

Vietnam Monthly Review

2019 M10

BSC Research

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Macroeconomics

- PMI index decreased from 50.5 in September to 50 in October, which ended the 46-month PMI rising period.
- Total estimated retail sales of consumer goods and services in 10M2019 reached VND 4,059 trillion, up 11.8% compared to the same period last year, if excluding the price factor, the price increase were 9.4%.
- In 10M2019, registered FDI decreased by 16.4% compared to the same period last year while disbursed FDI increased by 7.4% compared to last year. FDI capital mainly focused on processing and manufacturing sectors.
- The interbank USD/VND exchange rate fluctuated in the range 23,260-23,270 USD/VND, more stable than the amplitude in September. Interbank interest rates of all terms decreased in October.

Stock market

- As of October 31, 2019, the VN-Index officially increased by 2.3 points compared to the end of last month (+ 0.23% MoM) and HNX-Index increased by 0.14 points (+ 0.13% MoM). Since the beginning of 2019, the VN-Index has increased by 106.28 points (+ 11.91% ytd) and the HNX-Index has increased by 0.96 points (+ 0.92% ytd).
- The average liquidity on the both exchanges decreased by -1.98% compared to September 2019, and maintained at VND 4,294 billion/session and equivalent to nearly USD 184.3 million/session.
- In October, foreign investors continued to net sell strongly on both HSX and HNX. Foreigners net sold - VND1,661 billion on the HSX, net sold -28.4 billion on the HNX.
- P/E of VN-Index decreased to 16.42, equivalent to -2.97% MoM, +9.03% Ytd and HNX-Index increased to 7.59 respectively +0.23% MoM, -12.84% Ytd. Compared to September, the P/E of the VN-Index is at 10th and the HNX-Index is at 20 in Asia.

Market outlook in October

With positive progress from Q3 business results and effect of buying treasury stock of some large stocks, VN-Index has surpassed the psychological level of 1,000 points and is approaching the threshold of 1,050 points as mentioned in the fourth quarter report. Large stocks play a leading role, forming a new price level before spreading to stocks with improved earnings and positive prospects. VN-Index fluctuated in October from 983 points to 1,050 points. BSC gives two scenarios as follows:

- In a positive scenario, VN-Index increased to 1,050 points and maintained above 1,000 points. Liquidity improved gradually, cash flow rotation amongst industries became more pronounced
- In a negative scenario, VN-Index may drop below 983 points if there are adverse information on global economy and pressure of divesting continued by foreign investors
- **Recommended stocks:**
 - Industry and stocks are evaluated positively in the Sector Outlook Report 2019 and Quarter 4 Sector Outlook ;
 - Stocks with improvements and positive outlook such as Banking, Retail, Information Technology - Postal and Telecommunications;
 - Stocks with positive prospect such as Industry Park Real Estate, Textiles, Electricity and Aviation;
 - Highly defensive stocks and stock with high dividend payout;
 - In the long-term, BSC's recommended stocks will be mentioned in the sector strategic reports for the third quarter, stocks with good changes

Macroeconomics of October 2019

Economic growth

- PMI index decreased from 50.5 in September to 50 in October, ending the 46-month increasing period.

Production index of the whole industry (IIP) in October 2019 was estimated to increase by 2.7% over the previous month and by 9.2% over the same period last year, of which the mining industry decreased slightly by 0.2%; processing and manufacturing increased by 10.8%; electricity production and distribution increased by 8.1%; water supply and waste treatment, wastewater increased by 6.9%.

For the first 10M2019, IIP is estimated to increase by 9.5% over the same period last year, lower than the increase of 10.3% YoY. In which, mining sector increased by 1.2% (same period last year by 2.3%), contributing 0.2 percentage point to the general growth; processing and manufacturing by 10.8%, contributing 8.3 percentage points; power production and distribution increased by 9.9%, contributing 0.9 percentage points; water supply and waste treatment increased by 7.2%, contributing 0.1 percentage points.

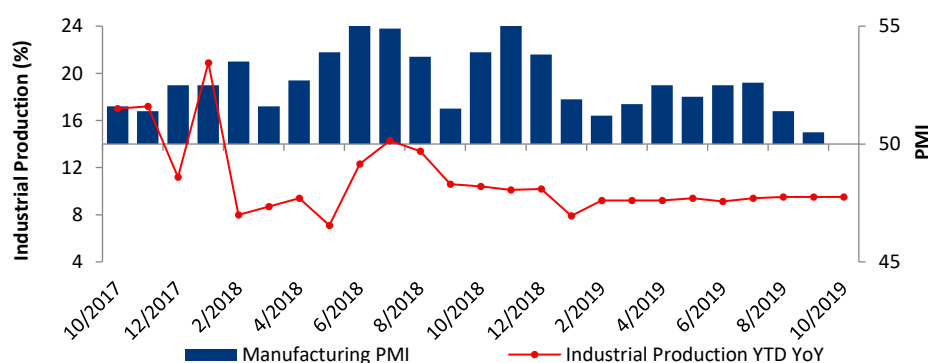
Among secondary sectors, the top 3 sectors with high manufacturing index in October increased over the same period last year: Metal production increased by 34.3%; production of coke and refined petroleum products increased by 31.8%; metal ore exploitation by 20.7%;

Some key industrial products in 10M2019 increased over the same period last year: Iron and steel increased by 42.8%; gasoline and oil rose 33.2%; steel bars and corners increased by 17.7%.

Some products increased slowly or decreased: Natural gas in form of gas increased by 1.9%; powdered milk increased by 1.3%; feed for cattle decreased by 0.4%; NPK mixed fertilizer decreased by 0.5%.

Chart 1

Industrial Production Index & PMI



Source: GSO, Markit, BSC Research

The PMI index decreased from 50.5 in September to 50 in October, which ended the 46-month rising period. Business conditions in Vietnam's manufacturing sector did not change in October when the number of new orders increased slowly and output decreased continuously for the first time since the third quarter of 2013. Number of jobs also decreased for the month. In terms of prices, input cost growth has increased faster and in response, companies have increased their selling prices for the first time in nearly a year. Specifically:

- While the number of new orders continues to increase, the growth rate is small after slowing for the third consecutive month, which is the weakest in the recent rising period starting in December 2015. The same situation occurred with the number of new export orders as the growth rate slowed down to a small extent.
- Companies have reduced their number of jobs for the second month in a row. Although modest, the rate of job losses has been the highest since March 2015. Decreased operating capacity has led to a fourth increase in backlog in the past five months.
- There have been several reports of problems with material supply in October leading to increased input prices, and extended lead times for suppliers.
- The drop in output has affected the inventory in October. The decline in input demand for production activities has led to an increase in the inventory of purchased goods. Meanwhile, the decline in output has led to a decline in finished product inventories, after having increased in September. Moreover, the declining pace has been the fastest since March 2016.
- Business optimism bounced back from the 13-month low in September and returned to the higher recorded level in August. Companies are confident that output will increase next year and positive optimism is often attributed to rising market expectations.

The stagnant phase of the Vietnamese manufacturing sector continues into October when companies appear to be cautious about output, employment and purchasing activity amid signs of new orders. weaker growth and world demand decline. Although the PMI level has decreased to the neutral threshold of 50, the optimistic expectation has increased, showing that the PMI situation may improve and maintain above the level of 50 points in the last two months of the year when the US-China trade war is entering a period of postponement. This will create a more stabilize business conditions as investors' worries subside.

In addition, China's PMI index plummeted to 49.3 in October from 49.8 in September. The decline in manufacturing activity was the result of the downturn in new orders, dropped to the lowest level since June. At the same time, export orders have also dropped to the lowest level since July. General production continued to expand in October, but at the slowest pace since February. This phenomenon will continue to maintain the US economic advantage in the negotiation activities of President Donald Trump in the near future.

