

The background of the slide is a collage of various international banknotes and coins. Visible currencies include US dollars (one and two dollar bills), Saudi Riyals (pink and green notes), and Euro coins. The collage is set against a background of orange and blue geometric shapes.

Macro & Market August 2020 Growth potential toward the end of 2020

Macroeconomic August 2020

- 01 Major economic zones maintain recovery trend
- 02 Long-term effect of Covid-19 on labour market
- 03 Deceleration in recovery of industrial production and consumption
- 04 Public spending as engine for growth
- 05 Exports recovered slightly, imports still decreased
- 06 Inflation increases slightly as oil price recovers
- 07 Deposit interest rates remain moderate
- 08 VND may increase in value in coming months

Market August 2020

- 09 9/2020 Forecast
- 10 P/E of VNIndex dropped to the 15th position
- 11 Sectors recovered rapidly after the 2nd wave of Covid-19
- 12 MarketCap of 3 exchanges surpassed 4 million billion VND
- 13 Foreign Investors maintained net selling sessions
- 14 Domestic Investors increase trading on the stock and derivatives market
- 15 Banking sector was the main pillar

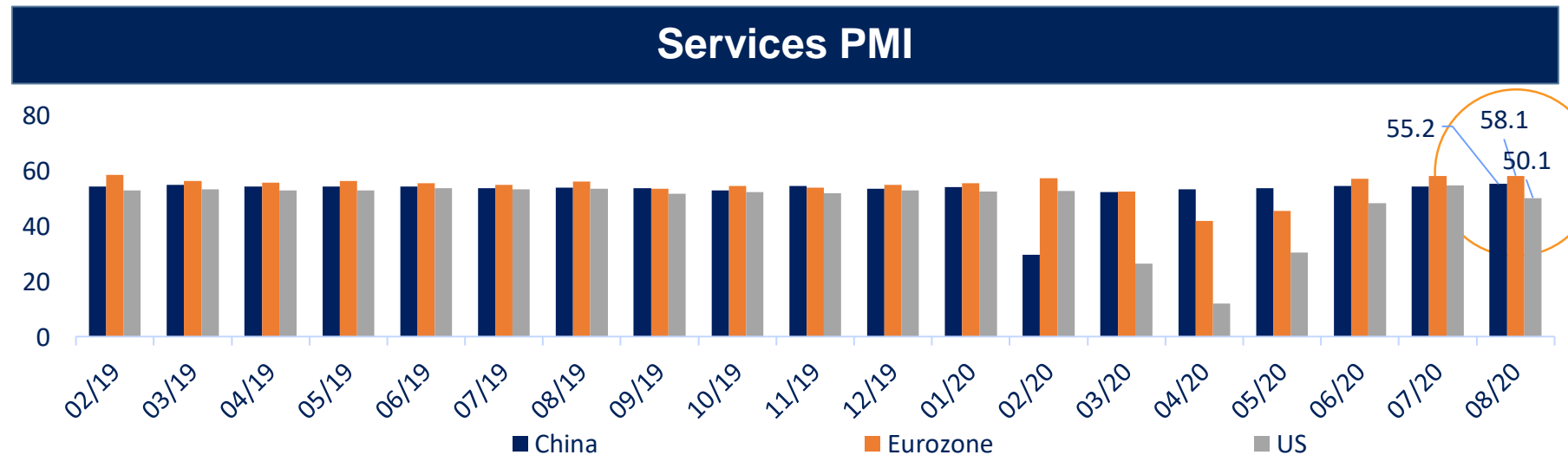
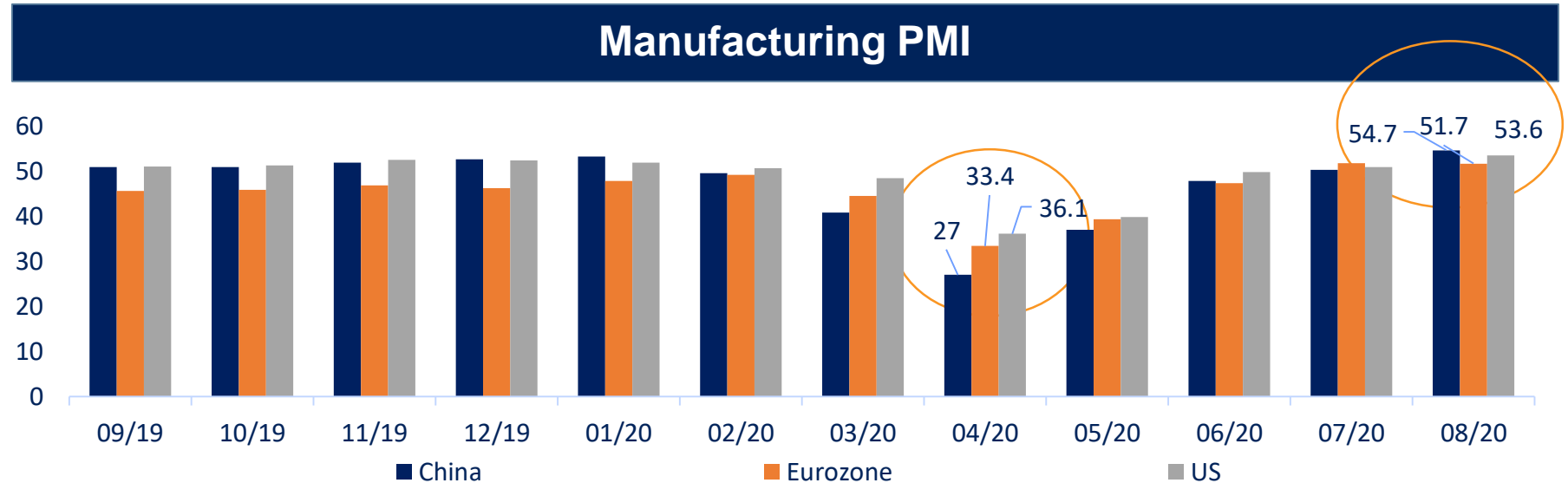
Appendix

A vibrant display of fireworks exploding in the night sky over a body of water. The fireworks are in various colors including red, green, blue, and yellow. The water below reflects the bright lights of the fireworks. In the foreground, several small boats are visible on the water.

Macroeconomic August **Positivity in disbursement** **of public investment**

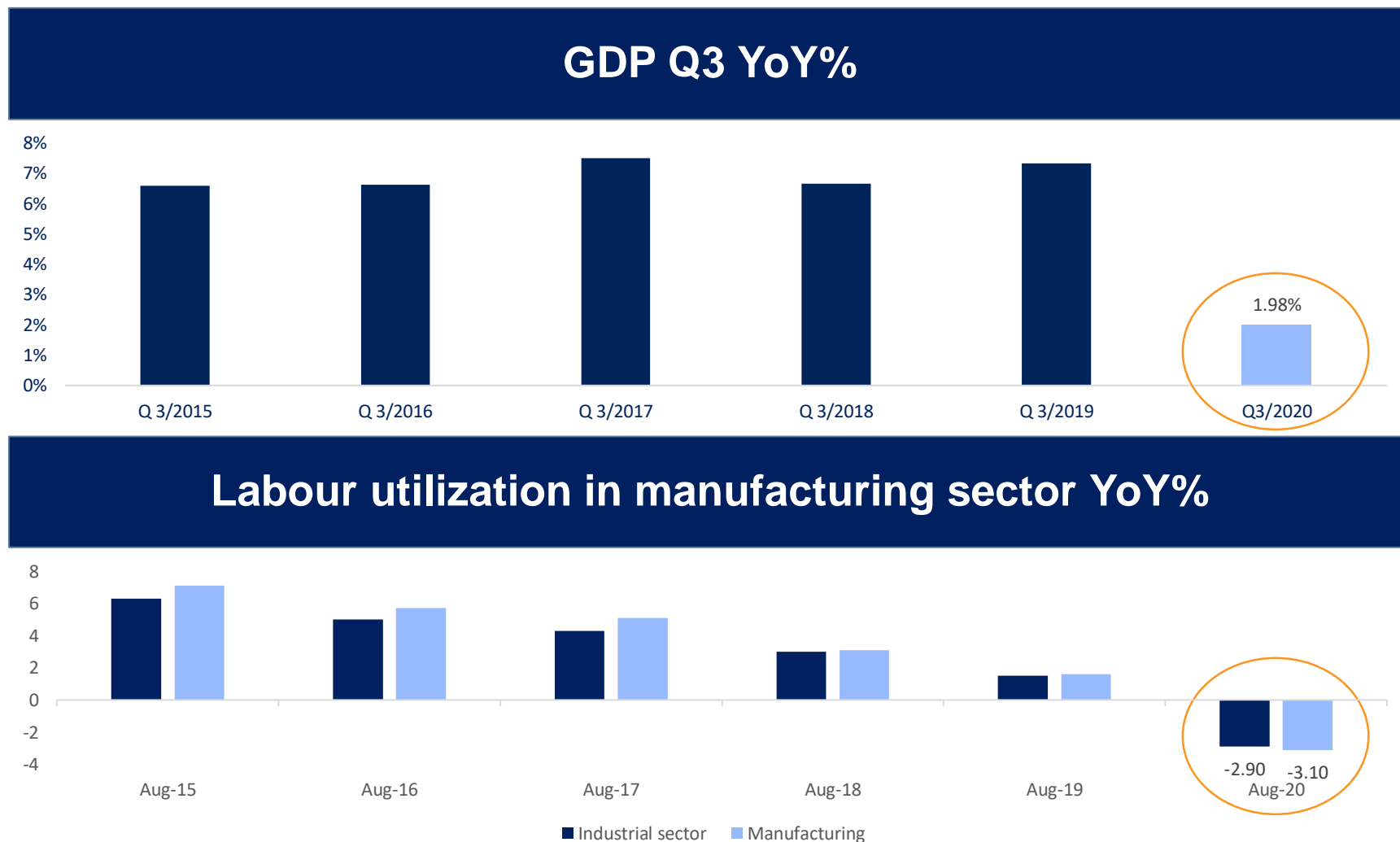
MACRO: MAJOR ECONOMIC ZONES MAINTAIN RECOVERY TREND

- ❖ Manufacturing PMI: US and China rebound while Eurozone has leveled off
- ❖ Service PMI: China and Eurozone continued to recover, but witnessed the service industry decline in the US.
- ❖ The world economy recovered quite positively in August.



