

## Vietnam Quarterly Review 2<sup>nd</sup> Quarter 2019

### BSC Research

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### Macroeconomics

- Quarter II/2019 GDP increased by 6.71% YoY. Industry and construction sector has the strongest growth rate with 8.93% YoY.
- The PMI index in June 2019 increased to 52.9 from 52 in May, raising the yearly average to 52 (2018 was 53.7).
- Total retail sales of consumer goods and services in 6M2019 were estimated at VND 2,391 trillion, an increase of 11.5% compared to the same period last year.
- Total registered FDI in 6M2019 reached USD 10.35 billion (- 36.3% YoY) but total realized FDI reached 9.1 billion (+ 8.1% YoY). Manufacturing and processing industry is the main factor attracting FDI into Vietnam.
- The fluctuation range of the interbank exchange rate is in the range of 23,250 - 23,480 VND/USD in the second quarter of 2019. Interbank interest rates have strongly increased again in the last week of June when the SBV net withdrew about 43 trillion VND.

### Stock Market

- VN-Index dropped 9.94 points compared to the previous month (-1.04% MoM), (+ 6.43% YtD) and HNX-Index decreased 0.84 points (-0.8% MoM), (-0.69% YtD).
- Average liquidity on 2 exchanges decreased by 5.88% compared to June 2018, and decreased to VND 4,087 billion per session. In 6 months, the average liquidity on both exchanges was VND 4,327 billion dong per session, a decrease of 31.89% compared to the average of 2018.
- In June, foreign investors bought a net of VND 484 billion on HSX, sold a net of VND 18 billion on the HNX. In the first half of 2019, foreign investors bought a net on the HSX off VND 10,143 billion and sold a net of VND 310 billion on the HNX
- VN-Index's P/E dropped to 16.45, equivalent to -0.64% MoM, + 9.46% YtD and HNX-Index fell to 7.62, respectively, -2.24% MoM, -12.54% YtD. Compared to May 2019, the P/E of the VN-Index maintained the 9th position and the HNX-Index continued to hold the 20th position in Asia.

### Market outlook for the second quarter

VN-Index fluctuated in the 925 to 1,050 points range, the fluctuation central is around 950 points. We expect VN-Index to rebound to 980-1,000 points in July, if it does not exceed this price range, it will continue to narrow the movement within 940-980 points in August and September with low liquidity. Market trends in the fourth quarter will be more pronounced based on sufficient information and create a medium and long-term investment vision (to be updated at the end of the third quarter). In the third quarter, BSC offers 2 scenarios as follows:

- In positive case, VN-Index will close above 980 points at the end of the year. The movement trend is still moving around large stocks with the return of foreign capital, noting the capital flow from ETFs..
- In case of negative situation, VN-Index may drop below 940 points when encountering negative information from the world and business results do not improve.
- **Recommended stocks:**
  - Industries and stocks are evaluated positively in the Industry Prospects Report 2019 (Link) và (Link);
  - Stocks of Ports, Textiles, Fisheries, Furniture and Industrial Zones benefited from trade agreements and production shift from trade war;
  - Stocks benefit from recovering raw material prices and oil prices;
  - High defensive stocks such as Electricity, Information Technology - Post, Retail consumption have high growth and dividends;;
  - In the long term, BSC's recommended stocks will be mentioned in the quarterly sector strategic reports, stocks with good changes are recommended in the weekly Investment Report (Link) and Industry/ Business update report.

# Macroeconomics of 2<sup>nd</sup> Quarter 2019

## Economic growth

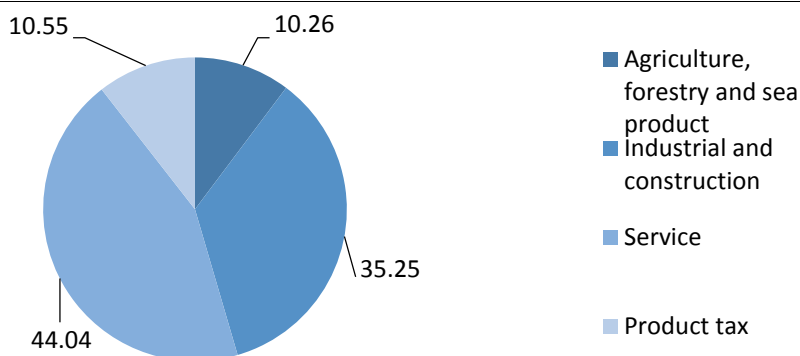
- The gross domestic product (GDP) in the second quarter of 2019 is estimated to increase 6.71% over the same period, lower than the 6.73% increase of the second quarter of 2018..
- The PMI Index in June 2019 increased to 52.9 from 52 in May, raising the yearly average to 52 (2018 was 53.7).

The gross domestic product (GDP) in the second quarter of 2019 is estimated to increase 6.71% over the same period last year. GDP of the first 6 months of 2019 increased by 6.76%, lower than the increase of the first 6 months of 2018 but higher than the growth of the first 6 months of 2011-2017. In which, agriculture, forestry and fishery increased by 2.39%, contributing 6% to the overall growth rate; industry and construction sector increased by 8.93%, contributing 51.8%; service sector increased by 6.69%, contributing 42.2%.

In industry and construction, industry sector in the first 6 months of 2019 maintained a good growth rate of 9.13%, contributing 3.06 percentage points to the growth rate of total added value of the economy. Processing and manufacturing industry continued to affirm the main contribution to economic growth with an increase of 11.18%, although lower than the growth of the same period in 2018 but higher than the increase in the first 6 months of 2012-2017 years, contributing 2.38 percentage points. Mining industry increased by 1.78%, contributing 0.12 percentage points. Construction industry in the first 6 months of 2019 maintained a good growth rate of 7.85%, contributing 0.48 percentage points.

Chart1

**Economic sector proportion in 1<sup>st</sup> Quarter 2019 (%)**

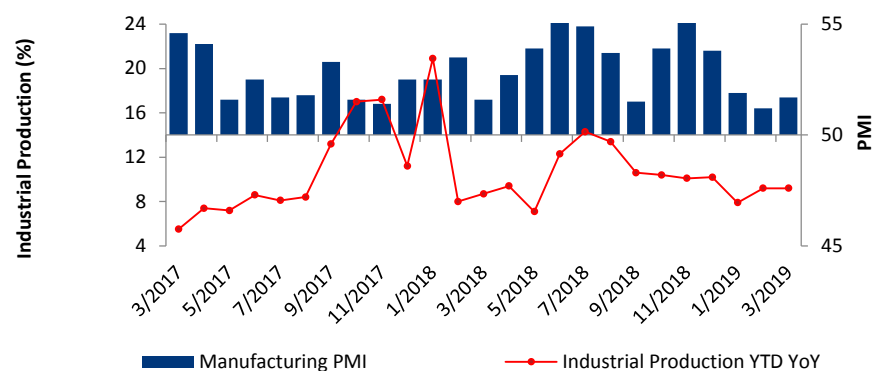


*Nguồn: GSO, BSC Research*

The industrial production index (IIP) in the first 6 months is estimated to increase 9.13% compared to the same period last year (the first quarter

increased by 9%, the second quarter increased by 9.24%), lower than the 9.28% increase of the same period last year. 2018. Processing and manufacturing industry continued to be the highlight of the whole industry with an increase of 11.18% (the first quarter increased by 11.52%; the second quarter increased by 10.9%), contributing 7.1 percentage points to the overall increase. ; electricity production and distribution industry increased by 10.63%, contributing 1.51 percentage points; water supply and waste and wastewater treatment industry increased by 7.79%, contributing 0.16 percentage points; mining industry increased by 1.78% after 3 years of continuous decline (due to crude oil exploitation had a lower decrease than the same period last year and coal and metal ore exploitation increased), contributing 0.36 percentage points to the general increase.

Chart 2

**Industrial production index & PMI**

Nguồn: GSO, Markit, BSC Research

**Consumption index of the whole processing and manufacturing industry in June 2019 increased 4.1% over the previous month and increased by 10.6% over the same period last year.** In the first 6 months of 2019, the consumption index of the processing and manufacturing industry increased by 9.6% over the same period last year (the same period in 2018 increased by 11.9%). In particular, the top 3 industries with high consumption index: Production of coke, refined petroleum products increased by 64.9%; Metal production increased by 31.6%.

Inventory index of processing and manufacturing industry is estimated at June 30, 2019, up 16.1% compared to the same period last year (same period in 2018 increased by 11.4%), in which some industries have inventory index increased highly compared to the same period last year: Production of coke and refined petroleum products increased by 141.1%; production of other transport vehicles (motorcycles, motorbikes) increased by 117.6%; chemical and chemical products production increased by 73.1%;

The average ratio of inventories of processing and manufacturing industry in the first 6 months of 2019 was quite high with 74.9% (same period last year was 63.4%), in which some industries had high inventory ratio: Textile 274.1%;

wood processing and production of wood and bamboo products 128.1%; manufacturing chemicals and chemical products 94%.

**PMI index surged back to level 52.5.** The average PMI for the whole year increased to 52 (2018 was 53.9). June data closed the second quarter of 2019 with strong growth in the Vietnamese manufacturing sector, as business conditions improved thanks to new orders. Employment also rebounded in June after falling slightly in May. Increased workloads also made producers increase purchases, and companies wanted to increase inventories when they believed in rising prospects and new orders in short term. The pace of cost increase has slowed to a three-month low, thus allowing companies to continue to reduce sales prices in the recent period. Although manufacturers are still optimistic that production will increase next year, the level of trust fell sharply in June and was the lowest level since February. Several members of the survey team reported concerns about trade relations between the United States and China. Where production is expected to increase, respondents said optimism could be attributed to business investment plans, new product offerings and the ability to penetrate new markets.

China's PMI is still in danger zone with only 49.4 points, down from 50.2 in May. Data show a decline in total sales, export orders and production. Companies responded by reducing the number of employees even more and buying fewer raw materials and semi-finished products. At the same time, the selling price has increased after increasing input costs, although the inflation rate is negligible. Business sentiment is neutral at the end of the second quarter, with major concerns about the US-China trade dispute. The trend of PMI indicator dropping to such low level is raising concerns about the growth stalled in China and the risk of global economic recession. This led China to return to the negotiating table in a rather weak position by promising to buy a large amount of US agricultural products on June 28. The next process of Chinese trade negotiations will focus on the missing issues of the agreement, the key issues and the focus of this war. The outcome of this negotiation will be the focus of worldwide monitoring and one of the decisive factors in the worldwide economic growth trend.

## Inflation

- **Average CPI in the second quarter of 2019 increased by 2.65% compared to the same period in 2018.**
- **CPI in June decreased by 0.09% compared to the previous month due to a sharp decrease in traffic from 2 corrections to reduce gasoline and oil prices.**
- **Total retail sales of consumer goods and services in 6M2019 were estimated at VND 2,391 trillion, up 11.5% compared to the same period last year.**

**Consumer price index CPI in June decreased by -0.09% over the previous month, and increased by 2.16% compared to the same period in 2018.** Core inflation in June 2019 increased by 0.16% over the previous month and increased by 1.96% compared to the same period last year period.

In the second quarter of 2019, CPI increased 0.74% compared to the previous quarter and increased by 2.65% compared to the same period in 2018, in which the education group increased the most and reached 6.19% over the same period last year. Average core inflation in the second quarter of 2019 increased by 1.83% compared to the same period last year.

