October 6th 2021

Investment Strategy October 2021

CAUTIOUSLY ACCUMULATE

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Please see penultimate page for additional important disclosure

The concern over Q3 results of large contributors of VN Index.

In October, the focus of the market would be Q3 earnings season when investors will be able to see the impact level of the pandemic on business results. Summarizing views from our analysts shows that the picture of Q3 business results will be diverse among industry groups. However, in large-cap stocks that affect the market, such as real estate and banking (accounting for nearly 54% of market capitalization), the business outlook in the third quarter is not really positive. Specifically, third quarter is usually the lowest quarter to record business results for the real estate industry. At the same time, due to the prolonged distance in Ho Chi Minh City and neighboring provinces, sales activities and construction progress were delayed in key areas such as HCMC, Dong Nai, Long An, which could affect handover progress and profit recognition.

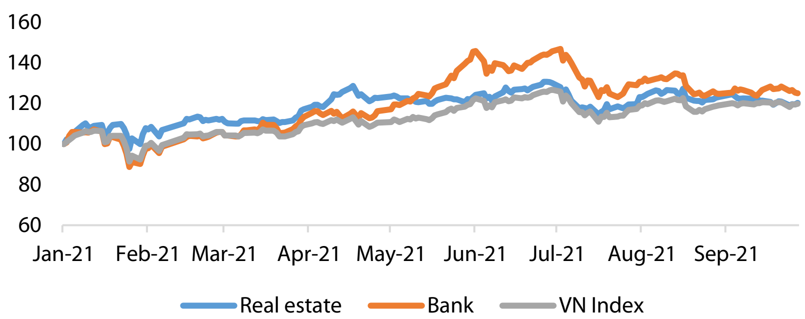
In the banking sector, our industry expert estimates that the profit growth in the third quarter may slow down significantly compared to that in the second quarter of 2021. In addition, after a quarter of implementing social distancing in Ho Chi Minh City, the concern over bad debt is worrisome. Specifically, we still maintain the expectation of NPL and restructured debt rising strongly in the end of 2021, which will affect the marginal change and magnitude of provision. However, there will be a lag in the NPL formation rate and also polarization between banks regarding the bad debt movement. This trajectory can be seen through the downtrend of banking stocks, after isolating the idiosyncratic factors. The majority of NPL formation is estimated to occur in the fourth quarter. Banks will most likely raise their provision expenses in advance depending on their financial health and efficiency headroom for increasing credit costs. As a result, we maintain a cautiously optimistic view on the banking sector, with the positive outlook focusing on selective banking stocks.

In terms of credit growth, this figure as of September 28th 2021 has an increase of 7.5% YTD, driven mainly short-term loans. This matches our forecast of banks focusing on short-term loan disbursement to utilize the granted credit quota. Currently, several banks have almost reached the granted credit growth limits and applied for the new quotas. This turn out to be a catalyst for the banking industry in the fourth quarter.

External factor including tapering policy in the US may raise concern for investors but not at significant level on fundamental basis. However, short-term volatility is unpredictable.

*In last three months of 2021, we recognize that US tapering policy and its issue over debt because of their money easing policy may impact on global stock market. For tapering policy, it previously caused sharp correction for emerging market in 2013 when Fed announced to reduce its monthly QE purchases from USD 85 billion to USD 65 billion. The countries with large external financing needs and macro economic imbalances suffered the most from speedy currency depreciation and reversal of capital flows. On our view, Vietnam current situation is less worried when our FX reserves are quite abundant with USD 100 Bn, leading to better position on managing exchange rate. Therefore, the impact on VN Index may be not significant on fundamental basis. However, short-term fluctuation is unpredictable given the volatile of global stock market when Fed may begin its tapering policy in November. In short, we predict VN Index to move on **1.240 – 1.380** range.*

VN Index performance along with Real estate and Banking stocks correlation



Source: Fiinpro
Note: We use ICB industry index for bank and real estate industry

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We believe that the weak Q3-2021 growth, which makes the overall market valuation become less attractive, along with the fact that the recovery of production activities and businesses is facing unpredictable obstacles will replace the "opening" effect in affecting market sentiment, reducing the possibility of a breakout of the VN Index in the short term. Therefore, we highly recommend stock picking as our view from the beginning of the year.

Accordingly, in the context of dismal Q3-2021 outlook, we believe that investment opportunities should come from stocks with business results that post better than expected, corresponding to the two stocks we added to our portfolio this month, VHC and VNM. Besides, we also expect that the recovery trend of the economy in the last months of the year will continue to be a driving force for many stocks in our portfolio including consumer staples, retail, logistics, IT, and power sectors (adding NT2 in this month). Along with the recovery of the economy, we also expect the recovery of construction activities and public investment, which are expected to ramp up soon when the pandemic is controlled, to be supportive to steel producers.

For the October trading strategy, we recommend taking profit in KDH (return rate of 15% since recommendation) as the delivery schedule of Armena project and sales launch schedule of Binh Tan apartment are delayed, affecting our previous 2021F-22F profit outlook and pending a review. Investors can wait for strong corrections of the market to accumulate new stocks that we favor in this month namely ***VNM, NT2, VHC****. In addition, the fact that the market is likely to be more volatile in October will also offer opportunities for market-sensitive investors to enhance profit by buying low and selling high for stocks that are already in the portfolio.*

Analysis of 56 stocks of Rong Viet Research, discussion with companies and specific evaluation in the “Company Report” or “Analyst Pinboard”

Bond yields will drive future equity returns from now on

- Investors are focusing on Bond/Treasury yields as a key factor in determining how stocks will fare for the rest of the year.
- Labor shortages, combined with energy and commodity prices surge, are making another inflation scare seem ever more inevitable.
- The S&P 500 Index posted its biggest monthly drop in September since March 2020, pulling it back almost 5% below its all-time high.

Stocks wobbled in September as yields on 10-yr US Treasuries and other major Bond markets shot to a three-month high. This was exacerbated by worries from a nasty fight over the fate of a massive US infrastructure spending bill, Europe's cost-push inflationary pressures and the meltdown of heavily indebted Chinese property developer China Evergrande. The S&P 500 is still up 16% this year (Table 1) but is eclipsed by the Sensex and the VN Index.

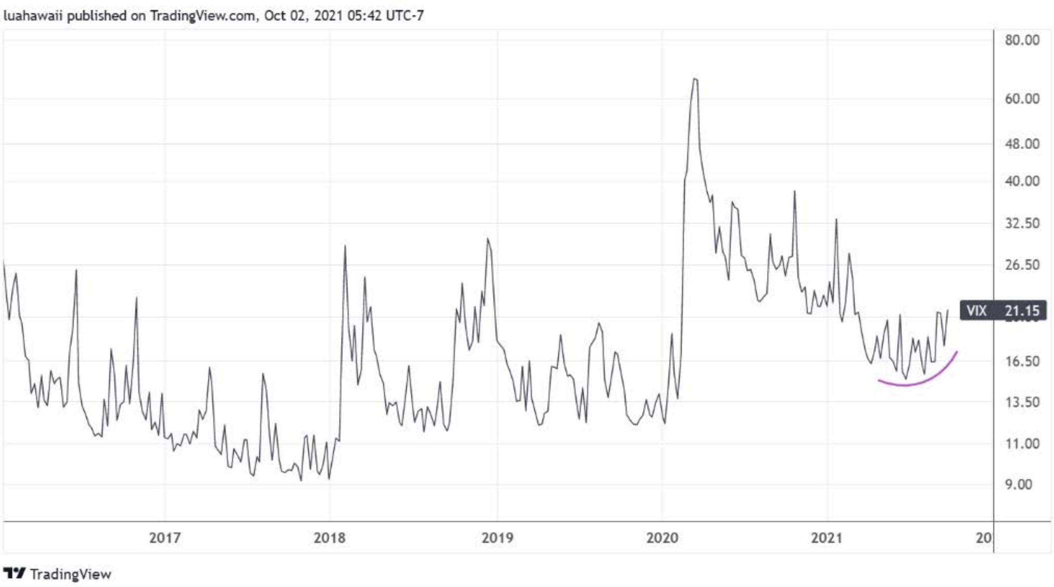
Table 1. Selected equity markets

Market/ Index	Return, % ytd, local currency
India, Sensex	23.1
Vietnam, VNIndex	20.9
France, CAC-40	16.1
US, S&P500	16.0
Japan, Topix	10.0
Germany, DAX	9.1
Singapore, STI	7.3
Korea, Kospi	5.1
China, Shanghai-A	2.7
Hong Kong, HSI	-9.8

Source: Bloomberg, as of Oct 1, 2021

Equity market volatility (Figure 1), as represented by the VIX, is rising while the macroeconomic backdrop softens for most major economies. While this does not necessarily mean equity markets will tank per se, it does mean that there is an increased chance of a correction. 2022 earnings estimates seem to be plugging in implausible assumptions of rapid growth from an end to the pandemic.

Figure 1: VIX Index, weekly

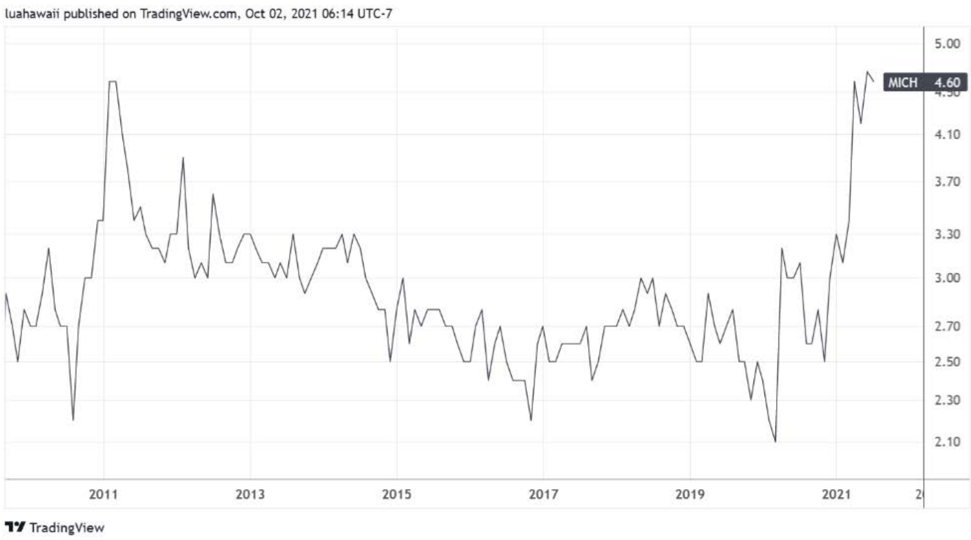


Since April 2020, stocks have pretty much gone straight up on account of massive fiscal and monetary stimulus. Now, economic reality has set in with inflation staying stubbornly high and a slowing outlook for economic growth. Since its bottom in March 2009, the S&P 500 has risen 548% with hardly any meaningful correction, except in 1Q2020 when it dropped around 30% (Figure 2).

Figure 2: S&P 500 Index, monthly

Inflation expectations have been rising for months now, as indicated by the University of Michigan Index (Figure 3). One could argue that these numbers are 'self-fulfilling prophecies' in a sense that consumers respond to historical short term factors. Every macroeconomist knows that the theory of 'rational' expectations posits that individuals base their decisions on past short term experiences. Since prices for many items that we, as consumers, purchase have been going up in the past 12-18 months, it is normal that expectations of further price hikes are here to stay. Which may explain why this Index is up.