- ❖ The second outbreak of the epidemic brought salt to the wound of the Vietnamese economy. **The number of businesses stopping business increased rapidly +70.8% YoY (industrial +66.2%, service + 73.3%).**
- ❖ The economic recovery is a long-term battle, which may not end as quickly in 2020-2021 as initially assumed. **Labour employed in industrial sector decreased -2.90% YoY.** In newly established enterprises, the number of employees decreased -16.5% (industrial -23.5%, service -9.6%)
- ❖ **BSC expects GDP to increase 1.98% YoY in Q3, and increase 1.57-3.04% YoY for 2020.**

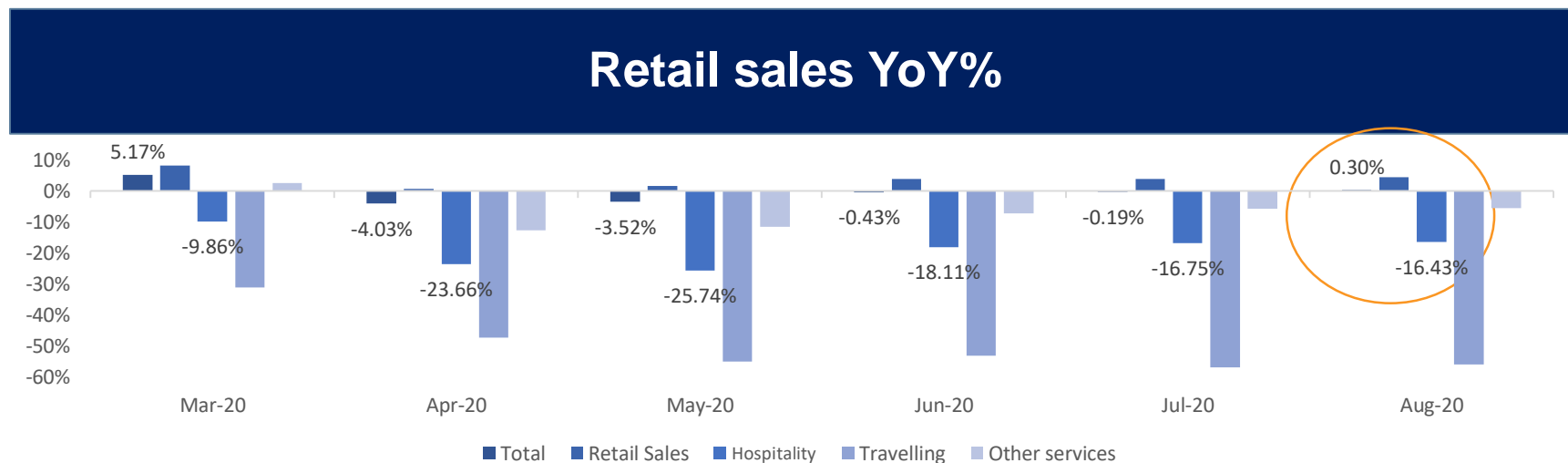
MACRO: LONG-TERM EFFECT OF COVID-19 ON LABOUR MARKET AND ECONOMIC RECOVERY



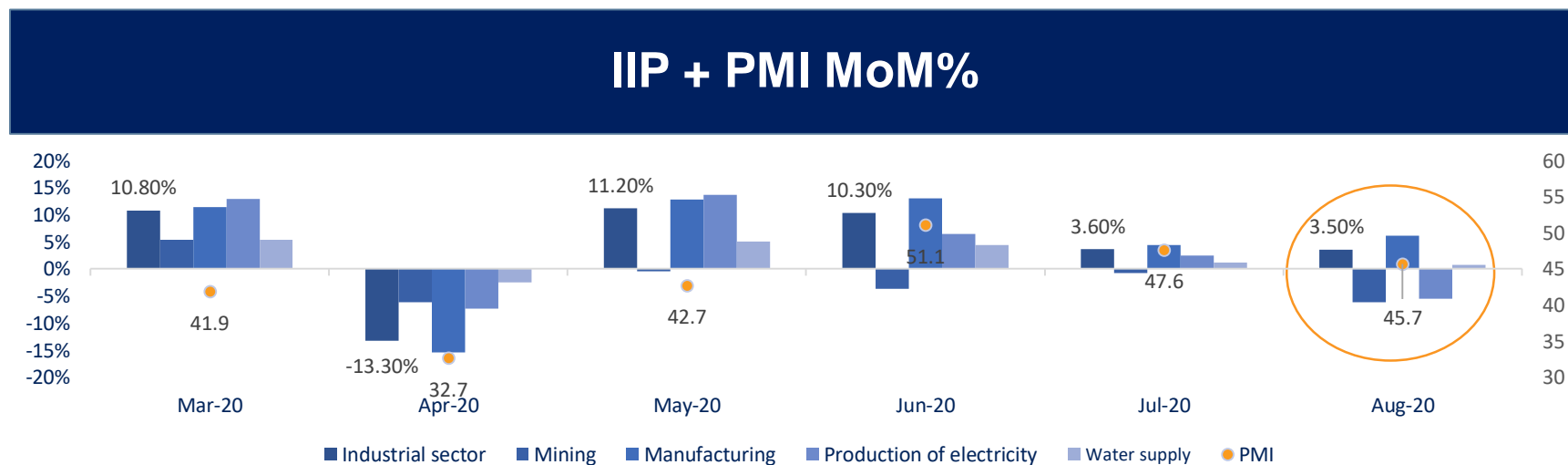
Source: Fiinpro, GSO, BSC Research

MACRO: DECELERATION IN RECOVERY OF INDUSTRIAL PRODUCTION AND CONSUMPTION

❖ Although general social distancing is not applied in the second outbreak, **disease prevention measures still have certain negative impact on consumer demand**, which is reflected in the slowdown in the recovery momentum. In the first eight months, consumer sector increased only + 0.30% (retail sales -16.43%)



❖ Weak business outlook, **industrial sector is also more cautious in increasing production**. Index of Industrial Production rose 3.50% YoY in August, lower than the 3.60% increase in July. PMI also fell for the second time in a row, down to 45.7 points.



