BSC

Vietnam Monthly Review
2019 M08

BSC Research

BSC Headquarters
BIDV Tower, 10th & 11th Floor
35 Hang Voi, Hoan Kiem, Hanoi
Tel: +84 4 3935 2722
Fax: +84 4 2220 0669

Ho Chi Minh City Office
146 Nguyen Cong Tru St, 9th Floor
District 1, HCMC
Tel: +84 8 3812 8885
Fax: +84 8 3812 8510

Macroeconomics

• PMI index decreased from 52.6 in July to 51.4 points in August, lower than the 2018's average of 53.7 points.

• Total estimated retail sales of consumer goods and services in 8M2019 reached VND 3,215 trillion, up 11.5% compared to the same period last year, if excluding the price factor, it increased by 9.03%.

• In 8M2019, registered FDI decreased by 31.2% over the same period last year while disbursed FDI increased by 6.3% compared to last year. FDI capital mainly focused on processing and manufacturing sector.

• The interbank USD/VND exchange rate fluctuated between 23,260 and 23,330 USD/VND, moving sideways compared to the amplitude in July. Interbank interest rates increased in the last week of August, especially short and mid term interest rates period.

Stock market

• VN-Index officially decreased by -7.6 points compared to the end of last month (-0.77% MoM), (+ 8.06% YtD) and HNX-Index decreased -2.11 points (-2.02% MoM), (-0.54% YtD).

• Average liquidity on both exchanges increased by 12.9% compared to July 2019, and increased to VND 4,777 billion/session and equivalent to nearly USD 205 million/session.

• In August, foreign investors net sold on the HSX VND -1,706 billion, net sold VND -221 billion on the HNX.

• VN-Index P/E dropped to 16.69, equivalent to -0.43% MoM, +8.84% YtD and HNX-Index fell to 7.37, equivalent to -1.44% MoM, -13.04% YtD. Compared to July 2019, the P/E of the VN-Index remains at the 10th position and the HNX-Index continues to hold the 20th position in Asia.

Market outlook in September

The market will have movements to welcome the third quarter business results in the second half of September, but this is not yet a breakthrough when the negative information from the world is still ahead. The VN-Index price fluctuation in September continued to range from 965 points to 1,015 points. In September, BSC proposed 2 scenarios as follows:

- ➢ In the positive case, VN-Index will keep above 965 points at correction span, with the central price zone of 980 points. Price movements welcomed the third quarter business results, improved liquidity in some sectors and stocks with good growth prospects.
- ➢ In the negative case, VN-Index may drop below 950 points if there are adverse information from the world and foreign investors net sell.

- **Recommended stocks:**
  - ➢ Industry and stocks are evaluated positively in the Sector Outlook Report 2019 (Link) and Quarter 2 Sector Outlook (Link);
  - ➢ Stocks with improvement and positive outlook such as Banking, Retail, leading stocks;
  - ➢ Stocks benefited from recovering NVL prices and oil prices;
  - ➢ 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 sector strategic reports for the third quarter, stocks with good changes are recommended in the Weekly Report (Link), and update report for Sector/Company (link).

Macroeconomics of August 2019

Economic growth

- **PMI index decreased from 52.6 in July to 51.4 points in August, and lower than the 2018 average of 53.7 points.**

The industry-wide production index (IIP) in August 2019 was estimated to increase by 5.4% MoM and by 10.5% YoY, of which the mining sector rose by 14.4% due to coal mining and mining. metal ore mining surged; processing and manufacturing by 10.3%; electricity production and distribution increased by 10.3%; water supply and waste treatment, wastewater increased by 7.6%. For 8M2019, IIP is estimated to increase by 9.5% over the same period last year, lower than the increase of 10.8% of the same period in 2018.

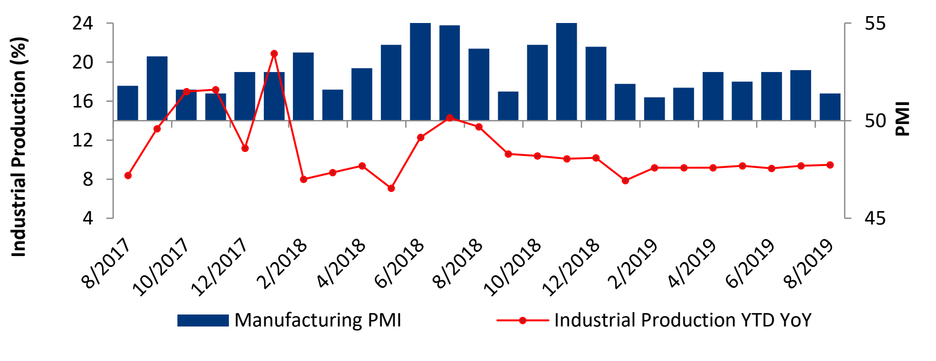
Among secondary sectors, the top 3 sectors with high production index in August increased against the same period last year: Production of coke and refined petroleum products increased by 40.9%; metal production increased by 40.2%; mining of metal ores increased by 19.3%

Some key industrial products in 8M2019 are higher than the same period last year: Iron and steel increased by 56.9%; gasoline and oil by 42.9%; television by 23.1%; food for aquaculture increased by 14.6%; liquefied gas (LPG) increased by 14.1%; clean coal increased by 14%; chemical paint increased by 13.3%; steel bars and steel increased by 12%; mobile phone increased by 11% (smart phone increased by 15.8%).

Some products increased or decreased: Urea increased by 1.4%; animal feed by the same period last year; NPK mixed fertilizer decreased by 1.9%; crude oil exploitation decreased by 6.9%; motorbike reduced by 8.3%; diameter decreased by 16.2%; phone components decreased by 16.3%.

Chart 1

Industrial Production Index & PMI



Source: GSO, Markit, BSC Research

China has limited the number of new orders and volume. The level of optimism in business has also decreased in the latest survey. However, the manufacturing sector is still in a growth state. Meanwhile, the input cost only increased slightly at the slowest pace in seven months, thereby helping the selling price continue to decline. Specifically:

- Weaknesses in August were concentrated in producers of basic investment goods, where there were declining operating conditions, which is in contrast to the continued improvement in consumer goods. and intermediary goods. This situation is also happening with production, number of new orders and jobs.
- The number of orders has increased sharply, but the growth rate has been the weakest since January 2019. Meanwhile, the number of new export orders increased slightly for the second consecutive month.
- Input cost growth has slowed down in the last 4 months, with input prices rising slightly in the middle of the third quarter. As a result, companies were able to reduce selling prices without much impact on profit margins. profit. Output prices continued to decline slightly in the last 9 months.
- Delivery time for suppliers was extended for the first time in 4 months due to the shortage of raw materials at suppliers.
- Buying of input goods increased sharply and nearly equal to the previous month. Despite a sharp increase in purchasing activity, pre-production inventories are virtually unchanged as input goods have been used to support production. Meanwhile, inventories of finished products increased slightly, thereby ending the two-month price decrease period.
- The level of optimism has dropped to a six-month low and below the historical average. Still, companies are confident that production will increase next year and optimism reflects increased customer demand.

The decline in the production of basic investment goods and the growth rate of production output are showing signs of saturation of domestic manufacturing enterprises. The growth rate may continue to decline when production capacity has reached its maximum level. The slowdown of delivery time due to scarcity of raw materials is also showing supply chain production activities of high-tech products. The reestablishment of interest in the production chain or the search for substitutes at the input stage will be a major obstacle for increasing the volume of goods exported in Vietnam from now until the end of the year. Vietnamese businesses will need more time to expand production in the coming period.

In addition, China's PMI has risen sharply again to 50.4 from 49.9 in July. The data shows a rebound in August, mainly due to improved production capacity. However, domestic demand has not improved, and foreign demand has declined significantly, leading to an increase in inventories. There is no sign of improvement in the addition of input inventory or in optimism about the future market of Chinese enterprises. Prices of industrial goods show signs of decline. China's economy has shown signs of short-term recovery, but downward pressure is still a long-term problem. This phenomenon will continue to maintain the US economic advantage in the upcoming negotiations and tariff attacks of President Donald Trump in the near future.

