May 05th 2022

Investment Strategy May 2022

BUY THE DIP BUT SELECTIVELY

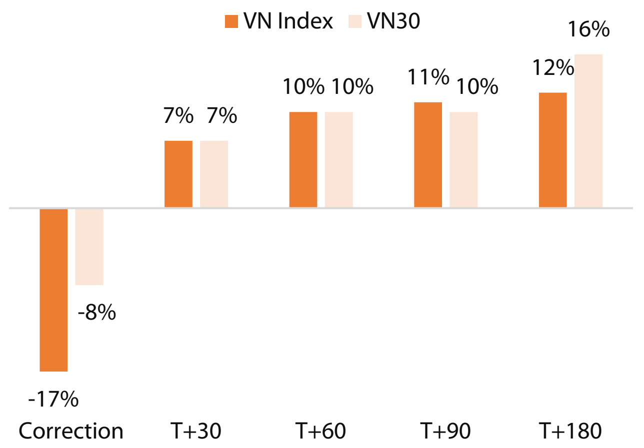
Market experienced tough time with bad news on the street of arrestation/investigation. However, we predict the market to be calmer after the severe correction in April given the better outlook of stock market on both fundamental and sentiment perspectives with better transparency after enhancing regulation over fraudulent/manipulative activities. Specifically, market quickly recovered after strong correction with notable events as ACB case, Covid-19, margin call in early of 2021.

Currently, we consider VN Index has attractive valuation as VN Index is trading at 2022F PER of 12.4x (Bloomberg), lower than the 10-year average of 14.9x (c. EPS growth 2022F of 21. For VN30, it is also attractive with trading PE of 12.3x (as of Aug 29th, 2022) and forward PE of 11.1x.

We expect VN Index to move in range between ***1,320 - 1,420.***

For large-cap stocks, we consider Bank having low exposure to corporate bond as VCB to support the market. Addition, VIC is also a noticeable stock to uplift the market when needed back by the re-bounce of several businesses as mall, hospitality, etc. in post-Covid 19 period along with awaiting catalyst from Vinfast IPO. Moreover, MSN with solid growth perspective along with attractive valuation is also interesting factor.

Market performance after "shock"



Source: Fiinpro, Rong Viet Securities

Strategy Board

Lam Nguyen

lam.ntp@vdsc.com.vn

Bernard Lapointe

bernard.lapointe@vdsc.com.vn

Ha My Tran

my.tth@vdsc.com.vn

Tung Do

tung.dt@vdsc.com.vn

Kiet Tran

kiet.tht@vdsc.com.vn

Ha Tran

ha.ttn@vdsc.com.vn

Trang Tran

trang.tnt@vdsc.com.vn

Please see penultimate page for additional important disclosure

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In contrast to the period of 2020-2021, when "easy" money had driven the rally of broad market, we believe that money flow will be largely picky and diverged across industries amid risk-off environment and increased cost of capital. We expect that the rally will only be sustainable in stocks that have a strong financial foundation, a clear business strategy and a positive profit growth prospect. On the other hand, stocks that outperformed the market in recent crash were broadly supported by positive revenue and profit growth. Seafood exporting, logistics, technology, and retail stocks are some examples. We believe that the mentioned trend will continue to dominate the stock market movement in 2022.

Therefore, we believe that stock selection in the upcoming period will be much more crucial than forecasting short-term market trends. At this time, investors should focus on industries with positive expected Q2 results such as ***fishery (VHC, ANV), gas thermal power (NT2), technology (FPT), and banking (TCB, MBB, ACB, VCB, CTG)****. We continue to maintain these stocks recommendations as presented in BCCL in previous months. In fact, model investment portfolios No. 1 and 3 as in our Strategy report at the beginning of 2022, with a high weight of the above-mentioned industry groups, have outperformed the market YTD.*

At the same time, the "contrarian investing" investment strategy for value investors with high risk tolerance and long investment time horizon can still be applied to real estate stocks when the valuations have now been heavily discounted. ***Residential real estate developers that have many projects ready-to-open sale (NLG, KDH, HDG) can be good options for long-term holding. Industrial real estate developers namely PHR, LHG are also viable choices given their strong balance sheet, healthy operating cash flow with secured large contracts, and attractive cash divdend yield.*** *Last but not least, it is necessary to be more cautious with stocks related to the basic materials group, which have increased sharply recently*

Analysis of 57 stocks of Rong Viet Research, discussion with companies and specific evaluation in the "Company Report" or "Analyst Pinboard"

Inflation, inflation, inflation…

"*Inflation swindles the bond investor … it swindles the person who keeps their cash under their mattress, it swindles almost everybody*" said Warren Buffett on April 30th at the annual Berkshire Hathaway meeting.

- Rising interest rates, some high-profile earnings misses and burgeoning concerns about global growth took a toll on stock markets in April.
- The big drawdown came on the eve of a historically weak period for stocks, with the "sell in May and go away" mindset officially beginning.
- Financial markets globally remain in a stagflation scare, which we have not seen since the OPEC oil embargoes of the 1970s.

Dismal performance for most stock markets in April (Table 1). ASEAN outperformed with Indonesia recording a gain for the month. The two major US indices suffered the most.

Table 1: Stock markets performance in April, m/m, local ccy.

Country	*Index*	*%*
Indonesia	JCI	+2.1
Malaysia	FBMKLCI	-0.1
Singapore	STI	-1.5
Thailand	SET	-1.6
France	CAC-40	-1.9
Germany	DAX	-2.2
Japan	Topix	-2.4
Hong Kong	Hang Seng	-4.1
China	China A	-6.3
Philippines	PCI	-6.6
Vietnam	VN Index	-8.4
US	S&P 500	-8.8
US	Nasdaq	-13.3

Source: Tradingview.com

If we compare April 2022 to March 2020 where we saw very sharp declines, but equally fast recoveries, the current episode looks much more likely to impose long lasting losses for investors that piled in during the 2021 rally, and is best thought of as a 'creeping bear market'. Despite what can be viewed as a solid overall earnings period so far, the positive results look to be getting overshadowed by some of the broader concerns related to inflation and the Ukraine war. Different cross-currents are at play which make investment decisions harder.

Meanwhile the IMF lowered its 2022 global growth estimate by 0.8 percentage point to 3.6 percent. It reflects a 1.1 percentage point cut for the euro area, now seen expanding 2.8 percent. Because Asia's advanced economies have strong ties with Europe, the continent's weaker growth (Figure 1) will weigh on external demand and ultimately growth for major regional trade partners like Japan and Korea. Vietnam's GDP growth is forecasted to rise by 6% according to the IMF in 2022 versus growth of 2.6% in 2021. Our economist predicts a 6.5% rise in 2022.

Most of Asia's emerging and developing economies are net importers of oil, gas and metals, making them particularly vulnerable to rising global commodity prices. That means that a deterioration in their terms of trade will likely reduce growth. High food and fuel costs also add to inflation pressures, especially in lower-income countries where they make up a large share of consumer spending.

Tightening global financial conditions will continue to weigh on economic growth. Government bond yields in major Asian economies have begun rising as the Federal Reserve starts to lift US rates.

Figure 1:

Economic forecasts: Asia and the Pacific
(real GDP growth; percent)

		PROJECTIONS	
	2021	2022	2023
Asia	6.5	4.9	5.1
Advanced Asian economies	3.6	2.7	2.7
Australia	4.7	4.2	2.5
New Zealand	5.6	2.7	2.6
Japan	1.6	2.4	2.3
Hong Kong SAR	6.4	0.5	4.9
Korea	4.0	2.5	2.9
Taiwan Province of China	6.3	3.2	2.9
Singapore	7.6	4.0	2.9
Asian emerging market and developing economies	7.3	5.4	5.6
Bangladesh	5.0	6.4	6.7
Brunei Darussalam	-0.7	5.8	2.6
Cambodia	2.2	5.1	5.9
China	8.1	4.4	5.1
India	8.9	8.2	6.9
Indonesia	3.7	5.4	6.0
Lao P.D.R.	2.1	3.2	3.5
Malaysia	3.1	5.6	5.5
Myanmar	-17.9	1.6	3.0
Mongolia	1.4	2.0	7.0
Nepal	2.7	4.1	6.1
Philippines	5.6	6.5	6.3
Sri Lanka	3.6	2.6	2.7
Thailand	1.6	3.3	4.3
Vietnam	2.6	6.0	7.2
Pacific island countries and other small states	4.2	4.7	5.4

Source: IMF World Economic Outlook Database, April 2022.

IMF

We expect that continued financial tightening in the US and rising inflation will lead many Asian central banks to hike rates themselves. A movement that has already started and is reflected in the change in 10-yr yields in the region (Table 2). Hong Kong and Vietnam have seen the largest move upward in yields by 135 and 100 basis points, respectively, since the beginning of the year.

Table 2: 10-yr government bond yields, %.

Country	*April 30*	*January 1*	*Change, bps*
Hong Kong	2.76	1.41	+135
Vietnam	3.10	2.10	+100
Malaysia	4.38	3.50	+88
Singapore	2.52	1.67	+85
Korea	3.25	2.55	+70
India	7.14	6.45	+69
Indonesia	7.00	6.37	+63
Taiwan	1.06	0.74	+32
Japan	0.22	0.07	+22
China	2.84	2.78	+6

Source: Tradingview

Year over year comparisons may send wrong signals as levels will stay high for many commodities, validating the thesis that inflation is here to stay.

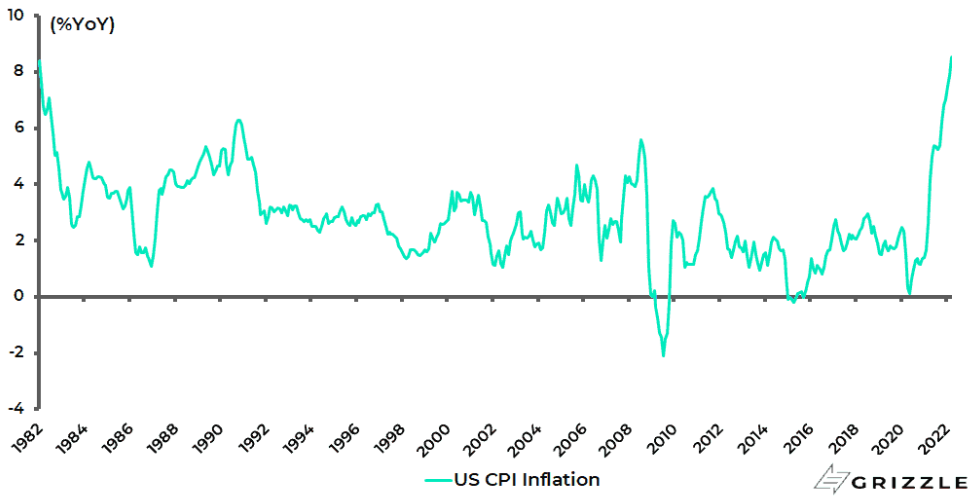
Commodity prices are back to the levels of July/ August 2008 (Figure 2).

Figure 2: S&P Goldman Sachs Commodity Index, weekly.

According to the World Bank, *"Commodity markets are under tremendous pressure, with some commodity prices reaching all-time highs in nominal term. This will have lasting knock-on effects. The sharp rise in input prices, such as energy and fertilizers, could lead to a reduction in food production particularly in developing economies. Lower input use will weigh on food production and quality, affecting food availability, rural incomes, and the livelihoods of the poor."*[1]

We agree. US inflation is not going to go down in the near term. Combined with rising food & energy prices, a tight labor market adds to pressure on the CPI. The latter is rising at close to 8% y/y, something not seen since 1982 (Figure 3).

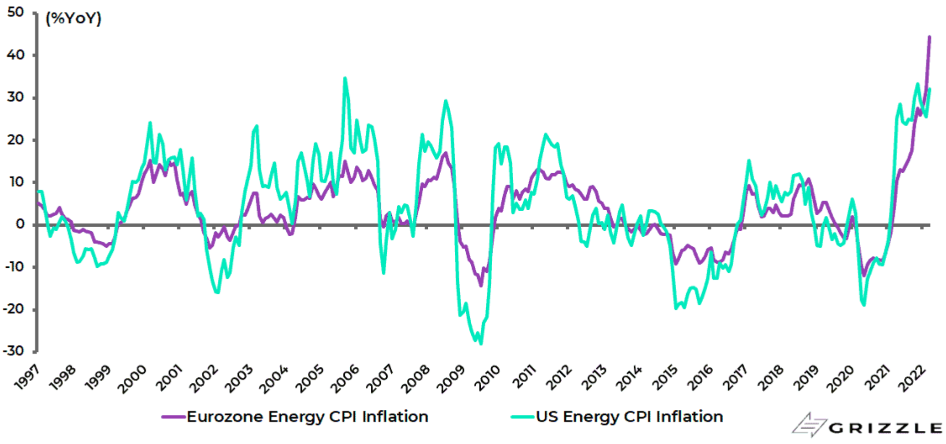
Figure 3: US CPI inflation, y/y.



Energy has been a huge booster of total inflation in the US and the Eurozone, rising over 30% y/y (Figure 4). Crude oil prices have stabilized but are unlikely to drop significantly in the short term. Gyrations in natural gas prices will continue until the Ukraine situation becomes more predictable.

[1] *World Bank , 'Commodity Markets Outlook', April 2022*

Figure 4: US and Eurozone energy inflation.



Naturally, the Biden administration has been quick to blame the surge in prices at the petrol pump on Russian President Vladimir Putin. That may just work politically. But the reality is that the inflation genie was already out of the bottle long before the invasion of Ukraine was launched on 24 February and opinion polls showed that Americans were already focused on the issue.