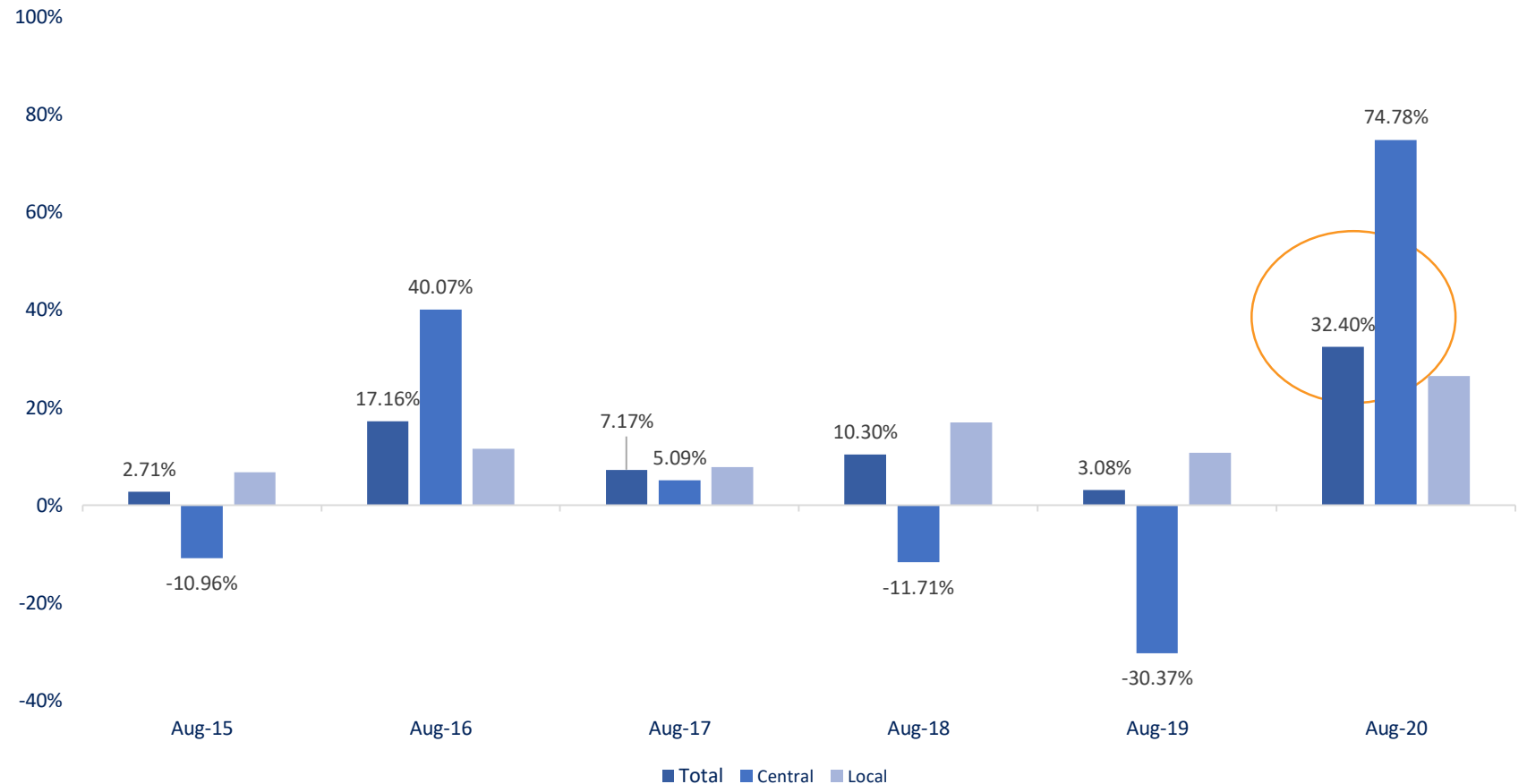
Source: Fiinpro, BSC Research

MACRO: PUBLIC SPENDING AS ENGINE FOR GROWTH

❖ The production and consumption recovery decelerated, public investment disbursement plays important role in macroeconomic prospect of 2020. In the first eight months, **disbursement +32.40% (equivalent to 50.7% plan)**. At this speed, disbursement is estimated at 499,217 billion VND (equivalent to 106% of the plan in 2020), contributing 1.4% of GDP, somewhat soften the impact of decline in investment by private sector and FDI sector.

❖ In the first eight months, **realized FDI decreased -5.92%, registered FDI decreased -18.03%**, mainly due to difficulties in inspection of projects in the context of epidemics.

Public investment capital disbursement YTD YoY%

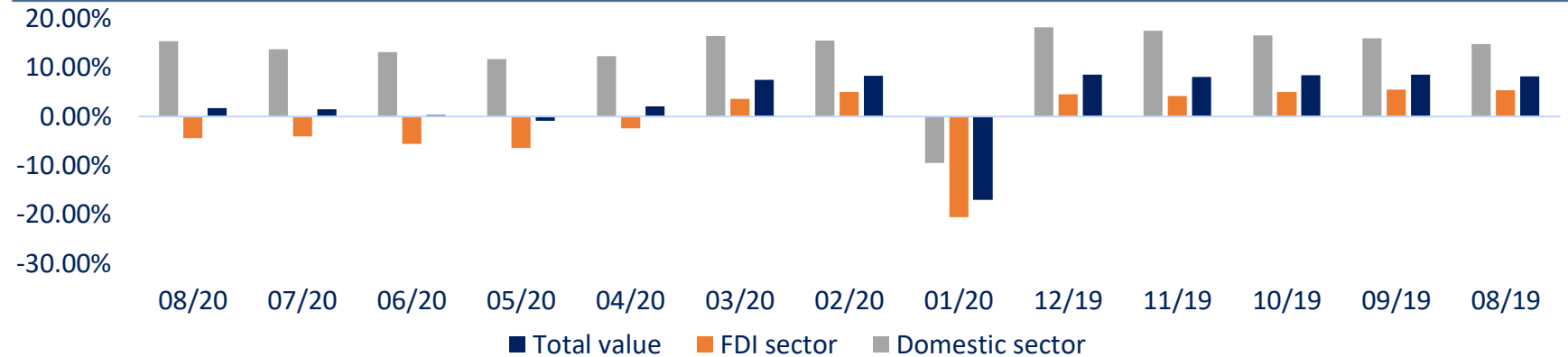


Source: Fiinpro, BSC Research

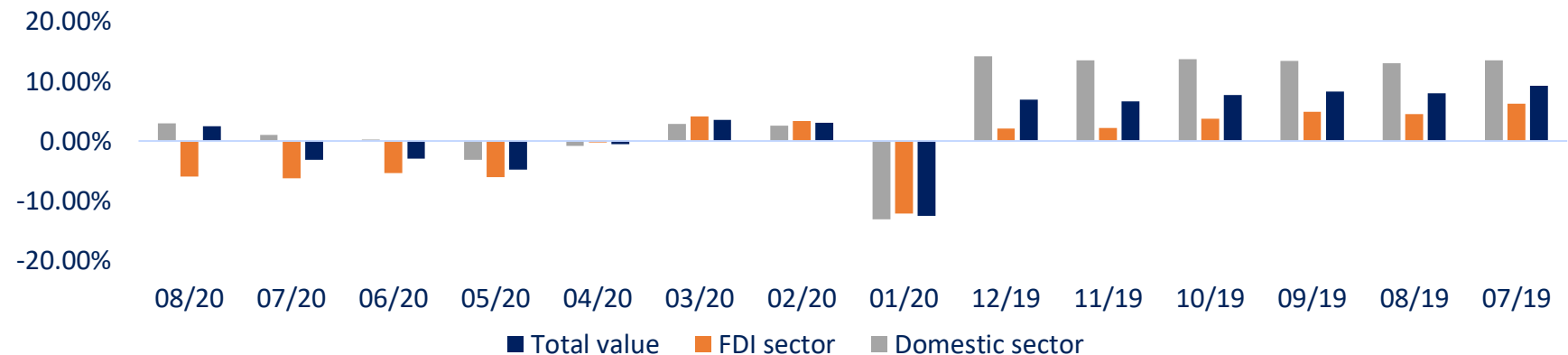
MACRO: EXPORT RECOVERD SLIGHTLY, IMPORTS STILL DECREASED

- ❖ In 8M2020, exports increased + 1.6%, mainly contributed by the domestic sector. Imports decreased by -2.2%, as the economic recovery slowed down by the second phase of COVID-19 epidemic.
- ❖ Although Samsung boosted the export of Note 20 mobilephones in August, the sector of phone electronic components still declined year over year in both export and import.
- ❖ If the economy maintains its recovering trend towards the end of the year, **exports might increase + 1.0% YoY first while imports drop - 1.5% YoY.**

8M2020 export YoY%



8M2020 import YoY%



Source: Fiinpro, BSC Research

EXPORT AND EXPORT: EXPORT RECOVERY SLOWED IN AUGUST, IMPORT MAINTAIN ITS RECOVERY TREND.

