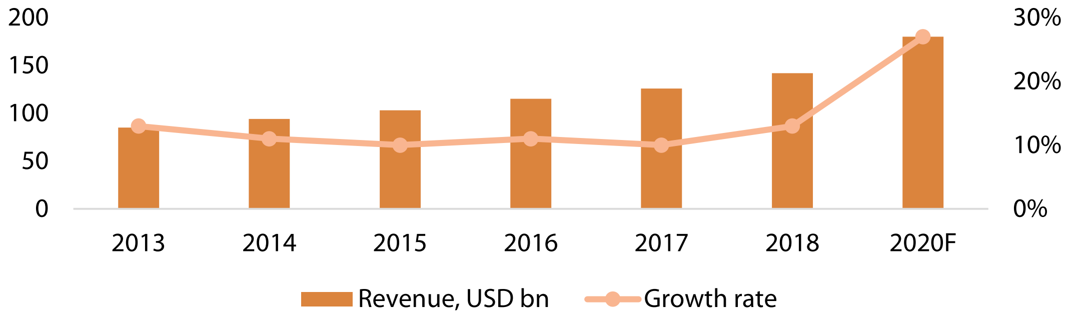
RETAIL INDUSTRY: Conquer the No Man's land

Son Tran – son.tt@vdsc.com.vn

RETAIL INDUSTRY - REVIEW

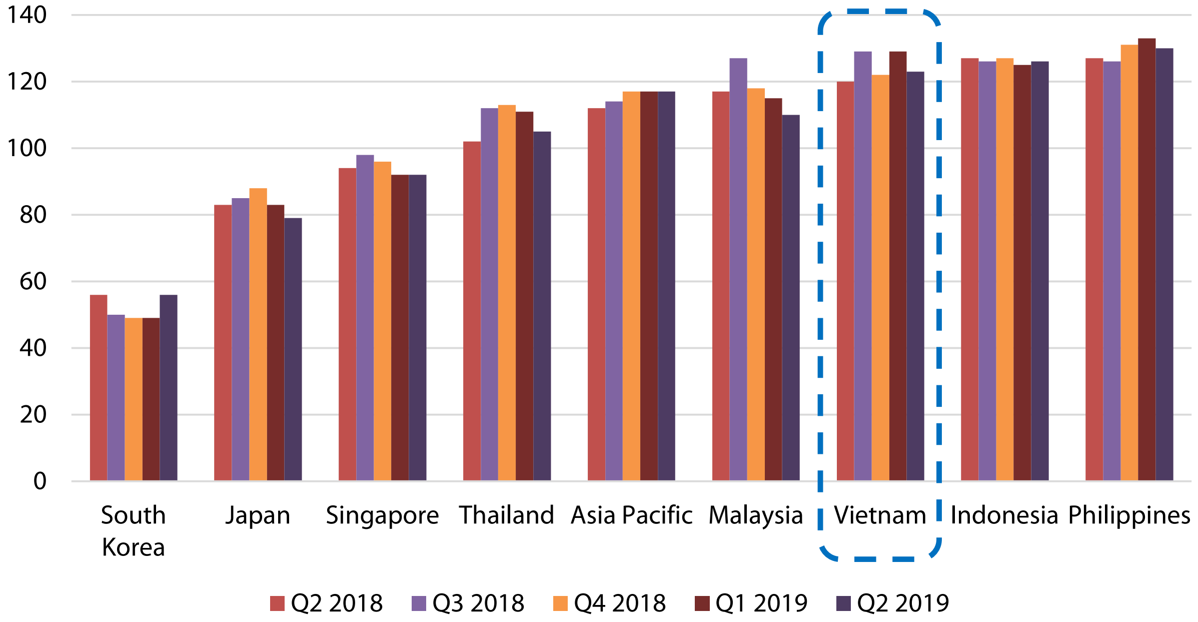
- In 6M 2019, total retail sales of goods and services in Vietnam grew 11.5% YoY, of which retail sales of goods posted a 12.5% growth. Breaking down: Foods (+13%), household goods (+12.1%), clothing (+11.1%) had the highest growth.
- Even though there was a slight fall in Consumer Confidence index in Q2, Vietnam is still the world's third most optimistic nation with all key drivers of the index, including job prospects, financial security and spending ready, significantly increased.
- Vietnam's retail revenue is projected to maintain annual growth of above 10% for the coming years, supported by the rising of middle class, young population and changes in consumer behavior.

Figure 1: Retail revenue and growth in Vietnam (2013-2020)



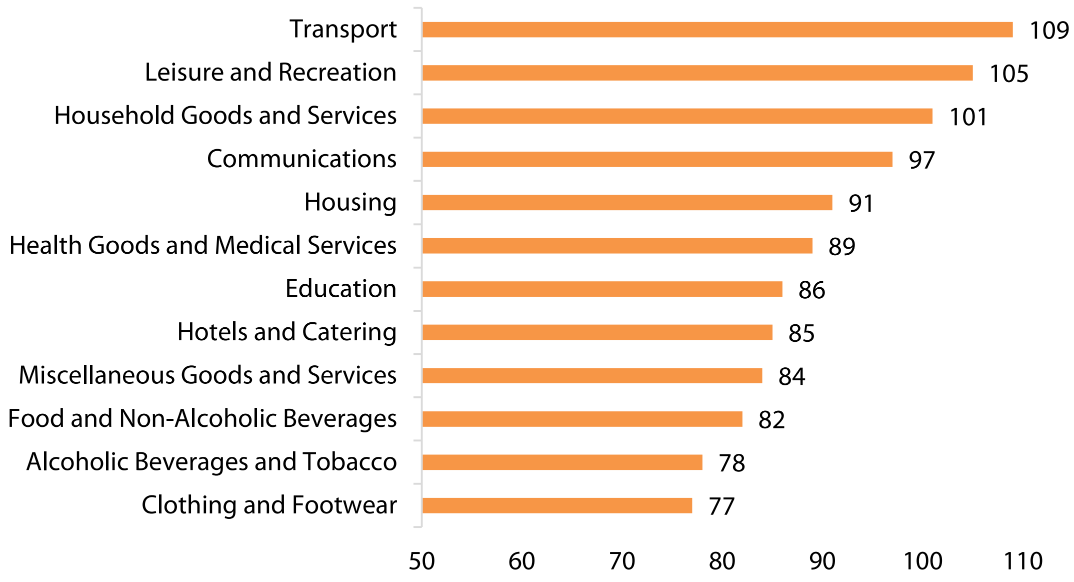
Sources: General Statistics Office, Rong Viet Securities

Figure 2: Consumer Confidence Index



Sources: The Conference Board® Global Consumer Confidence Survey in collaboration with Nielsen

Figure 3: Forecast Growth (%) in Consumer Expenditure by Category 2019 - 2030



Source: Euromonitor

Most markets are still very fragmented

- Beside the smartphone market, which is already saturated and consolidated by two giant retailers (MWG and FRT), others are still very fragmented.
- Mid-small street shops are favorite shopping places for Vietnamese due to convenience and competitive pricing.
- Two largest ICT retailers, MWG and FRT, are expanding their footprints to other segments (FMCG, food and pharmaceutical) while some other players such as PNJ, Vinmart, Coop Food, Satra Food and Pharmacity are scaling up to consolidate their current markets.