Figure 3: University of Michigan, inflation expectations Index



In the US wages are up 4.3% y/y while the CPI is up 5.3% y/y. The American public is not happy that prices of 'stuff' they need are going up faster than their paychecks.

Meanwhile, as workers are getting squeezed, corporate profits are on track for their best year ever in 2021. See the dysfunctional way equity markets work!

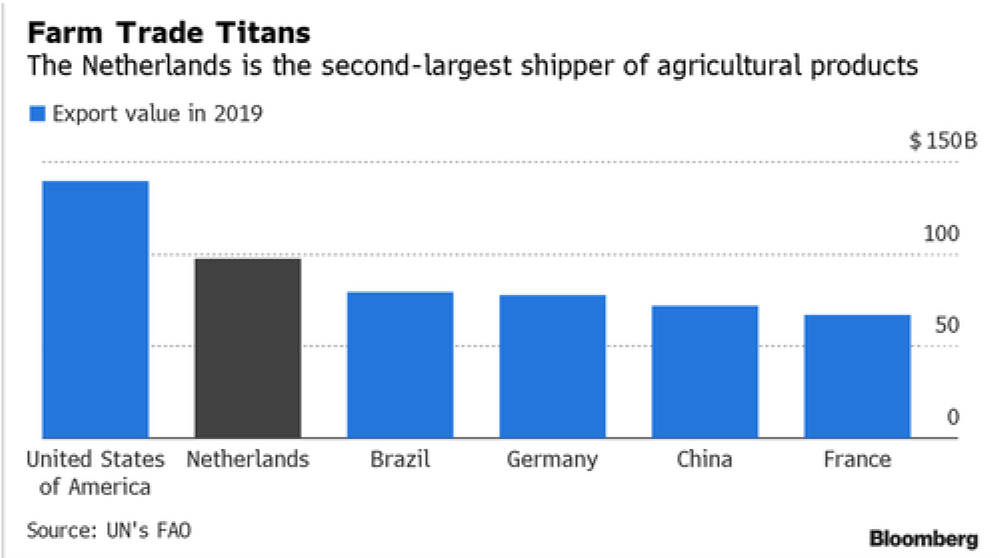
In China, the Shanghai A-share market seems to have hit a resistance as indicated by a double-top around the 3880 level. I do not expect this to be broken any time soon.

Figure 4: Shanghai A-share Index, daily

The continuing evidence in both North America and the Eurozone of labor shortages, when combined with the energy price surge, is making **another inflation scare seem ever more inevitable**. This should, by every law of logic, be negative for high multiple growth stocks, particularly in an American market which trades on 3.02x sales and with a record stock margin debt to GDP ratio of 4.2%.

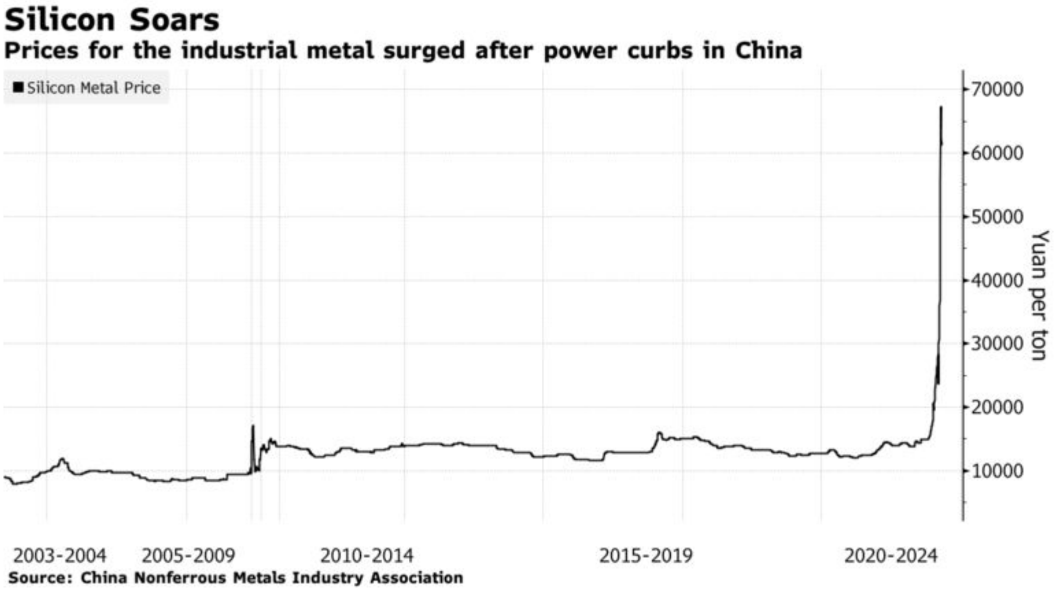
Hyperinflation in European gas and electricity prices is having a "massive impact" on greenhouses. The Netherlands is the world's second largest exporter of food by value (Figure 5), primarily thanks to its 25,000 acres of greenhouses that supply Europe with vegetables like cucumbers, tomatoes and bell peppers, and flowers. In 2020, Dutch exports of greenhouse-produced farm products amounted to $10.7 billion, but this year could be much less. Europe is struggling to respond to the energy crunch as natural gas prices soared after Russia cut supplies.

Figure 5: Agricultural products exporters



Another price shock: shortage in silicon metal, sparked by a production cut in China, has sent prices up 300% in less than two months (Figure 6). The latest in an array of disruptions, from snarled supply chains to a power crunch, that are creating a destructive mix for companies and consumers.

Figure 6:



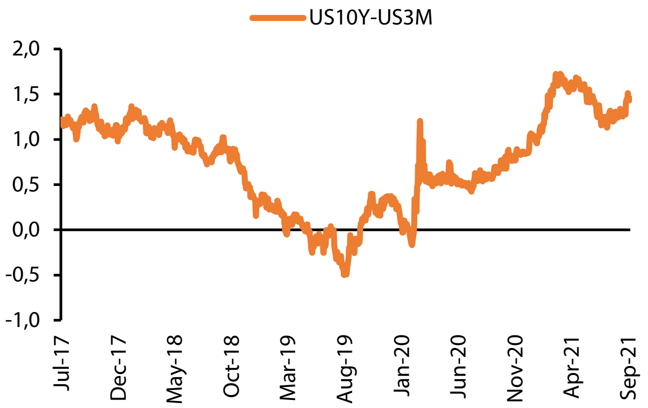
Last week, according to Bloomberg, "Norwegian chemicals manufacturer Elkem ASA said it and several other companies making silicone-based products suspended some sales due to the shortage". The metal is used in plenty of products from concrete, computer chips, glass, car parts and purified into the ultra-conductive material that helps convert sunlight into electricity in solar panels. And it's the raw material for silicone -- a water- and heat-resistant compound used widely in medical implants, caulk, deodorants, oven mitts and more.

From France to Italy to Britain, governments have put in place measures to stem the rise of energy prices that is creating social discontents among consumers.

Bottom line: we keep our negative outlook for equities for now with an S&P 500 Index target of 3,900, a drop of around 10%. That is not our most bearish case…

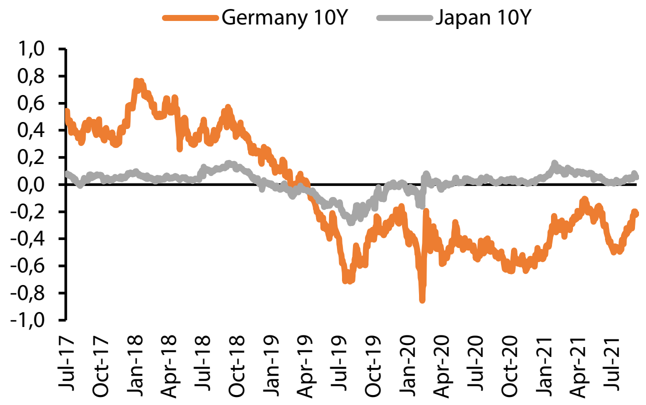
GLOBAL ECONOMIC INDICATORS IN SEPTEMBER

US G-Bond yields gap (%/year)



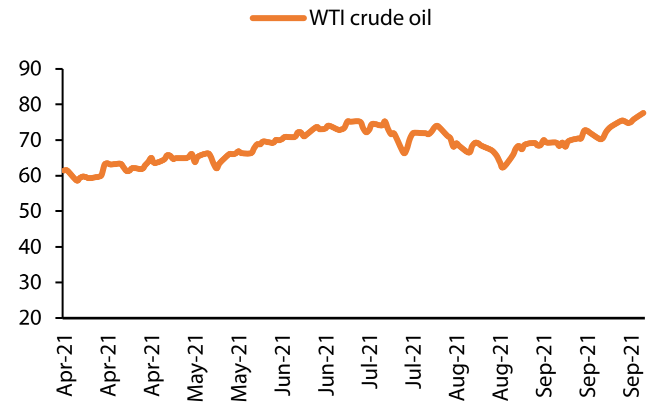
Source: Bloomberg, Rong Viet Securities

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



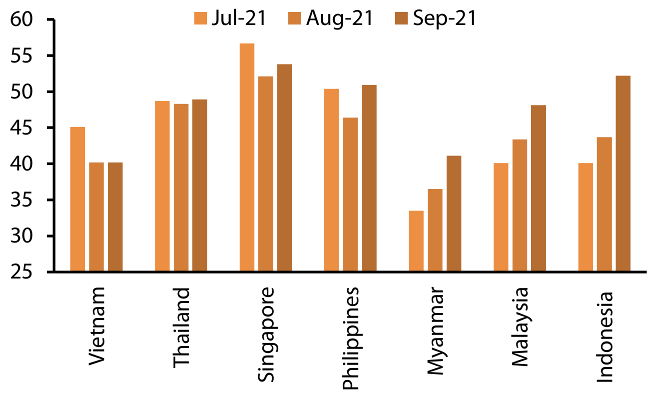
Source: Bloomberg, Rong Viet Securities

WTI crude oil price (USD/barrel)



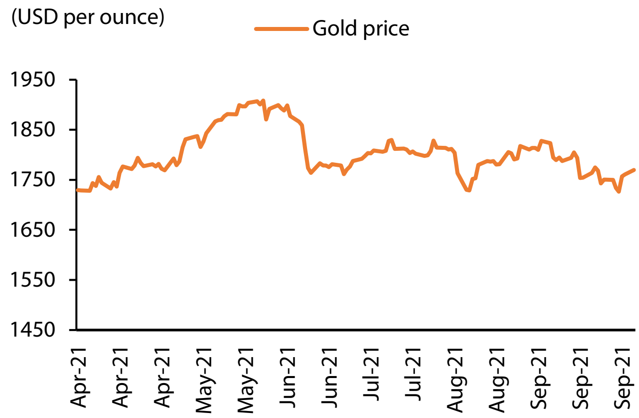
Source: Bloomberg, Rong Viet Securities

ASEAN's PMI



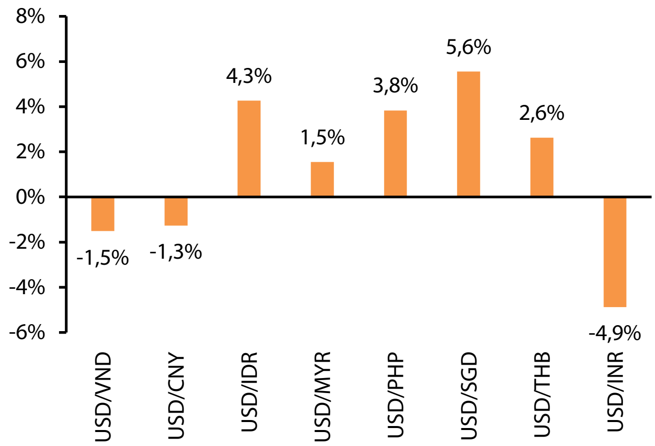
Source: Markit Economics, Rong Viet Securities