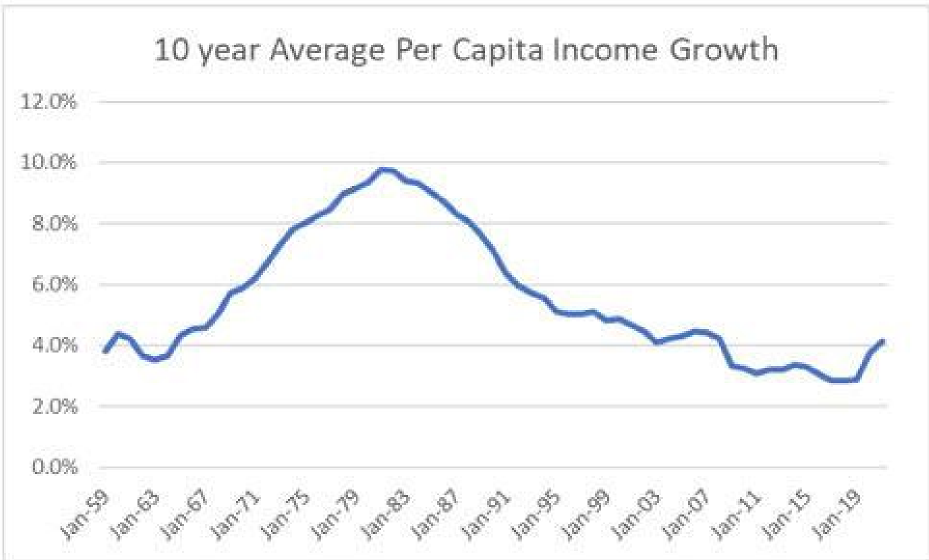
Meanwhile, in Europe, the ECB has also done its own U-turn in terms of admitting there is an inflation problem. The ECB now plans to end quantitative easing in the third quarter subject to the data. It is also the case that the pace of tapering has been accelerated. Monthly net asset purchases will decline from €52bn in March to €40bn in April, €30bn in May and €20bn in June, while net purchases in the third quarter will be 'data-dependent'.

That could open up the path for a rate hike in Europe before the end of this year.

Điều đó có thể mở ra con đường tăng lãi suất ở châu Âu trước cuối năm nay.

It does not help that US average per capita income growth is still anemic and is not keeping up with rising prices (Figure 5). Hence per capita income growth is barely above 4%, on a 10-yr average, way below what we saw in the 1970-90s.

Figure 5: US 10-yr per capita income growth, %.



Source: Zerohedge.com

The Euro has strong support around 1.05 against the USD (Figure 6). It bottomed out at this level in April and November 2015 as well as March 2017. We expect the Euro to stabilize now against the USD but also against some ASEAN currencies.

Figure 6: EUR/ USD

On May 29th, China announced its first public deal in which it used Renminbi (RMB) to pay for imported coal. It will not be their last deal like that. This event along with a million others is indicative of the global USD hegemony slowly ending. The Dollar's role as the dominant international currency will likely continue to decline over the coming years.

Since the 1960's the US Dollar has been the world's dominant international currency as a function of two key advantages to using it.

1. Convenience in transaction
2. Lack of suitable alternatives

But both of those advantages are under attack now. On the first advantage:

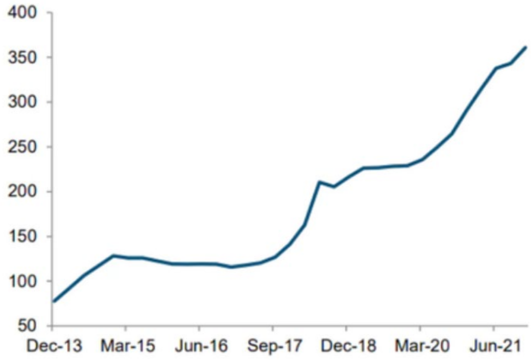
- due to heavy use of sanctions, the dollar is not so convenient to use anymore;
- as to the second advantage; Digital Yuan, alternatives to Swift, Bitcoin, and (soon to be) blockchained-Gold fix that taken together, these developments, are serving to accelerate shrinking Dollar dominance from Global FX reserves.

Israel is the most recent country to ramp up its RMB holdings, citing philosophical reasons for its changes.

China has taken significant steps to modernize and open up its financial system, leading to a wave of fixed income portfolio inflows in recent years. Since 2016, fund holdings of Chinese bonds have grown 6 fold. Official (unofficial is much higher we bet) RMB allocations have increased by almost 400% in five years.

We expect this trend to continue given the RMB's attractive real yields, cheap valuation and China's growing clout.

Figure 7: Estimated reserve holdings of Renminbi, billions.



Source: IMF, Goldman Sachs

It is worthwhile mentioning that the Basel Committee on Banking Supervision[2] estimates of global debt levels - encompassing both public and private debt – are at an all-time historical high of nearly US$300 trillion or 350% of global GDP.

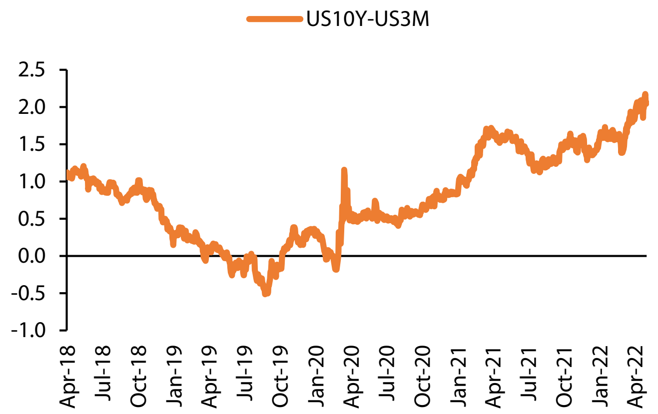
Bottom line:

The Dollar maintains its role as the world's leading international currency for many reasons—with reinforcing complementarities or "network effects" a key factor—so this structure will not change overnight. But the shifting tactical and structural trends reinforce our conviction in a weaker Dollar over the medium term.

[2] *BIS, Debt Securities Statistics, Feb 2022.*

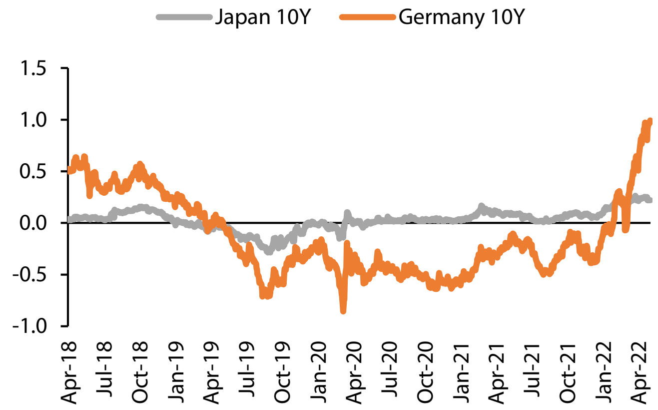
GLOBAL ECONOMIC INDICATORS IN APRIL

US G-Bond yields gap (%/year)



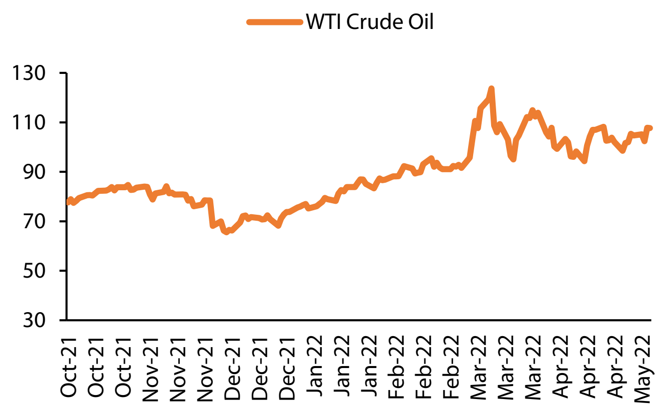
Source: Bloomberg, Rong Viet Securities

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



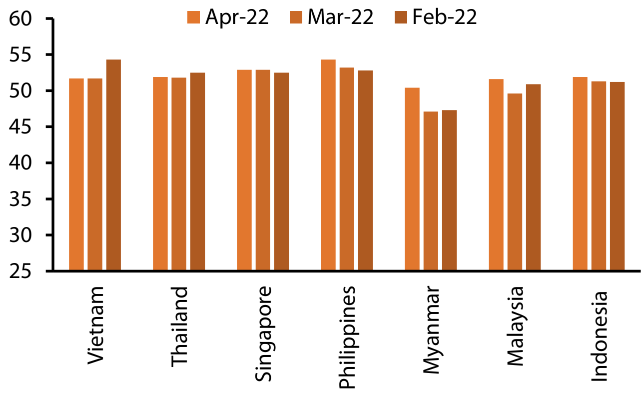
Source: Bloomberg, Rong Viet Securities

WTI crude oil price (USD/barrel)



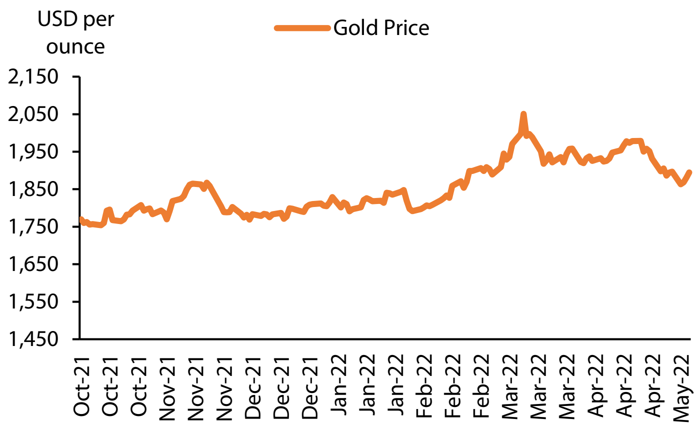
Source: Bloomberg, Rong Viet Securities

ASEAN's PMI



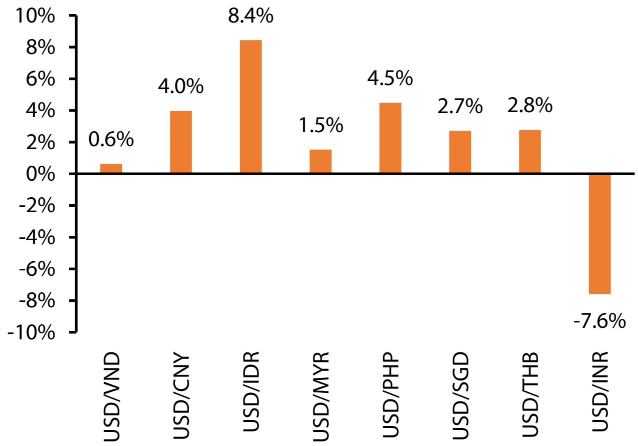
Source: Markit Economics, Rong Viet Securities

Gold prices (US$/ounce)



Source: Bloomberg, Rong Viet Securities

FX rates (%, YTD)



Source: Bloomberg, Rong Viet Securities

VIETNAM MACRO

- Positive signals for the 2Q22 macro outlook
- Accelerated credit growth comes with more intensive competition to attract deposits
- Vietnam's exposure to China's zero-Covid policy

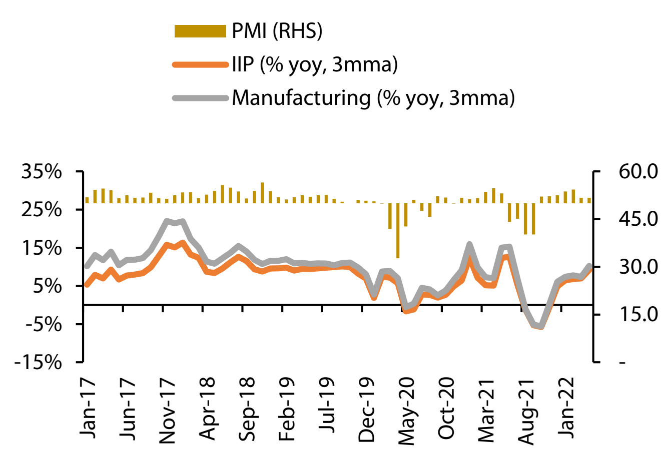
Positive signals for the 2Q22 macro outlook

The monthly macro indicators show that the economic recovery continued in Apr 2022. Most of the sectors recorded positive improvement over the same period as well as over the last month. Specifically, the industrial production sector- the main growth engine- recorded an increase of 9.4% yoy in Apr 2022, which was higher than the growth rate of 9.1% in Mar 2022. The industrial production index increased by about 2.0% mom, of which the manufacturing and processing industry increased by 2.6%. The top performers were concentrated in apparel manufacturing (+8.3% mom and +20.5% yoy), metal production (+7.7% mom and 8.3% yoy), electronic goods production (-5.7% mom but up 16.6% yoy). An early indicator of industrial production outlook also showed positive movement with the PMI remaining at 51.7 points in Apr 2022. Notably, output recovered after falling in Mar 2022 and new orders continued to increase, although the growth rate slowed significantly, the lowest increase in seven months of continuous expansion.

