



MACRO & MARKET June 2022

**Growing economy– market returns to
correction trend**

13/07/2022

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Monthly Topic

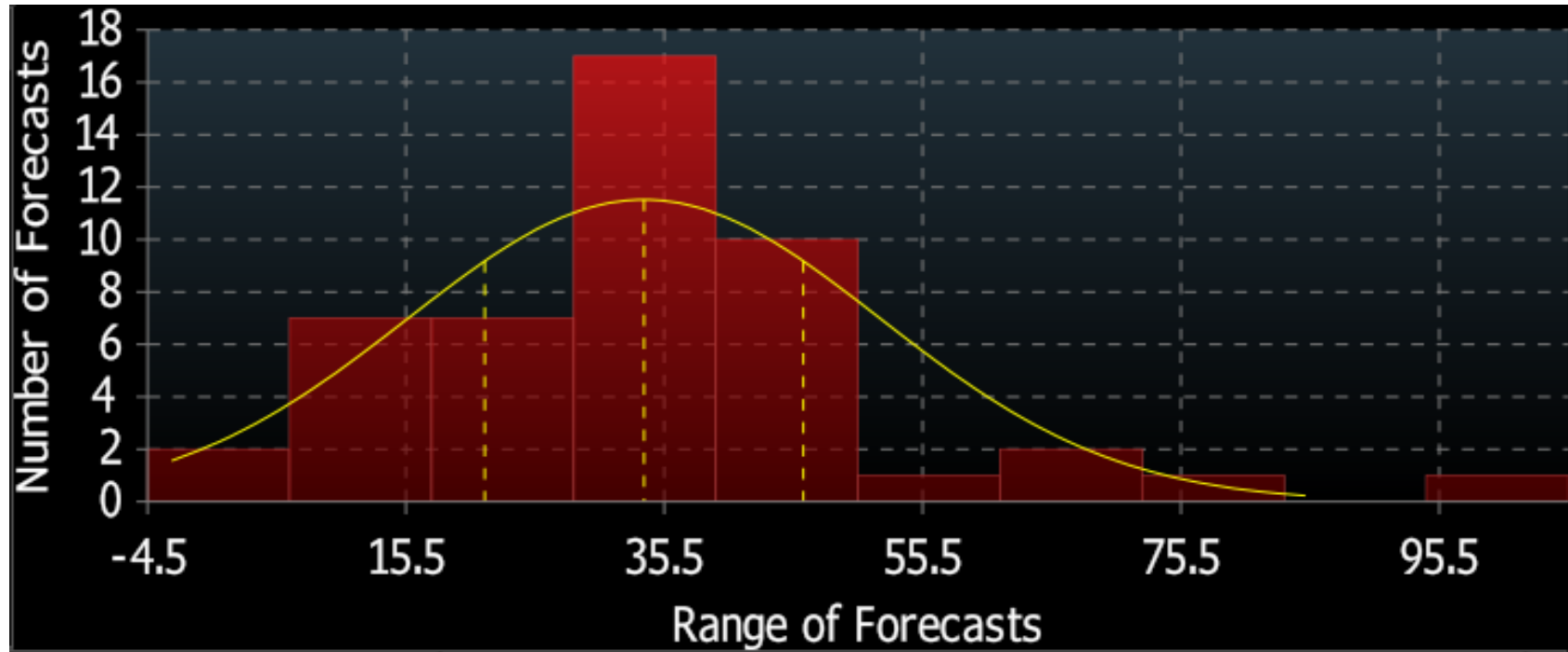
June 2022

VN-Index and period of US economic recessions



Monthly topic: POSSIBILITY OF A RECESSION IN THE US

Figure 01. Possibility of a recession in the US



Source: Bloomberg, BSC Research

- ❖ Bloomberg: 48 global financial institutions forecast the possibility of an economic recession to be **a mean of 34.5%, median 33% → relatively low possibility.**

Monthly topic: ECONOMIC RECESSIONS IN THE US FROM 1945 – NOW

Table 01. Periods of recession in the US from 1945 - now

Recession	Time	Length (months)	% GDP growth (%)
End of WWII	02/1945-10/1945	8	-1
Post - WWII	11/1948 - 10/1949	11	From 4.1 (1948) to -0.5 (1949)
Post Korean War	07/1953 - 05/1954	10	From 4.7 (1953) to -0.6 (1954)
Influenza pandemic	08/1957 - 04/1958	8	From 2.1 (1957) to -0.7 (1958)
Rolling Recession	04/1960 - 02/1961	10	2.6
Vietnam War	12/1969 - 11/1970	11	From 3.1 (1969) to 0.2 (1970)
Oil Crisis	11/1973 - 03/1975	16	From 5.6 (1973) to -0.2 (1975)

Recession	Time	Length (months)	% GDP growth (%)
Iran Revolution	01/1980 - 07/1980	6	-0.2
Post Iran Revolution	07/1981 - 11/1982	16	From 2.6 (1981) to -1.9 (1982)
Gulf War	7/1990 - 03/1991	8	From 1.9 (1990) to -0.1 (1982)
Dot-com Crisis	03/2001 - 11/2001	8	1
Great Recession	12/2007 - 06/2009	18	From 1.8 (2007) to -2.8 (2009)
COVID-19	02/2020 - 04/2020	02	-3.4
Mean		10.27	

Monthly topic: THE US STOCK MARKET IN PERIOD OF ECONOMIC RECESSIONS

Table 02. S&P500 index in periods of economic recession from 1945 - now

Time	Length (months)	-12M	-6M	Start	End	1M	3M	6M	12M
1945*	8	-16.43%	-13.15%	0.00%	16.43%	19.30%	26.36%	31.75%	5.17%
1948-1949*	11	3.19%	15.66%	0.00%	8.75%	8.81%	14.71%	21.22%	33.49%
1953-1954	10	1.13%	4.00%	0.00%	17.94%	-35.15%	-31.64%	-27.76%	-20.44%
1957-1958	8	-1.15%	-3.03%	0.00%	-3.94%	-3.03%	2.61%	11.85%	23.15%
1960-1961*	10	7.84%	3.40%	0.00%	16.68%	18.41%	22.64%	24.24%	25.38%
1969-1970	11	11.35%	3.39%	0.00%	-5.28%	-1.05%	3.98%	9.37%	0.80%
1973-1975	16	23.02%	9.52%	0.00%	-13.13%	-10.14%	-2.44%	-13.63%	4.23%
1980*	6	-15.12%	-5.32%	0.00%	6.58%	6.94%	13.46%	17.57%	12.68%
1981-1982*	16	-6.52%	-3.01%	0.00%	5.82%	7.52%	11.12%	25.05%	24.99%
1990-1991*	8	-1.77%	-7.06%	0.00%	5.35%	6.42%	6.06%	7.70%	15.88%
2001	8	26.54%	18.47%	0.00%	-1.80%	0.06%	-6.07%	-4.63%	-22.35%
2007-2009	18	-3.25%	5.53%	0.00%	-37.39%	-33.28%	-27.02%	-24.55%	-27.08%
2020	2	-2.95%	1.48%	0.00%	-0.50%	2.77%	10.89%	18.09%	34.48%
Mean		1.99%	2.30%	0.00%	1.19%	-0.96%	3.44%	7.41%	8.49%

Source: Bloomberg, BSC Research

- ❖ 6/13 recessions after World War 2 did not affect the US Stock Market (*);
- ❖ **The 1953 – 1954 recession, the Dot-com Crisis (2001), and the Great Recession (2007)** left the longest effect on the US Stock Market: S&P500 still maintained a receding trend 1 year after the recession's end.
- ❖ With the remaining recessions, 6 months post-recession, the American stock market normally had a substantial recovery.

Monthly topic: ECONOMIC RECESSIONS IN VIETNAM

Table 03. Several measures and policies of the Government in period of recession/crisis

Recession/ Crisis	Cause
Dot-com Crisis (2000-2001)	Due to the low openness of the economy (total import and export turnover reached over USD 30 billion), the economy was not affected much by this recession.
Global financial crisis starting from the USA and public debt crisis in Europe (2007-2009)	The Government issued an economic stimulus package announced in May 2009 with a total size of VND 160,000 billion (USD 9 billion): + 4% interest rate support with a scale of VND 17,000 billion + Postponing the recovery of advance capital in 2009 with a scale of VND 3,400 billion; + Advancing capital: VND 37,200 billion; + Tax exemption and reduction with the scale of VND 28,000 billion.
Post-crisis period (2009-2012)	The Government implements the policy of anti-dollarization and anti-goldenization to bring inflation to the target: + Not allowing mobilizing and lending capital in gold; gold was only assets to be preserved. The customer had to pay a fee to deposit gold; + Monopolizing the production of gold bars as well as the import and export of gold raw materials for the production of gold bars. SJC was selected to be the State's gold brand – can only produce when requested; + Setting USD deposit interest rate ceiling at 0%; + Setting higher the required reserve in foreign currencies for credit institutions.
Covid-19 Recession (2020)	The government implemented fiscal policy and monetary policy synchronously to support the economy. Some policies: + Reducing refinancing rate to 4%, discount rate to 2.5% and maintaining this low level so far; + Issuing credit package: VND 250,000 billion; + Restructuring the repayment term, tax postponement, exemption and reduction; + Supporting people and employees with a scale of over VND 60,000 billion.

Source: Tổng hợp, BSC Research

Monthly topic: VIETNAM'S ECONOMIC INDICATORS IN RECESSIONS

Figure 02. A number of indicators in the period from 2000 - now

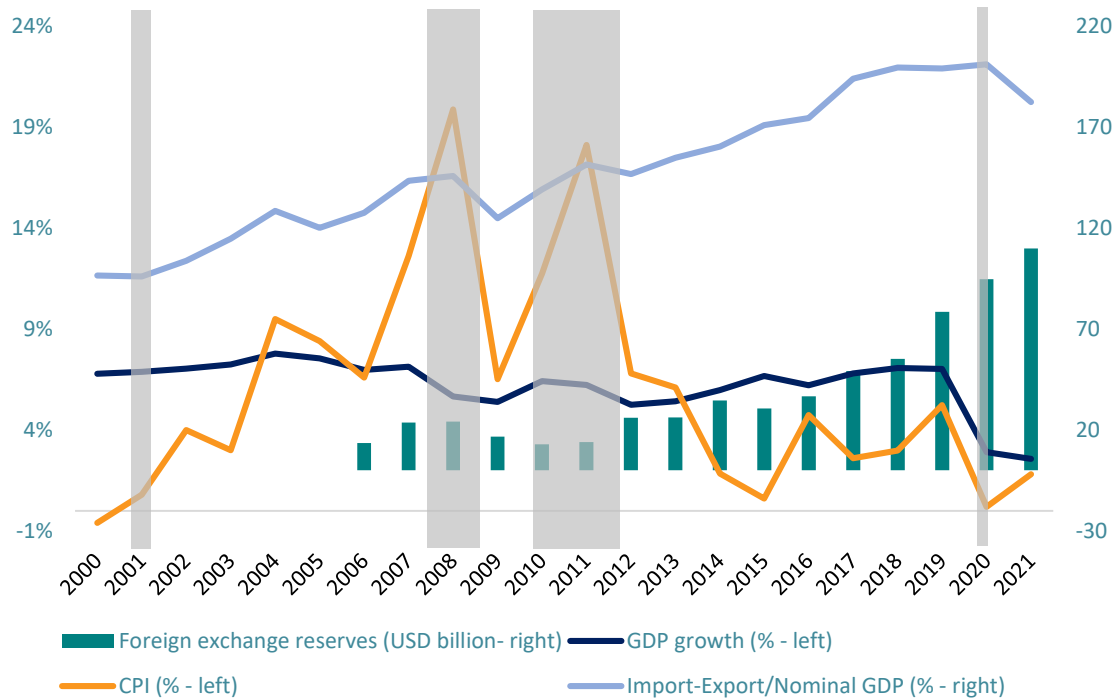


Figure 03. VN-Index and operating interest rate from 2000 - now



Source: Bloomberg, BSC Research

- ❖ 2007 – 2009 crisis and 2009 – 2012 period: the economy suffered the most (economic growth declined, inflation reached 20-year peak).
- ❖ GDP growth decreased from 7.13% (2007) to 5.40% (2009). In 2009: the government issued an economic stimulus package to help the economy recover a growth rate of 6% and above in 2010 and 2011, however, the negative consequences of this program were relatively large: increasing inflation forced the SBV to increase operating interest rate and use other measures to control inflation.

Monthly topic: VIETNAM'S STOCK MARKET IN PERIOD OF RECESSION

Figure 04. VN-Index in periods of recession/crisis from 2000 - now

Recession/Crisis	Start	End	1M	3M	6M	12M
Period 1: Dot-com Crisis	0.00%	7.14%	-11.15%	-27.00%	-22.10%	-34.14%
Period 2: Global financial crisis starting from the USA and public debt crisis in Europe	0.00%	-51.64%	-50.06%	-37.13%	-50.44%	-45.13%
Post-crisis period	0.00%	-40.39%	-33.92%	-24.05%	-26.58%	-34.92%
Period 3: Recession in the USA due to Covid-19	0.00%	-26.71%	-17.13%	-7.37%	-3.30%	27.88%
Mean		-27.90%	-28.07%	-23.89%	-25.60%	-21.58%

Source: Bloomberg, BSC Research

- ❖ Vietnam's stock market in recessions/crises witnessed strong declines;
- ❖ 12 months since the start of a crisis, VN-Index had a substantial recovery
- ❖ However, the level of recovery is insignificant compared to the previous decline, except for the slight recession in 2020: the government stimulated the economy with fiscal packages, loosening monetary policy in response to the Covid-19 pandemic.

Monthly topic: BEAR MARKET IN VIETNAM

Figure 05. VN-Index in periods of bear market

Period	Start time	End time	Length (months)	Decrease from peak (%)	Number of trading sessions	Number of sessions with a decline >2%	Ratio of sessions with a decline of >2%
Period 1	08/10/2007	23/02/2009	16.8	-77.75%	337	69	20.47%
Period 2	19/10/2009	02/01/2012	26.8	-45.31%	553	47	8.50%
Period 3	02/04/2018	31/12/2018	9.1	-26.59%	191	15	7.85%
Period 4	20/01/2020	30/03/2020	2.3	-33.18%	46	10	21.74%
Period 5	28/03/2022	On-going	2.9	-21.82%	62	7	11.29%
Mean			11.58	-41%	237.8	29.6	14%

Source: Bloomberg, BSC Research

- Since 2000, Vietnam's stock market experienced 5 periods of bear market
 - ✓ Longest: more than 26 months
 - ✓ Shortest: 2.3 months
- Recently, VN-Index just entered the 5th bear market (refer to the report at [Link](#))
 - ✓ Length: 2.9 months
 - ✓ % Decline: 22%

