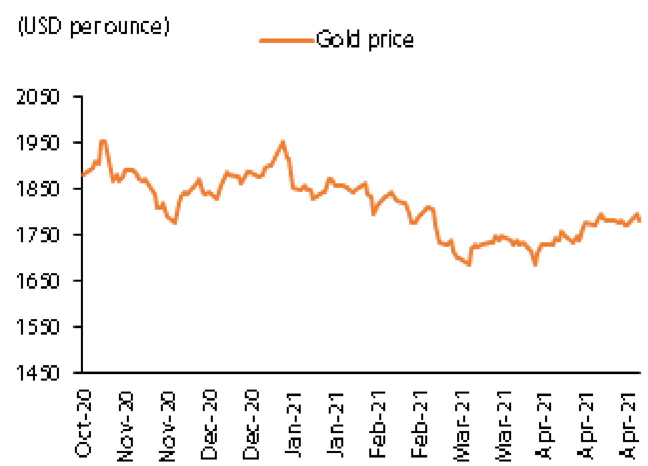
Source: Bloomberg, Rong Viet Securities

ASEAN's PMI



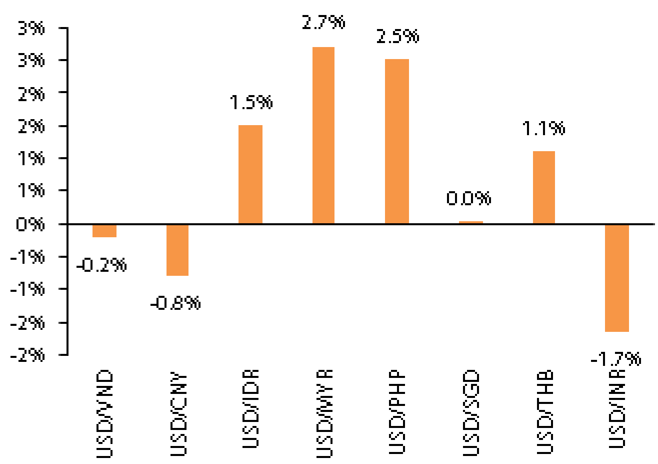
Source: Markit Economics, Rong Viet Securities

Gold prices (US$/ounce)



Source: Bloomberg, Rong Viet Securities

FX rates (%, YTD)



Source: Bloomberg, Rong Viet Securities

VIETNAM MACRO

- Input cost inflation will be a main worry for the second half of 2021
- Export-led economic growth recovery
- The impacts of India Covid-19 crisis on Vietnam

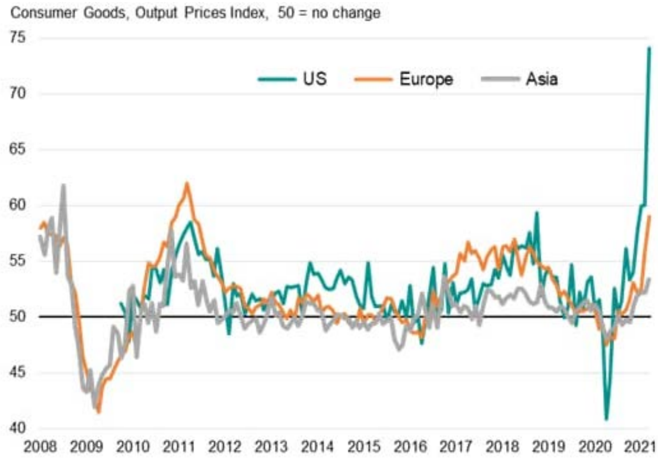
Input cost inflation will be a main worry for the second half of 2021

Because of a surge in demand and global supply chain disruption, global input costs have risen sharply over the past few months. According to IHS Markit, the input price index rose to its highest since August 2008 in Mar 2021, leading to higher production costs that filter through to consumers. However, inflationary pressures varied markedly among major economies. Of which, the US recorded the steepest hike in output prices of consumer goods, which far exceeded what was reported in the EU and Asia.

Figure 1: Global CPI vs. PMI input costs

Source: IHS Markit, JP Morgan, Rong Viet Securities

Figure 2: Inflationary pressures varied across countries



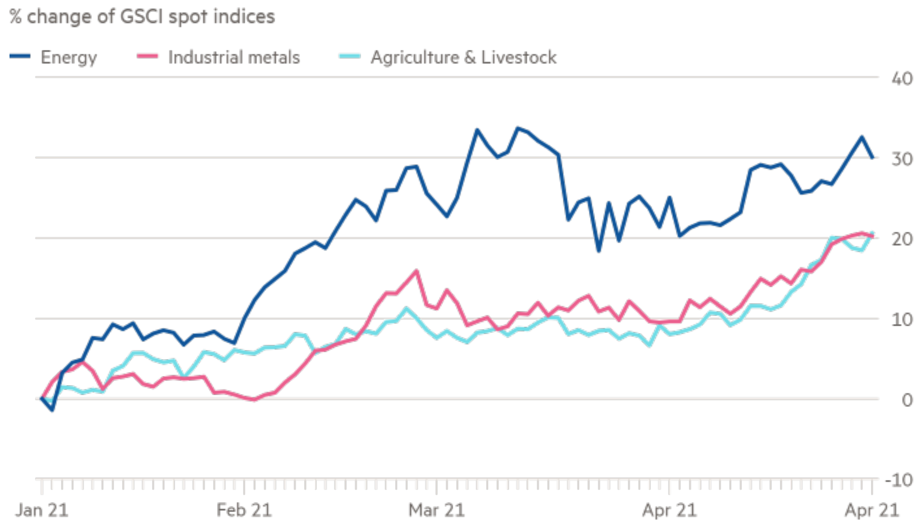
Source: IHS Markit, Rong Viet Securities

According to IHS Markit, supply constraints led to a sharp increase in input costs for Vietnamese producers during the first four months of this year. The latest data showed that input costs rose at the fastest rate in just over three years and manufacturers have already passed on higher input costs to their customers. Looking into the sector data in detail, record cost increases were seen in many industries such as animal feed, steel, paper products, chemicals…

Taking animal feed production chain as an example, costs for corn fed to livestock increased by 46% ytd, and soybean prices were up more than 18% versus the beginning of 2021. Accordingly, the price of livestock fodder has risen at a slower pace of 10-15% since the end of 2020. However, pork prices have not been affected yet due to the recovery of domestic supply and rising imports. Pork prices decreased to 73,000VND/kg as of the end of Apr 2021 from 82,000VND/kg during the 2021 Tet holiday. Currently, both animal feed producers and hog producers are being hit by the sharp increase in input costs. If production costs continue to rise further, burden will be passed to consumers while simultaneously contributing to the increase of CPI in 2021.

Regarding the steel industry, prices have been boosted by iron ore shortage and China output cuts. Although a surge in steel prices helped local steel producers record good performance in 1Q2021, soaring prices are negatively affecting the construction and housing sectors. These sectors are currently absorbing rising steel prices but if this trend continues, it will be difficult for constructors and real estate developers to bear the additional costs.

Figure 3 : Raw materials prices have soared in 2021

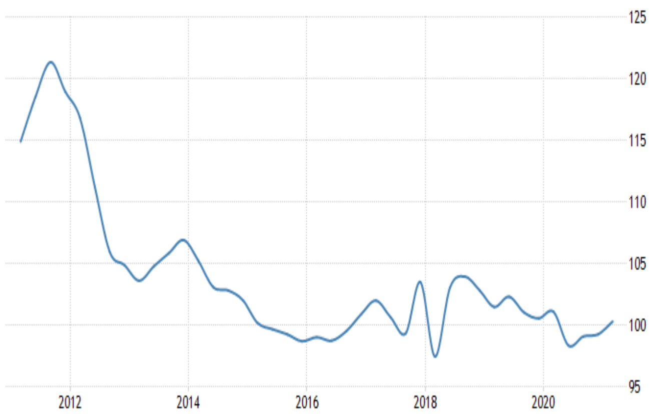


Source: FT, Rong Viet Securities

Until now, rising commodity prices have not showed up in consumer price inflation. According to GSO, Vietnam's CPI was estimated at 2.7% in Apr 2021, compared to a rate of 1.2% in the previous month. As we expected, higher oil price was mainly attributed to a rise in inflation in Apr 2021 as the transport price index was up 17.7% yoy. On the other hand, food and housing/construction materials prices rose at 0.5% yoy and 2.8% yoy, respectively.

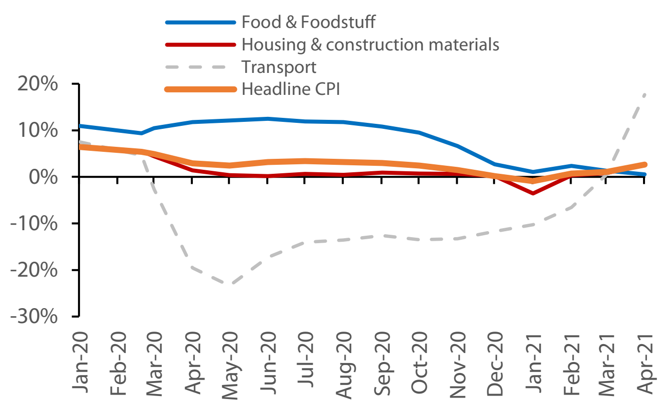
It can be seen that rising input costs make up just a part of the costs for producers and retailers, but a continued rise in input prices could ultimately feed through to consumers. A broad rally in commodity prices has fueled the expectation of a new supercycle, which is an extended period when demand drive prices well above their long-run trend. How long this commodity cycle will last, is questionable. In our view, inflation trends will be key to market performance in the second half of 2021. Meanwhile, from an equity investors' perspective, some opportunities could arise among sectors that are aligned to the commodity cycle.