Inflation

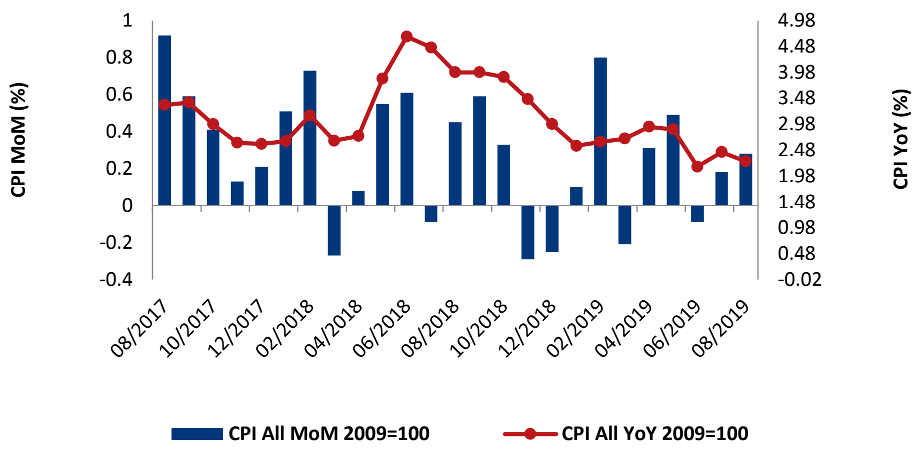
- **CPI in August increased by + 0.18% compared to July, in which CPI of 8/11 of goods and services sectors in August increased compared to the previous month.**

CPI of August increased by 0.28% over the previous month, and by 2.26% over the same period in 2018. Core inflation in August 2019 increased by 0.13% over the previous month and by 1.95% over the same period. period last year.

Average CPI of 8M2019 increased by 2.57% compared to the average of 2018. Average inflation of the first 8 months of this year also increased by 1.9% compared to the same period of 2018, also the lowest 8-month average increase in the three recent years.

Chart 2

Monthly CPI movements



Sources: GSO, BSC Research

In August, the price index of 9/11 commodity and service sectors recorded price increases. The fluctuations of CPI in the month were caused by the following reasons:

- Medical service sector had the highest increase of 2.81% due to the increase in medical service prices according to Circular No. 13/2019 / TT-BYT dated July 5, 2019 and Circular No. 37/2018 / TT-BYT. November 30, 2018.
- The education sector increased by 0.57% due to some localities implementing increasing tuition fees for the new school year 2019-2020.
- Housing and construction materials sector increased by 0.33%, mainly due to the increase in housing sector by 0.43%; electricity price index increased by 0.33%; Water price index increased by 0.28%.
- Food and catering services increased by 0.24% in which main vegetable food rose by 0.31%, foodstuff increased by 0.29%. Food prices increased due to a decrease in pork supply due to African pig cholera.

Chart 3
Retail Sales

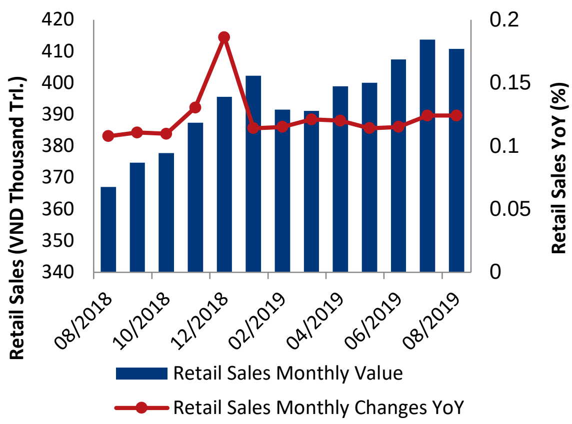


Table 1
Increase/decrease of service sectors in July

No.	Sector	MoM (%)	YoY (%)
1	Food and catering	0.24	1.7
2	Transportation	-0.46	-0.62
3	Health care	2.81	8.88
4	Housing & Construction	0.33	2.8
5	Entertainment	-0.06	1.66
6	Beverage and Cigarettes	0.03	2.12
7	Clothing	0.09	1.85
8	House appliance	0.05	1.36
9	Education	0.57	6.6
10	Telecommunication	-0.05	-0.61
11	Other	0.14	2.94

Source: GSO, BSC Research

Total retail sales of consumer goods and services in August 2019 were estimated at 414.4 trillion VND, up 0.4% over the previous month and up 12.4% over the same period in 2018.

Retail sales of goods reached VND 313.6 trillion, up 1% MoM and up 13.3% YoY; accommodation and catering services revenue reached VND 49 trillion, down 2.7% MoM and up 9.8% YoY; tourism revenue reached VND 3.8 trillion, down 1.2% MoM and up 8.7% YoY; Other service revenue was 48 trillion dong, up by 0.2% MoM and up by 9.2% YoY.

Generally, in 8M2019, the total retail sales of consumer goods and services reached 3,215.5 trillion VND, up 11.5% over the same period last year, if excluding the price factor, it increased 9.03% (the same period in 2018 increased by 8.98%.

Foreign Direct Investment (FDI)

• Registered FDI reached 13.1 billion USD and decreased -31.2% compared to the same period last year while FDI disbursement reached 12 billion USD and increased 6.3% compared to last year.

• Foreign direct investment concentrates on processing and manufacturing industries as this sector accounts for 74.6% of the total registered capital.

Total newly and additionally registered FDI capital by August 20, 2019 of 2,406 projects (+ 25.4% YoY) reached USD 9.13 billion (-32.3% YoY), plus USD 3.98 billion of adjusted registered capital from 908 licensed projects in previous years. **Thus, the total newly and additionally registered FDI capital reached USD 13.11 billion (-31.2% YoY).**

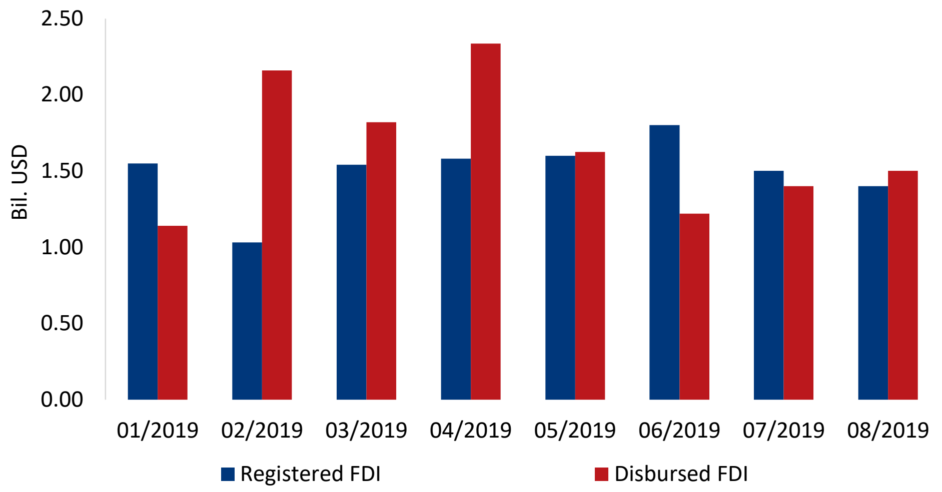
Disbursed FDI in 8 months was estimated at 12 billion USD, up 6.3% over the same period in 2018.

In 8M2019, the processing and manufacturing industry attracted the largest foreign direct investment with the registered capital of newly licensed projects reaching US $ 6.81 billion, accounting for 74.6% of the total newly registered capital; real estate business reached 852.3 million USD, accounting for 9.3%; the remaining sectors reached 1,468.5 million USD, accounting for 16.1%.

If including the additional registered capital of the licensed projects from the previous years, the foreign direct investment in the manufacturing and processing industry in 8 months reached US $ 10.35 billion, accounting for 78.9% of the total registered capital. sign; real estate business reached USD 0.72 billion, accounting for 5.6%; the remaining industries reached 2.04 billion USD, accounting for 15.5%.

Chart 4

FDI (USD Bil)



Source: GSO, BSC Research

Top 3 regions attracting registered FDI nationwide: Binh Duong (790.3 million USD - 8.7%), Ho Chi Minh City (754.1 million USD - 8.3%), Dong Nai (639.3 million USD - 7.0%).

In 8M2019, China was the largest direct investor in Vietnam with an investment capital of USD 1.88 billion, accounting for 20.6% of the total newly registered capital; followed closely by Korea with USD 1.72 billion, accounting for 18.9% and Japan with USD 1.18 billion, accounting for 13%.

Trade balance, Import and Export

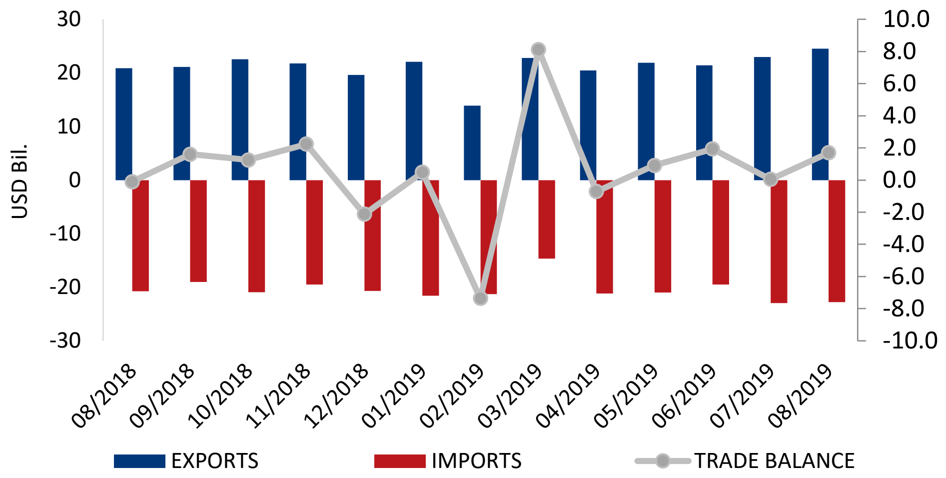
- **Trade balance in August was estimated at trade surplus of 1.7 billion USD.**
- **Generally, in 8M2019, trade surplus was USD 3.4 billion, domestic**

economic sector had trade deficit of USD 18.4 billion and FDI sector (including crude oil) had a trade surplus of USD 21.8 billion.