Gold prices (US$/ounce)



Source: Bloomberg, Rong Viet Securities

FX rates (%, YTD)



Source: Bloomberg, Rong Viet Securities

- 3Q21 GDP growth: the trough in GDP contraction
- Policy response has not been swift and impactful to support the economic recovery in 4Q21

3Q21 GDP growth: the trough in GDP contraction

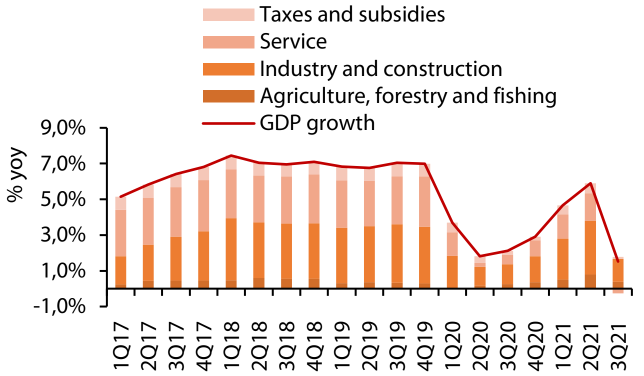
Vietnam's GDP contracted by 6.2% yoy in 3Q21 (vs. 2Q21 growth of +6.6%) as Covid-19 restrictions significantly harmpered economic activities. The 3Q21 GDP reflected the drastic impact of widespread disruptions in domestic economy as compared to the previous quarter. On a sectoral basis, the fourth outbreak has taken a toll on almost every sector. Among the top five contributing sectors to GDP (which accounts for 56% of GDP), agriculture, forestry and fishery sector registered a positive growth of 1.04% yoy in 3Q21 (vs. 4.01% in 2Q21). This growth was underpinned by demand for essential goods amidst large-scale social restriction and by nature, agricultural activities which were less affected by the pandemic. The information-communication sector also managed to post a positive growth of 5.3% yoy in 3Q21, by reaping benefits from the pandemic, this sector's share to GDP rose to the 5th place, which was previously occupied by transportation-storage. Going forward, the contribution of this sector is going to be more important as Covid-19 is accelerating the rise of the digital economy.

Manufacturing industry, which accounts for the biggest share of GDP contribution (23.6% of GDP) contracted by 3.2% yoy in 3Q21 vs. a growth of 13.4% in 2Q21, mainly due to Covid-19 restriction measures. Among sub-subsectors, the biggest contractions occurred in pharmaceutical production (-43.2% yoy), beverage (-27.2%) and transportation equipment (-23.1%). Among key manufacturing products, textile declined by 2.5% yoy in 3Q21, machinery production dropped by 12.5% while electronics production recorded a marginal increase of 0.7%. In contrast, metal production saw an increase of 15.9% yoy in 3Q21 thanks to capacity expansion.

It is important to note that wholesale and retail trade, accommodation-food services and transport-storage were the hardest-hit sectors. Accommodation-food services registered the biggest decline (-54.8% yoy in 3Q21 vs. -4.5% in 2Q21), transport-storage declined by 21.1% (vs. -0.1% in 2Q21) while wholesale and retail trade posted a negative growth of 19.9% (vs. 2Q21's 4.65%). Most of remaining economic sectors experienced a contraction on year-on-year basis in 3Q21, in contrast, health, education, and financial services registered positive growth. On quarter-on-quarter basis, only agriculture, financial services, and health sectors posted a considerable positive growth.

In 9M21, Vietnam's GDP was up 1.4% yoy (vs. a growth of 2.1% in the same period last year). The nine-month GDP growth was strong in agriculture (+2.7% yoy), industry and construction (+3.6% yoy) while services experienced a contraction of 0.7% yoy. In our view, 3Q21's negative GDP growth is likely the trough in the output's contraction and 4Q21 GDP is going to be better thanks to some reopening of economic activities.

Figure 7: GDP breakdown by sector in 9M21



Source: GSO, Rong Viet Securities

Figure 8: Top 5 contributor to GDP in 3Q21

	Contribution to GDP	*3Q21 growth (% yoy)*
Manufacturing	23.6%	-3.2%
Agriculture, forestry and fishery	13.0%	1.0%
Wholesale and retail trades	7.3%	-19.9%
Construction	6.7%	-11.4%
Information-Communication	5.8%	5.3%

Source: GSO, Rong Viet Securities

Figure 9: Top 5 contraction by sector

	Contribution to GDP	3Q21 growth (% yoy)
Accommodation - food service	1.1%	-54.8%
Administrative - support service	0.9%	-33.8%
Transportation - storage	4.6%	-21.1%
Wholesale - retail trade	7.3%	-19.9%
Construction	6.7%	-11.4%

Source: GSO, Rong Viet Securities

Figure 10: Top 5 expansion by sector

	Contribution to GDP	3Q21 growth (% yoy)
Health	1.6%	38.7%
Financial services	5.6%	7.1%
Information and communication	5.8%	5.3%
Scientific activities	2.9%	5.0%
Agriculture	9.7%	2.8%

Source: GSO, Rong Viet Securities

Policy response has not been swift and impactful to support the economic recovery in 4Q21

Given that the fourth outbreak has heavily weighed on the economy, the government introduced a second cash transfer package with total value of VND26 trillion (0.4% of 2020 nominal GDP) to support affected workers and enterprises. As of 01 Oct 2021, nearly 59% (VND15.3 trillion) of this package was disbursed to 18.3 million beneficiaries. On 24 Sep, the governement introduced a new resolution to support employees and employers affected by the pandemic using the Unemployment Insurance (UI) Fund. Accordingly, social assistance amounted to VND38 trillion (0.6% of 2020 nominal GDP). In which, one-off cash assistance (VND1.8m-3.3m/person) will be granted to employees who are participating in the UI scheme depending on the duration of which such person has contributed to the UI Fund with total estimated funding of VND30 trillion. In addition, employers can apply the contribution rate to the UI Fund of 0% during a 12-month period from 01 Oct 2021 to 30 Sep 2022.

According to GSO, the fourth outbreak has rendered millions of Vietnamese jobless and underemployed. Both Vietnam's unemployment rate and underemployment rate reached record highs of 3.7% and 4.4% in 3Q21, respectively. From our understanding, the latest support program has not included informal workers, who tended to be more hard-hit by the pandemic but accounted for more than 50% of Vietnam's labor force. Therefore, we believe that the magnitude of the current social assistance program is unlikely to significantly mitigate the impact of Covid-19 lockdown measures. HCM City, the largest pandemic hotspot, has disbursed nearly VND6.5 trillion through its two relief packages in cash and kind. The city is also implementing its 3rd Covid-19 relief package worth VND7.3 trillion. However, thousands of migrant workers fled the city after a Covid-19 lockdown was lifted, showing that relief packages have not reach enough people. Given the lack of substantial income support measures, we believe domestic demand might remain under pressure until the end of the year.

Besides the current fiscal package of Apr 2021 (worth VND115 trillion), which allowed tax deferral and land rental payment for businesses and households, the government is considering an interest rate compensation package of VND3 trillion, equivalent to a loan balance of about VND100,000bn to support businesses through commercial banks. However, we think this support package (if approved) is modest compared to the size of total credit (~1% of total outstanding loans) and unlikely to mitigate difficulties for Covid-19 affected businesses. On the other hand, the SBV is likely to retain a cautious stance to cut its policy rates further. 4Q21 GDP growth will depend on the development in the fatalities rate, the progress of vaccinations for other provinces outside of HCMC and Hanoi and the degree of economic reopening. As a result, we are projecting only a **tepid GDP expansion of 2.5% in 2021**, down from our previous forecast of 4.0%, reflecting the delayed recovery in household consumption and business operations.

Figure 11: Vietnam's key policy responses to Covid-19 in 2021

	Date	Total value	Note
Fiscal measures			
Decree 52	19 Apr 2021	VND115 trillion	- Extending deadline for payment of VAT, provisional CIT of 1Q21 and 2Q21, settling VAT and PIT obligations for individuals and household businesses, land rental fee obligation in 1Q21. - Reduction of the environmental protection tax on jet fuel by 30% till end of 2021. - About 30 various types of fees and charges have been cut by 10-50% till end of 2021.
Resolution No.68	01 Jul 2021	VND26 trillion	Employers: - Reducing the contribution rate for occupational accidents and diseases insurance from 0.5% to 0% for 12 months. - Suspending payment to the retirement and survivorship fund for 6 months. - Financial support for vocational training for employees - Loans with 0% interest rate to pay the salary for employment suspension and production recovery. Employees: - One-time support of VND1.9-3.7m/person for employees who are temporarily suspended labor contracts/taken unpaid leave. - One-time support of VND1.0 m/person for employees who are suspended from employment. - One-time support of VND3.7m/person for employees terminating labor contracts. Business households: - One-time support of VND3.0m/business household ceasing operation.
Resolution No. 116	24 Sep 2021	VND38 trillion	Employers: - Reducing the contribution rate to the UI fund from 1% to 0% during 12-month period. Employees: - One-time support of VND1.8-3.3m/person depending on the duration contributing to the UI Fund
Monetary measures			
Circular 03/2021	02 Apr 2021	Na	- Allowing commercial banks to maintain the debt classifications to support customers affected by the Covid-19 pandemic. - Requiring banks to set aside money for potentially unrecoverable Covid-19 affected loans within 3 years. - Banks could decide on the exemption/reduction of interests and fees for customers.
HCMC's relief package			
Resolution 09/ Document 2209	25 Jun 2021	VND886 billion	- One-time support of VND1.8m/person for employees who are temporarily suspended labor contracts/taken unpaid leave/terminated labor contracts. - Support of VND50,000/day for uncontracted employees. - One-time support of VND2.0m/business household ceasing operation at the request of the city's authorities. - Support of VND150-300k/month for stalls at traditional markets.
Document 2627	06 Aug 2021	VND905 billion	- One-time support of VND1.5m/person to informal workers, poor families, people who lost their jobs due to Covid-19, live in rented apartments and residential areas under lockdown.
Document 2799	21 Aug 2021	VND2,576 billion	- Additional support for informal workers, poor families.
Document 3181	23 Sep 2021	VND7.3 trillion	- One-time support of VND1.0m/person for poor and near-poor households, those renderd jobless by the pandemic and their dependents, migrant workers living in the city, people receiving social allowances due to work capacity loss and social insurance particpants who were paid by businesses in Aug 2021 but need financial assistance.