Figure 4: Vietnam's producer prices index (points)



Source: Trading Economics, Rong Viet Securities

Figure 5: Vietnam's consumer price index (%yoy)

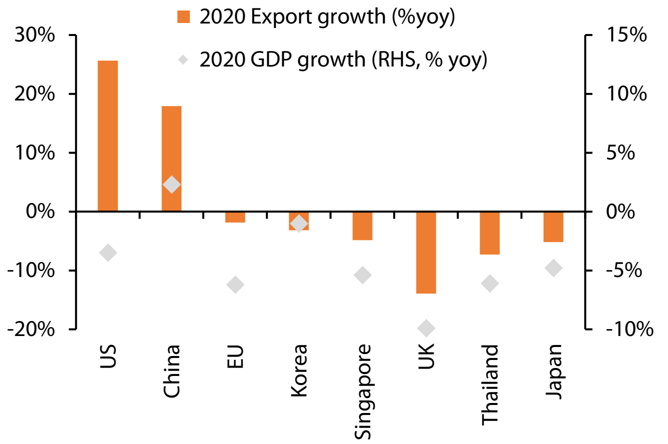


Source: GSO, Rong Viet Securities

Export-led economic growth recovery

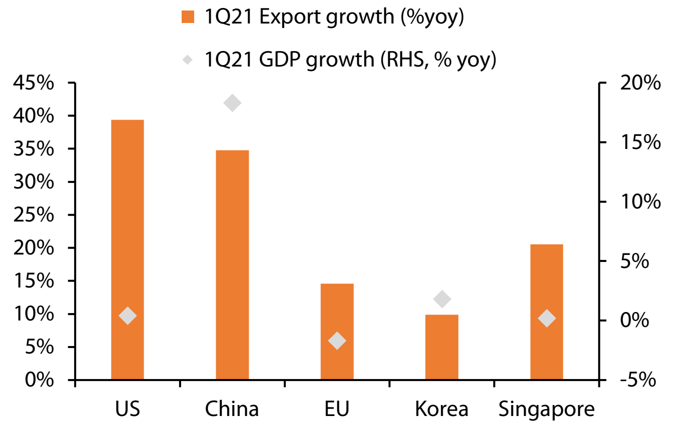
In 2020, Vietnam's exports were mainly driven by China and the US markets. In 1Q2021, although exports to China and the US still recorded the fastest growth among all trading partners, there was a more broad-based recovery across major export destinations. Exports to the EU rose by 14.6% yoy while exports to Korea and ASEAN were up 7.1% yoy and 9.1% yoy, respectively. In the first quarter of 2021, the pace of recovery varied across countries based on the ability to control the pandemic, vaccination progress and fiscal stimulus programs. China's economy grew at a record growth of 18.3% yoy while the US economy grew at an annual rate of 6.4%. Vietnam's exports to the EU is less rosy compared to the US and China because the EU economy continued to narrow by 1.7% in 1Q2021. Among Asia countries, Singapore economy only grew 0.2% yoy while Korea's GDP grew faster than expected by 1.8% yoy.

Figure 6: Vietnam's exports to major export markets in 2020



Source: GSO, Bloomberg, Rong Viet Securities

Figure 7: Vietnam's exports to major export markets in 1Q21

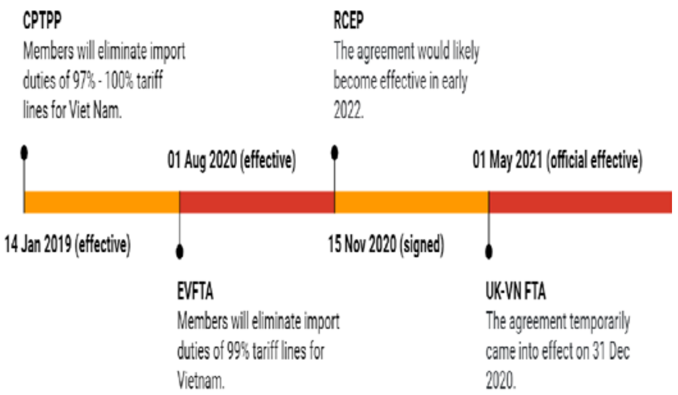


Source: GSO, Bloomberg, Rong Viet Securities

Due to the impact of Covid-19, Vietnam's exports turnover to trading partners in the CPTPP slightly decreased by 1.9% yoy in 2020, reaching USD38.7bn, accounting for 13.7% of total exports. The ability to utilize preferential treatment under CPTPP agreement for Vietnamese businesses was still low at about 4.0% of export revenue in 2020. In 1Q2021, exports to CPTPP members improved with an increased of 6.2% yoy. Excluding Japan market, exports to other CPTPP members recorded a strong growth of 14.7% yoy.

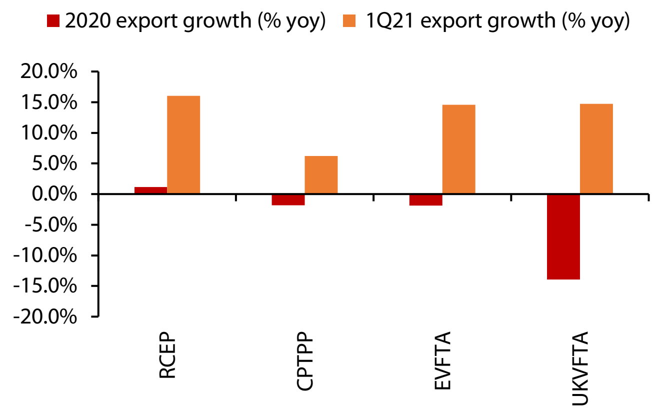
The EVFTA has the highest level of commitment for Vietnam among all signed FTAs, with more than 99% of import tariff lines between the two sides being eliminated across a 7-10-year roadmap. In the first quarter of 2021, exports to EVFTA members recorded a positive growth of 14.6% yoy. Compared to the CPTPP agreement, Vietnamese businesses have better utilization rate of preferential treatment. According to the MoIT, after eight months of implementing the EVFTA, certificates of origin have been used to help about 32 – 34% of annual export revenue benefit from preferential treatment under the EVFTA. Besides, the UK-Vietnam FTA temporarily entered into force on 31 Dec 2021, export turnover to the UK recovered with an increase of 14.7% yoy. Although the RCEP agreement has not become effective but exports to RCEP members also recorded strong growth in 1Q2021 (+16.0% yoy), driven by a sharp increase of exports to China market (+34.8% yoy).

Figure 8: Vietnam's recent FTAs



Source: WTO, Rong Viet Securities

Figure 9: Vietnam's export growth to main FTAs



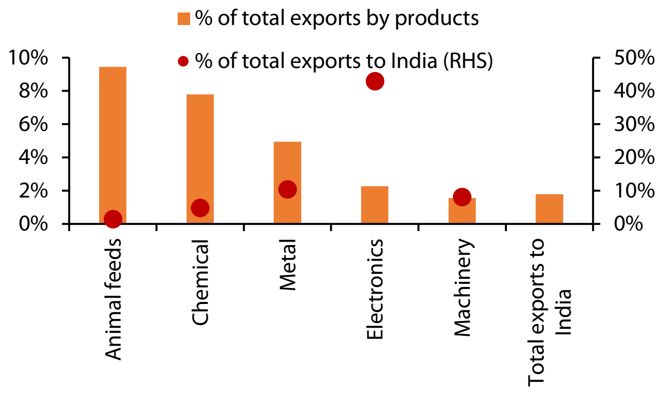
Source: Customs, Rong Viet Securities

The impact of India's Covid-19 crisis on Vietnam

India is now the epicenter of the world's Covid-19 pandemic with over 300,000 new cases and 3,000 deaths across the country each day. As the magnitude of the second wave of India's coronavirus surge became more devastating, we should consider some negative impacts of India's national crisis.

Firstly, the Covid-19 crisis is definitely a setback for India's growth prospect. In 2020, India's total trade with Vietnam was estimated at about USD9.6bn, only accounting for 1.7% of total Vietnam's trade value. Therefore, we believe the impact of India's crisis on Vietnam's trade activities could be insignificant. Steel products are Vietnam's largest import items from India and electronic products are Vietnam's main export items to India. Based on the proportion of key export products to India in total export turnover, exports of animal feeds, chemical and metal products are the most vulnerable items due to its high contribution to exports in each categories. Meanwhile, Vietnamese businesses who depend on pharmaceutical materials, insecticide, cotton & yarn, automobile parts from India could be negatively impacted due to the India's crisis.

Figure 10: Proportion of key export products to India in total exports (2020)



Source: Customs, Rong Viet Securities

Figure 11: Proportion of key import products from India in total imports (2020)

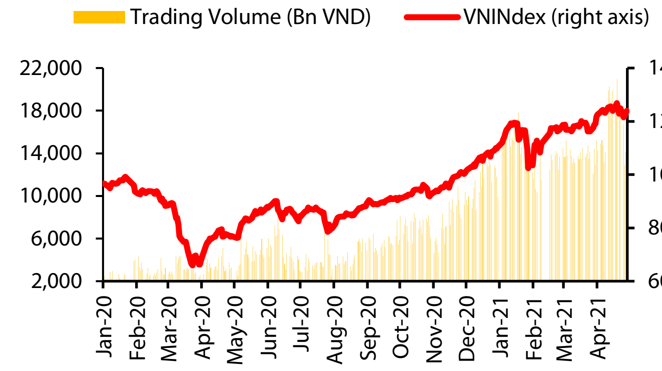
Source: Customs, Rong Viet Securities

Secondly, India's vaccine production was a critical part of COVAX, the World Health Organization's global program to provide inoculations to low-income countries. Curently, Serum Institute of India has the rights to produce the AstraZeneca vaccine for COVAX. If this organization is unable to provide enough vaccine supplies, the progress of Vietnam's vaccination campaign could face a further delay. Finally, as India is the world third's largest crude importer, weaker demand from India could partially offset optimism over the rise of oil prices in 2021. Brent is currently trading near USD67/barrel, under the threshold of USD70/barrel, which is considered a positive factor to control Vietnam's inflation below 4.0% in 2021. For now, we maintained our CPI projection in 2021 at 3.5% albeit rising concerns about input costs inflation.

STOCK MARKET IN APRIL: STILL OVER THE 1200 LEVEL

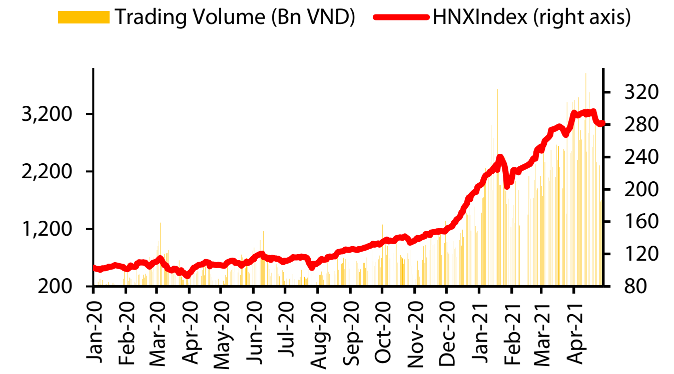
The VN Index edged up 3.75% MoM to finish at 1240. Compared to other markets the VN Index followed with other indices such as the SET (0.2%), KOSPI (3.9%), S&P 500 (6.40%). The HNX Index contracted by 1.72% MoM.