Export turnover in August was estimated at USD 22.8 billion, up 6.6% MoM, and up 4.5% YoY in 2018, of which the domestic economic sector reached USD 7.34 billion, down 4.9% compared to the previous month and 14% YoY; FDI sector reached USD 17.16 billion, up 12.4% MoM, and up 0.9% YoY.

Chart 5

Import and Export (Bil USD)



Source: GSO, BSC Research

Table 2

Top 10 export items

No	Exported Good	Turnover (Bil USD)	%YoY
1	Mobile phone	30.33	4.3%
2	Electronics	20.21	16.8%
3	Textile	19.91	10.6%
4	Shoes	11.12	13.4%
5	Other machines	10.49	6.0%
6	Woods	6.10	17.3%
7	Vehicles	5.33	8.8%
8	Aquaculture	5.05	-1.0%
9	Steel	2.65	-1.8%
10	Camera	2.56	-1.6%

Source: GSO, BSC Research

Table 3

Top 10 imported goods

No	Imported Goods	Turnover (Bil USD)	%YoY
1	Electronics	31.11	24.4%
2	Machine	22.32	9.9%
3	Fabric	8.20	4.8%
4	Mobile phone	7.99	14.1%
5	Steel	6.00	-24.1%
6	Plastic	5.59	3.5%
7	Other metals	3.95	-19.4%
8	Plasitc Products	3.92	22.5%
9	Textile Materials	3.68	2.2%
10	Gasoline	3.59	-31.6%

Source: GSO, BSC Research

Generally, for 8M2019, export turnover was estimated to reach USD 169.98 billion, up 7.3% over the same period in 2018, of which the domestic economic sector reached US $ 52.04 billion, up 13.9% YoY; FDI sector (including crude oil) reached USD 117.94 billion, up 4.6% YoY. From the beginning of the year to August 15, electric components phone was at the leading position, reaching USD 30.3 billion (+ 6.8% YoY), the growth rate increased strongly again thanks to Samsung boosting the export of Galaxy note 10 in August. Next, Computer electronics increased by + 16.8% YoY to

20.2 billion. Textile and garment in 3rd place reached 19.9 billion (+ 10.6%).

Import turnover of goods in August was estimated at US $ 22.8 billion, down 0.6% over the previous month, and up 7.5% over the same period in 2018. Of which, the domestic economic sector gained US $ 9.3 billion, down -3.6% compared to the previous month. with the previous month; and increased by 19.1% over the same period last year. Foreign-invested sector reached US $ 13.5 billion, up 1.6% from the previous month, and up 0.8% over the same period last year.

Generally, in 8M2019, import turnover was estimated at US $ 166.58 billion, up 8.5% over the same period last year, of which the domestic economic sector gained US $ 70.43 billion, up 13.9 YoY%; FDI sector reached USD 96.15 billion, up 4.8 YoY%. From the beginning of the year to August 15, the large import turnover of products including computer electronics reached 31.11 billion USD (+ 24.4% YoY), machinery and equipment 22.3 billion USD (+ 9.9% YoY), fabrics reached $ 8.2 billion (+ 4.8% YoY).

With the tense situation of the US-China trade war continuing to escalate, a part of the tax list was officially put into effect on September 1. This event has raised the world's concern about the possibility of peace between the United States and China. The wave of businesses from international countries continues to flow into Vietnam and maintains the growth of import and export. In particular, the commodity groups affected by the trade war was the spearhead growth of both exports and imports.

Forex market

- **The exchange rate in August continued to maintain the sideways trend thanks to the return of trade surplus in July and August. These results have limited the rising pressure of exchange rate from the rising the exchange rate that reached 98.9 at the end of August.**
- **The State Bank maintains the policy of raising the USD/VND exchange rate. The central exchange rate is approaching the trading threshold of free and interbank rates.**

The central exchange rate in August fluctuated in the range of 23,079 - 23,133 USD/VND, up from the margin of 23,051 - 23,085 USD/VND in July. The average of the month was 23,115 USD/VND. On August 30, the exchange rate was trading at 23,085 USD/VND, up + 1.3% YTD and + 2.0% YoY.

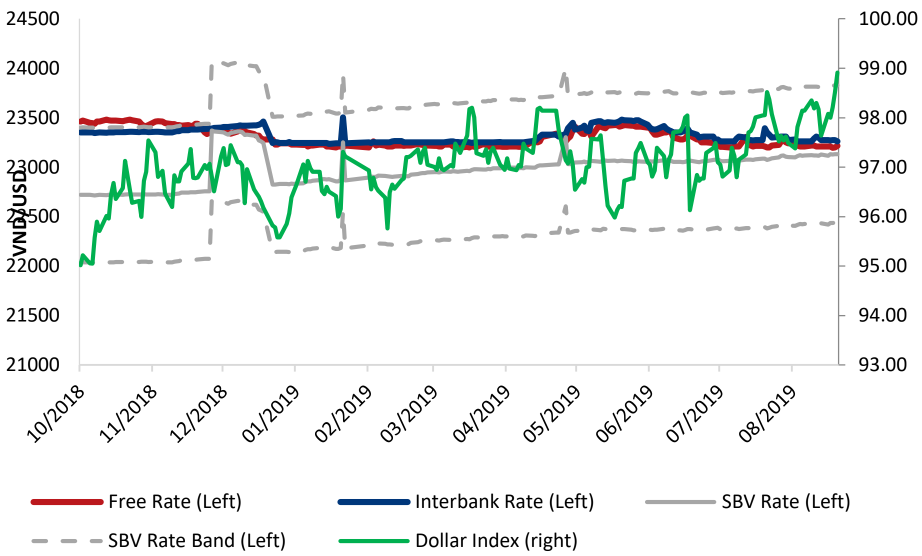
The interbank exchange rate in August fluctuated between 23,260 and 23,330 USD/VND, down from the margin of 23,260– 23,395 USD/VND in July. The average of the month was 23,284 USD/VND. On August 30, the exchange rate was trading at 23,395 USD/VND, up + 0.1% YTD and down - 0.2% YoY.

The free exchange rate in August ranged from 23,195 - 23,270 USD/VND, slightly down from the margin of 23,195 - 23,305 USD/VND in July. The average free rate in the month was 23,221 USD/VND. On August 30, the exchange rate was trading at 23,210 USD/VND, down -0.3% YTD and down -1.2% YoY.

USD Dollar Index in August increased by 2.1% compared to the end of July, and increased by 4.0% over the same period last year. The index fluctuates in a month with a range of 97.4-98.9 points, with the monthly average of 98 points. On August 30, the index reached 98.9 points.

Chart 6

Exchange rate movements



Source: Bloomberg, *BSC* Research

Bank - Interest rate

• Interbank interest rates for all terms increased in the last week of August. Interest rates rose sharply for short and mid-term period while slightly increased for long terms period.

• Mid and long-term deposit and lending rates remain stable.

Interbank interest rates at all terms increased in the last week of August. Interest rates increased sharply in short and midterms while slightly increased in long terms. On August 30, the overnight, 1 week, 1 month, 3 months, and 6-month interest rates were at 4.00%, 3.98%, 3.98%, 4.18% and 4.38% respectively.