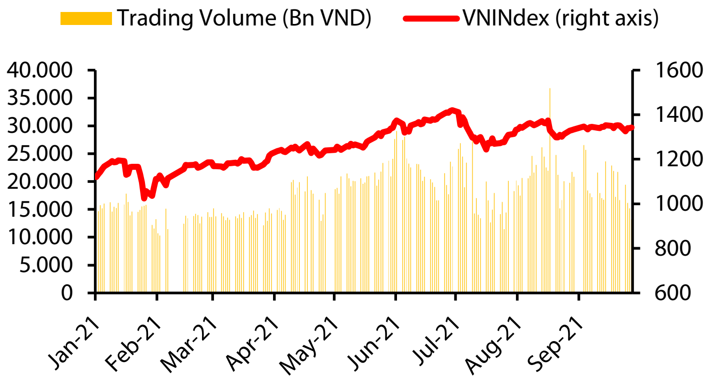
Source: Rong Viet Securities compiled

STOCK MARKET IN SEPTEMBER: SIDEWAYS

The VN Index moved in a flat range for the whole month. In the first three weeks, VN Index moved up slightly and overcame the 1,350 level in Sep 22nd when the battle with Covid-19 in HCMC showed positive results given the accelerated vaccination progress and reopening news on several activities. On Sep 27th, the market plunged 2% when Evergrande news kicked in an, the fear of contagion arose. At end of September, the negative GDP Q3 announcement and quarter NAV closing were two notable events but had no significant impact on the market. The VN Index ended up +0.56% to close at 1,339.21.

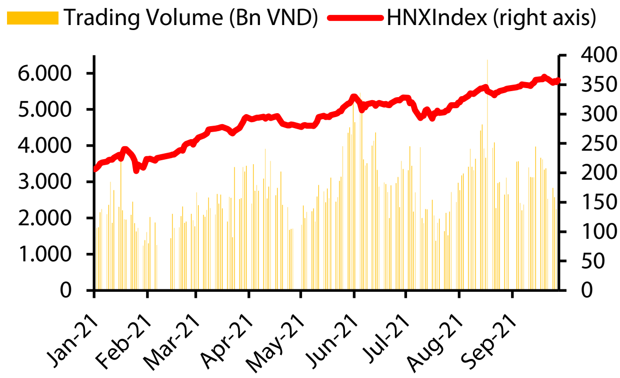
Compared to other markets, VN Index outperformed other indices such as SET (-2.02%), S&P 500 (-4.76%). The HNX Index performed strongly with an 4.05% MoM gain.

Figure 12: VN Index, January 2021 - September 2021



Source: Fiinpro, Rong Viet Securities

Figure 13: HNX Index, January 2021 - September 2021



Source: Fiinpro, Rong Viet Securities

The average liquidity on HOSE via matching orders was VND 19.4 trillion (or USD 843 Mn, -10.7% MoM). VN30 liquidity dropped (-26% MoM), which accounted for 40% of the VN Index liquidity (lower than last month). Similarly, VNMid experienced liquidity reduction of 9% MoM. Meanwhile, VN Small continuously attracted money flows with liquidity growth of 16% MoM. We recognized three notable stories in September as below:

(1) Higher demand for ICT products to benefit consumer discretionary stocks including DGW (+37% MoM), FRT (+15%), MWG (+15%).

(2) Reopening story with relaxation on strict lockdown paves the way for retail stocks. Notable gainers in VN30 were PNJ (+15% MoM), VRE (+7%).

(3) Good business results expectation from steel stocks including HSG (+17% MoM), NKG (+15%), HPG (+7%) thanks to its high export volume to foreign markets such as Europe, the US (galvanized steel) and China (billets). Steel prices in these markets increased more than in Vietnam, thus, leading to higher profit margins.

(4) Rising energy demand as well as oil price spike with the hope of recovering demand in post Covid-19 period boosted energy stocks such as ASP (+94% MoM), PGC (+39%), PGD (+35%) and GAS (+9%).

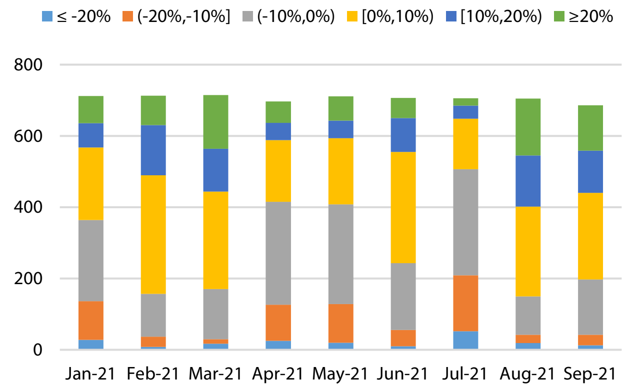
The number of gainers went down 12% in September compared to August. Overall, 53% of the stocks fell into a trading range between 0 percent and 20 percent.

Table 2 : Performance by market cap in August

	VN30		VNMid		VNSmall	
	ADTV (billion VND)	Price change	ADTV (billion VND)	Price change	ADTV (billion VND)	Price change
July 2021	10,953	-5.4%	4,276	-5.6%	1,552	-4.7%
August 2021	10,547	-1.3%	7,307	5.8%	3,135	16.5%
September 2021	7,786	1.76%	6,659	-0.46%	3,621	6.52%

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

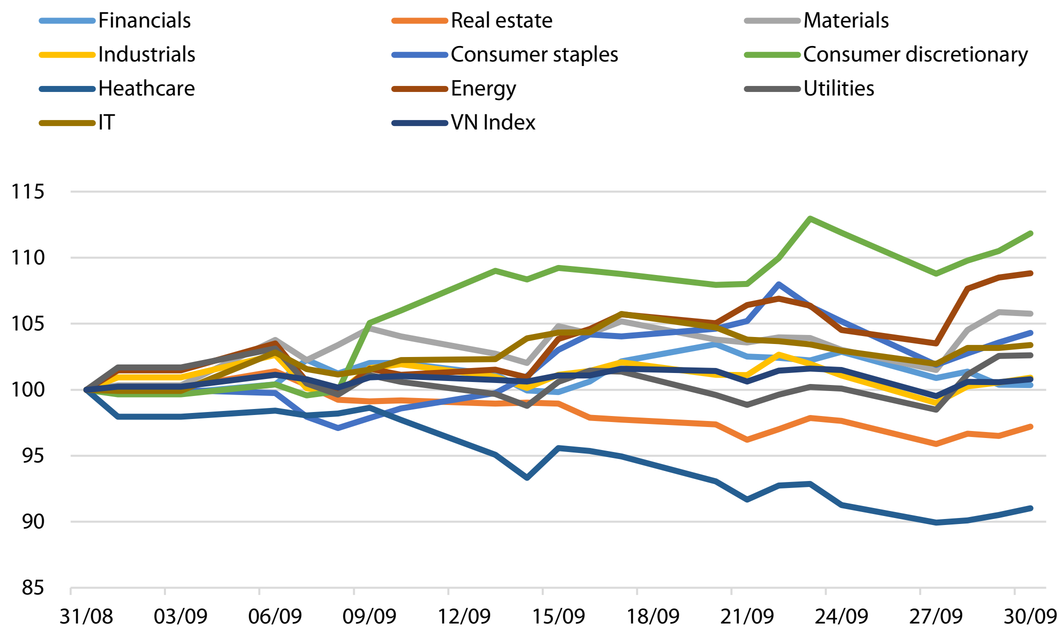
Figure 14: Number of stocks by monthly performance on HOSE and HNX



Source: Fiinpro, Rong Viet Securities

Consumer discretionary and Energy were the top two sectors with 11.8% and 8.8% MoM returns, respectively. The Consumer discretionary sector was driven by DGW (+37% MoM), FRT (+15%), MWG (+15%) while as ASP (+94% MoM), PGC (+39%), PGD (+35%), GAS (+9%) drove the Energy sector. Materials also went up 5.8% MoM backed by HSG (+17%), NKG (+15%), HPG (+7%). On the flip side, Healthcare and Real estate weigh on VN Index with negative return of -9% and -3% MoM, respectively. For Healthcare, key laggers were VMD (-38% MoM), DBT (-24%). For Real estate, PDR (-7% MoM), VIC (-7%) and VHM (-3%) put pressure on this group. Returns from other sectors varied from 0.4% to 4.3%.

Figure 15: Sector performance in September



Source: Bloomberg, Rong Viet Securities

Foreign investors

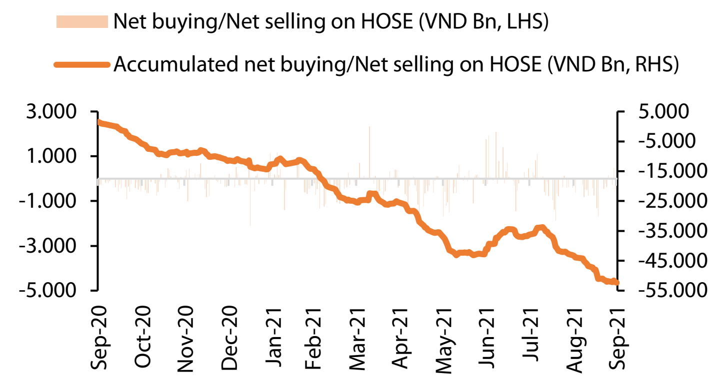
Foreigners remained as net sellers in September with net selling value of VND 8.4 trillion (or USD 365 Mn) via order-matching transaction on HOSE. The selling force of foreign investors continuously focused on Vin stocks including VIC (VND -2,304 Bn or USD -100 Mn) and VHM (VND -1,783 Bn or USD -78 Mn), accounting 49% of total net selling value mentioned earlier. The shrink of Vietnam GDP of -6.17% YoY in Q3 given the full lockdown in this quarter is one of main reasons.

HPG (VND -995 Bn or USD -43 Mn) and SSI (VND -784 Mn or USD -34 Mn) were also players bearing pressure from foreigners in September. In contrast, MBB (VND 825 Bn or USD 36 Mn), CTG

(VND 340 Bn or USD 15 Mn), VND (VND 324 Bn or USD 14 Mn), HSG (VND 198 Bn or USD 9 Mn) were noticeably net bought.

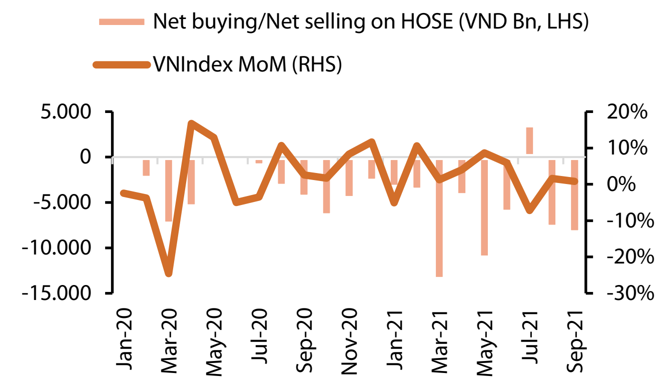
Foreign ETFs money flows result was negative as FTSE and VNM ETF recorded net outflows of USD 57.4 Mn and USD 1.0 Mn, respectively. Similarly, Fubon ETF experienced net outflows of USD 6.8 Mn. The mixed outcome happened with domestic ETFs money flows. FUEVFVND recorded net outflows of USD 47.6 Mn while E1VFVN30 experienced net added value of USD 7.6 Mn.