Figure 1: VN Index in 2020 till end of April 2021



Source: Fiinpro, Rong Viet Securities

Figure 2: HNX Index in 2020 till end of April 2021



Source: Fiinpro, Rong Viet Securities

The average liquidity in HOSE via matching orders was VND 14.8 trillion (+21.5% MoM). The VN30 accounted for 50% of the VN Index liquidity, recorded a strong surge of 47.8% MoM. VNMid also experienced liquidity increase of 1% while VNSmall liquidity dropped 7% MoM. In line with the rises in trading volume, VN30 stocks recorded the strong gain in price. Top performers in the VN30 were NVL (+63%), VPB (+31%), PDR (+26%), HPG (+24%), PNJ (+16%).

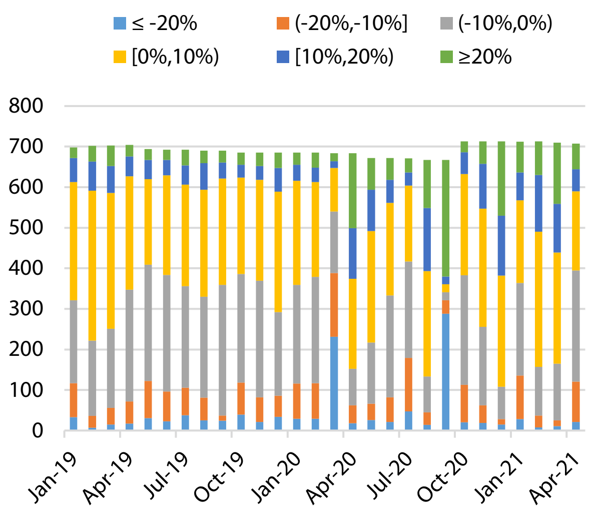
The number of gainers was lower than losers this month as VN30 were the main driving forces while mid and small cap stocks underperformed versus last month. The number of gainers went down 43% in April compared to March. In addition, over 53% of the stocks fell into a trading range between -20 percent and 0 percent.

Table 1: Performance by market cap in April

	VN30		VNMid		VNSmall	
	ADTV (billion VND)	Price change	ADTV (billion VND)	Price change	ADTV (billion VND)	Price change
February 2021	6,776	12.0%	3,591	8.3%	1,281	10.1%
March 2021	6,345	1.9%	4,040	5.7%	1,904	12.2%
April 2021	7,446	9.7%	4,040	1.4%	1,904	-0.8%

Source: Fiinpro, Rong Viet Securities
ADTV: Average daily trading value

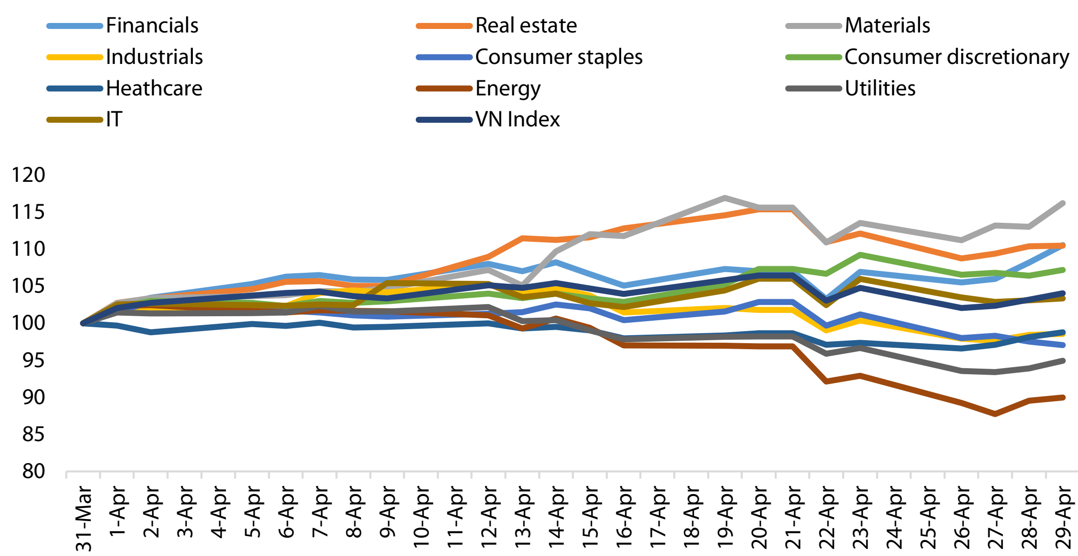
Figure 3: Number of stocks by monthly performance on HOSE and HNX



Source: Fiinpro, Rong Viet Securities

Materials and Financials were top two sectors with 16.2% and 10.6% MoM returns, respectively. The Materials sector was driven by HPG (+24% MoM), HSG (+10%), NKG (+9%) while VPB (+31%), STB (+11%) and MBB (+8%) uplifted the Financials sector. Real estate also went up 10.5% MoM backed by NVL (+63%), PDR (+26%) and KDH (+15%). Returns from other varied from -10.0% to 7.2%.

Figure 4: Sector performance in April



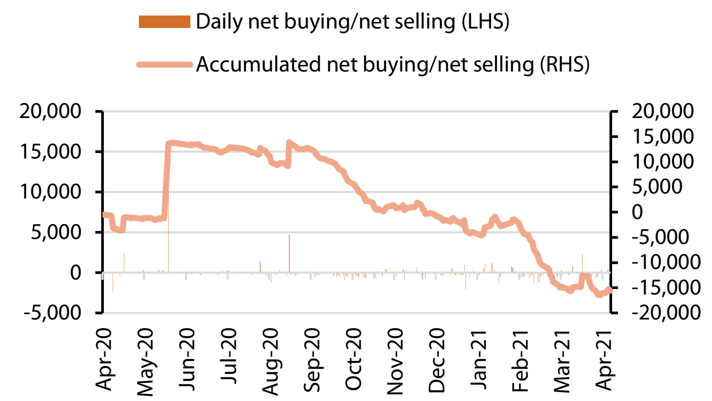
Source: Bloomberg, Rong Viet Securities

Foreign investors

In April, foreign investors continued as net sellers for seven consecutive months on HOSE. In terms of matching-order transactions, they reduced their selling value with a total net value of VND 4.3 trillion (-68% MoM). Some stocks were sold strongly via matching orders such as VPB (VND -1,781 Bn), CTG (-1,492), VNM (-1,375), VHM (-1,124), BID (-453), GAS (-413), KDH (-278), PLX (-217), NLG (-144), and CII (-117). By contrast, they net bought mostly NVL (+VND 807 Bn), STB (+780), MSN (+759), VIC (+515), HDB (+287), SSI (+166), PDR (+161), VCB (+155), VCG (+145) and GMD (+131). VN30 stocks were sold at VND 3.7 trillion, equivalent to 86% of the VN Index net selling value via matching orders.

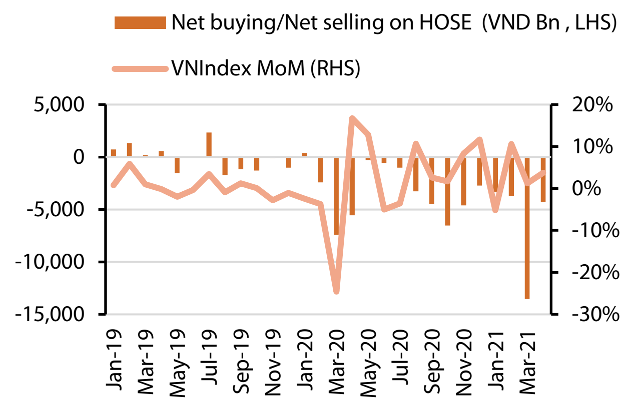
Foreign ETFs recorded varied results as FTSE Vietnam ETF experienced a net added value of USD 6.1 Mn while KIM ETF saw withdrawals of USD 8.4 Mn. VNM ETF also recorded a net added value of USD 9.5 Mn while MSCI Vietnam ETF went through a net outflow of USD 1.0 Mn. Domestic ETFs had positive outcomes. E1VFVN30 and FUEVFVND recorded an added value of USD 14.6 and USD 17.3 Mn, respectively.

Figure 5: Total daily net buying/selling by foreigners (Billion VND) in last 1 year



Source: Fiinpro, Rong Viet Securities

Figure 6: Net buying/selling on HOSE via matching-order transaction versus VN index MoM



Source: Fiinpro, Rong Viet Securities

Table 2: Foreign net buying value by sectors on HOSE and HNX

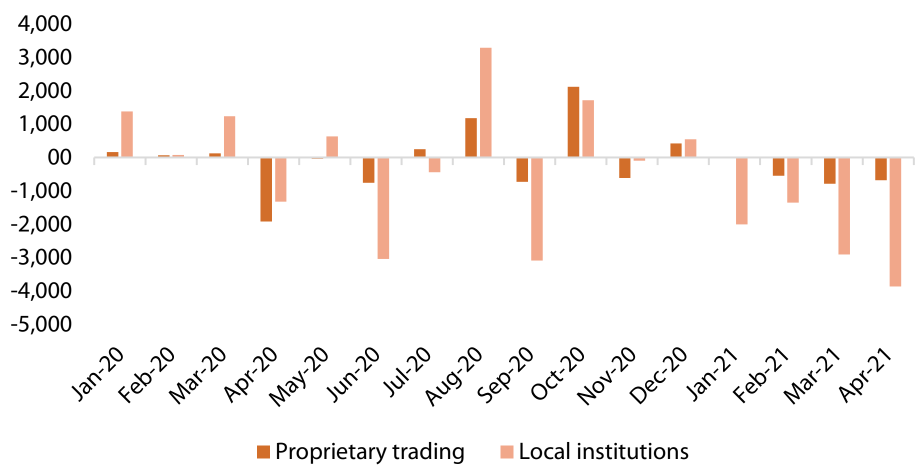
Sector	HSX		HNX	
	Net trading value (billion VND)	Net trading volume (thousand shares)	Net trading value (billion VND)	Net trading volume (thousand shares)
Retail	620	2,633	1	-58
Insurance	-84	-1,559	1	28
Real Estate	2,548	9,321	31	-1,037
Technology	-3	-44	-3	-187
Oil & Gas	-226	-4,542	-49	-2,511
Financial Services	977	44,601	206	2,686
Utilities	-169	-962	0	13
Travel & Leisure	-30	-579	-2	-386
Industrial Goods & Services	140	5,746	-4	-519
Personal & Household Goods	-53	-1,002	-3	-66
Chemicals	-6	1,228	-10	-1,092
Banks	-2,692	-40,978	20	748
Automobiles & Parts	16	1,029	0	-2
Basic Resources	-124	-3,852	7	2,216
Food & Beverage	-826	-9,920	-15	-905
Media	-2	-31	-3	-227
Telecommunication	0	0	0	8
Construction & Materials	-10	-5,781	30	-411
Health Care	-2	664	3	42

Source: Fiinpro, Rong Viet Securities

Local institutional investors remained net sellers

Local institutional investors maintained their position as net sellers with net sold value of nearly VND 3.9 trillion. Proprietary traders were also net sellers of VND 677 billion. Some stocks were net sold strongly by domestic institutional investors such as VPB (VND -746 Bn), FUEVFVND (-573), MBB (-541), HNG (-518), KDH (-503), HPG (-447), MWG (-316), FLC (-211), MSN (-201), etc. By contrast, VGC was net bought the most at VND 424 bn, followed by CTG (307), TCB (305), AMD (217), PAC (176), VIB (161), SSI (141). Meanwhile, proprietary traders sold FUEVFVND by VND -629 Bn. Other top sold stocks included HPG (-272), VRE (-195). On the purchase side, they mainly bought VGC (237), TCB (183), VIC (144), GMD (86), LPB (85).