Monthly topic: BEAR MARKET IN VIETNAM

Topic Summary

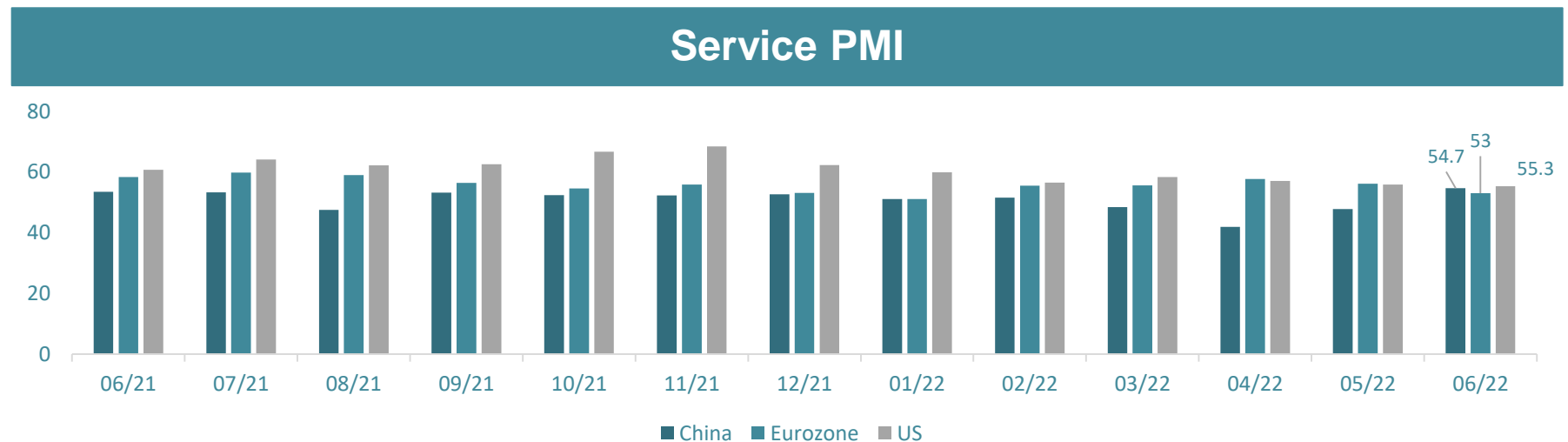
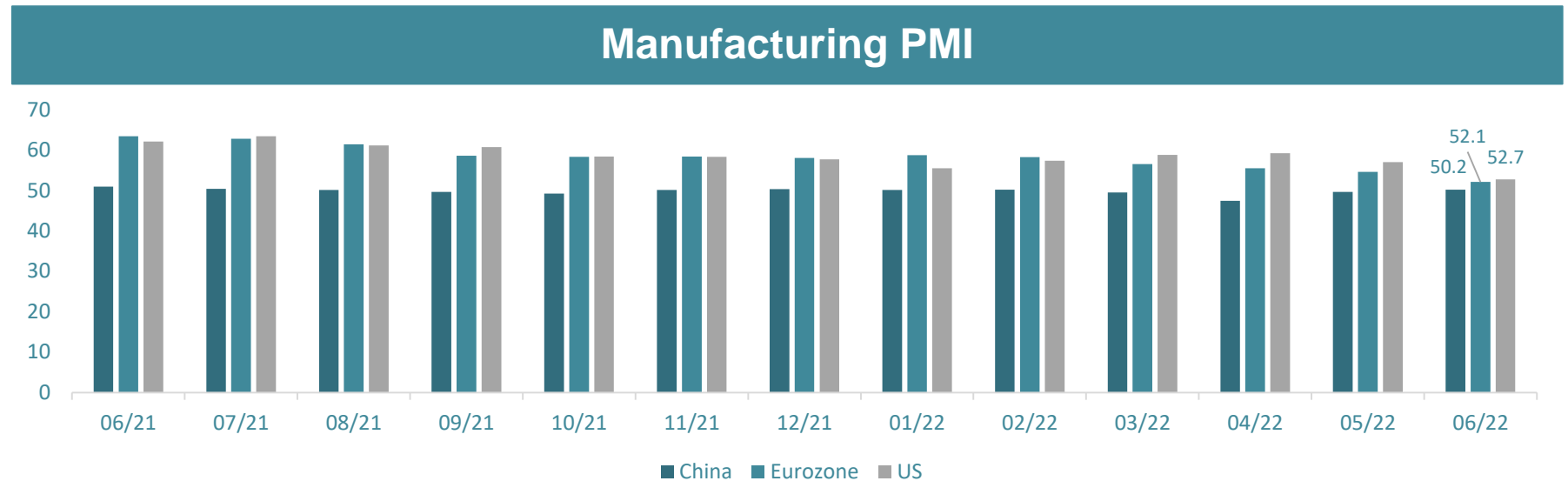
- The probability that the US has a recession in the next 12 months: ~34.5%
- **The US:** 13 recessions since 1945
 - ✓ Main causes: high prices weakening demand; FED tightening monetary policy;
 - ✓ Average duration: 10.27 months;
 - ✓ ½ of the recessions did not mean bear market;
 - ✓ ½ of the recessions mean US bear market. Normally 6 months after crises, it recovered significantly. *The recession of 1953 -1594, Dot-com (2001) and the Great Recession (2007)* affected the US stock market the most.
- **Vietnam:** affected by 3 global recessions and a difficult period after the global financial crisis 2007
 - ✓ *The Great Recession of 2007-2009 and the period after it (2009-2012)* affected Vietnamese economy the most;
 - ✓ ¾ of the periods affected Vietnam stock market, except for *Dot-com Bubbles (2001)*. Normally 12 months after events, Vietnam stock market recovered significantly;
 - ✓ Vietnam stock market has undergone 5 bear markets.
- Currently, central banks around the world are raising interest rates, which may cause a recession. However, thanks to stable macro factors, Vietnam may have enough stamina to fight the recession.

MACRO JUNE 2022
GDP in Q2 grew by 7.72%



MACRO: POSITIVE DEVELOPMENT IN 3 MAJOR ECONOMIES

- ❖ Manufacturing PMI: Positive growth in all 3 major economies.
- ❖ Service PMI: The service sector structure maintained the recovery trend in all three major economies.
- ❖ BSC assessment: Economic growth in China has recovered since the government removed social distancing and issued many support packages to stimulate the economy.



Source: Bloomberg, BSC Research

MACRO: INTERNATIONAL MONETARY POLICY

Country	The United States	EU	China
Monetary policy	Tightening	Tightening	Expansionary
Operating interest rate	1.5%-1.75%	-0.5%	3.7%
Economic support program	Finish the program and move on to tightening policy.	Finish the program and move on to tightening policy.	Lower interest rate for one-year term from 3.8% to 3.7%; lowered the prime interest rate for a 5-year loan, from 4.6% to 4.45%.
Macro highlights	<ul style="list-style-type: none"> - Raise interest rate to 3.4% - Continue the plan to shrink the balance sheet - It is likely to raise interest rate by 0.75% at the meeting on July 26-27. 	<ul style="list-style-type: none"> - Raise interest rate to 0.25% at the meeting in July. - Continue to raise interest rate in the coming meetings. 	<ul style="list-style-type: none"> - Loosen the real estate tightening policy. - The Governor of PBoC pledged to maintain appropriate policy to support the "cooling down" economy. - China's economy reopens.

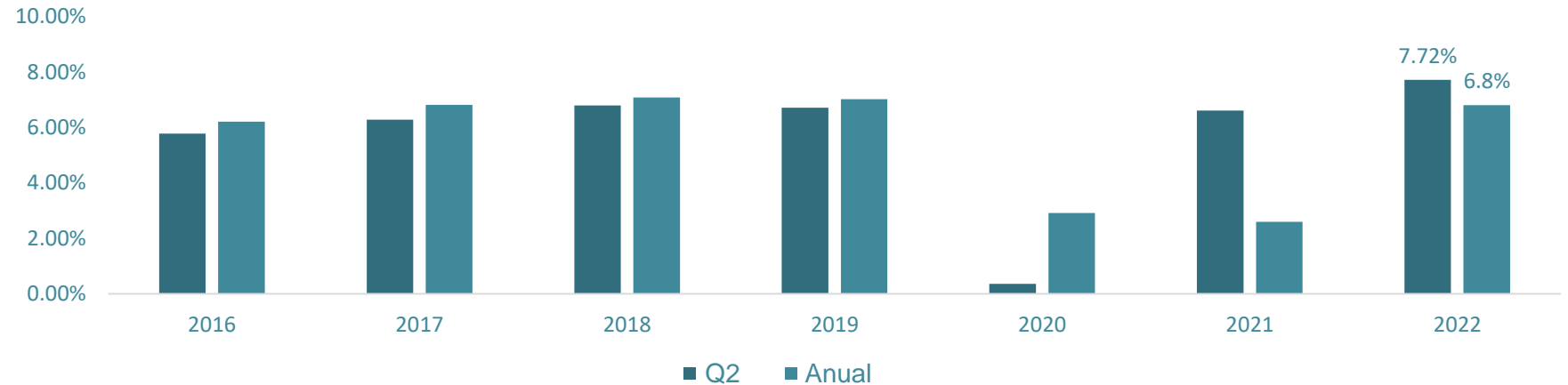
- ❖ The GDP growth rate in Q2 2022 reached 7.72%, higher than the growth rate of Q2 in the period of 2011-2021. In the first half of 2022, GDP increased by 6.42%, higher than that of the same period in 2020 and 2021 but lower than the GDP of same period in 2018 and 2019.

- ❖ A few factors affecting GDP growth: (1) Expanded production and business activities; (2) Trade agreements, (3) The recovery of domestic and international consumption. However, given the risk of the global economic recession, these factors are likely to be limited.

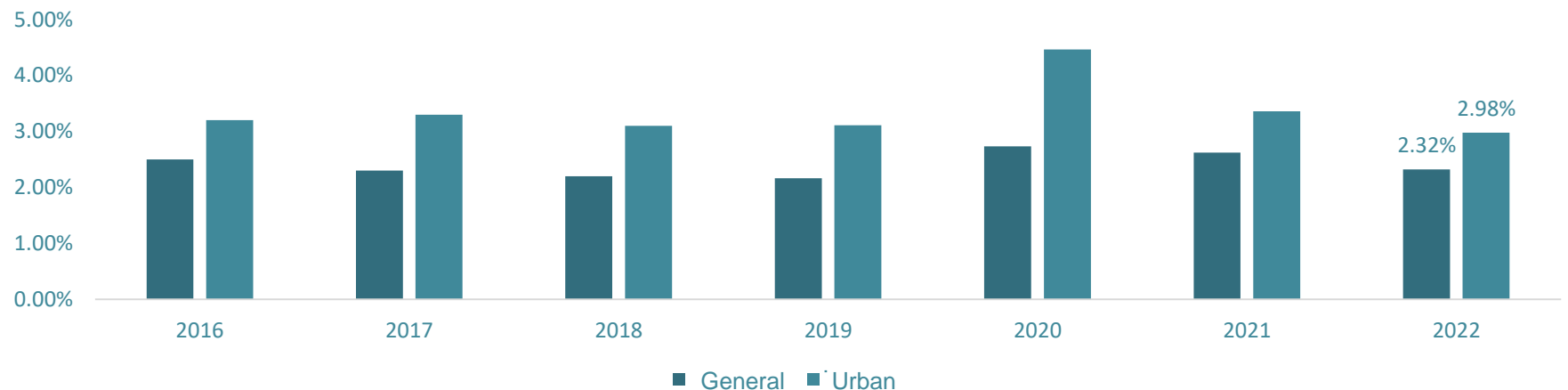
- ❖ The unemployment rate in Q2 2022 decreased compared to the same period last year as the Covid-19 pandemic almost ended and no longer had a negative impact on the domestic economy, production and business activities recovered from the end of last year, the broken supply chain gradually resumed.

MACRO: THE DOMESTIC ECONOMY MAINTAINED THE RECOVERY MOMENTUM

GDP Q2.2022 YoY% and estimated GDP in 2022



Unemployment Rate Q2.2022



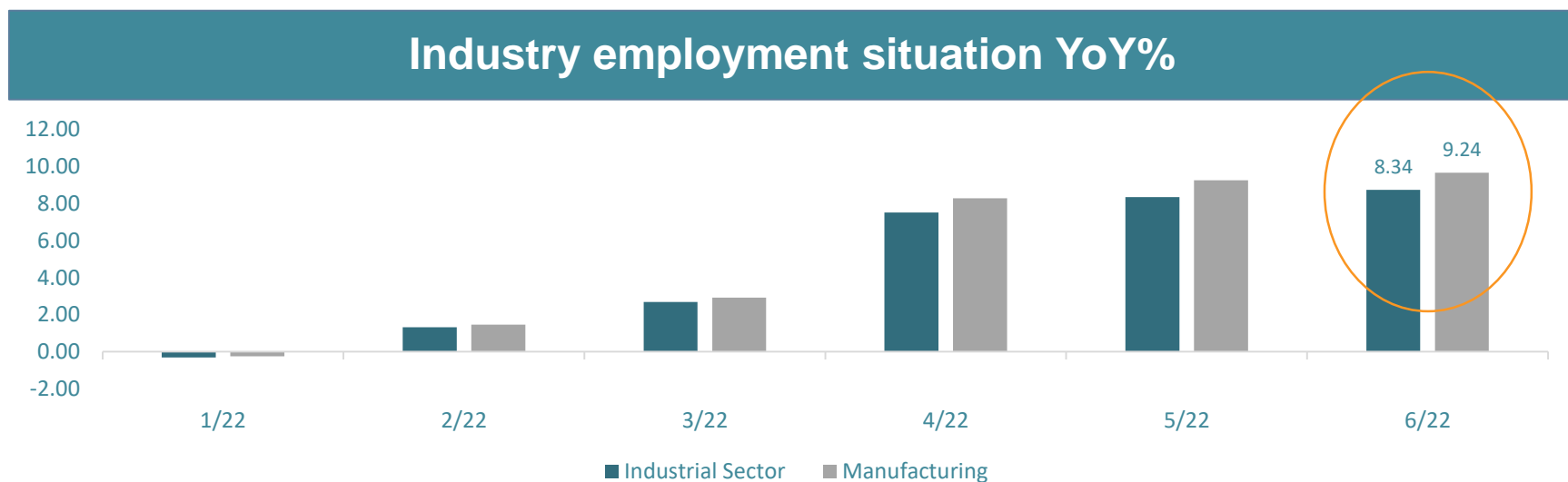
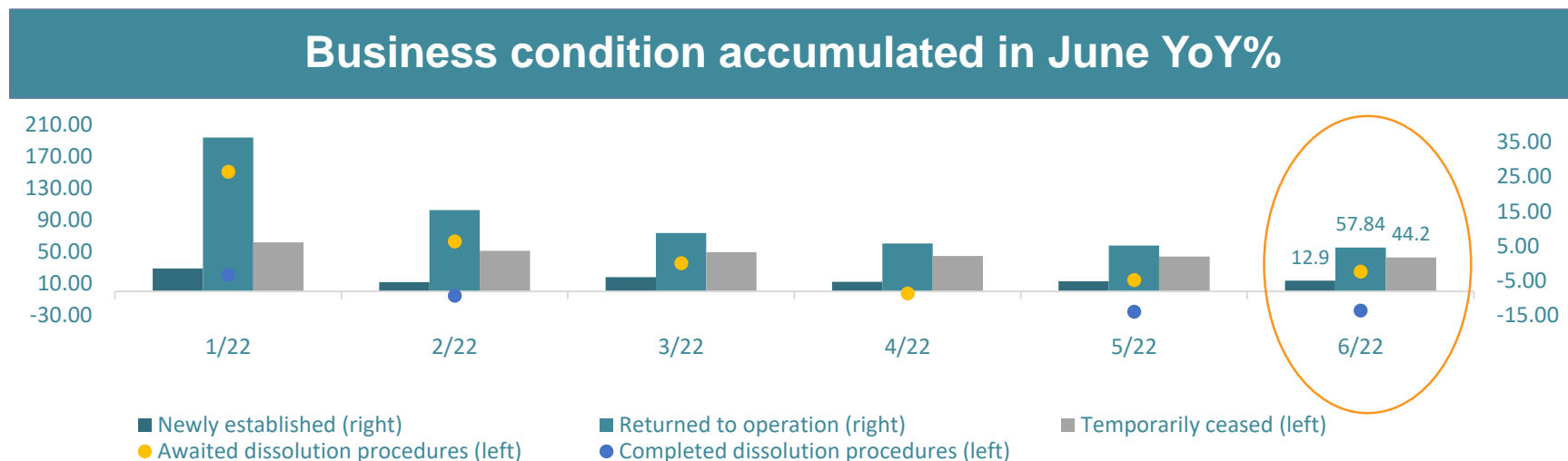
Source: Bloomberg, General Statistic Office, BSC Research

- ❖ In 6M.2022, the number of enterprises that are newly established, return to operation and temporarily ceased increased. The number of enterprises suspending operations and completing dissolution procedures decreased.

- ❖ Industrial employment increased by +8.73% YoY (manufacturing industry +9.66% YoY).

- ❖ 6M.2022, enterprises still maintains positive growth momentum compared to that in the same period last year. Businesses are still recovering from the epidemic. However, the number of enterprises suspending business temporarily still increased by 42.97% over the same period, indicating that enterprises in some industries still meet with difficulties.