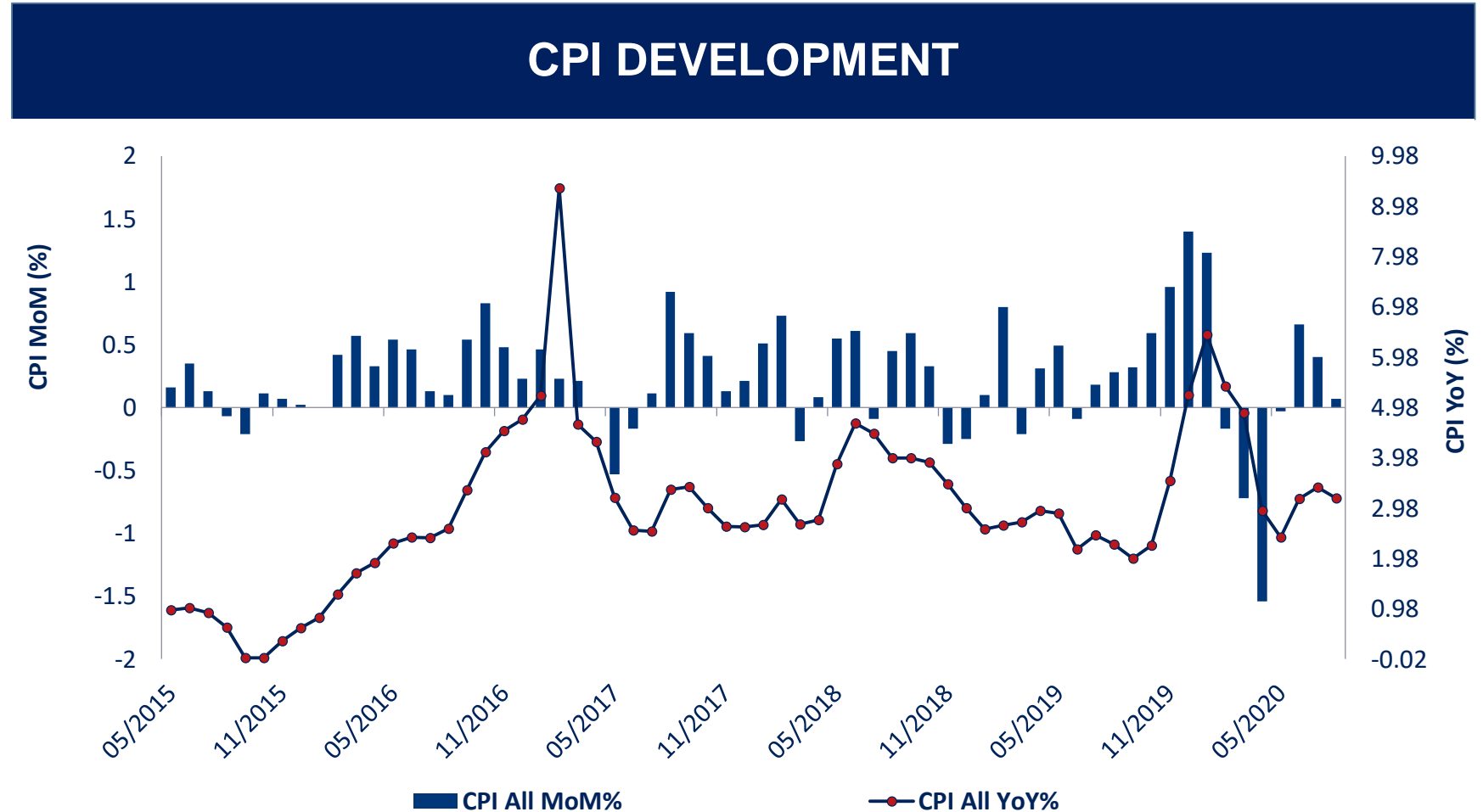
| Exports | Proportion | 07/19 | 08/19 | 09/19 | 10/19 | 11/19 | 12/19 | 01/20 | 02/20 | 03/20 | 04/20 | 05/20 | 06/20 | 07/20 | 08/20 |
|---|------------|--------|--------|--------|--------|--------|--------|---------|--------|--------|---------|---------|--------|--------|---------|
| Total Value (Month) | 100% | 13.09% | 10.24% | 10.57% | 7.55% | 4.81% | 7.43% | -17.00% | 49.97% | 5.93% | -13.98% | -12.41% | 5.31% | 8.24% | 2.38% |
| Phone types and accessories | 19.3% | 3.37% | 14.57% | 6.80% | 9.94% | -5.73% | -0.71% | -18.07% | 40.70% | -1.28% | -35.57% | -21.11% | -3.49% | 7.33% | -10.35% |
| Computers, electronic products and components | 13.5% | 21.75% | 23.35% | 32.00% | 24.13% | 28.96% | 50.27% | 12.63% | 54.90% | 30.56% | 17.90% | 16.32% | 32.85% | 33.77% | 14.81% |
| Textiles | 12.1% | 14.85% | 6.63% | 5.36% | -1.66% | 1.68% | 7.33% | -25.01% | 70.76% | -7.70% | -31.31% | -31.70% | -9.66% | -7.77% | -11.01% |
| Other machinery, equipment, tools and spare parts | 7.2% | 17.66% | 3.22% | 19.22% | 17.02% | 22.59% | 27.57% | -8.93% | 74.67% | 32.41% | 23.39% | 14.57% | 35.26% | 49.04% | 43.62% |
| Other goods | 4.6% | 17.95% | 10.17% | 14.91% | 8.81% | 6.06% | 22.60% | -16.99% | 43.24% | 9.74% | 9.81% | 10.46% | 43.97% | 36.69% | 42.46% |
| Imports | Proportion | 07/19 | 08/19 | 09/19 | 10/19 | 11/19 | 12/19 | 01/20 | 02/20 | 03/20 | 04/20 | 05/20 | 06/20 | 07/20 | 08/20 |
| Total value | 100% | 9.5% | 5.5% | 11.5% | 2.8% | -1.2% | 9.1% | -12.5% | 26.6% | 4.7% | -11.8% | -21.6% | 6.2% | -3.7% | 2.5% |
| Computers, electronic products and components | 20% | 39.3% | 23.8% | 33.5% | 14.1% | 11.8% | 19.5% | 7.2% | 33.2% | 14.6% | -4.1% | 0.9% | 34.4% | 18.8% | 19.1% |
| Other machinery, equipment, tools and spare parts | 14% | 8.1% | 10.8% | 6.5% | 4.0% | 3.3% | 18.0% | -17.3% | 15.2% | -0.3% | -0.9% | -21.3% | 5.1% | -0.7% | -6.0% |
| Other goods | 5% | 22.1% | 9.9% | 23.6% | 7.6% | 9.0% | 12.9% | -11.3% | 51.7% | 16.7% | 2.0% | -13.5% | 12.5% | 9.4% | 26.7% |
| Phone types and accessories | 6% | 2.0% | -9.1% | -2.8% | -9.8% | -29.5% | -14.1% | -1.6% | 41.3% | 23.6% | -23.1% | -28.0% | 8.2% | -17.3% | -7.3% |
| Fabrics of all kinds | 5% | 2.8% | 0.7% | 1.3% | 5.8% | 2.1% | 8.9% | -26.6% | 12.7% | -1.3% | -23.5% | -32.2% | -9.5% | -12.2% | 5.1% |

Source: Fiinpro, BSC Research

MACRO: CPI INCREASES WHEN THE WORLD OIL PRICES RECOVERED

❖ **CPI in August 2020 increased by 3.18% YoY mainly due to the sharp increase in the food sector** when the price of pigs remained at the high price zone of 80-90 thousand VND / kg.

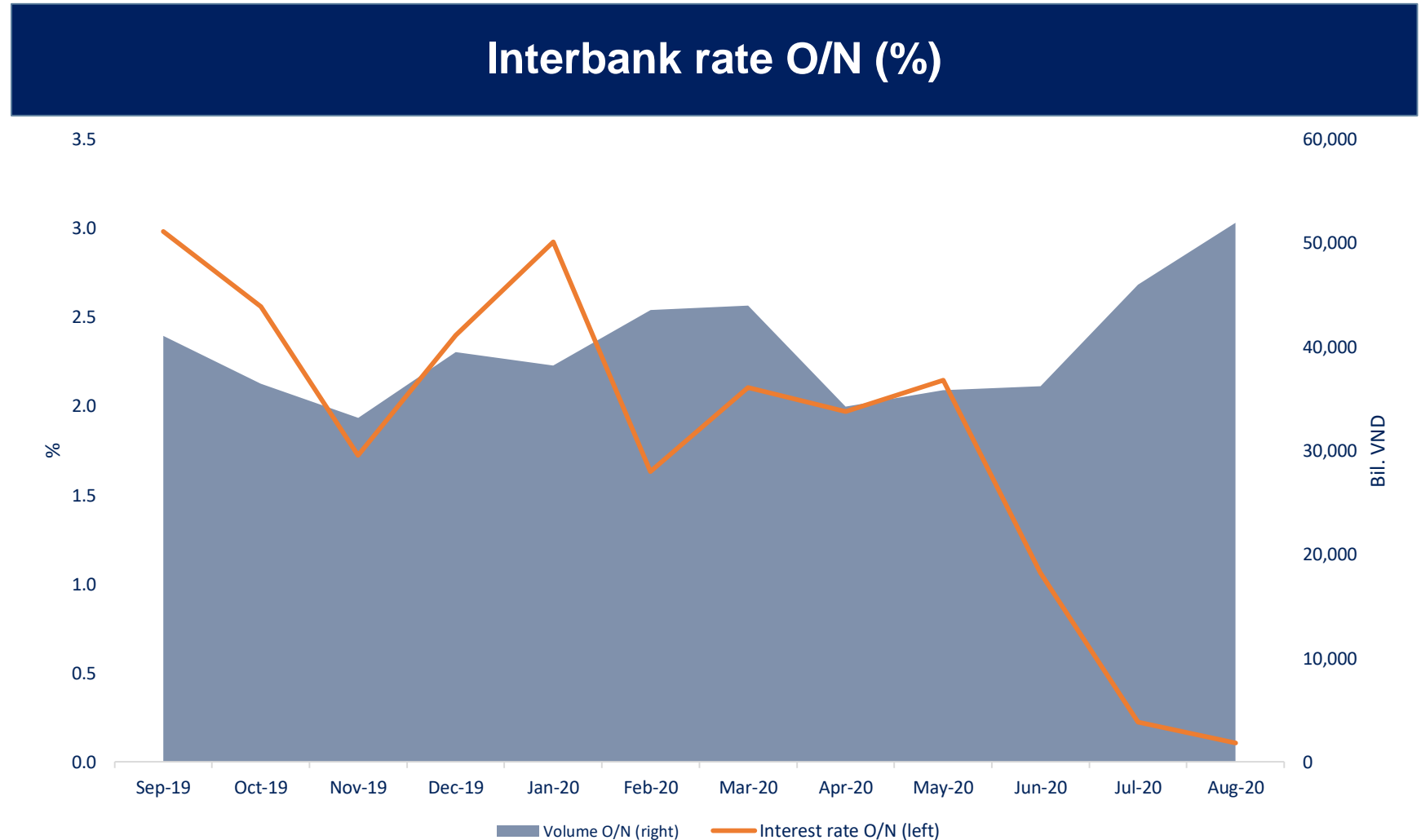
❖ **CPI is estimated to increase by 3.6% at the end of the third quarter based on the assumptions:** (1) the pig price is maintained at 80,000-90,000 VND/kg, (2) the price of Brent oil increases sharply to 49 USD/barrel, (3) Electricity prices have not decreased because of prolonged hot weather