Figure 7: Trading activity by local institutional investors (VND Bn)

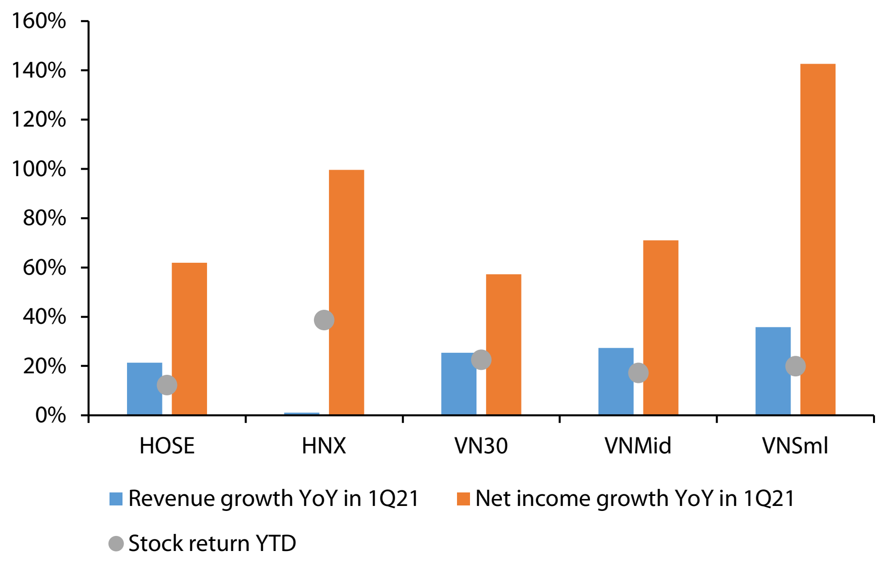


Source: Fiinpro, Rong Viet Securities

1st quarter earnings results: Strong turnaround from low base of Q1 2020

Combining the first quarter earnings results of nearly 370 enterprises from both HOSE and HNX, we notice that Q1 results were positive on both exchanges. Net income on HOSE and HNX increased by 62% and 100% YoY, respectively. All stock groups recorded good turnaround, especially the VNSmall group. VN30's net income in the first quarter increased by 57% YoY. Among 25 enterprises releasing earning results on the VN30 Index, 22 enterprises recorded positive profit growth.

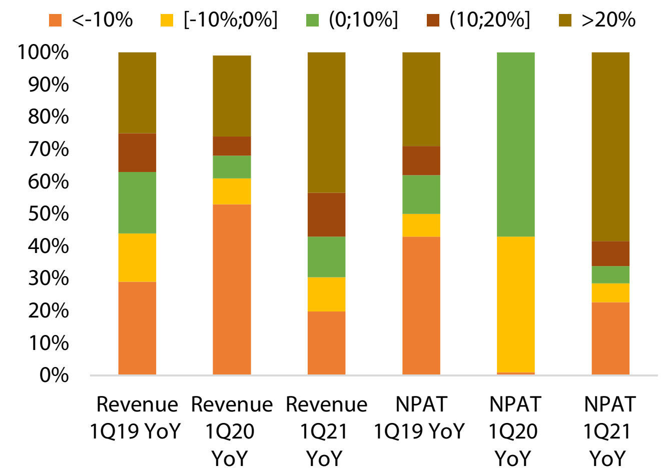
Figure 8: Earning results and stock return YTD



Source: Fiinpro, Rong Viet Securities

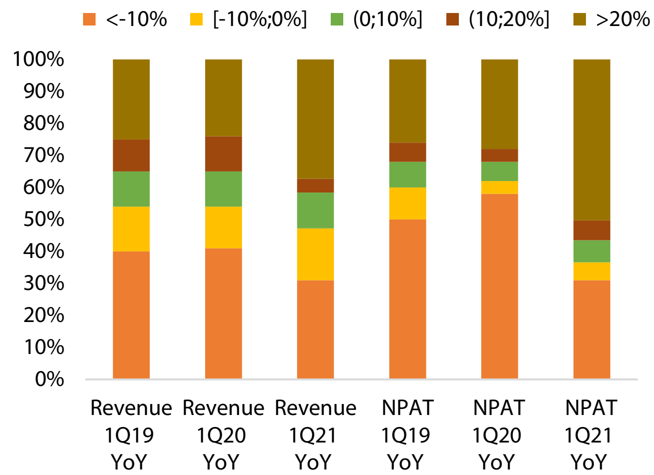
On HOSE, 43% of businesses recorded revenue growth YoY of more than 20% in the first quarter of 2021, compared to about 25% of businesses in the same period in 2019 and 2020. In terms of profit, 58% of businesses recorded profit growth of over 20% YoY in the first quarter of 2021, compared to about 1% of businesses in the same period of previous years. We clearly saw the turnaround in this quarter from the low base of Q1 2020. The picture of 1Q2021 business results on the HNX seems quite similar as the percentage of businesses recorded over 20% profit growth were over 50%.

Figure 9: Earning results distribution on HOSE



Source: Fiinpro, Rong Viet Securities

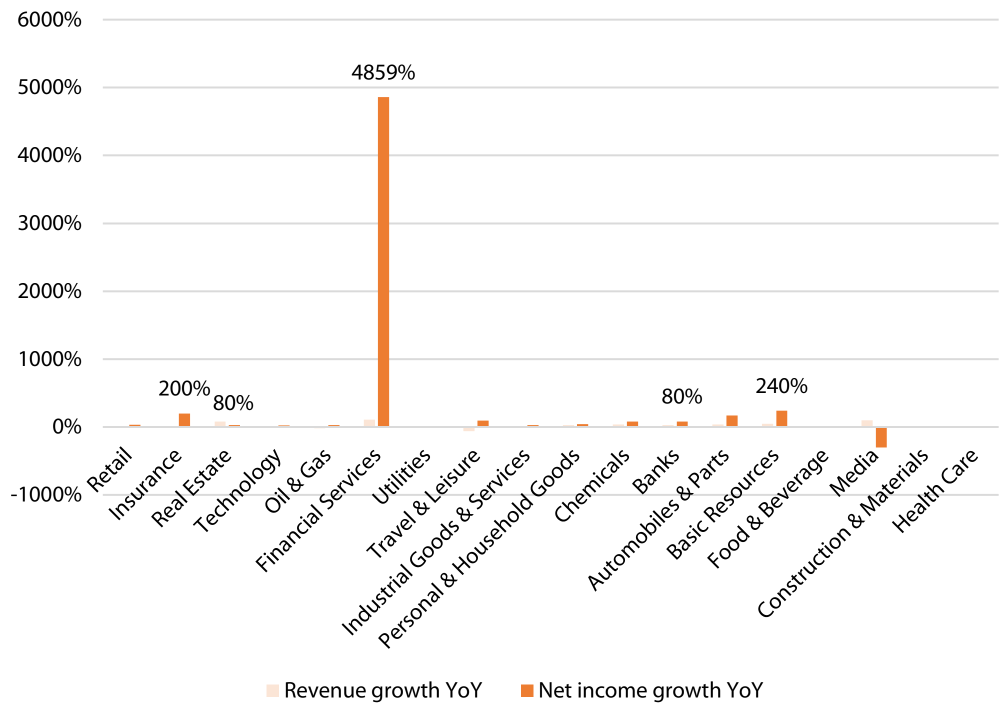
Figure 10: Earning results distribution on HNX



Source: Fiinpro, Rong Viet Securities

Over 80% of sectors recorded positive profit growth YoY. Financial services, Basic resources and Insurance were top performers. The profit growth YoY of the two main groups of banking and real estate were 80% and 26% respectively. Profits of the banking group in the first quarter was high due to a sharp decrease in the provision for bad debts. On the other hand, some industries had negative business results such as Construction & Materials, Utilities and Media.