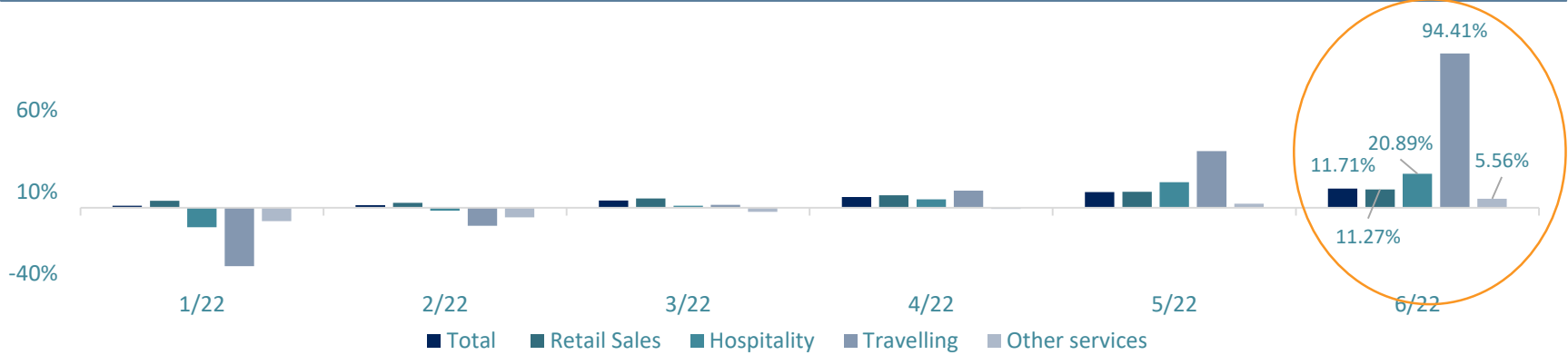
MACRO: BUSINESS ACTIVITIES OF ENTERPRISES MAINTAINED STABLE GROWTH



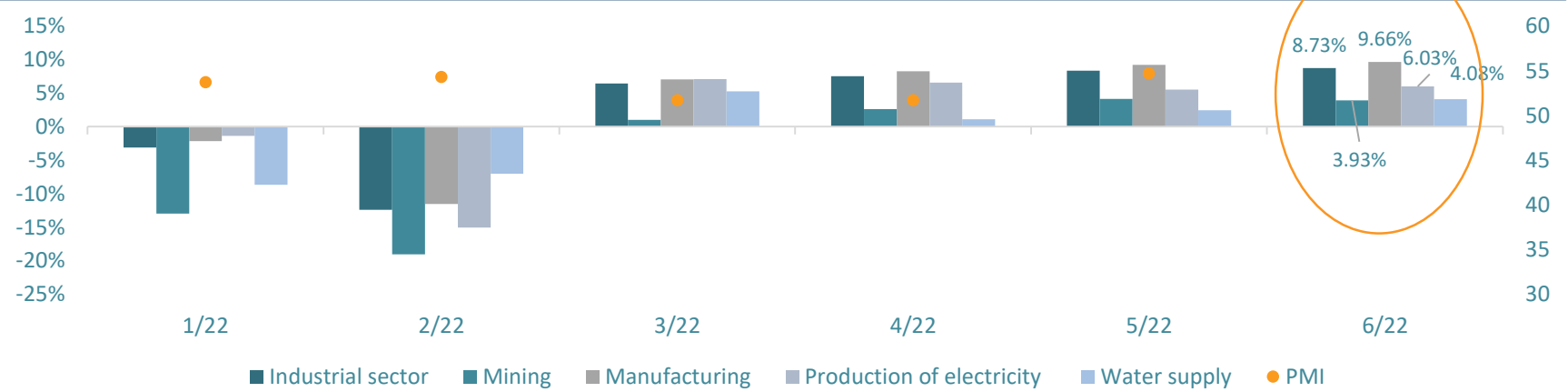
- ❖ Retail and consumer services maintained the recovery momentum. Retail increased by +11.71% YoY – equivalent to pre-epidemic growth. In particular, travelling increased by +94.41% YoY due to a strong recovery in tourism activity, especially the explosion of domestic travel in Q2. According to this trend, the accommodation and F&B also grew strongly.
- ❖ Accumulated retail and consumer services maintaining the recovery momentum shows that the consumption demand is increasing, the growth rate is comparable to that of the pre-epidemic period.
- ❖ The June 2022 PMI reached 54, going down slightly comparing to 54.7 in May. The situation of industrial production maintained a stable growth momentum, but the high price of gasoline led to increasing cost of input and transportation.

MACRO: TRAVELLING AND HOSPITALITY GREW SHARPLY

Retail and Consumer services accumulated YoY%



IIP + PMI MoM%



❖ Accumulated 6M.2022, disbursement of State Budget is estimated to increase +10.1% YoY (equivalent to VND 192,235 billion, equal to 35.3% compared to the plan in 2022).

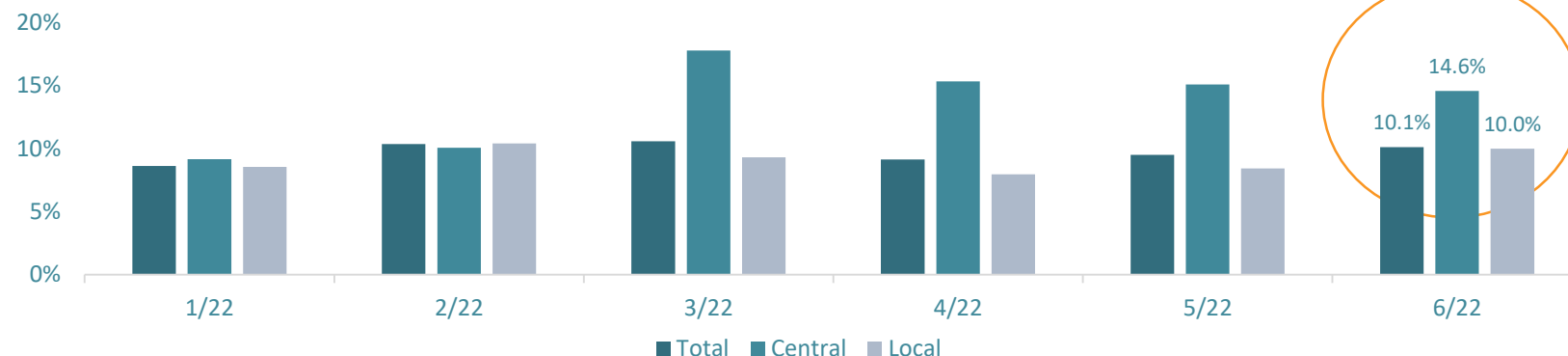
❖ In 6M.2022, FDI increased by +8.9% YoY, an average increase from the beginning of the year until now. Newly registered FDI decreased by -48.2% YoY, registered FDI increased by +65.6% YoY.

❖ Domestic price increases in line with the world commodity prices, especially gasoline prices, which have hindered the disbursement of State Budget to implement projects.

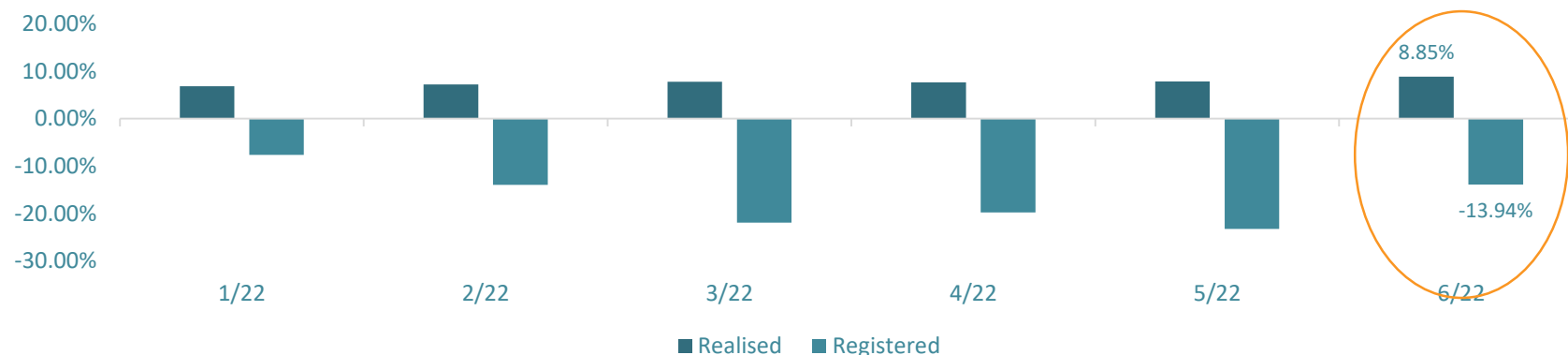
❖ Newly registered FDI still maintained the downward momentum, registered FDI increased by +65.6% YoY. However, the growth rate of additionally registered FDI to has decreased significantly in the last 2 months because the macro economy is facing the risk of recession and high inflation.

MACRO: SLOW DISBURSEMENT OF STATE BUDGET

Disbursement of State capital budget accumulated YoY%



FDI accumulated YoY%



❖ Accumulated by the end of June, exports increased by +17.3% YoY, while imports increased +15.5% YoY. Accumulated 6M.2022 is estimated to have trade surplus of 0.71 billion USD. Q2.2022 exports are estimated at 96.8 billion USD, upside 21% YoY and 8.7% QoQ. In Q2.2022 imports are estimated at 97.6 billion USD, upside 15.7% YoY and 11.3% QoQ.

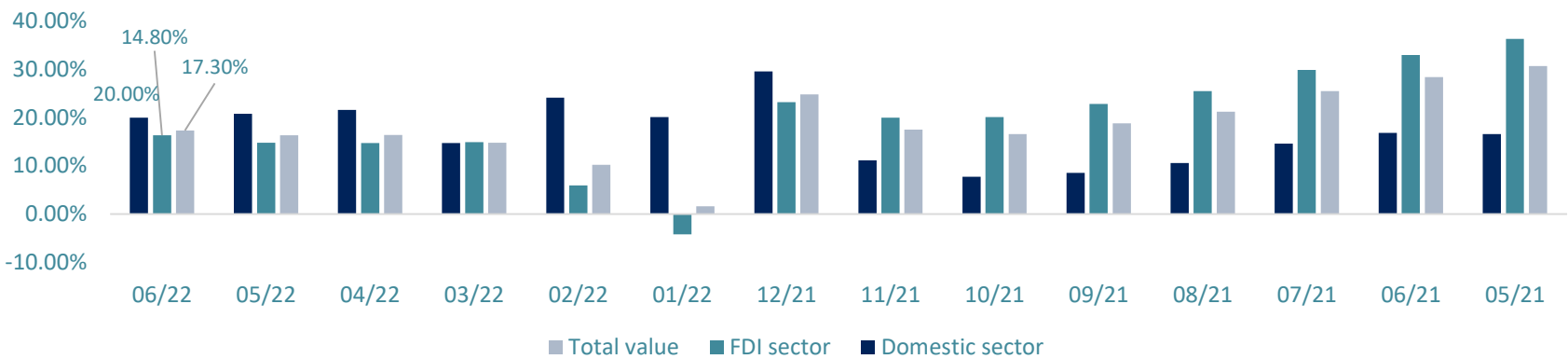
❖ With the possibility of an increasing recession of the U.S. , BSC divided the import and export growth rate scenario as follows:

➤ Negative: Recession occurs in 2022, export and import could increase by 13.1% and 12.6% respectively.

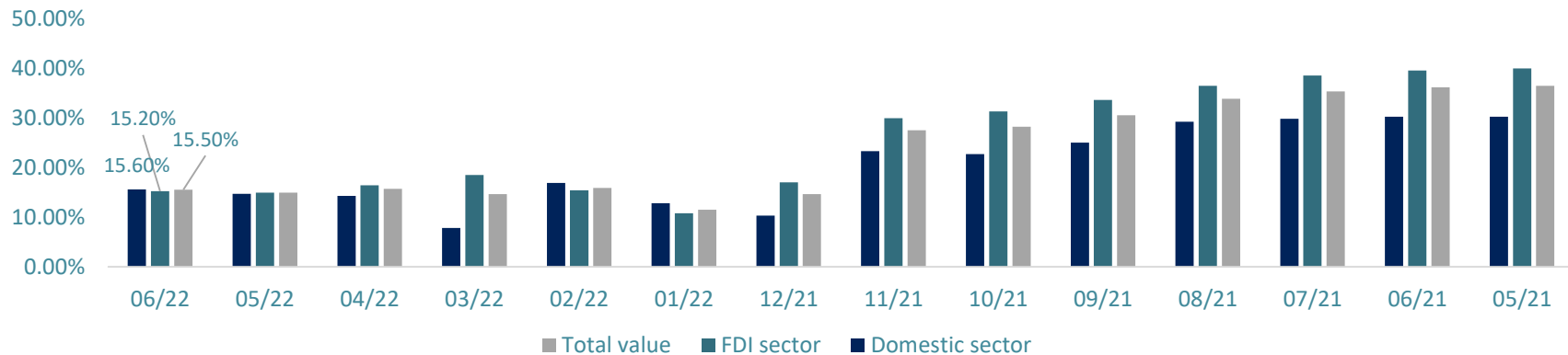
➤ Positive: Recession occurs in 2023, export and import could increase by 18% and 17.3% respectively.

MACRO: IMPORT AND EXPORT GREW STEADILY

Export accumulated 2022 YoY%



Import accumulated 2022 YoY%



Source: GSO, BSC Research

IMPORT-EXPORT MOVEMENTS: MAINTAINING POSITIVE

Export	Density	05/21	06/21	07/21	08/21	09/21	10/21	11/21	12/21	01/22	02/22	03/22	04/22	05/22	06/22
Total Value (Month)	100%	36.5%	17.4%	8.6%	-5.4%	-0.6%	0.2%	18.5%	25.1%	8.1%	16.0%	14.9%	25.5%	27.2%	20.0%
Cell phones and accessories	17%	22.4%	-9.5%	0.3%	10.3%	15.1%	-3.7%	22.6%	21.9%	-26.2%	4.4%	28.4%	51.8%	61.5%	15.4%
Computers, electronic products and components	16%	14.2%	1.3%	-13.9%	-11.9%	3.0%	8.3%	9.1%	23.1%	5.6%	13.9%	8.9%	14.7%	15.2%	9.8%
Textiles	10%	37.9%	15.3%	8.5%	-9.0%	-18.5%	-4.3%	24.9%	27.7%	34.2%	13.0%	17.5%	28.2%	22.5%	19.1%
Machinery, equipment, tools and spare parts	10%	47.9%	20.6%	16.0%	11.6%	10.9%	13.0%	29.0%	36.3%	7.5%	18.4%	3.0%	21.6%	46.1%	68.9%
Footwear	6%	44.1%	38.1%	2.3%	-38.4%	-44.1%	-46.4%	-14.3%	11.4%	3.7%	11.2%	16.4%	17.4%	7.1%	26.0%
Import	Density	05/21	06/21	07/21	08/21	09/21	10/21	11/21	12/21	01/22	02/22	03/22	04/22	05/22	06/22
Total value (month)	100%	55.5%	33.5%	31.7%	21.1%	9.5%	7.7%	20.7%	13.3%	11.3%	22.9%	14.8%	16.9%	15.4%	17.0%
Computers, electronic products and components	24%	28.1%	11.7%	11.8%	4.5%	8.3%	0.1%	19.1%	14.8%	25.8%	33.2%	34.2%	32.7%	24.0%	13.3%
Machinery, equipment, tools and spare parts	14%	61.2%	36.2%	33.5%	25.0%	13.8%	5.5%	8.6%	-3.1%	0.4%	3.2%	-10.4%	-3.0%	-4.2%	-1.0%
Cell phones and accessories	6%	88.3%	39.4%	42.9%	11.4%	1.6%	-2.3%	10.9%	9.4%	-12.2%	31.4%	48.5%	37.7%	3.9%	0.2%
Fabrics of all kinds	4%	62.0%	37.0%	20.9%	9.7%	1.8%	-5.0%	16.7%	11.9%	25.7%	20.5%	10.2%	2.9%	5.9%	0.8%
Steels	3%	44.1%	75.2%	34.2%	51.7%	63.2%	65.7%	25.5%	43.1%	27.6%	28.5%	11.5%	-4.7%	54.4%	28.5%

Source: Fiinpro, BSC Research

?: Monthly average proportion of merchandise over the specified period in the table

- ❖ CPI in June 2022 increased +3.37% YoY, making the yearly average CPI reached 2.44% YoY. CPI increased compared to the previous month mainly due to:

- ✓ Domestic gasoline prices rise in line with world prices
- ✓ The price of food, family eating out increased.