Source: Fiinpro, BSC Research

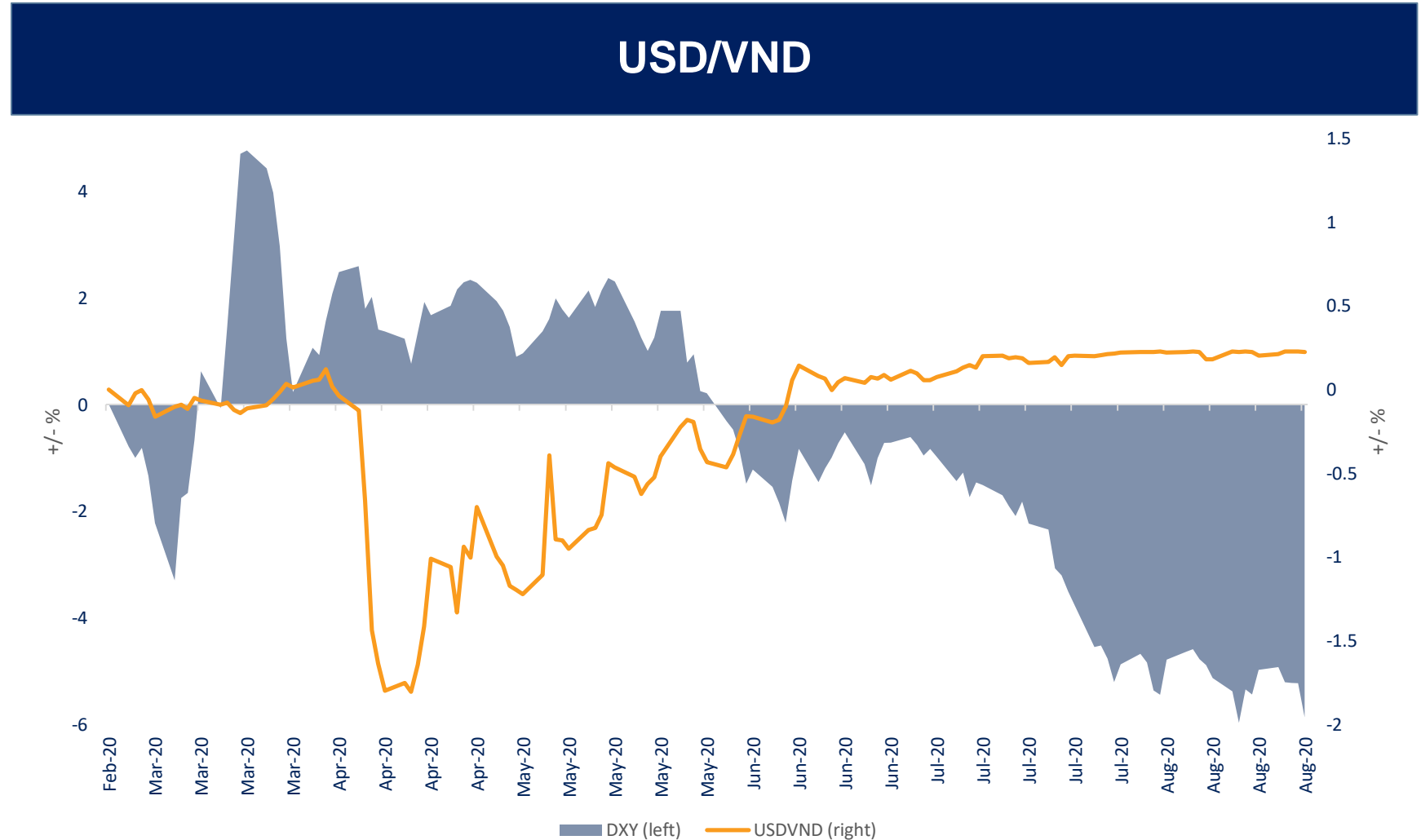
MACRO: DEPOSIT INTEREST RATES REMAIN MODERATE

- ❖ The O / N interbank rate decreased for the fourth consecutive month to an average of 0.11%. At the same time, the trading volume increased sharply over the past two months. This shows that **the amount of cash in the system is relatively large, while the demand for borrowing is relatively small because of uncertainty in outlook.**
- ❖ In the context of moderate inflation, **SBV is likely to cut interest rates 0.5% one more time from now to the end of 2020**, targeting credit growth to 10% in 2020. Deposit rates in the past month averaged 2.94 % at 6 month term.



Source: Bloomberg, BSC Research

MACRO: VND MAY INCREASE IN VALUE IN COMING MONTHS



Source: Bloomberg, BSC Research

❖ DXY Index plummeted, mainly because the US monetary authority is expected to increase operations in the direction of stimulation, in the context that the legislators of this country could not agree on the new rescue package.

❖ However, after upward movement in May and June, USDVND stabilised and increased + 0.22% compared to end of February. This shows that, in the past two months, the State Bank of Vietnam have likely increased foreign reserve when the value of USD plummets. Purchase value is estimated at 3.5 billion USD.