The recovery of the consumer sector gradually became clearer. Compared to the previous month, retail sales of goods and services in Apr 2022 recorded a growth of 3.1%, lower than the increase of 3.8% in Mar 2022. However, on a year-on-year basis, retail sales of goods and services grew by 12.1%, of which retail sales of goods grew by 12.4%, accommodation and tourism services increased 14.8% and 49.4% yoy, respectively. In the first four months of the year, the growth of retail sales of goods and services has improved significantly compared to the growth rate of the first quarter of 2022, from a growth rate of 1.6% to 4.3% (after excluding the inflation factor).

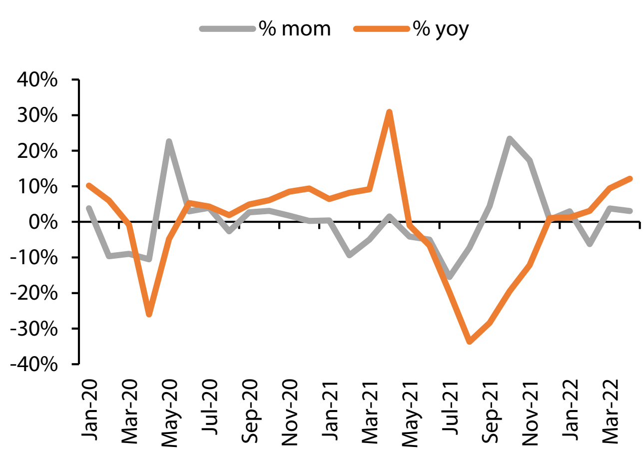
In April 2022, the move to reduce the environmental protection tax on gasoline prices helped inflation slow down compared to the previous month. Accordingly, the consumer price index increased only 0.18% mom, significantly lower than the increase of 0.7% in Mar and 1.0% in Feb. However, due to the low base effect, the consumer price index in Apr increased by 2.6% yoy. Average inflation in the first four months of the year was at 2.1%, 0.2 percentage points higher than in the first quarter of 2022. The impact of gasoline prices on other commodities was also expressed through the core inflation index of April 2022. Specifically, core inflation increased by 0.4% mom and 1.5% yoy. The average core inflation in the first four months of the year remained at less than 1%. However, the pressure on inflation in the coming months will be clearer due to the increase in global raw material prices, supply chain disruptions, and recovery of domestic demand.

Figure 8: Vietnam's manufacturing activity



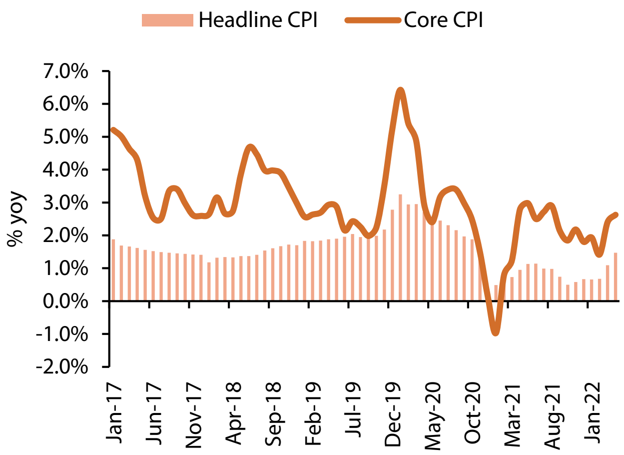
Source: GSO, Rong Viet Securities

Figure 9: Retail sales growth



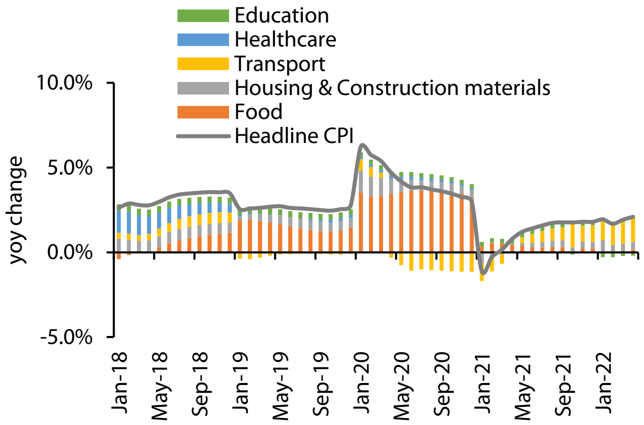
Source: GSO, Rong Viet Securities

Figure 10: Vietnam's inflation



Source: GSO, Rong Viet Securities

Figure 11: Inflation by component



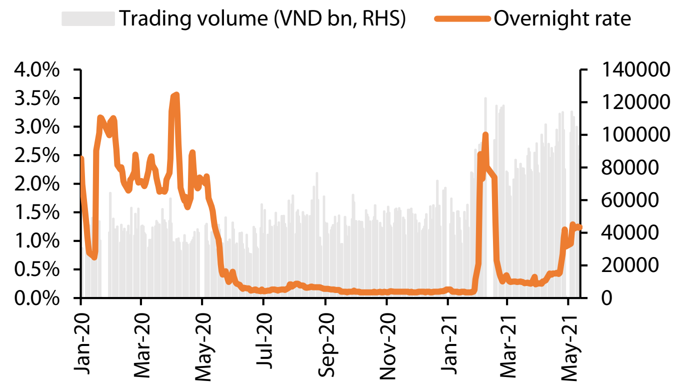
Source: GSO, Rong Viet Securities

Accelerated credit growth comes with more intensive competition to attract deposits

The monetary market last month also had some notable points to consider. Specifically, credit growth continued to accelerate, as of Apr 25, total outstanding loans of the whole economy increased by approximately 6.8% compared to the end of 2021, much higher than the increase of 3.7% in the same period last year. Over the same period, credit growth was estimated at 16.4%, significantly higher than the full-year credit target of 14%. The sharp increase in demand for loans in the first months of the year was also accompanied by a sharp increase in deposit mobilization competition among private commercial banks in Apr 2022. Capital mobilization growth as of Apr 25 was approximately 3.4%, higher than the growth rate of 2.2% in the same period last year. However, the gap between capital mobilization and credit is widening, showing that deposit interest rates may continue to increase in the coming months. On the contrary, the strengthening of credit control in high-risk sectors (stocks, real estate, BOT projects, BT and corporate bonds) will likely cause cash flow to return to deposits such as a safe-haven channel in the short term, thereby helping to curb the rising deposit rates.

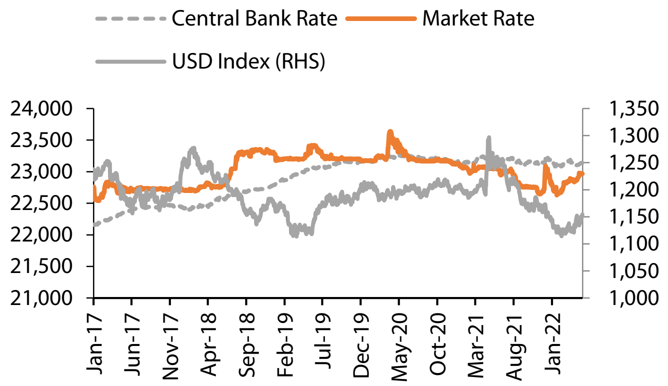
In a related development, interbank interest rates have somewhat cooled down in Apr 2022, overnight lending rates in VND decreased from an average of 2.2%/year in Mar to 1.9 %/year. In the last days of April, overnight lending rates in VND were around 1.4%/year, significantly lower than 2.1%/year at the beginning of the month. This movement shows that although capital mobilization has grown slower than credit, the demand for loans for VND in the short term is showing signs of cooling down. Meanwhile, the demand for USD in the banking system went into the opposite direction. Overnight lending rates in USD have accelerated in the past month, from an average of 0.2%/year to 0.4%/year. The Dong faced a slight devaluation pressure in Apr 2022, the official and free-market rates increased by 0.6% and 0.9% respectively compared to the end of Mar 2022, approaching the peak set up in Dec 2021. This development coincided with the stronger dollar. The Bloomberg USD index recovered to 1.154, up 2.4% from the previous month. The expectation that the Fed will raise interest rates faster and stronger in the coming months can prolong the recovery cycle of the USD and put pressure on the USDVND exchange rate. Even so, we still maintain our expectation that the Dong will only depreciate slightly by 1% this year, thanks to manageable inflation and recovering economic growth.

Figure 12: O/N interbank movement



Source: GSO, Rong Viet Securities

Figure 13: USDVND exchange rate movement



Source: Bloomberg, Rong Viet Securities

Vietnam's exposure to China's zero-Covid policy

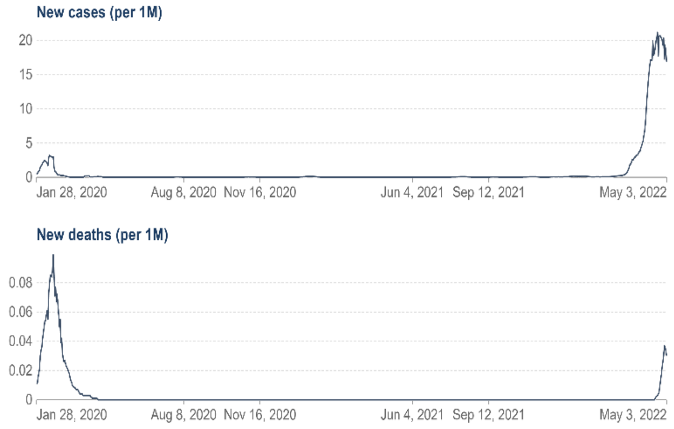
While countries around the world have relaxed their Covid-19 restrictions, China continues to pursue a zero-Covid policy with prolonged lockdown in many areas such as Jiangsu, Jilin, Guangdong,Shaanxi and Shanghai – regions that play an important role in the supply chain. The GS Effective Lockdown Index (ELI) calculated by Goldman Sachs is based on Covid-19 restrictions and actual mobilization data, PPP GDP-weighted, showing the current lockdown in China is stricter than the lockdown in Feb 2020.

The first impact is freight traffic and stagnant cargo at ports located in the lockdown area. Shanghai Port - the world's largest container port, still maintained operations during more than 1-month of lockdown in Shanghai city. Although the waiting time for cargo loading and unloading is still shorter than in the previous lockdown, Maersk, one of the world's largest container shipping companies, said in its recently updated report that the disruptions of manufacturing activities and inter-province trucking are leading to congestion and pushing up transportation costs.

According to the latest data of China National Statistics (NBS), the purchasing manager's index in Apr 2022 fell to 47.4 points, marking the 2nd consecutive month of decline. In addition, the non-manufacturing PMI used to measure activity in the construction and service sectors also dropped sharply, from 48.4 points in Mar 2022 to 41.9 points. These are all the lowest levels recorded since Feb 2020, when the Covid-19 pandemic had just begun. According to Goldman Sachs, the supply chains of industries most negatively affected by the recent lockdown are chemicals, transport vehicles and wood products. However, the risk of a prolonged lockdown will affect the production and shipping of many other items. China observers said that the lockdown policy may not be eased until mid-May 2022 or even Jun 2022 as the authorities continue to pursue the "zero-Covid" goal.

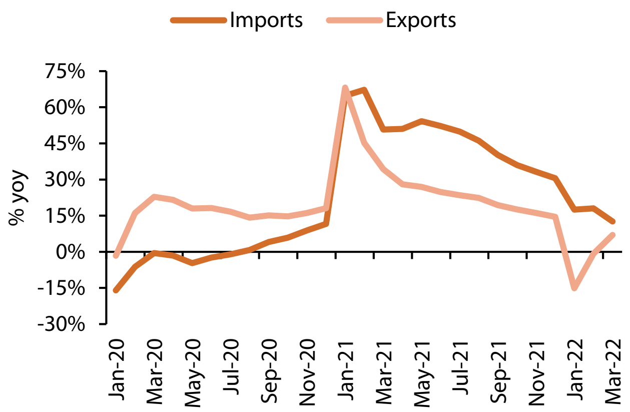
Assessing the impact of China's zero-Covid policy on Vietnam, there are two possible impacts. Firstly, China is the largest supplier of input materials for production in Vietnam, importing goods from China accounting for more than 33% of total imports (2021). Supply chain disruption due to the partial lockdown policy in China is likely to affect the prospect of importing raw materials, delaying the delivery time, thereby affecting the progress of domestic production. Thus, the growth rate of the manufacturing sector may slow down in the near future if the lockdown is prolonged in China. In turn, the low base level of the previous year and the recovery of domestic consumption demand and the acceleration of public investment in the second half of the year could be main reasons for the economy to achieve the Government's GDP target. Second, Vietnam exports about 17% of its goods to China (2021), and many financial organizations have lowered their forecast of China's economic growth to only about 4.5% compared to the target level of 5.5%. This implies that the consumer demand in this large market will decline. Accordingly, the recovery of Vietnam's export growth to the Chinese market may face difficulties in the following months.

Figure 14: China's Covid-19 stituation



Source: Ourworldindata, Rong Viet Securities

Figure 15: Vietnam's trade growth with China

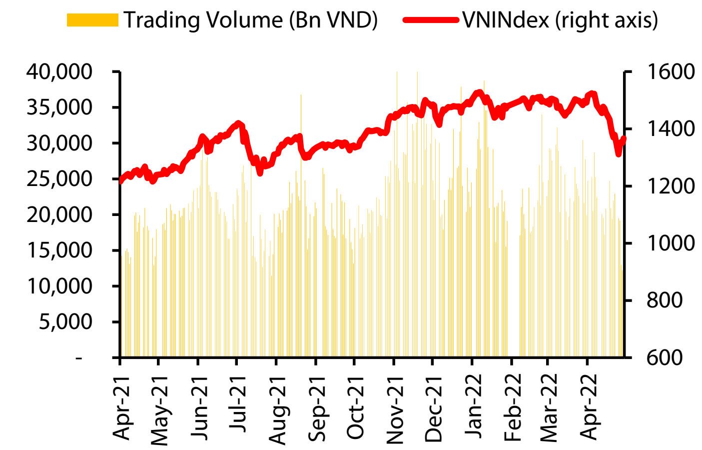


Source: GSO, Rong Viet Securities

Market experienced strong correction in April as Investors concerned over government efforts in in combating stock price manipulation by arresting along with stricter control over corporate bond issuance activities. This news led to margin calls as several speculative stocks dropped significantly and spread to fundamental stocks. In last week of April, market recovered as many companies posted Q1 results. Eventually, the VN Index ended up -8.4% to close at 1,366.8.