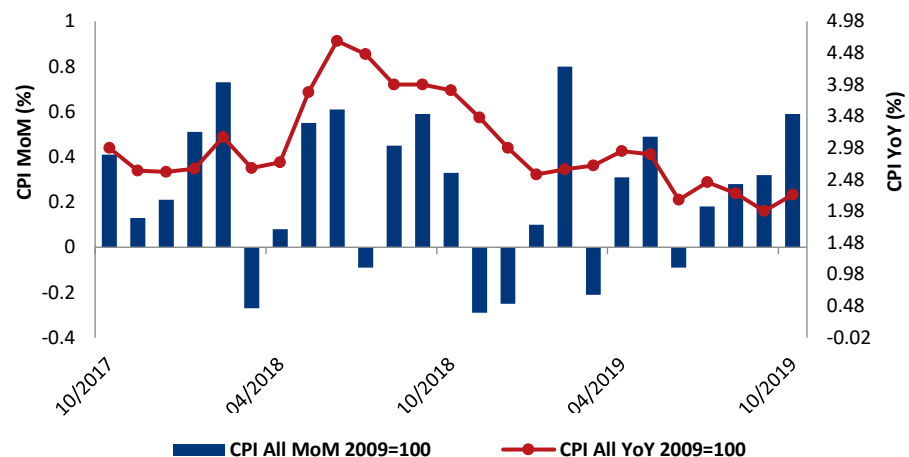
Inflation

- **October CPI increased + 0.59% compared to September, in which CPI of 10/11 commodity and service sectors in October increased compared to the previous month.**

CPI of October increased by 0.59% over the previous month, and increased by 2.26% over the same period in 2018. Core inflation in October 2019 increased by 0.15% over the previous month and by 1.99% over the same period last year.

Average CPI of 10M2019 increased by 2.48% compared to the average of 2018. The average core inflation in the first 10 months of this year also increased by 1.92% compared to the same period in 2018.

Chart 2
Monthly CPI movements



Sources: GSO, BSC Research

In October, 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:

- Food and catering services saw the highest increase of 1.04% (food increased by 0.05%; foodstuff increased by 1.57%.) The price of pork increased due to the impact of African swine cholera, which reduced the supply of pork.
- The transport group increased by 0.99% due to the effect of the gasoline price adjustment on October 1, 2019 and the reduction of gasoline and oil prices on October 16, 2019 as a petrol and oil price index. increased by 2.22%.
- Housing and construction materials group increased by 0.53%, mainly due to the increase in domestic gas price on October 1, 2019, causing gas price index to increase by 7.62%.
- The education group increased by 0.19% (education service increased by 0.21%) due to some localities implementing increasing tuition fees for the new school year 2019-2020.

Chart 3
Retail Sales

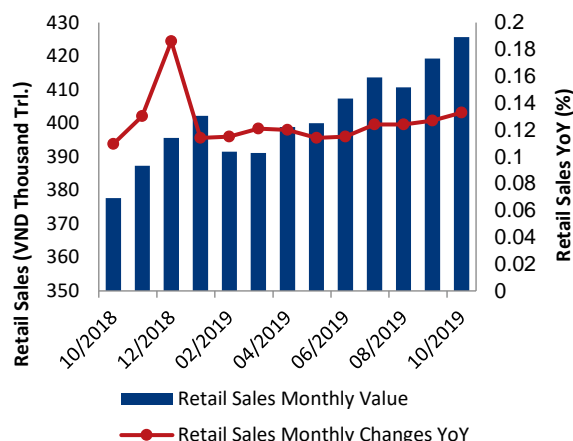


Table 1
Increase/decrease of service sectors in July

No.	Sector	MoM (%)	YoY (%)
1	Food and catering	1.04	2.65
2	Transportation	0.99	-3.19
3	Health care	0.04	8.84
4	Housing & Construction	0.53	2.94
5	Entertainment	0.12	1.66
6	Beverage and Cigarettes	0.04	2.11
7	Clothing	0.06	1.73
8	House appliance	0.09	1.34
9	Education	0.19	4.25
10	Telecommunication	-0.06	-0.55
11	Other	0.17	3.12

Source: GSO, BSC Research

Total retail sales of goods and services in October 2019 were estimated at VND 425.7 trillion dong, up 1.5% over the previous month and up 13.3% over the same period in 2018.

Retail sales of goods reached VND 322.7 trillion, up 1.7% MoM and up 14.7% YoY; accommodation service revenue reached VND 49.1 trillion, increased by 0.5% MoM and increased by 9.2% YoY; tourism revenue reached VND 3.9 trillion, up 0.2% MoM and 9.5% YoY; other service revenue reached VND 50 trillion, up 1.2% MoM and up 9.2% YoY.

Generally, in 10M2019, the total retail sales of goods and consumer services reached VND 4,059.4 trillion, up 11.8% YoY, if excluding the price factor, it increased by 9.4% (in the same period in 2018, it increased 8.9%). In particular, the retail sales of goods in 10 months reached VND 3,083.4 trillion, accounting for 76% of the total and up 12.8% over the same period last year.

Foreign Direct Investment (FDI)

- **Registered FDI in 10M2019 reached USD 18.3 billion and decreased by -16.2% compared to the same period last year while disbursed FDI in 10M2019 reached USD 16.2 billion and increased by 7.4% compared to last year.**
- **Foreign direct investment concentrates on processing and manufacturing industries as this sector accounts for 71.2% of the total registered capital.**

Total newly and additionally registered FDI capital until October 20, 2019 of 3,094 projects (+ 25.9% YoY) reached USD 12.8 billion (-14.6% YoY), plus USD 5.47 billion of adjusted registered capital of 1,145 projects licensed in previous

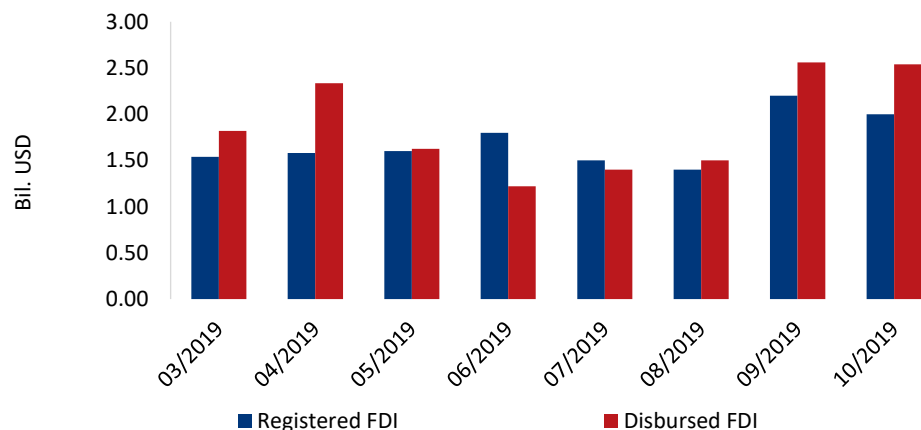
years. Thus, the total newly and additionally registered FDI capital reached USD 18.30 billion (-15.2% YoY).

Realized FDI capital in 10 months was estimated at 16.2 billion USD, up 7.4% over the same period in 2018.

In 10M2019, the processing and manufacturing industry attracted the largest foreign direct investment with the registered capital of newly licensed projects reaching USD 9.13 billion, accounting for 71.2% of the total newly registered capital; real estate business reached USD 1,283 billion, accounting for 10%; the remaining industries reached USD 2.4 billion, accounting for 18.8%.

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 10 months reached 13,872.9 million USD, accounting for 75.8 % of registered capital; real estate business reached 1,235 million USD (there were 22 times of projects adjusting capital with a total of adjusted registered capital of 46.8 million USD), accounting for 6.7%; the remaining sectors reached 3,194.5 million USD, accounting for 17.5%.

Chart 4
FDI (USD Bil)



Source: GSO, BSC Research

Top 3 regions attracting registered FDI nationwide: Binh Duong (USD 1.24 billion - 9.7%), HCMC. Ho Chi Minh (1.07 billion - 8.3%), Hanoi (0.93 billion - 7.4%).

In 10M2019, Korea was the largest direct investor in Vietnam with an investment capital of 2.76 billion USD, accounting for 21.5% of the total newly registered capital; followed closely by China with 2.16 billion USD, accounting for 16.5% and Singapore with 1.84 billion USD, accounting for 14.3%.