Figure 4: FMCG market share in major cities

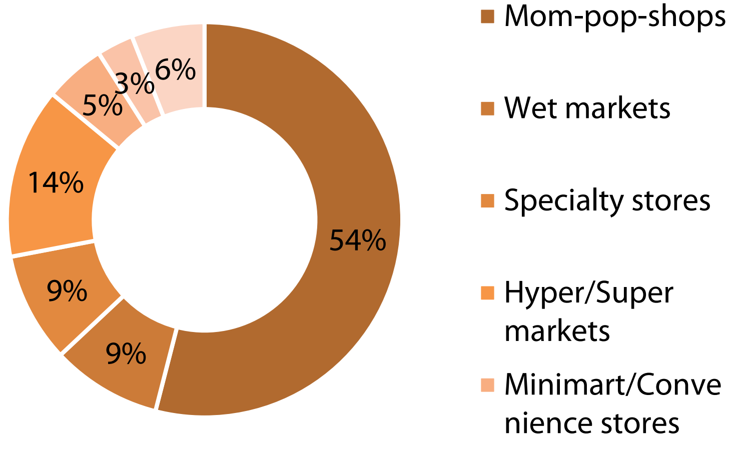


Figure 5: Smartphone & feature phone market share

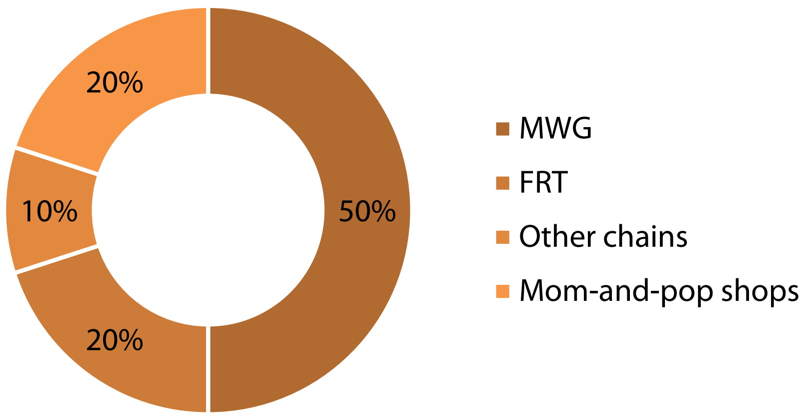


Figure 6: Consumer electronics market share

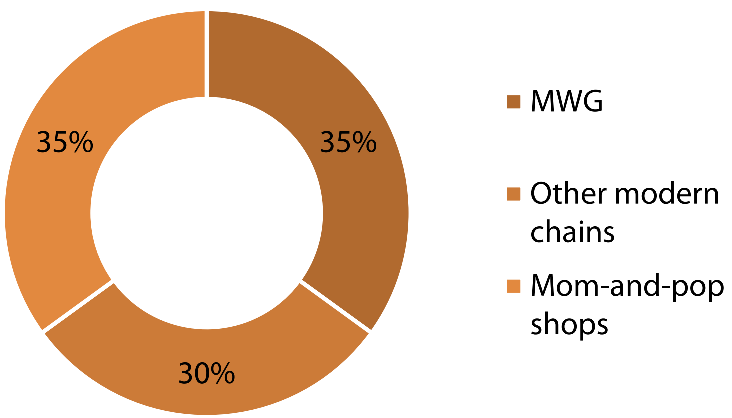
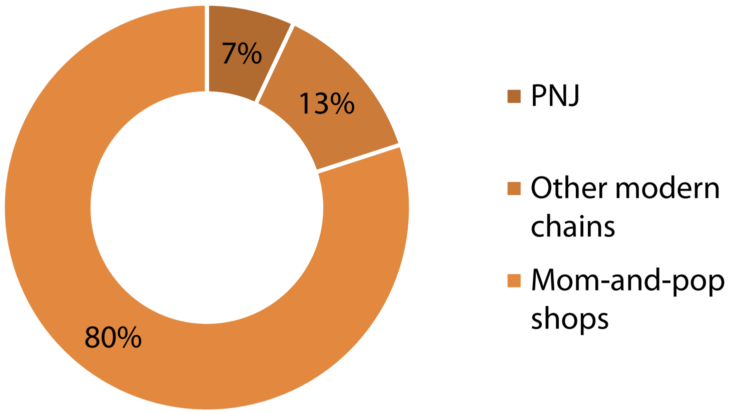


Figure 7: Gold jewelries market share



Sources: Kantar Worldpanel, MWG, PNJ, Rong Viet Securities

RETAIL INDUSTRY – REVIEW

Timeline of regulations

2014: New Law on Investment to increase the ease of doing business in Vietnam for foreign investors

2015: Foreigner retailers are allowed to establish 100% owned business in Vietnam, as part of commitment to WTO

2016: Decision No.1563/QD-TTg was made to approve the e-commerce development plan for the 2016-2020 period

2018: Decree 09/2018/ND-CP was issued to incorporate several favourable changes for retailers establishing or expanding their businesses in areas pertaining to the trading of goods by foreign investors and enterprises

2024: As part of commitment to CPTPP, foreign retailers will not be subjected to Economic needs testing (ENT) from 2024

Favorable environment results at foreign investors increasing their foothold in Vietnam through M&A, franchising or partnership

- Most of foreign retailers in Vietnam are from Japan, Korea, Thailand: Central Group (Thailand), 7-Eleven (Japan), Lotte (Korea)…
- Though, retail in Vietnam is not a sure-win business as many foreigners had withdrawn because of not understanding local customers or could not endure the losses: Metro, Auchan, Shop&Go…

Vietnam to remove Economic needs testing (ENT) from 2024, five years after CPTPP

- ENT has been limiting foreigners' abilities to establish second and subsequent retail outlets. It does not apply for retail outlets less than 500 sqm, located at commercial centers and not categorized as mini-supermarket or convenience store.
- With future ENT removal, Vietnamese retailers, especially those operate in convenience stores, minimarts, specialist stores models, will face tougher competition -> Demand for changes and self improvement from local retailers.

Listed companies have different stories

Revenue growth are in downtrend for retailers, but volatile for distributors

- Due to the ICT market's saturation, MWG and FRT's sales growth have been going down since 2016, while PNJ still had healthy growth from gold jewelries until a technical issue related to the new ERP system happened in Q2 2019.
- DGW, an ICT distributor, found rescue by the exclusive contract with Xiaomi from 2017. On the other hand, PSD is struggling with an obsolete distribution model.

Profitwise, only industry leaders see improvement

- MWG and PNJ's profit pick up due to self optimization: better SSSG for MWG from store conversion and higher gross margin for PNJ from change in sales structure.
- FRT's margin suffered due to iPhone clearance in 6M 2019 while DGW is heavily dependent on big-sales-but-thin-margin contracts with Xiaomi and Nokia.

Figure 8: Revenue growth YoY

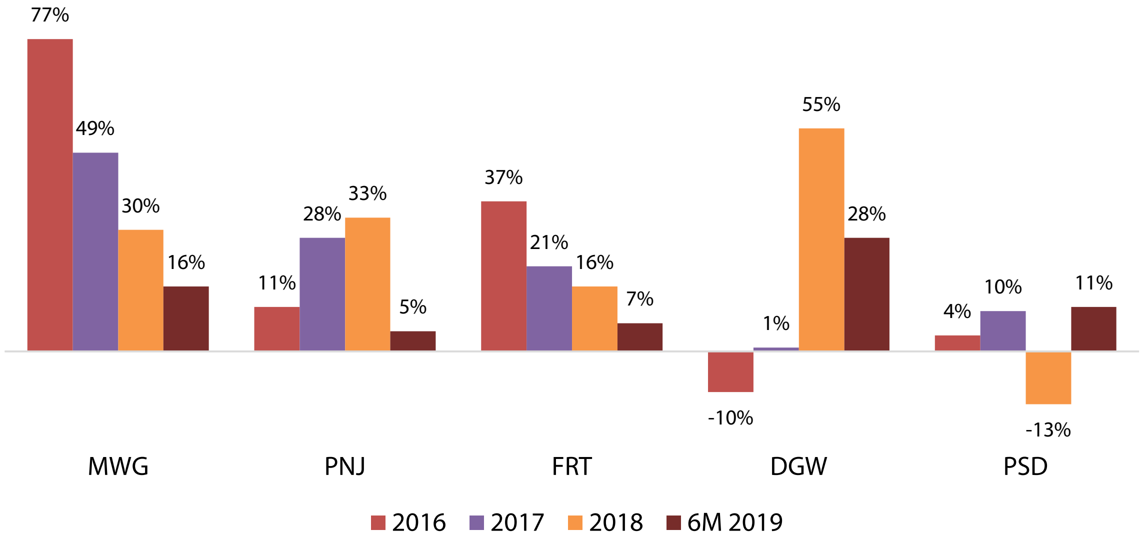
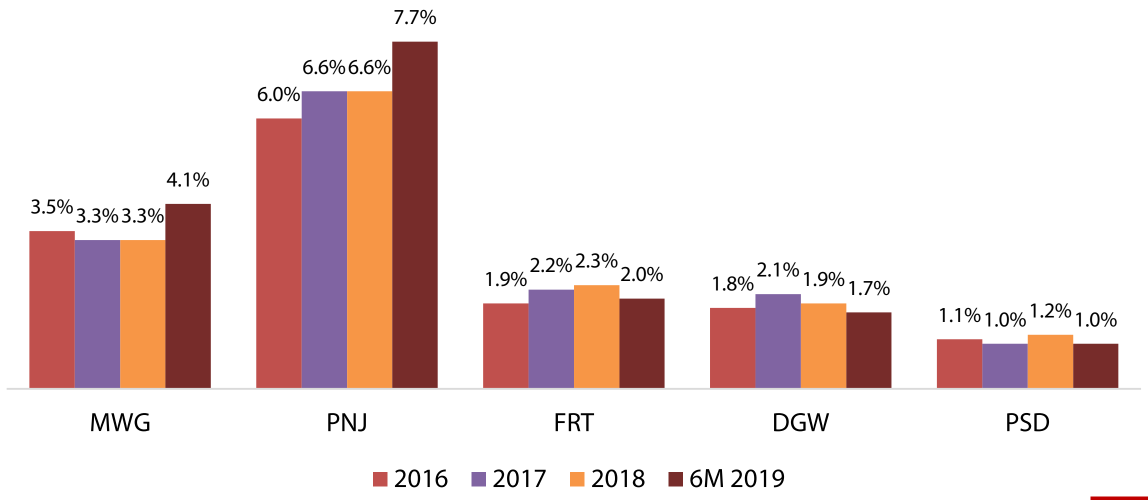