Figure 16: Total daily net buying/selling by foreigners (Billion VND) in the last 12 months



Source: Fiinpro, Rong Viet Securities

Figure 17: Net buying/selling on HOSE via matching-order transaction versus VN index MoM



Source: Fiinpro, Rong Viet Securities

Table 3: Foreign net trading value by sector on HOSE and HNX

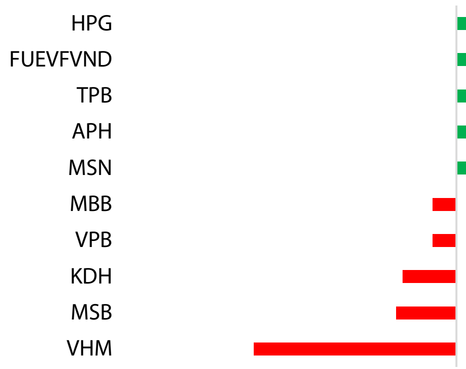
Sector	HSX		HNX	
	Net trading value (billion VND)	Net trading volume (thousand shares)	Net trading value (billion VND)	Net trading volume (thousand shares)
Banks	772	24,099	-6	-163
Technology	31	525	-6	-347
Media	0	11	-3	-162
Telecommunication	0	0	0	0
Personal & Household Goods	-13	-158	-10	-366
Health Care	-19	-5,651	-44	-751
Oil & Gas	-29	-1,167	86	3,040
Travel & Leisure	-45	860	1	219
Retail	-58	957	1	44
Industrial Goods & Services	-72	-6,062	-5	269
Construction & Materials	-98	-1,670	-45	-1,380
Utilities	-116	-6,000	-12	-763
Insurance	-209	-4,372	-29	-703
Automobiles & Parts	-311	-16,582	-23	-1,778
Chemicals	-506	-9,747	-30	-768
Food & Beverage	-599	-13,968	3	205
Basic Resources	-949	-18,294	-2	83
Financial Services	-1,494	-52,625	58	1,506
Real Estate	-5,130	-48,787	320	-8,731

Source: Fiinpro, Rong Viet Securities

Local institutional investors

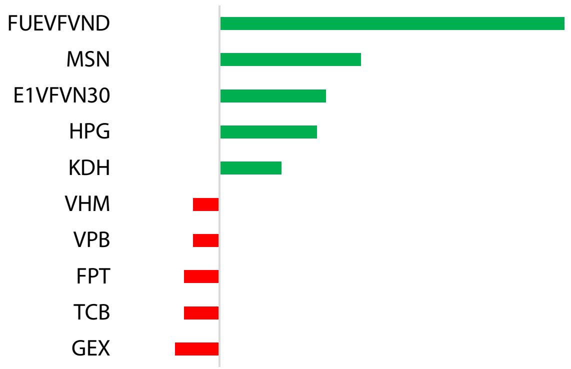
Local institutional investors were net sellers of VND -597 billion (or USD -26 Mn). Meanwhile, Proprietary traders were net buyers of VND 1,418 billion (or USD 62 Mn). Key traded stocks by local institutional investors and proprietary traders are shown below.

Figure 18: Top sold/purchased stocks by local institutions (USD Mn) in September



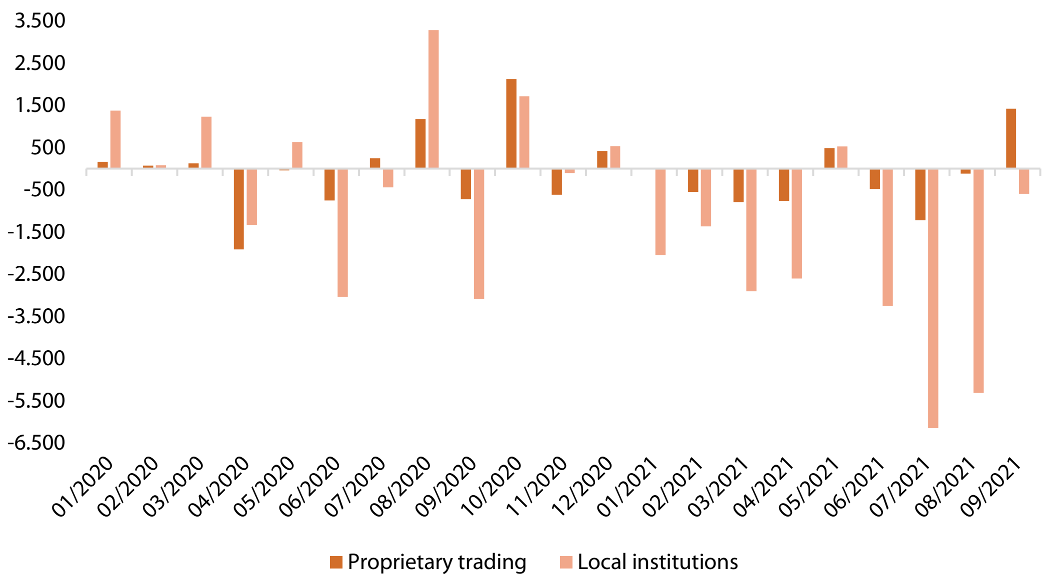
Source: Fiinpro, Rong Viet Securities

Figure 19: Top sold/purchased stocks by proprietary traders (USD Mn) in September



Source: Fiinpro, Rong Viet Securities

Figure 20: Trading activity by local institutional investors (VND Bn)



Source: Fiinpro, Rong Viet Securities

*In October, we foresee that the market may face correcting pressure for two reasons: (1) The concern over Q3 results of large contributors of VN Index, (2) External factor including tapering policy in the US may raise concern for investors but not at significant level on fundamental basis, but short-term volatility is unpredictable. However, we believe that the correction is necessary to create a premise for a new uptrend of the market in the last two months of the year with the recovery expectation of listed companies in Q4/2021 when the social distancing is gradually lifted from October 1st through Directive 18 of the Government. In short, we predict VN Index to move on **1.240 – 1.380** range.*

The concern over Q3 results of large contributors of VN Index.

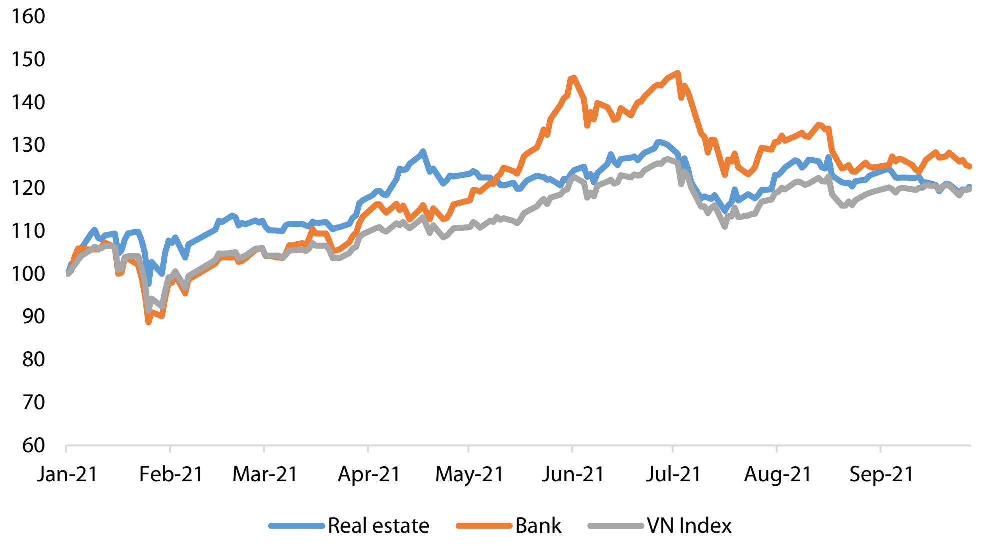
VN Index maintained its balance in September when the information about the lockdown easing helped investor sentiment to stay strong with the negative Q3 GDP growth of 6.17% (the deepest decline so far).

In October, the focus of the market would be Q3 earnings season when investors will be able to see the impact level of the pandemic on business results. Summarizing views from our analysts shows that the picture of Q3 business results will be diverse among industry groups. However, in large-cap stocks that affect the market, such as real estate and banking (accounting for nearly 54% of market capitalization), the business outlook in the third quarter is not really positive. Specifically, third quarter is usually the lowest quarter to record business results for the real estate industry. At the same time, due to the prolonged distance in Ho Chi Minh City and neighboring provinces, sales activities and construction progress were delayed in key areas such as HCMC, Dong Nai, Long An, which could affect handover progress and profit recognition.

In the banking sector, our industry expert estimates that the profit growth in the third quarter may slow down significantly compared to that in the second quarter of 2021. In addition, after a quarter of implementing social distancing in Ho Chi Minh City, the concern over bad debt is worrisome. Specifically, we still maintain the expectation of NPL and restructured debt rising strongly in the end of 2021, which will affect the marginal change and magnitude of provision. However, there will be a lag in the NPL formation rate and also polarization between banks regarding the bad debt movement. This trajectory can be seen through the downtrend of banking stocks, after isolating the idiosyncratic factors. The majority of NPL formation is estimated to occur in the fourth quarter. Banks will most likely raise their provision expenses in advance depending on their financial health and efficiency headroom for increasing credit costs. As a result, we maintain a cautiously optimistic view on the banking sector, with the positive outlook focusing on selective banking stocks.

In terms of credit growth, this figure as of September 28th 2021 has an increase of 7.5% YTD, driven mainly short-term loans. This matches our forecast of banks focusing on short-term loan disbursement to utilize the granted credit quota. Currently, several banks have almost reached the granted credit growth limits and applied for the new quotas. This turn out to be a catalyst for the banking industry in the fourth quarter.

Figure 21: VN Index performance along with Real estate and Banking stocks correlation



Source: Fiinpro

Note: We use ICB industry index for bank and real estate industry

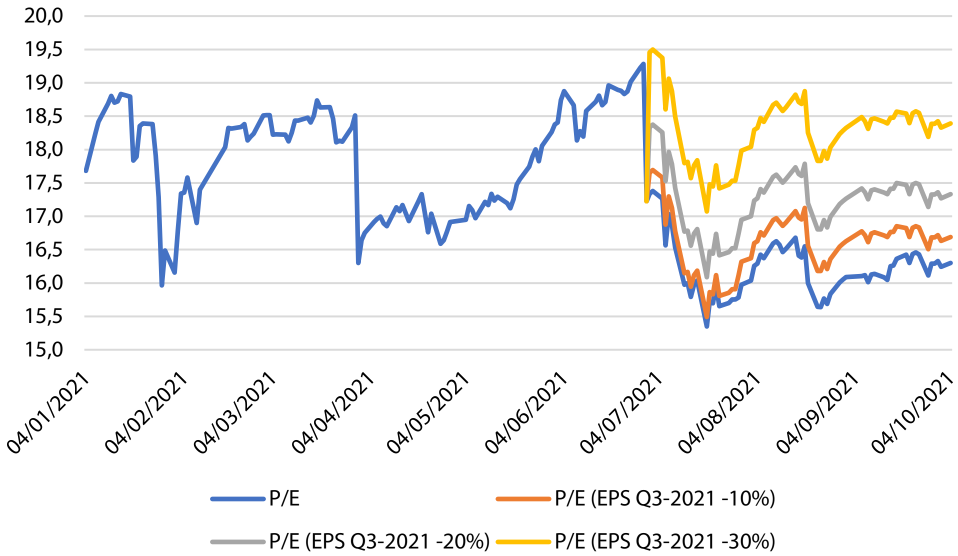
External factor including tapering policy in the US may raise concern for investors but not at significant level on fundamental basis. However, short-term volatility is unpredictable.