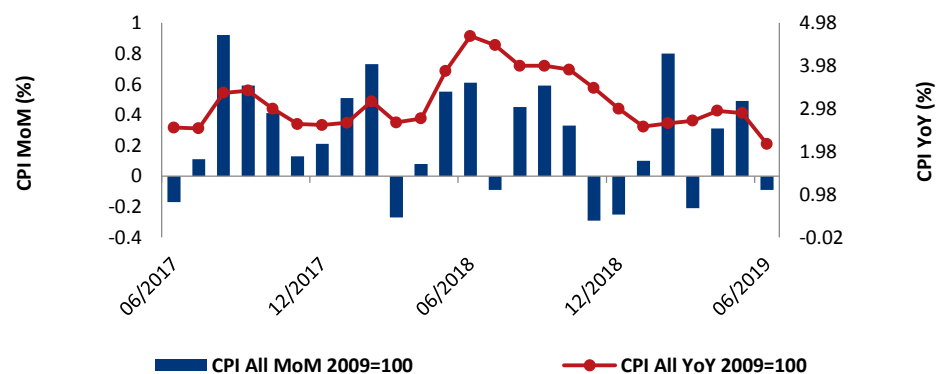
**Average CPI in the first 6 months of 2019 increased 2.64% compared to the average of the same period in 2018.** CPI fluctuations are mainly due to the following reasons:

- (+) Prices of food products increased by 5.4% over the same period last year, of which pork prices increased by 14.85%.
- (+) Housing maintenance materials prices increased by 1.99% over the same period last year due to increased construction demand along with rising prices of cement, iron, steel and construction labor.
- (+) Adjustment of household electricity prices according to Decision No. 648 / QD-BCT dated March 20, 2019 of the Ministry of Industry and Trade makes the electricity price for the first 6 months of 2019 increase by 5.84% compared to the same period in 2018.
- (-) Prices of essential goods such as gasoline and oil fell 3.55% (the overall CPI impact decreased by 0.15%); Domestic gas prices fell 0.3%.
- (-) Ho Chi Minh City adjusted the reduction of tuition fees according to Resolution No. 25/2018 / NQ-HDND of December 7, 2018, reducing the overall education index of the whole country in February 2019 by 0.55%

Overall, the increase in electricity prices has put pressure on CPI but thanks to the decline of oil price compared to the previous year, CPI has remained low. However, geopolitical tensions in Iran and recent prolonged hot periods will continue to put pressure on electricity prices and oil prices in the third quarter of 2019 and may cause the average 2019 CPI to lie within 3.5-3.8%.

Chart 3

**Monthly CPI movements**



Sources: GSO, BSC Research

**Price index of 8/11 commodity and service groups of CPI in June increased compared to the previous month but CPI was still down because transportation group dropped sharply while the price increase of other commodities was quite low.** Transportation group decreased by 1.73% due to the impact of 2 adjustments in gasoline and oil prices by the time of 1/6/2019 and June 17, 2019, causing petrol and oil prices to fall by 3.9% (the overall CPI impact decreased by 0.16%). . Housing and construction materials dropped by 0.2% mainly because the gas price in the month dropped by 8.79% (the overall CPI impact decreased by 0.11%) and the price of kerosene decreased by 3.28%

**Total retail sales of consumer goods and services in June 2019 were estimated at VND 409.8 trillion, up 1.9% MoM and up 11.5% YoY.** In particular, retail sales of goods reached VND 308 trillion, up 0.65% MoM and up 12.4% YoY.

In the second quarter of 2019, total retail sales of consumer goods and services were estimated at VND 1,206.9 trillion, an increase of 1.9% compared to the previous quarter and an increase of 11.1% over the same period last year, of which: retail sales of goods reached VND 914.4 trillion, an increase of 0.6% MoM and an increase of 11.8% YoY.

In the first 6 months of 2019, total retail sales of consumer goods and services reached VND 2,391.1 trillion, an increase of 11.5% compared to the same period last year, if excluding price factor, an increase of 8.7% (same period in 2018 increased 8.6%).

Chart 4  
Retail Sales

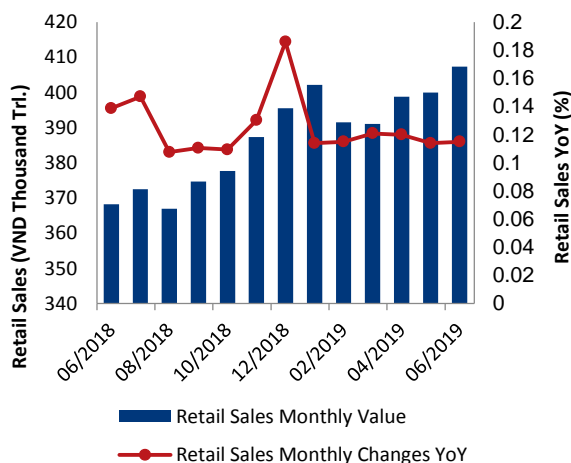


Table 1  
Increase/decrease of service sectors in July

No.	Sector	MoM (%)	YoY (%)
1	Food and catering	1.73	5.53
2	Transportation	0.16	-4.54
3	Health care	0.01	1.75
4	Housing & Construction	0.69	1.72
5	Entertainment	0.66	1.92
6	Beverage and Cigarettes	0.35	1.49
7	Clothing	0.14	1.67
8	House appliance	0.26	1.35
9	Education	-0.47	6.12
10	Telecommunication	-0.03	-0.76
11	Other	0.47	2.07

Source: GSO, BSC Research

## Foreign Direct Investment (FDI)

- Newly registered FDI in 1H2019 reached US \$ 10.35 billion, down 36.3% compared to the same period last year.

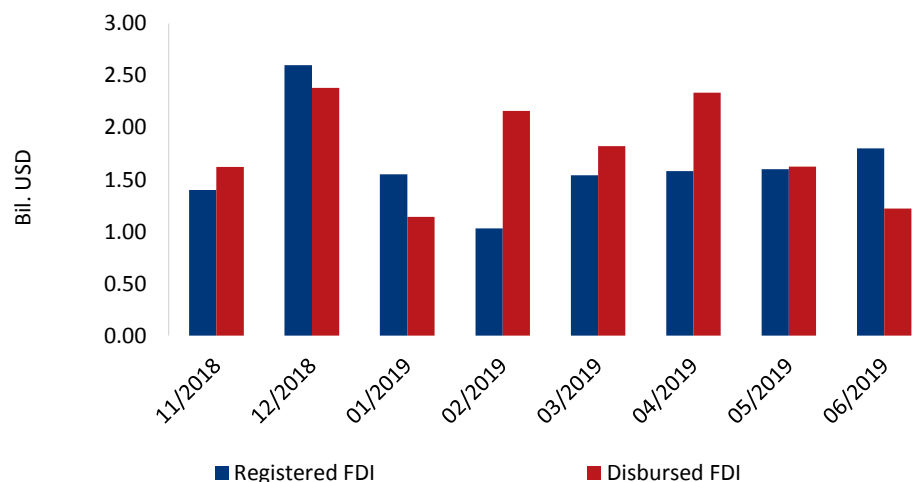
- **Realized FDI capital in 6 months was estimated at 9.1 billion USD, up 8.1% over the same period in 2018.**
- **In the second quarter of 2019, processing and manufacturing industry was the focal point to attract FDI inflows.**

Total newly registered FDI and increased until the end of June 20, 2019 of 1,723 projects (+ 26.1% YoY), reaching 7.41 billion USD (-37.2% yoy), plus 2.94 million USD of registered capital of 628 projects licensed in previous years. Thus, total newly registered and added FDI capital reached USD 10.35 billion (-36.3% YoY). Newly registered FDI and capital increased in the second quarter of 2019, reaching 4.98 billion USD, up by 20.97% QoQ and 10.91% YoY.

**Foreign direct investment in 6M2019 was estimated at USD 9.1 billion (+ 8.1% YoY).** Direct investment in the second quarter of 2019 also reached 5.18 billion USD, increased by 1.17% QoQ and 32.41% YoY.

*Since the beginning of the year, the tension of the US-China trade war has helped FDI inflows into Vietnam to grow quite positively and steadily in the months. However, it is worth noting that in 6M2019, Vietnam has not had a large investment project of billion USD scale, direct investment sources are still small and medium and mainly come from Eastern countries like China, Korea and Japan. This phenomenon shows that the technical production infrastructure in Vietnam has not met the necessary standards to meet the production process of high-tech products from the US or EU. Direct investment in 2019 is likely to grow only slightly or equal to 2018 depending on the results of the US-China trade negotiations.*

Chart 5  
**FDI (USD Bil)**



Source: GSO, BSC Research

In the first 6 months of this year, the processing and manufacturing industry attracted the largest foreign direct investment with the registered capital of newly licensed projects reaching 5.44 billion USD, accounting for 73.4% of the



total new registered capital; real estate reached 0.8 billion USD, accounting for 10.8%; the remaining sectors reached 1.16 billion USD, accounting for 15.8%.

If including additional registered capital of projects licensed in previous years, foreign direct investment in processing and manufacturing industries in 6 months reached 8.06 billion USD, accounting for 77.9% of total registered capital; real estate business reached 0.6 billion USD, accounting for 6.5%; the remaining sectors reached 1.61 billion USD, accounting for 15.6%. For the form of capital contribution, buying shares of foreign investors, investment capital in processing and manufacturing industry reached 5.09 billion USD, accounting for 62.7% of the total value of capital contribution; Wholesale and retail; repair of automobiles, motorcycles, motorbikes and other motor vehicles reaching USD 0.73 billion, accounting for 8.9%; the remaining sectors reached USD 2.3 billion, accounting for 28.4%.

Top 3 areas to attract FDI in the country: Binh Duong (USD 623.2 million - 8.4%), Tay Ninh (USD 599.4 million - 8.1%), Ho Chi Minh City (USD 528.8 million - 7.1%).

In the second quarter of 2019, China was the largest direct investor in Vietnam with an investment of 1.67 billion USD, accounting for 22.6% of the total newly registered capital; followed by South Korea with 1.23 billion USD, accounting for 16.7% and Japan with 0.97 billion USD, accounting for 13.1%.

## Trade balance, Import and Export

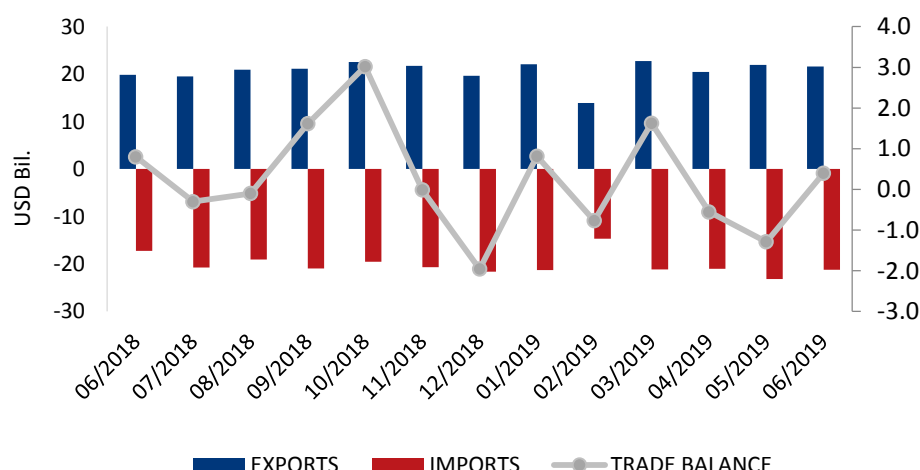
- **Trade balance in June estimated an export surplus of USD 400 million. From the beginning of the year to June 2019, trade deficit is 34 million USD.**
- **In 6M2019, total import and export turnover was estimated at 245.48 billion USD (+ 9.7% YoY). The key point of growth in both exports and imports still revolves around products benefiting from trade war: Phone components; Textile; Computer electronics; Fabric; and Machinery.**

Export turnover in June is estimated at 21.6 billion USD, down 1.4% MoM and up 8.5% YoY. In which, the domestic economic sector gained 6.66 billion USD, increased by 1.4% MoM and increased by 10.2% YoY; foreign invested sector reached 14.94 billion USD, increased by 8.5% MoM and increased by 7.8% YoY.

Import turnover in June is about 21.2 billion USD, down by 8.6% MoM and 10% YoY. In which, the domestic economic sector gained 9.1 billion USD, down by 10.3% MoM and increased by 13% YoY. Foreign invested sector reached 12.1 billion USD, decreased by 7.3% MoM, and increased by 7.8% YoY.



Chart 6  
Import and Export (Bil USD)



Source: GSO, BSC Research

In 6M2019, export turnover is estimated at USD 122.72 billion, up 7.3% YoY, of which the domestic economic sector reaches USD 36.82 billion, up 10.8% yoy; foreign invested sector (including crude oil) reached 85.90 billion USD, up 5.9% yoy. From the beginning of the year to June 15, the phone and spare parts continued to maintain the leading position in exports and reached 22.01 billion USD, up by 20.1% YoY. Textile and garment are still in the second position with 13.97 billion USD and 13.2% YoY. Electronics, computers ranked immediately after increasing 10.8% YoY and reached 13.59 billion USD.

Regarding the export goods market in the first 6 months of this year, the US is Vietnam's largest export market with a turnover of 27.5 billion USD (+ 27.4% YoY). Next is EU with 20.6 billion USD (-0.4% YoY); China reached 16.8 billion USD (+ 1% YoY).