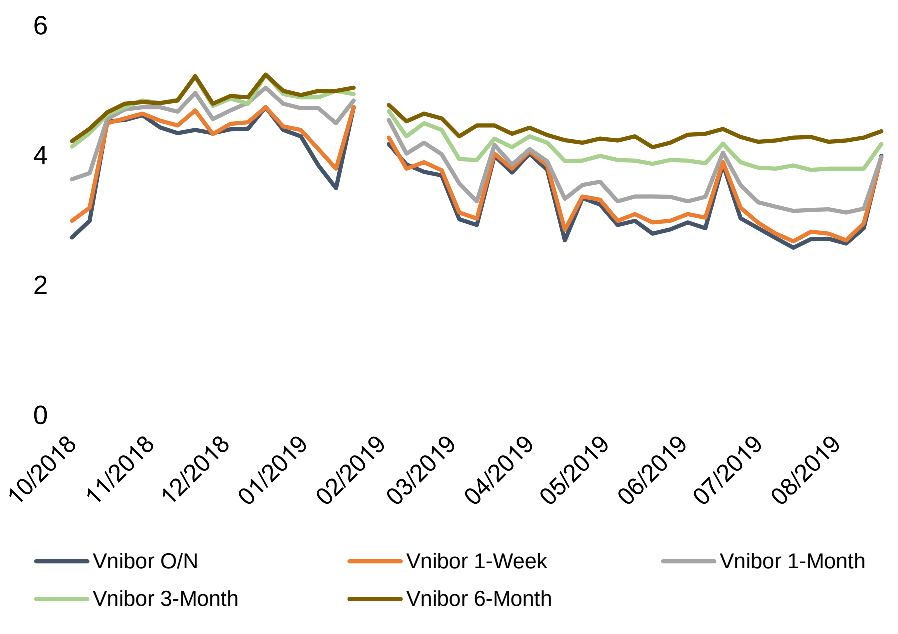
In August, the SBV net injected VND 2,000 billion in the first week, net injected VND 11,000 billion in the second week, net withdrew VND 2,980 billion in the third week, net injection of VND 23,979 billion in the fourth week and net injection of VND 16,134 billion.

In the last week of August, interbank interest rates at short and midterm, especially overnight interest rates increased sharply (sometimes up to 6%) were promptly adjusted thanks to the SBV using the Reverse Repo tool (RR) to balance short-term liquidity shortage. In fact, the State Bank net injected

VND 3,000 billion via OMO channel, the rest is regulated via RR. This phenomenon may be the result of a sharp increase in the USD, causing the SBV to use short-term and mid-term capital to balance USD transactions in the monetary market. The liquidity of the interbank system remained stable thanks to the large foreign exchange reserves as well as the effective exchange rate management activities of the State Bank.

On August 31, Vietnam dong deposit interest rates at commercial banks are at the following levels:
• 0.5% -1% / year for demand deposits and maturities of less than 1 month;
• 4.46% -7.40% / year for term deposits from 1 month to less than 6 months;
• 5.3% -8.2% / year for term deposits from 6 months to less than 12 months;
• Over 12-month term at 5.7-8.6% / year.
The lending rate for Vietnamese dong is about 6% -9% / year for short term and 9% -11% / year for mid and long term.

Chart 7
Interbank interest rates



Source: Bloomberg, BSC Research

Macro Forecast for September 2019

On an international scale, Vietnam's macro-economic performance in August is affected by some of the following impacts:

1. **Trade war.** 5% of tariffs will officially be applied to USD 250 billion of Chinese goods starting September 1. The remaining tariffs on USD 50 billion of Chinese goods were rescheduled until December 15. However, the US-China trade talks may still take place in September with positive moves from both sides in recent days. This is a positive signal after negative developments from the escalation of tension in August. China has taken more drastic responses to US tariff policy. Specifically, the country allows CNY to pass the psychological level of 7 USD/CNY. The floating of such a currency devaluation will partly reduce the negative impact of tariffs on Chinese goods. At the same time, the government required state companies to stop buying agricultural products from the United States. The trade war continues to adversely affect profits, confidence, and investment in China, contributing to the decline of industrial activity. The PMI index fell to 49.5 in August, lower than July's level of 49.7, and was below the growth level for four consecutive months. Export orders also fell for the fifteenth month in a row. Such negative production and export index continues to raise concerns about the world economic recession.

2. **ECB monetary policy meeting (September 12):** The EU's Board of Directors will consider implementing the monetary package as discussed in the previous meeting. This package is a combination of interest rate cuts, bond purchases, interest rate guidance, and partly supports the impact of negative interest rates on banks. The stratification of deposit interest rates is also considered although controversial. EU manufacturing PMI continued to fall below the growth threshold for the seventh consecutive month despite rising to 47 in August, higher than 56.5 in July. Similarly, Germany's manufacturing PMI continued. is below the growth threshold for the eighth consecutive month despite rising to 43.6 in August, higher than 43.2 in July. Inflation also held at 1.0% in August, below the target level of nearly 2% for four months. consecutive. Likewise, German inflation also dropped to 1.4% in August, lower than the 1.7% in July. The EU unemployment rate was kept at 7.5% in July. to the ECB's European Parliament's economic affairs committee unofficial leader Christine Lagarde, there is room for relaxation. However, the current economic difficulties mainly come from external factors which are uncomfortable affected by ECB monetary measures.

3. **FED monetary policy meeting (September 17-18).** The Federal Reserve has cut 0.25% interest rates at the latest meeting. However, the minutes of the meeting announced in mid-August showed that policymakers' views were strongly divided. Half in favor of a rate cut said that trade war

tensions and other concerns would negatively impact US economic prospects. In contrast, a half opposition to interest rate cuts led to a stable labor market and inflation near the target of 2%. Such divergence is also reflected in Chairman Jerome Powell's speech at a symposium with other central bank leaders, affirming that the economy is developing smoothly, but also pledging appropriate actions. to extend growth. In July, the consumer price index outside food and energy rose 1.6%. This supports President Jerome Powell's view that the weakness of inflation is only temporary. At the same time, this data also creates more room for cutting stimulus rates. However, the macro indicators show that the country's economy is still growing positively. Consumer spending, accounting for more than two-thirds of economic activity, continued to increase by 0.6% in July, after rising by 0.3% in June. Exports increased by 0.7% while imports fell by 0.4%, resulting in a trade deficit of 2.5% to 72.3 billion USD. Industrial orders, representing business spending, increased by 0.4%. The next meeting will be the focus of the world attention on whether FED's policy trend will turn to monetary easing.

4. **Brexit:** The executive order with the content of suspending the British parliament from 9/19 to 14/10 of Prime Minister Boris Johnson was just approved on August 28. Thus, after returning from summer vacation on September 3, the country's legislators will have four days to discuss how to lift the executive order. There are two likely scenarios. In the first scenario, a law requires the prime minister to negotiate to postpone the Brexit process through October 31. However, this needs the help of House Speaker John Bercow. In the second scenario, a vote of no confidence can be conducted. However, a vote of no confidence can only take place after 25 working days. The majority party can try to form a new government within 14 working days. As such, Boris Johnson only needs to call for elections after October 31. Brexit no agreement is likely to occur; the core issue of negotiations is that the border between the two regions of Ireland will be difficult to be compromised by the UK or EU. He demanded that any agreement should remove this border clause - including keeping the country in a customs union to avoid restoring tariff barriers between the two Irish regions and to avoid violating Good Friday. Brexit does not deal in the context that directly affects the British financial industry, starting with depriving the opportunity to enact important legislation on financial services.

For the domestic policy, the notable topics that will influence Vietnam economy in August are:

1. **Commercial banks will stop lending foreign currencies to a demand group according to regulations on September 30.** This is the roadmap set out in Circular No. 42/2018 / TT-NHNN amending and supplementing a number of articles of Circular No. 24/2015 / TT-NHNN, provisions on lending in foreign currencies of credit institutions. for resident borrowers,

which the State Bank issued at the end of 2018. Previously, from April 1, 2019, banks also stopped short-term foreign currency loans to pay to the country. in addition to the import of goods and services in order to carry out the plan of goods production and trading to meet the domestic demand. Instead, businesses that need short-term foreign currencies must switch from borrowing to buying foreign currencies in the market or borrowing in VND. The aforementioned regulation is on the roadmap to control foreign currency loans in the direction of narrowing loan demands, gradually shifting capital mobilization and foreign currency lending relations to foreign currency trading and buying relations. It also aims to gradually reduce the ratio of foreign currency credit to total outstanding loans and proceed to stop lending in foreign currencies so that by the year 2030, it will basically overcome the dollarization situation in the economy.

2. **7 cases where credit institutions are subject to special control.** On August 2, 2019, the State Bank of Vietnam issued Circular 11/2019 / TT-NHNN providing special control for credit institutions. The Circular takes effect from October 1, 2019, whereby credit institutions (other than people's credit funds) in one of the following cases will be put under special control:
   - Risk of insolvency: Shortfall of highly liquid assets at 20% or more at the time of calculating solvency ratio resulting in failure to maintain the solvency ratio in 03 consecutive months.
   - Inability to pay: Inability to pay off debt obligations within 1 month from the date of maturity and with the ratio between the total of bad debts, potential debts becoming bad debts, bad debts sold yet to be able to handle the total amount of sold debts and non-settled bad debts at 10% or more at the time after one month from the date the debt obligation reaches maturity.
   - There is a risk of insolvency: Capital adequacy ratio is lower than 4% in 06 consecutive months and there is a ratio between total bad debts, potential structural debts that become bad debts and bad debts sold yet. to be able to handle the total unsold bad debts and sold bad debts at 10% or more at the time after 6 consecutive months and the level of capital adequacy ratio of a credit institution is lower than 4%.
   - Insolvency: Inability to pay debt obligations within 03 months from the date the debt obligation is due.
   - Accumulated losses of the credit institution are greater than 50% of the value of the charter capital and reserve funds recorded in the latest audited financial statements.
   - Failure to maintain the capital adequacy ratio for 12 consecutive months or the capital adequacy ratio of less than 4% for 6 consecutive months.
   - Weak ratings for 02 consecutive years according to the State Bank's regulations.