In last three months of 2021, we recognize that US tapering policy and its issue over debt because of their money easing policy may impact on global stock market. For tapering policy, it previously caused sharp correction for emerging market in 2013 when Fed announced to reduce its monthly QE purchases from USD 85 billion to USD 65 billion. The countries with large external financing needs and macro economic imbalances suffered the most from speedy currency depreciation and reversal of capital flows. On our view, Vietnam current situation is less worried when our FX reserves are quite abundant with USD 100 Bn, leading to better position on managing exchange rate. Therefore, the impact on VN Index may be not significant on fundamental basis. However, short-term fluctuation is unpredictable given the volatile of global stock market when Fed may begin its tapering policy in November.

Cautiously Accumulate

Given the fact that production, consumption, investment and import and export activities were unprecedentedly restrained during the recent social distancing and caused GDP in Q3-2021 to plummet by 6.17% YoY, a drop in the profit of listed companies this quarter may not be too surprising. Accounting for the Q3-2021 profit drop, the market's valuation will no longer be around the attractive range (~16x) as it is now but will approach the peak level of 19x set at the end of June depending on how much EPS will decline this quarter.

Figure 22: VN Index's trailing and prospective P/E for Q3-2021 EPS, as of Oct 4th, 2021



Source: Bloomberg, Rong Viet Securities

While the Government's recent move to reopen the economy has supported market's sentiment in September, we believe that the positive impact on the economic recovery is still limited in the short term because the prolonged social distancing has caused obstacles that are difficult to overcome quickly.

We believe that the weak Q3-2021 growth, which makes the overall market valuation become less attractive, along with the fact that the recovery of production activities and businesses is facing unpredictable obstacles will replace the "opening" effect in affecting market sentiment, reducing the possibility of a breakout of the VN Index in the short term. Therefore, we recommend to carefully pick stocks based on their underlying fundamentals.

Accordingly, in the context of a dismal Q3-2021 outlook, we believe that investment opportunities should come from stocks with business results that post better than expected, corresponding to the two stocks we added to our portfolio this month, VHC and VNM. Besides, we also expect that the recovery of the economy in the last months of the year will continue to be a driving force for many stocks in our portfolio including consumer staples, retail, logistics, IT, and power sectors (adding NT2 this month). We also expect the recovery of construction activities and public investment, which are expected to ramp up soon when the pandemic is controlled, to be supportive for steel producers.

For the October trading strategy, we recommend taking profit in KDH (return of 15% since recommendation) as the delivery schedule of Armena project and sales launch schedule of Binh Tan apartment are delayed, affecting our previous 2021F-22F profit outlook and pending a review. Investors can wait for strong corrections of the market to accumulate new stocks that we favor in this month namely VNM, NT2, VHC. In addition, the fact that the market is likely to be more volatile in October will also offer opportunities for market-sensitive investors to enhance profit by buying low and selling high for stocks that are already in the portfolio.

Table 4: Investment recommendations in October

Stock	TP (VND)	Cash Div (VND)	Total expected return	P/E		NPAT YoY %		P/B	Luận điểm
				2021F	2022F	2021F	2022F		
VNM	100,000	4,000	15%	18.1	17.6	-1%	3%	5.9	▪ Strictest social distancing ever and essentials transportation from minimarket to citizen following a designated portfolio reduced the customer traffic in minimarket and limited the accessibility of citizen to multiple choice of FMCG products. However, this change created demand for some product lines, especially packaged food and dairy product as these product lines are appointed in essentials basket. ▪ With value growth of dairy product, VNM's leading position in Vietnam's dairy market and diversified product portfolio, we expect that the company will be benefit from this consumption trend. The company's 3Q-FY21 total revenue is expected to be VND 16,402 Bn (USD 710 Mn, +5.4% YoY and +4.4% QoQ), backed by domestic revenue growth of +4% YoY and export revenue growth of +13.4% YoY. NPAT can reach VND 3,181 Bn (USD 138 Mn, +3.4% YoY) in 3Q-FY21.
VHC	60,000	1,000	13%	10.5	8.0	24%	32%	1.8	▪ We expect gross profit increase will fully offset surging SG&A expenses. In 2H-FY21, we forecast VHC's fillet export volume will decrease slightly 3% YoY because of social distancing policy but ASP will surge 31% YoY to reach 3.36 USD/kg driven by year-end buoyant demand and fillet supply shortage, especially in the US market. 2H-FY21 GPM and NPM are projected at 21.0% (+882 bps YoY) and 10.4% (+157 bps YoY). ▪ For 3Q-FY21, we estimate VHC's total revenue to be VND 2,249 Bn (or USD 98 Mn, +25% YoY) premised by fillet segment's revenue growth of 30% YoY. NPAT will reach VND 233 Bn (or USD 10 Mn, +33% YoY) driven by revenue growth and widening gross margin. For 2021, revenue and NPAT at VND 8,771 Bn (or USD 381 Mn, +25% YoY) and VND 872 Bn (or USD 38 Mn, +24% YoY) respectively. ▪ Beyond FY21, we believe VHC's earnings will accelerate due to fillet ASP improvement, cooling-down costs after COVID-19 under control and brighter long-term perspective of collagen & gelatin segment. We forecast C&G revenue and NPAT to grow at 18% and 20% CAGR in 2021-2025F due to bright consumption prospect of fish collagen products and the new C&G factory which is expected to full capacity in FY22.
NT2	24,300	1,000	15%	12.9	14.1	-32%	12%	1.4	▪ High Qc and lower financial expenses in 3Q2021 lead to significant growth in profit. We forecast that the company earned roughly VND170 bn in NPAT in this quarter while that in 2020 was a loss. There will be a positive sign from now on as dry season in 4Q2021 and better outlook in 2022. ▪ Long-term debt-free since 2Q2021, unlocking the company's cash flow to pay dividends. Finish its debt obligation this June, utilizing entirely the operating cash flow to pay dividends owing to no investments or other financing activities. The available sources at the end of 2021 are estimated to be VND 3,000 per share.

- Tough time will pass soon. A better outlook for thermal plants is expected to come back. The industry recovery will enhance the company's performance in the time to come. (1) The La Nina magnitude gradually weaken up to Apr 2022, showing that the El Nino phase is going to perform in late 2022. (2) The electricity demand will recover post-Covid 19.

Source: Rong Viet Securities; As of @Oct 4th, 2021

Table 5: Recommended stocks performance

Stock	Sep 2021 performance	Performance since recommendation	Recommended BUYING since	Market price @ recommendation	Market price (VND) @Oct 4th, 2021	TP (VND)
MWG	16%	15%	3/9/2021	110,200	126,200	148,400
HPG	8%	13%	3/9/2021	49,200	55,500	65,700
MSN	6%	24%	2/7/2021	113,900	141,200	164,000
KDH	5%	15%	4/6/2021	35,591	41,100	45,200
TCB	2%	18%	1/4/2021	41,000	48,350	71,000
QNS	1%	26%	2/7/2021	40,760	51,500	58,000
FPT	1%	0%	4/8/2021	94,594	94,600	108,800
HAH	-1%	1%	3/9/2021	64,200	64,600	72,300
GMD	-4%	49%	4/5/2021	33,058	49,300	55,000
VN INDEX	**1.6%**	**13.9%***				

*Source: Bloomberg, Rong Viet Securities, *since March 5th, 2021*

Table 6: Summary of financial information & valuation of stocks that are recommended

Ticker	Exchange	Market cap (USD mn)	Target price (VND)	Current price (VND)	Total Return	2020		2021F		2022F		PER		PBR	Div Yield	Foreign remaining room
						+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)	2021F (x)	2022F (x)	Cur. (x)	(%)	(%)
TCB	HOSE	7,403	71,000	49,000	47%	28.4	22.3	35.6	46.5	25.0	28.0	9.5	7.4	2.0	0.0	0.0
HPG	HOSE	10,826	65,700	53,400	20%	41.6	78.5	58.8	157.8	5.4	3.0	7.6	7.4	3.4	1.8	23.1
QNS	UPCOM	796	58,000	51,417	19%	-15.5	-18.5	17.2	21.1	24.1	31.5	12.3	9.4	2.8	5.9	31.9
MWG	HOSE	3,924	148,400	126,200	19%	6.2	2.2	10.9	6.9	21.3	59.6	21.5	13.9	4.9	1.2	0.0
FPT	HOSE	3,744	108,800	92,900	17%	7.6	12.8	15.7	24.4	19.0	19.1	19.6	16.5	5.1	2.1	0.0
MSN	HOSE	7,270	164,000	140,000	16%	106.7	-77.8	25.0	152.2	13.5	39.1	53.3	38.3	7.8	0.0	67.6
VNM	HOSE	8,221	100,000	89,800	15%	5.9	4.9	1.6	-0.5	5.4	2.8	19.0	18.5	6.0	4.4	45.2
GMD	HOSE	648	55,000	48,700	14%	-1.5	-29.3	2.7	37.3	16.1	55.0	33.7	29.6	19.1	2.4	2.4
NT2	HOSE	276	24,300	20,600	15%	-20.5	-17.1	-4.0	-32.0	8.3	12.2	15.2	13.6	1.5	4.5	35.4
VHC	HOSE	430	60,000	52,400	13%	-10.5	-40.2	24.6	23.7	15.1	31.5	11.5	8.7	1.8	1.8	76.3
HAH	HOSE	134	70,600	64,000	5%	7.5	13.9	44.3	176.9	26.0	65.0	8.2	5.0	2.6	1.5	43.8