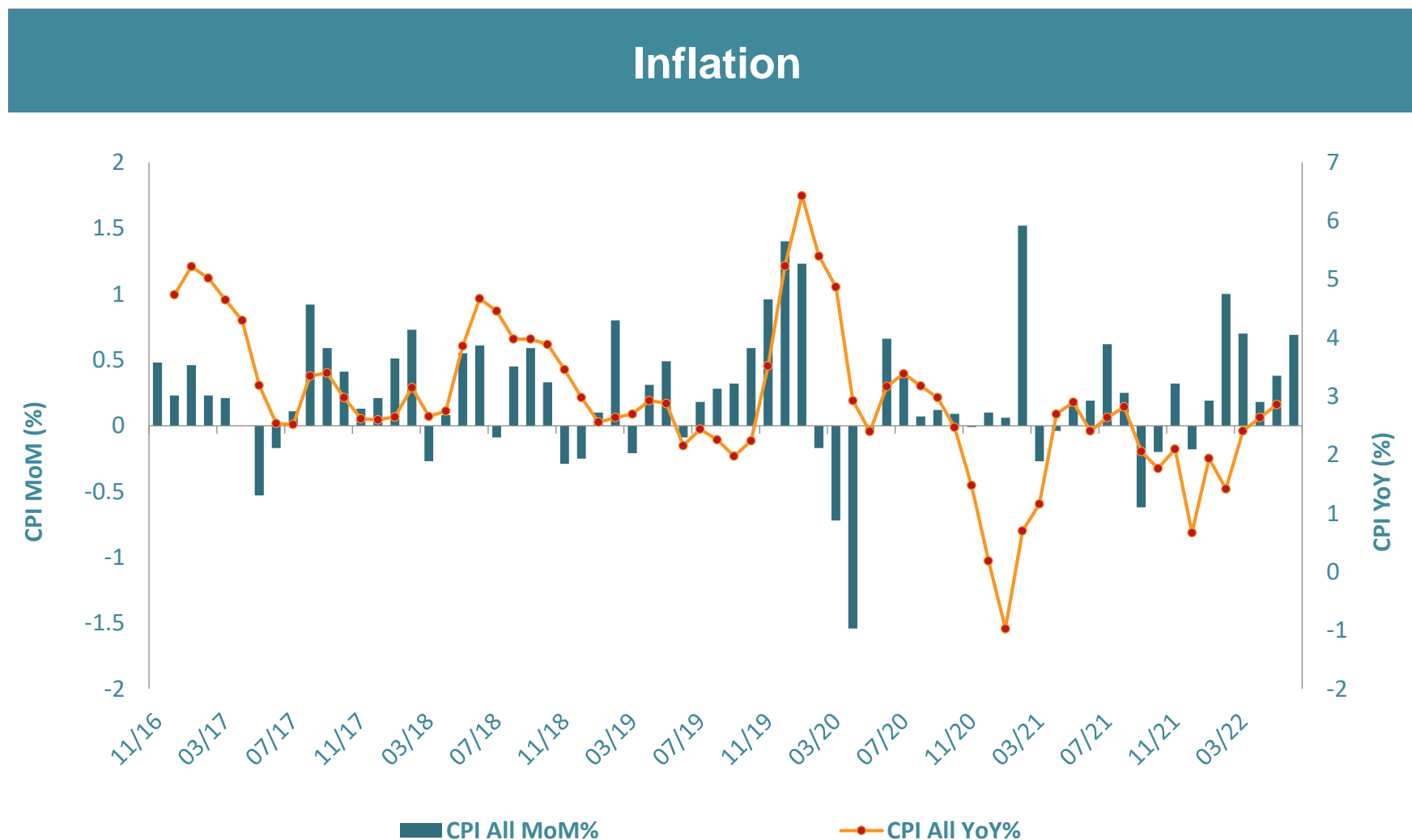
- ❖ BSC raises CPI forecast for 2022 to 3.8% in positive scenario and 5.5% in negative scenario as oil price maintains high momentum. Main assumptions:

- ❖ (1) The average Price of Brent oil fluctuates around \$100-120/ barrel.

- ❖ (2) The price of pigs fluctuate in the range of VND 60,000 to 80,000 / kg.

- ❖ (3) Medical services, electricity prices rise again in a negative scenario and go sideways in a positive one.

MACRO: INFLATION CONTINUED RISING

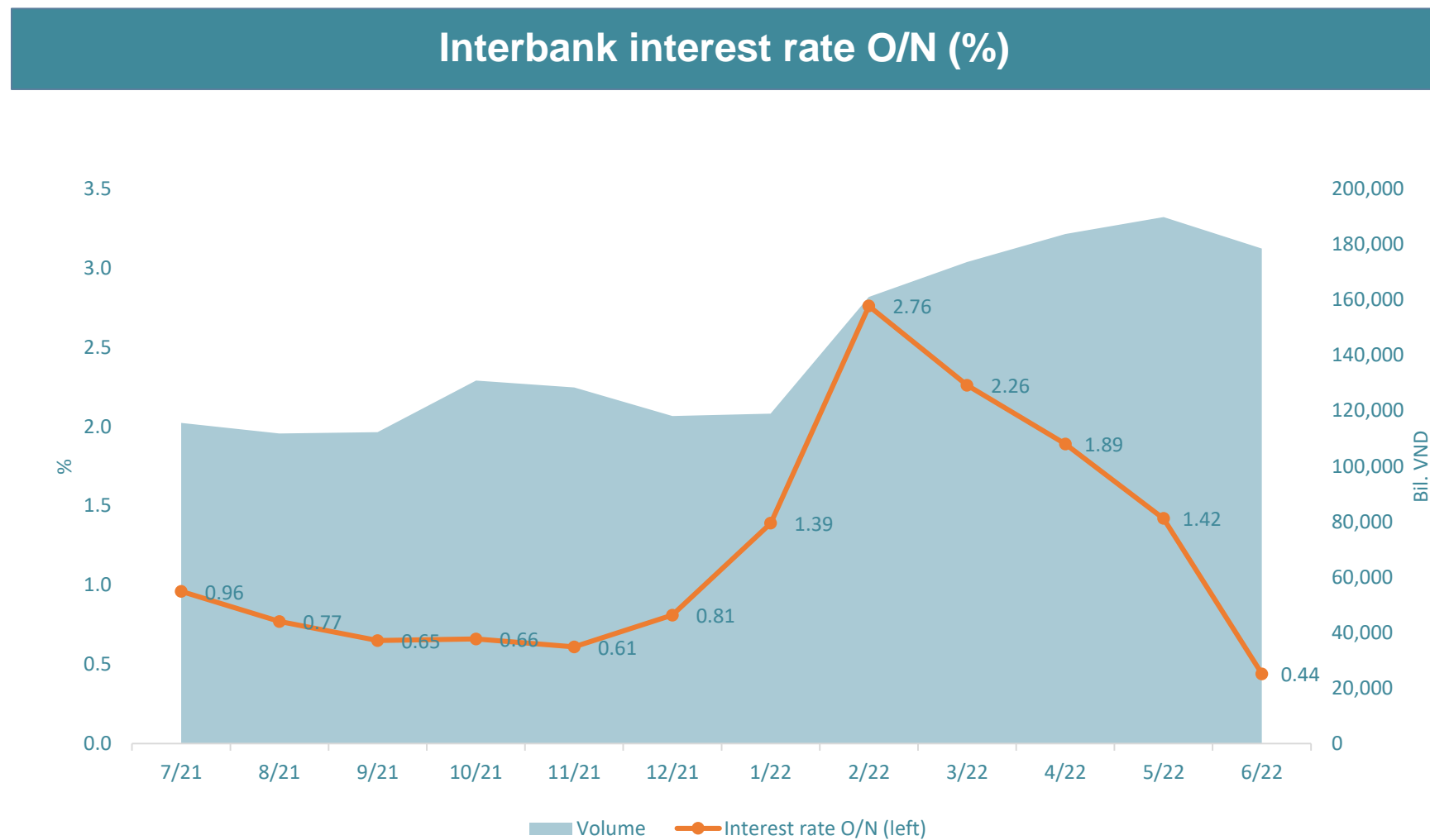


Source: Bloomberg, BSC Research

❖ The average interbank interest rate reached 0.44% in June and continued to decline to a stable level after the sharp increase in Tet. As of June 20, 2022, credit increased by 8.51% YTD. **The highest level of credit growth in the last 5 years make the economy recover quite positively.**

❖ CPI increased by +1.98% yoy in May, bringing the five-month average to 1.25%. Inflation YoY grew strongly and is likely to surpass 4% in the third quarter. This phenomenon, along with the trend of tightening monetary policy of central banks around the world, will put pressure on expansionary monetary policy of SBV. It is likely that SBV can continue to cut down on foreign exchange reserves to maintain VND interest rates at a low level.

MACRO: INTERBANK INTEREST RATES DECLINED



- ❖ DXY-Index increased sharply and remained at a high as FED tightened monetary policy, causing the market to expect a recession in the near future, making money flow into the US Dollar - considered a safe haven asset.
- ❖ The dollar maintained its downward momentum in June.
- ❖ The VND maintained its downward momentum from the beginning of the year, partly due to the domestic macro pressures (increasing inflation, low interest rates,...) and that the USD appreciated when the Fed continuously raised interest rates from the beginning of the year so far. In addition, foreign exchange supply is also under pressure, as the trade balance at the beginning of the year narrowed to \$0.71 billion (mostly due to the \$1.7 billion deficit in May).
- ❖ Vietnam's foreign exchange reserves by the end of June are about 109 billion USD, there is still room for the Central Bank to balance the supply and demand of foreign exchange in the market.

MACRO: USD/VND EXCHANGE RATE INCREASED SHARPLY IN JUNE

VND and other currencies						
Exchange rate	YTD	1Y	2Y	3Y	4Y	5Y
USD/VND	2.00%	1.19%	0.37%	-0.08%	1.50%	2.42%
EUR/VND	-5.87%	-10.69%	-6.57%	-7.90%	-8.60%	-6.59%
CNY/VND	-3.30%	-2.52%	5.85%	2.40%	0.25%	3.71%
KRW/VND	-6.57%	-12.26%	-7.32%	-11.07%	-12.94%	-9.63%
JPY/VND	-13.95%	-17.59%	-20.59%	-20.96%	-17.71%	-15.57%
SGD/VND	-1.26%	-2.25%	0.44%	-2.93%	-0.75%	1.29%
IDR/VND	-2.44%	-1.55%	-2.61%	-5.34%	-2.90%	-8.32%
THB/VND	-4.16%	-8.31%	-12.22%	-13.28%	-5.22%	-1.70%
MYR/VND	-3.48%	-4.81%	-2.45%	-6.33%	-7.24%	-0.14%
PHP/VND	-5.27%	-10.21%	-9.16%	-6.83%	-1.48%	-5.95%

Source: Bloomberg, BSC Research

MACRO PICTURE

		6/19	7/19	8/19	9/19	10/19	11/19	12/19	1/20	2/20	3/20	4/20	5/20	6/20	7/20	8/20	9/20	10/20	11/20	12/20	1/21	2/21	3/21	4/21	5/21	6/21	7/21	8/21	9/21	10/21	11/21	12/21	1/22	2/22	3/22	4/22	5/22	6/22
Accumulation %YoY	Retail Sales + Customer Services	11.5%	11.6%	11.5%	11.6%	11.8%	11.8%	11.8%	10.2%	8.3%	4.7%	-4.3%	-3.9%	-0.8%	-0.4%	0.0%	0.7%	1.3%	2.0%	2.6%	6.4%	5.5%	5.1%	10.0%	7.6%	4.9%	0.7%	-4.7%	-7.1%	-8.6%	-8.7%	-3.8%	1.3%	1.7%	4.4%	6.5%	9.7%	11.7%
	Retail Sales	12.5%	12.5%	12.5%	12.6%	12.8%	12.7%	12.7%	10.7%	9.8%	7.7%	0.4%	1.2%	3.4%	3.6%	4.0%	4.8%	5.4%	6.2%	6.8%	8.7%	7.8%	6.8%	9.8%	7.8%	6.2%	3.2%	-1.4%	-3.4%	-4.6%	-4.3%	0.2%	4.3%	3.1%	5.8%	7.6%	9.8%	11.3%
	Hospitalisty	9.8%	10.0%	9.8%	9.6%	9.6%	9.6%	9.8%	6.8%	1.7%	-9.6%	-23.6%	-25.8%	-18.1%	-16.6%	-16.4%	-15.0%	-14.7%	-13.7%	-13.0%	-4.1%	-4.3%	-3.0%	10.1%	4.6%	-2.7%	-11.8%	-19.8%	-22.1%	-23.8%	-26.0%	-19.3%	-11.9%	-1.8%	1.2%	5.2%	15.7%	20.9%
	Travelling	13.3%	12.5%	12.1%	12.0%	11.9%	12.2%	12.1%	7.4%	1.1%	-27.8%	-45.2%	-54.1%	-53.2%	-55.4%	-54.4%	-56.3%	-57.7%	-58.6%	-59.5%	-62.2%	-62.1%	-60.1%	-49.2%	-48.2%	-51.8%	-58.8%	-61.8%	-64.0%	-63.8%	-63.0%	-59.9%	-35.6%	-10.9%	1.9%	10.5%	34.7%	94.4%
	Other services	6.3%	6.7%	7.0%	7.3%	7.7%	8.1%	8.5%	10.7%	5.2%	1.5%	-13.2%	-11.8%	-7.4%	-5.9%	-5.7%	-5.6%	-5.4%	-4.8%	-4.0%	7.3%	3.0%	3.9%	15.0%	10.9%	4.4%	-4.2%	-13.6%	-19.4%	-22.6%	-23.8%	-16.8%	-8.1%	-5.9%	-2.5%	-0.6%	2.5%	5.6%
	Index of Industrial Production	9.5%	9.4%	9.5%	9.6%	9.5%	9.3%	9.1%	-5.5%	6.2%	5.8%	1.8%	1.0%	2.8%	2.6%	2.2%	2.4%	2.7%	3.1%	3.4%	22.2%	7.3%	5.7%	10.0%	9.9%	9.3%	7.9%	5.6%	4.1%	3.3%	3.6%	4.8%	2.4%	5.4%	6.4%	7.5%	8.3%	8.7%
	Mining	1.2%	1.1%	2.5%	1.3%	1.2%	0.8%	0.9%	-12.9%	-3.7%	-5.2%	-6.8%	-8.1%	-7.9%	-7.8%	-7.0%	-7.4%	-8.1%	-7.1%	-7.8%	-6.2%	-11.0%	-8.2%	-5.7%	-7.0%	-6.0%	-6.3%	-6.2%	-6.4%	-7.0%	-6.0%	-5.8%	-4.6%	-2.8%	1.0%	2.6%	4.1%	3.9%
	Manufacturing	10.8%	10.7%	10.6%	10.8%	10.8%	10.6%	10.4%	-4.8%	7.3%	7.2%	3.0%	2.2%	4.6%	4.2%	3.7%	3.8%	4.2%	4.7%	4.9%	27.2%	10.4%	8.0%	12.7%	12.6%	11.6%	9.9%	7.0%	5.5%	4.5%	4.8%	6.0%	2.8%	6.1%	7.0%	8.3%	9.2%	9.7%
	Electricity production	9.8%	10.0%	10.2%	10.2%	9.9%	9.5%	8.7%	-3.5%	8.4%	7.1%	2.9%	2.6%	2.0%	2.1%	2.0%	2.8%	3.2%	3.2%	3.1%	16.3%	4.3%	2.5%	6.6%	8.3%	8.6%	8.2%	6.6%	4.3%	4.1%	3.8%	4.9%	5.1%	6.5%	7.1%	6.6%	5.5%	6.0%
	Water supply	7.4%	7.6%	7.4%	7.2%	7.2%	6.7%	6.8%	1.6%	4.9%	6.3%	3.6%	2.9%	2.8%	3.3%	2.9%	3.3%	4.1%	4.0%	4.3%	8.4%	4.8%	7.3%	7.5%	7.5%	6.8%	5.6%	4.4%	3.6%	3.4%	3.0%	2.7%	1.2%	2.5%	5.3%	1.1%	2.5%	4.1%
	PMI	52.5	52.6	51.4	50.5	50.0	51.0	50.8	50.6	49.0	41.9	32.7	42.7	51.1	47.6	45.7	52.2	51.8	49.9	51.7	51.3	51.6	53.6	54.7	53.1	44.1	45.1	40.2	40.2	52.1	52.2	52.5	53.7	54.3	51.7	51.7	54.7	54
Accumulation %YoY	Export	7.3%	8.2%	8.1%	8.5%	8.3%	8.0%	8.5%	-17.0%	8.2%	7.4%	2.1%	-0.9%	0.2%	1.5%	2.4%	4.1%	4.8%	5.3%	6.5%	50.5%	23.2%	22.0%	28.3%	30.7%	28.4%	25.5%	21.2%	18.8%	16.6%	17.5%	19.0%	1.6%	10.2%	12.9%	16.4%	16.3%	17.3%
	Import	9.1%	9.2%	7.9%	8.3%	7.7%	6.7%	6.9%	-12.5%	3.0%	3.6%	-0.5%	-4.8%	-3.0%	-3.2%	-2.4%	-0.8%	0.4%	1.5%	3.6%	41.0%	25.9%	26.3%	30.8%	36.4%	36.1%	35.3%	33.8%	30.5%	28.2%	27.5%	26.5%	11.5%	15.9%	15.9%	15.7%	14.9%	15.5%
	State budget disbursement	3.8%	3.0%	3.1%	4.4%	4.9%	5.2%	5.6%	3.6%	22.2%	17.0%	14.0%	16.8%	19.8%	28.3%	32.4%	35.3%	36.2%	35.8%	34.5%	24.5%	10.6%	13.0%	16.3%	14.2%	10.2%	5.6%	-0.4%	-6.9%	-8.3%	-8.7%	-8.6%	8.6%	10.4%	10.6%	9.1%	9.5%	10.1%
	FDI realised	8.7%	7.1%	6.3%	7.3%	7.4%	6.8%	6.7%	3.2%	-5.0%	-6.6%	-9.6%	-8.2%	-4.9%	-4.1%	-5.1%	-3.2%	-2.5%	-2.4%	-2.0%	4.1%	2.0%	6.5%	6.8%	6.7%	6.8%	3.8%	2.0%	-3.5%	-4.1%	-4.2%	-1.2%	6.8%	7.2%	7.8%	7.6%	7.8%	8.9%
	FDI registered	-36.3%	-35.6%	-31.2%	-19.9%	-15.2%	-11.4%	-11.8%	318.7%	71.0%	28.8%	32.2%	19.9%	17.5%	21.2%	11.4%	-1.8%	-5.1%	-3.2%	-6.6%	-62.5%	-12.9%	41.4%	13.7%	16.4%	12.4%	3.5%	11.6%	22.3%	15.8%	11.0%	15.2%	-7.7%	-14.0%	-22.0%	-19.8%	-23.3%	-13.9%
%YoY	CPI core YoY	2.0%	2.0%	2.0%	2.0%	2.0%	2.2%	2.8%	3.3%	2.9%	3.0%	2.7%	2.5%	2.5%	2.3%	2.2%	2.0%	1.9%	1.6%	0.2%	-1.0%	0.8%	0.7%	1.0%	1.1%	1.1%	1.0%	1.0%	0.7%	0.5%	0.6%	0.7%	0.7%	0.7%	1.1%	2.6%	1.6%	2.0%
	CPI YoY	2.2%	2.4%	2.3%	2.0%	2.2%	3.5%	5.2%	6.4%	5.4%	4.9%	2.9%	2.4%	3.2%	3.4%	3.2%	3.0%	2.5%	1.5%	1.0%	0.5%	0.7%	1.2%	2.7%	2.9%	2.4%	2.6%	2.8%	2.1%	1.8%	2.1%	1.8%	1.9%	1.4%	2.4%	1.5%	2.9%	3.4%
$\Delta YTD\%(n) - \Delta YTD\%(n-1)$	Credit growth $\Delta YTD\%$	-0.5%	-0.6%	-0.8%	-0.9%	-1.1%	-1.3%	-0.2%	-1.8%	-0.9%	-1.8%	-3.1%	-3.8%	-3.7%	-3.4%	-3.3%	-3.3%	-3.2%	-2.6%	-1.5%	0.7%	0.5%	1.6%	2.8%	3.0%	2.8%	2.9%	2.6%	1.8%	2.0%	2.4%	1.4%	1.7%	2.0%	3.0%	2.6%	3.1%	2.9%
	Total means of payment $\Delta YTD\%$	-1.3%	-0.9%	-0.5%	0.4%	0.2%	0.9%	2.3%	-1.3%	-0.9%	-1.2%	-1.7%	-2.0%	-2.0%	-1.5%	-1.0%	-0.8%	-0.8%	-0.6%	-0.2%	-1.0%	0.0%	0.3%	1.0%	0.3%	-0.7%	-0.8%	-1.7%	-2.3%	-2.7%	-3.3%	-3.9%	1.8%	0.8%	1.5%			
	Interest O/N (%)	3.06%	2.88%	2.98%	2.56%	1.72%	2.40%	2.92%	1.63%	2.10%	1.96%	2.15%	1.06%	0.22%	0.11%	0.14%	0.10%	0.10%	0.10%	0.10%	0.10%	0.88%	0.17%	0.27%	1.27%	1.14%	0.96%	0.77%	0.65%	0.65%	0.63%	0.81%	1.39%	2.76%	2.24%	1.89%	1.6%	0.4%