Figure 9: Profit margin



Sources: Fiinpro, RongViet Securities

RETAIL INDUSTRY - REVIEW

Industry comparables (TTM)

Ticker	Market cap (VND bn)	Sales Growth (%)	EBITDA Growth (%)	EBITDA Margin (%)	Operating Income Margin (%)	Net Income Growth (%)	Net Profit Margin (%)	Return on Invested Capital (%)	Return on Assets (%)	Return on Equity (%)	P/E (%)	P/B (%)
MWG	52,193	17.4	31.0	6.2	4.8	29.3	3.7	18.8	12.1	38.6	14.9	5.0
PNJ	18,904	16.3	24.9	9.7	9.3	20.6	7.0	22.1	17.8	27.9	18.2	4.7
FRT	3,945	16.4	27.1	3.0	3.0	20.0	2.3	12.0	7.7	35.0	11.5	3.4
DGW	974	36.1	41.0	2.5	2.4	38.9	1.9	8.4	7.2	16.9	7.4	1.2
PSD	386	-5.4	5.5	1.9	1.8	10.6	1.2	5.7	3.3	21.2	5.7	1.1

Sources: Bloomberg, Rong Viet Securities

MWG – PROMISING FUTURE AHEAD

INVESTMENT RATIONALES

- **Solid growth in Consumer Electronics and Accessorries**
  - o Healthy organic growth in the CE market in conjuction with potential consolidation from nearly 40% market share of mom-and-pop shops.
  - o SSSG improvement: Store layout optimization in The Gioi Di Dong and Dien May Xanh makes room for more SKUs along with adding kitchenware, wrist watches and sunglasses to product mix => Increase efficiency: strengthen gross margin and lower SG&A expenses/sales ratio.
  - o Expansion of Dien May Xanh: both new opening and store conversion from The Gioi Di Dong => Expect to have 900 and 1,000 DMX by the end of 2019 and 2020 respectively.
- **The grocery chain is taking off**
  - o Accelerating store opening, expected 950 store (+236% yoy) at 2019 end, with total sales of VND 11,400 bn (+164% yoy). Positive customer acceptance and less competition from other minimarts in other regions (218/600 stores located outside of HCMC at June's end).
  - o Average monthly sales is going up dramatically, reaching VND 1.5 bn in June (+70% yoy). Profitwise, better gross margin from direct import of fresh produces and more discount from FMCG supplier, along with optimizing logistic and minimizing wasted rate => Expect to break even at the end of 2019.
- **An attractive valuation**
  - o 2019's forward PEG at 0.4, undervalued for an industry leader that just entered a new growing stage.

RISKS TO OUR CALLS

- Obstacles in logistic and supply while expanding to new regions could slow down Bach Hoa Xanh.

BUY +30%

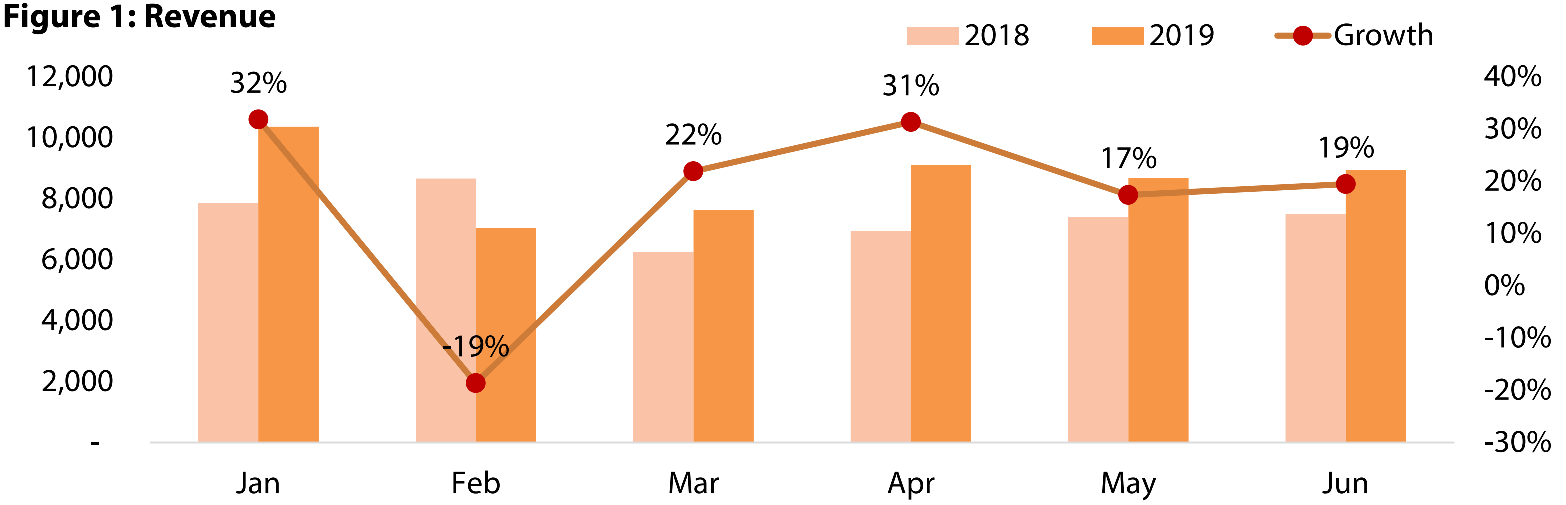
CMP (VND)	**117,300**
Target price (VND)	**151,000**
Cash dividend in 12 months	*1,500*

STOCK INFO	
Sector	Retail
Market Cap ($ mn)	2,229
Current Shares O/S (mn shares)	443
3M Avg. Volume (K)	940
3M Avg. Trading Value (VND Bn)	95
Foreign Ownership (%)	49.0
State Ownership (%)	0.0

FORECAST	2017A	2018A	2019F	2020F
Revenue	**66,340**	**86,516**	**105,327**	**131,836**
Growth (%)	48.7	30.4	21.7	25.2
NPATMI	**2,206**	**2,879**	**3,888**	**5,314**
Growth (%)	39.8	30.5	35.1	36.7
ROA (%)	11.7	11.3	12.3	13.6
ROE (%)	45.2	38.7	32.9	32.0
EPS (VND)	6,958	4,227	8,564	11,304
Book Value (VND)	18,632	20,241	26,012	35,297
Cash dividend (VND)	1500	1500	1,500	1500
P/E (x)	20.2	13.0	13.7	10.4
P/B (x)	7.0	4.3	4.5	3.3