3. **The Ministry of Finance has just issued Circular No.** 58/2019 / TT-BTC regulating the management and use of accounts of the State Treasury (ST) opened at the State Bank of Vietnam (SBV) and banks. commercial goods (commercial banks). The circular takes effect from November 1, 2019. According to the new regulations of the Ministry of Finance, 4 types of demand deposit accounts of the State Treasury open at the State Bank and commercial banks, including: general payment accounts, collection accounts, payment accounts and accounts. collection specialist. The circular clearly guides on the content of account use. In particular, the central payment account of the Central State Treasury opened at the State Bank's Transaction Office is used to ensure the general solvency of the State Treasury units through the inter-bank electronic payment channel.

Table 4
Monthly macro indicators

Indicator / Month	**2019M01**	**2019M02**	**2019M03**	**2019M04**	**2019M05**	**2019M06**	**2019M07**	**2019M08**
GDP YoY (%)	-	-	6.79	-	-	6.71	-	-
GDP ytd YoY (%)	-	-	6.79	-	-	6.76	-	-
PMI	51.9	51.2	51.9	52.5	52	52.5	52.6	51.4
IIP YoY (%)	7.9	10.3	9.1	9.3	10	9.6	9.7	10.5
IIP Ytd YoY (%)	7.9	9.2	9.2	9.2	9.4	9.1	9.4	9.5
Retail Sales YoY (%)	12.2	11.5	12.1	12.0	11.4	11.5	12.4	12.4
Retail Sales ytd YoY (%)	12.2	12.2	12	11.9	11.6	11.5	11.6	11.5
CPI MoM (%)	0.10	0.8	-0.21	0.3	0.59	-0.09	0.18	0.28
CPI YoY (%)	2.56	2.64	2.7	2.93	2.88	2.13	2.44	2.26
Registered FDI (Bil USD)	1.14	3.30	5.12	7.45	9.09	10.37	11.7	13.2
Disbursed FDI (Bil USD)	1.55	2.58	4.12	5.70	7.30	9.10	10.6	12.0
Export (Bil USD)	22.0	13.9	22.4	20.4	21.5	21.4	22.6	24.5
Import (Bil USD)	21.2	14.7	21.8	20.9	22.8	19.5	22.4	22.8
Trade Balance (Bil USD)	0.8	-0.8	0.6	-0.5	-1.3	1.9	0.2	1.7
Exchange rate (USD/VND)	23,243	23,252	23,245	23,261	23,420	23,404	23,292	23,284
Credit growth (%)	-	-	2.28	-	-	6.09	-	-

Source: BSC Research

Stock Market August 2019

Market outlook

In August, the index could not continue its gaining momentum of the previous month as the volatile macro situation of the world was the main factor pulling the index down. The postponement of the trade war seemed to be broken when US - China unexpectedly responded to each other by increasing tariffs on the counterpart's goods. Besides, the sentiment of investors was also less optimistic due to the signal of economic recession transmitted from the US government bond inverted yield curve. Vietnam's stock market continued to witness strong differentiation. VN-Index officially decreased by -7.6 points compared to the end of last month (-0.77% MoM), (+ 8.06% YtD) and HNX-Index decreased -2.11 points (-2.02% MoM), (-0.54% YtD).

Liquidity improved compared to July, cash flow focused on large-cap group. In August, there were 182 gainers, 183 losers and 14 unchanged stocks on the HSX, 5 stocks supporting VN-Index include BID up 9.15% (contributing 3.28 points), VIC up 1.23% (contributing 1.48 points.), MWG increased by 9.46% (contributing 1.32 points), VPB increased 7.97% (contributing 1.27 points), NVL increased by 11.81% (contributing 1.14 points). The stocks that made VN-Index dropping the most included GAS fell -5.67% (-3.51 points down), VCB fell -3.12% (-2.74 points), HVN fell -12.97% (-2.26 points), VRE fell -6.77% (-1.72 points) and BVH decrease -9.52% (-1.65 points). In August, 9/18 industries saw the strongest increase, especially Retailing.

Table 6

Fluctuation in the last 6 months on HOSE

Month	Index	Volumn (Bil shares)	Capitalization (VND Trillion)
8	984.06	2.94	3,327.02
7	991.66	2.90	3,347.75
6	949.94	2.28	3,199.25
5	959.88	2.68	3,229.07
4	979.64	2.40	3,207.75
3	980.76	3.63	3,211.00

Source: HSX, Bloomberg, BSC Research

Table 7

Fluctuation in the last 6 months on HNX

Month	Index	Volumn (Bil shares)	Capitalization (VND Trillion)
8	102.32	0.58	185.36
7	104.43	0.59	185.11
6	103.51	0.50	183.08
5	104.35	0.71	184.52
4	107.46	0.57	203.06
3	107.44	0.91	200.40

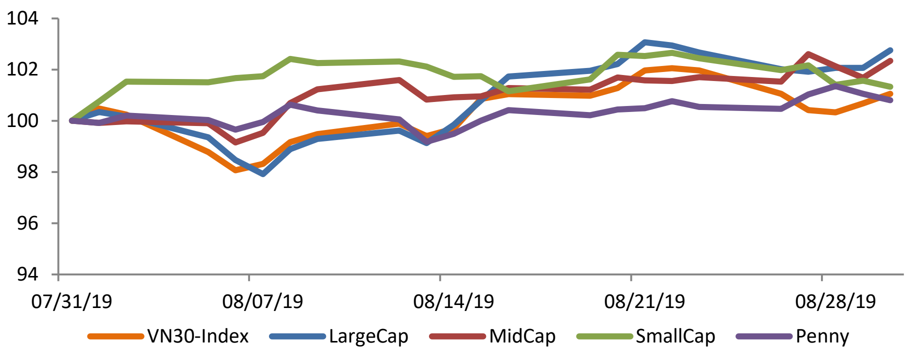
Source: HNX, Bloomberg, BSC Research

Stock groups performances

Stock groups by capitalization showed similar movements. In August, LargeCap, MidCap, SmallCap were the three stock groups with the largest positive growth, with increases of 2.75%, 2.34% and 1.33%, respectively. Following closely were the VN30 and Pennies with positive performance with an increase of 1.05, 0.8%. Although the market still recorded a correction due to unfavorable global macro information mainly from unpredictable movements of the trade war, the capitalization stocks still showed positive growth.

Chart 9

Stock sector developments

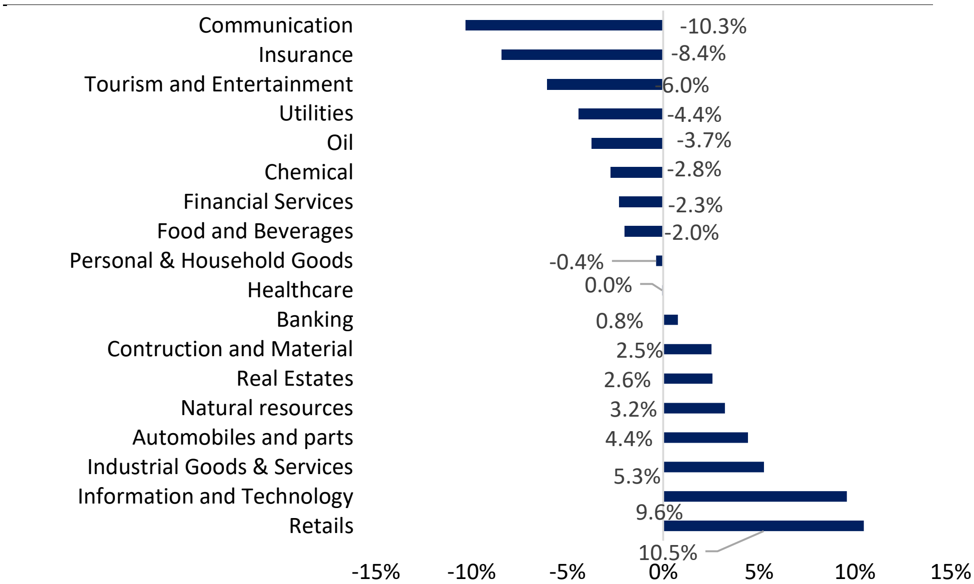


Source: Bloomberg, BSC Research

In August, the market saw 9/18 industries gaining points. In which, Retail sector increased the most with 10.5% due to the contribution of MWG and DGW shares with the increase of 9.46% and 4.46% respectively. Communication sector is still the group with the strongest decline of -10.3%.