Figure 11: Revenue and net income growth YoY by sector in 1Q 2021



Source: Fiinpro, Rong Viet Securities

We believe that the stock market in May will be sideways and up. Supporting factors include (1) The continuous fund inflows into VN30 including Fubon and VN Diamond along with the participation of new fund from Dragon Capital, (2) The force of individual investors along with the more margin sources thanks to charter capital increase from securities firms. However, the "information scarcity" is our main concern in May as business results of key VN30 leaders including Vin and banking stocks have been released at the end of April and early of May 2021. Moreover, the strong recovery from Q1 2021 would be good base for businesses to achieve double-digit EPS growth in 2021, hence we believe that the VN Index can move in the range from ***1,240 – 1,370.***

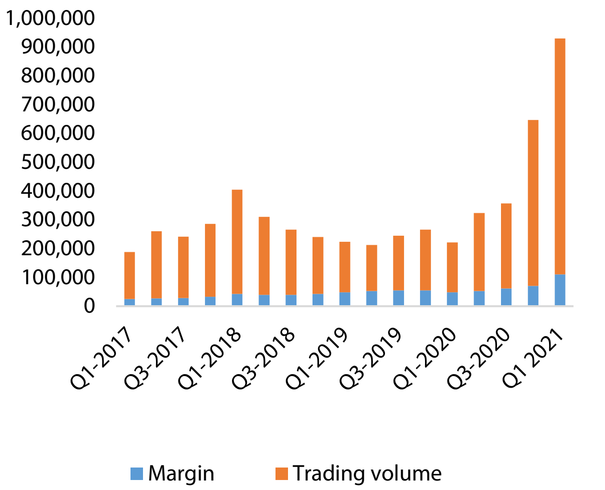
Inflows from Fubon ETF and new funds related to Dragon Capital are noticeable flows to drive VN30 stocks

Despite the continuous selling activity of foreign investors (VND 4.300 Bn) in April, we expect the situation will improve in upcoming times. The force would come from Fubon ETF as the inflows were USD 119 Mn to rise total NAV to USD 309 Mn (+62% in just one month). Another noticeable news is from Vietnam DC25 Ltd., a fund related to Dragon Capital. They have just released information about the registration to buy 100 million fund certificates from VFMVSF from May 4th to June 2nd 2021. As of April 27th, the NAV/share value of VFMVSF was VND 11,931, so nearly VND 1,200 Bn is expected to flow into the stock markets (mainly VN30 stocks). Moreover, the inflows of USD 111 Mn into ETF VN Diamond in four consecutive months with total value of USD 111 Mn have proved for the strong attention of foreign investors to VN30 stocks.

The participation individual investors and margin expansion in upcoming times from share issuance of securities firms are key driving forces

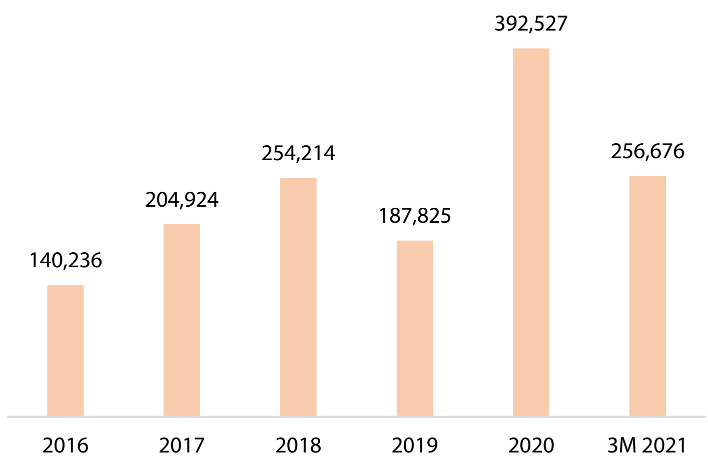
In Q1 2021, the number of individual accounts have growth strongly and reached 65% of that figure in 2020 (Figure 13). We expect this number will continue its growth trend given the low-interest rate environment. Moreover, this flow is pure money as the margin only accounted for 13% of total trading volume (reduced significantly from Q3 2020) (Figure 12). Therefore, the money inflows would be more sustainable as it comes from new money instead of heavy dependence on leverage.

Figure 12: Margin lending and trading volume (VND Bn)



Source: Fiinpro, Rong Viet Securities

Figure 13: Number of new trading accounts

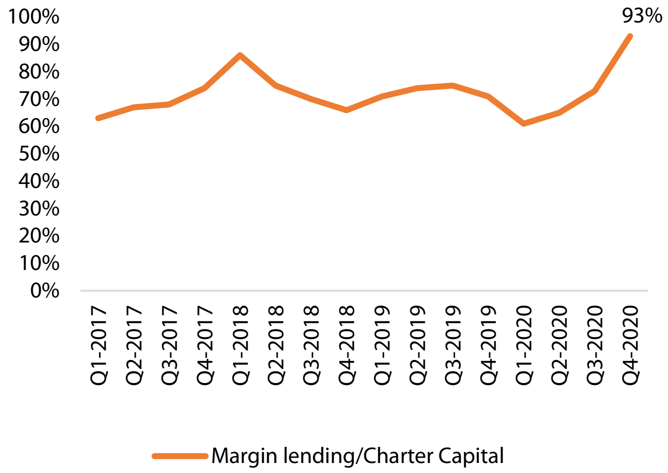


Source: VSD

As of Q4 2020, the margin lending/charter capital rate peaked in last three years per Fiinpro data (Figure 14). Also, some securities firms nearly reached the maximum level of this ratio (c. two times). This would partly limit the market further growth as securities firms have not enough sources for lending. In upcoming times, we foresee this would not be considerable factor to limit VN-index upward movement as many securities firms, especially large firms (accounted for 37%

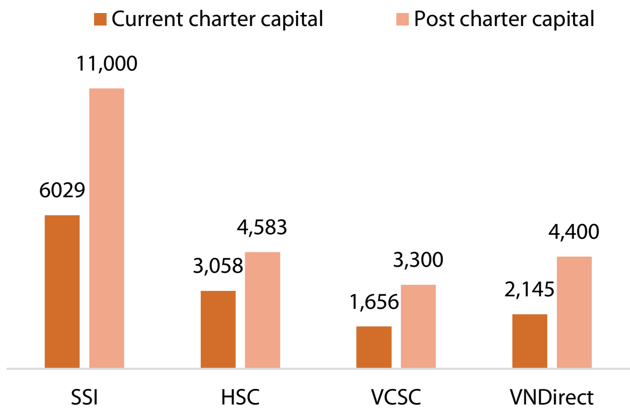
of margin lending balance as end of Q4 2020) have presented their plan shareholders to increase charter capital (Figure 15).

Figure 14: Margin lending/Charter capital ratio



Source: Fiinpro

Figure 15: Plan of increasing charter capital of big securities firms



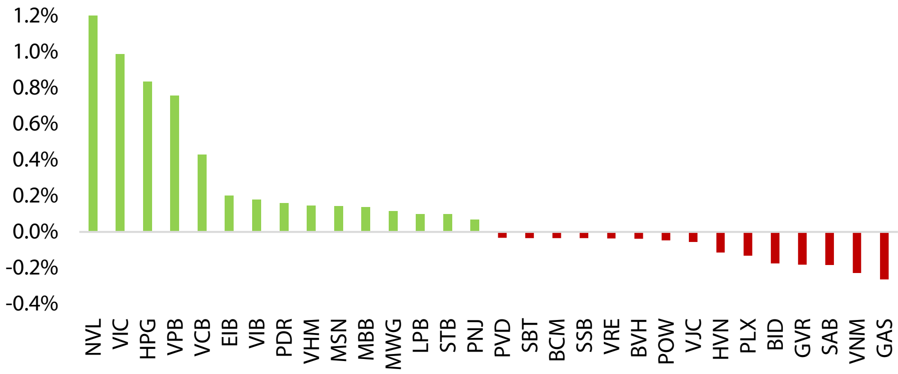
Source: Rong Viet Securities compilation

Fundamentally, according to statistics from Bloomberg Consensus, the market expects EPS to increase by 18%. It is understandable as the strong recovery in Q1 2021 would be good base for business to maintain double digit growth for whole year when Covid-19 caused severe impact on 2020. On our sensitivity analysis, by adjusting the EPS in range of +/-5% from Bloomberg growth expectation along with using average P/E in last 3 years (c. 15.8), we believe VN-Index would likely to move in the range of **1,240 to 1,370.**

Right time to restructure the portfolio

Following the rising momentum of March, the VN Index broke through the psychological resistance of 1,200 in early April with a strong push from large-cap stocks after supporting stories (including NVL, VIC, MSN, VPB, STB) or upbeat earnings growth (HPG, PNJ) were gradually announced. Banking stocks - which we expected to lead the market in April - also had a vibrant month following news that many banks were added to the VN Diamond index basket coupled with strong Q1-2021 business results. In addition, the implementation of a number of technical improvements by HOSE has partly reduced the order congestion issue since April 12th, and significantly supported market liquidity as well as sentiment.

Figure 1: Contribution of the top 30 stocks to VN Index performance in April



Source: Fiinpro

Among the 46 stocks under Rong Viet's coverage, 28 enterprises have announced Q1-2021 business results as of April 29th, 2021. While total revenue increased 37% YoY, NPAT surged 93% YoY led by banking and steel stocks. Although this level of growth is intuitively high, most of results are relatively in line with our expectations and reflect some sense of a solid recovery.

Table 1: Q1-2021 results by industries under Rong Viet's universe*

Sector	Revenue Q1-2021	NPAT-MI Q1-2021	Revenue YoY %	NPAT-MI YoY %
Car dealer	1,436	55	56%	1545%
Residential R.E	3,211	896	215%	403%
Steel	41,390	7,504	63%	221%
Banking	18,776	8,444	38%	73%
Fertilizer	1,974	171	15%	63%
Auto parts	2,020	104	16%	55%
Textile	1,513	132	8%	53%
F&B	1,648	161	15%	38%
Retail	7,235	513	43%	26%
Technology	7,606	906	14%	21%
Logistics	632	201	7%	12%
Pharmaceutical	302	42	-3%	2%
Fisheries	2,498	195	1%	0%
Plastic	1,155	84	13%	-18%
Energy	4,718	242	-32%	-53%
Industrial park	390	116	-9%	-57%
Total	**96,503**	**19,765**	**37%**	**93%**

*Source: Rong Viet Securites, FiinPro; *as of 29/4/2021*

Stock prices have risen quickly in a short period of time as positive news were gradually incorporated in the context of better liquidity (trading orders bottleneck was partly resolved) has also stimulated profit-taking activities. Thereby, the majority of stocks in the above-mentioned leading group have corrected, while only a few stocks have maintained their momentum owing to untold stories. Accordingly, the VN Index fluctuated within our expected range of 1,200 - 1,300 points.

Table 2: Performance of recommended stocks

Stock	April performance	Performance since inception	Added since	TP (VND)	Market price @29/4/2021
HPG	19.8%	26.3%	3/5/2021	64,000	58,100
PNJ	14.6%	14.6%	4/1/2021	100,000	98,000
LHG	8.0%	8.0%	4/1/2021	42,400	35,950
PPC	6.7%	6.7%	4/1/2021	24,400	27,200
MWG	4.9%	4.9%	4/1/2021	184,000	140,900
VCB	3.2%	3.2%	4/1/2021	117,000	100,000
ACB	2.4%	2.4%	4/1/2021	41,000	34,650
TCB	0.0%	0.0%	4/1/2021	50,900	41,000
DXG	-4.7%	-4.7%	4/1/2021	27,900	23,450
DPM	-7.3%	-0.8%	3/5/2021	21,400	19,050
VN Index	**1.9%**	**6.0%***			
VN30	**7.0%**	**11.8%***			

Source: Rong Viet Securites;
Note: performance since 3/5/2021.