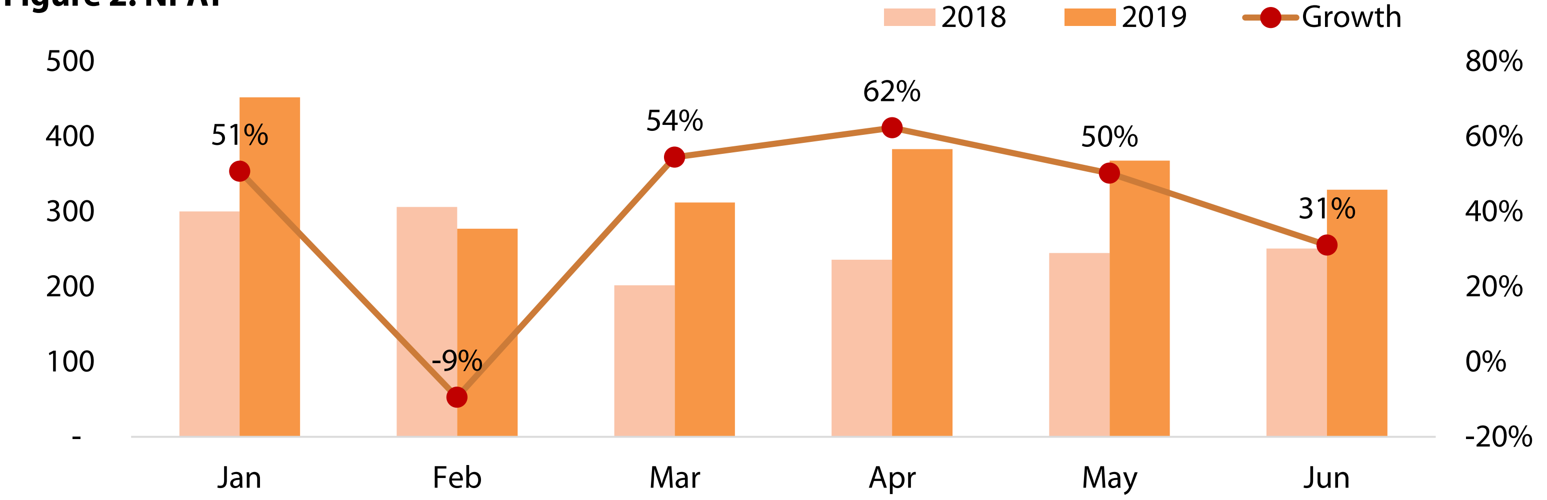
MWG – Growth in revenue and profit in 6M 2019

Figure 1: Revenue



Sources: MWG, Rong Viet Securities

Figure 2: NPAT



Source:s MWG, Rong Viet Securities

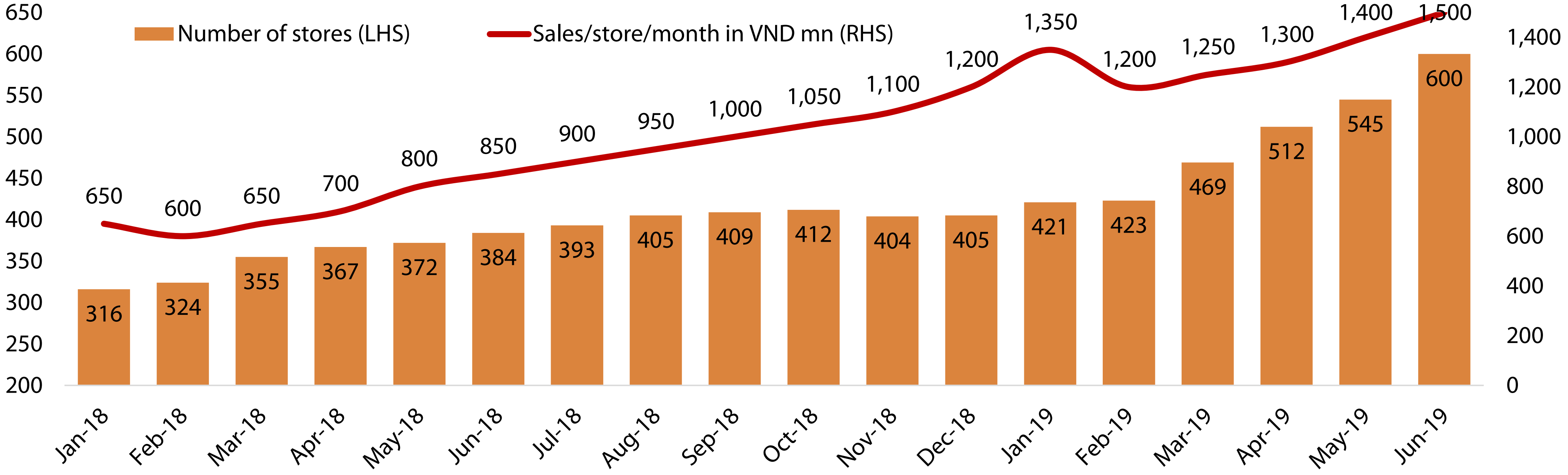
Continuing store expansion & conversion

- 114 new DMX, of which 47 were converted from TGDD.
- Finished layout optimization for 210 DMX mini, with ~30% increase in sales/store, plans for another 276 stores in 2H 2019.
- 195 new Bach Hoa Xanh stores in 6M, 36% (of total 600 stores) locate in other Southwest and Southeast provinces.

Net margin surged to 4.1% (+60 basis point yoy)

- SSSG of 7% for TGDD & DMX stores and expenses optimizing help improve margin.
- BHX's gross margin reached 19%, compared to 18% at Dec/2018. Still recording net loss of -9%/total sales (VND 367 bn) but we're confident it will reach break-even at **store & DC level** at the end of 2019 (net profit of ~ -2 to -3% to total sales).

Figure 3: Number of stores and average monthly revenue per store *(for shops operate more than 30 days)*



Sources: MWG, RongViet Securities

FIGURE 4: BY LOCATION

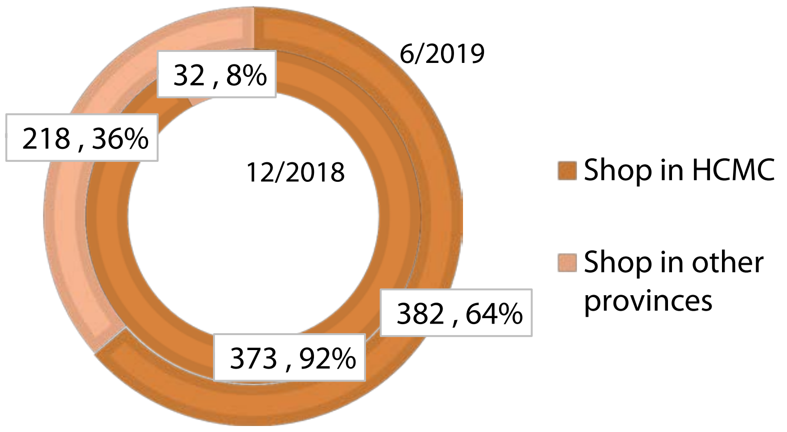
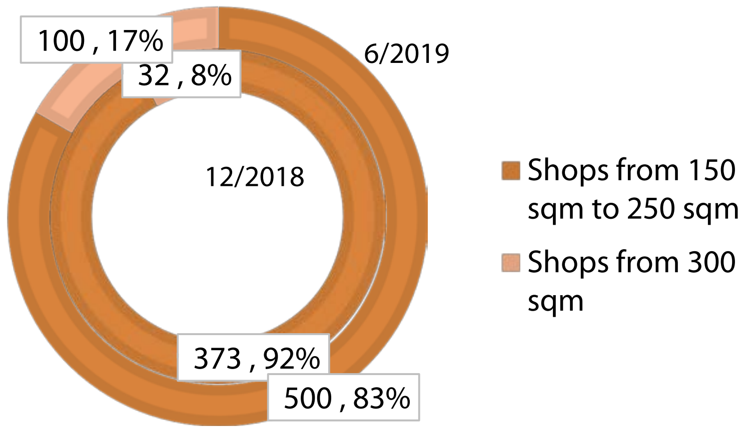


FIGURE 5: BY SIZE



PNJ – STRENGTHEN LEADER POSITION

INVESTMENT RATIONALES

- **Huge market consolidation opportunities from the fragmented jewelry market**
  - The jewelry market is growing at ~10% rate per year. Gold jewelry consumption/capital is among the lowest of Asian countries. Within the sector, branded jewelries account for only a quarter of the market share, indicating enormous potential for modern retailers.
  - Established reputation and leading production capability allow PNJ not only to supply itself but also do jewelry outsourcing which provides great return on capital (mainly labor cost).
  - Advantages from the biggest store network among jewelry chains, with a far more advanced ERP system compared to others.
- **Temporary technical issue does not hit PNJ's long-term prospect**
  - The issue related to the implementation of the new ERP happened in April and significantly hit PNJ's turnover. However that is mostly solved, with the factory was working at 90% capacity in June.
- **Demand slowdown in tier 1 markets is worrisome**
  - Growth in HCMC, the most important region, is no longer abundant and the "cannibalization" effect is starting to happen, resulting in lower SSSG. Even though tier 2 and 3 markets are starting to pick up, it takes time to change consumer's behavior.