Table 2  
Top 10 export goods

No	Exported Good	Turnover (Bil USD)	%YoY
1	Mobile phone	21.43	3.4%
2	Electronics	13.97	13.2%
3	Textile	13.59	10.8%
4	Other machines	7.94	13.8%
5	Shoes	7.50	7.4%
6	Vehicles	4.41	17.6%
7	Crude Oil	3.91	4.8%
8	Woods	3.52	-1.4%
9	Aquaculture	2.00	5.8%
10	Steel	1.96	4.8%

Source: GSO, BSC Research

Table 3  
Top 10 imported goods

No	Imported Goods	Turnover (Bil USD)	%YoY
1	Electronics	22.01	20.1%
2	Machine	16.22	13.9%
3	Fabric	6.02	5.2%
4	Mobile phone	5.28	-4.3%
5	Steel	4.45	-1.5%
6	Plastic	4.03	1.3%
7	Automobile	2.90	-9.7%
8	Plastic Products	2.81	8.9%
9	Other metals	2.71	4.6%
10	Textile Materials	2.54	-39.7%

Source: GSO, BSC Research

In 6M2019, import turnover is estimated at USD 122.76 billion, up 10.5% YoY, of which the domestic economic sector reaches USD 52.54 billion, up 14.4% YoY; foreign invested sector reached 70.22 billion USD, up 7.8% YoY. From the beginning of the year to June 15, electronics and computers accounted for the largest proportion reaching 22.01 billion (+ 20.1% YoY). Machinery and equipment were in second place when reaching 16.22 billion USD (+ 13.9%). Fabric ranked third with 6.02 billion USD and increased by 5.2% YoY.

Regarding the import market in the first 6 months, China is still the largest import market of Vietnam with a turnover of USD 36.8 billion (+ 21.8% YoY). Next is Korea with USD 22.9 billion, up 1.1% YoY; and ASEAN reached 16.3 billion USD, up 6.4% YoY.

## Forex market

- **USD/VND exchange rate maintained a sideways trend from the beginning of the year to the end of the first quarter, increased strongly in the following two months and reversed in June. Exchange rate fluctuations are mainly affected by information about the US-China trade negotiations and FED activities.**
- **The State Bank continues to improve the transaction level of the central exchange rate when the process of negotiating the US trade - China has not been finalized. This policy is still consistent with an estimate of 2% increase of the SBV from the beginning of 2019.**

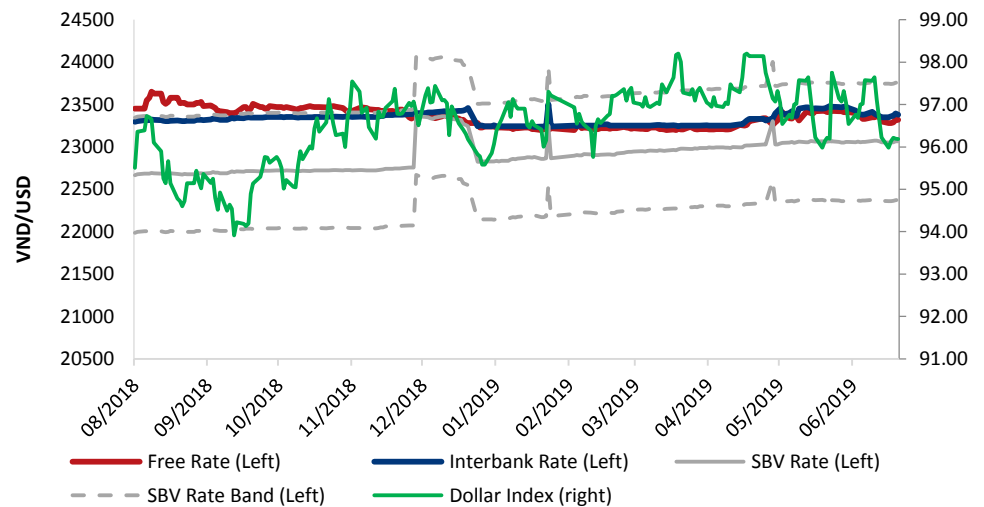
**The central exchange rate in June fluctuated from 23,050 - 23,075 VND/USD,** increasing from the range of 23,028 - 23,069 VND/USD in May. The average monthly rate is 23,060 VND/USD. On June 28, the exchange rate is trading at 23,066, up + 1.1% YTD and + 1.8% YoY.

**The interbank exchange rate in June fluctuated between 23,350 - 23,475 VND/USD,** down from the range of 23,310 - 23,480 VND/USD in May. The average monthly rate is 23,404 VND/USD. On June 28, the exchange rate is trading at VND 23,380, up + 0.6% YTD and + 0.3% YoY.

**The free exchange rate in June fluctuated between 23,280 - 23,420 VND/USD,** lower than the range of 23,260 - 23,425 VND/USD in May. The average free exchange rate in the month is 23,355 VND/USD. On June 28, the exchange rate is trading at 23,425, up + 0.6% YTD and + 1.5% YoY.

**The Dollar Index price at 28/6/2019 decreased by -1% compared to the end of May, and increased by 1.8% compared to the same period last year.** In June, the index fluctuated around 96-97.6 with the average of 96.8. Currently, this index is trading at 96.18.

Chart 7  
Exchange rate movements



Source: Bloomberg, BSC Research

After a sideways trend in the first quarter when there was no new information about trade war, President Trump's tax increase to 25% on \$250 billion of goods and threatening to impose additional tariffs on \$300 billion of goods made USD/VND exchange rate increase sharply and reached a peak in May. However, the information of postponing and the FED's consideration to cut interest rates caused this exchange to cool down and reverse in June. Therefore, DXY index fluctuated quite strongly during this period due to the intertwined between information about US trade war and FED's actions. From an overview, the dollar is cooling down in the world thanks to positive signals from US-China trade negotiations and FED's policy decision in June.

## Bank - Interest rate

- Credit growth as of June 18, 2019 reached 6.09% (2018 was 7.76%).
- Interbank interest rates at all terms in June fell sharply in the first 3 weeks but rose again in the last week.
- Deposit and lending rates are relatively stable.

As of June 18, 2019, the total means of payment increased by 6.05% compared to the end of 2018 (the same period in 2018 increased by 8.03%); capital mobilization of credit institutions increased by 6.09% (the same period in 2018 increased by 7.76%); Credit growth of the economy reached 6.22% (same period in 2018 increased by 6.1%).

Currently, the VND deposit interest rate is popular at the following levels:

- 0.5% -1%/year for demand deposits and maturities of less than 1 month;
- 4.5% -5.5%/year for term deposits from 1 month to less than 6 months;
- 5.5% -6.5%/year for term deposits from 6 months to less than 12

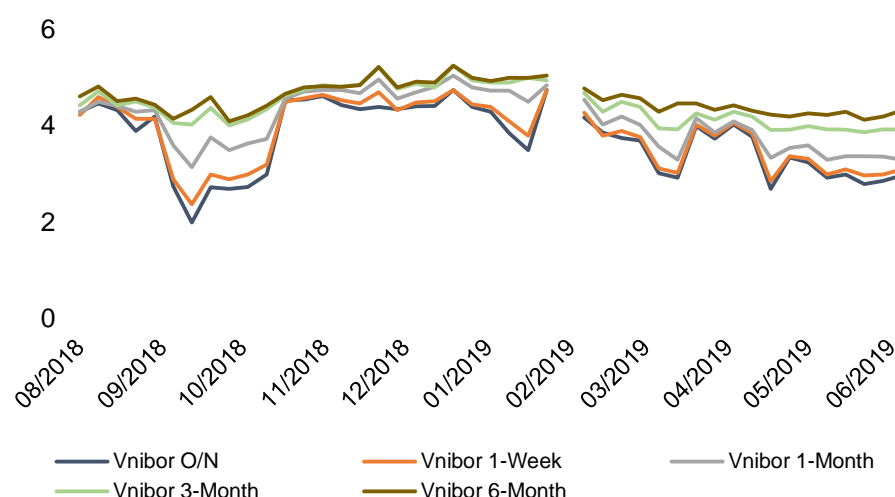
months;

- Over 12-month term at 6.6% -7.3%/ year.

**Deposit and lending interest rates are basically stable**, short-term lending rates are popular at 6-9%/year; 9-11% for medium and long term. For customers with a healthy financial situation, high creditworthiness, short-term lending rates are 4-5%/year. Credit structure continues to focus on production and business sectors, priority areas under the direction of the Government, and credit for the field with potential risks is enhanced to control.

Chart 8

### Interbank interest rates



Source: Bloomberg, BSC Research

Currently, interest rates at all terms have increased again in the last 2 weeks of June. Interest rates for overnight, 1 week, 1 month, 3 month and 6 month terms are trading at 3.87%, 3.97%, 4.05%, 4.18% and 4.41% respectively.

In June, the SBV net injected VND14,349 billion in the first week, net injected VND5,671 billion in the second week, net withdrew VND3,179 billion in the third week and net withdrew VND43,020 billion in the last week. System liquidity is still in a stable state, but is creating strong pressure on interbank interest rates at all terms.

From the beginning of the year, interbank interest rates at all terms were adjusted up sharply at the time of Lunar New Year when the demand for payment and payment in the system increased, then adjusted down. The upward trend started in the last week of March when the interbank interest rate increased again to 4% but immediately adjusted down and moved sideways in April and May. Interest rates began to rise again in the last week of June when the State Bank strongly withdraws money from the banking system.

## Macro Forecast for 3<sup>rd</sup> Quarter of 2019

**On an international scale, macroeconomic in the third quarter of 2019 of Vietnam may be affected by some of the following impacts:**

**1. Trade war.** On June 28, President Trump and Chinese President Xi Jinping agreed to continue trade negotiations. The United States will allow Huawei Technologies to buy high-tech equipment from the country. The United States also agreed to postpone the taxation of 300 billion dollars of Chinese goods. In response, China will start buying large quantities of US agricultural products. On Friday (June 28), China bought 544,000 tons of soybeans, according to the US Department of Agriculture to express friendly attitude in the upcoming talks. On the US side, while Mr. Trump's trade negotiators said they are focusing on structural changes in China, such as ending pressure on US companies to deliver publicity. Technology for Chinese competitors, President Trump often emphasizes export growth. The president believes in rural America as a solid support base for the US economy. At present, agreements on the key issues of trade war such as technology transfer and intellectual property rights have not yet been agreed, while the agreements in the treaty only refer to the types of export goods. imports of the United States - China. Thus, the next stage of the trade negotiations will still need to be monitored when important issues are still in the process of discussion.

**2. Chaotic Brexit?** The prospect of Boris Johnson becoming the UK's next prime minister is fueling the campaign to stop Brexit, with anti-Brexit campaigners reporting a significant increase in contributions since he began his election campaign. This candidate was favored by Brexit supporters who promised to remove the UK from the EU under the "Do or die" slogan on October 31, and refused to rule out parliamentary closure in order to force parliament to approve Brexit, when he is attracting overwhelming votes from Brexit conservative supporters. However, anti-Brexit activists say Johnson's tough rhetoric energizes potential supporters from both inside and outside the House of Commons that are gathering under the banner of Brexit cancellation. Brexit situation is very definition of chaos without any united policies on the Brexit deal. July 23-24 will be the day of power transfer of former Prime Minister Theresa May to the new prime minister from this election.

**3. FED and EU signaled to cut interest rates in their respective June meeting.** Both will have two meetings in the third quarter of 2019. On the US side, FED said it might cut interest rates at the July session if US economy data show signs of weakening. The quantitative tightening program (QT) will also be stopped by FED in September 2019. The Fed is operating in a cautious state and will take appropriate measures according to the changes in the US economic situation this year. In addition, the ECB has announced that cutting interest rates further and measures to prevent any "side effects" of the policy are still among the ECB's tools. In the absence of improvements to help inflation reach the 2% target set by the ECB, the central bank will need to take additional stimulus measures, such as restarting the program "easing quantitative" with a total value

up to 2,600 billion euros (USD 2,900 billion) in the period 2015 - 2018. In general, the signal to cut interest rates in both central banks of the world's leading economies shows poor signs of economic outlook when banking systems still have to continue injecting in order to maintain economic growth. The two banks agreed to continue to observe the latest economic data and the situation of US trade negotiations with economies around the world.