When Q1-2021 business results are to be fully released, the market will move into a "quiet period". We think that buying opportunities will become more limited compared with the previous period. However, we realize that macro data continues to improve as compared to the previous month (the annual growth figure has become rather meaningless due to last year's social distancing in April), reinforcing the sustainability of the economy post Covid-19. In which, the index of industrial production (IIP) increased by 1.1% MoM; April total retail sales of consumer goods and services inched up 2.3% MoM; Vietnam's PMI expanded for the third consecutive month, reaching 54.7 points in April. According to IHS Markit, Vietnam's manufacturing sector has witnessed the eighth consecutive month of increase in the number of total new orders while the number of new export orders also continued its rise amid improving international demand; The increased number of new orders also indicated customers' stronger confidence in the sustainability of the growth outlook. Meanwhile, the CPI of April decreased by 0.04% MoM, and the average of 4M-2021 increased by only 0.89% YoY, showing that inflationary pressure is not something to worry about yet and low interest rate environment is expected to maintain in the foreseeable future. This, in our opinion, is the favorable foundation for leading companies to record positive business results in the coming time. Within our covered stocks, 2021 net profit of some large-cap stocks are forecasted to have quite robust growth, including Real estate stocks (+128 % YoY), steel producers (+ 104% YoY), banking stocks (+ 25% YoY), retailers (+ 25% YoY), and IT company (+ 21% YoY). Thereby, we believe that the stock market can conquer higher point in the rest of 2021.

Therefore, we believe that May will be an appropriate time to restructure the portfolio, and patiently wait for opportunities to accumulate / hold stocks that are forecasted to post outperforming earnings growth the next quarters of 2021 and 2022 for longer time horizon. Accordingly, we continue favor HPG, PNJ, LHG, MWG, VCB, ACB, TCB and DXG. On the other hand, investors should consider reducing PPC as the one-off high cash dividend plan has been materialized following the recent AGM of the company; The same recommendation applies to DPM as the Q1-2021 results missed our expectation while the outlook for Q2-2021 is forecasted to be less optimistic as (1) DPM will cease production for machine maintenance for about a month and (2) unfavorable output price movement. Finally, we recommend adding four stocks namely LTG, GMD, SMC, and MSH with the investment rationales presented in the table below.

Table 3: Highlighted stocks this month

Stock	TP (VND)	Cash div (VND)	Total expected return @4/5/2021	2021F P/E	P/B	Rationale
GMD	43,600	1,000	32%	23.6	1.7	• **New shipping services have been established at Nam Dinh Vu Port.** GMD's port cluster in Hai Phong will lead the group's volume growth with an increase of 30% YoY. In addition, we expect GMD Dung Quat ports and ports in the South (Phuoc Long ICD and Binh Duong Port) to maintain stable volume growth at 10% YoY and 5% YoY, respectively. . • **The Gemalink deep-water port project will drive long-term profit growth.** Gemalink deep-water port project (officially operated in January 2021 and is recorded as GMD's affiliate), we forecast 2021 net loss to be -152 billion due to first year's low utilization of 46 % (forecasted throughput of 686K TEUs) while interest expenses are still relatively high. However, for 2022, we think that GML is likely to receive more new shipping services from other carriers in the OCEAN Alliance. This boosted container throughput to 1.2 million TEU, and will bring the affiliated terminal's net profit to VND209 billion. • **Strong PBT growth rate in 2022 of 59%** after GML project turns a profit and contributes significantly to GMD's net profit. In the longer term, the 4Y CAGR of PBT from 2021-2025 is forecasted to reach 26%. • **Catalysts:** Approval of a circular to increase the seaport services tariffs and GML's successful cooperation with a new shipping line through the transfer of GMD's shares in GML.
MSH	64,200	3,500	27%	7.9	1.9	• **World apparel demand in 2021 will recover** and lead MSH's revenue and net profit to grow strongly from a low base in 2020, at 17.3% YoY and 57.9% YoY, respectively. • **New factory to boost capacity and gross profit margin.** Song Hong 10 factory (SH10) construction was started at the end of March 2021 and slated to be completed by November 2021. By that time, MSH's total capacity will be added 12 million products per annum more. Futhermore, SH10 will help increase MSH's FOB orders, bolstering GPM. It is expected that the plant will operate at maximum capacity from May 2022, increasing capacity by 21% compared to the current level. • **Extraordinary income owing to partially reversing bad debt of New York & Co**. NY & Co. has completed selling online business to cover its financial obligations and avoid bankruptcy. We estimate that MSH can recover about VND81 billion from this partner (~ 37% of total outstanding receivables balance) from this partner in Q2-2021. By the end of Q1-2021, MSH has provisioned VND 180 billion out of a total outstanding receivables balance of VND219 billion from NY & Co. • **Risks:** Rising raw material prices and rising freight charges will be short-term obstacles that cause profit margin to decline.
LTG	42,200	1,500	26%	6.8	1.0	• **The El-nino phenomenon has passed,** so the salinity is not expected to be too negative as in the first half of 2020, contributing to improving the yield and quality of agricultural products in this year's crops. We expect this along with better selling prices (thanks to no longer restricted trade with China as of the end of Q1-2020) will encourage farmers to spend on agricultural materials. For 2021, the pesticide segment, accordingly, is forecasted to record a net revenue of VND 4,832 billion (+ 10.5% YoY), gross profit margin to be around 31% and gross profit will reach VND 1,503 billion (+9, 6% YoY). • **Expanding distribution channel for the rice segment** through rice exporting companies. Accordingly, 2021 net revenue is forecasted to reach VND 2,415 billion (+ 13.7% YoY), gross profit margin will increase slightly to 3%, helping gross profit increase more than 34% YoY to VND 73 billion. • **Working capital management begin to show signals of improvement.** We expect this helps the company to save interest expenses by reducing short-term loans, thereby improving profit quality.
SMC	38,900	1,000	22%	3.6	1.1	• **HRC price is still on an uptrend**, and demand for SMC's products is still very high. The company has accumulated a considerable amount of steel at a relatively low price as inventory price increased 55% QoQ to VND 2,850 billion in Q1-2021. Therefore, we expect that positive gross profit margin will be maintained through out Q2-2021. Due to favorable steel price movements and solid steel demand, we raise our full-year profit forecast from VND 340 billion in the previous Result Update Report dated March 11th, 2021 to VND 540 billion. In the long term, the company still has strong growth potential thanks to new steel processing factories. • **Re-rating valuation owing to changes in the profit structure.** Currently, SMC is trading at a P/E of around 4.0x (based on core profit). Due to the increasing proportion of the production - processing segment, which helps yield higher and more stable profit margin, we believe that SMC deserves a higher P/E going forward. Accordingly, we apply a target P/E of 3.0x for steel trading segment and 5.6x for steel production segment, combined with FCFF method to evaluate SMC.

Source: Rong Viet Securites

Table 4: Summary of financial information & valuation of stocks that are recommended

Ticker	Exchange	Market cap	Target price (VND)	Current price (VND)	Total Return	2020		2021F		2022F		PER Trailing (x)	PER 2020F (x)	PBR Cur. (x)	Div Yield (%)	+/- Price 1y (%)	3-month avg. daily turnover (USD thousand)	Foreign remaining room (%)
						+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)							
MWG	HOSE	2,860	184,000	139,400	33.1%	6.2	2.2	16.9	25.9	21.4	27.8	15.4	13.4	3.9	1.1	78.0	7,877.9	0.0
GMD	HOSE	441	43,600	33,900	31.6%	-1.5	-29.3	6.9	19.6	7.8	66.3	25.3	23.4	1.7	2.9	96.9	3,767.4	10.2
MSH	HOSE	115	64,200	53,200	27.3%	-13.6	-48.5	17.3	57.9	29.9	46.4	11.5	8.1	1.9	6.6	63.9	98.7	42.9
LTG	UPCOM	120	42,300	34,616	26.5%	-9.7	10.4	11.3	14.2	3.5	2.2	7.6	7.9	1.0	4.3	101.0	904.3	10.0
DXG	HOSE	512	27,900	22,900	21.8%	-50.3	-135.5	161.6	N/A	N/A	N/A	375.5	9.7	1.8	0.0	144.9	8,375.5	15.5
SMC	HOSE	86	38,900	32,800	21.6%	-6.5	227.3	40.0	80.0	5.5	-29.9	4.0	3.7	1.1	3.0	225.4	635.3	22.3
DPM	HOSE	316	21,400	18,700	21.4%	1.0	83.5	14.4	4.7	5.4	-23.0	9.6	10.2	0.9	7.0	50.1	1,983.6	34.2
ACB	HNX	3,214	41,000	34,450	19.0%	12.8	27.8	21.8	21.0	15.1	15.2	8.6	8.1	2.0	0.0	0.0	16,703.9	30.0
LHG	HOSE	81	42,400	37,350	18.6%	7.5	39.8	8.8	9.7	9.7	19.2	11.0	8.5	1.4	5.1	151.9	418.1	40.4
VCB	HOSE	15,863	117,000	99,100	18.1%	7.1	-0.3	17.3	18.9	16.6	21.9	17.4	17.4	3.6	0.0	48.2	7,687.9	30.0
TCB	HOSE	6,565	50,900	43,400	17.3%	28.4	22.3	18.5	19.8	22.6	25.3	10.7	10.4	1.9	0.0	149.4	24,707.8	0.0
HPG	HOSE	8,551	64,000	59,800	7.9%	41.6	78.5	77.2	105.1	-0.1	-1.3	10.9	7.6	3.0	0.8	248.1	46,968.7	18.7