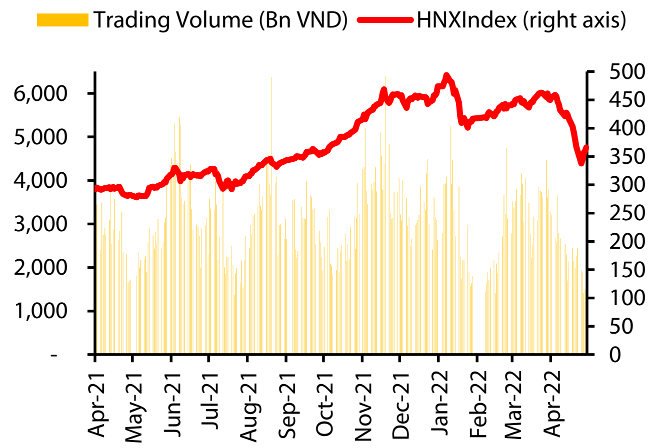
Compared to other markets, the VN Index were in line with bearish movement of global stock markets given tightening monetary policy such as S&P 500 (-8.8%), SET (-1.6%), KOSPI (-2.3%). The HNX Index performed weaker than VN Index with a -18.64% MoM loss.

Figure 16: VN Index, April 2021 - April 2022



Source: Fiinpro, Rong Viet Securities

Figure 17: HNX Index, April 2021 - April 2022



Source: Fiinpro, Rong Viet Securities

VN Index trading volume via matching reduced order compared to the previous month, recording VND 20,700 Bn (or USD 0.9 Bn, -17% MoM). This was attributed to the liquidity drop of VN Mid and VN Small at -20% and -27%, respectively. VN30 also suffered with liquidity loss of at -5% MoM.

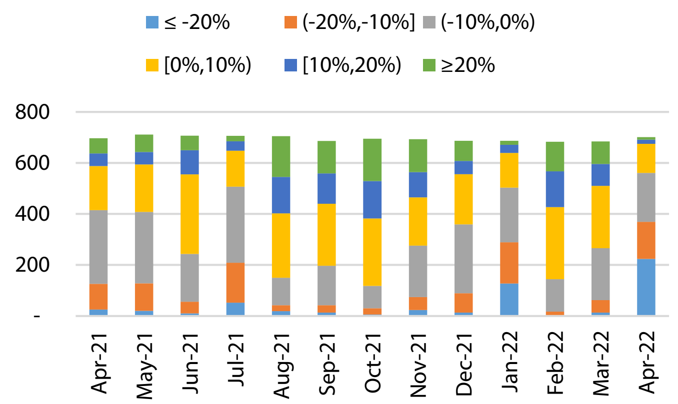
The number of stocks dropped more than 20% dominated, accounting for over 30% of total stocks in HOSE and HNX.

Table 3: Performance by market cap in March

	VN30		VNMid		VNSmall	
	ADTV (billion VND)	Price change	ADTV (billion VND)	Price change	ADTV (billion VND)	Price change
February 2022	8,511	-0.93%	8,390	5.59%	3,665	13.12%
March 2022	7,623	-0.57%	10,565	2.78%	4,954	5.68%
April 2022	7,243	-6.05%	8,419	-13.14%	3,640	-15.70%

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

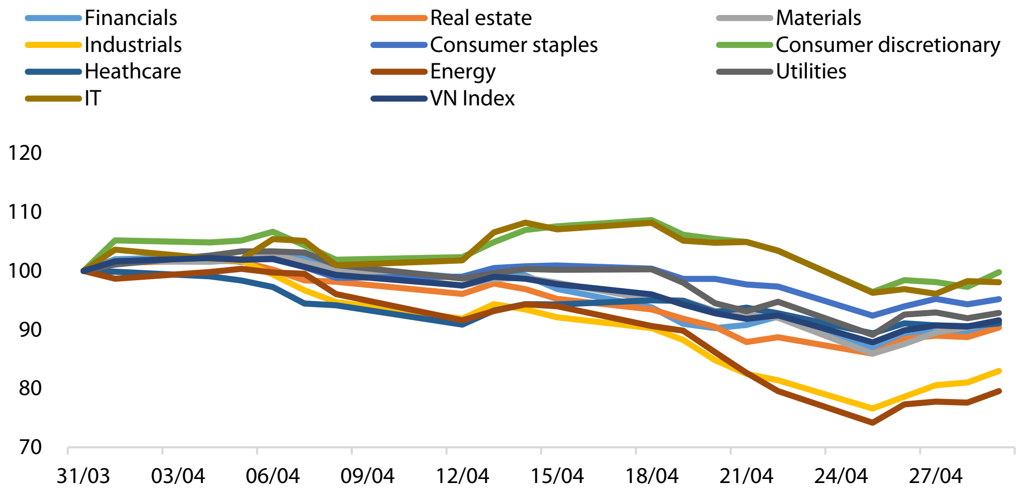
Figure 18: Number of stocks by monthly performance on HOSE and HNX



Source: Fiinpro, Rong Viet Securities

All sectors recorded negative returns in April. Energy, Industrials and Real Estate were top three sluggish sectors with a drop of 20.4%, 17.0% and 9.6%, respectively. Other sectors down from -0.2% to -9.1%.

Figure 19: Sector performance in April



Source: Bloomberg, Rong Viet Securities

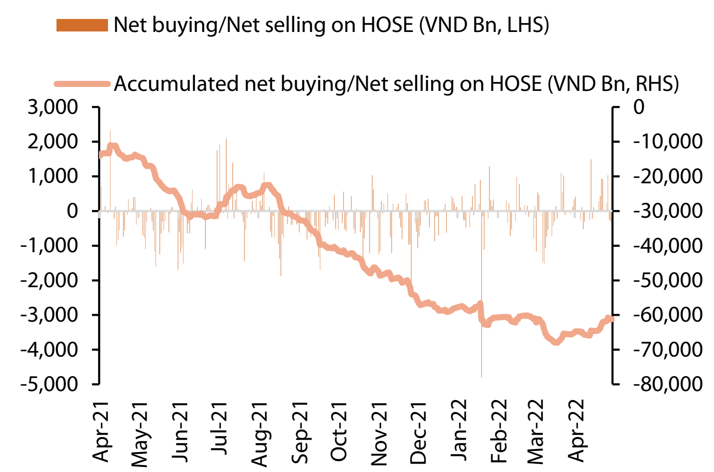
Foreign investors

Foreigners became net buyer in April as market corrected strongly with a net purchase value of VND 1,828 billion (or USD 79 Mn) via order-matching orders on HOSE.

VHM (VND -1,292 Bn or USD -56 Mn), HPG (VND -956 Bn or USD -42 Mn) were tickers bearing foreign investors selling pressures in April. In contrast, VNM (VND 511 Bn or USD 22 Mn), GEX (VND 348 Bn or USD 15 Mn) were noticeably net bought.

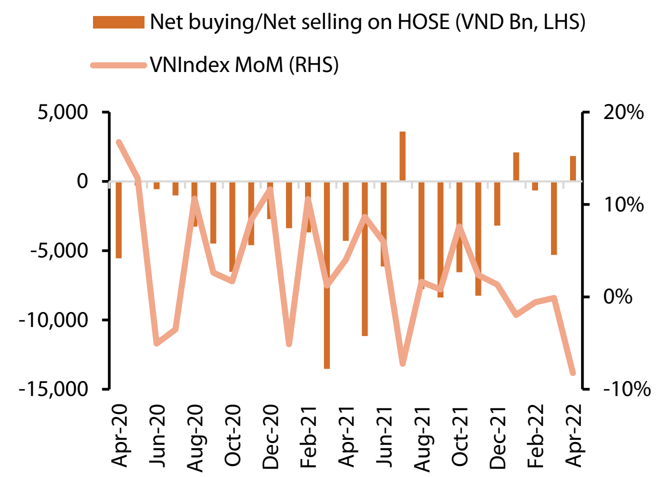
Domestic ETFs money flows exhibited mixed results while foreign ETF flows saw positive figures. On foreign ETF fund side, FTSE recorded net outflows of -13.4 Mn while Fubon received net inflows of USD 39.4 Mn. The more positive picture with domestic ETF flows as VN Diamond and E1VFVN30 experienced net inflows of USD 40.2 Mn and USD 9.2 Mn, respectively.

Figure 20: Total daily net buying/selling by foreigners (Billion VND) in the last 12 months



Source: Fiinpro, Rong Viet Securities

Figure 21: Net buying/selling on HOSE via matching-order transaction versus VN Index MoM



Source: Fiinpro, Rong Viet Securities

Table 4: Foreign net trading value by sector on HOSE and HNX

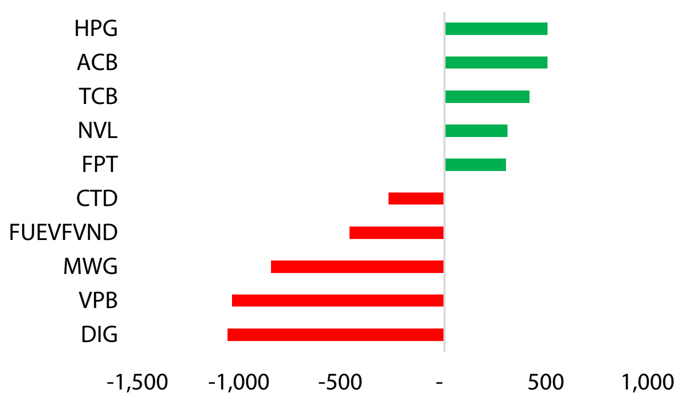
Sector	HSX		HNX	
	Net trading value (billion VND)	Net trading volume (thousand shares)	Net trading value (billion VND)	Net trading volume (thousand shares)
Chemicals	184	18,801	7	159
Banks	-959	-19,374	15	917
Personal & Household Goods	-30	-1,459	-3	-235
Construction & Materials	633	17,411	2	273
Travel & Leisure	95	2,424	-3	-31
Health Care	826	10,262	8	235
Technology	-43	4,677	11	-52
Telecommunication	10	-105	0	-259
Media	236	8,496	-49	-1,252
Automobiles & Parts	169	2,412	-31	17
Oil & Gas	1,114	26,348	-7	-83
Insurance	1,463	9,205	-3	-53
Retail	50	1,014	-1	-27
Industrial Goods & Services	-16	-2,202	-8	-234
Utilities	32	551	0	3
Financial Services	29	1,567	0	20
Food & Beverage	0	0	0	9
Basic Resources	-3	704	21	410
Real Estate	124	3,205	10	394

Source: Fiinpro, Rong Viet Securities

Local institutional investors

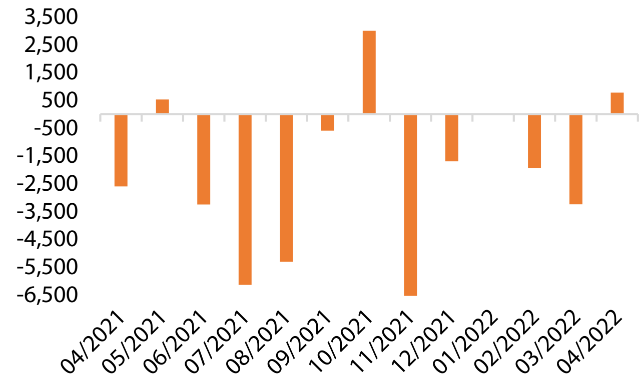
Local institutional investors were net buyers this month with value of VND 770 billion (or USD 34 Mn). Key traded stocks by local institutional investors are shown below.