**4. OPEC meeting (01-02/07):** The meeting of OPEC in Vienna will take place just a few days after the harsh meeting of the G20. The reconciliation signal from President Donald Trump will have a significant impact on the world oil demand. And the oil supply is certainly under the control of the United States leader when the Middle East geopolitical tensions are out of OPEC control. His sanctions against Iran and Venezuela have swept more oil on the global market than the cuts taken by OPEC and partners. Meanwhile, US shale producers are gaining more and more market share when OPEC members maintain their cut policies. The International Energy Agency said OPEC's efforts to control the world's oil supply are being destroyed by the US shale boom. According to the CME Group, there is a 62.7% chance of OPEC reducing oil production deeply, this may help oil gain more profit. However, 36.8% believe that the current rate cut will be extended until the next session. The movement of oil prices will have a big impact on Vietnam's CPI when the CPI in the second quarter is reduced thanks to low oil prices compared to last year.

**For the domestic policies, the focal points in the third quarter include the following issues:**

**1. Signing of EU-EVFTA free trade agreement.** After 9 years of negotiations, the EVFTA agreement was signed on June 30, 2019. This agreement will immediately remove 85.6% of tariff lines, equivalent to 70.3% of the turnover of Vietnamese goods exported to the EU, this will be an opportunity to increase the competitiveness of Vietnamese goods in the market. The increase in commercial transactions between the two parties will contribute to boosting economic growth and the diversity of goods on offer on both sides of the market. At present, it is expected that the roadmap to remove tariffs for most sectors still takes a long time, except for some key sectors with large proportions such as seafood and textiles. Investment cash flow will flow into this sector on the stock market. According to a study by the Ministry of Planning and Investment, EVFTA will help Vietnam's export turnover to the EU increase by about 20% by 2020; 42.7% in 2025 and 44.37% in 2030 compared to no agreement. At the same time, imports from the EU also increased, specifically about 15.28% by 2020; 33.06% in 2025 and 36.7% in 2030. In terms of macro, EVFTA contributes to increase Vietnam's GDP by an average of 2.18-3.25% (2019-2023); from 4.57-5.30% (year 2024-2028) and 7.07-7.72% (year 2029-2033).

**2. Adjust the pension, social insurance and monthly allowance.** From July 1, 2019, adjustment to increase by 7.19% on pension, social insurance and monthly allowance of June 2019 for 08 target groups according to Decree 44/2019/ND-CP May 20, 2019, for example:

- Commune, ward and township officials specified in Decree No. 92/2009/ND-CP, Decree 121/2003/ND-CP and Decree 09/1998/ND-CP are receiving pensions and monthly allowances .
- Commune, ward and township officials are receiving monthly allowance according to Decision 130/CP dated June 20, 1975 and Decision 111-HDBT on October 13, 1981.
- People who are receiving monthly labor accident or occupational disease allowance.

Decree 44/2019/ND-CP takes effect from July 1, 2019. All issues such as changing the trading band, short selling and opening new types of securities products and services will affects quite strongly the stock market.

**3. From July 1, 2019, the basic salary is VND 1,490,000/month.** According to Decree 38/2019/ND-CP on the basic salary of cadres, civil servants, officials and armed forces, effective from July 1, 2019, the new base salary is VND 1,490,000/month. Currently, in Decree 72/2018/ND-CP, the basic salary is VND 1,390,000/month, thus, the new base salary increases by VND 100,000/month compared to the current regulations. The basic salary is used as a basis for:

- Calculating salary levels in payrolls, allowance levels and implementing other regulations according to law provisions for subjects defined in Article 2 of Decree 38;
- Calculating the fee level, cost of living according to the provisions of law;
- Calculating deductions and regulations entitled to the base salary. Regulations on internal audit for state agencies.

Table 4  
Monthly macro indicators

Indicator/Month	2018M11	2018M12	2019M01	2019M02	2019M03	2019M04	2019M05	2019M06
PMI	56.5	53.9	51.9	51.2	51.9	52.5	52	52.5
IIP yoy (%)	9.6	11.4	7.9	10.3	9.1	9.3	10	9.6
IIP ytd yoy (%)	10.1	10.2	7.9	9.2	9.2	9.2	9.4	9.1
Retail Sales yoy (%)	12.2	11.4	12.2	11.5	12.1	12.0	11.4	11.5
Retail Sales ytd yoy (%)	11.5	11.3	12.2	12.2	12	11.9	11.6	11.5
CPI mom (%)	-0.29	-0.25	0.10	0.8	-0.21	0.3	0.59	-0.09
CPI yoy (%)	3.59	2.98	2.56	2.64	2.7	2.93	2.88	2.13
Registered FDI (Bil. USD)	23.19	25.58	1.14	3.30	5.12	7.45	9.09	10.37
Disbursed FDI (Bil. USD)	16.5	19.1	1.55	2.58	4.12	5.70	7.30	9.10
Export (Bil. USD)	21.6	19.6	22.0	13.9	22.4	20.4	21.5	22.4
Import (Bil. USD)	22.0	20.4	21.2	14.7	21.8	20.9	22.8	21.8
Trade Balance (Bil. USD)	-0.4	-0.8	0.8	-0.8	0.6	-0.5	-1.3	0.6
Exchange rate (VND/USD)	23,363	23,351	23,243	23,252	23,245	23,261	23,420	23,404
Credit growth (%)	-	14	-	-	2.28	-	-	6.09

Source: BSC Research



Table 5  
Quarterly macro indicators

Indicators/Quarter	Q2/2017	Q3/2017	Q4/2017	Q1/2018	Q2/2018	Q3/2018	Q4/2018	Q1/2019	Q2/2019
GDP yoy (%)	6.28	7.46	7.65	7.38	6.73	6.88	7.31	6.79	6.71
IIP yoy (%)	8.2	9.7	14.4	11.6	12.3	10.7	9.4	9.2	9.2
Retail Sales yoy (%)	11.6	11.6	10.9	9.9	10.7	12.5	12.9	12	11.1
CPI yoy (%)	2.54	2.54	2.73	2.66	3.23	3.57	3.44	2.63	2.65
Registered FDI (Bil. USD)	4.98	4.98	5.00	3.91	12.3	3.4	5.68	5.12	5.18
Disbursed FDI (Bil. USD)	4.1	4.1	8.4	3.88	4.5	4.9	5.18	4.12	4.98
Export (Bil. USD)	53.2	56.4	58.8	55.8	58.2	64.3	63.9	58.7	63.9
Import (Bil. USD)	53.7	54.2	56.9	52.9	57.0	62.0	62.9	57.0	65.3
Balance of Trade (Bil. USD)	-0.5	2.2	1.9	2.8	1.2	2.3	1.0	1.7	-1.4
Exchange rate (VND/USD)	22,680	22,743	23,720	22,820	22,967	23,260	23,351	23,245	23,404
Credit growth (%)	7.54	7.54	18	3.5	6.35	9.52	14	2.28	6.09

Source: BSC Research

# Stock Market in the 2<sup>nd</sup> Quarter of 2019

## Market Outlook

**In the first 6 months of 2019, the market indexes increased slightly due to the sentiment of domestic and international investors putting positive expectations on the development of China-US trade negotiations, world oil prices positively rebound after a strong decline at the end of 2018.** In the first 4M2019, domestic and world market sentiment remained at a positive level when investors expected positively on the China-US trade negotiation process and oil price recovered strongly after OPEC + continued to implement the decision to reduce oil production and strongly supported the recovery of the market with the peak of VN-Index reaching 1011.86 in mid-March. After a failed Sino-US trade agreement meeting, the United States raised the tax rate from 10% to 25% for 200 billion USD of imports from China on May 10. In addition, the Chinese government responded with a 25% increase in tariffs on US \$ 60 billion of US exports. Stress continues to escalate as the United States considers imposing an additional of USD 300 billion Chinese goods and the placement of Huawei in the blacklist makes the world market decreased sharply in May and June. **In June, the index corrected slightly as investor sentiment awaited signals of Fed interest rate lowering policy in 2019, US-Iran tensions with the risk of Gulf war and information about the China-US trade situation before the G20 conference took place on June 28-29 in Japan.** As of June 28<sup>th</sup> 2019, VN-Index officially decreased 9.94 points compared to the end of last month (-1.04% MoM), (+ 6.43% YtD) and HNX-Index fell 0.84 points (-0.8% MoM), (-0.69% YtD).

**Liquidity declined compared to May, cash flow focused on small capitalization group.** In June, the HSX had 163 increased stocks, 204 decreased stocks and 10 unchanged stocks, 5 stocks supporting VN-Index including VCB increased 4.91% (contributed 3.66 points), SAB increased 3% (contributed 1.53 points), VIC increased 0.96% (contributed 1.09 points), MWG increased 7.78% (contributed 0.88 points), BVH increased 5.21% (contributed 0.83 points). Stocks that made VN-Index dropping the most were GAS -6.52% (down -3.86 points), VHM -3.29% (-2.7 points decrease), VNM -3.9% (down -2.59 points), TCB decreased -9.69% (-2.34 points decrease) and PLX -5.71% decrease (-1.38 points reduction). In June, 3 out of 18 sectors experienced the strongest growth, the Retail sector.

**The average liquidity in the first 6 months fell sharply compared to 2018, the cash flow focused on small and medium capitalization stocks as well as stocks in the market.** In the first half of 2019, the HSX had 204 stocks up, 177 stocks declined and 0 unchanged stocks, 5 stocks supporting VN-Index including VIC increased by 21.41% (contributed 19.92 points), VCB increased by 31.78% (contributed 19.09 points), GAS increased by 14.83% (contributed 7.7 points), VHM increased by 8.04% (contributed 6.26 points), VRE

increased by 24.73% (contributed 4.96 points). Stocks that led VN-Index down the most include TCB down -21.28% (down -5.79 points), BID fell -7.85% (down -2.81 points), BVH fell -9.21% (down -1.78 points), ROS decreased -23% (-1.54 points decrease) and YEG -68.72% decrease (-1.53 points reduction). In 6 months, 11/18 sectors had the strongest growth rate, especially in Information Technology.

Table 6

Fluctuation in the last 6 months on HOSE

Month	Index	Volumn (Bil shares)	Capitalization(VND Trillion)
6	949.94	2.2	3,199.25
5	959.88	2.4	3,207.75
4	979.64	3.63	3,211.00
3	980.76	2.52	3,161.18
2	965.47	2.32	2,979.23
1	910.65	2.70	2,875.55

Source: HSX, Bloomberg, BSC Research

Table 7

Fluctuation in the last 6 months on HNX

Month	Index	Volumn (Bil shares)	Capitalization(VND Trillion)
6	103.51	0.4	183.14
5	104.35	0.7	184.58
4	107.46	0.57	203.10
3	107.44	0.91	200.43
2	105.86	0.54	196.89
1	102.88	0.58	189.74

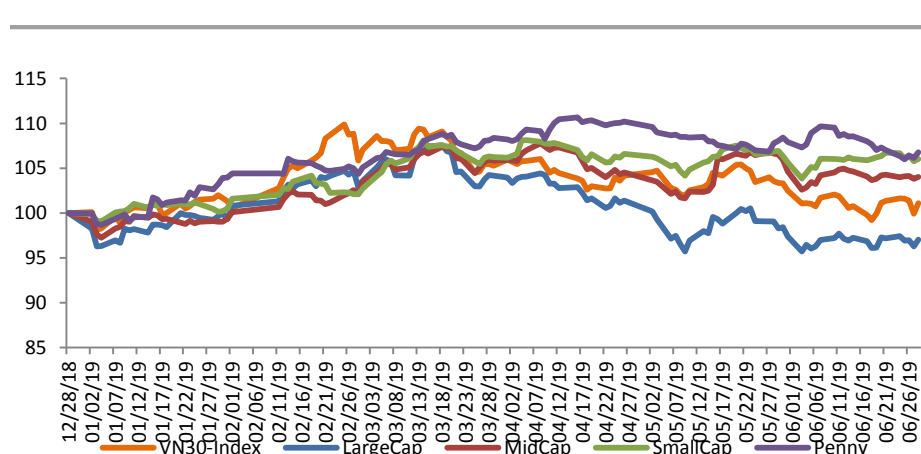
Source: HNX, Bloomberg, BSC Research

## Stock groups performances

**Market capitalization stocks sectors had mixed directions.** In the first 6 months of 2019, SmallCap and Penny sectors are outstanding groups with an increase of 6% and 6.77% respectively. VN30 and MidCap also saw positive gains of 1.08% and 4.02% respectively. LargeCap is the only group with negative performance of -2.96%. The expectation on the possibility of trade signing in March 2019 has pushed the cash flow back to all the outstanding stocks in VN30.