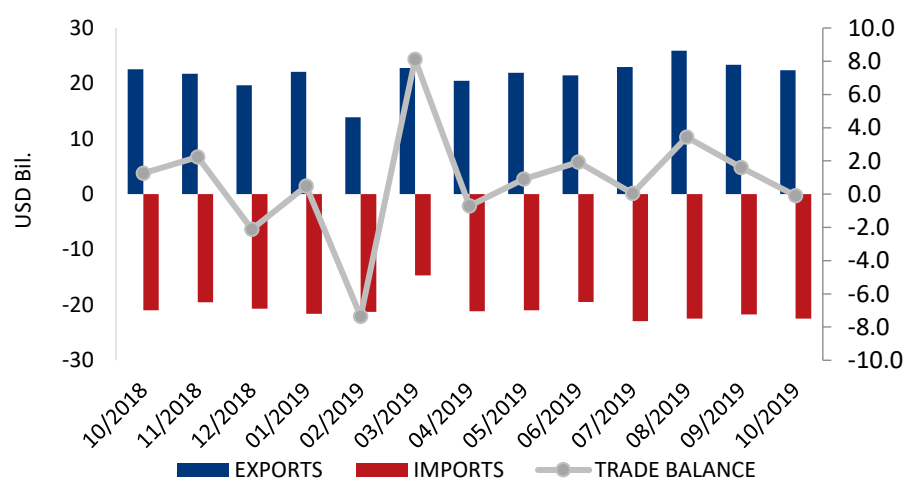
Trade balance, Import and Export

- The trade balance in October was estimated at trade deficit of USD 0.5 billion.
- In 10M2019, trade surplus was USD 7 billion, domestic economic sector had trade deficit of USD 21.3 billion and foreign-invested sector (including crude oil) had trade surplus of USD 21.8 billion.

Export turnover in October was estimated at USD 22.4 billion, down 4.1% over the previous month, and down 0.8% over the same period in 2018, of which the domestic economic sector reached USD 6.88 billion, down 2.6% compared to the previous month. last month and up 11.7% over the same period last year; FDI sector reached USD 15.52 billion, down 4.7% compared to the previous month, and 5.5 compared to the same period last year.

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	41.05	5.7%
2	Electronics	27.04	17.2%
3	Textile	25.81	8.7%
4	Shoes	13.88	12.4%
5	Other machines	13.74	8.2%
6	Woods	7.95	17.6%
7	Vehicles	6.66	6.7%
8	Aquaculture	6.59	-2.4%
9	Steel	3.29	-6.8%
10	Fibers and yarns	3.22	2.9%

Source: GSO, BSC Research

Table 3

Top 10 imported goods

No	Imported Goods	Turnover (Bil USD)	%YoY
1	Electronics	40.44	21.3%
2	Machine	28.33	11.7%
3	Mobile phone	11.34	-3.4%
4	Fabric	10.31	3.8%
5	Steel	7.69	-2.7%
6	Plastic	7.08	0.6%
7	Plastic Products	5.05	10.5%
8	Other metals	5.04	-15.0%
9	Textile Materials	4.63	2.9%
10	Gasoline	4.40	-32.1%

Source: GSO, BSC Research

October exports decreased compared to the previous month mainly because Samsung ended the push to export products of the new version of Galaxy Note 10, making the export of phones and components plummeted by 13.5%.

In 10M2019, export turnover was estimated at US \$ 217.05 billion, up 7.4% over the same period in 2018, of which the domestic economic sector reached US \$ 66.63 billion, up 16.2% YoY; FDI sector (including crude oil) reached 1504.42 billion USD, up 3.9% YoY. From the beginning of the year to October 15, mobile phone was at the leading position, reaching USD 30.3 billion (+ 6.8% YoY). Next, Computer Electronics grew + 17.2% YoY to reach USD 27.42 billion. Textile and garment in 3rd place reached USD 25.81 billion (+ 8.7%)

Import turnover in October was estimated at US \$ 22.5 billion, up 3.5% over the previous month, and 3.5% over the same period in 2018. Of which, the domestic economic sector reached US \$ 9.25 billion, up 5.8% over the month; and up 8.6% YoY. Foreign-invested sector reached US \$ 13.25 billion, up 1.9% over the previous month, and up 0.2% over the same period last year.

In 10M2019, import turnovers were estimated at US \$ 210 billion, 3.5% over the same period last year, of which the domestic economic sector gained US \$ 87.9 billion, up 13 YoY%; foreign-invested sector reached 13.25 billion USD, up 1.9% YoY. From the beginning of the year to October 15, imported items with large turnover include computer electronics, reaching 40.44 billion USD (+ 21.3% YoY), machinery and equipment 28.33 billion USD (+ 11.7% YoY), phones and its components reached 11.34 billion USD (-3.4% YoY).

The growth of both import and export groups showed signs of slowing down when the US-China trade talks showed positive signs along with Samsung stopping activities to boost exports of Galaxy Note 10 products. It is likely that the postponement status between the two countries will last until the end of the year to minimize the adverse effects on the weakening economy. The negative effects of the trade war are considered as the main reasons for limiting economic growth. Macro indicators of these countries all showed signs of weakening quite clearly with China's GDP growth in Q3 of only 6% while the United States was only 1.9%. These are all low growth rates in both countries over the past ten years. BSC predicts that import-export growth will remain at 10M2019 in the fourth quarter of 2019 when the motivation to support import-export growth is weakening.

Forex market

- The exchange rate in October continued to maintain a sideways trend thanks to the 10M2019 trade surplus of USD 7 billion.
- Dollar Index also dropped slightly when President Trump showed positive signals of US-China trade negotiations. This has shifted cash flow from safe-haven assets like USD, gold or US government bonds to riskier asset.
- The State Bank maintains the policy of raising the USD/VND exchange rate and the central exchange rate is approaching the trading threshold of free

and interbank rates.

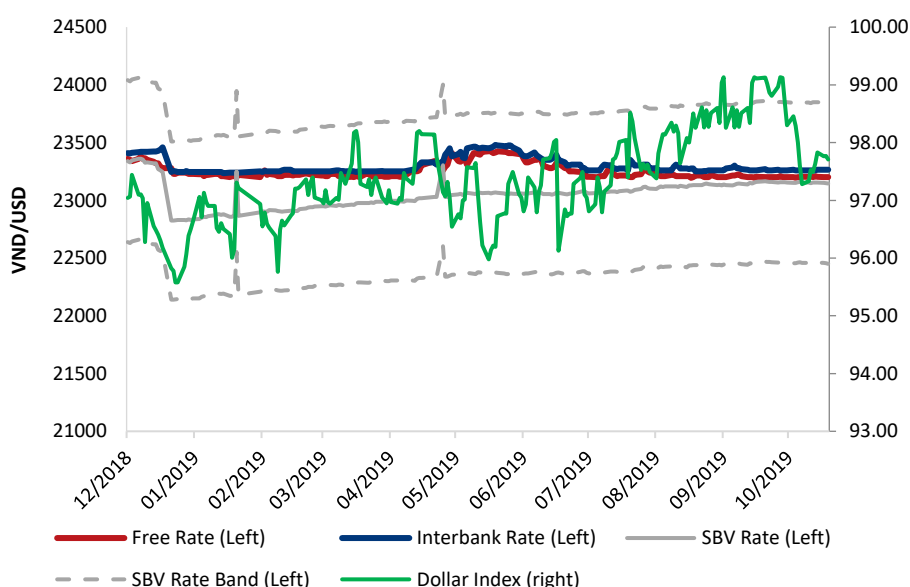
The central exchange rate in October fluctuated in the range of 23,145 - 23,165 USD / VND, up from the margin of 23,130– 23,160 USD / VND in September. The average of the month was 23,155 USD / VND. On October 30, the exchange rate was trading at 23,145, up + 1.9% YTD and + 1.9% YoY.

The interbank exchange rate in October fluctuated between 23,260 and 23,270 USD / VND, down from the amplitude of 23,250– 23,300 USD / VND in September. The average of the month was 23,262 USD / VND. On October 30, the exchange rate was trading at 23,265, down -0.4% YTD and -0.3% YoY.

The free exchange rate in October fluctuated in the range of 23,195 - 23,210 USD / VND, slightly lower than the amplitude of 23,195 - 23,225 USD / VND in September. The average free exchange rate in the month was 23,202 USD / VND. On October 30, the exchange rate was trading at 23,200, down -1.2% YTD and down -1.1% YoY.

USD Dollar Index in October decreased by -1.4% compared to the end of September, and increased by 3.0% over the same period last year. The index fluctuates in a month with a range of 97.3-99.13 points, with the monthly average of 98.21 points. On October 30, the index reached 97.7 points.

Chart 6
Exchange rate movements



Source: Bloomberg, BSC Research

Bank - Interest rate

- Interbank interest rates of all terms decreased at the end of October.
- Medium and long-term deposit and lending rates remain stable.