ECONOMIC PROSPECT

| | 9/17 | 10/17 | 11/17 | 12/17 | 1/18 | 2/18 | 3/18 | 4/18 | 5/18 | 6/18 | 7/18 | 8/18 | 9/18 | 10/18 | 11/18 | 12/18 | 1/19 | 2/19 | 3/19 | 4/19 | 5/19 | 6/19 | 7/19 | 8/19 | 9/19 | 10/19 | 11/19 | 12/19 | 1/20 | 2/20 | 3/20 | 4/20 | 5/20 | 6/20 | 7/20 | 8/20 |
|---|--------|--------|--------|---------|---------|---------|---------|---------|---------|--------|--------|--------|--------|--------|---------|---------|--------|--------|--------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|--------|---------|---------|---------|---------|---------|---------|
| Retail Sales + Customer Services | 10.50% | 10.70% | 10.70% | 10.86% | 9.50% | 10.10% | 9.90% | 9.80% | 10.10% | 10.70% | 11.10% | 11.20% | 11.30% | 11.40% | 11.50% | 11.70% | 12.20% | 12.20% | 12.00% | 11.90% | 11.60% | 11.50% | 11.60% | 11.50% | 11.60% | 11.80% | 11.80% | 11.80% | 10.20% | 8.30% | 4.70% | -4.30% | -3.90% | -0.80% | -0.40% | -0.02% |
| Retail Sales | 10.50% | 10.60% | 10.80% | 10.89% | 8.30% | 10.00% | 10.50% | 10.80% | 11.00% | 11.30% | 11.70% | 11.70% | 12.00% | 12.20% | 12.30% | 12.40% | 13.10% | 14.40% | 13.40% | 13.20% | 12.70% | 12.50% | 12.50% | 12.50% | 12.60% | 12.80% | 12.70% | 12.70% | 10.70% | 9.80% | 7.70% | 0.40% | 1.20% | 3.40% | 3.60% | 4.00% |
| Hospitalisty | 12.00% | 12.50% | 11.20% | 11.85% | 14.70% | 10.20% | 9.00% | 9.40% | 8.90% | 9.60% | 9.10% | 9.10% | 8.40% | 8.30% | 8.60% | 9.10% | 11.50% | 5.70% | 9.20% | 9.20% | 9.20% | 9.80% | 10.00% | 9.80% | 9.60% | 9.60% | 9.60% | 9.80% | 6.80% | 1.70% | -9.60% | -23.60% | -25.80% | -18.10% | -16.60% | -16.40% |
| Travelling | 14.40% | 15.20% | 16.20% | 10.41% | 39.30% | 38.40% | 30.30% | 26.10% | 23.00% | 19.50% | 17.70% | 17.60% | 16.90% | 15.60% | 14.70% | 14.10% | 7.90% | 7.80% | 12.80% | 13.10% | 12.40% | 13.30% | 12.50% | 12.10% | 12.00% | 11.90% | 12.20% | 12.10% | 7.40% | 1.10% | -27.80% | -45.20% | -54.10% | -53.20% | -55.40% | -54.40% |
| Other services | 8.90% | 9.20% | 9.60% | 9.72% | 9.90% | 8.50% | 5.00% | 3.20% | 4.60% | 7.30% | 9.00% | 9.50% | 9.70% | 9.30% | 9.80% | 9.80% | 7.40% | 4.90% | 5.10% | 5.70% | 6.10% | 6.30% | 6.70% | 7.00% | 7.30% | 7.70% | 8.10% | 8.50% | 10.70% | 5.20% | 1.50% | -13.20% | -11.80% | -7.40% | -5.90% | -5.70% |
| CPI core YoY | 1.32% | 1.32% | 1.28% | 1.29% | 1.18% | 1.47% | 1.38% | 1.33% | 1.37% | 1.37% | 1.41% | 1.54% | 1.61% | 1.67% | 1.72% | 1.70% | 1.83% | 1.82% | 1.84% | 1.88% | 1.90% | 1.96% | 2.04% | 1.95% | 1.96% | 1.99% | 2.18% | 2.78% | 3.25% | 2.94% | 2.95% | 2.71% | 2.54% | 2.45% | 2.31% | 2.16% |
| CPI YoY | 3.40% | 2.98% | 2.62% | 2.60% | 2.65% | 3.15% | 2.66% | 2.75% | 3.86% | 4.67% | 4.46% | 3.98% | 3.98% | 3.89% | 3.46% | 2.98% | 2.56% | 2.64% | 2.70% | 2.93% | 2.88% | 2.16% | 2.44% | 2.26% | 1.98% | 2.24% | 3.52% | 5.23% | 6.43% | 5.40% | 4.87% | 2.93% | 2.40% | 3.17% | 3.39% | 3.18% |
| Index of Industrial Production | 13.20% | 17.00% | 17.20% | 11.20% | 20.90% | 8.00% | 8.70% | 9.40% | 7.10% | 12.30% | 14.30% | 13.40% | 9.10% | 7.70% | 9.60% | 11.40% | 7.90% | 10.30% | 9.10% | 9.34% | 10.00% | 9.60% | 9.70% | 10.50% | 10.20% | 9.20% | 5.40% | 6.20% | -5.50% | 23.70% | 5.40% | -10.50% | -3.10% | 7.00% | 1.10% | -0.60% |
| Mining | -6.00% | 2.10% | -4.10% | -10.00% | 10.50% | -1.80% | -3.60% | -5.00% | -7.60% | -3.60% | 2.80% | 2.40% | -2.70% | -9.50% | 0.20% | -3.20% | -6.70% | -5.00% | 0.40% | 1.96% | -1.50% | 4.00% | 4.40% | 14.40% | -6.60% | -0.20% | -5.30% | 2.10% | -12.90% | 9.20% | -9.50% | -10.70% | -13.00% | -8.90% | -7.90% | -5.10% |
| Manufacturing | 19.50% | 22.30% | 24.30% | 17.80% | 23.80% | 10.70% | 11.10% | 12.30% | 9.10% | 15.50% | 16.60% | 16.00% | 11.20% | 10.10% | 11.00% | 13.70% | 10.10% | 12.80% | 10.30% | 10.53% | 11.60% | 10.60% | 10.40% | 10.30% | 12.30% | 10.80% | 6.50% | 7.00% | -4.80% | 26.40% | 7.30% | -11.30% | -2.40% | 10.30% | 2.10% | -0.10% |
| Electricity production | 10.40% | 12.00% | 13.00% | 9.00% | 15.40% | 3.00% | 8.30% | 9.60% | 11.20% | 10.00% | 12.20% | 6.70% | 5.10% | 8.90% | 9.20% | 11.70% | 8.80% | 10.90% | 9.80% | 9.39% | 11.00% | 8.60% | 10.50% | 10.30% | 10.60% | 8.10% | 7.50% | 3.30% | -3.50% | 22.50% | 7.30% | -6.90% | 2.00% | 1.70% | 2.70% | -0.70% |
| Water supply | 8.40% | 8.00% | 10.00% | 15.70% | 6.80% | 1.00% | 8.10% | 2.60% | 8.20% | 8.00% | 7.60% | 7.10% | 8.40% | 9.50% | 4.50% | 5.60% | 9.40% | 7.20% | 11.00% | 6.77% | 8.40% | 6.00% | 7.40% | 7.60% | 8.90% | 6.90% | 6.30% | 6.20% | 1.60% | 8.30% | 9.50% | 2.00% | 2.30% | 2.10% | 4.50% | 2.20% |
| FDI realised | 13.43% | 11.81% | 11.89% | 10.76% | 23.53% | 9.68% | 7.18% | 6.25% | 9.76% | 8.42% | 8.84% | 9.22% | 6.00% | 6.34% | 3.13% | 9.14% | 47.62% | 51.76% | 6.19% | 11.76% | 8.15% | 8.72% | 7.11% | 6.31% | 7.32% | 7.35% | 6.79% | 6.70% | 3.23% | -5.04% | -6.55% | -9.65% | -8.22% | -4.95% | -4.08% | -5.10% |
| FDI registered | 29.73% | 33.81% | 53.53% | 41.75% | -36.80% | -24.99% | -42.96% | -37.26% | -30.84% | -4.40% | -3.47% | -4.01% | -7.72% | -8.48% | -16.56% | -13.88% | 27.34% | 57.76% | 30.89% | 28.57% | 27.09% | -36.26% | -35.56% | -31.20% | -19.86% | -15.15% | -11.38% | -11.83% | 318.66% | 70.98% | 28.85% | 32.17% | 19.90% | 17.53% | 21.20% | 11.37% |
| Export | 20.04% | 21.84% | 22.10% | 21.82% | 41.62% | 26.15% | 22.01% | 18.97% | 18.13% | 16.99% | 16.66% | 17.32% | 16.29% | 15.21% | 14.50% | 13.19% | 9.18% | 4.65% | 8.38% | 7.42% | 7.20% | 7.31% | 8.16% | 8.13% | 8.46% | 8.31% | 8.01% | 8.50% | -17.00% | 8.21% | 7.43% | 2.05% | -0.90% | 0.21% | 1.46% | 1.64% |
| FDI sector | 21.37% | 23.26% | 23.49% | 23.15% | 41.91% | 27.65% | 25.78% | 21.81% | 17.20% | 16.01% | 16.16% | 17.02% | 16.06% | 14.88% | 14.13% | 12.44% | 4.93% | 1.70% | 4.43% | 2.70% | 5.62% | 5.62% | 5.68% | 5.34% | 5.37% | 4.92% | 4.15% | 4.47% | -20.64% | 5.00% | 3.58% | -2.47% | -6.45% | -5.61% | -4.17% | -3.33% |
| Domestic sector | 16.95% | 18.52% | 18.83% | 18.71% | 40.96% | 22.59% | 13.08% | 12.09% | 20.40% | 19.34% | 17.84% | 18.02% | 16.85% | 16.01% | 15.41% | 14.99% | 19.00% | 11.88% | 18.77% | 19.87% | 10.94% | 11.25% | 13.94% | 14.72% | 15.88% | 16.50% | 17.39% | 18.12% | -9.56% | 15.40% | 16.32% | 12.26% | 11.63% | 13.11% | 13.65% | 12.42% |
| Import | 22.68% | 22.61% | 22.23% | 21.85% | 53.10% | 20.47% | 13.33% | 10.05% | 11.39% | 10.50% | 11.74% | 13.13% | 12.44% | 12.38% | 12.15% | 11.12% | 6.09% | 6.39% | 8.66% | 11.53% | 10.80% | 9.13% | 9.21% | 7.94% | 8.29% | 7.69% | 6.66% | 6.92% | -12.51% | 3.01% | 3.56% | -0.51% | -4.81% | -2.99% | -3.18% | -2.24% |
| FDI sector | 28.98% | 24.84% | 24.70% | 24.80% | 53.09% | 20.74% | 13.60% | 9.32% | 8.06% | 7.04% | 9.76% | 12.11% | 8.85% | 12.29% | 12.20% | 10.83% | 4.01% | 4.62% | 5.50% | 6.53% | 8.01% | 7.01% | 6.22% | 4.54% | 4.87% | 3.69% | 2.14% | 2.09% | -12.10% | 3.29% | 4.07% | -0.29% | -6.02% | -5.40% | -6.28% | -6.03% |
| Domestic sector | 13.65% | 19.40% | 18.69% | 17.69% | 53.11% | 20.09% | 12.93% | 11.17% | 16.50% | 15.78% | 14.72% | 14.69% | 18.27% | 12.51% | 12.07% | 11.55% | 9.01% | 8.99% | 13.39% | 19.07% | 14.77% | 12.12% | 13.52% | 12.98% | 13.42% | 13.72% | 13.46% | 14.13% | -13.07% | 2.60% | 2.85% | -0.80% | -3.18% | 0.26% | 1.02% | 2.97% |
| PMI | 53.3 | 51.6 | 51.4 | 52.5 | 53.4 | 53.5 | 51.6 | 52.7 | 53.9 | 55.7 | 54.9 | 53.7 | 51.5 | 53.9 | 56.5 | 53.8 | 51.9 | 51.2 | 51.9 | 52.5 | 52.0 | 52.5 | 52.6 | 51.4 | 50.5 | 50.0 | 51.0 | 50.8 | 50.6 | 49.0 | 41.9 | 32.7 | 42.7 | 51.1 | 47.6 | 45.7 |

Source: Bloomberg, BSC Research



MARKET AUGUST STRONG RECOVERY



MARKET: 9/2020 FORECAST

SCENARIO 1

VN-Index will maintain the gaining momentum and surpass the threshold of 900 points, towards the threshold of 940 points. Business income results are supported by Banking sector. The effect of the second phase of Covid - 19 is not too negative, while the world situation is positive, interest rates tend to decrease, stimulating the cash flow to seek opportunities in the market. While the valuation of the Vietnamese market is still at a reasonable level. This scenario is highly appreciated.

SCENARIO 2

The VN-Index will correct to the area of 825-840 points if the world is negative, the domestic epidemic spreads and foreign investors withdraw their capital. This scenario is less likely to happen.