Figure 22: Top sold/purchased stocks by local institutions (VND Bn) in April



Source: Fiinpro, Rong Viet Securities

Figure 23: Trading activity by local institutional investors (VND Bn)



Source: Fiinpro, Rong Viet Securities

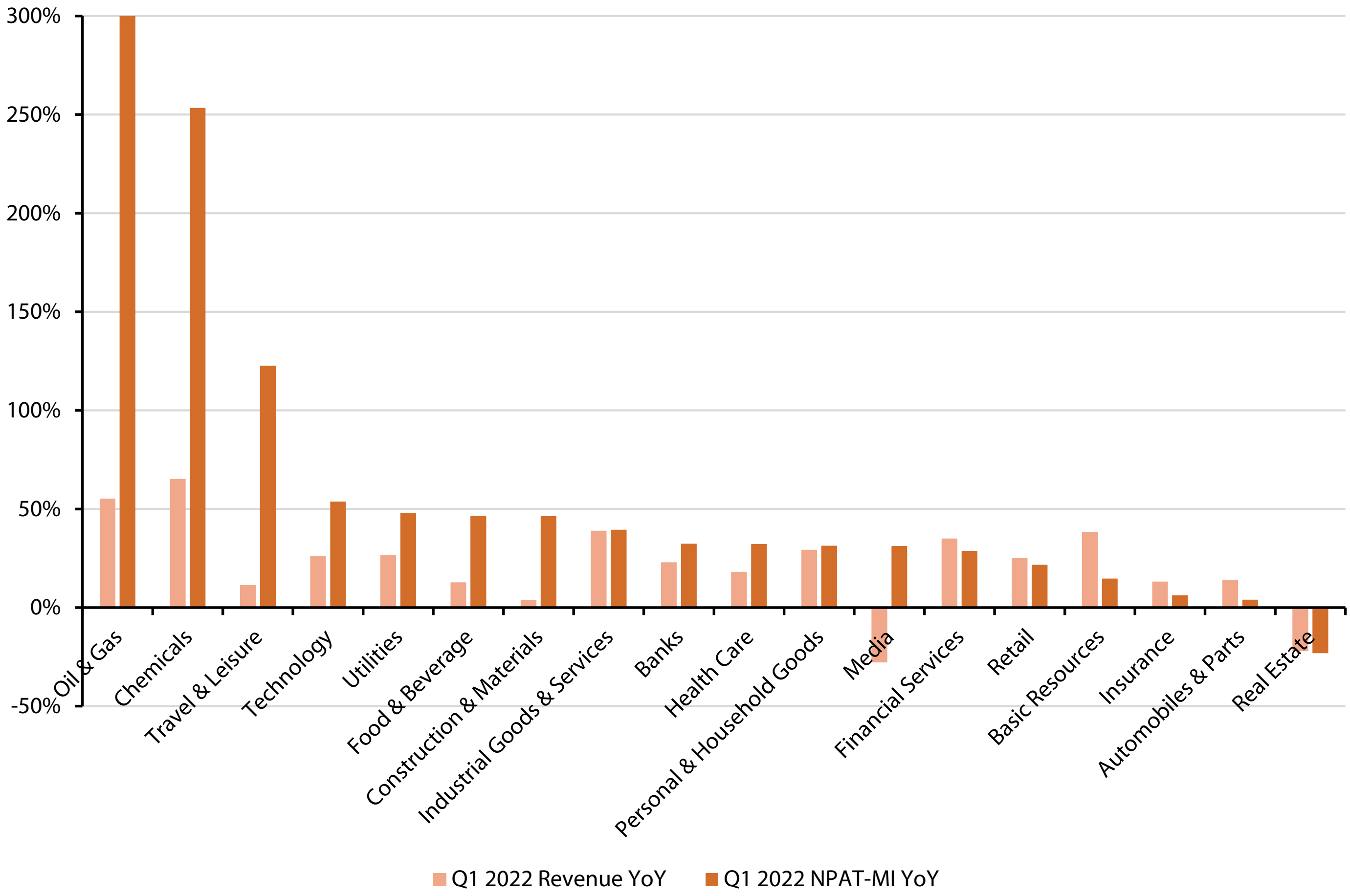
Q1 2022 results – Following recovery momentum

Overall, earnings in this quarter posted positive results. Year over year growth was in the double-digit of 29.0%. In which, 17/18 sectors witnessed a growth in NPAT YoY.

- Leading group in terms of NPAT growth: "**Oil & Gas**" was strongly supported by PVD and PVS thanks to new oil rig and asset liquidation, respectively. **Chemical** was also noticeable sector with 253% YoY in NPAT backed by commodity price including urea NH3, yellow phosphorus. On the other hands, "**Travel & Leisure**" sector solid performance (up 123% YoY) was strongly supported by reopening story in 2022 after several Covid-19 waves in 2021. One noticeable sector was **Technology** (+54% YoY), we see those companies posted resilient results of its core business.

- On the flip side, "**Real estate**" experienced negative business performance in Q1 2022 with -23% decrease over YoY basis. VIC mainly attributed this along with seasonal factors of lower handed over units along with lack of non-financial gains (e.g., NLG).

Figure 24: Q1's earning results by sectors on HOSE and HNX



Source: Fiinpro, Rong Viet Securities

STOCK MARKET IN MAY: FLUCTUATED BETWEEN 1,320 – 1,420 POINTS

In May, we predict the market to be calmer after the severe correction in April given the better outlook of stock market on both fundamental and sentiment perspectives with better transparency after enhancing regulation over fraudulent/manipulative activities. That said, the sharp correction of market ended up of strong rebound in mid-to long-term after these events. Moreover, the valuation perspective is also attractive with lower than average of last 10 years over market valuation, backed by PE 2022F of 12.4x. Therefore, we expect the VN Index will fluctuate between ***1,320-1,420.***

We believe that enhanced regulations against fraudulent/manipulative activities would increase transparency and reduce risks in Vietnam capital and property markets, resulting in a more supportive environment for investors over the medium to long term.

In April, market faced strong correction pressure several negative news over Tan Hoang Minh group as Chairman was arrested for allegedly fraudulently appropriating assets related to the issuance of bonds and mobilizing money from investors through various subsidiaries. This led to "domino" effect for speculative stocks given concerns over arrestation of several related groups", explained for large number of margin calls including fundamental stocks.

On market sentiment perspective, market plunged previously with ACB Chairman arrestation news (down 12% after 6 days) but rebounded 2% in subsequent month. In longer period, the market increased 27% after six months. For China case in 2020 (they boosted investigation over corruption on April 19, 2020), the Shanghai index was positive after the news and stayed uptrend (+2% after one month and 17% after three months). Moreover, on broader approach, we see sharpest correction with average of 17% for VN Index and 8% for VN30 from noteworthy events including Covid-19, US-China trade war, ACB case as mentioned. Despite of that, market start to recover gradually after these events (Figure 11) on both VN30 & VN Index.

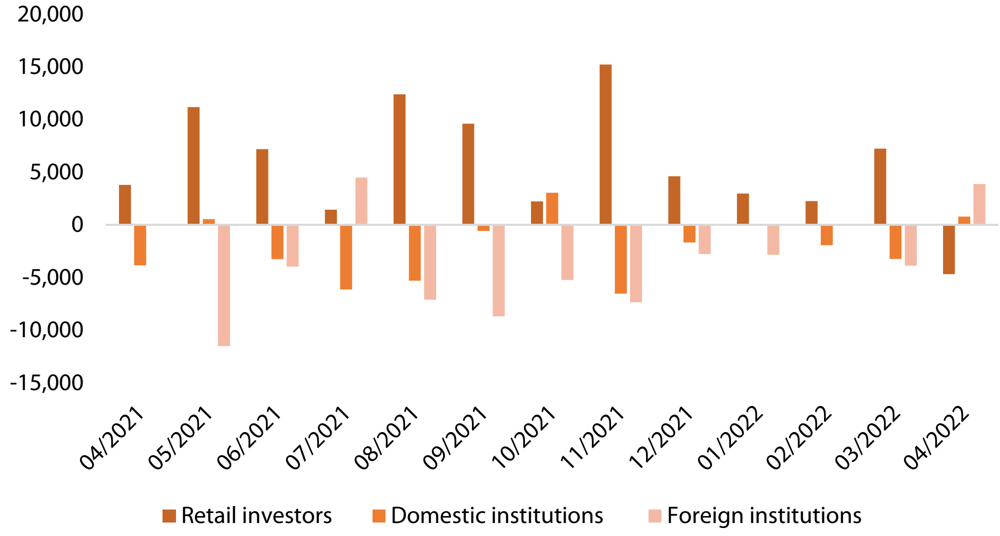
As such, we expect that inherent risk of bad news over arrestation/investigation and pause a downside risk for whole market.

After the AGM seasons, as stated earlier on Q1 recap part, we see that **F&B** and **Banks** having potential to uplift market backed by robust growth in net profit of 46% and 32%, respectively along with quite attractive valuation (for F&B with current PE of under 20 while banks underperformed for nearly one year).

Currently, we consider VN Index has attractive valuation as VN Index is trading at 2022F PER of 12.4x (Bloomberg), lower than the 10-year average of 14.9x (c. EPS growth 2022F of 21%). On the biggest drop of VN Index from Covid-19 disaster, PE was 10.4x as of March 30th, 2020). For VN30, it is also attractive with trading PE of 12.3x (as of Aug 29th, 2022) and forward PE of 11.1x. (Figure 12)

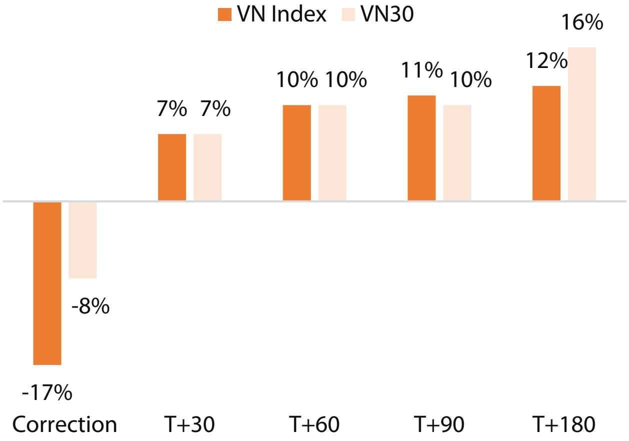
In terms of liquidity, we are cautious with retail investors money flows. Cash flow from local retail investors has been key engine driving the market during the uptrend in 2020 – 20201. It was, however, strongly panic in most recent correction of the market, reflecting on net outflows of VND 4,683 Bn in April (Figure 10). Therefore, in the short-term, it would be hard for retail investors to back on market with aggressive purchase as earning seasons ends and there is usually less supportive news in May. In conclusion, smart money flows from long-term investors may have to support market with "buy the dip" strategy.

Figure 25: Money flows (VND Bn) of key market players during Apr 2021 – Apr 2022



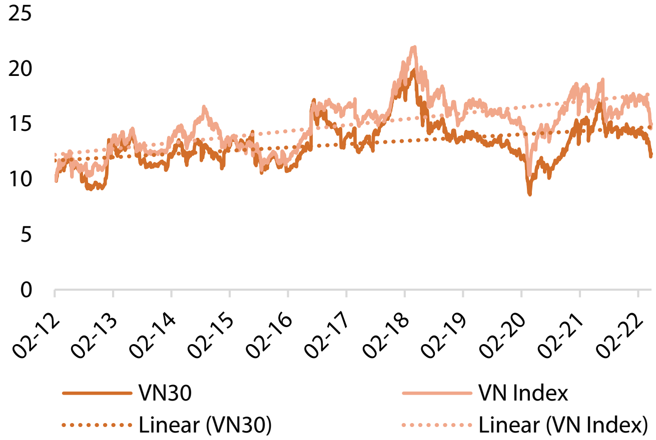
Source: Fiinpro

Figure 26: Market performance after "shock"



Source: Fiinpro

Figure 27: PE of VN30, VN index during 2012 - 2022



Source: Bloomberg

VN Index is expected to move in range between 1,320 - 1,420.

For large-cap stocks, we consider **Bank** having low exposure to corporate bond as **VCB** to support the market. Addition, **VIC** is also a noticeable stock to uplift the market when needed back by the re-bounce of several businesses as mall, hospitality, etc. in post-Covid 19 period along with awaiting catalyst from Vinfast IPO (VIC has already submitted the IPO documents to U.S. Securities and Exchange Commission). For F&B stocks **(MSN)**, we see the opportunity to attract money flows thanks to its current PE of 18.7x, which is below 5 years trading PE (32.6x) and strong 2022 NPAT growth of 1,080% versus 21% 2022F EPS growth of VN Index (Bloomberg). For Real Estate, we stay **Neutral** given the stringent corporate bond issuance on developer side for upcoming projects while the project launching would be more active in last two quarters of 2022. In general, we expect the VN-Index to fluctuate between **1,320 - 1,420**.

Buy The Dip But Selectively

The market went against our expectations in April despite positive Q1-2022 business results, information from the 2022 AGMs of listed companies, and macro data point.

As of April 5th, 2022, 53/58 companies in our watchlist have announced their financial guidance for 2022 with a total NPAT growth of 14% YoY, compared to the forecasted at 22% YoY (projected NPAT growth of the entire stock universe is 24% YoY). By industry, the NPAT growth of all sectors are generally more conservative than our forecasts. In addition, most industries targeted double-digit growth in this year on the back of an economic recovery expectations when the pandemic is resolved and, hence, a more stable business environment. However, some industries such as Utilities (+4% YoY), Basic materials (-28% YoY) and Consumer staples (-13% YoY) target slower-than-average or even minus NPAT growth. Since the majority of enterprises in these industries are heavily related to the commodities prices (thermal power plants, steel & galvanized steel manufacturers, dairy and sugar producers), this partly implies management's not-so-positive outlook on the prices cycle of these related commodities going forward.