Short-term interbank interest rates rebounded after falling sharply in the 3rd week. Medium and long-term interest rates have been on a downward trend since the beginning of October. However, by the end of the week, most interest rates have declined. 6-month long-term interest rate deductions. As of November 1, overnight, 1 week, 1 month, 3 month, and 6 month interest rates reached 1.42%, 1.70%, 2.35%, 3.73% and 3.84%, respectively.

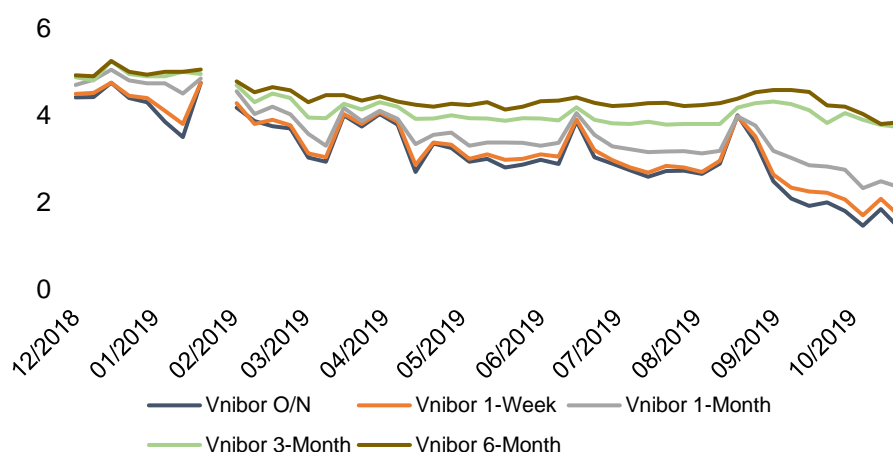
In October, the SBV net withdrew VND 18,000 billion in the first week, VND 2,502 billion in the second week, VND 2,504 billion in the third week, net injecting VND 15,000 billion in the fourth week and VND 20,000 billion in the fifth week. Interbank system remained stable with relatively low interest rates thanks to the Circular of interest rate cut along with large foreign exchange reserves.

On October 31, the dong deposit interest rate level at commercial banks was at the following levels:

- 0.1% -1% / year for demand deposits and terms with less than 1 month;
- 4.1% -5.5% per annum for term deposits from 1 month to less than 6 months;
- 5.3% -8.2% per annum for term deposits from 6 months to 12 months;
- over 12 months deposit at 5.7-8.5% / year.

VND lending interest rate is popular around 6% -9% / year for short term and 9% -11% / year for medium and long term.

Chart 7
Interbank interest rates



Source: Bloomberg, BSC Research

Macro Forecast for November 2019

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

- 1. Trade war:** On November 16-17, on the sidelines of the APEC conference, leaders of China and the United States are expected to sign a first-phase trade agreement, with the goal of suspending tax increases. between the two sides. This is the result of negotiations in Washington D.C. October 10. President Donald Trump suspended a 30% tariff increase on US \$ 250 billion of goods imported from China on October 15. 25% of tariffs on 250 billion dollars of goods, as well as 15% of tariffs on 110 billion dollars of goods from September 1, continue to be implemented. If negotiations go well, the United States could suspend tariffs on \$ 160 billion of Chinese goods on December 15. China resumes purchases of agricultural products from the United States - beginning with pork and soybean equivalent to pre-trade tensions. Intellectual property law is also committed to reform by the Chinese. Anyway, an agreement between the two sides will be a positive signal to support the market in the next period. However, the above agreement is not the beginning of ending tensions between the two countries. China continues to show a tough attitude with intervention in the economic structure by the United States. If the negotiations progress in a negative way, China may accelerate the realization of free trade agreements, with the aim of increasing trade with other countries, including the Partnership Agreement. Regional Comprehensive Economy (RCEP). Preliminary commitments for this agreement can be reached during the ASEAN meeting on November 4.
- 2. PBOC monetary policy meeting (November 20):** The Central Bank of China cut the compulsory reserve ratio by 100 bps and cut lending interest rates by 10 bps in the nearest meeting. Macro indicators show that the country's economy continues to be negative. Third quarter GDP increased by 6% compared to the third quarter of 2018 - the lowest since 1992. The official manufacturing PMI continued to stay below the growth threshold for the sixth consecutive month, plummeting to 49.3 in October, from 49.8 of September. The manufacturing component of the PMI index plummeted to 50.8 in October, from 52.3 in September. This level is larger than the decrease in the same month in the past two years, which implies the weakness of the background economy. The composition of the new order dropped slightly below the growth threshold for the last 5/6 months, indicating a weakness for domestic demand. The composition of export orders dropped deep, to 47 in October, from 48.2 in September, continuing to fall below the growth threshold for the seventeenth consecutive month, reflecting the negative impact of rising tariffs on US exports. Corporate profits fell 5.3% in September, after falling 2% in August, the fourth decline

in the last six months, similar to the weakening of 2015. As a consequence of weak macro indicators and uncontrolled credit growth, the PBOC is likely to continue cutting the compulsory reserve ratio and lending rates again in the upcoming meeting.

- 3. FED monetary policy meeting (October 29-30):** The US Federal Reserve continues to cut interest rates by 0.25% at the latest meeting. However, Chairman Jerome Powell showed the signal of temporary halt of interest rate cut. The argument made about the proactive policy in extending the growth period is replaced by prudent operating position. The operation of cutting interest rates up to this point is considered to be appropriate for the macro situation, and therefore will be less likely to change - reducing the possibility of further lowering interest rates in the coming months. In the 1990s, then Federal Reserve Chairman Alan Greenspan also ran a similar policy - cutting interest rates three times in a row then pausing, succeeding in extending the growth period. In the current world economic outlook, macroeconomic indicators show that the country's economy is still developing positively. Preliminary GDP of the third quarter increased 1.9%, a slight decrease compared to the second quarter at 2%, more positive than the market forecast. The consumer index - accounting for more than two-thirds of economic activity - shows a positive signal, holding at 0.2% in September. The manufacturing PMI index increased to 51.5 in October, from 51.0 in September continued to recover after falling to a historic low of 50.3 in August. Inflation calculated based on individual consumer price index - excluding food and energy prices, unchanged after increasing. increased by 0.1% in August, reducing the annual increase to 1.7%, continuing to stay close to the 2% target. With such macro indicators, the Fed is likely not to change monetary policy management from now until the end of the year.
- 4. Brexit:** The British Parliament agreed with the request to conduct the election on December 12 by Prime Minister Boris Johnson. This decision was made after representatives of the rest of the EU agreed to extend the date of leaving the union until January 31, 2020. Prior to the extension, the UK and EU had reached a Brexit agreement, but the process of completing the agreement in the remaining days is thought to be too urgent by the British parliament. Mr. Johnson's Conservative Party is holding the upper hand in this election. If there is a majority of seats in parliament, the agreement is almost certainly approved. With the risk of leaving a non-negotiated alliance reduced, increasing domestic demand will lead to GDP growth. Under this scenario, the UK still needs to negotiate a trade deal with the EU. This can last until 2020, negatively impacting the business. If it is able to ally with other parties, holding a majority of parliamentary seats, the Labor Party will eliminate the risk of leaving the unanimous union. The referendum will take place once more for the exit of the EU. If returning to the EU, increased investment will have a positive impact on GDP growth. In any case, eliminating the risk of leaving a unanimous coalition has a positive

effect on the world economic outlook. But in the worst-case scenario, with no party having a majority of parliamentary seats, the global outlook will be negatively affected when Britain fails to escape Brexit vicious circle and is dependent on EU extensions.

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

1. **The 8th National Assembly from October 20 to November 21.** This convention will be an important meeting around the Government Investment Project Law in the form of public-private partnership; The Draft Law and supplements a number of articles in the Investment Law and the Enterprise Law. In addition, the government will issue reports on the results of the implementation of the Socio-Economic Development Plan 2019 and the Socio-Economic Development Plan 2020; results of implementation of state budget estimates in 2019, state budget estimates in 2020 together with the implementation process of Long Thanh International Airport project under Resolution No. 94/2015 / QH13 of the National Assembly ; Report of the Government on the implementation of Resolution No. 52/2017 / NQ14 on investment policy of a project to build a number of expressway sections on the North - South East route in the period of 2017-2020. The objectives of the 2020 macro criteria and the disbursement of public investment projects worth trillions of VND billion will partly reflect Vietnam's macroeconomic prospects in 2020.
2. **Circular No. 58/2019 / TT-BTC regulated 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.
3. **Workers may borrow up to VND 100 million.** On September 23, 2019, the Government issued Decree 74/2019 / ND-CP amending Decree 61/2015 / ND-CP providing policies for job creation support and the National Fund for Employment, with Effective November 8, 2019, according to which for employees, the maximum loan is VND 100 million. The specific loan level will be considered by the Social Policy Bank based on the capital source, production and business cycle, and the debt repayment capacity of the borrower to reach agreement with the borrower. Maximum loans term is 120 months. The specific loan term is considered by the Social Policy Bank

based on the capital source, production and business cycle, and the debt repayment capacity of the borrower in order to reach agreement with the borrower.