MARKET JUNE 2022

**The market is back in a
correction trend**



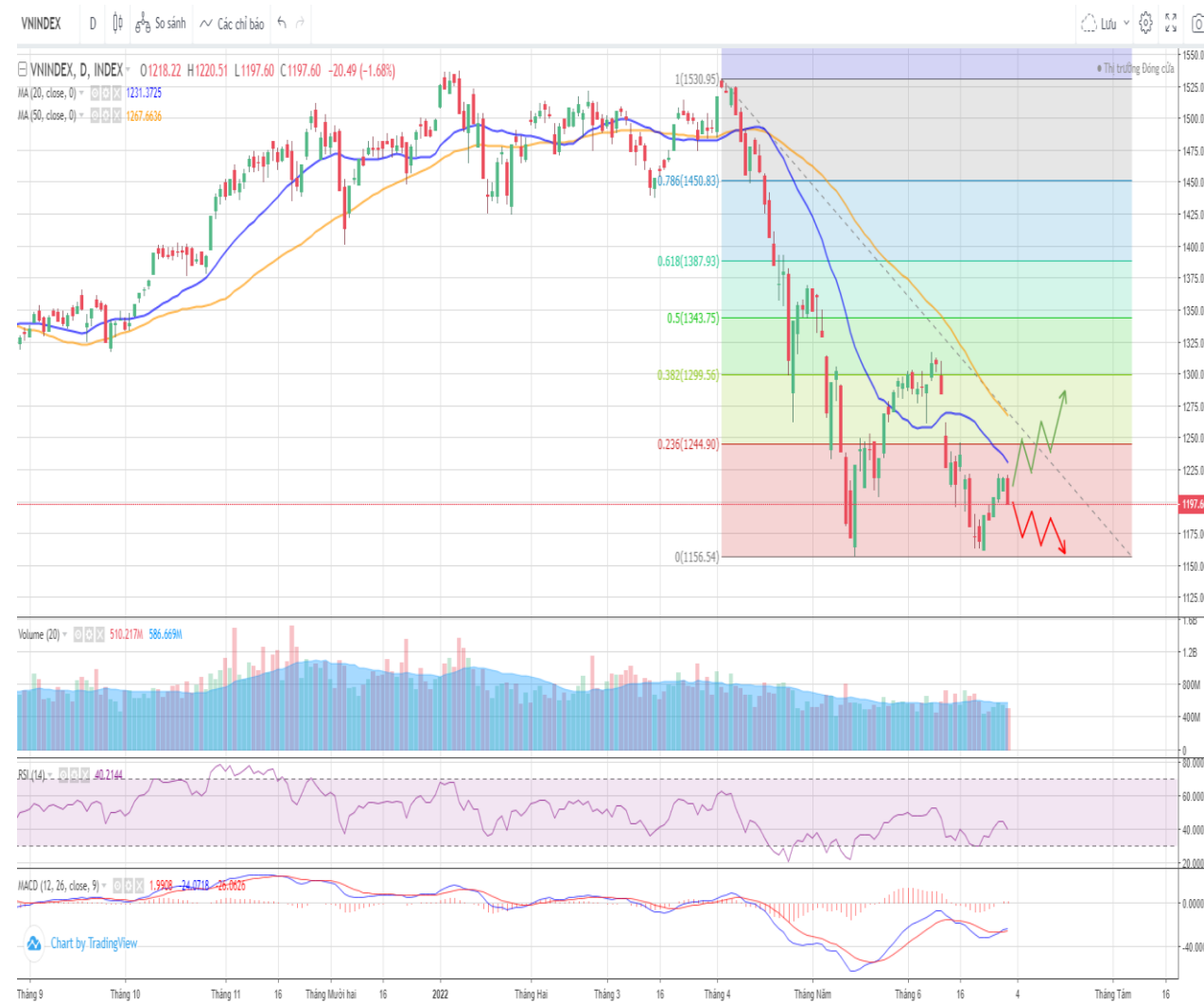
MARKET: FORECAST FOR JULY 2022

SCENARIO 1

VN-Index balances at short-term bottom and heads to the zone of 1,250 - 1,270 points with positive sentiment again, as the economy continues to show positive signs of growth. This motivation comes from the determination of the government in implementing measures to stabilize prices and macroeconomic stability towards the growth target, in addition to efforts in implementing new methods in trading and securities management with the goal of upgrading Vietnam's stock market. The market will be diverged based on Q2 business results as well as the global situation.

SCENARIO 2

Market sentiment has become negative about the risk of a US recession in the face of the Fed's drastic actions to curb inflation as well as the slowdown of the Chinese economy as the COVID-19 situation continues to be complicated despite the economic recovery measures. High commodity prices put pressure on the government's executive measures, cautious sentiment will continue to play a leading role in the context of little liquidity. VN-Index is forecasted to fluctuate in the zone of 1,160-1,180;

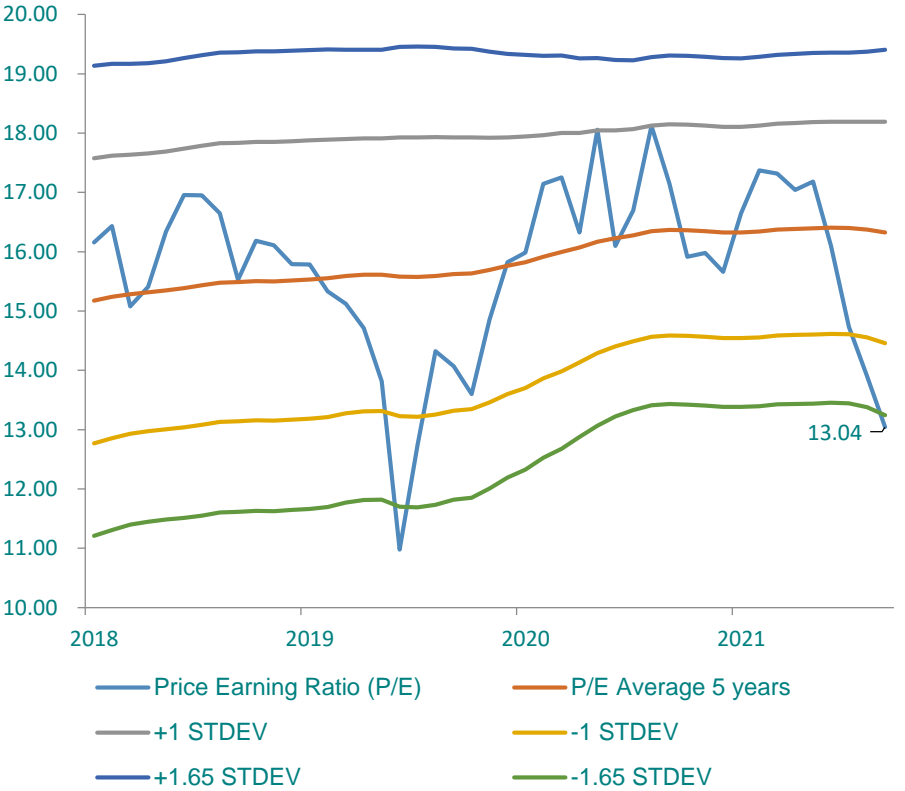


Source: Tradingview, BSC Research

- Vn-Index and HNX-Index in 05.2022 saw sharp declines especially in the middle of the month and a slight recovery at the end of the month however the recovery was negligible.
- Vn-Index and HNX-Index decreased by -7.36% and -12.06% respectively compared to 05.2022. Both indexes fell deeply compared to Q1, especially the HNX-Index decreased by -38.24%, the VN-Index decreased by -19.74%;
- The P/E VN-Index at the end of June reached 13.04, down nearly 19% from the previous quarter, and lower than the five-year average P/E. VN-Index's P/E is currently at an attractive valuation when it ranks 5th in Asia, while the P/E of HNX-Index is at 14.69 – ranking 11th in Asia.
- P/E VN-Index movement is forecast to fluctuate in 13.5-14.0 when positive sentiment returns as the economy continues to flourish in addition to the expectations of Q2 business results of enterprises.

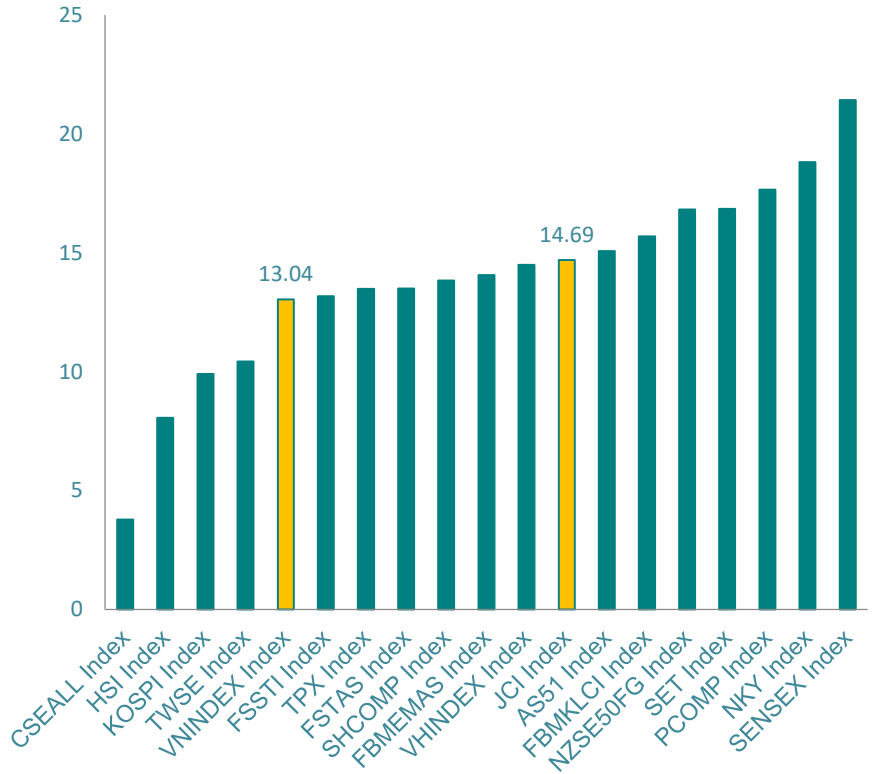
MARKET: VN-INDEX'S P/E IS IN THE 5TH POSITION IN ASIA

P/E ratio VN-Index



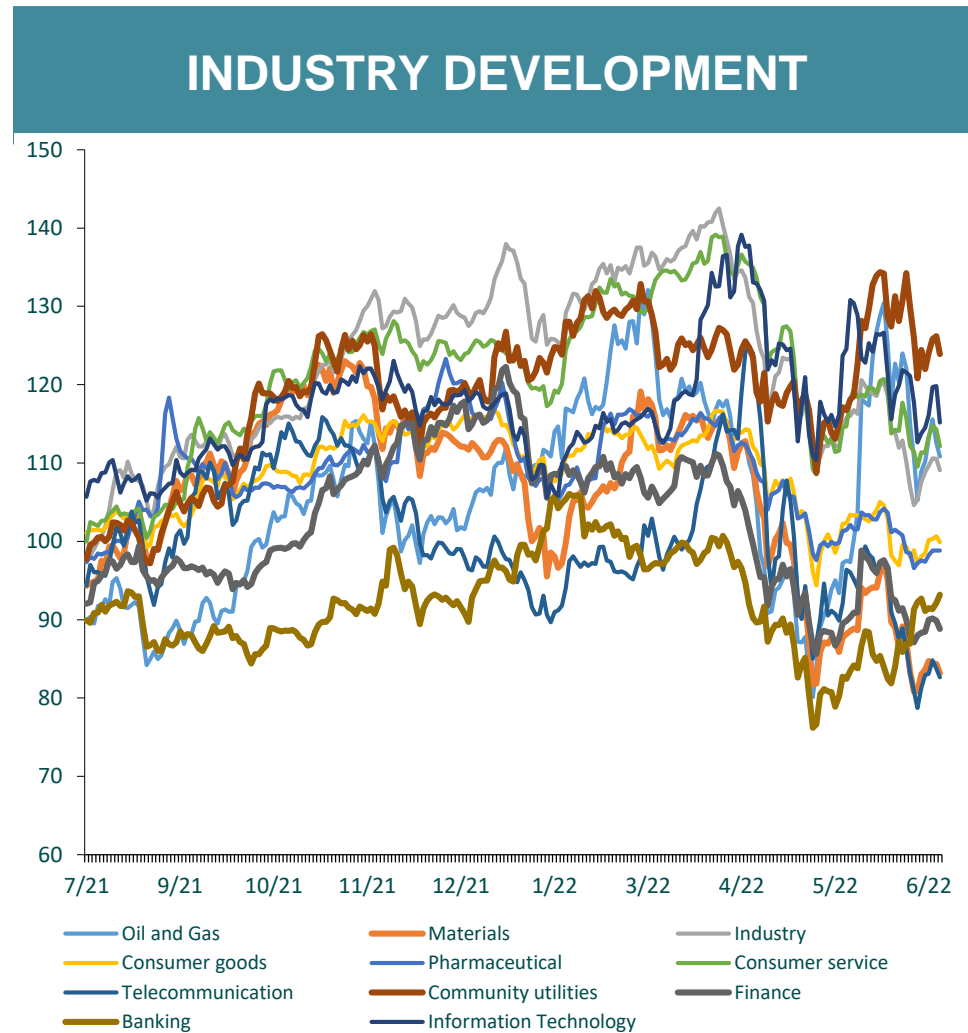
Source: Bloomberg, BSC Research

Vietnam P/E compared to region



MARKET: NEGATIVE WITH 11/11 TIER I SECTORS DECREASING IN Q2.2022

- ❖ The deep downward correction in April and June caused all Tier I sectors to decline in Q2. The recovery period in May is not enough to motivate the industry to move towards the positive side.
- ❖ Materials, telecommunication and finance sectors were the three sectors with the biggest declines of 30.69%, 28.83% and 24.61%, respectively.;
- ❖ Utilities, IT and Consumer Goods sectors were the three sectors with the least declines of -1.93%, -6.49%, and -11.66%, respectively;
- ❖ There are 6/11 sectors with P/E below the market average of 16.33 times. Only 4/11 have increased P/B compared to Q1.2022.