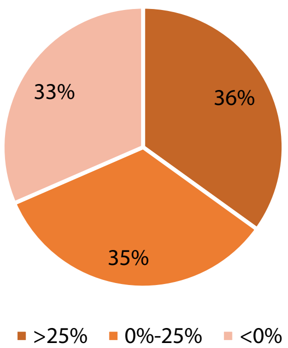
Table 5: Planned vs forecasted 2022 NPAT

Industry	Planned 2022 NPAT* (VND Bn)	YoY %	2022F NPAT* (VND Bn)	YoY %
Real estate	10,833	84%	12,289	109%
Technology	6,094	41%	6,202	43%
Consumer Discretionary & Consumer Staples	6,926	30%	7,413	39%
Financials	144,478	32%	147,509	35%
Energy	968	-23%	1,677	33%
Industrials	2,660	22%	2,881	32%
Consumer Discretionary	2,594	16%	2,792	25%
Health Care	220	16%	224	18%
Utilities	3,489	4%	3,502	4%
Consumer Staples	19,006	-13%	20,784	-5%
Basic Materials	32,790	-28%	41,320	-9%
Total	**230,059**	**14%**	**246,593**	**22%**

*Source: Companies filings, Rong Viet Securities *including companies that disclosed 2022 guidance*

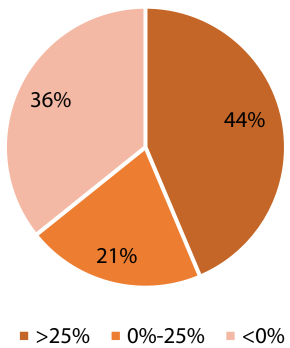
Q1-2022 business results continued to improve in general. Statistics of nearly 600 out of a total of 771 listed companies on the HSX and HOSE have announced Q1-2022 business results, as of May 4, 2022, showing a fairly good growth in NPAT over the same period at 33%. YoY. In this statistic, more than 56% of total enterprises announced results with positive NPAT growth. In which, enterprises with negative NPAT accounted for about 9%, a slight improvement compared to 11% in the same period in 2021. In addition, about 6% of businesses with losses in Q1-2021 became profitable in Q1-2022.

Figure 28: Annual revenue growth structure of listed companies that disclosed Q1-2022 business results



Source: Fiinpro, Rong Viet Securities

Figure 29: Annual NPAT growth structure of listed companies that disclosed Q1-2022 business results



Source: Fiinpro, Rong Viet Securities

58 companies under our coverage recorded a totaled NPAT growth rate of 30% YoY. Except for the real estate industry, which recorded a growth in NPAT of -13% YoY due to the off-season effect, the remaining industries continued to post double-digit growth in the first quarter of the year following given the recovery of the economy. In fact, GDP growth in Q1-2022 reached 5.0% YoY, led by the Manufacturing sector (+7.8%), Finance – Banking (+9.8%), Logistics (+7.1%). These sectors continued to support the recovery momentum of the economy when they posted even better growth in April. The leading indicator of industrial production also showed supportive with PMI staying at 51.7 points in April 2022. In which, output recovered after falling in March and new orders continued to increase, although the growth rate decelerated a bit. Additionally, the recovery of the consumer sector in the economy gradually became clearer when the retail sales of goods and services in April 2022 grew by 12.1% YoY.

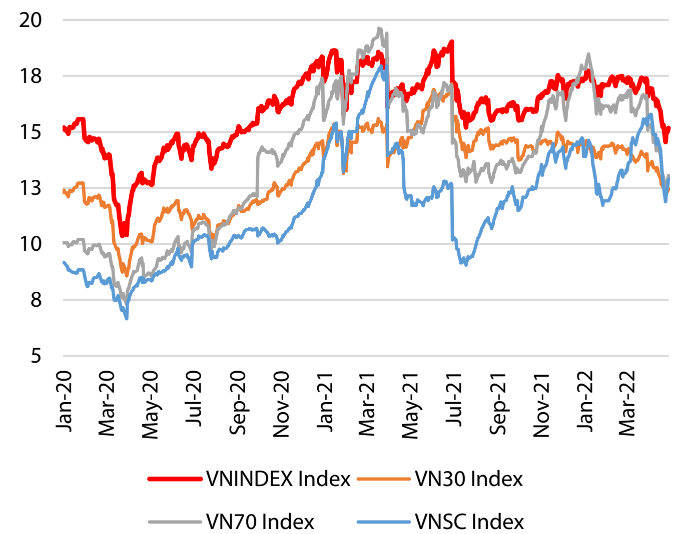
Table 6: Q1-2022 business results of covered companies as of May 4th 2022

Ngành cấp 1	Q1-2022				2022F				% 2022F	
	Rev	NPAT	Rev YoY %	NPAT YoY %	Rev	NPAT	Rev YoY %	NPAT YoY %	Rev	NPAT
Utilities	9,717	1,467	25%	83%	44,080	4,860	22%	19%	22%	30%
Energy	6,936	313	42%	76%	29,384	1,845	14%	44%	24%	17%
Consumer Staples	39,695	4,832	4%	53%	186,845	20,784	7%	-5%	21%	23%
Basic Materials	66,903	11,061	47%	42%	246,036	37,148	11%	-10%	27%	30%
Technology	9,730	1,239	28%	37%	43,319	6,202	21%	43%	22%	20%
Industrials	7,194	1,796	22%	28%	36,469	5,611	56%	72%	20%	32%
Financials	101,816	40,864	20%	27%	404,262	147,509	18%	35%	25%	28%
Health Care	314	53	6%	26%	1,502	224	19%	18%	21%	23%
Consumer Discretionary	16,467	1,038	34%	26%	45,881	2,792	12%	25%	36%	37%
Consumer Discretionary & Consumer Staples	44,252	1,609	25%	18%	178,794	7,413	23%	39%	25%	22%
Real estate	3,308	1,470	-40%	-13%	34,619	12,639	47%	100%	10%	12%
Total	**306,332**	**65,742**	**23%**	**30%**	**1,251,191**	**247,028**	**17%**	**24%**	**24%**	**27%**

Source: Companies filings, Rong Viet Securities

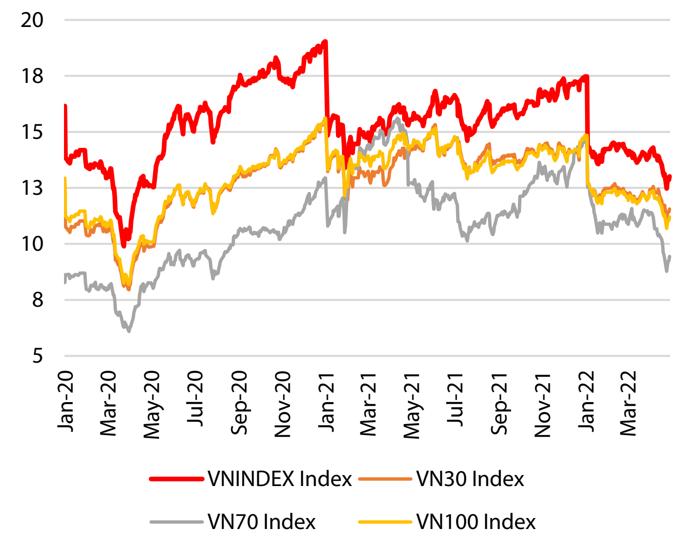
The root causes of the market crash, according to our observations, come from the weakening of the cash flow (mostly due to negative sentiment following several arrests of individuals who involved in market manipulation as well as tightening corporate bond market) amid rising external macro risks: inflation in developed markets has escalated leading to faster and stronger monetary tightening moves from central banks than previously expected (Fed raised interest rates by 50 bps in the May meeting), exacerbating the negative investment sentiment. The cost of investment cash flow, therefore, will also be significantly higher.

Figure 30: Trailing P/E of HOSE indices by market cap



Source: Bloomberg, Rong Viet Securities

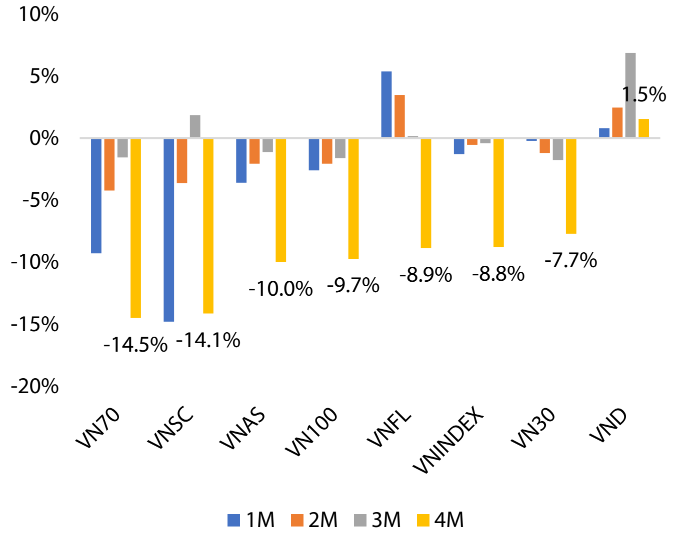
Figure 31: Forward P/E of HOSE indices by market cap



Source: Bloomberg, Rong Viet Securities

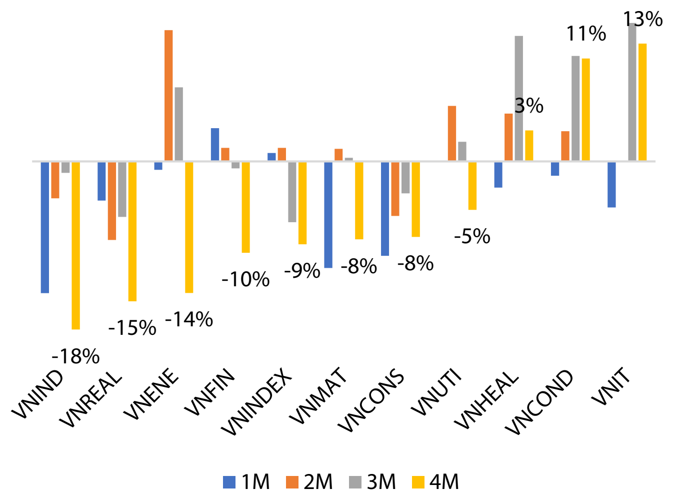
In contrast to the period of 2020-2021, when "easy" money had driven the rally of broad market, we believe that money flow will be largely picky and diverged across industries amid risk-off environment and increased cost of capital. We expect that the rally will only be sustainable in stocks that have a strong financial foundation, a clear business strategy and a positive profit growth prospect. On the other hand, stocks that outperformed the market in recent crash were broadly supported by positive revenue and profit growth. Seafood exporting, logistics, technology, and retail stocks are some examples. We believe that the mentioned trend will continue to dominate the stock market movement in 2022.

Figure 32: Accumulative performance of HOSE indices by market cap



Source: Bloomberg, Rong Viet Securities

Figure 33: Accumulative performance of HOSE indices by industry



Source: Bloomberg, Rong Viet Securities

Therefore, we believe that stock selection in the upcoming period will be much more crucial than forecasting short-term market trends. At this time, **investors should focus on industries with positive expected Q2 results such as fishery (VHC, ANV), gas thermal power (NT2), technology (FPT), and banking (TCB, MBB, ACB, VCB, CTG)**. We continue to maintain these stocks recommendations as presented in BCCL in previous months. In fact, model investment portfolios No. 1 and 3 as in our Strategy report at the beginning of 2022, with a high weight of the above-mentioned industry groups, have outperformed the market YTD.

At the same time, the "contrarian investing" investment strategy for value investors with high risk tolerance and long investment time horizon can still be applied to real estate stocks when the valuations have now been heavily discounted. **Residential real estate developers that have many projects ready-to-open sale (NLG, KDH, HDG) can be good options for long-term holding. Industrial real estate developers namely PHR, LHG are also viable choices given their strong balance sheet, healthy operating cash flow with secured large contracts, and attractive cash divdend yield**. Last but not least, it is necessary to be more cautious with stocks related to the basic materials group, which have increased sharply recently.

Model portfolio and historical recommendations monthly review

Table 7: Return review of out model portfolios

Monthly return	Inception	Jan-22	Feb-22	Mar-22	Apr-22
VN Index	0.0%	-1.3%	1.3%	-0.4%	-8.4%
Recovery	0.0%	0.7%	4.8%	6.5%	0.0%
Policies	0.0%	-3.5%	7.2%	3.8%	-9.8%
Behavior	0.0%	-5.5%	2.5%	5.7%	-2.9%

YTD return	Inception	Jan-22	Feb-22	Mar-22	Apr-22
VN Index	0.0%	-1.3%	0.0%	-0.4%	-8.8%
Recovery	0.0%	0.7%	5.6%	12.5%	12.5%
Policies	0.0%	-3.5%	3.5%	7.4%	-3.1%
Behavior	0.0%	-5.5%	-3.2%	2.3%	-0.7%

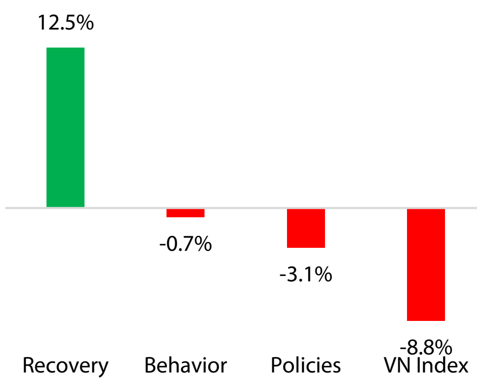
Source: Fiinpro, Rong Viet Securities

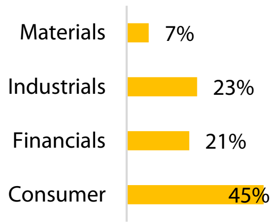
Table 8: Model portfolios' industry weight and YTD performance (benchmarked against VN Index)

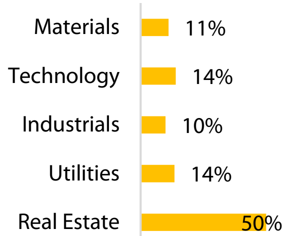
Economy Recovery (Portfolio 1)		
Stock	Monthly return	YTD Return
SCS	11.3%	12.4%
VHC	9.7%	65.6%
MSH	5.3%	15.8%
MWG	2.3%	9.8%
STK	1.9%	6.4%
BMP	0.3%	2.8%
FMC	0.3%	28.5%
ACB	-1.1%	-5.2%
PNJ	-2.3%	13.0%
GMD	-6.8%	15.0%
MBB	-9.6%	3.1%
TCB	-11.2%	-12.0%
Total	**0.0%**	**12.5%**