Chart 9

Stock group performances

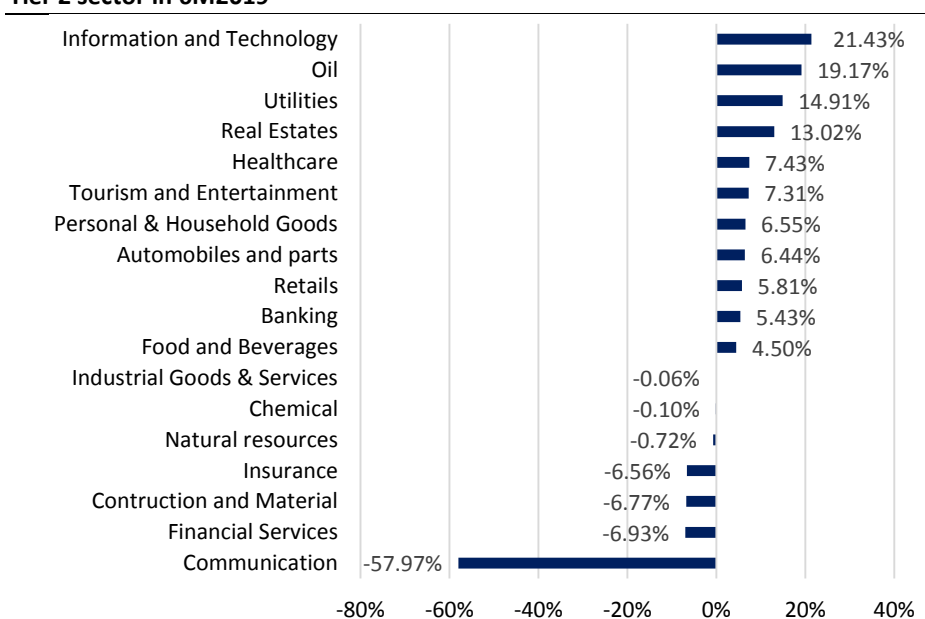


Source: Bloomberg, BSC Research

However, market sentiment turned into a cautious state as trade conflicts continued to escalate as the two powers continued to increase their tax rates when trade negotiations ended without an agreement being passed. LargeCap group maintained negative performance from the end of April while MidCap, SmallCap and Penny continued to attract cash flow. In June, SmallCap was the only group that maintained positive performance with 0.36% in the other groups with negative performance levels like VN30 - 1.38%, LargeCap -0.34%, MidCap -0.58% and Penny -1.05%. Market sentiment is dominated by big developments such as the possibility of lowering interest rates from the Fed, US-Iranian tensions, G20 meeting and meeting on the sidelines of the conference on trade issues between two Chinese heads of state. - The United States and Vietnam officially signed EVFTA.

In the first 6 months of 2019, the market had 11/18 sectors gaining points. In which, IT group gained the most with a result of 21.43% due to the contribution of VJC and HOT shares with 7.42% and 14.25% respectively. The communication sector had the strongest decrease with the a result of -57.97%. In June, the market had 3 out of 18 increasing sectors. In which, Retail group saw the strongest increase with 6.29% due to the contribution of VJC and HOT shares with 7.42% and 14.25% respectively. The communication sector is the group with the strongest decrease with the percentage of -14.77%.

Chart 10  
Tier 2 sector in 6M2019



Source: Fiinpro, BSC Research

## Capitalization scale

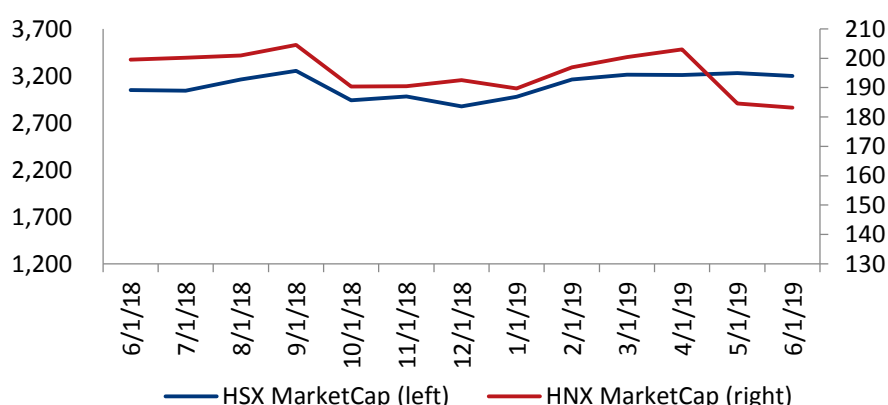
Market capitalization on both HSX and HNX reached VND 3,382.39 trillion, equivalent to USD 145.16 billion, down 0.91% MoM, + 10.25% YtD. Upcom floor fell slightly to 1006.79 trillion in late June up 8.01% Mom, +7.87 YtD. In June, on HOSE, there were 911.57 million additional listed shares; 60.3

million additional listed ETFs; 0.9 million ETF canceled listing; 80.7 million first listed bonds and 25 million delisted bonds. In the first 6 months of 2019, on HOSE, there were 1.67 billion additional listed shares; 2.36 billion shares listed for the first time; 0.66 billion delisting shares; 0.17 billion additional listed ETF; 0.009 billion ETF cancel listing; 110.7 million first-listed bonds and 60 million delisted bonds.

**Regarding the scale listed on HOSE on June 28**, the floor is listing VND 81.89 billion shares, equivalent to VND 818.95 trillion (94.62% of the market value), VND 412.22 million of bonds equivalent to VND 41.22 trillion (4.76% market value), VND 472.4 million ETF certificates equivalent to VND 4.72 trillion (0.55% of the market).

Chart 11

### Capitalization scale

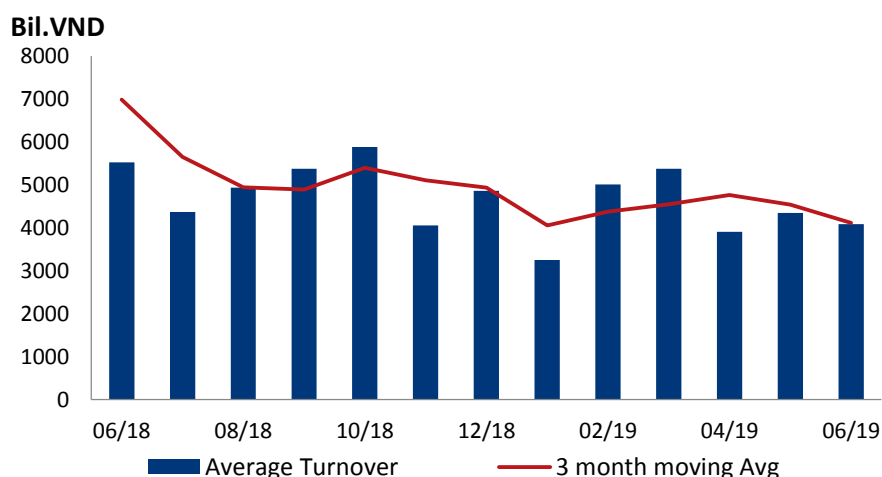


Source: Bloomberg, BSC Research

## Average market liquidity

**The average liquidity on 2 exchanges decreased by 5.88% compared to May 2019, and decreased to VND 4,087 billion/session and equivalent to nearly USD 175.39 million/session.** In the first 6 months of 2019, the average liquidity on both exchanges reached VND 4,327 billion/ session, down 31.89% compared to the average of 2018. In June, cash flow focused on small-cap stocks. Sentiment awaits developments from major events such as the G20, the view is willing to lower Fed's 2019 interest rates and global trade tension, especially the China-US trade conflict. In the first 6 months of 2019, domestic and regional investor sentiment continued to be strongly affected by the widespread escalation of trade conflicts, volatility of oil prices with the risk of Gulf military conflict with concerns about the possibility of global economic recession and large organizations' forecasts about the slowdown in global economic growth and economic losses caused by trade conflicts.

Chart 12  
Average market liquidity

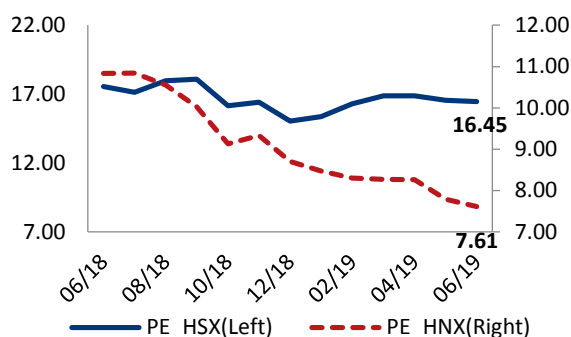


Source: Bloomberg, BSC Research

## Price level of Vietnam stock market

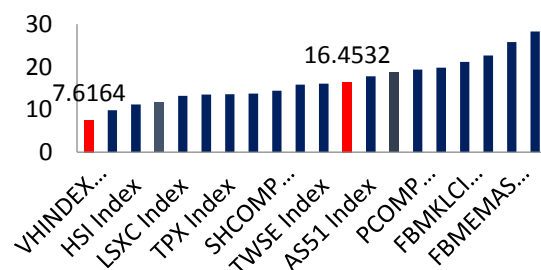
**P/E of VN-Index dropped to 16.45, equivalent to -0.64% MoM, + 9.46% YtD and HNX-Index fell to 7.62, equivalent to -2.24% MoM, -12.54% YtD.** The P/E of the HSX dropped slightly and was the third consecutive month of decline, HNX also had a slight decrease and was the 7th month in a row. Compared to May 2019, the P/E of VN-Index maintained its 9th position and the HNX-Index continued to hold the 20th position in Asia.

Chart 13  
P/E indicator performances on bothExchanges



Source: Bloomberg, BSC Research

Chart 14  
Vietnam's P/E indicator compared to othercountries in the region



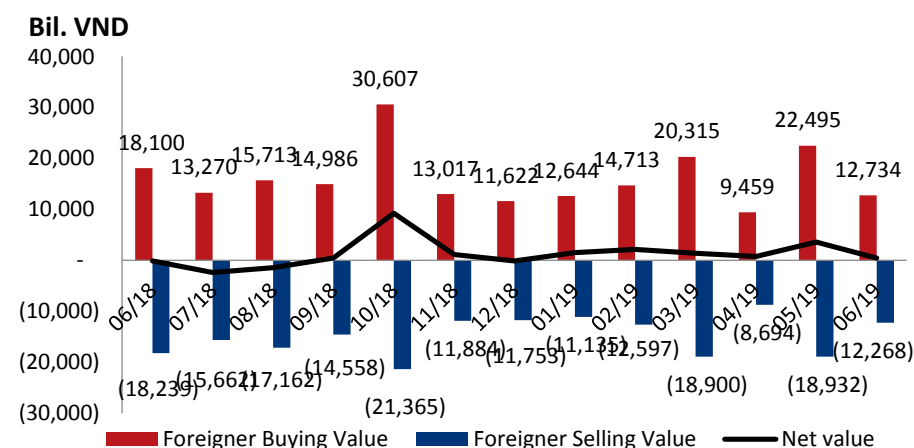
Source: Bloomberg, BSC Research

## Foreigner trade

**In June, foreign investors net bought lightly on HSX and net sold on HNX.** Upcom in May continued net buying of VND 243.71 billion, they focused on net selling of VND 24.71 billion BSR and VND 8.76 billion HND while buying VND 60.8 billion ACV and VND 52 billion TBD.

Chart 15

## Foreigner transaction performances on both Exchanges



Source: BSC Research

In June, foreign investors bought a net on the HSX of VND 484 billion with 168 stocks net bought and 153 stocks net sold, net selling of VND 18 billion on HNX with 83 shares sold and 93 stocks were bought. On the HSX, foreign investors strongly bought E1VFN30 (VND 795.72 billion), BVH (VND 250.89 billion), VIC (VND 211.23 billion), VJC (VND 181.94 billion), VRE (VND 147.6 billion) and sold SBT (VND -515.17 billion), VNM (VND -335.02 billion), VHM (VND -331.26 billion). On Upcom, this group focused on buying MPC (VND 496.75 billion), VTP (VND 354.71 billion) and selling IDC (VND -628.72 billion), BSR (VND -162.91 billion).