Chart 10

Tier 2 sector in 7/2019



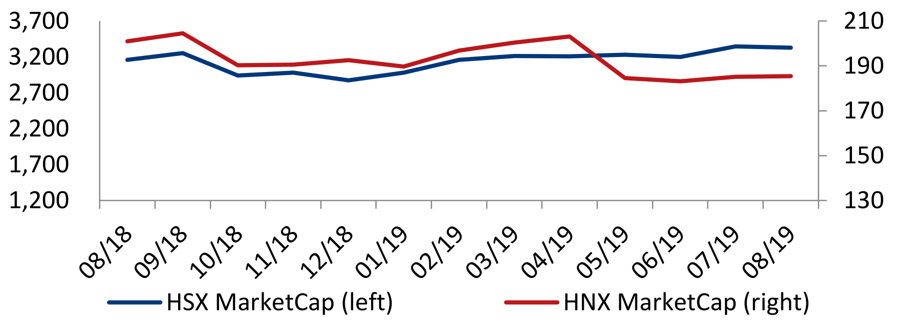
Source: Fiinpro, BSC Research

Capitalization scale

The capitalization on both HSX and HNX reached VND 3,512.38 trillion, equivalent to USD 150.75 billion, down -0.58% MoM, + 10.84% YtD. Upcom increased slightly to VND 1,027.70 trillion at the end of August. As of August, there were 311 million additional listed shares on HOSE; 203.9 million shares listed for the first time; 9.57 million shares were delisted; 0.9 million additional listed ETFs; 32.3 million ETF delisting; there were no first listed bonds and 18 million delisted bonds.

Regarding the scale listed on the HOSE on August 30, the exchange was listed 83.18 billion shares equivalent to VND 831.85 trillion (95.13% of the market value), 376.42 million bonds equivalent to VND 37.64 trillion (4.30% market value), 446.8 million ETF certificates equivalent to VND 4.47 trillion (0.51% of the market).

Chart 11
Capitalization scale

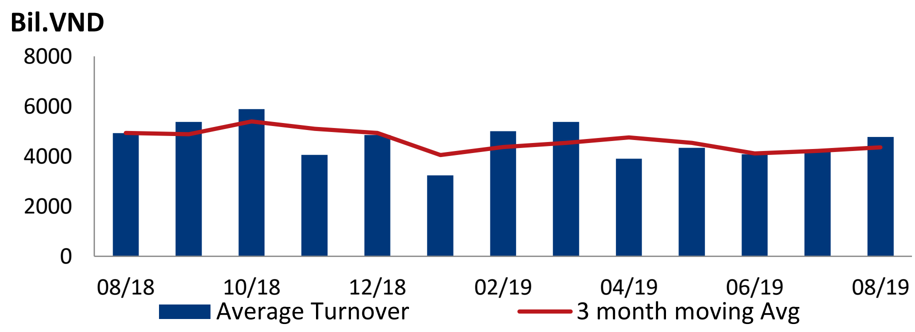


Source: Bloomberg, BSC Research

Average market liquidity

Average liquidity on both exchanges increased by 12.9% compared to July 2019, and increased to VND 4,777 billion/session and equivalent to nearly USD 205 million/session. In August, cash flow concentrated in large-cap and small-cap stocks as well as stocks with good prospects.

Chart 12
Average market liquidity



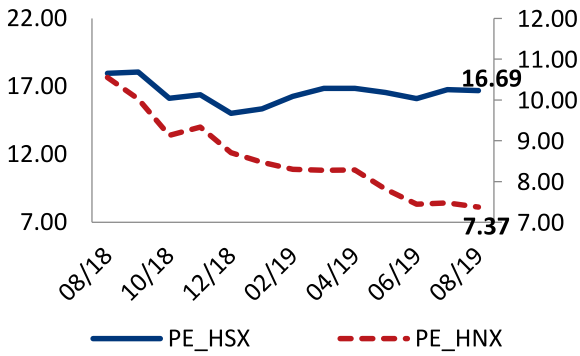
Source: Bloomberg, BSC Research

Price level of Vietnam stock market

VN-Index P/E decreased to 16.69, equivalent to -0.43% MoM, +8.84% YtD and HNX-Index fell to 7.37, equivalent to -1.44% MoM, -13.04% YtD. The P/E of the HSX slightly decreased although still slightly higher than the 8-month average, the HNX also slightly decreased. Compared to July 2019, the P/E of the VN-Index remained at 10th and the HNX-Index continued to hold the 20th position in Asia.

Chart 13

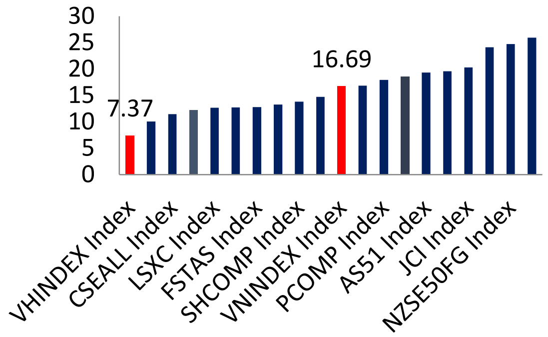
P/E indicator or performace on both Exchanges



Source: Bloomberg, BSC Research

Chart 14

Vietnam's P/E indicator compared to other countries in the region



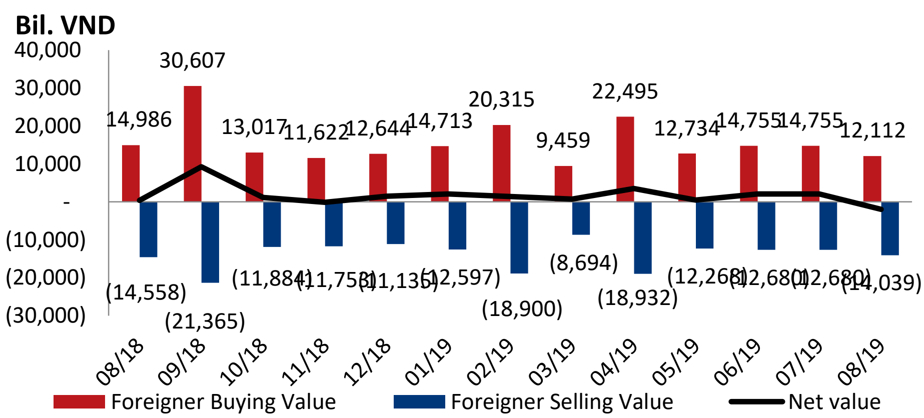
Source: Bloomberg, BSC Research

Foreign trading

In August, foreign investors were net sellers on the HSX and HNX. On the Upcom exchange, they continued to be net buyers of VND 194.49 billion, they focused on net buying VND 134.07 billion of QNS and VND 54.21 billion of VEA while net selling VND 24.14 billion of BCM and VND 17.62 billion of CTR.

Chart 15

Foreigner transaction performances on both Exchanges



Source: BSC Research

In August, foreign investors were net sellers on the HSX with VND 1,706 billion with 173 stocks net selling and 150 stocks net buying; VND 221 billion net-selling on HNX with 85 stocks sold and 110 shares bought. On the HSX, they sold VJC (VND -1,021.03 billion), HPG (VND -520.78 billion), VRE (VND -247.06 billion), VCB (VND -161.80 billion VND) and bought VIC (VND 1,056.33 billion), CMG (VND 211.55 billion), and PLX (VND 137.68 billion). On the HNX, this group focused on buying SHB (VND 23.49 billion), PVI (VND 10.89 billion) and selling ACB (VND -88.87 billion) and VCS (VND -68.10 billion).