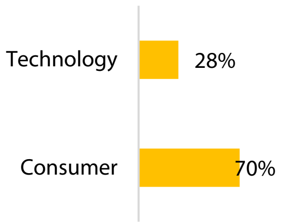
Supportive Policies (Portfolio 2)		
Stock	Monthly return	YTD Return
REE	0.9%	19.2%
FPT	-1.9%	12.9%
HPG	-4.0%	0.6%
ACV	-5.3%	4.8%
KDH	-9.3%	-6.1%
PHR	-13.4%	-1.8%
NLG	-16.3%	-24.8%
HDG	-17.7%	-12.1%
LHG	-23.3%	-17.0%
Total	**-9.8%**	**-3.1%**

Changes in Behavior (Portfolio 3)		
Stock	Monthly return	YTD Return
MWG	2.3%	9.8%
FPT	-1.9%	12.9%
MSN	-2.1%	-18.6%
QNS	-10.5%	-7.0%
Total	**-2.9%**	**-0.7%**









Source: Fiinpro, Rong Viet Securities, data as of Apr 29th 2022

HIGHLIGHT STOCKS

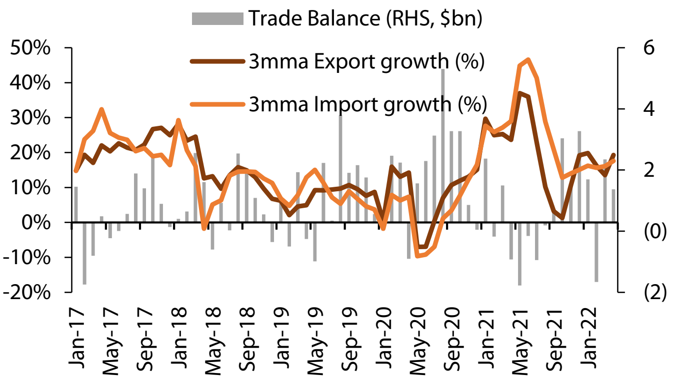
Ticker	Exchange	Market cap (USD mn)	Target price (VND)	Current price (VND)	Total Return	Rating	2021		2022F		2023F		PER 2022F (x)	PER 2023F (x)	PBR Cur. (x)	Div Yield (%)	+/- Price 1y (%)	3-month avg. daily turnover (USD thousand)	Foreign remaining room (%)
							+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)	+/- Rev. (%)	+/- NPAT (%)							
TCB	HOSE	6,737	71,000	42,000	69%	Buy	37.1	46.4	24.9	25.7	22.3	24.5	6.5	5.3	1.6	0.0	7.3	20,439.3	0.0
LHG	HOSE	96	62,300	41,250	56%	Buy	21.5	48.5	17.4	26.4	8.1	10.5	5.9	5.3	1.5	4.6	27.2	1,942.5	33.4
PVT	HOSE	287	30,800	20,500	53%	Buy	-0.2	-0.5	14.7	35.8	-3.6	-11.6	7.9	8.9	1.2	2.4	30.1	5,148.8	37.8
MBB	HOSE	4,910	42,800	28,900	48%	Buy	35.0	53.7	21.2	32.2	18.4	23.9	6.2	5.0	1.8	0.0	32.6	23,857.0	0.0
CTG	HOSE	5,816	39,900	27,000	48%	Buy	17.4	3.0	18.0	47.6	12.2	11.8	8.9	8.0	1.4	0.0	-10.1	10,369.5	4.3
VCB	HOSE	16,697	112,800	79,900	41%	Buy	15.7	18.8	14.0	34.4	18.3	11.6	13.7	12.3	3.5	0.0	4.5	8,021.7	6.4
QNS	UPCOM	701	59,000	44,946	38%	Buy	13.0	17.9	18.0	19.5	13.6	21.0	9.2	7.6	2.3	6.7	19.6	1,204.9	30.3
MSN	HOSE	7,167	152,100	113,100	34%	Buy	14.8	593.9	3.4	-27.2	12.9	67.5	21.4	12.8	6.0	0.0	43.5	8,058.9	20.4
NLG	HOSE	788	62,100	47,850	33%	Buy	134.8	28.3	-2.7	-0.1	45.8	48.8	17.1	11.5	2.1	3.1	47.0	11,182.6	16.6
ACB	HNX	3,853	42,000	31,750	32%	Buy	29.7	25.0	17.5	28.4	18.6	21.5	7.0	5.8	1.8	0.0	18.0	10,262.4	0.0
VNM	HOSE	6,763	92,700	72,500	31%	Buy	2.2	-5.1	6.0	2.7	5.5	1.8	15.6	15.3	4.7	3.4	-16.9	9,476.9	45.6
HND	UPCOM	391	23,300	18,241	30%	Buy	-16.9	-69.5	12.7	87.8	6.6	38.0	11.6	8.4	1.4	2.2	2.7	50.1	49.0
HPG	HOSE	8,446	54,000	42,000	30%	Buy	66.1	156.6	11.9	-15.3	11.1	11.1	6.8	6.2	2.1	1.2	1.4	44,811.4	27.4
VPB	HOSE	7,115	46,200	35,800	29%	Buy	13.5	13.4	16.6	27.9	26.6	33.6	11.0	9.1	1.9	0.0	12.9	31,807.9	0.0
HDB	HOSE	2,220	32,000	24,800	29%	Buy	21.6	42.5	29.7	33.7	30.0	39.9	6.3	4.5	1.6	0.0	16.1	6,944.4	5.6
HDG	HOSE	512	69,310	54,500	29%	Buy	-23.2	11.3	11.2	42.4	47.0	26.2	6.9	5.5	2.7	1.8	80.7	4,054.4	38.6
KDH	HOSE	1,343	58,900	46,500	27%	Buy	-17.4	4.3	-0.8	14.5	18.7	14.6	20.3	17.7	3.0	0.0	49.9	2,989.5	16.2
DPM	HOSE	1,150	73,100	62,700	25%	Buy	64.7	349.6	36.5	60.6	-22.2	-37.3	4.9	7.9	2.2	8.0	273.8	19,261.3	36.7
OCB	HOSE	1,428	28,600	23,050	24%	Buy	11.3	24.6	28.1	32.9	18.5	19.4	5.5	4.9	1.5	0.0	27.1	2,982.0	0.3
KBC	HOSE	1,100	52,800	43,000	23%	Buy	100.0	249.9	202.6	591.5	59.9	71.4	3.7	2.2	1.8	0.0	17.0	16,266.7	30.0
FPT	HOSE	4,156	125,800	104,500	22%	Buy	19.5	22.5	21.5	43.1	19.8	19.5	15.4	12.9	5.0	1.9	52.4	13,709.5	0.0
PPC	HOSE	266	23,000	19,000	21%	Buy	-51.0	-71.5	66.4	83.2	27.8	92.8	12.2	6.3	1.2	0.0	-16.6	155.5	35.4
DRC	HOSE	168	37,000	32,300	20%	Buy	20.1	13.4	11.5	27.9	9.9	12.1	11.5	10.2	2.1	5.6	29.3	1,900.3	39.9
STK	HOSE	174	67,500	58,600	18%	Accumulate	15.7	94.2	30.2	29.3	41.0	28.3	13.7	10.7	3.0	2.6	91.7	130.9	87.5
ACV	UPCOM	8,352	100,400	87,169	15%	Accumulate	-38.4	-90.8	100.4	187.8	72.4	152.1	79.5	31.5	5.1	0.0	21.5	344.5	45.2
ANV	HOSE	255	53,000	47,400	14%	Accumulate	1.6	-36.7	47.9	421.7	3.9	6.4	9.0	8.4	2.3	2.1	118.9	1,868.1	46.8
NT2	HOSE	282	25,300	23,100	14%	Accumulate	1.1	-14.6	16.9	3.4	17.0	23.7	12.3	10.0	1.5	4.3	16.0	872.6	35.3
PHR	HOSE	414	74,400	68,300	13%	Accumulate	19.0	-49.8	15.0	154.4	25.0	-49.6	9.3	18.5	2.9	4.4	40.1	2,746.1	35.0
BMP	HOSE	220	67,000	60,700	13%	Accumulate	-2.8	-59.0	37.4	66.1	7.2	32.0	15.4	11.6	2.1	2.5	8.9	347.8	14.4
MSH	HOSE	200	90,000	85,200	11%	Accumulate	24.5	90.8	16.0	17.3	9.8	20.6	9.1	7.6	3.2	5.3	96.6	495.5	41.0
PNJ	HOSE	1,142	118,500	108,300	11%	Accumulate	12.0	-3.4	17.8	35.5	13.1	29.6	20.9	16.4	3.3	1.4	11.5	6,597.3	0.0
MWG	HOSE	4,763	163,500	149,500	10%	Accumulate	13.3	25.0	22.1	38.8	26.7	48.1	16.0	11.1	5.4	1.0	59.3	15,226.8	0.0
BID	HOSE	8,218	41,000	37,250	10%	Accumulate	24.7	48.1	12.5	54.1	9.5	14.1	14.5	13.5	2.3	0.0	14.8	4,759.8	13.2
IMP	HOSE	215	79,000	72,000	10%	Accumulate	-7.5	-9.8	18.6	18.5	35.0	44.6	23.5	16.2	2.7	0.0	3.7	776.8	-0.1
SCS	HOSE	398	189,700	176,600	9%	Accumulate	21.1	21.6	18.6	25.8	15.0	15.4	13.3	11.4	6.4	2.0	48.1	132.1	21.8
HTN	HOSE	171	46,200	43,500	6%	Accumulate	35.0	-30.0	95.2	41.9	30.8	5.0	11.3	10.8	2.6	0.0	95.5	1,424.0	47.7
DPR	HOSE	158	82,600	80,700	6%	Accumulate	6.7	152.0	2.0	-18.8	20.6	26.7	15.1	11.9	1.6	3.7	87.3	2,029.1	-3.7
FMC	HOSE	190	69,500	67,900	6%	Accumulate	17.8	18.1	26.0	34.9	14.0	24.4	12.3	9.9	2.4	3.7	111.4	711.9	17.3

Ticker	Exchange	Market cap (USD mn)	Target price (VND)	Current price (VND)	Total Return	Rating	2021		2022F		2023F		PER 2022F (x)	PER 2023F (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	1,111	84,300	83,000	2%	Neutral	3.0	13.9	92.9	14.0	7.0	8.6	12.2	11.2	1.9	0.0	55.5	2,806.7	0.0
GEG	HOSE	285	22,600	22,300	1%	Neutral	-7.5	9.4	53.2	25.1	2.5	26.1	17.5	13.9	1.9	0.0	34.4	2,126.9	13.9
GMD	HOSE	715	55,700	56,500	1%	Neutral	23.1	65.4	1.9	14.6	4.2	7.5	24.6	22.9	2.5	2.1	63.1	7,468.6	5.0
FRT	HOSE	539	155,200	157,700	-1%	Neutral	53.4	1,695.1	27.6	38.2	23.2	34.5	20.3	15.1	7.4	0.6	479.6	6,774.2	30.7
PVD	HOSE	447	19,900	20,500	-3%	Neutral	-23.7	-89.6	37.9	773.0	4.0	48.8	51.9	35.0	0.8	0.0	27.2	11,587.2	43.2
PGI	HOSE	135	24,800	27,550	-7%	Reduce	1.3	101.2	2.7	-28.7	14.0	19.1	12.0	9.5	1.7	2.9	76.7	75.1	79.3
PVS	HNX	513	22,700	25,600	-9%	Reduce	-29.5	-3.5	7.8	29.7	-18.2	-9.3	17.4	19.2	1.0	2.7	27.0	15,675.1	40.6
PAC	HOSE	73	30,100	34,950	-10%	Reduce	3.2	17.0	10.6	-13.0	6.9	16.2	11.9	10.3	1.9	4.3	7.8	26.4	36.1
PC1	HOSE	404	35,500	40,500	-12%	Reduce	47.4	36.8	-29.4	-30.4	16.9	14.2	22.0	19.3	2.0	0.0	81.9	4,757.7	44.9
BFC	HOSE	85	24,300	31,550	-18%	Reduce	42.2	64.5	-19.6	-39.9	-7.2	9.8	14.8	13.6	1.7	4.8	62.8	1,327.9	44.2
HAH	HOSE	237	64,800	84,700	-22%	Sell	64.1	222.1	23.2	56.3	10.2	2.8	9.0	8.8	3.3	1.2	348.3	5,797.8	29.4
VSC	HOSE	234	36,300	52,000	-28%	Sell	12.0	45.7	4.2	19.1	0.7	1.4	15.5	15.2	2.0	1.9	74.1	2,173.8	42.2
TCM	HOSE	221	43,000	70,900	-39%	Sell	1.9	-48.2	12.0	66.3	9.8	28.3	23.8	18.5	2.9	0.7	-25.8	3,432.6	2.7
DIG	HOSE	1,417	36,100	61,000	-41%	Sell	3.3	34.5	68.4	34.1	17.5	15.1	23.8	20.7	4.4	0.0	184.3	23,542.6	46.6
HAX	HOSE	57	Under review	26,750	Under review	Under review	-0.3	28.2	-9.0	-25.7	10.1	8.3	10.7	9.9	1.7	5.6	35.6	1,513.4	32.4
SMC	HOSE	90	Under review	32,300	Under review	Under review	35.4	191.3	6.0	-40.3	3.2	0.2	3.8	3.8	0.9	3.1	9.0	551.6	28.3
NKG	HOSE	357	Under review	35,600	Under review	Under review	143.7	653.3	5.4	-13.9	-7.8	-22.4	4.3	5.5	1.3	2.8	72.4	17,577.6	39.4
VHC	HOSE	825	Under review	104,000	Under review	Under review	28.7	56.2	13.6	9.4	6.2	24.1	16.0	12.9	3.0	1.9	190.5	4,904.6	75.0
HSG	HOSE	609	Under review	26,350	Under review	Under review	88.2	183.7	17.4	-4.7	-12.5	-29.4	3.4	5.5	1.2	0.0	-2.0	15,543.7	42.2
DBD	HOSE	145	Under review	56,900	Under review	Under review	24.0	19.8	20.0	41.3	8.6	6.0	13.4	12.6	2.8	0.0	38.0	814.6	94.6