RISKS TO OUR CALLS

- Luxury jewelries are highly exposed to economic cycle.

BUY +23%

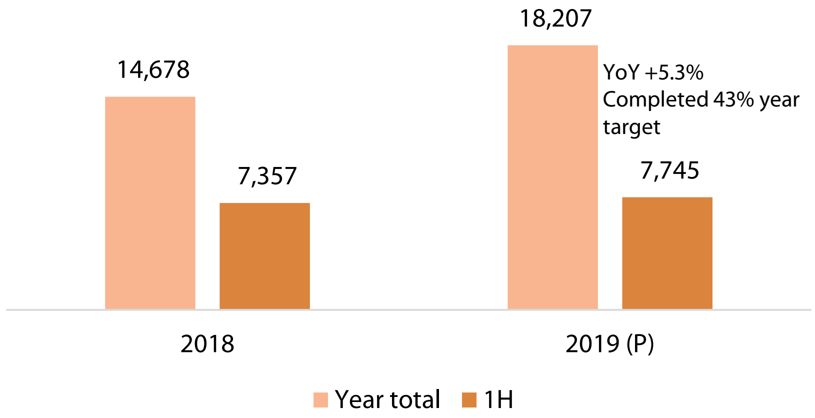
CMP (VND)	**86,000**
Target price (VND)	**104,000**
Cash dividend in 12 months	*1,800*

STOCK INFO	
Sector	Retail
Market Cap ($ mn)	822
Current Shares O/S (mn shares)	223
3M Avg. Volume (K)	672
3M Avg. Trading Value (VND Bn)	58.6
Foreign Ownership (%)	49.0
State Ownership (%)	0.0

FORECAST	2017A	2018A	2019F	2020F
Revenue	**10,977**	**14,571**	**16,848**	**20,198**
Growth (%)	28.2	32.7	15.6	19.9
NPATMI	**725**	**960**	**1,194**	**1,531**
Growth (%)	60.9	32.4	24.4	28.2
ROA (%)	17.9	17.6	18.3	20.0
ROE (%)	32.6	28.7	28.0	28.6
EPS (VND)	6,370	13,249	4,997	6,228
Book Value (VND)	27,285	22,425	18,585	22,656
Cash dividend (VND)	1000	1000	1,800	1800
P/E (x)	23.8	16.2	16.8	13.5
P/B (x)	5.0	4.2	4.5	3.7

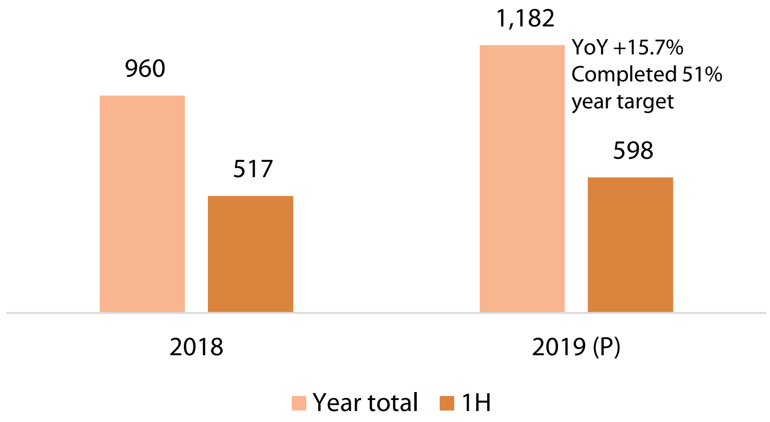
PNJ – Slowdown in turnover but more efficiency

Figure 1: Revenue (VND bn)



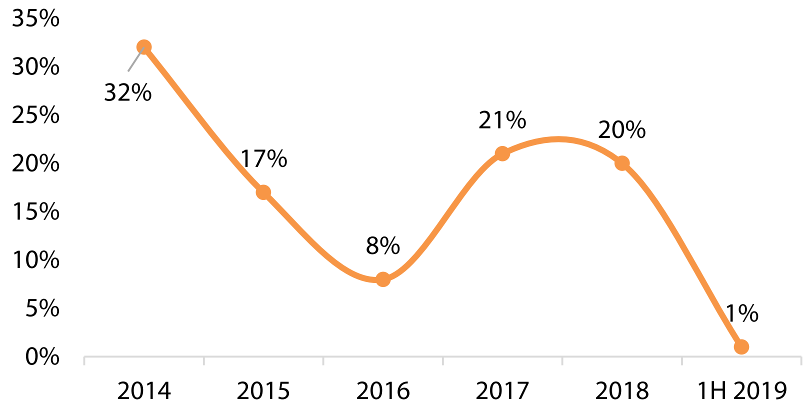
Source: PNJ

Figure 2: After-tax-profit (VND bn)



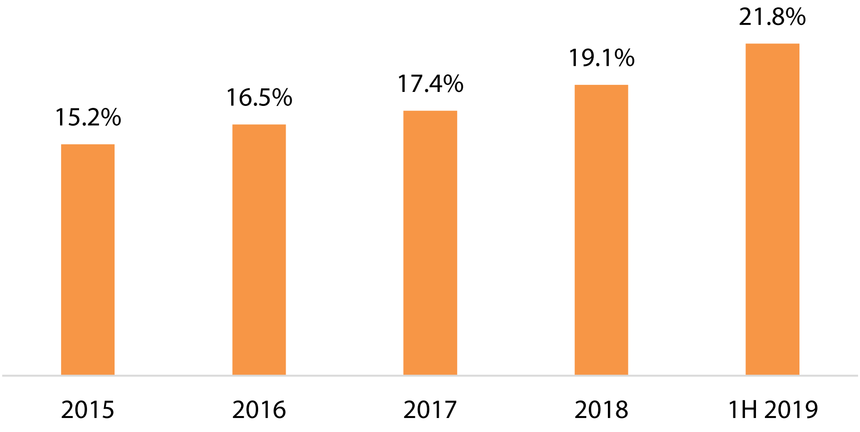
Source: PNJ

Figure 3: PNJ Gold's same store sales growth



Source: PNJ

Figure 4: Gross margin



Source: PNJ

- ERP issue and demand slowdown in Q2 dragged SSSG down to ~1%. We forecast that of ~10% in 2H, post ERP crisis.
- Due to shortfall in production, wholesale's revenue decreased 24% in Q2, thus overall gross margin saw a huge leap. We expect it to nomarlise in 2H. Nevertheless, we should see an uptrend in PNJ's margin because of the higher contribution of gold jewelry retail and better cost management.

FRT – A RATHER LONG-TERM PROSPECT

INVESTMENT RATIONALES

- **Flat growth in smartphone market, seek opportunities in accessories and added services**
    - Beside the saturated smartphone market, iPhone's unsuccessful launch last year also hit FRT's business result, which heavily depends on iPhone sales.
    - Better pricing in accessories due to direct import from Chinese suppliers improves profit margin while F.friends and Subsidy programs help maintain SSSG but the potential is not much.
    - Contracts with ecommerce websites are still in pilot with no clear plans being revealed.
- **Long Chau Pharmacy could be the growth driver, but not anytime soon**
    - An extremely fragmented retail market for medicines and suppliments. However, the OTC's market size of ~USD 1.6 bn with fiere competition from mom-and-pop pharmacies is challenging.
    - FRT's retail expertise and technical support from FPT Corporation are Long Chau's advantages.
    - Long Chau begins to scale up in HCMC and pilot in other provinces.

RISKS TO OUR CALLS

- New iPhones' success is very unpredictable and has huge impact on FRT's results.
- Long Chau's expansion might face difficulties.