Table 8

Top 10 foreign traded stocks on HSX in 7/2019

Ticker	Net value (VND Bil)	Ticker	Net value (VND Bil)
VIC	1,056.33	**VJC**	(1,021.03)
CMG	211.55	**HPG**	(520.78)
PLX	137.69	**VRE**	(247.06)
NVL	117.43	**VCB**	(161.80)
PVD	114.38	**GAS**	(144.96)
HDB	66.31	**DXG**	(129.09)
GEX	45.27	**SSI**	(106.58)
TDM	44.15	**STB**	(102.38)
KBC	41.02	**POW**	(80.02)
CTD	40.17	**BVH**	(77.18)

Source: BSC Research

Table 9

Top 10 foreign traded stocks on HNX in 8/2019

Ticker	Net value (VND Bil)	Ticker	Net value (VND Bil)
SHB	23.50	**ACB**	(83.89)
PVI	10.90	**VCS**	(68.10)
DGC	10.53	**PVS**	(60.15)
HDA	4.36	**TNG**	(29.33)
HUT	3.67	**SHS**	(15.83)
VMC	1.74	**CEO**	(6.10)
SLS	1.73	**VLA**	(5.64)
BAX	1.43	**VCG**	(4.05)
SCI	1.27	**INN**	(4.03)
IDV	1.23	**VNC**	(3.30)

Source: BSC Research

Market outlook of September

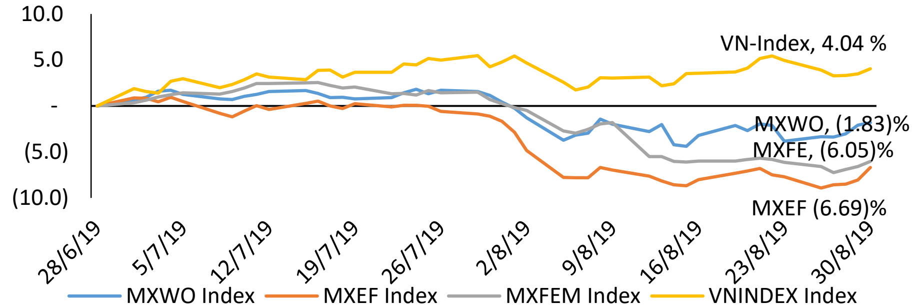
As the growth of world economy slows down, the trade war remains a matter of focus and has strong impact on the sentiment of international market. The cycle of Negotiation - No deal - US increases tax - China retaliates repeats itself and erodes hopes of a possible deal. The positive effect from the FED lowering the interest rate by 0.25% for the first time in 10 years at the end of July quickly faded as the US announced tariffs on USD 300 billion of Chinese goods beginning September 1. China responded by adding 5-10% tax to USD 75 billion goods, leading to the decision to increase an addition of 5% tax on USD 300 billion Chinese goods according to Article 301 published in US Federal Gazette on August 30. The yuan surpassing the psychological level of 7 CNY/USD and continuing to rise thereafter, along with the inversion of the 2-year government bond versus 10-year government bond yield curve are the result of the trade war intensifying.

Central banks of countries have strengthened monetary easing policies and indicators surpassed the psychological threshold. Global stock market fluctuated sharply from the uneasiness of investors. Concerns about the downturn scenario accompanied the movement of cash flows into safer investment channels such as long-term government bonds and precious metals. This movement may continue in the remaining months of the year when the trade war has not ended and is unpredictably expanding in many different directions.

On the monetary market, USD Index rose by 0.4% in August. USD depreciated against major currencies such as JPY and EUR but increased in price compared to BRIC countries and emerging market areas. CNY (China) lost the psychological threshold of 7 CNY/USD and depreciated 3.9%, the strongest devaluation in 25 years, leading to the depreciation of BRIC countries including INR (Indian), down 3.9%; RUB (Rusia), down 4.9 %; BRL (Brazil) decreased by 8.7%. VND is one of the rare currencies with a 0.2% appreciation.

Chart 16

MSCI development, emerging and frontier regions in August 2019 (USD)



Source: Bloomberg, BSC Research

In commodity market, BComp Index had the second declining month of 2.5%. Agricultural products dropping such as Soybean (-0.8%), Café (-6.1%), Cotton (-6.6%), Wheat (-7.4%), Sugar (-8.8%), and Natural Rubber (-27.9%). Oil and iron ore prices dropping by -5.9% and -28.8%, respectively, also contributed largely to the decline in the commodity index. Metals such as Lead (+1.1%), Gold (+6.8%), and Silver (+10.9%) are among the few gainers.

Regarding the stock market, the key stock indexes declined after the sideway momentum in the previous month. The MSCI Development Area (MXWO), the Emerging Regional MSCI (MXEF), and the Frontier Area MSCI (MXFM) decreased -2.2%, -4.9% and -6.3%, bringing the decrease by 2 months. -1.8%, -6.7% and -6.1% respectively.

In the developed market, the gain of the UK market last month before the new Prime Minister was erased with the strongest decline of -5% in the face of the fact that Brexit has no agreement. Except for the French market which decreased slightly, all other markets decreased on average by over 2%.

In the BRIC region, the single Russian market increased by 0.7% while China led the way down -1.6%. Remarkably, the local currency dropped quite fast and foreign divestment is still happening in BRIC.

In the regional market, Vietnam market fell along with the regional trend after a good rally in July and was the market with the lowest decline. Singapore and Thailand decreased by -5.9% and -3.3%, respectively facing many economic downturn signals. Foreign capital flows continued to net withdraw in the region.

Chart 17

Fluctuations of countries' stock markets in August

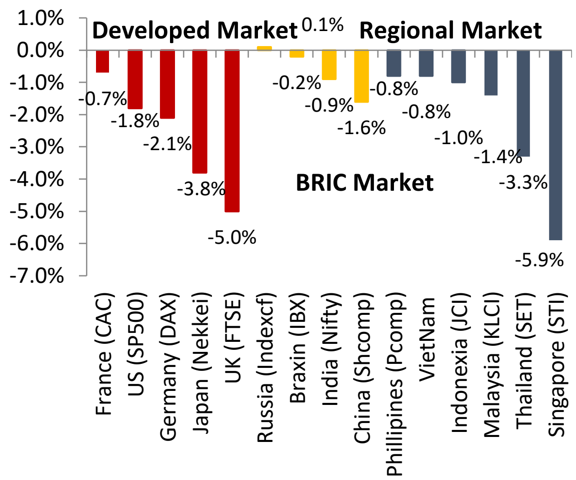


Table 10

Net buy/sell of foreign investors in August (Mio. USD)

Nations	August	8 Months
India	(2,279)	7,126
Indonesia	(651)	4,175
Japan*	(8,301)	(15,161)
Malaysia	(119)	(1,813)
Philippines	(226)	262
Korea	(240)	4,005
Sri Lanka	(12)	(7)
Taiwan	(2,785)	(56)
Thailand	(1,762)	209
Pakistan	(7)	67
Vietnam	(54)	372

Source: Bloomberg, BSC Research

The unfavorable news from the world has partly made the market fluctuation stronger. VN-Index though has sinus movement; the price movement was not influenced too much by the international information. Large-cap stocks supported the market and absorbed foreign investors' divestment. The cash flow slightly fluctuated among sectors. This movement was not clear though and the time of price increase was short due to the limited cash flow. VN-Index decreased by 7.6 points, equivalent to 0.8%. Liquidity increased slightly and mainly came from large value put-through transactions. The cash flow focused on stocks or sectors with impressive Q2 business results and quick circulation through previous deep declining stocks.

By sector, 8/18 secondary sectors gained points. Retail, Information Technology, and Industrial Goods & Services sectors surged the most, with 10.5%, 9.6% and 5.3% respectively. The Retail sector saw a strong growth for the second month thanks to the leading of MWG. On the other side, Communication, Insurance, and Travel and Entertainment dropped the most by -10.3%, -8.4% and -6.0%, respectively. The weak cash flow made stocks with negative business results in quarter II continue to suffer.

In terms of the influence of the stocks, the top 5 saw an increase of 8.7 points including BID (+9.2%, contributing 3.3 points), VIC (+1.2%, contributing 1.5 points), MWG (+9.5%, contributed 1.3 points), VPB (+9.4%, contributed 1.3 points), and NVL (+8%, contributed 1.3 points). On the other side, GAS (-5.7%, down 3.5 points), VCB (-3.1%, down 2.7 points), HVN (-12.9%, down 2.3 points), VRE (-6.8%, down 1.7 points)), and BVH (-9.5%, down 1.7 points), taking the market off 11.9 points. The differentiation between stocks with large market capitalization and stocks in the same sector caused VN-Index to fluctuate in August.

In August, we visited the business and recommended stocks such as PNJ (Link), MWG (Link), GVR (Link), FPT (Link), PAC (Link) and GMD (Link). 11 quick reports of listed companies were updated in the month (Link).

On the basis of reviewing information that affects the stock market, the following information is notable in September:

Macroeconomy remained stable, the growth drivers decreased slightly over the same period. The State Bank of Vietnam operates flexibly to follow the market. Macroeconomy remained stable at important indicators. CPI in July increased by 0.28%, bringing the CPI of the first 7 months of the year to 2.57% over the same period, the average CPI of the 8 months increased by 1.9% which was a low level in recent years. USD price decreased by 0.17% in August, by 0.38% compared to December and by 0.13% compared with the same period last year. In August, the trade surplus was estimated at 1.7 billion USD, in 8 months of the year reached 3.4 billion USD. State budget revenues as of August 15 increased significantly, equal to 66% of the estimate and a surplus of 97 trillion.