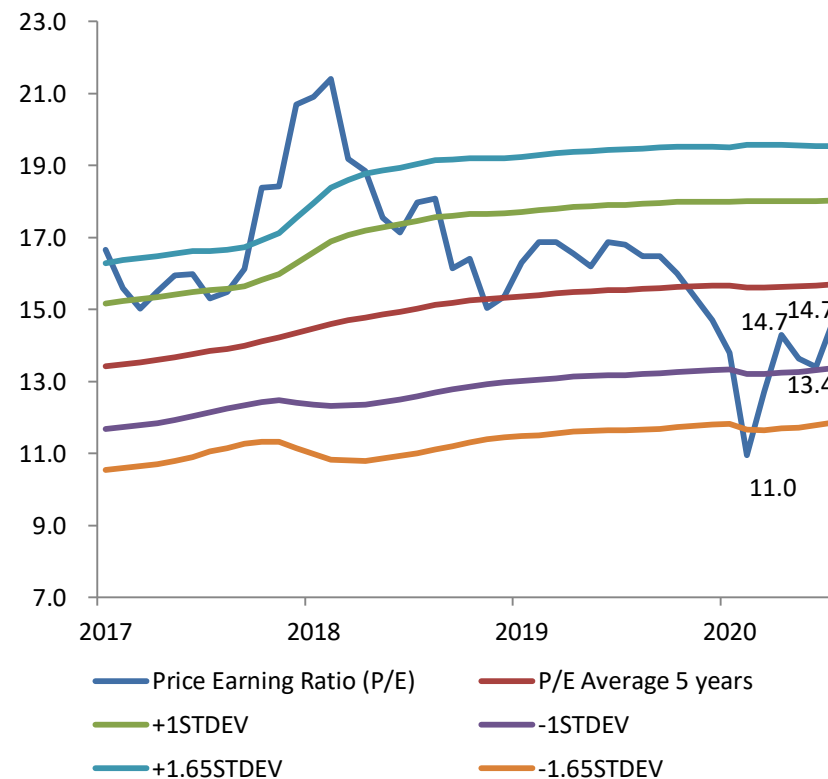


Source: FireAnt, BSC Research

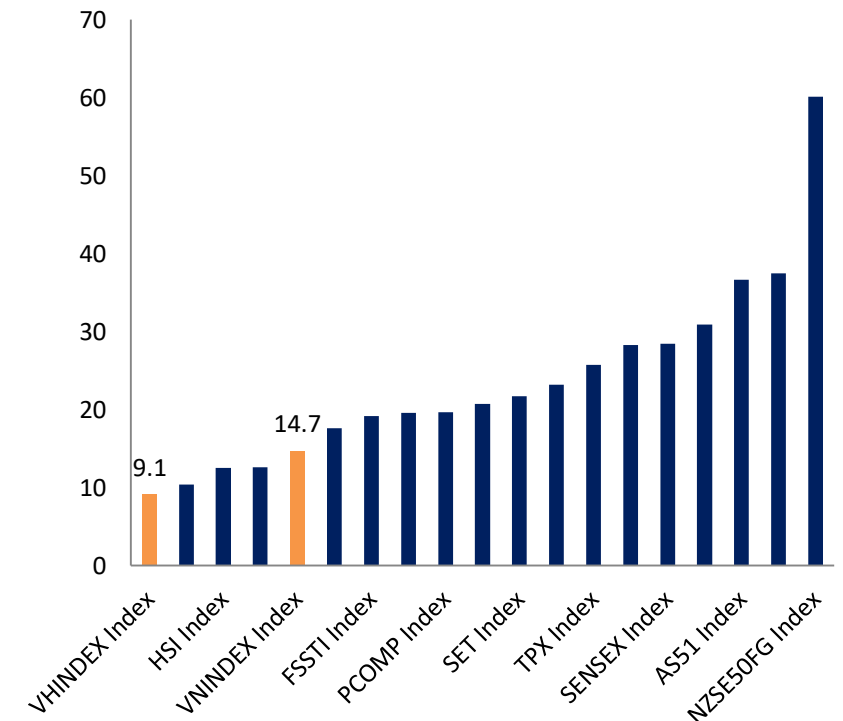
MARKET: P/E OF VN-INDEX DROPPED TO THE 15th POSITION IN ASIA

- ❖ Profits on both HSX and HNX improved again (Q1 decreased by 22.5% YoY, Q2 decreased by 11.9% YoY; August 2020 increased by 10.43% YoY).
- ❖ P/E at the end of August was at 14.7, 6.4% lower than the 5-year average P / E (15.7x) and quite low compared to Asia.
- ❖ **P/E of VN-Index is forecasted to increase to 15 in September**

P/E ratio VNindex



P/E of Vietnam and Asia

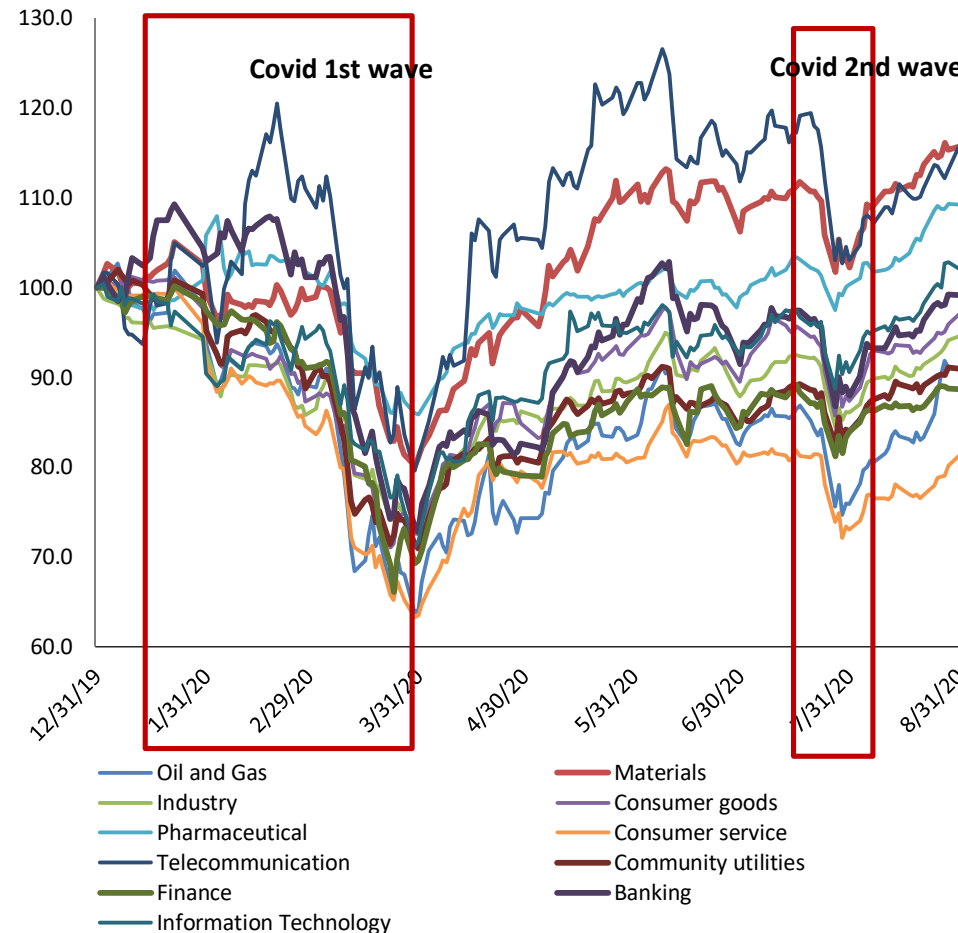


Source: Bloomberg, BSC Research

MARKET: SECTORS RECOVERED RAPIDLY AFTER THE 2nd WAVE OF COVID-19

- ❖ Sectors recovered rapidly after the 2nd wave of Covid-19:
- ❖ Sectors took 2 weeks compared to 6 weeks in the first wave.
- ❖ The reduction level of 10 – 15% is lower compared to 30% -35% in the first wave.
- ❖ Materials, telecommunications and medical sectors have lower reduction level than the market and recover more rapidly than the market.
- ❖ Most industries have lower P / E, P / B compared to the beginning of this year except for Materials.