4. Provisions on establishment of industrial property rights The Law amending and supplementing a number of articles of the Law on Insurance Business and the Law on Intellectual Property takes effect on November 1, 2019, according to which stipulates the establishment of industrial property rights as follows:

- Industrial property rights to inventions, industrial designs, layout designs and marks are established on the basis of a competent state agency's decision to grant a protection title according to the registration procedure. in accordance with this Law or recognition of international registration under treaties to which the Socialist Republic of Vietnam is a signatory.
- Industrial property rights to well-known marks are established on the basis of use, independent of registration procedures.
- Industrial property rights to geographical indications are established on the basis of a competent state agency's decision to grant a protection title according to the registration procedures prescribed in this Law or international treaties. The Socialist Republic of Vietnam is a member.

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	-	-

Stock market October 2019

Market outlook

October saw an effort to increase the index thanks to the positive foreign macro prospect with the support of Q3 earnings announcement season.

Following the tax-delaying signal from both US and China, the meeting on October 10 and then the progress towards signing the first phase agreement between the two sides was the main factor dominating the market in October. In addition, the Fed's decision to cut interest rates for the third time has had a positive impact on investor sentiment. The announcement of Q3 earnings report also witnessed a strong differentiation and volatility of the market when VN-Index sometimes retreated to accumulate around 982 points and rebounded to exceed 1,000 points. Similar to the second quarter, banking sector still maintained the role of supporting the index. As of October 31, 2019, the VN-Index officially increased by 2.3 points compared to the end of last month (+ 0.23% MoM) and HNX-Index increased by 0.14 points (+ 0.13% MoM). Since the beginning of 2019, the VN-Index has increased by 106.28 points (+ 11.91% ytd) and the HNX-Index has increased by 0.96 points (+ 0.92% ytd).

Stock groups by capitalization show little change. In October, the HSX had 163 advancers, 204 decliners and 10 unchanged stocks. 5 stocks supporting VN-Index including VCB increased +6.82% (contributed 6.1 points), BID increased +3.05% (contributed 1.2 points), VJC increased +5.30% (contributed 1.2 points), CTG increased +4.02% (contributed 0.9 points), HVN increased by +4.17% (contributed 0.6 points). The stocks that made VN-Index drop the most included GAS -2.63% (decreased -1.6 points), MSN -2.89% (decreased -1.5 points), NVL -6.74% (decreased -1.2 points), SAB -1.18% (decrease -0.6 points) and BVH decrease -3.61% (decrease -0.5 points).

Table 6

Fluctuation in the last 6 months on HOSE

Month	Index	Volume (Bil shares)	Capitalization (VND Trillion)
10	998.82	3.50	3,380.04
9	996.56	2.56	3,371.45
8	984.06	2.94	3,323.55
7	991.66	2.90	3,344.24
6	949.94	2.28	3,198.51
5	959.88	2.68	3,228.55

Source: HSX, Bloomberg, BSC Research

Table 7

Fluctuation in the last 6 months on HNX

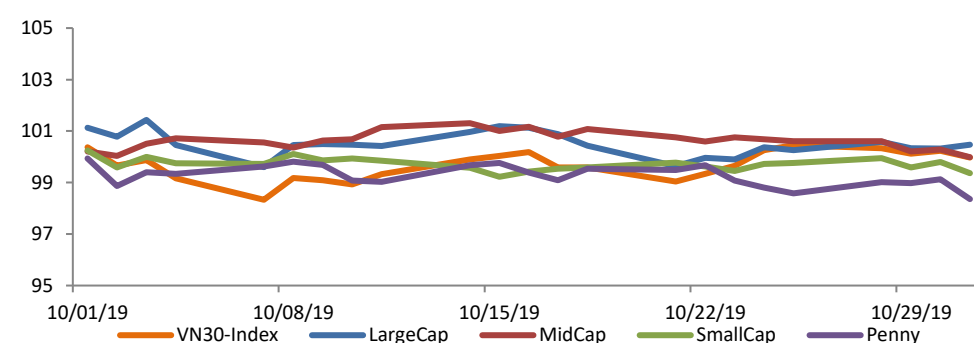
Month	Index	Volume (Bil shares)	Capitalization (VND Trillion)
10	105.19	0.61	186.38
9	105.05	0.48	188.20
8	102.32	0.58	185.35
7	104.43	0.59	185.10
6	103.51	0.50	183.08
5	104.35	0.71	184.52

Source: HNX, Bloomberg, BSC Research

Stock groups performances

Stock groups by capitalization show little change. In October, the LargeCap group became the support force for the market when recording the performance of +0.46%, while the groups of VN30, MidCap, SmallCap and Pennies had the performance of -0.02%, -0.01%, -0.63%, -1.64% respectively. It can be seen that the movements in the last month of stock groups partly came from the third quarter earnings announcement.

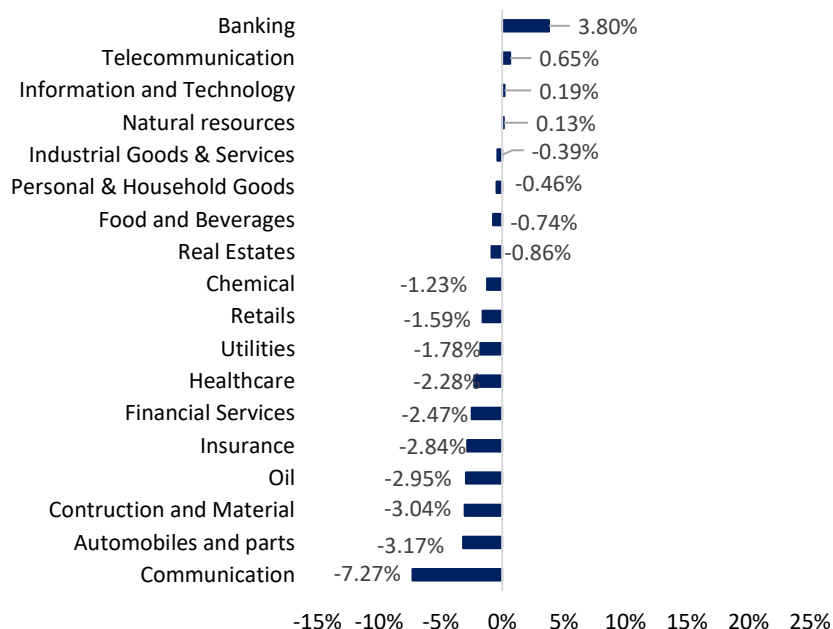
Chart 9
Stock sector developments



Source: Bloomberg, BSC Research

In October, the market saw 5/19 sectors gaining points. In which, Tourism and entertainment sector saw the strongest growth with the efficiency of 3.89% thanks to HOT and HVN's shares with +57.59% and +4.17% respectively, Banking sector increased by +3.80% with VCB (+6.82%), Telecommunications increased by 0.65%.

Chart 10
Tier 2 sector in October 2019



Source: Fiinpro, BSC Research

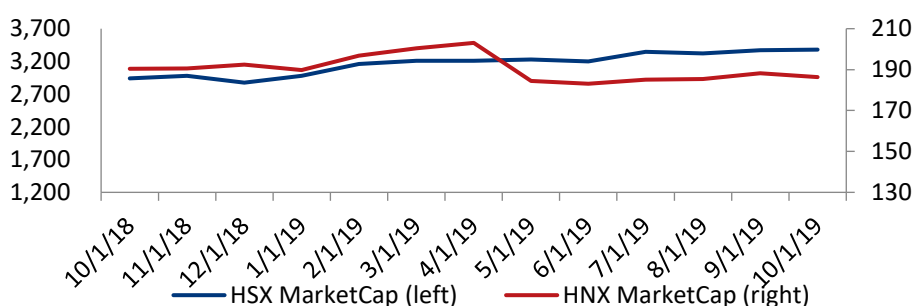
Capitalization scale

Market capitalization on both exchanges reached VND 3,566 trillion, equivalent to USD 153.1 billion, up +0.25% MoM, +16.24% Ytd. Upcom decreased slightly to VND 982.9 trillion at the end of October. As of October, there were no first listed shares on HOSE, 478.5 million additional listed shares and no delisted shares; 3.1 million additional listed ETFs, 5.3 million delisted ETFs; There were no additional listed bonds and 1.5 million unlisted bonds.