Source: Rong Viet Securities, data as of Oct 1st 2021

HIGHLIGHT STOCKS

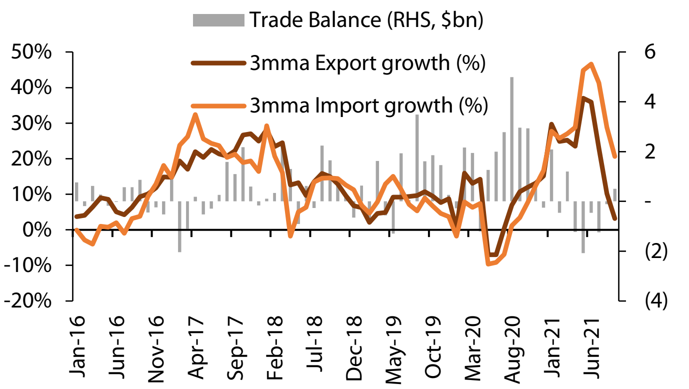
Ticker	Exchange	Market cap (USD mn)	Target price (VND)	Current price (VND)	Total Return	Rating	2020		2021F		2022F		PER 2021F (x)	PER 2022F (x)	PBR Cur. (x)	Div Yield (%)	+/- Price 1y (%)	3-month avg. daily turnover (USD thousand)	Foreign remaining room (%)
							+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)							
CTG	HOSE	6,015	42,200	29,750	47%	Buy	11.7	44.6	22.1	44.9	7.9	12.5	8.9	7.9	1.5	0.0	39.4	21,456.7	5.4
TCB	HOSE	7,403	71,000	49,000	47%	Buy	28.4	22.3	35.6	46.5	25.0	28.0	9.5	7.4	2.0	0.0	114.4	40,027.2	0.0
OCB	HOSE	1,380	32,100	23,150	39%	Buy	21.2	36.9	21.3	25.0	22.4	28.1	7.4	5.7	1.6	0.0	0.0	3,781.1	8.0
MBB	HOSE	4,465	36,100	27,450	33%	Buy	11.0	5.6	30.0	45.1	18.0	30.4	8.5	6.5	1.9	0.0	112.0	21,907.7	0.0
VCB	HOSE	15,301	117,000	95,900	24%	Buy	7.1	-0.3	18.8	22.2	16.3	21.2	15.7	13.3	3.3	0.0	13.5	6,703.0	6.4
HDB	HOSE	2,094	29,440	24,850	22%	Buy	21.0	17.9	27.0	43.6	26.7	29.3	6.5	5.0	1.8	0.0	54.8	3,943.3	3.6
SCS	HOSE	299	155,600	135,000	21%	Buy	-7.4	-7.5	15.9	22.1	11.6	14.1	13.0	11.4	6.9	5.9	17.7	119.3	22.4
PHR	HOSE	307	61,300	51,600	21%	Buy	-0.4	140.2	16.1	-78.3	54.2	464.1	36.8	6.5	2.3	2.9	-6.4	1,601.0	36.0
ACB	HNX	3,653	37,300	31,500	20%	Buy	12.8	27.8	29.8	37.2	15.6	21.8	8.1	6.6	2.1	0.0	0.0	14,097.5	0.0
HPG	HOSE	10,826	65,700	53,400	20%	Buy	41.6	78.5	58.8	157.8	5.4	3.0	7.6	7.4	3.4	1.8	182.7	63,682.8	23.1
QNS	UPCOM	796	58,000	51,417	19%	Accumulate	-15.5	-18.5	17.2	21.1	24.1	31.5	12.3	9.4	2.8	5.9	57.5	1,757.3	31.9
MWG	HOSE	3,924	148,400	126,200	19%	Accumulate	6.2	2.2	10.9	6.9	21.3	59.6	21.5	13.9	4.9	1.2	85.1	11,315.9	0.0
FPT	HOSE	3,744	108,800	92,900	17%	Accumulate	7.6	12.8	15.7	24.4	19.0	19.1	19.6	16.5	5.1	2.1	120.8	14,410.8	0.0
NLG	HOSE	626	46,900	41,300	16%	Accumulate	-12.9	-13.1	100.1	40.9	25.2	-4.8	13.0	13.0	1.7	3.6	64.5	5,449.8	3.9
MSN	HOSE	7,270	164,000	140,000	16%	Accumulate	106.7	-77.8	25.0	152.2	13.5	39.1	53.3	38.3	7.8	0.0	166.4	11,200.0	67.6
VNM	HOSE	8,221	100,000	89,800	15%	Accumulate	5.9	4.9	1.6	-0.5	5.4	2.8	19.0	18.5	6.0	4.4	-13.2	14,551.6	45.2
NT2	HOSE	276	24,300	20,600	15%	Accumulate	-20.5	-17.1	-4.0	-32.0	8.3	12.2	15.2	13.6	1.5	4.5	3.9	699.6	35.4
GMD	HOSE	648	55,000	48,700	14%	Accumulate	-1.5	-29.3	2.7	37.3	16.1	55.0	29.6	19.1	2.4	2.4	108.9	7,711.9	7.4
KBC	HOSE	875	48,100	42,700	13%	Accumulate	-32.9	-77.5	177.8	501.3	159.4	390.5	14.9	3.0	1.9	0.0	202.8	20,180.0	31.5
VHC	HOSE	430	60,000	52,400	13%	Accumulate	-10.5	-40.2	24.6	23.7	15.1	31.5	11.5	8.7	1.8	1.8	29.6	4,416.0	76.3
LTG	UPCOM	137	41,300	38,288	11%	Accumulate	-9.7	10.4	37.0	16.1	20.4	5.9	9.3	8.6	1.1	5.1	56.0	1,432.0	10.8
DIG	HOSE	557	33,400	30,500	11%	Accumulate	17.7	61.3	-8.9	83.0	102.4	-21.4	11.5	14.7	2.5	0.0	124.2	12,471.2	47.4
HAH	HOSE	134	70,600	64,000	11%	Accumulate	7.5	13.9	44.3	176.9	26.0	65.0	8.2	5.0	2.6	1.5	372.0	4,894.3	43.8
KDH	HOSE	1,152	45,178	41,300	10%	Accumulate	61.1	25.9	-24.5	-38.4	14.4	109.9	35.2	17.9	3.1	0.0	86.4	6,819.2	18.2
HAX	HOSE	43	20,700	20,250	9%	Accumulate	8.1	144.6	1.7	5.0	8.2	25.2	7.6	6.1	1.6	7.3	88.6	625.6	34.6
HDG	HOSE	417	63,336	56,500	8%	Accumulate	15.1	3.9	-4.3	31.2	6.9	7.5	8.0	7.5	2.9	0.0	138.9	5,833.3	38.2
ACV	UPCOM	8,023	90,500	83,384	7%	Accumulate	-57.5	-79.0	-44.7	-56.8	109.8	188.4	247.8	85.9	4.8	0.0	28.4	520.2	45.3
HSG	HOSE	1,047	52,000	46,750	7%	Accumulate	11.0	215.1	48.2	175.0	32.4	6.1	6.0	5.7	2.4	0.0	246.4	22,710.7	37.2
HTN	HOSE	91	45,200	42,500	7%	Accumulate	23.7	84.2	26.2	-34.8	109.5	119.1	8.8	4.3	1.5	0.0	118.3	467.7	48.2
VPB	HOSE	6,786	67,000	63,900	6%	Accumulate	7.4	26.1	19.0	14.7	17.6	34.1	12.9	9.7	2.6	0.0	166.4	31,006.9	0.2
IMP	HOSE	212	75,000	73,000	5%	Neutral	-2.4	29.1	5.1	8.7	22.9	22.8	23.3	19.0	2.9	2.1	55.5	70.9	0.0
PVT	HOSE	339	24,570	23,300	4%	Neutral	-3.9	-11.0	0.3	12.3	12.6	3.9	11.0	10.6	1.6	2.1	101.1	5,420.5	35.4
LHG	HOSE	113	52,300	49,150	4%	Neutral	7.5	39.8	27.9	39.5	4.4	10.8	9.4	8.5	1.8	3.7	99.0	957.0	39.6
BMP	HOSE	185	52,200	52,900	4%	Neutral	8.0	23.6	11.1	-62.3	14.0	113.2	23.7	11.1	1.8	3.9	-6.7	203.8	16.2
VSC	HOSE	143	60,000	59,800	4%	Neutral	-5.8	2.7	-4.3	13.1	3.0	-11.7	12.1	15.4	1.7	3.4	67.4	656.5	42.1
DRC	HOSE	169	32,500	31,800	4%	Neutral	-5.5	2.4	21.0	25.1	8.3	10.3	13.4	12.2	2.3	4.6	68.2	3,580.2	41.0
BID	HOSE	6,823	40,500	38,800	4%	Neutral	4.0	-14.7	25.6	85.0	12.4	28.7	15.8	13.3	1.9	0.0	-2.7	3,790.2	13.4
PNJ	HOSE	980	98,000	99,000	1%	Neutral	3.0	-10.4	-8.7	-22.6	16.8	32.7	26.8	20.5	3.9	2.0	64.8	3,457.1	0.7
MSH	HOSE	191	83,500	86,700	-1%	Neutral	-13.6	-48.5	17.3	86.4	29.9	31.9	11.3	8.5	3.1	4.0	180.4	500.7	41.0
STK	HOSE	146	48,000	49,750	-1%	Neutral	-20.8	-33.1	21.9	61.1	28.0	40.3	17.7	12.7	3.0	1.0	235.7	161.1	36.2
FMC	HOSE	128	47,000	50,000	-2%	Neutral	19.0	-1.7	12.4	10.6	4.8	28.0	11.8	9.1	2.3	4.0	65.0	918.9	41.0

Ticker	Exchange	Market cap (USD mn)	Target price (VND)	Current price (VND)	Total Return	Rating	2020		2021F		2022F		PER 2021F (x)	PER 2022F (x)	PBR Cur. (x)	Div Yield (%)	+/- Price 1y (%)	3-month avg. daily turnover (USD thousand)	Foreign remaining room (%)
							+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)							
HND	UPCOM	405	17,900	18,362	-4%	Neutral	-3.9	23.8	-19.9	-81.7	14.3	201.5	37.2	12.3	1.6	0.0	17.7	61.4	49.0
PPC	HOSE	330	21,200	22,950	-5%	Neutral	-3.1	-20.1	-42.7	-90.9	56.5	652.2	86.1	11.5	1.5	5.3	26.3	545.1	34.7
REE	HOSE	941	65,300	65,900	-6%	Reduce	15.3	-0.7	18.9	5.2	23.4	21.1	12.4	10.4	1.8	0.0	73.8	2,585.5	0.0
SMC	HOSE	138	47,500	49,600	-7%	Reduce	-6.5	227.3	48.4	172.9	1.8	-50.1	3.9	7.8	1.4	1.9	403.0	2,186.4	26.7
GEG	HOSE	262	18,200	18,500	-8%	Reduce	28.8	3.0	3.8	5.6	41.7	17.2	22.1	18.9	1.8	0.0	36.0	742.2	13.0
PVS	HNX	584	24,400	28,700	-10%	Reduce	16.9	-23.6	-34.1	27.6	17.3	-15.8	18.7	22.2	1.1	2.5	128.1	12,985.9	41.0
DPM	HOSE	640	31,600	38,100	-12%	Reduce	1.0	83.5	38.4	119.4	-6.1	-36.4	9.7	15.3	1.7	4.0	132.5	7,554.0	39.1
PGI	HOSE	101	22,800	26,100	-12%	Reduce	12.1	7.9	5.7	9.7	2.0	-6.8	14.2	15.3	1.5	0.0	41.8	27.2	28.3
PVD	HOSE	422	19,700	23,600	-14%	Reduce	19.7	-0.1	-25.4	-87.0	29.2	295.8	0.0	102.7	0.7	0.0	99.1	6,123.7	42.8
ANV	HOSE	172	24,000	29,000	-19%	Reduce	-23.2	-71.3	9.2	-23.7	13.3	33.1	0.0	19.3	1.6	3.2	67.2	1,090.2	47.9
PC1	HOSE	328	30,100	38,700	-24%	Sell	13.9	41.2	27.9	-10.9	-22.9	-4.7	0.0	19.5	1.7	0.0	114.6	2,649.6	40.6
NKG	HOSE	455	35,400	44,800	-25%	Sell	-5.1	524.1	143.7	666.4	3.2	-33.6	0.0	6.1	2.3	0.6	609.3	13,170.0	87.6
PAC	HOSE	87	30,100	39,950	-26%	Sell	-4.1	-10.9	10.9	1.6	3.0	0.0	0.0	14.6	2.5	3.5	77.0	164.4	35.7
BFC	HOSE	90	25,100	36,000	-27%	Sell	-11.6	80.5	39.1	40.7	-20.0	-6.4	0.0	12.7	2.1	3.3	131.1	835.9	45.1
TCM	HOSE	200	33,300	64,600	-47%	Sell	-4.8	27.6	20.6	-30.2	6.5	72.9	0.0	15.3	2.7	0.8	216.0	1,777.2	5.0