Source: Bloomberg, BSC Research

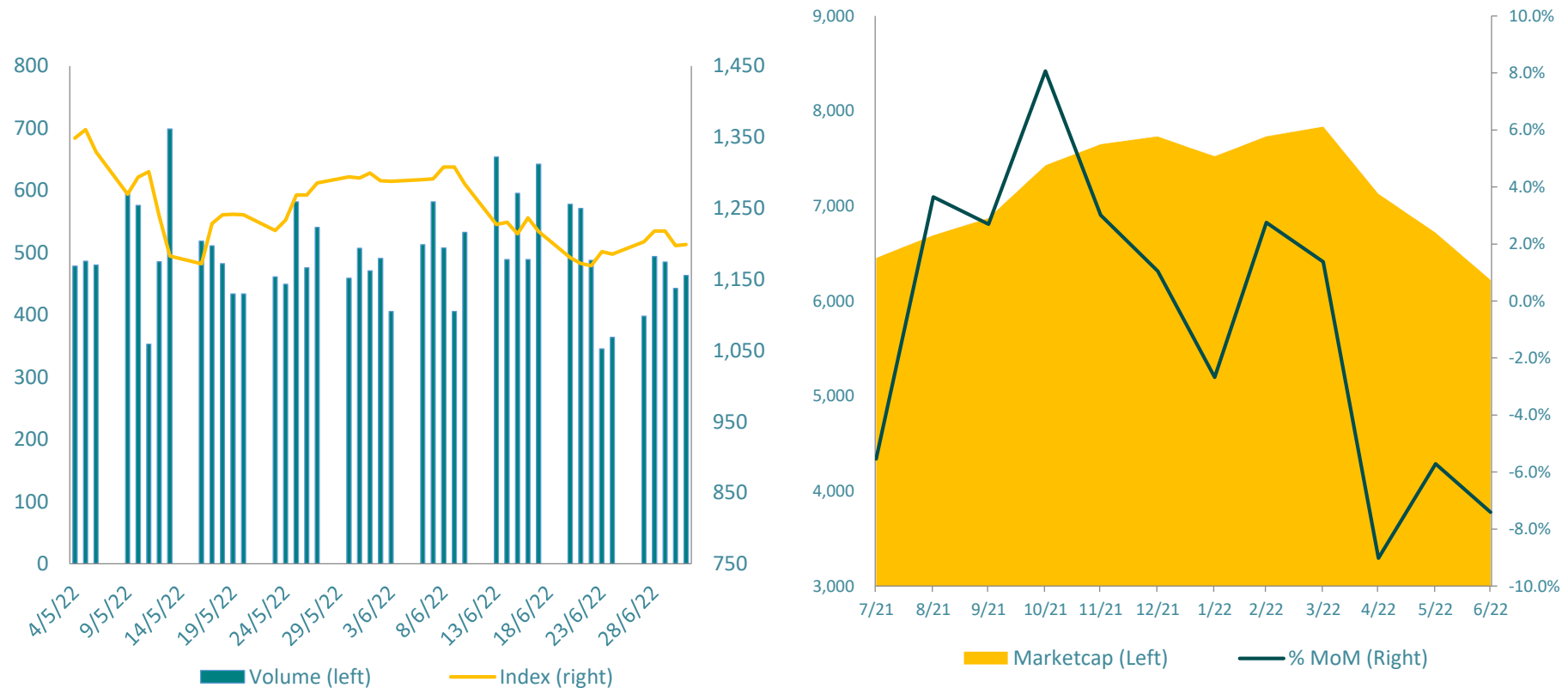
Sector	% QoQ	P/E	± %	P/B	± %
Oil and Gas	-14.46%	15.68	-37.73%	1.69	-32.73%
Materials	-30.69%	6.51	-74.29%	1.47	-43.13%
Industry	-24.58%	18.61	-23.32%	1.92	-22.27%
Consumer goods	-11.66%	16.26	-1.98%	2.79	18.01%
Pharmaceutical	-16.80%	14.76	-28.69%	1.74	-0.65%
Consumer service	-17.45%	-		3.94	30.32%
Telecommunication	-28.83%	40.56		2.64	-30.85%
Community utilities	-1.93%	15.47	1.17%	2.16	24.63%
Finance	-24.61%	17.35	-47.30%	2.20	-33.08%
Banking	-21.14%	9.75	-17.51%	1.66	-16.08%
Information Technology	-6.49%	19.86	152.19 %	3.52	430.96 %

- ❖ Q2 market capitalization decreased by -20.57% compared to Q1.2022.
- ❖ In Q2.2022, VN-Index entered the "bear market" period when witnessing consecutive sessions of decline and large fluctuations in margins. The market had a recovery rate from mid-May and lasted until the beginning of June, but continued to see a downward correction period in June, although at one point, the VN-Index had approached the threshold of 1,160 points.
- ❖ The average transaction value reached 866 million USD/session in Q2, decreased -34.67% compared to Q1. Liquidity in June decreased slightly -1.54% compared to May, in the context of the market returning to the corrective trend with cautious sentiment.
- ❖ Liquidity is forecasted to fluctuate at 0.9-1.1 billion USD/session when VN-Index moved in the scenario of 1,250 - 1,270 as the economy continues to flourish, the regulatory agency implements new measures in securities management and trading activities.

MARKET: TOTAL MARKET CAPITALIZATION OF 3 STOCK EXCHANGES REACHED 6.22 MILLION BILLION VND

Liquidity in Q2.2022 decreased by -34.67% compared to Q1.2022

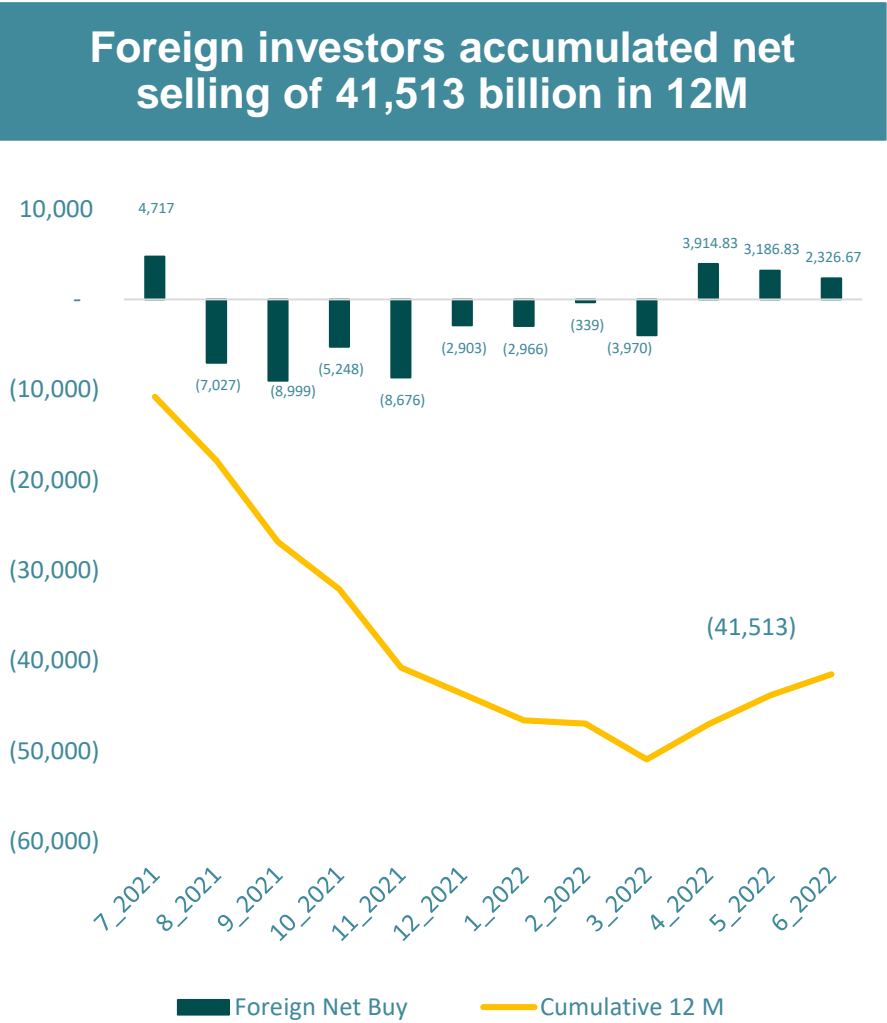
Total market capitalization decreased by 20.57% compared to 31/03/2022



Source: Bloomberg, BSC Research

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MARKET: FOREIGN INVESTORS ARE ACTIVE NET BUYERS IN Q2.2022



Stock	Value (VND billion)	Stock	Value (VND billion)
FUEVTVND	3,316	HPG	(2,353)
DPM	1,449	VHM	(1,004)
MWG	1,192	SSI	(958)
NLG	1,091	VIC	(864)
CTG	1,000	E1VFTVN30	(583)
MSN	957	NVL	(485)
DCM	707	VND	(392)
HDB	616	VCB	(339)
VRE	528	PVD	(174)
VNM	470	KDH	(157)

Table of net trading value of foreign investors on HOSE in Q2.2022

Source: Bloomberg, BSC Research

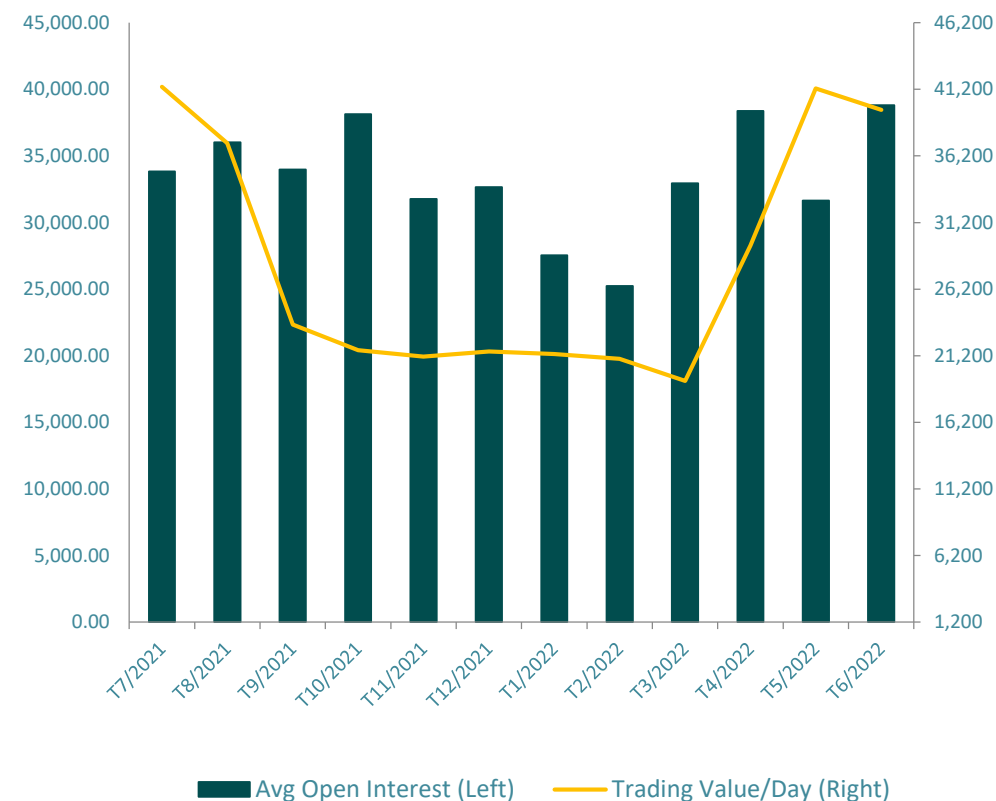
- ❖ In June, the total VAT in the investor groups has a slight recovery compared to May (+6.2%), in which individual investors continue to play a leading role but the general trend is decreasing.
- ❖ Domestic transaction of individual investors accounted for 83.5% of the market, up 1.63% compared to the previous month and down 3.14% compared to the 12-month average. Foreign investment continued to be active but tend to decrease compared to Tháng 5.2022.
- ❖ In Q2.2022, the derivatives market was more active than Q1 when the transaction value per session and the average volume of open contracts both increased compared to the previous quarter.
- ❖ The average daily trading value of June futures contracts fell slightly by 3.89% compared to Tháng 5, while the volume of open contracts remained high as the June OI increased by 22.61% compared to May. This indicates that trading activity shows signs of decline, cautious sentiment is playing a leading role.

MARKET: LOCAL INVESTORS KEEP THE MAJOR ROLE; FOREIGN INVESTORS TRANSACTIONS ARE POSITIVE IN Q2.022

Domestic investors' transactions decreased by -2.77% compared to the average of 12 months



Average trading value of June futures contracts decreased by 3.89% MoM



Source: Bloomberg, BSC Research

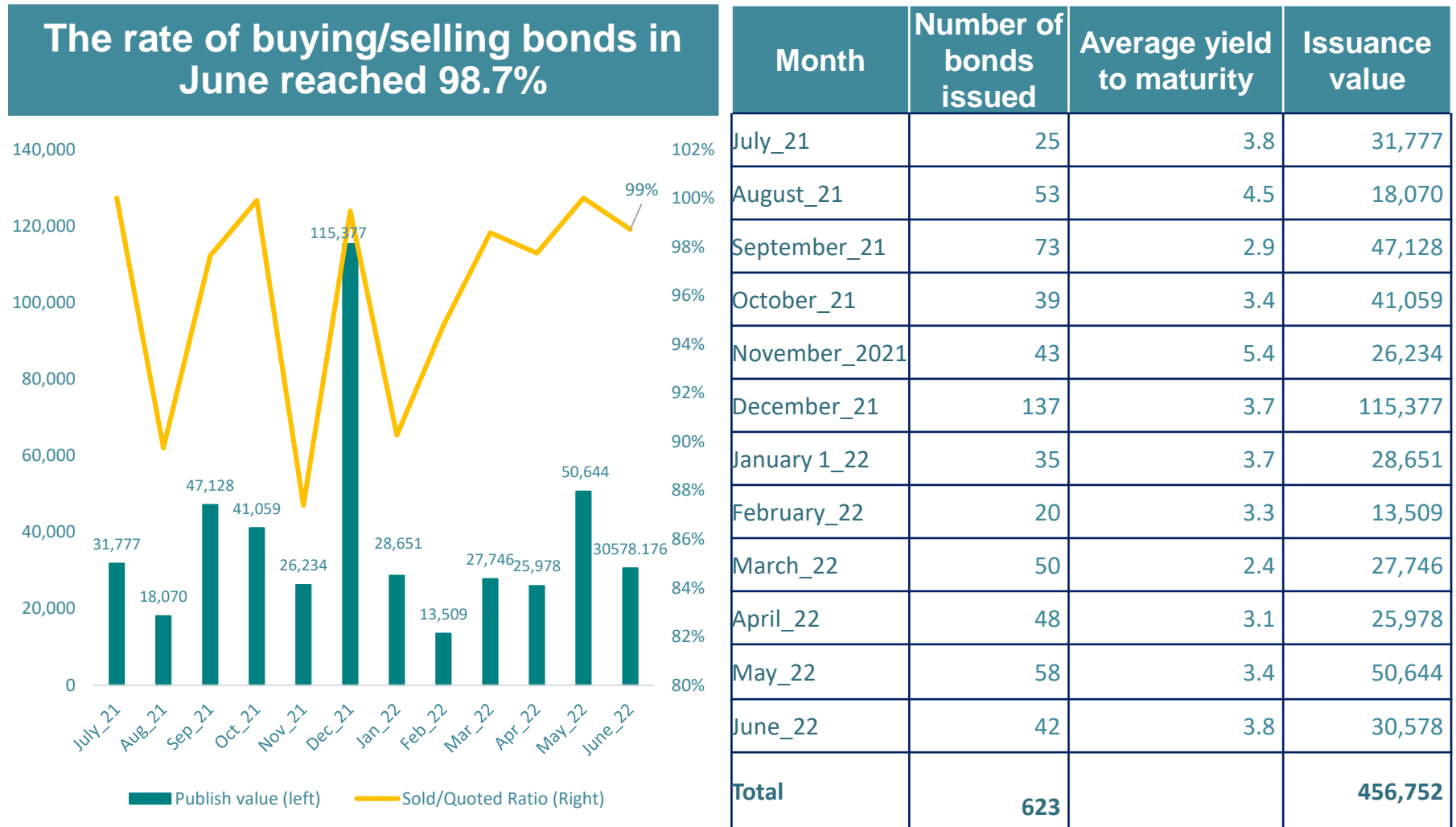
- ❖ As of June 30, the average corporate bond issuance value in Q2 reached VND35,733 billion, an increase of 53.3% compared to Q1.2022. The value of issuing corporate bonds in June decreased compared to May but was still higher than that of April 2022. In May, Vingroup issued bonds worth USD 525 million - a significant impact on the scale in Q2.