Table 8

### Top 10 foreign traded stocks on HSX in 3/2019

Ticker	Net value (VND bil)	Ticker	Net value (VND bil)
CTG	475.97	VNM	(732.08)
VCB	453.20	VJC	(491.06)
PLX	341.05	NBB	(333.64)
MSN	282.01	DHG	(230.98)
BWE	227.89	HBC	(185.94)
HPG	194.95	POW	(165.60)
CII	135.80	YEG	(159.82)
CTD	132.06	VHM	(88.25)
TDM	129.20	SBT	(86.33)
GAS	129.11	VHC	(53.61)

Source: BSC Research

Table 9

### Top 10 foreign traded stocks on HNX in 3/2019

Ticker	Net value (VND bil)	Ticker	Net value (VND bil)
CDN	396.90	SHS	(22.44)
PVS	111.37	VGC	(19.57)
SHB	42.29	TNG	(15.42)
CEO	6.58	VCG	(8.62)
DGC	5.14	BCC	(8.16)
ART	3.77	NTP	(8.16)
AMV	3.52	VGS	(6.45)
MAS	1.97	SDU	(6.42)
HHP	1.52	ECI	(6.11)
IDV	1.32	DBC	(4.78)

Source: BSC Research

In 6 months of 2019, foreign investors net bought on the HSX with VND 10,143 billion with 183 stocks net buying and 191 shares net selling, net selling of VND 310 billion on HNX with 172 shares sold and 114 stocks being bought. On the HSX, foreign investors bought VIC (VND 5616.64 billion), MSN



(VND 2701.21 billion), E1VFN30 (VND 2402.66 billion), VCB (VND 1474.61 billion), VRE (VND 669.44 billion) and sold VJC codes ( VND -2168.30 billion), VGC (VND -1097.87 billion), VHM (VND -1064.98 billion). On the HNX, this group focused on buying CDN (401.1 billion), PVS (VND 394.84 billion) and selling SHS (VND -80.84 billion), NTP (VND -61.44 billion).

Table 10

**Top 10 foreign traded stocks on HSX in first 6 months 2019**

Ticker	Net value (VND Bil)	Ticker	Net value (VND Bil)
<b>VIC</b>	5,616.64	<b>VJC</b>	(2,168.30)
<b>MSN</b>	2,701.21	<b>VGC</b>	(1,097.87)
<b>E1VFN30</b>	2,402.66	<b>VHM</b>	(1,064.98)
<b>VCB</b>	1,474.61	<b>HDB</b>	(753.25)
<b>VRE</b>	669.44	<b>DHG</b>	(695.79)
<b>PLX</b>	569.13	<b>SBT</b>	(548.41)
<b>MWG</b>	565.88	<b>NBB</b>	(460.44)
<b>GAS</b>	504.51	<b>YEG</b>	(376.99)
<b>BVH</b>	433.63	<b>VNM</b>	(342.59)
<b>GEX</b>	364.00	<b>HBC</b>	(341.51)

Source: BSC Research

Table 11

**Top 10 foreign traded stocks on HNX in first 6 months 2019**

Ticker	Net value (VND Bil)	Ticker	Net value (VND Bil)
<b>CDN</b>	401.10	<b>SHS</b>	(80.84)
<b>PVS</b>	394.84	<b>NTP</b>	(61.44)
<b>PVI</b>	304.96	<b>NDN</b>	(31.01)
<b>NRC</b>	35.09	<b>HUT</b>	(29.95)
<b>SHB</b>	29.87	<b>TNG</b>	(25.32)
<b>DGC</b>	15.31	<b>VCG</b>	(21.43)
<b>TIG</b>	10.49	<b>PVC</b>	(13.12)
<b>PGT</b>	5.56	<b>INN</b>	(13.10)
<b>AMV</b>	5.23	<b>DBC</b>	(10.40)
<b>ART</b>	5.02	<b>THB</b>	(10.19)

Source: BSC Research

## Market outlook for 2<sup>nd</sup> half of 2019

The US-China trade war creates unpredictable fluctuations in international investment markets. From previous optimistic situation, the US trade war - China suddenly came to a standstill with the tax increase from both countries after the negotiations failed to achieve results. The signs of stagnation of global economies and uncertain prospects for ending of trade war have major impact on global financial market in the first 6 months.

In response to the negative outlook, central banks of major economies such as the EU, the US and Japan postpone current policy position and prepare for additional monetary easing options when needed, while China and many countries around the world are using loose monetary policy through liquidity support measures as well as lowering interest rates. The change of orientation of central banks stimulated cash flow in many different markets. Cash flows on one hand disperse into safe-haven assets like precious metals but also choose highly speculative channels like Bitcoin. On the other hand, the prospect of interest rate lowering also attracts cash flow back to the stock market, pushing many indices to rise, especially in the markets of developed countries.

The movement of the global financial market in the last 6 months of the year still revolve around information about the prospects for growth of global economies, the action of central banks of major economies, the US-China trade war and geopolitical tensions. Even though growth of global economies may decrease, investment channels can still grow in the short term thanks to monetary easing policy. Even so, the monetary easing action now increases the risk of capital that has been accumulated and has not been solved completely since the crisis more than 10 years ago.

In the money market, USD Index fell by -1.7% in June after the Fed signal for reduction in interest rates based on economic condition. After having complex fluctuations in most of the second quarter, such information supports the increase of other currencies. In the first 6 months of the year, USD Index remain almost unchanged. Increased currencies including PHP (Philippines) + 3%, THB (Thailand) + 6.5%, RUB (Russia) + 7.5%, but still much. And decreased currencies including TRY (Turkey) -9.5% and ARS (Argentina) -12.3% and PKR (Pakistan) -15.6%.

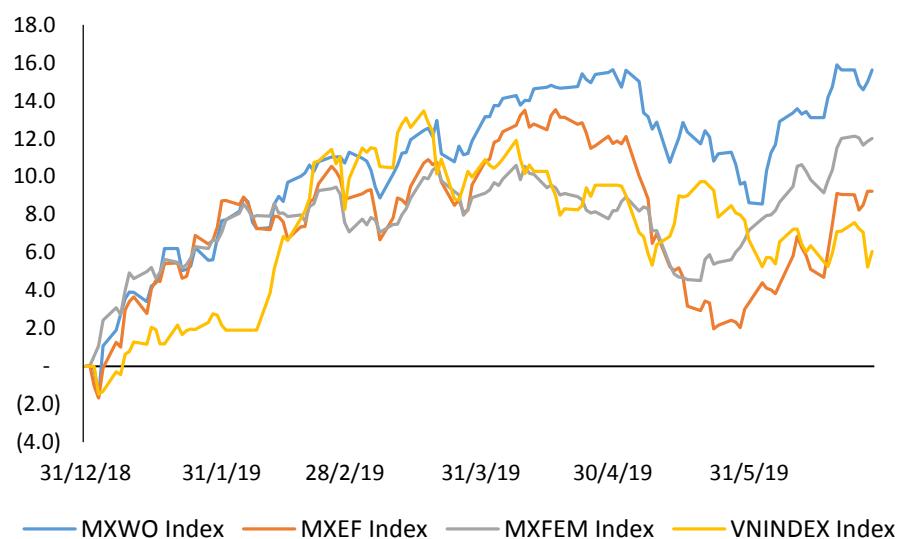
In the commodity market, the BCOM Index in June increased by 2.5. The increase mainly came from precious metals like Gold + 10.4%, Silver 6.1% and oil prices. In the first 6 months, BCOM Index also increased by 3.8%. The products that contributed to growth include Gold + 10.3%, Pork + 18.2%, Oil

+ 28.8%, Iron ore + 78.4% and Natural rubber 63.9% while commodities fell sharply including Cotton -12.5%, Gas natural -21.5%, hot rolled steel -25.7%.

Regarding the stock market, the MSCI index continued to maintain its momentum in June. MSCI for developed region (MXWO), MSCI for emerging region (MXEF) and MSCI for frontier region (MXFM) increased by 7%, 5.9% and 4.9% respectively. In 6 months, the MXWO led the rise with 15.6% compared to the increase of MXEF and MXFM at 5.9% and 4.9% respectively.

Graph 15

**MSCI development, emerging and frontier regions in first six months of 2019 (USD)**



Source: Bloomberg, BSC Research

In the developed region, all major markets recorded a rise in June. German, US and French markets increased by over 17% in the first 6 months of 2019. Japan is the market with the lowest increase of 6%.

In the BRIC countries, most markets increased except for India, which fell by -1.1% in June. In 6 months, the Chinese market led the rise with 19.5% while India increased by 8.5%. In the regional market, the Vietnamese market led the upward momentum away from other countries after the slow movement of January. Malaysia is the only market that lost -2.4%.

Regionally, the Vietnamese market is the only one that declined in June. In 6 months, Thailand increased by 10.6% while Malaysia decreased by -1.1%.

Overall, the markets were highly volatile by the information about US-China trade war however quickly recovered and reached a higher score after that. Expectation for the Fed to reduce interest rates and global trend of reducing interest rates or maintaining monetary policy are key factors that support the market.

Chart 16

**Fluctuations of countries' stock market in the first six months.**

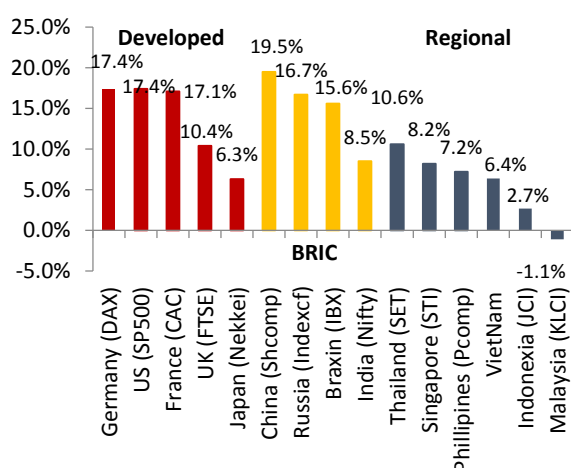


Table 12

**Net buy/sell of foreign investors in the first six months (Mio.USD)**

Nations	June	6 Months
India	232	11,421
Indonesia	775	4,846
Japan	(5,166)	(7,634)
Malaysia	12	(1,152)
Philippines	(139)	407
Korea	288	4,527
Sri Lanka	(5)	(35)
Taiwan	1,091	3,354
Thailand	1,505	1,318
Pakistan	3	48
Vietnam	-14	332

Source: Bloomberg, BSC Research

VN-Index kept the uptrend in the first quarter and fluctuated in 940-980 points in most of the second quarter. If the first quarter of the market has positive movements thanks to the participation of foreign investors, especially ETFs, in the second quarter, foreign investment is no longer the motivation to support the market when the transaction is moving in the opposite direction between purchasing activities by ETFs and restructuring activities by other funds. On the other hand, US trade negotiations - China came to a standstill when the United States and China both increased their tariffs and the US-China war expanded into technology. Unexpected changes from outside have limited cash flow into the market and created tension throughout the second quarter. In June, VN-Index declined but still recorded an increase of 6.4% in the first 6 months of 2019.

In terms of industry, Information Technology, Oil and Utilities led the rise in the first 6 months with an increase of 21.4%, 19.2% and 14.9% respectively. Improved profit that exceeds the market average and oil price movements are motivation for growth of these stocks. On the other hand, Communication, Financial Services and Construction and Materials dropped by -58%, -6.9% and -6.8% respectively. The media sector dropped sharply due to the negative movements of YEG.

Considering the influence of stocks in the first 6M2019, 5 leading stocks had an increase of 57.8 points, accounting for most of the market growth, including VIC (+ 21.4%, increased by 19.9 points), VCB (+ 31.8%, increased by 19 points), GAS (+14.8%, increased by 7.7 points), VHM (+ 8.0%, increased by 6.3 points), and VRE (+ 24.7%, increased by 4.9 points). On the other hand, TCB (-21.3%, decreased by 5.8 points), BID (-7.9%, decreased by 2.8 points), BVH (-9.2%, decreased by 1.8 points), ROS (-23%, decreased 1.5 points) and

YEG (-68.7%, decreased by 1.5 points) account for the loss of the market by 13.4 points.