In terms of listing scale on HOSE on October 31, there are 83.61 billion shares listed for VND 836.06 trillion (95.30% market value), 359.9 million bonds equivalent to VND 35.9 trillion (4.10% market value), 438.5 million ETF certificates equivalent to VND 4.4 trillion (0.50% of the market).

Chart 11

Capitalization scale



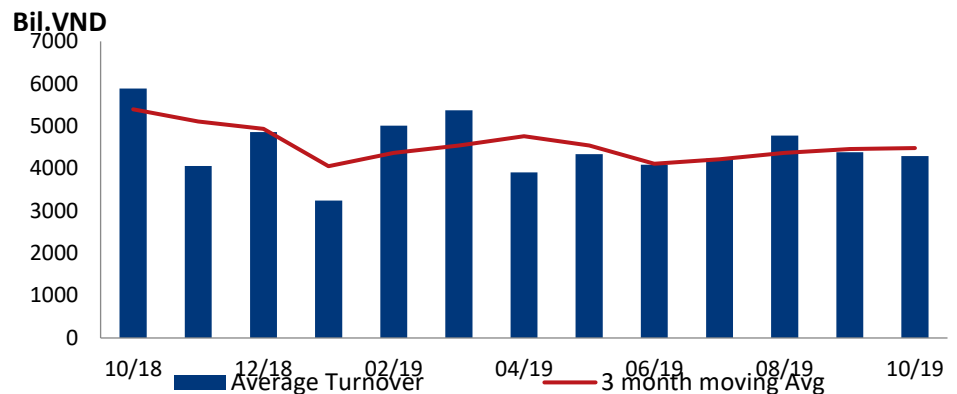
Source: Bloomberg, BSC Research

Average market liquidity

The average liquidity on the both exchanges decreased by -1.98% compared to September 2019, and maintained at VND 4,294 billion/session and equivalent to nearly USD 184.3 million/session. The cash flow still focused only on some blue-chips and did not really move between industries.

Chart 12

Average market liquidity

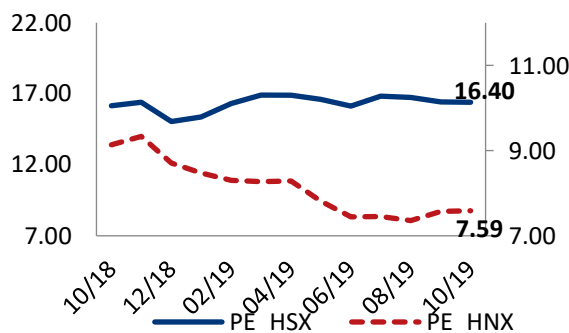


Source: Bloomberg, BSC Research

Price level of Vietnam stock market

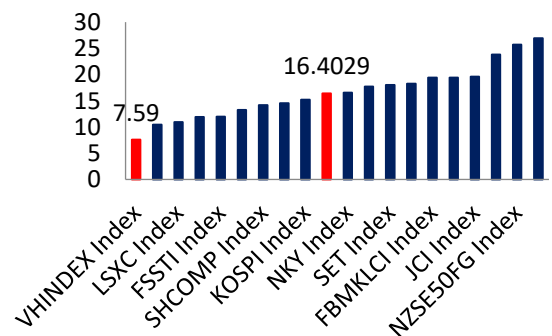
P/E of VN-Index decreased to 16.42, equivalent to -2.97% MoM, +9.03% Ytd and HNX-Index increased to 7.59 respectively +0.23% MoM, -12.84% Ytd. Compared to September, the P/E of the VN-Index is at 10th and the HNX-Index is at 20 in Asia.

Chart 13
P/E indicator or performance on both Exchanges



Source: Bloomberg, BSC Research

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



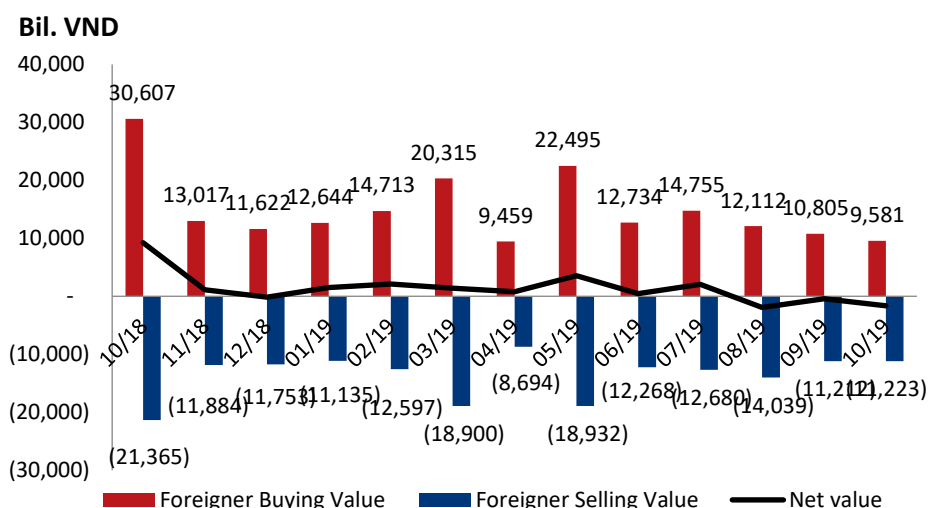
Source: Bloomberg, BSC Research

Foreign trading

In October, foreign investors continued to net sell strongly on both HSX and HNX. Upcom in October continued to go against the general trend when receiving foreign capital flows with a total net buying value of VND 59.5 billion, they focused on buying VND 85.9 billion QNS and VND 55.2 billion ACV while net selling -86.2 billion BSR.

Chart 15

Foreigner transaction performances on both Exchanges



Source: BSC Research

In October, foreign investors net sold VND 1,661 billion on the HSX with 164 net sold stocks and 150 net bought stocks; net sold 28.4 billion on the HNX with 83 stocks sold and 92 stocks bought. On the HSX, foreign investors net bought strongly VCB (225.6 billion dong), BID (102.5 billion dong), ROS (91.6 billion dong), PTB (88.0 billion dong), BMP (75.4 billion dong) and sold VIC (-397.3 billion dong), VHM (-271.8 billion dong), MSN (-221.5 billion dong). On the HNX, this group focused on buying PVI (124.8 billion dong), SHB (9.9 billion dong) and selling PVS (-53.7 billion dong), NET (-33.3 billion dong).

Table 8

Top 10 foregin traded stocks on HSX in 10/2019

Ticker	Net value (VND Bil)	Ticker	Net value (VND Bil)
VCB	225.63	VIC	(397.33)
BID	102.47	VHM	(271.79)
ROS	91.64	MSN	(221.52)
PTB	88.01	HPG	(213.10)
BMP	75.38	VRE	(177.38)
E1VFN30	73.71	VNM	(173.58)
KBC	71.21	GTN	(150.48)
AST	26.36	POW	(150.45)
SBT	19.12	HDB	(117.19)
NVL	18.67	PDR	(104.59)

Source: BSC Research

Table 9

Top 10 foregin traded stocks on HNX in 10/2019

Ticker	Net value (VND Bil)	Ticker	Net value (VND Bil)
PVI	124.82	PVS	(53.73)
SHB	10.00	NET	(33.32)
SHS	9.02	CEO	(20.69)
SCI	3.09	NTP	(13.49)
TIG	2.72	TNG	(7.38)
SLS	2.36	NDN	(3.39)
BAX	2.16	VCS	(2.32)
IDJ	1.89	DNP	(2.08)
LAS	1.83	INN	(1.71)
IDV	1.51	PGS	(1.63)

Source: BSC Research

Market Outlook of November 2019

GDP growth of the two leading economies decreased. Accordingly, China's third quarter growth was only 6% and was the lowest in 27 years, while the US's third quarter growth was only 1.9%, compared to 2.9% in the same period of 2018, and 2% in the second quarter of 2019. Other figures on production, import, export and consumption indicated these two major economies started to feel the effect from a trade war that has lasted for more than a year. Therefore, signals for concession toward first round of trade agreement were positive information supporting market sentiment along with reduction of interest rates by central banks in key countries and regions.