Source: Rong Viet Securities; As of May 4th, 2022

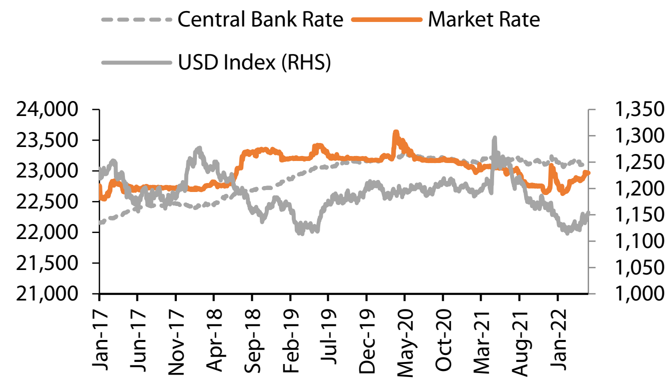
VIETNAM ECONOMIC INDICATORS IN APRIL 2022

Trade balance



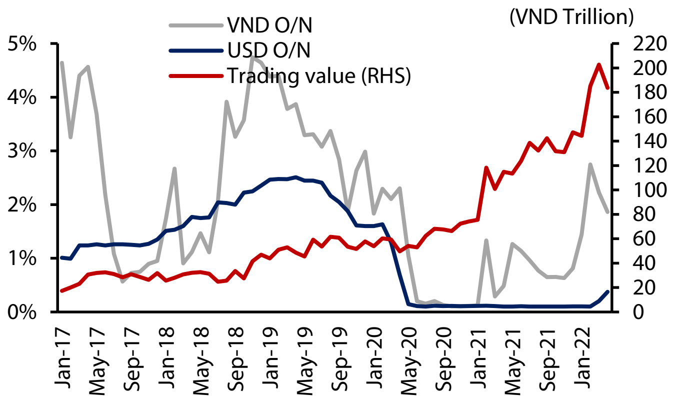
Source: GSO, Rong Viet Securities

USDVND exchange rate



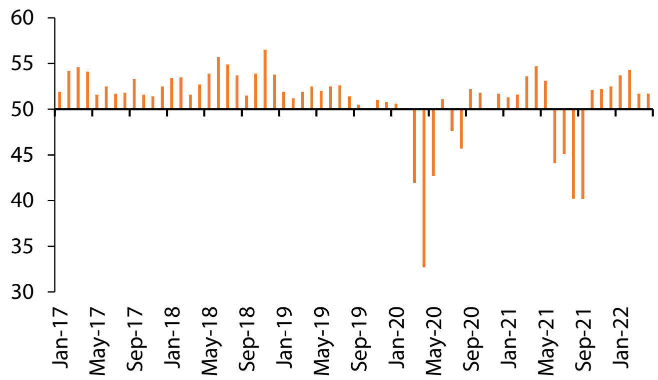
Source: SBV, Bloomberg, Rong Viet Securities

Interbank interest rate (%/year)



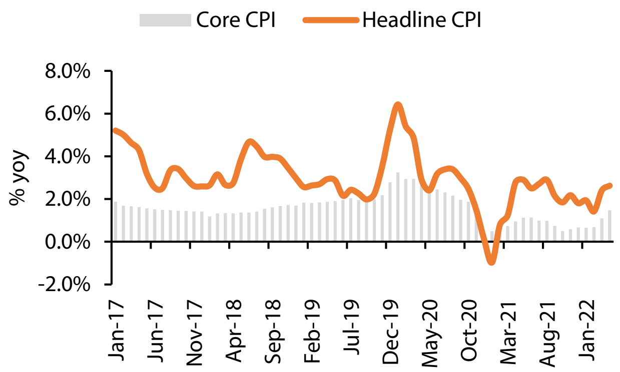
Source: SBV, Rong Viet Securities

Vietnam PMI



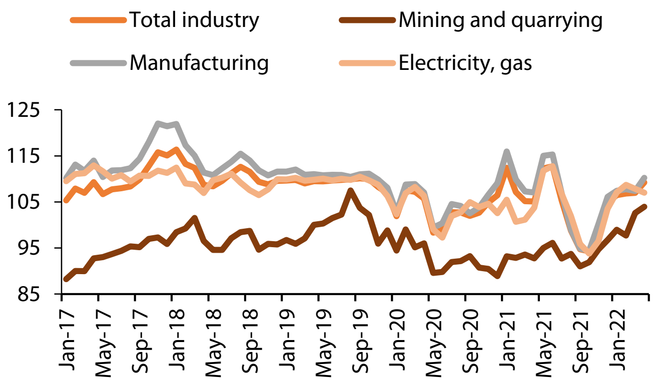
Source: IHS Markit, Rong Viet Securities

Vietnam CPI



Source: GSO, Rong Viet Securities

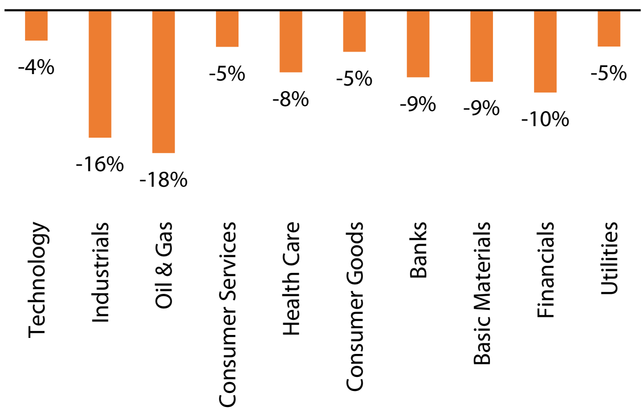
3-month MA Industrial Production Indices



Source: GSO, Rong Viet Securities

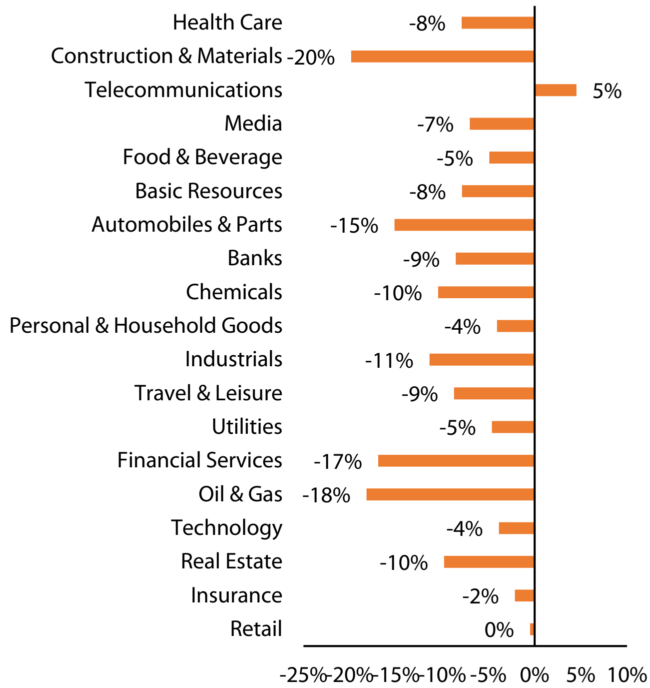
INDUSTRY INDEX

Level 1 industry movement



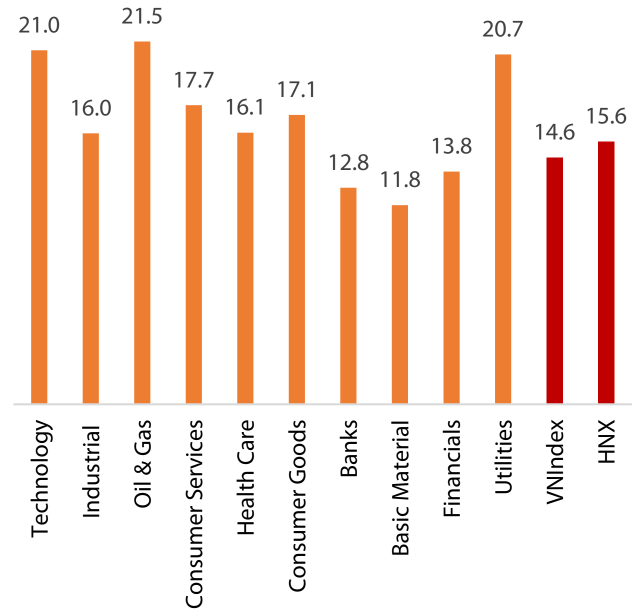
Source: Fiinpro, RongViet Securities

Level 2 industry movement



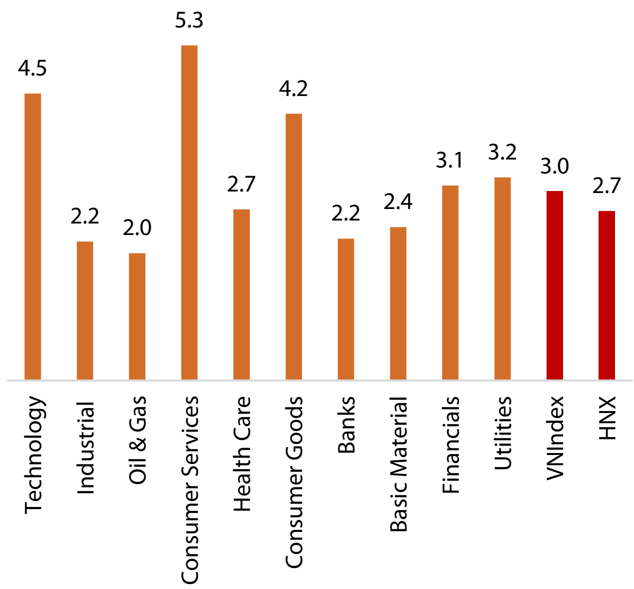
Source: Fiinpro, RongViet Securities

Industry PE comparison



Source: Fiinpro, RongViet Securities

Industry PB comparison



Source: Fiinpro, RongViet Securities

ANALYSIS & INVESTMENT ADVISORY DEPARTMENT

Lam Nguyen
Head of Research
lam.ntp@vdsc.com.vn
+ 84 28 6299 2006 (1313)
- Market
- Industrial Park

Vu Tran
Senior Manager
vu.thx@vdsc.com.vn
+ 84 28 6299 2006 (1512)
- O&G
- Fertilizer

Tam Pham
Manager
tam.ptt@vdsc.com.vn
+ 84 28 6299 2006 (1530)
- Bank
- Insurance

Tung Do
Manager
tung.dt@vdsc.com.vn
+ 84 28 6299 2006 (1521)
- Retails
- Aviation
- Logistics
- Market Strategy

An Nguyen
Senior Analyst
an.ntn@vdsc.com.vn
+ 84 28 6299 2006 (1541)
- Food & Beverage
- Automotive & Spare parts

Bernard Lapointe
Senior Consultant
bernard.lapointe@vdsc.com.vn
+ 84 28 6299 2006

Loan Nguyen
Analyst
loan.nh@vdsc.com.vn
+ 84 28 6299 2006 (1531)
- Textile
- Fishery
- F&B

Thanh Nguyen
Analyst
thanh.nn@vdsc.com.vn
+ 84 28 6299 2006 (1535)
- Bank
- Insurance
- Securities

Thao Nguyen
Analyst
thao.nn@vdsc.com.vn
+ 84 28 6299 2006 (1524)
- Utilities
- Sea ports
- Logistics

Kiet Tran
Analyst
kiet.tht@vdsc.com.vn
+ 84 28 6299 2006 (1528)
- Real Estate
- Market Strategy

Ha My Tran
Senior Consultant
my.tth@vdsc.com.vn
+ 84 28 6299 2006
- Macroeconomics

Ha Tran
Assistant
ha.ttn@vdsc.com.vn
+ 84 28 6299 2006 (1526)

Trang Tran
Assistant
trang.tnt@vdsc.com.vn
+ 84 28 6299 2006 (1522)

RONG VIET SECURITIES CORPORATION

Floor 1-2-3-4, Viet Dragon Tower,

141 Nguyen Du St. - Dist 1 – HCMC

Tel: (84 28) 6299 2006

Fax: (84 28) 6291 7986

Email: info@vdsc.com.vn

Website: www.vdsc.com.vn

Hanoi Branch

Floor 10th, Eurowindow Tower, 2 Ton That Tung St., Dong Da Dist, Hanoi

Tel: (84 24) 6288 2006

Fax: (84 24) 6288 2008

Can Tho Branch

95-97-99 Vo Van Tan – Ninh Kieu - Can Tho

Tel: (84 292) 381 7578

Fax: (84 292) 381 8387

Nha Trang Branch

Floor 7th, 76 Quang Trung St., Loc Tho Ward, Nha Trang, Khanh Hoa

Tel: (84 258) 382 0006

Fax: (84 258) 382 0008

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