- ❖ 148 bonds were successfully issued in Q2, achieving an average success rate of 98.82%;

- ❖ The average maturity of bonds issued in Q2 at 3.5 years is lower than the last 12-month average of 3.6 years;

- ❖ Corporate bond issuance activities are showing signs of recovery compared to the beginning of the year, when Circular 16 came into effect.

MARKET: CORPORATE BONDS JUNE 2022 CORRECTED, BUT POSITIVE IN ACCUMULATED Q2.2022



Source: Bloomberg, BSC Research

FACTORS AFFECTING MARKET IN JULY 2022

Event	Impact on stock market
❖ The economy continues to grow impressively in addition to Q2 business results which is expected to be optimistic, benefiting from the world economic context;	❖ Positive
❖ The Government and regulatory agencies make efforts to stabilize the prices of commodities, especially gasoline/oil prices through tax exemption/reduction measures to achieve the set inflation targets;	❖ Positive
❖ The SSC and VSD have implemented many measures to improve the stock exchanges (shortening T+2 transactions to T+1.5) with the goal of upgrading to emerging markets soon;	❖ Positive
❖ The SBV continues to maintain the operating interest rate in order to facilitate business production support, in addition to urgently implementing a 2% interest rate support program of VND 40,000;	❖ Positive
❖ The net buying momentum of the foreign investors is likely to be affected as the FED and other major central banks continue the interest rate race towards the top priority goal of fighting inflation;	❖ Foreign cash flow may decrease gradually
❖ The possibility of the next interest rate hikes from the FED and ECB at the end of July will continue to impact the world economic context, raising concerns about an economic slowdown;	❖ Risks increase, stock market may become less attractive
❖ The Covid-19 epidemic in China continues to be unpredictable, China's stimulus measures have not positively impacted the economy;	❖ Inflation may continue to rise, posing risks to global supply chains;
❖ The Russian-Ukrainian war continues to drag on, with sanctions of greater frequency and intensity than before.	❖ Causing fluctuated sentiment, holding back the momentum of world economic growth;

INVESTMENT STRATEGIES IN JULY 2022

In the context of "bear-market", investors need to be cautious in allocating portfolios based on the industry outlook and Q2 business results of each enterprise, also limiting the highly speculative stocks.

Some industry groups and defensive stocks have good fundamentals, investors may consider investing including: Energy, Utilities (PC1, GAS, NT2 ...), Seaport (GMD, VOS ...), Export (ANV, VHC ...), Finance, Insurance, IT

Investors need to pay attention to inflation, the interest rate management policy of the FED and other central banks as well as the risk of economic recession to minimize risks. Please refer to the report on the VN-Index movements in the periods of economic recession ([Link](#)) and the bear market periods ([Link](#)); Sector Outlook Report ([Link](#));

Disclaimer

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APPENDIX: RECENT REPORTS OF BSC

REPORT LIST:

- [Macro Market Outlook 2022](#)
- [Investment opportunities after social distancing](#)
- [Insurance sector report](#)
- [Banking Sector Update](#)
- [Public Investment](#)
- [Commercial Relationship between the USA - Viet Nam](#)
- [Commodity prices & Stock market 2021](#)

(click for detailed report)

APPENDIX: OUTSTANDING THEMATIC REPORTS

REFERENCES REPORT

- [Assessing the impact of the military campaign between Russia and Ukraine on the economy and the stock market](#)
- [Trends of oil price movement in the world](#)
- [VN-Index's reaction to the Fed's decision to tighten monetary policy](#)
- [Movement trend of inflation in the world](#)
- [Evaluation of “Socio-economic recovery and development program”](#)

(click to view report)

APPENDIX: Economic Stimulus Package (SP) – the comparison

Target	US	Germany	France	Japan	South Korea	Singapore	Thailand	Malaysia	Philippines	Vietnam
GDP (billion USD)	20,937	3,806	2,603	5,049	1,631	340	502	337	361	271
SP (billion USD)	5300	994.7	273.6	2,262	204.4	78.7	62.5	91	27.72	10.45
%SP/GDP	25.3%	26.1%	10.5%	44.80%	12.5%	23.1%	12.5%	27.0%	7.67%	3.9%

- On average, developed countries spend more than 25% of GDP on economic stimulus packages regarding the pandemic. Southeast Asian countries execute smaller packages, but still accounted for over 15% of GDP on average.

→ There is still a lot of room for Vietnam to have larger support packages in the future.

- GDP: GDP value of 2020
- Information about Vietnam's stimulus packages is updated to the present time
- Stimulus packages: total official packages in 2020 and 2021

APPENDIX: Vietnam Monetary Policies (04/2020 - 10/2021)

Policy	Major Content	Date	Value (billion VND)	Estimated output
	Reduce interest rate 3 times in a row by 4% for refinancing rate, 2.5% for re-discount rate, and maintain low interest rate until now.	M03,08, 09/2020		
<u>Directive No. 11/CT-TTg</u>	A credit package worth 250.000 billion VND.	6/3/2020	250,000	Exemption, reduction and restructuring for 1.3 million customers; reduce profits for businesses 27,000 billion in mid-October
<u>Circular No. 01 - 03/2021/TT-NHNN</u>	Restructuring term of debt due to the COVID-19 pandemic. For loans affected by COVID-19, extension and/or loan deferral is applied and 3-year provision schedule is also in effect.	13/3/2020 17/5/2021		
<u>Resolution No. 63/NQ-CP</u>	The principle related to interest rate reduction up to 1%/year for outstanding VND-denominated loans in the last 5 months of 2021 is applied for customers affected by the pandemic. 16 banks have agreed to reduce the lending interest rate, starting from July 15, 2021 to the end of year, with estimated reduction in interests earned is 20,613 billion VND.	8/5/2021	~21,000	

APPENDIX: Vietnam Fiscal Policies (04/2020 - 10/2021)

Policy	Major content	Date	Value (billion VND)	Estimated output
<u>Resolution 42/NQ-CP</u>	Support residents who are facing difficulties due to the Covid-19 pandemic, with the subsidy of VND 62,000 billion.	2020	62,000	13.9 million people benefited
<u>Decree No. 52/2021/ND-CP</u>	The total value of taxes and land lease fees under the Government's recently-issued decree on the extension of deadlines for tax payment is VND 115 trillion. In which: <ul style="list-style-type: none"> • The extended VAT is 8,287 billion; • The extended land rent is 1,044 billion; • The corporate income tax temporarily paid in the first and second quarters is extended to 11,984 billion. 	19/4/2021	115,000	VND 72,700 million
<u>Resolution 68/NQ-CP</u>	Support employees and employers affected by the Covid-19 pandemic, with the subsidy of VND 26.000 billion.	1/7/2021	26,000	VND 21,890 million
<u>Resolution No. 116/NQ-CP</u>	Support employees and employers using the unemployment insurance fund, in which about VND 30.000 billion to support employees participating in unemployment insurance in cash	1/10/2021-31/12/2021	30,000	VND 1,250 billion disbursed

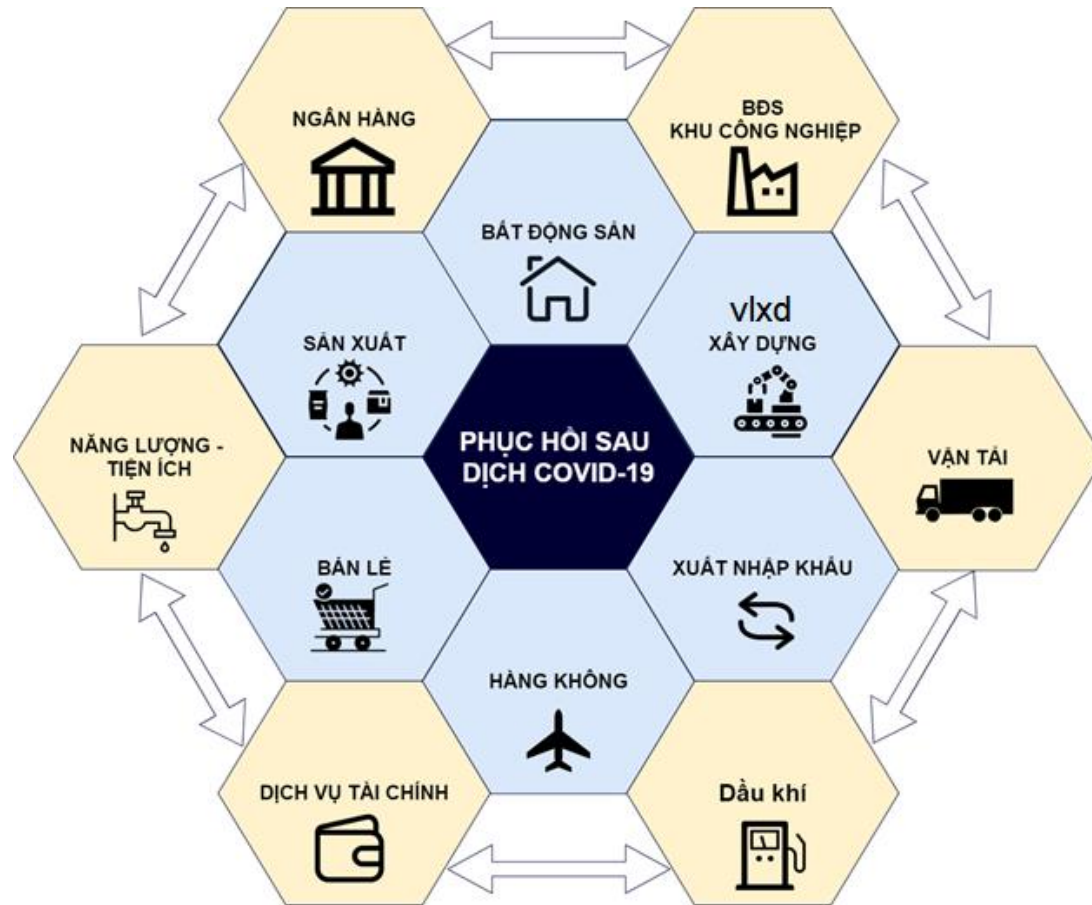
APPENDIX: Further expectation

Policy	Major content	Date
Social Security	• Support low-income households, self-employed workers, granting insurances for people affected by the Covid-19 pandemic	2022
Employment	• Job training, granting preferential credit for poor households	Up to 2023
Transfer Payment	• Reduce taxes, interest rate or compensation, ...; • Reduce VAT rates for consumer goods and services.	
Infrastructure development program	• Focus on medium-term public investment projects in the period of 2021 - 2025; • Building houses for workers, or social housing	2021- 2025

Upcoming Economic Stimulus Packages are expected to:

- Release the difficulties of people and businesses that are adversely affected by the epidemic,
- Create resources to promote rapid and sustainable economic growth.

Vietnam's economy recovers after the epidemic: Which sectors will benefit?



Denote these reports:

- [Insurance](#)
- [Banking](#)
- [Public investment](#)
- [US – VietNam Trade Outlook](#)
- [Commodity Price Update](#)
(click)

Note: The main assumption is that the government will loosen social distancing from October 2021, from which production and business activities will be restored.

- **Blue : Direct beneficiary group**
- **Yellow: Indirect beneficiary group**

Appendix: Vaccination scenarios

Baseline										
Vaccination / million people / day	500	1000	1500	2000	2500	3000	3500	4000	4500	5000
Number of days to complete vaccination	2758	1379	919	689	552	460	394	345	306	276
Positive										
Vaccination / million people / day	5500	6000	6500	7000	7500	8000	8500	9000	9500	10000
Number of days to complete vaccination	251	230	212	197	184	172	162	153	145	138
Positive Plus										
Vaccination / million people / day	10500	11000	11500	12000	12500	13000	13500	14000	14500	15000
Number of days to complete vaccination	131	125	120	115	110	106	102	98	95	92
G4										
Confidence	10%	20%	30%	40%	50%	60%	70%	80%	90%	
Vaccination / million people / day	8538	7290	6396	5630	4906	4183	3417	2523	1274	
Number of days to complete vaccination	161	189	216	245	281	330	404	547	1082	
NEA										
Confidence	10%	20.0%	30.0%	40.0%	50.0%	60.0%	70.0%			
Vaccination / million people / day	8434	6659	5388	4298	3269	2240	1151			
Number of days to complete vaccination	163	207	256	321	422	615	1198			
SEA										
Confidence	10%	20%	30%	40%	50%	60%	70%			
Vaccination / million people / day	4746	3727	2998	2373	1782	1192	566			
Number of days to complete vaccination	291	370	460	581	774	1157	2434			
EA										
Confidence	10%	20%	30%	40%	50%	60%	70%			
Vaccination / million people / day	6315	4939	3955	3111	2314	1517	673			
Number of days to complete vaccination	218	279	349	443	596	909	2047			
BRIC										
Confidence	10%	20%	30%	40%	50%	60%	70%			
Vaccination / million people / day	6190	4884	3948	3147	2390	1632	831			
Number of days to complete vaccination	223	282	349	438	577	845	1660			

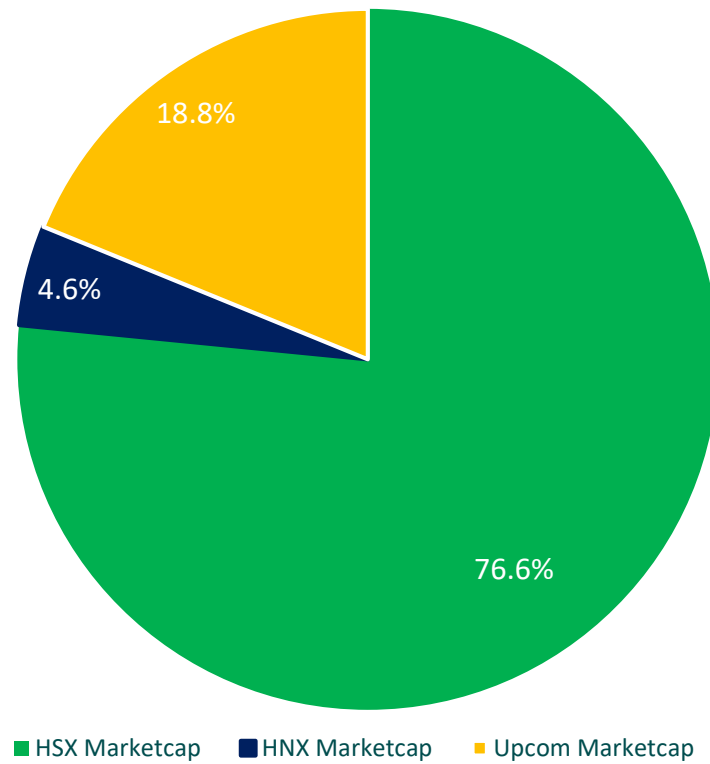
Note: Vaccination starts 8/3/21. * about 67 million people, ages 15-64.