Economies shown signs of slowing down, but monetary policy orientation of major countries after easing was unclear. After lowering interest rates for the third time in 2019 to 1.5% - 1.75%, Fed mentioned more critical conditions to loosen policies in the future. With ECB and BOJ, room for reducing interest rates was very limited after adjusting interest rates to -0.5% and 0%. In the context of continued economic slowdown, QE packages would be more feasible solution. Compared with other major economies, China had more room to support growth. About US \$ 610 billion was injected into the economy in 2019 by reducing taxation, reducing reserve ratios, and weakening CNY. However, solutions like these had not stopped economic slowdown. Trade tension therefore continued to be a major factor in developing policies and forecasting growth. In the long run, this is still a major factor affecting market movements.

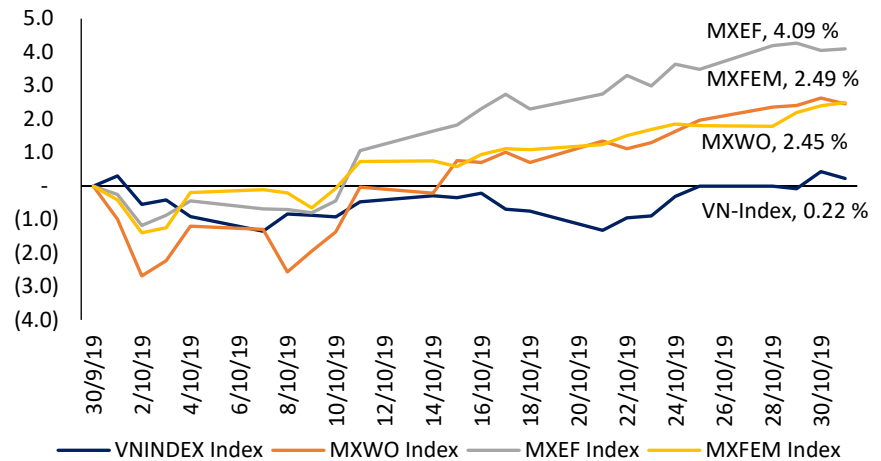
On the foreign exchange market, USD Index decreased by -1.7%, the decline was comparable with major currencies such as EU, CHF, CNY. Notably, after largest decline in 25 years in August, CNY has recovered strongly, up 1.3% against the USD to 7.04 in October. Other currencies increased slightly against the USD except ARS (Argentina) that fell by 3.7%.

In commodity markets, BComp Index increased by 1.9%. Possibility of reaching first round of agreement between United States and China supported price of many agricultural products such as Soybean (1.2%), Wheat (2.6%), Sugar (7.6%), and Cotton (+ 7.8%). Many metals also risen in term of price, such as Copper (+ 2.3%), Aluminum (+ 2.5%), Gold (+ 3.3%), Silver (+ 6.3%) and Lead (+ 7.5%), but hot rolled steel and iron ore going against the trend with decrease of -4.9% and -13.6% respectively.

Regarding equity markets, after several months of lagging behind, emerging area MSCI index (MXEF) led the rise with 4.1%, followed by the marginal area MSCI index (MXFM) and the developed area MSCI (MXWO), with increases of 2.49% and 2.45% respectively. Positive changes in trade negotiation and the strong recovery of domestic currency helped emerging area index increase positively.

Chart 15

MSCI development, emerging and frontier regions in Q3 2019 (USD)



Source: Bloomberg, BSC Research

In the developed market area, Japan led with 5.4% increase. England was the only declined market with -2.2%. Key markets increased steadily.

In BRIC countries, Russia increased strongly by 5.3%, while China increased slightly by 0.8%. Recovery of local currency supported the markets.

Regionally, Singapore market led the increase by 3.5%. Thailand was only market that decreased with -2.2% while Vietnam had a small increase.

Chart 17

Fluctuations of countries' stock market in October

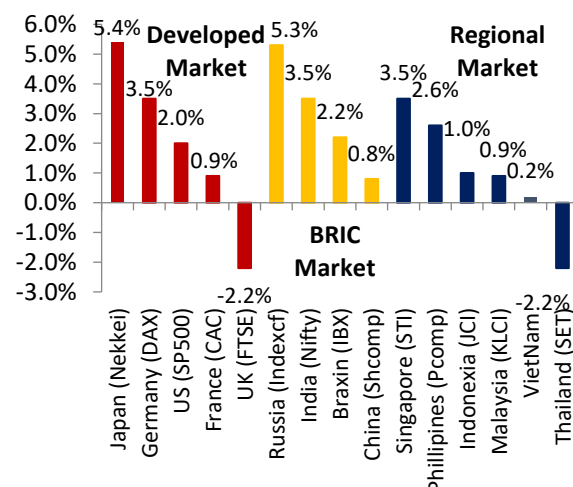


Table 10

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

Nations	October (mil. USD)	10 months (mil. USD)
India	1,781	9,942
Indonesia	(269)	3,387
Japan*	25,515	(13,989)
Malaysia	(87)	(1,992)
Philippines	73	192
Korea	(208)	2,925
Sri Lanka	(10)	(23)
Taiwan	4,094	6,570
Thailand	(258)	(430)
Pakistan	(11)	53
Vietnam	(75)	286

Source: Bloomberg, BSC Research

Negative information about the slowing growth of major economies was eased by FED's interest rate reduction and possibility of reaching phase one agreement between US-China. VN-Index ranged from 983 to 1,000 points in October thanks to stable macro fundamentals and price movement in the third quarter earnings season. Large-cap stocks supported VN-Index and absorbed the net sell by foreign investors. Although cash flow was not strong, stocks with high liquidity were sought after, creating wide-spread divergence. Positive price movement from stocks related to VIC and banking sector helped VN-Index surpass 1,000 points. VN-Index closed at 998 points, equivalent to an increase of 0.2%.

The market rallied but the number of sectors decreased accounted for the majority with 13/18 secondary industries decreased. Tourism and entertainment, Banking and Basic Resources increased by 3.9%, 3.8% and 0.7% respectively. The sectors that increased strongly in September, accumulated and corrected slightly. Groups that declined strongly include Communications, Automotive, and Oil & Gas with decrease of -7.2%, -3.2% and -3.0%. Declines broadly came from net selling pressure by foreign investors and limited cash flow in October. Stocks in industries with strong Q3 business results continued to attract cash flow in the short term.

In terms of influence, top five stock helped the index increased by 10 points, including VCB (+ 6.8%, contributed 6.1 points), BID (+ 3.1%, contributed 1.2 points), VJC (+ 5.3%, contributed 1.2 points), CTG (+ 4.0%, contributed 0.9 points), and HVN (+ 4.2%, contributed 0.6 points). In contrast, GAS (-2.6%, down 2.6 points), MSN (-5.5%, down 1.5 points), NVL (-6.7%, down 1.2 points), VIC (-0.7%, down 0.8% points), and SAB (-1.2%, down 0.6 points) took the market 6.7 points. Divergence amongst largecap stocks and others in the same industry caused VN-Index to fluctuate in October.

In October, we visited businesses and made recommendations for reported stocks such as TRC (Link), PC1 (Link) and DWG (Link). October was also the time when listed companies issued Q3 business results. We focused on updating business situation and issued 19 express reports (Link). In addition, we published industry outlook report (Link), which provided comments on the prospects for the fourth quarter and the whole of 2019. The report assessed positively with Non-life Insurance, Industrial Park Real Estate, Information Technology – Postal and Telecommunication, Textile, Electrical, Aviation, Banking and Consumer Goods. For i-Invest, topic of construction materials increased by 2.9%, higher than the increase of 0.5% of VN-Index.

On the basis of reviewing information affecting the stock market, the following information is notable in November:

Stable macroeconomic, sustained growth momentum in October supports the achievement of socio-economic goals in 2019. Macro targets remained stable in October, in which CPI increased by 0.59%, increasing average CPI for 10 months by 2.48% over the same period in 2018; USD index increased by

0.03%, down 0.46% compared to December; State budget revenue is 80.3% of the estimate. Difference between revenue and expenditure was 40 trillion Dong.