In the second quarter, we met and updated the business situation of enterprises such as GEX, HT1, HDG, GDW, FPT, LHG, TNG, DRC, VHC, BCC, NLG, MWG, GMD, SCS, MSN, FRT, HSG, VIB, ACB, VSC. We also update the report for sector outlook for the second quarter, which positively evaluates the Non-life-Insurance, Port, Textile, Electrical, Automotive and Consumer sectors, and update the report for rubber industry. Besides, 141 quick reports were also updated at BSC iBroker.

Notable information in the last 6 months of 2019:

***Despite unfavorable global economy context, Vietnam's macro economy in the first 6 months of the year remained stable. The target of 6.6% - 6.9% growth in 2019 is feasible. However, it is necessary to monitor world fluctuations.***

In the context that 70% of global economies showing signs of slower growth, Q2 GDP is estimated to increase by 6.71%, down slightly by 0.02% over the same period, bringing the overall growth rate to 6.76% in the first 6 months, which is higher than the period of 2011 - 2017. The service and industry - construction sector contributed 76.2% of the economic growth, up 0.6% over the same period. Macroeconomic remained stable, and exchange rates, interest rates and inflation are well regulated. The average CPI in the second quarter increased by 2.64% over the same period, the lowest level in the three years period of 2017-2019 while the exchange rate and interest rate fluctuated more slowly than region.

There are some notable information on macroeconomic the first six months. Investment capital increased by 10.3% over the same period, in which the non-state sector increased by 16.4%, while the state sector increased by only 3%. Investment activities therefore have large growth potential, which are supported by budget revenue surplus of VND 48 trillion. However, in the second quarter, FDI has shown signs of slowing as it has decreased by 33.8% and only reached 10.3 billion USD, down 36.3% in 6 months compared to the same period. 6-month import-export turnover reached 122.7 billion USD, up 10.5% over the same period but there was a sign of a decline in June. The processing and manufacturing industries and other export industries experienced difficulties in maintaining high growth momentum in the context of a less favorable global economic situation, which influence export activities and increase trade deficit.

According to regulators, target growth rate is 6.6% - 6.9% in 2019. We believe that the negative impact of trade war is not yet substantial and Vietnam has a room for credit growth and fiscal policy to support economic growth. However, in the volatile and unpredictable international environment, at present, macroeconomic stabilization objective need to be emphasized

instead of trying to achieve the proposed growth targets when unexpected negative factors emerge.

The fact that net profit for the first quarter did not increase and P/E of VN-Index was at regional average and higher than the frontier region average - limiting market attractiveness for the first quarter earnings season, will attract investors in the short term.

1,075 out of 1,653 listed companies on the three stock exchanges announced Q1 results with 1% growth in after-tax profit over the same period. Such result does not meet expectation and has not improved their P/E.

VN-Index PE increased to 16.45 times from 15.8 times at the beginning of the year. This valuation is quite high comparing to the average P/E of 12.18 of MSCI frontier region and is average comparing to regional countries. P/E of VN30, which gathers 30 leading stocks, is only about 13.2%. This valuation is quite reasonable for investment activities (Appendix 2). Yet, many stocks in this basket do not have room for investment, which is an obstacle for foreign investors who want to join the market.

The market is about to enter the second quarter earnings season. This period is important to assess the prospects as well as the ability to complete the yearly business plans of listed companies. On the other hand, in the short term, the second quarter results support the market to be more active and diversified.

***Organizers that provide indexes such as FTSE and MSCI have not changed their views on the ability to upgrade Vietnam market. Evaluation of foreign cash flow from the beginning of the year is unlikely to happen in the second half.***

According to FTSE Russell's temporary update in March, Vietnam, despite being included in the watch list, has 3/4 of the criteria being judged negatively compared to the review. This means that it is very difficult to have an opportunity to upgrade in September 2019. Published in June, MSCI put Kuwait on the upgrade list while not mentioning the Vietnamese market. Therefore, MSCI's ability to upgrade in 2020 is unlikely. When the Kuwait market is upgraded, the share of the Vietnamese market in iShare will increase to 30%. However, MSCI will re-evaluate in December and even if it confirms Kuwait's eligibility, the upgrade and change of categories must wait until June 2020. Therefore, the expectation of foreign capital inflows from ranking changes from Russell and MSCI is not feasible in 2019.

In terms of total market, foreign investors own about 37.2 billion USD, equivalent to 19.7% of the market capitalization. Foreign investors continued to net buy about 332 million USD in the first 6 months. However, we find that net buying capital in 6 months of 2019 is still mainly coming from capital flows from ETFs. Only 3 ETFs with the largest assets have bought 64% of the total net buying value in 6 months, equivalent to USD 211.5 million, of which ETF VNM increased 7.55 million fund certificates equivalent to buy USD 87.6

million, ETF FTSE increased 0.9 million fund certificates equivalent to buy 24.6 million and E1VFN30 increased 163.2 million fund certificates equivalent to buy 99.3 million.

From another perspective, the total assets of 48 foreign funds invest most of their assets into the Vietnamese market (including 3 ETF funds without VIC sale of capital deal) worth about USD 7.7 billion, USD 715 million higher than the beginning of the year. However, if excluding the average price increase factor of 6% of the price factor, asset size increased by about 296 million USD. This continues to affirm that the previous large funds could not increase the scale.

Although the monetary easing policy of key economies can help cash flow back to emerging market areas including Vietnam. However, this change mainly comes from hot cash flows such as ETFs rather than investment funds in the context that the world market is quite risky and securities investment activities in key markets still have many advantages. Therefore, foreign cash flow into the stock market is unlikely to surge in the last 6 months.

***It is forecasted that BID and BVH can enter VN30's second phase in 2019 to replace DPM and DHG, PLX is likely to be high potential if CII is eliminated in this period.***

According to the data of June 28, the calculation data for the VN30 list in the next period have some notes such as:

- 3 stocks that have not participated in VNAllShare list including BID, PLX and BVH have the opportunity and list of VNAllShare and VN30 in this period due to satisfying the criteria of Freefloat (FF) <10% but Capitalization adjusted FF (GTVH\_f) > Median of 90% aggregation GTVH\_f (4,894 billion) as well as meeting other criteria such as asset turnover and GTVH larger than position 20.
- 3 stocks that are likely to be eliminated include CII, DPM due to falling out of the top 40 caps stocks of the accumulated 90% of GTVH\_f and DHG is eliminated when it is likely that FF will decrease as well as GTVH\_f < median of the aggregation 90% of GTVH\_f (4,894 billion).

**Table 12**

**The criteria of the stocks are expected to enter and exit VN30 in the second period of 2019**

Stocks	VNAllshare	FF	GTVH_f	Rank of stock caps in a set	Proportion forecast
BID	No	5%	5,517	7	Newcomer, 2.2%
PLX	No	7%	4,949	13	Newcomer, 3.6%
BVH	No	8%	4,979	15	Newcomer, 0.4%
CII	Yes	70%	4,286	46	Eliminate
DPM	Yes	40%	2,988	41	Eliminate
DHG	Yes	25%	3,225	29	Eliminate



E1VFN30 fund has a total asset of about VND 6,500 billion, a change of quarterly forecast in June is expected as Appendix 1.

***New products continue to launch follow the stock market structure plan in 2020 and orientation 2025. The market is still waiting for big turning products.***

Following the derivatives index, cover warrants were put into operation on June 28 with 10 CW codes based on 6 basic securities. CWs traded positively at the beginning, reflecting the expectation and diversification of individual investors' portfolios. Products of Government bonds will also be deployed in July, bringing more opportunities for investors to choose. The changes are all gearing towards the growing demand of the market, and at the same time improving and promoting the process of upgrading the market.

In addition to a variety of derivative products, investors in the stock market are also waiting for the deployment of many services such as selling stocks to wait for, buy and sell stocks in the day (T + 0), ... soon consider implementing. These changes will be a big turning point to support market liquidity and develop investors in the context of shrinking cash flows.

***US-China trade negotiations are resumed but there is no clear basis for reaching a comprehensive agreement. This information will still support the short-term market as well as potential risks in the future.***

Head of two countries US - China has agreed to renegotiate trade negotiations. Some concessions have been made by both sides. The United States eased restrictions on US companies selling products for Huawei. In the opposite direction, China will buy a large amount of US agricultural products. Current information is just a temporary concession to renegotiate negotiations.

Not less than once, the US - China parties have positively commented on trade negotiations. However, negotiations failed in May with a 25% increase in US tariffs to 250 billion Chinese goods and vice versa. The main contents of the US-China trade negotiations such as the opening of the Chinese market, technology transfer, intellectual property rights, cyber-attacks, subsidies, currency manipulation, the implementation of agreements and tariffs are not consistent, causing the negotiation breakdown in May.

In the short term, information resumed negotiations to remove psychology for the market and will have a positive impact on the markets. However, many opinions suggest that current developments are not enough to eliminate the uncertainty created by trade war stress. The specific time frame for the completion of negotiations is not mentioned, indicating that the trade war can be prolonged. Negotiations will be complicated and difficult to come up with a solution acceptable to both parties.

***Many countries cut interest rates, FED and EU all considered easing when economic signals weakened in June policy meeting.***

Central banks of the countries are heading to lower interest rates policy in order to support economic growth due to US-China trade war and rising economic instability. Following the Central Bank of Malaysia, New Zealand, the Philippines, India and Australia all have moves to lower interest rates. China previously used many measures to support liquidity and use fiscal policy. This move created pressure for both FED and ECB in June policy meeting.

FED said it could cut interest rates in the July session if US economic data showed signs of weakening. The quantitative tightening program will be stopped by FED in September 2019. After the message of the FED Chairman, a survey of Bloomberg experts showed that the possibility of lowering interest rates in one of 4 next meeting sessions of FED is almost absolute. Many comments suggest that FED will at least lower interest rates in the next 4 meeting sessions.

FED Meetings	Ability of cut rate
31/7/2019	100%
18/9/2019	100%
30/10/2019	100%
11/12/2019	100%

ECB announced a deeper cut in interest rates if necessary. The ECB will need to take additional stimulus measures, such as restarting the "quantitative easing" program with a total value of up to 2,600 billion euros in the period 2015-2018 if there is no improvement for inflation reached the target of 2%.

***OPEC and oil exporting countries soon reached an agreement to cut oil production in the rest of 2019 and likely to extend to early 2020.***

OPEC and oil-exporting countries basically agreed to extend the agreement to cut production by the end of June 2019 to early 2019 after the two largest exporting countries, Saudi Arabia and Russia, agreed. Carrying out commitments in early 2019, the oil export alliance cut in excess of its 1.2 million-barrel-a-day commitment due to US sanctions against Iran and Venezuela while Saudi Arabia only mined 9.7 million barrels a day compared to the 10.3 million barrel ceiling regulated by the alliance.

OPEC and oil exporting countries will soon reach an agreement to cut production in the next July 1-2 meeting in an effort to limit the negative impact of US shale oil supplies. This decision will support oil prices in the context of fluctuating energy prices in May and June.

Table 13

**Factors influence the market in the last 6 months of 2019:**

Events	Impact to Stock Market
Stable macroeconomic indicators support macroeconomic stability and fulfill 2019 targets.	Positive
The second quarter business season will provide a picture and a forecast for fiscal year 2019.	Positive

EU – Vietnam Free Trade Agreement (EVFTA)	Positive
Signal of monetary easing, supporting economic growth of key economies to support the flow of international investment.	Positive, new cash flows
Second quarter business results, and fiscal year 2019	Create the investment strategy for the rest of the year
VNM ETF and FTSE ETF restructure portfolio in September and December; E1VFN30 structure in July supports market liquidity.	Increase liquidity
Roadmap to deploy new products according to the stock market structure scheme in 2020 and orientation of 2025.	Positive, psychological effects and help improve liquidity
SCIC's divestment activities	Increase liquidity and cash flow rotation but also create a dilution effect
The trend of loosening monetary policy, lowering interest rates of key countries and regions to support cash flow moving emerging market and border markets	Positive, adding new cash flow
OPEC is more likely to reach its commitment to reduce production by early 2020	Support oil price
The US-China trade negotiation resumed, the negotiation could be long and unpredictable.	Positive short-term psychological effect but difficult to predict in the medium term
New British Prime Minister election and Brexit campaign at the end of the year	Unpredictable

Source: BSC Research

Vietnam stock market has been active in the first quarter but fluctuated quite stagnantly in the second quarter in terms of trend and liquidity. The world situation is complicated, Q1 business results do not improve and lack of consensus of cash flow is one of the reasons affecting the market.