Source: Rong Viet Securities

HIGHLIGHTED STOCKS

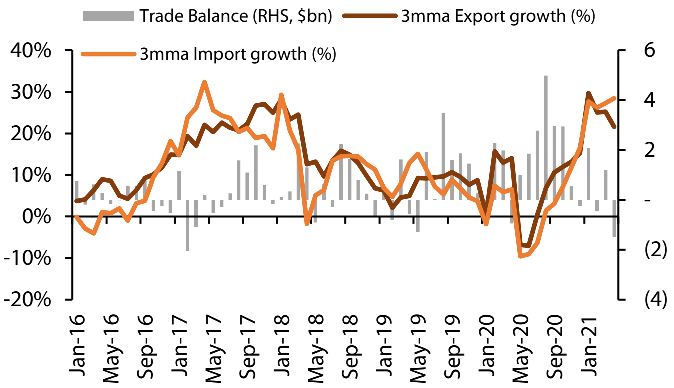
Ticker	Exchange	Market cap	Target price (VND)	Current price (VND)	Total Return	Rating	2020		2021F		2022F		PER Trailing (x)	PER 2020F (x)	PBR Cur. (x)	Div Yield (%)	+/- Price 1y (%)	3-month avg. daily turnover (USD thousand)	Foreign remaining room (%)
							+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)							
PHR	HOSE	298.3	67,700	51,000	40.6%	Buy	-0.4	140.2	-6.3	-7.3	66.4	-17.3	7.2	8.4	2.2	7.8	22.5	1,894.8	35.1
NT2	HOSE	257.2	25,600	20,700	35.7%	Buy	-20.5	-17.1	14.7	-14.3	4.0	19.8	10.6	10.0	1.4	12.1	15.2	673.1	33.7
MWG	HOSE	2,860.4	184,000	139,400	33.1%	Buy	6.2	2.2	16.9	25.9	21.4	27.8	15.4	13.4	3.9	1.1	78.0	7,877.9	0.0
GMD	HOSE	440.9	43,600	33,900	31.6%	Buy	-1.5	-29.3	6.9	19.6	7.8	66.3	25.3	23.4	1.7	2.9	96.9	3,767.4	10.2
VHC	HOSE	283.5	46,200	36,100	28.0%	Buy	-10.5	-40.2	28.1	-10.6	13.0	64.1	9.6	10.6	1.2	0.0	28.3	1,717.9	100.0
MSH	HOSE	114.8	64,200	53,200	27.3%	Buy	-13.6	-48.5	17.3	57.9	29.9	46.4	11.5	8.1	1.9	6.6	63.9	98.7	42.9
LTG	UPCOM	120.4	42,300	34,616	26.5%	Buy	-9.7	10.4	11.3	14.2	3.5	2.2	7.6	7.9	1.0	4.3	101.0	904.3	10.0
PC1	HOSE	210.4	32,200	25,500	26.3%	Buy	13.9	41.2	5.9	4.8	-11.9	-30.3	9.5	8.5	1.2	0.0	115.5	1,028.7	37.8
GEG	HOSE	202.5	21,700	17,300	25.4%	Buy	28.8	3.0	31.2	37.0	34.1	47.7	18.2	13.6	1.5	0.0	-2.0	507.4	11.0
QNS	UPCOM	605.7	45,400	39,319	23.1%	Buy	-15.5	-18.7	20.6	18.6	7.5	13.4	12.9	9.7	2.1	7.6	84.6	738.4	31.8
DXG	HOSE	512.2	27,900	22,900	21.8%	Buy	-50.3	-135.5	161.6	N/A	N/A	N/A	375.5	9.7	1.8	0.0	144.9	8,375.5	15.5
SMC	HOSE	86.2	38,900	32,800	21.6%	Buy	-6.5	227.3	40.0	80.0	5.5	-29.9	4.0	3.7	1.1	3.0	225.4	635.3	22.3
DPM	HOSE	315.8	21,400	18,700	21.4%	Buy	1.0	83.5	14.4	4.7	5.4	-23.0	9.6	10.2	0.9	7.0	50.1	1,983.6	34.2
ACB	HNX	3,213.9	41,000	34,450	19.0%	Accumulate	12.8	27.8	21.8	21.0	15.1	15.2	8.6	8.1	2.0	0.0	0.0	16,703.9	30.0
LHG	HOSE	80.6	42,400	37,350	18.6%	Accumulate	7.5	39.8	8.8	9.7	9.7	19.2	11.0	8.5	1.4	5.1	151.9	418.1	40.4
SCS	HOSE	276.0	141,400	126,000	18.6%	Accumulate	-7.4	-7.5	10.7	18.7	9.5	10.4	15.2	13.4	5.5	6.3	28.5	130.4	23.3
VCB	HOSE	15,863.2	117,000	99,100	18.1%	Accumulate	7.1	-0.3	17.3	18.9	16.6	21.9	17.4	17.4	3.6	0.0	48.2	7,687.9	30.0
TCB	HOSE	6,565.1	50,900	43,400	17.3%	Accumulate	28.4	22.3	18.5	19.8	22.6	25.3	10.7	10.4	1.9	0.0	149.4	24,707.8	0.0
HDB	HOSE	1,871.0	31,600	27,200	16.2%	Accumulate	21.0	17.9	27.0	31.6	24.6	24.0	8.8	8.0	1.8	0.0	108.3	5,308.8	4.2
ACV	UPCOM	6,650.6	80,800	70,784	14.2%	Accumulate	-57.5	-79.0	33.2	55.9	30.6	121.2	149.1	57.5	4.0	0.0	21.5	1,016.2	45.6
ANV	HOSE	122.9	24,000	22,400	11.6%	Accumulate	-23.2	-71.3	20.9	110.5	13.3	23.3	12.8	6.7	1.2	4.5	41.2	282.7	47.9
FPT	HOSE	2,823.4	90,000	82,900	11.0%	Accumulate	7.6	12.8	23.6	20.6	13.3	13.4	17.6	15.3	3.9	2.4	96.4	10,451.7	0.0
PVD	HOSE	337.2	20,500	18,550	10.5%	Accumulate	19.7	-0.1	7.1	-10.5	10.7	-29.3	41.9	47.4	0.6	0.0	101.0	8,763.5	41.8
VSC	HOSE	114.2	50,000	48,000	10.4%	Accumulate	-5.8	2.7	-4.3	13.1	3.0	-11.7	11.0	9.7	1.5	6.3	104.0	320.6	49.0
HPG	HOSE	8,551.3	64,000	59,800	7.9%	Accumulate	41.6	78.5	77.2	105.1	-0.1	-1.3	10.9	7.6	3.0	0.8	248.1	46,968.7	18.7
PGI	HOSE	78.5	20,800	20,500	7.3%	Accumulate	12.1	7.9	21.1	10.6	8.2	13.9	10.4	10.2	1.2	5.9	46.1	2.9	28.3
PNJ	HOSE	934.2	100,000	95,200	7.1%	Accumulate	3.0	-10.4	10.1	19.5	25.0	29.6	18.3	17.8	3.8	2.1	71.4	2,660.2	0.0

Ticker	Exchange	Market cap	Target price (VND)	Current price (VND)	Total Return	Rating	2020		2021F		2022F		PER Trailing (x)	PER 2020F (x)	PBR Cur. (x)	Div Yield (%)	+/- Price 1y (%)	3-month avg. daily turnover (USD thousand)	Foreign remaining room (%)
							+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)							
REE	HOSE	694.9	54,000	52,100	7.1%	Accumulate	15.3	-0.7	-2.0	8.9	14.4	13.6	9.0	9.1	1.4	3.5	76.0	1,970.4	0.0
DIG	HOSE	404.1	28,700	27,000	6.3%	Accumulate	17.7	61.3	66.8	114.4	N/A	N/A	12.1	11.0	2.0	0.0	166.4	5,342.3	47.3
STK	HOSE	94.3	33,200	32,050	5.1%	Accumulate	-20.8	-33.1	34.2	77.1	17.6	38.2	13.6	11.6	1.9	1.6	113.0	146.3	39.1
HAX	HOSE	41.2	27,300	26,000	5.0%	Accumulate	8.1	144.6	3.3	21.0	11.4	-6.0	5.4	6.5	1.6	0.0	152.4	471.5	35.4
HND	UPCOM	401.2	17,900	18,591	3.9%	Neutral	-3.9	23.8	-16.7	-76.0	9.9	131.3	7.5	28.3	1.4	7.7	21.5	138.6	49.0
BMP	HOSE	208.8	57,300	59,100	3.7%	Neutral	8.0	23.6	8.8	-17.2	6.3	21.5	9.6	12.3	2.0	6.8	46.0	571.0	18.5
DRC	HOSE	133.3	25,200	26,000	2.7%	Neutral	-5.5	2.4	5.6	20.8	8.7	1.6	10.9	10.9	1.8	5.8	42.0	2,070.5	39.8
PPC	HOSE	388.1	24,400	28,050	2.3%	Neutral	-3.1	-20.1	-23.7	-44.2	17.0	18.9	8.9	23.6	1.4	15.3	21.9	625.3	34.3
BFC	HOSE	52.6	19,200	21,300	-2.8%	Neutral	-11.6	80.5	4.3	-25.1	0.8	26.0	9.1	13.3	1.2	7.0	97.3	375.9	45.5
BID	HOSE	7,169.2	38,500	41,300	-6.8%	Reduce	4.0	-14.7	12.5	45.5	15.9	13.2	19.8	16.2	2.1	0.0	19.0	5,166.6	13.2
PVS	HNX	406.4	16,800	19,700	-7.6%	Reduce	16.9	-23.6	-8.6	17.4	0.9	-19.1	13.8	14.3	0.8	7.1	83.0	11,392.6	40.6
KDH	HOSE	891.1	33,100	36,950	-9.1%	Reduce	61.1	25.9	-20.2	15.9	N/A	N/A	18.5	15.1	2.5	1.4	89.5	4,051.8	16.8
NKG	HOSE	204.1	24,700	27,500	-9.1%	Reduce	-5.1	524.1	48.0	74.0	-7.5	-53.7	8.4	10.3	1.4	1.1	328.3	4,877.8	86.9
PAC	HOSE	70.4	29,200	35,100	-12.5%	Reduce	-4.1	-10.9	8.1	6.3	7.3	13.9	10.2	11.5	2.1	4.3	66.5	188.4	35.9
NLG	HOSE	474.0	33,300	38,500	-13.5%	Reduce	-12.9	-13.1	23.3	28.5	N/A	N/A	9.7	9.3	1.7	0.0	94.2	3,161.8	4.1
CTG	HOSE	6,910.1	37,100	43,000	-13.7%	Reduce	11.7	44.6	16.8	26.1	14.8	23.7	9.0	9.4	1.8	0.0	117.5	22,990.6	4.0
IMP	HOSE	208.6	60,000	72,500	-15.2%	Reduce	-2.4	29.1	29.5	16.4	28.2	35.2	22.5	32.5	2.7	2.1	84.0	493.2	0.0
KBC	HOSE	761.3	20,000	37,550	-44.1%	Under Review	-32.9	-77.5	100.7	493.5	-10.8	-9.2	24.6	10.1	1.7	2.7	204.0	9,642.9	27.0
TCM	HOSE	291.5	41,300	109,000	-61.7%	Under Review	-4.8	27.6	21.2	5.7	6.7	7.2	22.3	25.8	4.1	0.5	684.3	974.0	4.7