The drivers of growth remained steady: (1) Growth rate of total retail sales of consumer goods and services increased by 1.5% over the previous month and by 13.3% over the same period in 2018; (2) The index of industrial production (IIP) increased by 2.7% over the last month and by 9.2% over the same period; (3) Total FDI capital in 10 months increased by 7.4% over the same period; (4) Investment capital from the state budget increased by 10% in the same period; (5) The total import and export turnover in October decreased by 4.1% compared with previous month mainly due to Samsung completed production for Galaxy Note 10, for the 10 months of 2019, turnover increased by 7.4% over the same period; (6) International visitors increased by 3.7% over the last month; (7) The number of newly opened businesses increased by 109.9% over the same period in 2018.

Macroeconomic data released in October still shown that economy retains growth momentum as well as macroeconomic stability to support the achievement of socio-economic targets in 2019. These are also the factors supporting equity market in the last months of the year.

As of October 31, 85% of companies listed on the HSX and HNX announced third-quarter results. Net income increased by 14.6% over the same period in 2018, Banking Sector contributed the most to growth. 649 firms on the two main exchanges announced their business results with total net profit of VND 57,872 billion, up 14.6% over the same period in 2018. The number of companies with positive growth rate in the third quarter increased by 59.9% and the number of firms with positive net profit increased by 88.7%. 5 companies with largest net profit growth included VCB (+2,113 billion), VHM (+1,623 billion), MSN (+1,480 billion), VPB (+883 billion), and CTG (+640 billion). 5 companies with the largest net profit decline included HPG (-646 billion), NVL (-357 billion), VHC (-355 billion), GAS (-317 billion), and CTD (-308 billion).

Considering stocks of VN30, 29/30 companies announced Q3 business results, with total net profit value reached 39,797 billion VND, accounting for 68.8% of market's total NPAT, up 27% over the same period in 2018. 20/29 companies had positive NPAT growth and none of them made a loss.

Considering banking sector, 13/13 banks listed on HSX and HNX announced third-quarter results, whereby net profit value reached VND 21,102 billion, accounting for 36.4% market's total NPAT, up 43.1% over the same period in 2018. All banks have positive NPAT growth.

Announced results revealed that profit improved positively quarter by quarter. However, level of improvement was not the same for all groups. VN30 and Banking stocks saw profit growth of 27% and 43.1%, respectively, far exceeding the market growth rate of 14.6%. Banking sectors alone contributed 86.4% of the total profit growth in the third quarter. Remaining companies announce

result next week and will not change overall result. Momentum to increase from Q3 business results remained little and market changes focus to other domestic and international information.

The revised securities law is expected to be passed in November, creating a legal framework for reforms and supporting market developments.

The amended securities law will be voted in November 2019 at the 8th session of the XIV National Assembly. Some contents of the drafted law still see different opinions such as offering shares at lower price than par value; conditions for offering securities to the public; private offering of bonds by issuers other than public companies; private offering of securities by startup companies; positions, duties, and powers of the State Securities Commission; organisation of Vietnam Stock Exchange; ownership ratio of foreign investors and foreign-invested economic organizations; organization of operation and registration of security transactions by Vietnam Securities Depository and Clearing Corporation.

The draft law has a few notable information such as the percentage of foreign ownership in the securities market regulated by the Government and security lending services or advance payment services allowed to be provided by securities companies. If the law is passed, it will create a legal framework for Government to regulate and liberalise bottleneck of foreign ownership, and to create conditions for securities companies to expand business activities to meet the needs of investors and support market to operate effectively.

This law will meet the need for new market development, and will create support for market improvement to meet market upgrade criteria for FTSE in 2020 and MSCI in 2021.

Vietnam is at risk of being labeled "money manipulator" by the US in a report scheduled to be published in November.

In the report released in May, US put Vietnam on the watch list due to violation of criterias of bilateral trade surplus and current account surplus. Along with Vietnam, eight other countries were on this list, but US Treasury Department did not label currency manipulator for any of them until August when China is considered to manipulate currencies when the exchange rate USD / CNY crossed threshold of 7.

According to report by ING Bank (Netherlands), calculation based on data of Ministry of Finance, indicated that Vietnam violated all 3 criteria including: (1) trade surplus of 47 billion USD larger than threshold of 20 billion USD; (2) current account surplus/GDP of 3% larger than threshold of 2% of GDP; (3) Total foreign currency net bought up to 2.6% of GDP in a 12-month period larger than threshold of 2% of GDP in 12-month period.

Although this is only opinion of financial institutions, foreign exchange reserve, according to a number of domestic organizations, by November, was over 70 billion USD, compared to 63.5 billion USD at the end of May 2018 with

GDP at 249 billion USD, possibility of exceeding 2% threshold, might not be excluded. In fact, many countries that violated criteria 1 and 2, managed not to violate criterion 3 due to low level of intervention to exchange rate, and commitment to purchase goods from the US. These are factors needed to be considered for negotiations before Vietnam being labeled currency manipulator by the US.

The US-China trade talks progressed, with opportunity to sign a "phase 1" agreement, but without expectation for comprehensive long-term trade agreement. After concessions and commitments made, US-China "phase 1" agreement is expected to be signed by leaders of the two countries in Asia-Pacific Economic Cooperation Summit in Chile. However, location to sign the agreement has been changed, because Chilean government cancelled the event due to protests.

President Trump said that both sides were looking for a new place to sign the agreement and informed that phase 1 accounted for 60% of comprehensive agreement, although, the fact that, US asked China to purchase agricultural products worth 50 billion USD, doubling current annual volume, remained an obstacle causing the US-China trade war to come to a standstill. On one hand, China is skeptical about reaching a comprehensive long-term trade agreement even when the two sides sign a "phase 1" agreement. China also wants the United States to cancel its plan to impose new tariff barriers on December 15, 2019. On the other hand, the final deal involves removing all barriers from China and reforms in sectors, including state-owned enterprises, according to request by the United States.

Table 11
Factors affecting the market in 11/2019:

Events	Impact on stock market
Stable macroeconomic indicators, low inflation, sustained growth drivers.	Positive
The State Bank operates flexibly according to global situation, reducing interest rate of treasury bills and maintaining room for growth-support policy.	Support business and domestic cash flow
The revised securities law is expected to be passed in November 2019	Positive
VN30 and Banking stocks saw positive Q3 net profit, supporting the market.	Create price base for the market
Indices and investment funds based on the VN-Diamond Index and VN-Capped Financial Index, collection of stocks that are nearly out or out of room for foreign ownership.	Positive Attracting foreign cash flow
The National Assembly passed other bills besides the Securities Law.	Create a legal framework and thus driver for growth
"Phase 1" agreement as result of trade talk between US-China	Strong impact on market sentiment
The US Treasury Department's report on foreign exchange and macroeconomic policies of major trading partners, Vietnam is on watchlist.	Sensitive

Major central banks wait for more signals before deciding on the next trend of policy.	Influence international cash flow
Geopolitical conflicts, especially the Gulf Area, affect oil prices.	Disruptive with broad effect

Source: BSC Research

VN-Index experienced slower pace of increase compared to other markets due to the psychological threshold of 1,000 points and effect of foreign net selling. The effect from the third quarter business results decreased gradually and the market needed factors to support the new changes after period of accumulation. With positive progress from Q3 business results and effect of buying treasury stock of some large stocks, VN-Index has surpassed the psychological level of 1,000 points and is approaching the threshold of 1,050 points as mentioned in the fourth quarter report (Link). Large stocks play a leading role, forming a new price level before spreading to stocks with improved earnings and positive prospects. VN-Index fluctuated in October from 983 points to 1,050 points.

- In a positive scenario, VN-Index increased to 1,050 points and maintained above 1,000 points. Liquidity improved gradually, cash flow rotation amongst industries became more pronounced.
- In a negative scenario, VN-Index may drop below 983 points if there are adverse information on global economy and pressure of divesting continued by foreign investors.

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

- Industry and stocks are evaluated positively in the Sector Outlook Report 2019 and Quarter 4 Sector Outlook ;
- Stocks with improvements and positive outlook such as Banking, Retail, Information Technology - Postal and Telecommunications;
- Stocks with positive prospect such as Industry Park Real Estate, Textiles, Electricity and Aviation;
- Highly defensive stocks and stock with high dividend payout;
- 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 , and update report for Sector/Company.

Disclosure

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