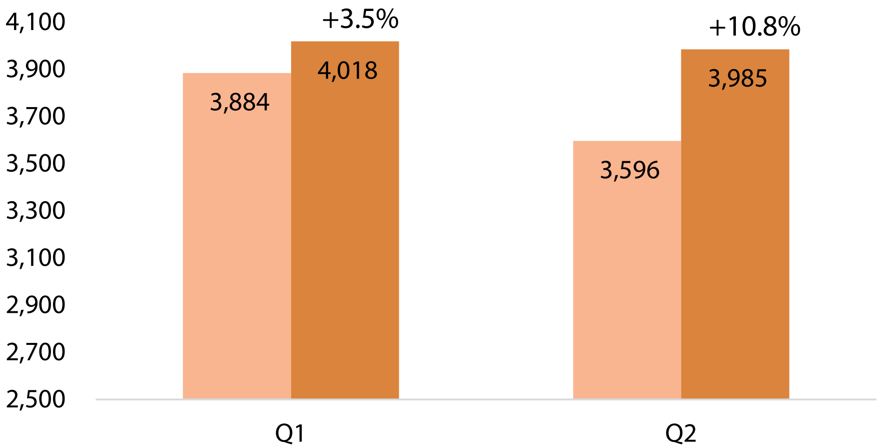
ACCUMULATE +7%

CMP (VND)	**49,600**
Target price (VND)	**52,000**
Cash dividend in 12 months	*1,000*

STOCK INFO	
Sector	Retail
Market Cap ($ mn)	168
Current Shares O/S (mn shares)	79
3M Avg. Volume (K)	101
3M Avg. Trading Value (VND Bn)	5.4
Foreign Ownership (%)	48.6
State Ownership (%)	0.0

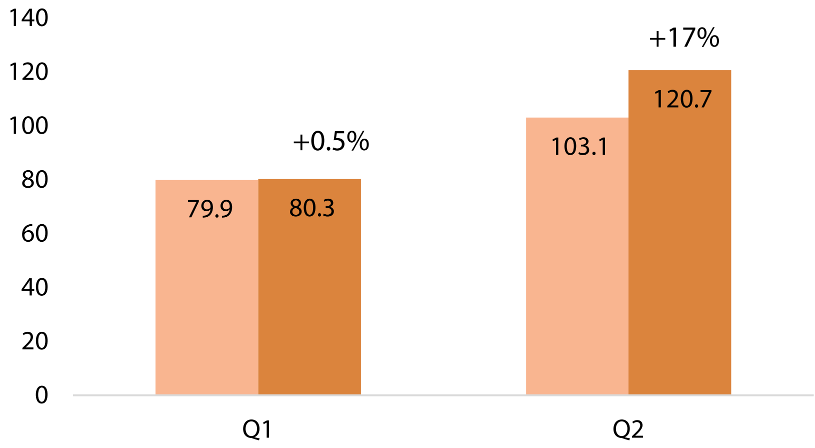
FORECAST	2017A	2018A	2019F	2020F
Revenue	**13,147**	**15,298**	**17,195**	**18,875**
Growth (%)	21.1	16.4	12.4	9.8
NPATMI	**290**	**348**	**385**	**443**
Growth (%)	39.7	20.0	10.7	15.1
ROA (%)	6.8	7.7	5.9	6.2
ROE (%)	44.2	35.6	24.7	23.0
EPS (VND)	7,247	4,270	4,714	5,321
Book Value (VND)	19,911	16,673	19,539	23,675
Cash dividend (VND)	0	1000	1,000	1000
P/E (x)	N/A	14.5	10.6	9.4
P/B (x)	N/A	4.2	2.6	2.1

Figure 1: Revenue (VND bn)



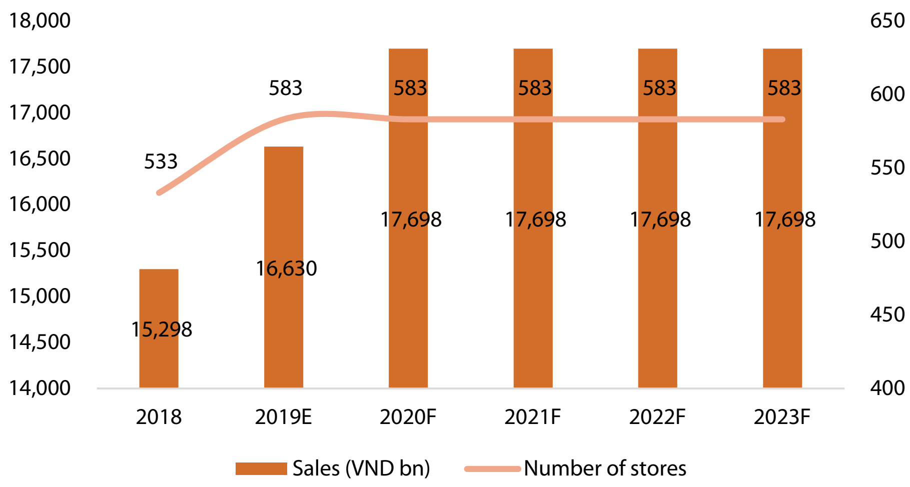
Source: FRT

Figure 2: PBT (VND bn)



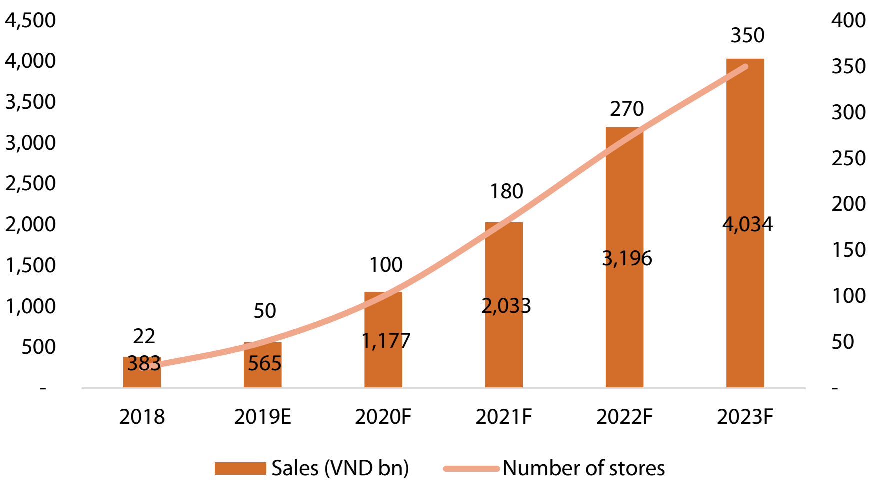
Source: FRT

Figure 3: FPT Shop's forecast



Source: Rong Viet Securities

Figure 4: Long Chau's forecast



Source: Rong Viet Securities

- In Q2, Apple's support policies in reducing price helped FRT to clear iPhone stock with a better margin.
- Also from April, FRT finished clearing inventory of old accessory that had high COGS, thus enjoyed higher gross margin in Q2.
- Only 25 new FPT Shops in 6M, behind the target of 100 new stores in 2019.
- In our base scenario, in 2023, Long Chau will have accounted for ~20% of FRT's revenue.

FPT – THRIVED FORWARD BY TECHNOLOGY

INVESTMENT RATIONALES

- **Fast-paced growth from Software outsourcing and Digital transformation (DT)**
  - Overseas market is the growth driver, leading by increasing demand for software outsourcing and DT, especially from developed countries those have high labor cost.
  - Synergy with Intellinet (acquired in 2018) enhanced FPT's abilities to provide all-in-one contracts, from DT implementing to consulting, which results in a higher profit margin.
  - Increasing in number of big clients helps strengthen FPT's profile. In conjuction, Vietnam's low labor cost and FPT's education system are advantages to maintain price competitive in software services.
- **Stable growth of Telecom services and potential from the Education segment.**
  - Number of broadband subscriptions just reaches 55% that of Vietnamese households -> room from the remaining. Additionally, reducing loss in Pay TV thanks to economy of scale.
  - FPT's Education delivers high profit margin and is growing fast, supporting by FPT Software for real-life practices and career opportunities.
- **Valuation rerating due to changes in profit structure**
  - Software outsourcing and DT are forecasted contribute nearly 43% total PBT in 2020, from just 25% in 2017. The volatile in earnings from FPT IS and FPT Trading is no longer significant. Hence, current P/E is undervalued, considering a better profit structure and the high growth.

RISKS TO OUR CALLS

- As the company is more dependent on global clients, unfavorable changes in international geo-politics are considerable risks
- Fierer competition from domestic telecoms could slow down FPT Telecom's growth.