The growth contributors are still slowing down over the same period: (1) The growth rate of total retail sales of consumer goods and services in 8 months of 2019 was at 11.5%, down 0.6% compared to the same period of 2018; (2) The Index of Industrial Production (IIP) is estimated to increase by 9.5% compared to an increase of 10.8% over the same period; (3) The total newly and additionally registered FDI capital reached USD 9.1 billion, down 32% over the same period; (4) Realized investment capital from the budget increased by 3.8% over the same period compared to an increase of 10.4% in 2018; (5) The total import-export turnover increased by 7.3% over the same period compared to the increase of 13.5% in 2018. The global economy deceleration affected Vietnam, although this slight decrease is acceptable and less extreme than other economies.

The State Bank is still flexibly operating monetary policy with macro stability in the face of complicated fluctuations from the world. In August, the State Bank issued 2 documents: (1) requesting risk management in corporate bond investment activities and (2) warning credit institutions that have adjusted interest rates on deposits in VND rapidly and strongly at certain terms, or have developed certificate of deposit products with high interest rates. These are necessary regulations to guide and control credit flows and at the same time, prevent unhealthy interest rate increase against the world trend of lowering interest rates.

Vietnam is likely still on the FTSE Russell watchlist. ETFs announce and complete transactions during the third quarter review.

FTSE will announce the result of market ranking at the end of September. Earlier, in the update in March, FTSE Russell kept Vietnam in the watchlist to upgrade to Secondary emerging market but downgraded some criteria compared to the previous review in September 2018. The downgraded criteria include (1) "Rare failure rate" from "Pass" to "NA", (2) "Depository - Separate account management available to international investors" from "Pass" to "Not met", (3) "Foreign exchange transaction" from "Limited "to "Not met". Only the criteria "Derivative market" was upgraded from "Not met" to "Limited".

In the Vietnam stock market in the past 6 months, there has been change in terms of capitalization scale as some companies listed on Upcom have switched to Hose, but there has been no policy change to meet the criteria of FTSE Russell. The changes only come when the amended Securities Law is passed in late 2019 and takes effect in 2020. Therefore, it is likely that Vietnam will remain on the FTSE Russell's watch list during the announcement. This upgrade opportunity will only come in late 2020 or 2021.

ETFs FTSE and VNM will also close the data at the end of August to restructure their portfolio of stocks in the third quarter. At the closing date on August 21, we forecast that FTSE VN will add VJC, PHR and possibly HVN while eliminating CII. The VNM ETF will likely add VJC and HVN. In the case of

HVN, the stock meets all conditions except that the Free float rate is being calculated differently among sources of information. Therefore, we only see HVN as a possibility (Link). Portfolio restructuring activities, though, will also create fluctuation, especially when the trading time and maturity term of future contracts coincide.

The trade war is intensifying, the United States and China are adjusting regulating policies to limit the damage but also creating a risk of confrontation on other fronts. The trade war continues to intensify. China decided to apply an additional tax rate of 5% or 10% to a total of 5,078 products originating from the United States and restore a tax rate of 25% for cars and 5% for auto parts since December last year beginning 1 and 15 September. This is a retaliation for the US to impose a 10% tax on USD 300 billion of Chinese goods (some items pushed back to December), effective from September 1. In response, President Trump announced an additional 5% tax increase on USD 550 billion of goods from China. Accordingly, the United States will increase tariffs on USD 250 billion of goods from 25% to 30% starting October 1. For the remaining USD 300 billion goods, the United States will also increase the tariff to 15% starting on September 1, not changing half of those goods that have been delayed until December 15.

Retaliation entails notable policy implications. After 10 years, the Fed lowered the interest rate by 0.25% to a range of 2% - 2.25% at the July policy meeting amid pressure from the US president and the unclear view on the cycle of interest rate cut. China also lowered the yuan price below the psychological level of 7 CNY/USD, and received the sharpest decline in 25 years with -3.9% loss in August. The United States immediately listed China as a currency manipulation nation on August 5. So from the initial trade war, the risk of spreading to a currency war and the retaliation into each other's businesses gradually became clear.

Before the new round of tariffs took effect on September 1, China signaled that they would not immediately respond to the new US tariff barriers. On the US side, even though 160 sectors wrote to the US president demanding a delay in raising taxes, Mr. Trump decided to levy a 15% tax on 112 billion Chinese goods from September 1. The two sides maintained contact and the US-China trade meeting in September was to follow as scheduled.

After more than a year and through many rounds of talks, the negotiations are still deadlocked and the severity of retaliation against each other is expanding. The political motivation integrated into the trade war is pushing it away and unpredictable. This continues to be a risk not only for the global economy but also for Vietnam's economy in the near future.

The risk of no deal Brexit is looming very close. With the announcement of suspending the British parliament from mid-September to October 14 of the new British Prime Minister on August 28, it shows his determination to pursue Brexit. With this provision, parliamentarians only have about 2 weeks to pass any laws that would prevent the UK from leaving the EU by October 31 deadline.

Brexit has been scheduled for March 29 after two years of activating Article 50 of the Lisbon Treaty. However, many times the deadline was delayed because the UK parliament rejected the Prime Minister May's agreement to unite the EU. The new British Prime Minister has affirmed that Britain will break with the EU on October 31 with or without agreement.

Prime Minister Johnson's move is preventing the delay and speeding up the Brexit process. However, previous negotiations with the EU have not made a breakthrough. This makes Brexit more likely to be on time but there is a high risk that there will be no agreement.

The Brexit event is ongoing but the impact will be lessened as all attention is on the US-China trade war. Thus, this would be a negative event but the risks with the markets were not significant.

Table 11

Factors affecting the market in August 2019:

Events	Impact of stock market
The macroeconomic indicators are still quite stable, with room for policies that support growth.	Positive
The State Bank of Vietnam strengthens foreign currency reserves, flexibly regulates exchange rates and interest rates.	Reduce the negative effects from global volatility
FTSE Russell announced ranking results at the end of September.	Support the market, the driving force for policy changes
ETFs announce and complete transactions for the third quarter review.	Increase liquidity
ECB monetary policy meeting on September 12; FED monetary policy meeting on September 17-18.	Strong impact on international cash flows
The United States imposed a 15% tax on 112 billion Chinese goods from September 1. The next reaction from China	Strong impact on the market and investors' sentiment
Iranian oil minister attended a meeting of JMMC oil producing countries on September 23.	Impact oil prices

Source: BSC Research

The VN-Index has a correction to 965 points as forecasted in the August report and a sinusoidal movement with alternating recoveries and declines. Large-cap stocks have actively mobilized, limiting the negative impact from international information and the net withdrawal of foreign investors. The market will have movements to welcome the third quarter business results in the second half of September, but this is not yet a breakthrough when the negative information from the world is still ahead. The VN-Index price fluctuation in September continued to range from 965 points to 1,015 points.

- In the positive case, VN-Index will keep above 965 points at correction span, with the central price zone of 980 points. Price movements welcomed the third quarter business results, improved liquidity in some sectors and stocks with good growth prospects.

- In the negative case, VN-Index may drop below 950 points if there are adverse information from the world and foreign investors net sell.

Investors can refer to some topics, and updated reports in the months:

- Industry and stocks are evaluated positively in the Sector Outlook Report 2019 (Link) and Quarter 2 Sector Outlook (Link);
- Stocks with improvement and positive outlook such as Banking, Retail, leading stocks;
- Stocks benefited from recovering NVL prices and oil prices;
- 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 sector strategic reports for the third quarter, stocks with good changes are recommended in the Weekly Report (Link), and update report for Sector/Company (link).

Disclosure

The information, statements, forecasts and projections contained herein, including any expression of opinion, are based upon sources believed to be reliable but their accuracy completeness or correctness are not guaranteed. Expressions of opinion herein were arrived at after due and careful consideration and they were based upon the best information then known to us, and in our opinion are fair and reasonable in the circumstances prevailing at the time. Expressions of opinion contained herein are subject to change without notice. This document is not, and should not be construed as, an offer or the solicitation of an offer to buy or sell any securities. BSC and other companies in the BSC and/or their officers, directors and employees may have positions and may affect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking services for these companies. This document is for private circulation only and is not for publication in the press or elsewhere. BSC accepts no liability whatsoever for any direct or consequential loss arising from any use of this or its content. The use of any information, statements forecasts and projections contained herein shall be at the sole discretion and risk of the user. No part of this material may be (i) copied, photocopied or duplicated in any form by any mean or (ii) redistributed without the prior written consent of BIDV Securities Company (BSC).

BSC Headquarters

BIDV Tower, 10th & 11th Floor
35 Hang Voi, Hoan Kiem, Hanoi
Tel: +84 4 3935 2722
Fax: +84 4 2220 0669

Ho Chi Minh City Office

146 Nguyen Cong Tru St, 9th Floor
District 1, HCMC
Tel: +84 8 3821 8885
Fax: +84 8 3821 8510

https://www.bsc.com.vn
https://www.facebook.com/BIDVSecurities

Bloomberg: RESP BSCV <GO>