Vietnam stock market in the last 6 months has advantages and challenges.

Considering external influences, Vietnam market in the last 6 months will still revolve around information about the outlook of global economic growth, the action of central banks of key countries and the US - China trade war and geopolitical tensions.

From the domestic aspect, macroeconomic stability supports investment activities. Q2 business results not only support short-term investment activities but also provide visibility for investors in the remaining 6 months. P/E levels remain high, unsubstantial cash flows will be an obstacle for VN-Index to increase if business prospects are not improved.

Based on the evaluation of domestic and foreign impact factors, as well as the large weight determining method (Appendix 3), the VN-Index can fluctuate in the range 925 to 1,050 points, in which the fluctuation central will be around the 950 points. We expect VN-Index to recover to 980-1,000 points in July, if it does not surpass this important resistance level, it will continue to narrow down 940-980 points in August and September with low

liquidity. The movement of the fourth quarter will be more clear based on adequate information and is a basis for building a medium and long-term investment vision (to be updated at the end of the third quarter).

- In positive case, VN-Index closed above 980 points at the end of the year. The movement trend is still moving around large stocks with the return of foreign capital, noting the capital flow from ETFs.
- In negative case, VN-Index may drop below 940 points when encountering much adverse information from the world and business results do not improve.

Investors can refer to a number of topics, and updated reports in the quarter:

- Industry and stocks are evaluated positively in the Sector Outlook Report 2019 and Quarter II Sector Outlook;
- Stocks of Ports, Textiles, Fisheries, Furniture and Industrial Zones benefited from trade agreements and production shift from trade war;
- Stocks benefited from recovering raw material prices and oil prices;
- High defensive stocks such as Electricity, Information Technology - Post, Retail consumption have high growth and dividends;
- In the long term, BSC's recommended stocks will be mentioned in the IV quarter sector strategic reports, the stocks with good changes are recommended in the Weekly Investment Report and Newspaper. Sector / Company update report.

### Appendix 1

#### Expected restructured portfolio of E1VFN 30 in July

#	Stock	New prop	Current prop	Differences	Number of share changes	Note
1	BID	2.2%	0.0%	2.2%	4,603,904	Newly added
2	BVH	3.7%	0.0%	3.7%	2,979,730	Newly added
3	CTD	0.7%	0.7%	-0.1%	(40,028)	
4	CTG	1.1%	1.0%	0.1%	443,884	
5	EIB	2.8%	3.2%	-0.5%	(1,596,469)	
6	FPT	3.1%	4.1%	-0.9%	(1,322,873)	
7	GAS	1.4%	1.5%	-0.1%	(91,187)	
8	GMD	1.0%	1.1%	-0.1%	(240,489)	
9	HDB	2.8%	3.1%	-0.3%	(654,329)	
10	HPG	5.9%	6.4%	-0.6%	(1,578,585)	
11	MBB	3.7%	4.4%	-0.7%	(2,240,890)	
12	MSN	6.5%	6.4%	0.2%	124,997	
13	MWG	4.0%	4.4%	-0.4%	(274,338)	
14	NVL	2.9%	3.2%	-0.3%	(310,305)	
15	PNJ	1.5%	2.1%	-0.7%	(604,932)	
16	PLX	0.4%	0.0%	0.4%	397,297	Newly added
17	REE	0.8%	0.9%	-0.1%	(162,489)	
18	ROS	0.8%	0.8%	-0.1%	(162,252)	
19	SAB	4.0%	3.2%	0.8%	183,453	
20	SBT	0.7%	0.7%	-0.1%	(250,192)	
21	SSI	1.1%	1.3%	-0.1%	(291,100)	
22	STB	2.9%	3.2%	-0.3%	(1,632,697)	
23	TCB	7.0%	7.6%	-0.7%	(2,165,648)	
24	VCB	3.9%	3.5%	0.5%	442,152	
25	VHM	4.7%	4.6%	0.1%	82,113	
26	VIC	7.8%	8.0%	-0.2%	(114,196)	
27	VJC	5.2%	5.7%	-0.5%	(258,040)	
28	VNM	10.0%	9.3%	0.7%	369,980	
29	VPB	4.9%	5.4%	-0.5%	(1,638,658)	
30	VRE	2.5%	2.4%	0.1%	102,763	
	CII	0.0%	0.6%	-0.6%	(1,859,714)	Excluded
	DHG	0.0%	0.6%	-0.6%	(350,564)	Excluded
	DPM	0.0%	0.4%	-0.4%	(1,678,828)	Excluded

## Appendix 2

## Data of VN30

Stock	Marketcap (mio USD)	P/E	FF	% GO <sup>1</sup>	% FO <sup>2</sup>	%± EPS	%±P/E	%±P/B	% 6 Month	VN-Index Contribution
CII	240	66.9	70%	53%	8%	-8%	-7%	-14%	-14%	0.2%
CTD	351	6.1	55%	46%	0%	-7%	-30%	-36%	-33%	0.3%
CTG	3,118	13.9	8%	30%	64%	2%	5%	3%	1%	2.3%
DHG	612	25.9	25%	54%	43%	-6%	46%	43%	40%	0.4%
DPM	255	11.9	40%	21%	60%	-17%	-17%	-29%	-28%	0.2%
EIB	993	45.8	85%	30%	0%	-25%	75%	29%	34%	0.7%
FPT	1,325	11.4	80%	49%	5%	14%	6%	15%	21%	1.0%
GAS	8,015	16.9	5%	4%	96%	3%	15%	21%	15%	5.8%
GMD	332	11.8	85%	49%	0%	-64%	179%	-1%	-1%	0.2%
HDB	1,159	9.3	70%	25%	3%	0%	-11%	-11%	-9%	0.8%
HPG	2,787	7.8	60%	39%	0%	-5%	2%	-7%	-1%	2.0%
MBB	1,897	7.0	60%	20%	27%	6%	2%	0%	10%	1.4%
MSN	4,167	18.5	40%	41%	0%	0%	9%	6%	7%	3.0%
MWG	1,765	13.2	65%	49%	0%	7%	1%	-3%	9%	1.3%
NVL	2,382	16.4	35%	7%	0%	4%	-10%	-7%	-7%	1.7%
PNJ	698	15.3	80%	65%	0%	17%	-10%	-2%	5%	0.4%
REE	423	5.7	55%	49%	5%	-2%	7%	7%	9%	0.3%
ROS	726	78.7	30%	3%	0%	7%	-29%	-24%	-23%	0.5%
SAB	7,574	42.8	11%	63%	36%	5%	-1%	-4%	3%	5.5%
SBT	388	22.7	50%	7%	0%	-18%	43%	14%	-12%	0.3%
SSI	542	11.5	60%	59%	0%	-11%	4%	-9%	-7%	0.4%
STB	879	9.3	95%	14%	0%	59%	-39%	-7%	-5%	0.7%
TCB	3,056	8.6	65%	23%	0%	-10%	-11%	-23%	-21%	2.2%
VCB	11,230	16.3	8%	24%	75%	22%	9%	17%	32%	8.2%
VHM	11,408	17.7	25%	15%	0%	0%	9%	9%	8%	8.3%
VIC	16,627	89.5	30%	15%	0%	3%	19%	23%	21%	12.1%
VJC	2,978	12.9	50%	20%	0%	0%	6%	6%	8%	2.2%
VNM	9,199	23.2	50%	59%	36%	1%	2%	-6%	4%	6.7%
VPB	1,994	7.0	70%	23%	0%	-11%	6%	-9%	-5%	1.5%
VRE	3,381	33.1	45%	32%	0%	0%	23%	23%	25%	2.5%
Total	<b>100,501</b>									<b>73.2%</b>

Notes: 1. GO: Proportion of government ownership over total share.

2. FO: Proportion of Foreign ownership over total share.

### Appendix 3

Evaluation of 35 stocks that Financial Institutions have the highest holding %.

#	Stock	VN-Index Proportion	Price of 28/6	Avg Target Price	± % so 28/6	High	± % so 28/6	Low	± % so 28/6	P/E	P/B
1	VIC	12.11%	115,700	112,575	-2.7%	118,000	2.0%	102,000	-11.8%	89.3	6.6
2	VCB	8.18%	70,500	69,720	-1.1%	75,270	6.8%	64,850	-8.0%	16.6	3.7
3	VHM	8.31%	79,300	96,880	22.2%	105,000	32.4%	86,000	8.4%	17.7	6.2
4	VNM	6.70%	123,000	126,679	3.0%	150,000	22.0%	120,400	-2.1%	23.1	7.6
5	GAS	5.84%	97,500	116,210	19.2%	128,000	31.3%	105,200	7.9%	17.0	4.5
6	SAB	5.52%	275,000	244,007	-11.3%	280,000	1.8%	205,322	-25.3%	43.5	11.2
7	BID	3.39%	31,700	33,807	6.6%	38,713	22.1%	28,900	-8.8%	14.9	2.0
8	MSN	3.02%	83,000	102,108	23.0%	113,000	36.1%	93,000	12.0%	18.5	3.2
9	PLX	2.41%	59,500	66,728	12.1%	72,284	21.5%	62,300	4.7%	18.1	3.3
10	VRE	2.46%	33,800	38,429	13.7%	39,650	17.3%	35,000	3.6%	33.2	2.8
11	CTG	2.27%	19,500	22,000	12.8%	23,000	17.9%	21,000	7.7%	14.2	1.1
12	TCB	2.23%	20,350	33,898	66.6%	39,288	93.1%	27,400	34.6%	8.5	1.3
13	VJC	2.17%	128,000	145,022	13.3%	155,000	21.1%	129,765	1.4%	12.6	4.8
14	HPG	2.03%	23,500	29,978	27.6%	33,846	44.0%	25,462	8.3%	7.8	1.5
15	HVN	1.86%	42,000	43,833	4.4%	45,500	8.3%	43,000	2.4%	24.2	3.3
16	BVH	1.77%	80,800	98,600	22.0%	98,600	22.0%	98,600	22.0%	49.4	3.7
17	NVL	1.73%	59,600	63,800	7.0%	65,200	9.4%	62,400	4.7%	15.9	2.8
18	VPB	1.45%	18,900	24,425	29.2%	27,500	45.5%	21,200	12.2%	7.2	1.3
19	MBB	1.41%	20,900	32,764	56.8%	37,458	79.2%	28,800	37.8%	7.0	1.3
20	MWG	1.29%	92,800	136,274	46.8%	164,700	77.5%	116,190	25.2%	12.8	4.1
21	POW	1.11%	15,200	17,307	13.9%	18,334	20.6%	15,200	0.0%	18.1	1.4
22	FPT	0.97%	45,500	55,788	22.6%	60,291	32.5%	50,909	11.9%	11.5	2.4
23	HDB	0.84%	27,500	31,250	13.6%	35,000	27.3%	27,500	0.0%	9.2	1.7
24	EIB	0.73%	18,800	18,800	0.0%	18,800	0.0%	18,800	0.0%	46.0	1.5
25	STB	0.67%	11,350	15,975	40.7%	17,900	57.7%	14,049	23.8%	9.4	0.8
26	BHN	0.69%	95,000	95,000	0.0%	95,000	0.0%	90,000	0.0%	44.8	4.8
27	TPB	0.61%	22,850	27,000	18.2%	27,800	21.7%	26,200	14.7%	9.6	1.7
28	ROS	0.53%	29,800	29,800	0.0%	29,800	0.0%	29,980	0.0%	79.9	2.9
29	HNG	0.47%	17,100	17,100	0.0%	16,600	-2.9%	16,600	-2.9%	-	1.4
30	DHG	0.45%	109,000	91,488	-16.1%	95,751	-12.2%	82,600	-24.2%	25.0	4.6
31	SSI	0.40%	24,800	29,113	17.4%	32,100	29.4%	26,125	5.3%	11.5	1.4
32	PNJ	0.38%	73,000	91,373	25.2%	101,000	38.4%	84,750	16.1%	15.1	4.0
33	SBT	0.32%	17,200	18,329	6.6%	18,329	6.6%	18,329	6.6%	22.8	1.5
34	KDH	0.32%	24,400	27,087	11.0%	28,231	15.7%	25,800	5.7%	15.8	1.9
35	REE	0.31%	31,750	40,600	27.9%	43,900	38.3%	36,700	15.6%	5.6	1.1
<b>Average</b>		<b>84.9%</b>			15.78%		25.07%		5.79%	22.2	3.1



## Disclosure

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