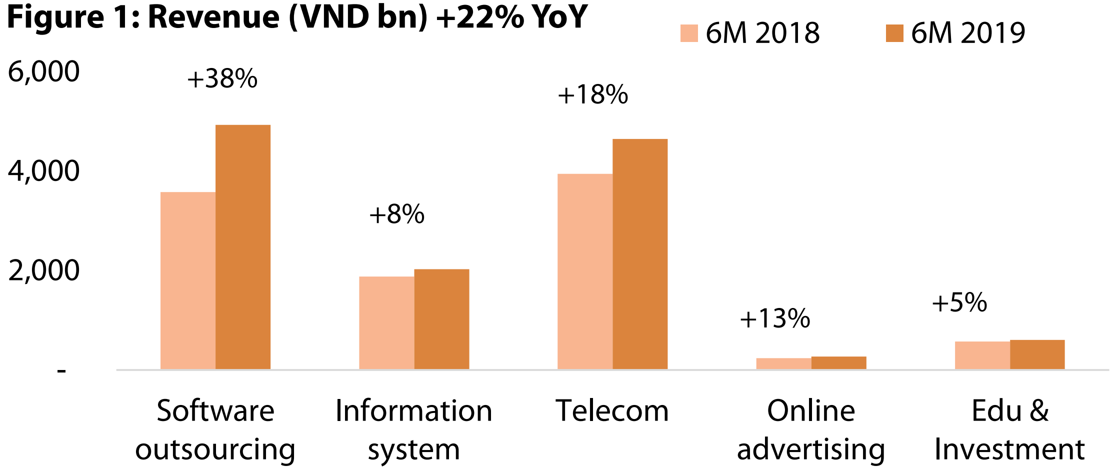
BUY +26%

CMP (VND)	**52,000**
Target price (VND)	**63,500**
Cash dividend in 12 months	*2,000*

STOCK INFO	
Sector	Technology
Market Cap ($ mn)	1,514
Current Shares O/S (mn shares)	678
3M Avg. Volume (K)	1,648
3M Avg. Trading Value (VND Bn)	79.1
Foreign Ownership (%)	49.0
State Ownership (%)	5.4

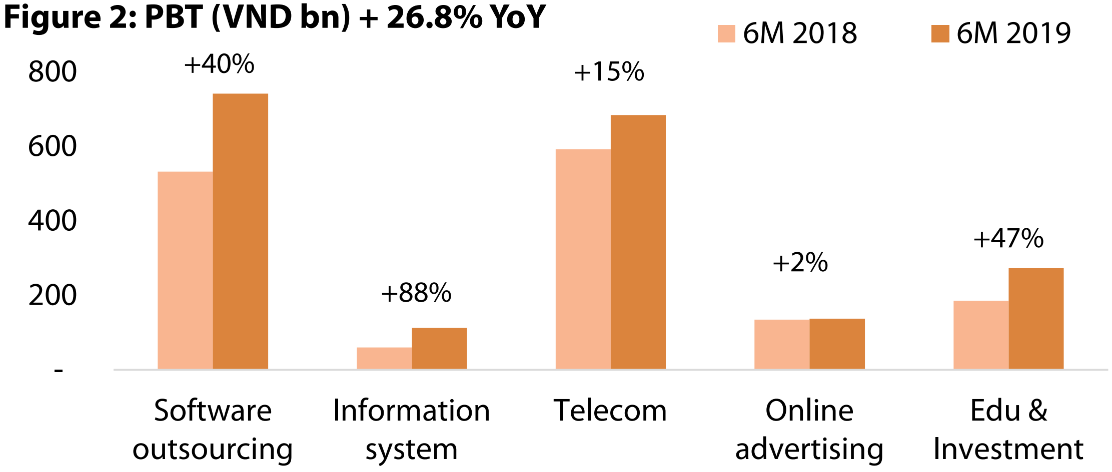
FORECAST	2017A	2018A	2019F	2020F
Revenue	**42,659**	**23,214**	**28,598**	**32,927**
Growth (%)	7.9	(45.6)	23.2	15.1
NPATMI	**2,932**	**2,620**	**3,319**	**3,958**
Growth (%)	47.3	(10.6)	26.7	19.3
ROA (%)	10.7	9.6	10.7	11.4
ROE (%)	23.8	18.7	21.9	22.3
EPS (VND)	5,521	3,899	4,894	5,836
Book Value (VND)	21,520	20,322	22,424	26,245
Cash dividend (VND)	1000	1000	2,000	2000
P/E (x)	10.3	9.9	10.8	9.1
P/B (x)	2.3	1.8	2.4	2.0

Figure 1: Revenue (VND bn) +22% YoY



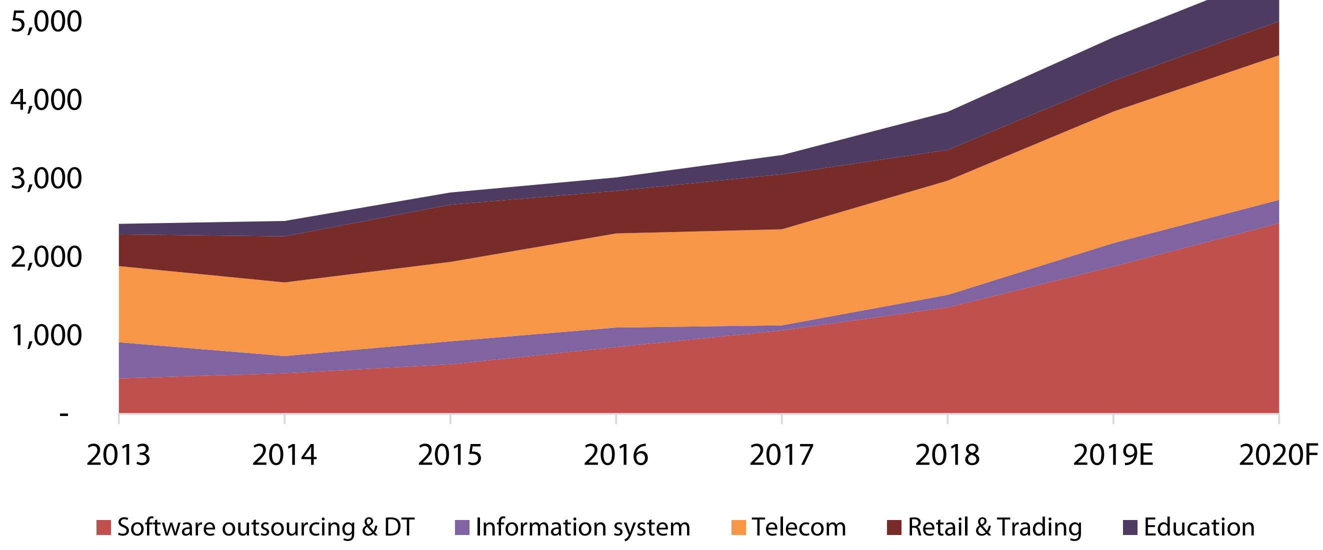
Source: FPT

Figure 2: PBT (VND bn) + 26.8% YoY



Source: FPT

Figure 3: Profit-before-tax structure (VND bn) – Software services becoming the leader & less volatility from other segments



Sources: FPT, Rong Viet Securities

**Adjusted out 2017's one-off income from FPT retail & FPT trading divestments*

DISCLAIMER:

This report is prepared in order to provide information and analysis to clients of Rong Viet Securities only. It is and should not be construed as an offer to sell or a solicitation of an offer to purchase any securities. No consideration has been given to the investment objectives, financial situation or particular needs of any specific. The readers should be aware that Rong Viet Securities may have a conflict of interest that can compromise the objectivity this research. This research is to be viewed by investors only as a source of reference when making investments. Investors are to take full responsibility of their own decisions. VDSC shall not be liable for any loss, damages, cost or expense incurring or arising from the use or reliance, either full or partial, of the information in this publication.
The opinions expressed in this research report reflect only the analyst's personal views of the subject securities or matters; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or opinions expressed in the report.
The information herein is compiled by or arrived at Rong Viet Securities from sources believed to be reliable. We, however, do not guarantee its accuracy or completeness. Opinions, estimations and projections expressed in this report are deemed valid up to the date of publication of this report and can be subject to change without notice.