Source: Rong Viet Securities; Price as of May 4th, 2021

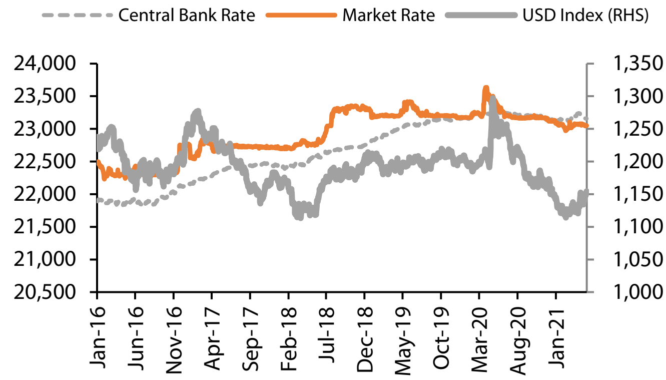
VIETNAM ECONOMIC INDICATORS IN APRIL

Trade balance



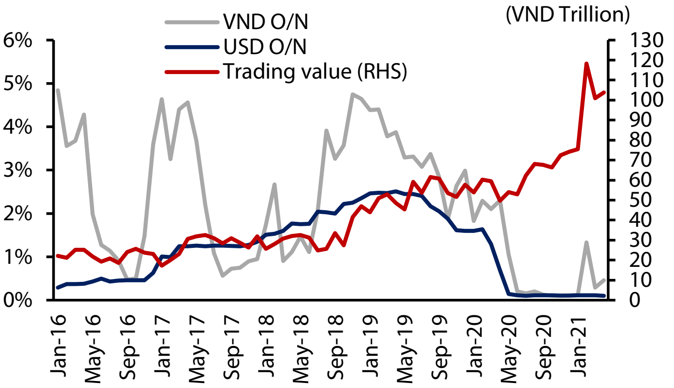
Source: GSO, Rong Viet Securities

USDVND exchange rate



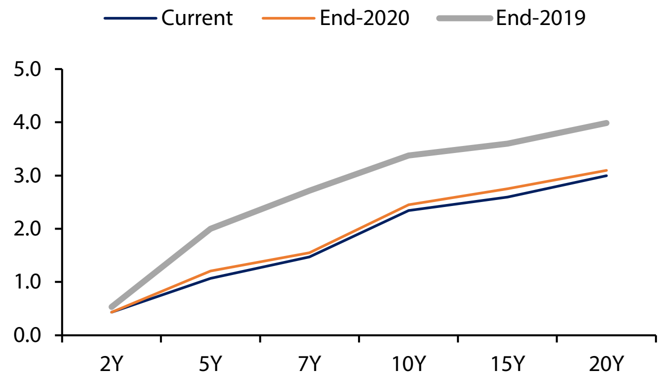
Source: SBV, Rong Viet Securities

Interbank interest rate (%/year)



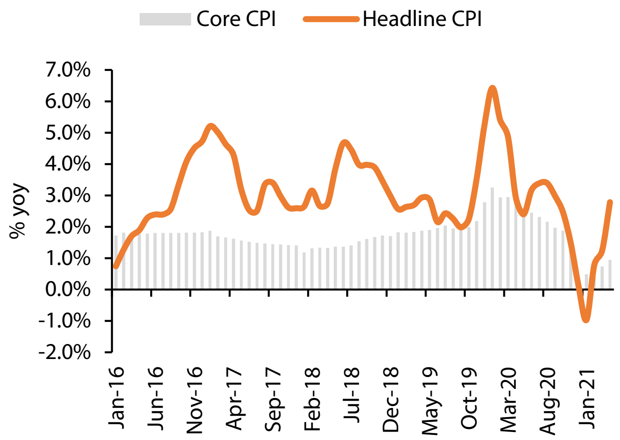
Source: SBV, Rong Viet Securities

G-bond yield curve (%/year)



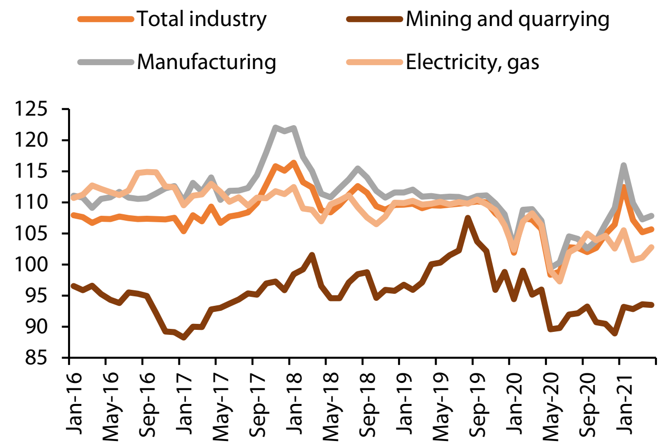
Source: Bloomberg, Rong Viet Securities

Vietnam CPI



Source: GSO, Rong Viet Securities

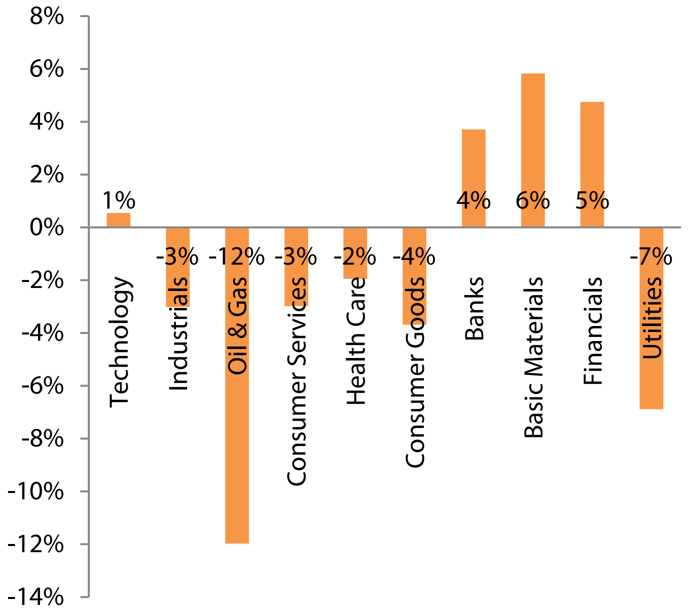
3-month MA Industrial Production Indices



Source: GSO, Rong Viet Securities

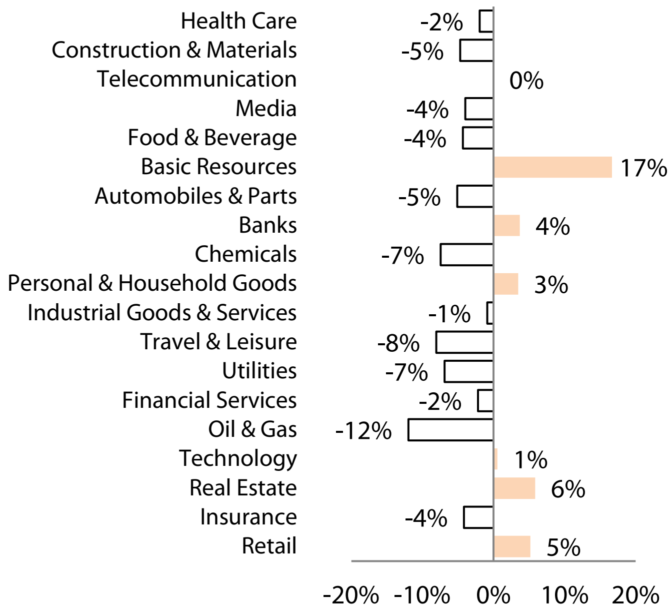
INDUSTRY INDEX

Level 1 industry movement



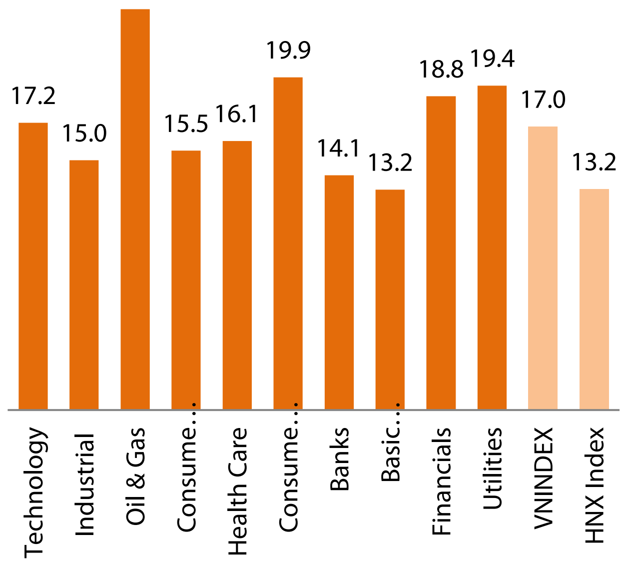
Source: Fiinpro, RongViet Securities

Level 2 industry movement



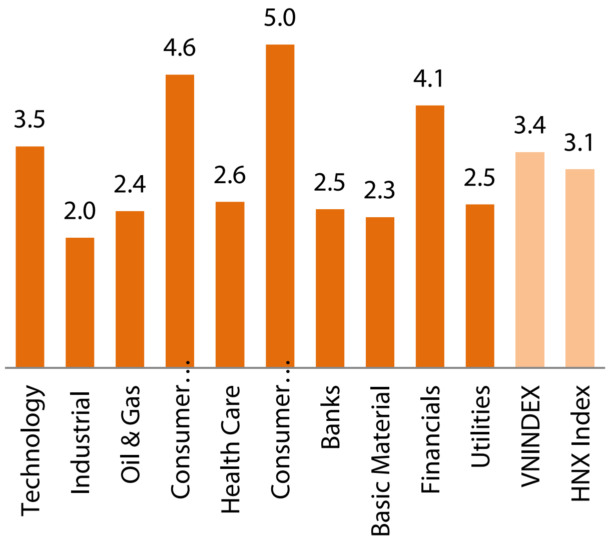
Source: Fiinpro, RongViet Securities

Industry PE comparison



Source: Fiinpro, RongViet Securities

Industry PB comparison



Source: Fiinpro, RongViet Securities

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