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

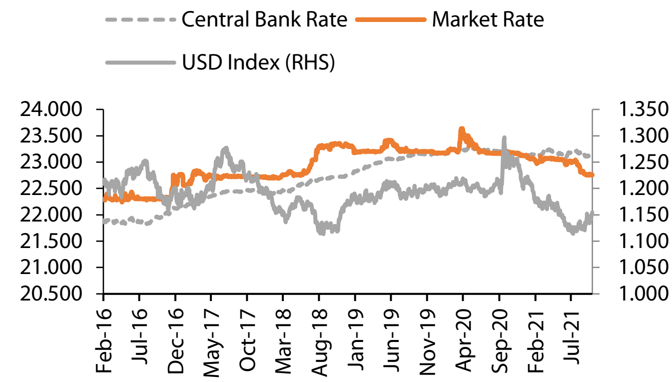
VIETNAM ECONOMIC INDICATORS IN SEPTEMBER 2021

Trade balance



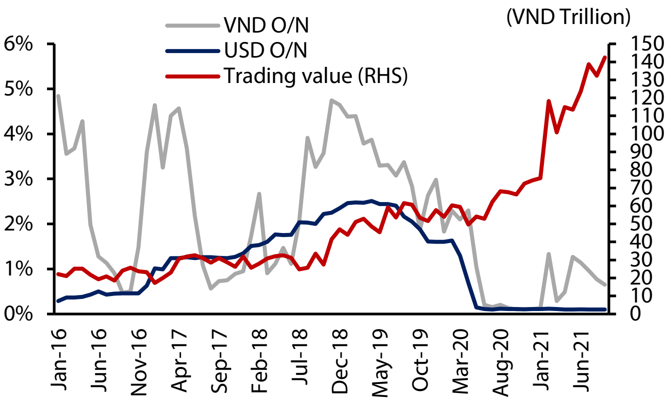
Source: GSO, Rong Viet Securities

USDVND exchange rate



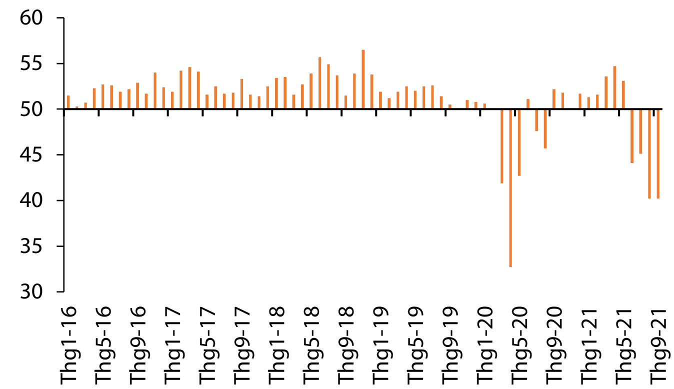
Source: SBV, Bloomberg, Rong Viet Securities

Interbank interest rate (%/year)



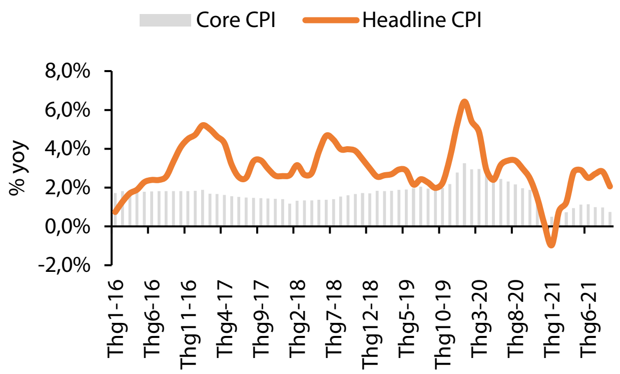
Source: SBV, Rong Viet Securities

Vietnam PMI



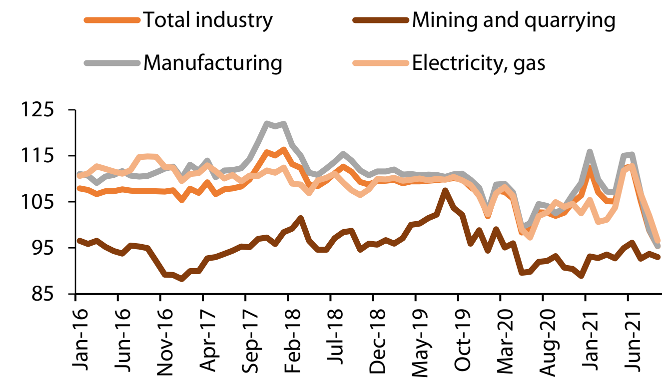
Source: IHS Markit, Rong Viet Securities

Vietnam CPI



Source: GSO, Rong Viet Securities

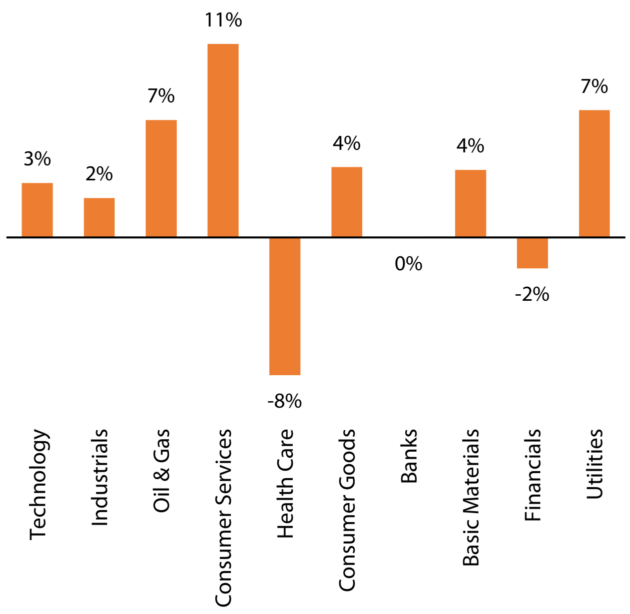
3-month MA Industrial Production Indices



Source: GSO, Rong Viet Securities

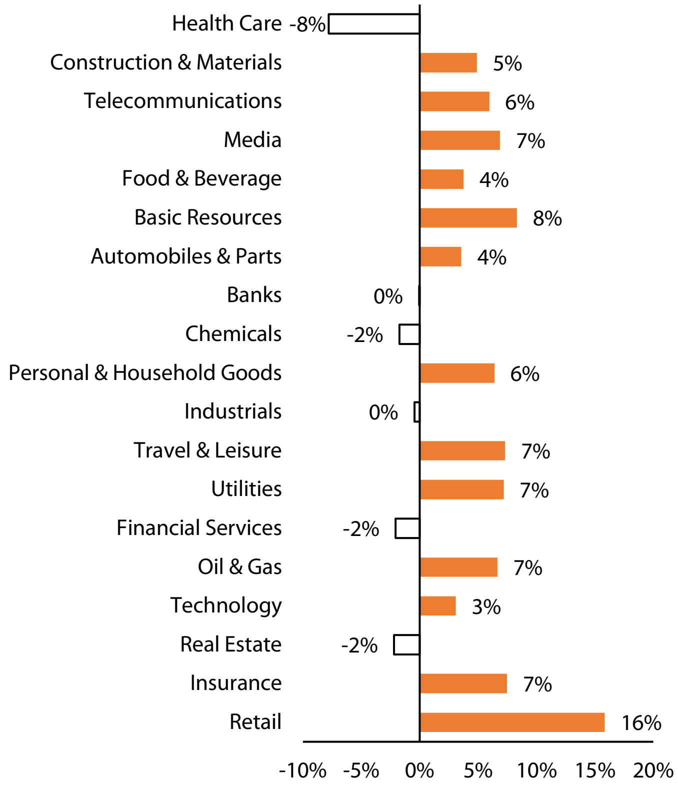
INDUSTRY INDEX

Level 1 industry movement



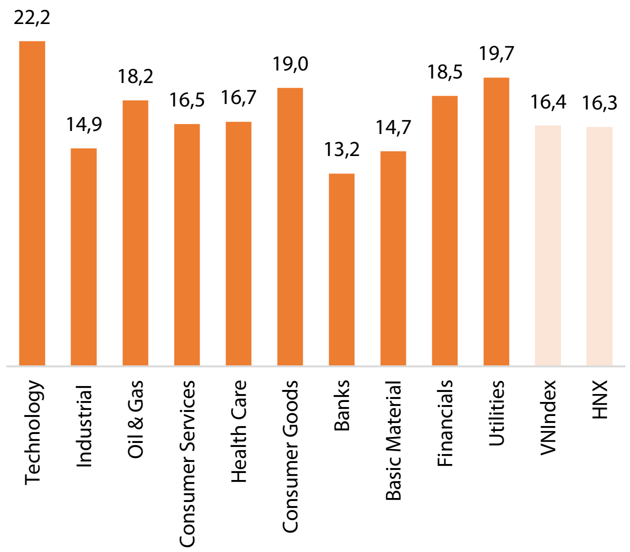
Source: Fiinpro, RongViet Securities

Level 2 industry movement



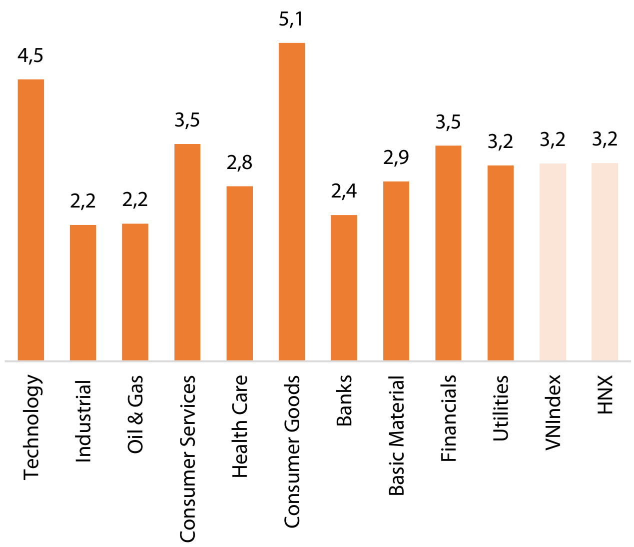
Source: Fiinpro, RongViet Securities

Industry PE comparison



Source: Fiinpro, RongViet Securities

Industry PB comparison



Source: Fiinpro, RongViet Securities

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