IMPORTANT DISCLOSURES FOR U.S. PERSONS
This research report was prepared by Viet Dragon Securities Corp. ("VDSC"), a company authorized to engage in securities activities in Vietnam. VDSC is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").
Additional Disclosures
This research report is for distribution only under such circumstances as may be permitted by applicable law. This research report has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient, even if sent only to a single recipient. This research report is not guaranteed to be a complete statement or summary of any securities, markets, reports or developments referred to in this research report. Neither VDSC nor any of its directors, officers, employees or agents shall have any liability, however arising, for any error, inaccuracy or incompleteness of fact or opinion in this research report or lack of care in this research report's preparation or publication, or any losses or damages which may arise from the use of this research report.
VDSC may rely on information barriers, such as "Chinese Walls" to control the flow of information within the areas, units, divisions, groups, or affiliates of VDSC.
Investing in any non-U.S. securities or related financial instruments (including ADRs) discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on such non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the United States.
The value of any investment or income from any securities or related financial instruments discussed in this research report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.
Past performance is not necessarily a guide to future performance and no representation or warranty, express or implied, is made by VDSC with respect to future performance. Income from investments may fluctuate. The price or value of the investments to which this research report relates, either directly or indirectly, may fall or rise against the interest of investors. Any recommendation or opinion contained in this research report may become outdated as a consequence of changes in the environment in which the issuer of the securities under analysis operates, in addition to changes in the estimates and forecasts, assumptions and valuation methodology used herein.
No part of the content of this research report may be copied, forwarded or duplicated in any form or by any means without the prior.

RESEARCH DISCLOSURES
Third Party Research
This is third party research. It was prepared by Rong Viet Securities Corporation (Rong Viet), with headquarters in Ho Chi Minh City, Vietnam. Rong Viet is authorized to engage in securities activities according to its domestic legislation. This research is not a product of Tellimer Markets, Inc., a U.S. registered broker-dealer. Rong Viet has sole control over the contents of this research report. Tellimer Markets, Inc. does not exercise any control over the contents of, or the views expressed in, research reports prepared by Rong Viet.
Rong Viet is not registered as a broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution to "major U.S. institutional investors" and other "U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

DISCLAIMER:

Any U.S. recipient of this research report wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through Tellimer Markets, Inc., located at 575 Fifth Avenue, 27th Floor, New York, NY 10017. A representative of Tellimer Markets, Inc. is contactable on +1 (212) 551 3480. Under no circumstances should any U.S. recipient of this research report effect any transaction to buy or sell securities or related financial instruments through Rong Viet. Tellimer Markets, Inc. accepts responsibility for the contents of this research report, subject to the terms set out below, to the extent that it is delivered to a U.S. person other than a major U.S. institutional investor..
None of the materials provided in this report may be used, reproduced, or transmitted, in any form or by any means, electronic or mechanical, including recording or the use of any information storage and retrieval system, without written permission from.
Rong Viet is the employer of the research analyst(s) responsible for the content of this report and research analysts preparing this report are resident outside the U.S. and are not associated persons of any U.S. regulated broker-dealer. The analyst whose name appears in this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA") and may not be an associated person of Tellimer Markets, Inc. and, therefore, may not be subject to applicable restrictions under FINRA Rules on communications with a subject company, public appearances and trading securities held by a research analyst account
Tellimer Markets, Inc. or its affiliates has not managed or co-managed a public offering of securities for the subject company in the past 12 months, has not received compensation for investment banking services from the subject company in the past 12 months, and does not expect to receive or intend to seek compensation for investment banking services from the subject company in the next three months. Tellimer Markets, Inc. has never owned any class of equity securities of the subject company. There are no other actual, or potential, material conflicts of interest of Tellimer Markets, Inc. at the time of the publication of this report. As of the publication of this report, Tellimer Markets, Inc. does not make a market in the subject securities.
About Tellimer
Tellimer is a registered trade mark of Exotix Partners LLP. Exotix Partners LLP and its subsidiaries ("Tellimer") provide specialist investment banking services to trading professionals in the wholesale markets. Tellimer draws together liquidity and matches buyers and sellers so that deals can be executed by its customers. Tellimer may at any time, hold a trading position in the securities and financial instruments discussed in this report. Tellimer has procedures in place to identify and manage any potential conflicts of interests that arise in connection with its research. A copy of Tellimer's conflict of interest policy is available at www.tellimer.com/regulatory-information.
Distribution
This report is not intended for distribution to the public and may not be reproduced, redistributed or published, in whole or in part, for any purpose without the written permission of Tellimer. Tellimer shall accept no liability whatsoever for the actions of third parties in this respect. This report is for distribution only under such circumstances as may be permitted by applicable law. This report may not be used to create any financial instruments or products or any indices. Neither Tellimer, nor its members, directors, representatives, or employees accept any liability for any direct or consequential loss or damage arising out of the use of all or any part of the information herein.
United Kingdom: Distributed by Exotix Partners LLP only to Eligible Counterparties or Professional Clients (as defined in the FCA Handbook). The information herein does not apply to, and should not be relied upon by, Retail Clients (as defined in the FCA Handbook); neither the FCA's protection rules nor compensation scheme may be applied.
UAE: Distributed in the Dubai International Financial Centre by Exotix Partners LLP (Dubai) which is regulated by the Dubai Financial Services Authority ("DFSA"). Material is intended only for persons who meet the criteria for Professional Clients under the Rules of the DFSA and no other person should act upon it.
Other distribution: The distribution of this report in other jurisdictions may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any such restriction
Disclaimers
Tellimer and/or its members, directors or employees may have interests, or long or short positions, and may at any time make purchases or sales as a principal or agent of the securities referred to herein. Tellimer may rely on information barriers, such as "Chinese Walls" to control the flow of information within the areas, units, divisions, groups of Tellimer.
Investing in any non-U.S. securities or related financial instruments (including ADRs) discussed in this report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on such non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the United States. The value of any investment or income from any securities or related financial instruments discussed in this report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.
Frontier and Emerging Market laws and regulations governing investments in securities markets may not be sufficiently developed or may be subject to inconsistent or arbitrary interpretation or application. Frontier and Emerging Market securities are often not issued in physical form and registration of ownership may not be subject to a centralised system. Registration of ownership of certain types of securities may not be subject to standardised procedures and may even be effected on an ad hoc basis. The value of investments in Frontier and Emerging Market securities may also be affected by fluctuations in available currency rates and exchange control regulations. Not all of these or other risks associated with the relevant company, market or instrument which are the subject matter of the report are necessarily considered

ANALYSIS & INVESTMENT ADVISORY DEPARTMENT

Lam Nguyen
Deputy Manager
lam.ntp@vdsc.com.vn
+ 84 28 6299 2006 (1313)
- Banking
- Market Strategy

Duong Lai
Senior Analyst
duong.ld@vdsc.com.vn
+ 84 28 6299 2006 (1522)
- Real Estate
- Building Materials

Vu Tran
Senior Analyst
vu.thx@vdsc.com.vn
+ 84 28 6299 2006 (1518)
- Oil & Gas
- Fertilizer

Trinh Nguyen
Senior Analyst
trinh.nh@vdsc.com.vn
+ 84 28 6299 2006 (1551)
- Steel
- Construction

Tu Vu
Analyst
tu.va@vdsc.com.vn
+ 84 28 6299 2006 (1511)
- Macroeconomics

Son Tran
Analyst
son.tt@vdsc.com.vn
+ 84 28 6299 2006 (1527)
- Market Strategy
- Consumer discretionary
- Pharmaceuticals

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

Thu Pham
Analyst
thu.pa@vdsc.com.vn
+ 84 28 6299 2006 (1520)
- Industrial Real Estate
- Infrastructure & BOT

Thao Dang
Analyst
thao.dtp@vdsc.com.vn
+ 84 28 6299 2006 (1529)
- Food & Beverage
- Textiles

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

Anh Nguyen
Analyst
anh2.ntt@vdsc.com.vn
+ 84 28 6299 2006 (1531)
- Banking

Vy Nguyen
Analyst
vy.ntk@vdsc.com.vn
+ 84 28 6299 2006 (1528)
- Automobile & Parts

Hoang Nguyen
Analyst
hoang.nt@vdsc.com.vn
+ 84 28 6299 2006 (1538)
- Market Strategy

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

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

Vi Truong
Assistant
vi.ttt@vdsc.com.vn
+ 84 28 6299 2006 (1517)