Source: OWID, BSC

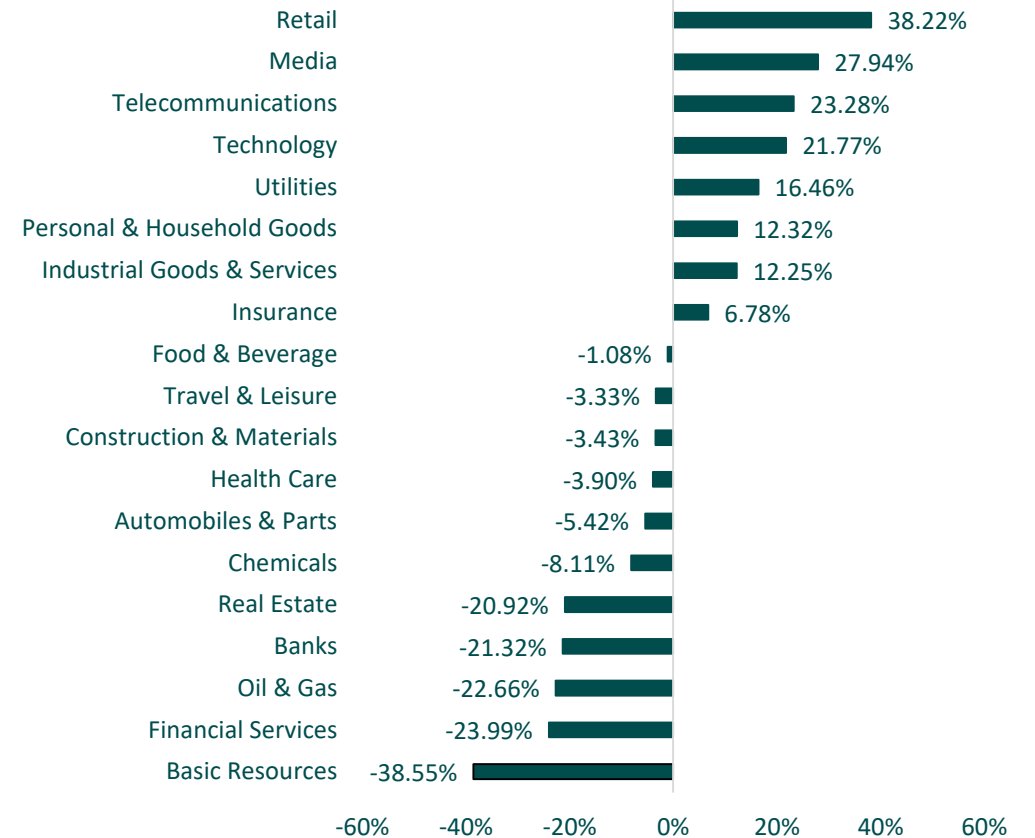


APPENDIX

Capitalization of 3 exchanges



08/19 Sectors that gained points in June



APPENDIX: VN-Index median 1,587.86 points, assessed by financial institutions

No	Stock	Weight	6/30/2022	Mean	Max	Min	P/E	P/B	No	Stock	Weight	6/30/2022	Mean	Max	Min	P/E	P/B
1	VCB	7.75%	74,800	95,393	112,800	78,071	15.4	3.0	19	VRE	1.46%	28,550	36,863	40,100	33,900	71.2	2.1
2	VIC	6.14%	73,500	100,400	112,000	83,200	-	2.7	20	ACB	1.42%	24,000	35,759	42,100	31,418	7.8	1.7
3	VHM	5.92%	62,100	99,643	115,000	85,261	7.1	2.1	21	SSB	1.15%	31,600	31,650			19.2	2.8
4	GAS	4.84%	115,500	142,743	180,000	124,100	22.6	4.1	22	MWG	1.15%	71,500	90,430	101,200	81,750	20.3	4.7
5	BID	3.71%	33,500	37,048	44,200	20,881	14.8	2.0	23	PLX	1.14%	40,300	56,963	64,800	51,800	20.7	2.0
6	MSN	3.49%	112,000	140,163	165,400	49,902	15.9	5.8	24	HDB	1.05%	24,000	36,795	53,863	32,000	7.5	1.5
7	VNM	3.30%	72,200	87,708	108,000	79,000	16.4	4.7	25	TPB	0.94%	27,150	38,089	44,693	32,961	8.2	1.6
8	NVL	3.18%	74,500	86,492	103,800	75,000	34.4	4.0	26	STB	0.89%	21,500	27,341	38,400	7,802	10.3	1.1
9	VPB	2.86%	29,000	46,562	49,100	44,500	7.5	1.5	27	EIB	0.87%	32,000	21,622	21,622	21,622	27.3	2.1
10	CTG	2.75%	26,150	33,557	41,600	13,928	10.2	1.3	28	BVH	0.85%	52,500	67,600	73,300	63,700	20.8	1.8
11	TCB	2.73%	35,550	62,365	77,000	40,077	6.5	1.3	29	SHB	0.79%	13,500	24,161	24,161	24,161	5.6	1.0
12	HPG	2.18%	22,300	43,289	54,465	32,385	3.9	1.3	30	PDR	0.76%	51,800	52,400			18.7	4.8
13	SAB	2.17%	154,600	200,883	220,000	185,000	25.9	4.6	31	HVN	0.75%	15,500	24,000	24,000	24,000	-	-
14	MBB	2.00%	24,200	43,040	49,000	38,000	6.7	1.4	32	VIB	0.73%	21,500	34,411	40,148	30,700	6.7	1.7
15	GVR	1.97%	22,550	35,250	41,500	29,000	20.5	1.8	33	POW	0.70%	13,600	16,937	20,400	12,157	15.8	1.1
16	FPT	1.73%	86,200	118,519	139,083	103,890	20.1	4.9	34	PNJ	0.68%	128,500	132,266	149,224	92,085	23.6	3.9
17	VJC	1.54%	130,000	126,400	126,400	126,400	359.7	4.1	35	REE	0.67%	86,200	91,899	112,700	71,217	14.4	2.2
18	BCM	1.52%	67,000	80,800	80,800	80,800	56.3	4.2		Sum	75.79%	1,197.60	1,587.86	1,816.46	1,326.95	26.9	2.6

Source: Bloomberg, BSC Research

APPENDIX

Event Calendar 2022

Month	Date	Viet Nam	Date	International
March	17	Future VN30: Future contract expire	5	FTSE Russell: announces market rating for year-end period
	18	ETF: VNM review	10	ECB: announces monetary policy and interest rates
			15-16	FED: announces monetary policy and interest rates
April	18	ETF: VNDIAMOND execute restructured transaction	14	ECB: announces monetary policy and interest rates
	20	Enterprise: Deadline for submission of Q1 financial statements		
	21	Future VN30: Future contract expire		
May	2	ETF: VNFIN LEAD, ETF VNDIAMOND review	3-4	FED: announces monetary policy and interest rates
	19	Future VN30: Future contract expire	12	MSCI: semi-annual market indexes review
	27	ETF: Ishare MSCI review		
	May	Party Central Committee Conference		
June	16	Future VN30: Future contract expire	4	FTSE Russell: announces market rating for year-end period
	17	ETF: VNM execute restructured transaction	9	ECB: announces monetary policy and interest rates
	June	Vietnam National Assembly Conference	14-15	FED: announces monetary policy and interest rates
			29-30	OPEC: meeting
July	18	ETF: VNFIN LEAD restructure their portfolio	21	FED: announces monetary policy and interest rates
	20	Enterprise: Deadline for submission of Q2 financial statements	26-27	ECB: announces monetary policy and interest rates
	21	Future VN30: Future contract expire		
	25	ETF: VN30 review		
August	1	ETF: VNFIN LEAD, ETF VNDIAMOND review	11	MSCI: quarterly market indexes review
	18	Future VN30: Future contract expire		
	26	ETF: Ishare MSCI review		
September	15	Future VN30: Future contract expire	3	FTSE: Annually Index Review
	16	ETF: VNM review	8	ECB: announces monetary policy and interest rates
			20-21	FED: announces monetary policy and interest rates
October	17	ETF: VNDIAMOND restructure their portfolio	October	IEA: annually meeting
	20	Enterprise: Deadline for submission of Q3 financial statements	27	ECB: họp và công bố chính sách tiền tệ và lãi suất
	20	Future VN30: Future contract expire		ECB: họp và công bố chính sách tiền tệ và lãi suất
	October	13th Party Central Committee Conference		
November	7	ETF: VNFIN LEAD, ETF VNDIAMOND review	1-2	FED: announces monetary policy and interest rates
	17	Future VN30: Future contract expire	3	FTSE Russell: announces market ratings for year-end period
	25	ETF: Ishare MSCI review	10	MSCI: announce market ratings
	November	Vietnam National Assembly Conference		
December	15	Future VN30: Future contract expire	13-14	FED: announces monetary policy and interest rates
	16	ETF: VNM execute restructured transaction	15	ECB: announces monetary policy and interest rates

APPENDIX: Performance heatmap of VNIndex by month

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YP (*)
2000							1.55%	13.39%	4.83%	16.68%	19.80%	22.58%	106.83%
2001	18.84%	2.69%	6.70%	19.22%	25.91%	23.75%	-15.56%	-34.34%	-11.87%	6.48%	10.85%	-18.41%	13.81%
2002	-11.83%	-7.93%	4.74%	4.16%	-0.65%	-2.44%	-2.22%	-2.99%	-4.97%	-2.48%	0.15%	3.07%	-22.12%
2003	-5.97%	-4.51%	-11.66%	4.90%	-0.20%	0.02%	-3.91%	-2.47%	-2.38%	-2.23%	20.31%	1.87%	-8.94%
2004	28.38%	21.59%	6.46%	-4.69%	-4.70%	-0.91%	-4.51%	-2.54%	0.35%	-0.26%	-1.30%	4.24%	43.34%
2005	-2.49%	0.76%	4.85%	-0.11%	-0.82%	1.05%	2.65%	0.45%	13.69%	6.25%	1.28%	-1.23%	28.51%
2006	1.57%	25.08%	28.90%	18.25%	-9.50%	-4.33%	-18.07%	16.28%	7.24%	-2.88%	23.75%	18.75%	144.48%
2007	38.52%	9.25%	-5.83%	-13.76%	17.06%	-5.25%	-11.39%	0.05%	15.25%	1.74%	-8.71%	-4.66%	23.31%
2008	-8.94%	-21.42%	-22.08%	1.07%	-20.73%	-3.55%	13.01%	19.44%	-15.28%	-24.01%	-9.31%	0.28%	-65.95%
2009	-3.93%	-18.95%	14.21%	14.59%	27.99%	8.90%	4.12%	17.14%	6.24%	1.07%	-14.14%	-1.85%	56.76%
2010	-2.59%	3.10%	0.47%	8.64%	-6.44%	-0.06%	-2.61%	-7.86%	-0.12%	-0.42%	-0.23%	7.32%	-2.04%
2011	5.35%	-9.64%	-0.05%	4.11%	-12.23%	2.65%	-6.21%	4.69%	0.68%	-1.59%	-9.53%	-7.65%	-27.46%
2012	10.36%	9.19%	4.10%	7.42%	-9.41%	-1.59%	-1.87%	-4.45%	-0.87%	-1.06%	-2.73%	9.50%	17.69%
2013	15.97%	-1.09%	3.47%	-3.37%	9.25%	-7.19%	2.23%	-3.89%	4.22%	0.97%	2.08%	-0.62%	21.97%
2014	10.28%	5.38%	0.87%	-2.29%	-2.76%	2.87%	3.10%	6.81%	-5.95%	0.34%	-5.70%	-3.70%	8.12%
2015	5.58%	2.86%	-6.99%	2.04%	1.27%	4.12%	4.72%	-9.07%	-0.37%	7.95%	-5.63%	1.02%	6.12%
2016	-5.83%	2.59%	0.33%	6.62%	3.35%	2.23%	3.16%	3.43%	1.65%	-1.45%	-1.59%	-0.03%	14.82%
2017	4.87%	1.94%	1.62%	-0.63%	2.80%	5.24%	0.91%	-0.10%	2.77%	4.08%	13.45%	3.61%	48.03%
2018	12.81%	1.01%	4.72%	-10.58%	-7.52%	-1.08%	-0.46%	3.47%	2.79%	-10.06%	1.29%	-3.67%	-9.32%
2019	2.03%	6.02%	1.58%	-0.11%	-2.02%	-1.04%	4.39%	-0.77%	1.27%	0.23%	-2.81%	-1.01%	7.67%
2020	-2.54%	-5.81%	-24.90%	16.09%	12.40%	-4.55%	-3.24%	10.43%	2.67%	2.24%	8.39%	10.05%	14.87%
2021	-4.86%	11.26%	1.97%	4.02%	7.15%	6.06%	-6.99%	1.60%	0.80%	7.60%	2.40%	1.34%	27.60%
2022	-1.28%	0.76%	0.14%	-8.40%	-5.42%	-7.36%							
Average	4.74%	1.55%	0.62%	3.06%	1.44%	1.19%	-1.69%	1.30%	1.03%	0.42%	1.91%	1.85%	13.03%

APPENDIX: MARKET MOVEMENT

VN30 movements

Stocks	RS-Ratio	RS-Mom'	12W%Δ
VHM	101.2376	104.3717	-17.29%
VJC	108.3248	101.1817	-8.06%
VNM	101.6703	104.0032	-3.41%
PNJ	119.5039	105.0666	10.14%
BVH	106.9654	100.2394	-15.04%
FPT	117.1753	103.2371	-2.23%
VRE	103.1015	101.0699	-14.86%
SAB	112.12	102.7817	-7.79%
MSN	102.1727	102.3118	-12.89%
NVL	106.7177	102.1522	-15.17%
VIC	101.7062	105.5016	-11.14%
MWG	114.1607	102.4566	-11.28%
ACB	104.3803	102.2168	-11.06%
VCB	105.9865	101.3566	-8.64%
GAS	114.8773	105.8634	1.25%
POW	97.59207	100.695	-16.82%
HDB	99.54168	102.4013	-10.26%
KDH	96.52397	97.04169	-25.29%
PLX	92.84113	97.923	-25.78%
BID	98.09896	96.53976	-13.46%
CTG	94.76515	99.44759	-13.62%
PDR	97.17663	99.30983	-20.20%
HPG	92.56073	97.23868	-35.80%
TPB	92.50475	94.47846	-30.09%
MBB	99.56007	97.16768	-25.88%
TCB	91.89287	98.62994	-26.61%
GVR	87.36507	96.79709	-34.59%
SSI	76.06188	91.23598	-49.95%
VPB	99.82482	97.97225	-24.02%
STB	87.83787	93.23335	-30.82%

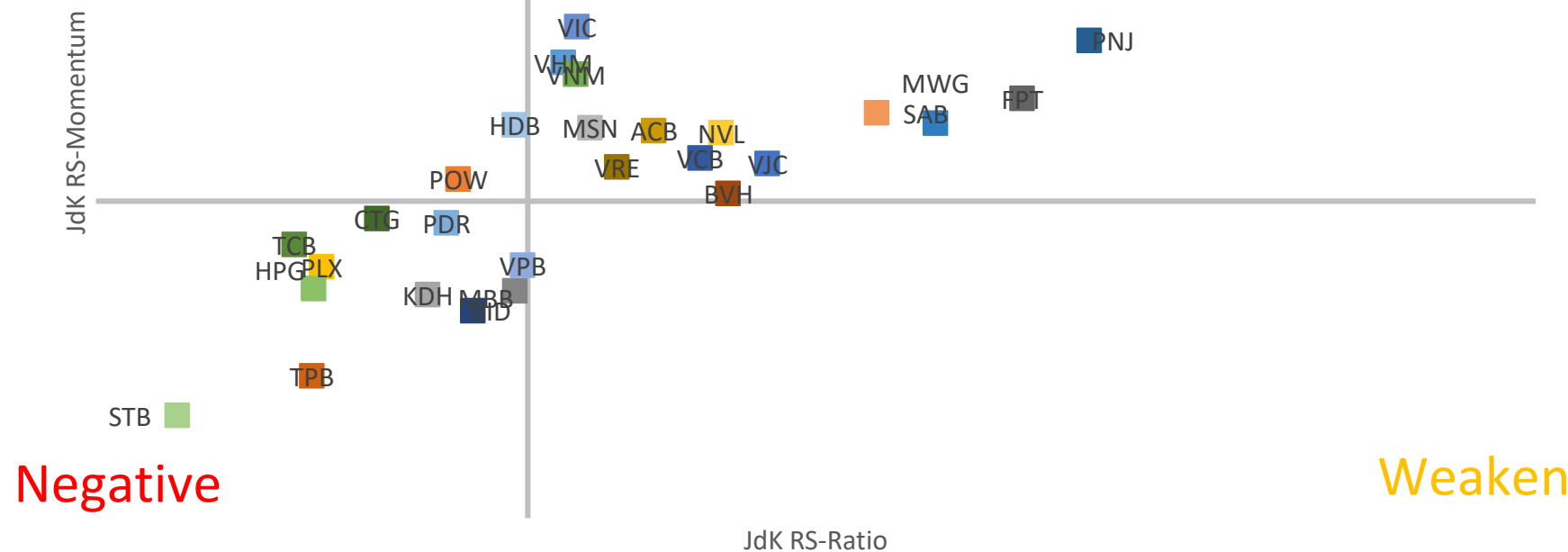
Note: stocks in the quadrant:

- **Positive** → recommended in the buy list
- **Weaken** → should be on watch list for a downward correction
- **Negative** → should be on the avoid list
- **Recover** → should be on the watchlist for an upward movement

Recovery

CP VN30 vs. VN-Index

Positive



Date: 01/07/2022

Source: Bloomberg, BSC Research