Movements by sector

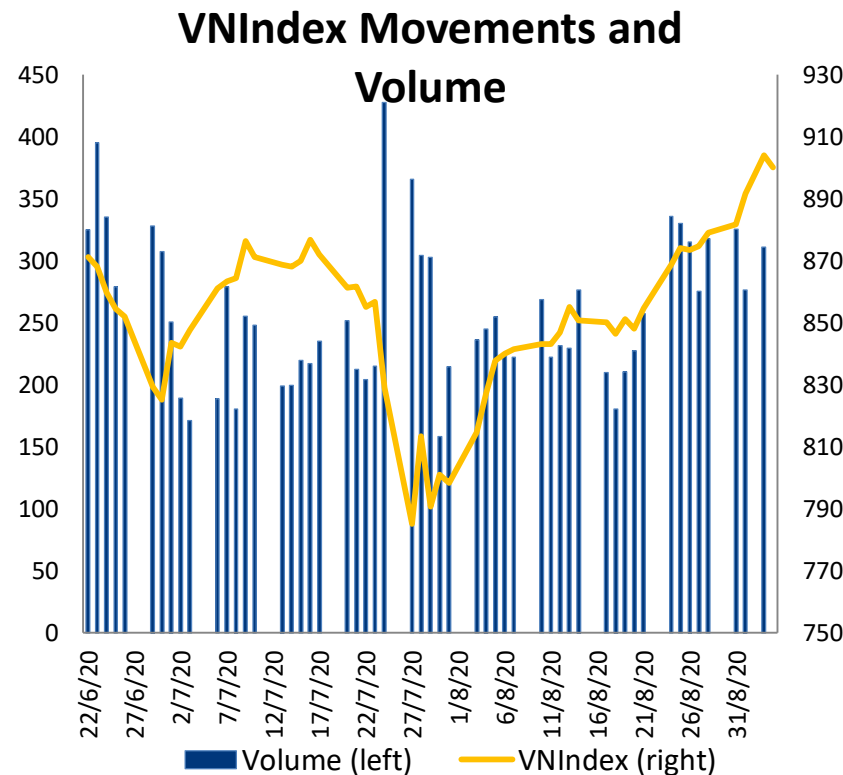


| Sector | Change | P/E | ± % | P/B | ± % |
|------------------------|--------|-------|--------|------|--------|
| Oil and Gas | -19.5% | 18.74 | 171.3% | 1.25 | -15.9% |
| Materials | 9.2% | 12.72 | 12.1% | 1.03 | 3.8% |
| Industry | -10.1% | 13.93 | -5.0% | 1.8 | -16.1% |
| Consumer Goods | -7.0% | 18.43 | -9.5% | 2.85 | -6.3% |
| Pharmaceutical | 1.8% | 13.8 | -7.2% | 1.99 | -5.5% |
| Consumer Service | -23.5% | 16.71 | 485.0% | 3.13 | -20.0% |
| Telecommunication | 7.2% | 38.83 | -14.2% | 2.65 | -1.1% |
| Community Utilities | -12.5% | 13.6 | -8.8% | 2.07 | -20.1% |
| Finance | -13.8% | 20.34 | -19.6% | 2.58 | -19.8% |
| Banking | -6.8% | 11.85 | -17.8% | 1.89 | -19.1% |
| Information Technology | -4.8% | 12.72 | -8.1% | 2.1 | -11.0% |

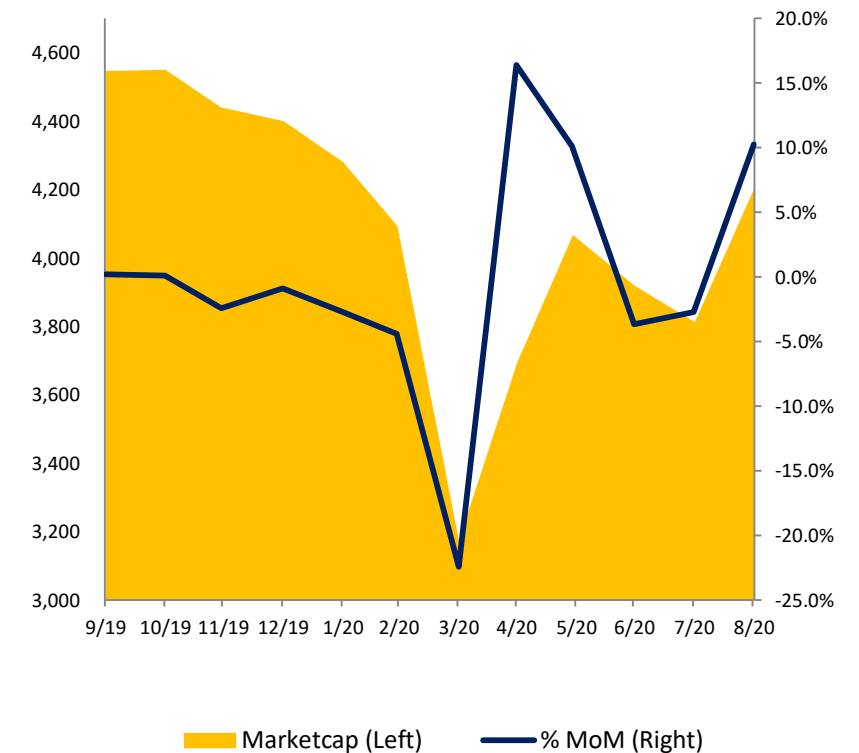
MARKET: MARKET CAPITALISATION OF 3 EXCHANGES SURPASSED 4 MILLION BILLION VND

- ❖ Market capitalization increased again after 2 consecutive months of decline
- ❖ Market movements showed positive signal.
- ❖ The increase in liquidity also reflected recovered sentiment when the factors affecting the market became more positive.
- ❖ With the scenario that VN-Index will reach 940 points, the market capitalization will increase by 6% and the liquidity increases by 10% in September

Improved liquidity



Increased market capitalisation

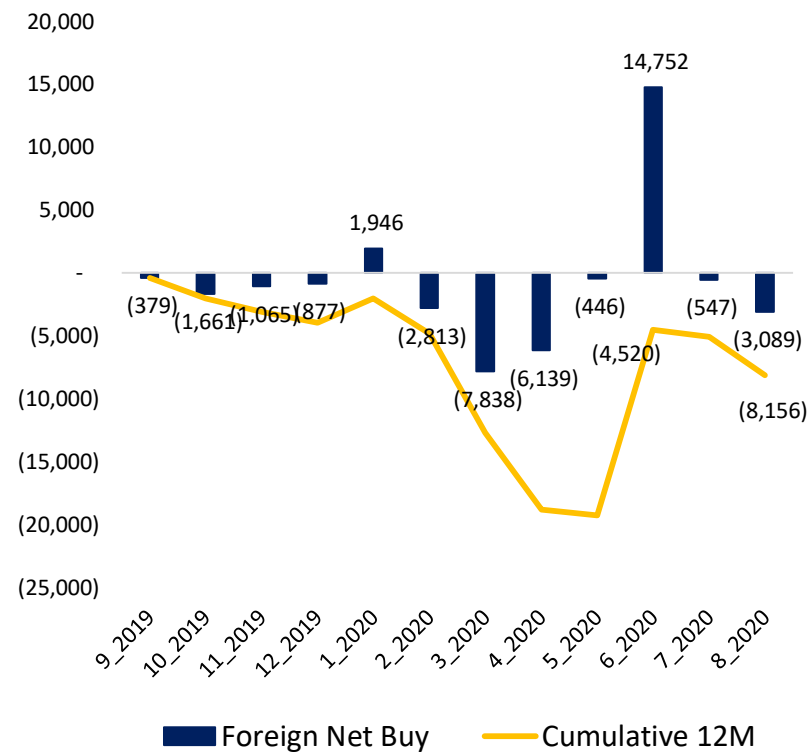


Source: FiinPro, BSC Research

MARKET: FOREIGN INVESTORS MAINTAINED NET SELLING SESSIONS

- ❖ Foreigners investors' trade was net selling. However, this did not much influence the growth momentum of the VN-Index.
- ❖ Foreign investors net sold 3,089 billion dong in August and 8,156 billion in 12 months.
- ❖ New funds such as Diamond and Finlead have attracted foreign capital.
- ❖ The trend of shifting from ETF E1 to ETF Diamond continued to maintain in August. New ETFs had an opportunity to receive new cash flows when foreign cash flows reverse.

Accumulated net selling value of 6,772 billion dong in 12M



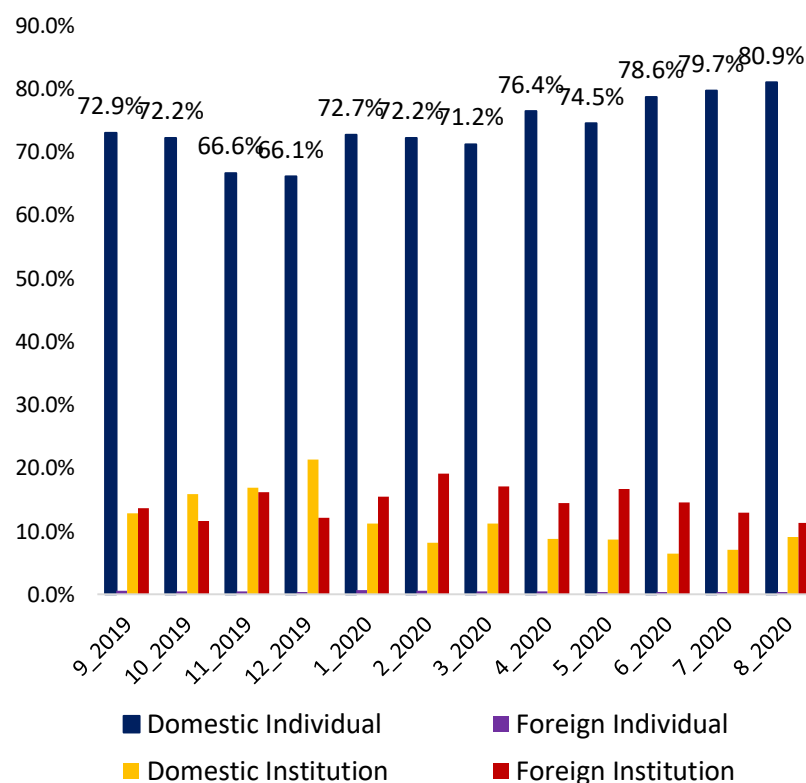
| Ticker | Value (billion dong) | Ticker | Value (billion dong) |
|----------|----------------------|--------|----------------------|
| VHM | 723.58 | CTG | (688.94) |
| PLX | 244.35 | HPG | (439.90) |
| FUEVFNVD | 204.43 | VCB | (385.42) |
| PHR | 144.29 | VRE | (337.00) |
| HDB | 64.04 | VNM | (334.48) |
| E1VFN30 | 58.79 | VIC | (260.32) |
| STB | 52.93 | NVL | (259.96) |
| KSB | 52.35 | VGC | (237.74) |
| CTD | 46.88 | AGG | (161.19) |
| BMP | 39.64 | MSN | (145.80) |

Source: FiinPro, BSC Research

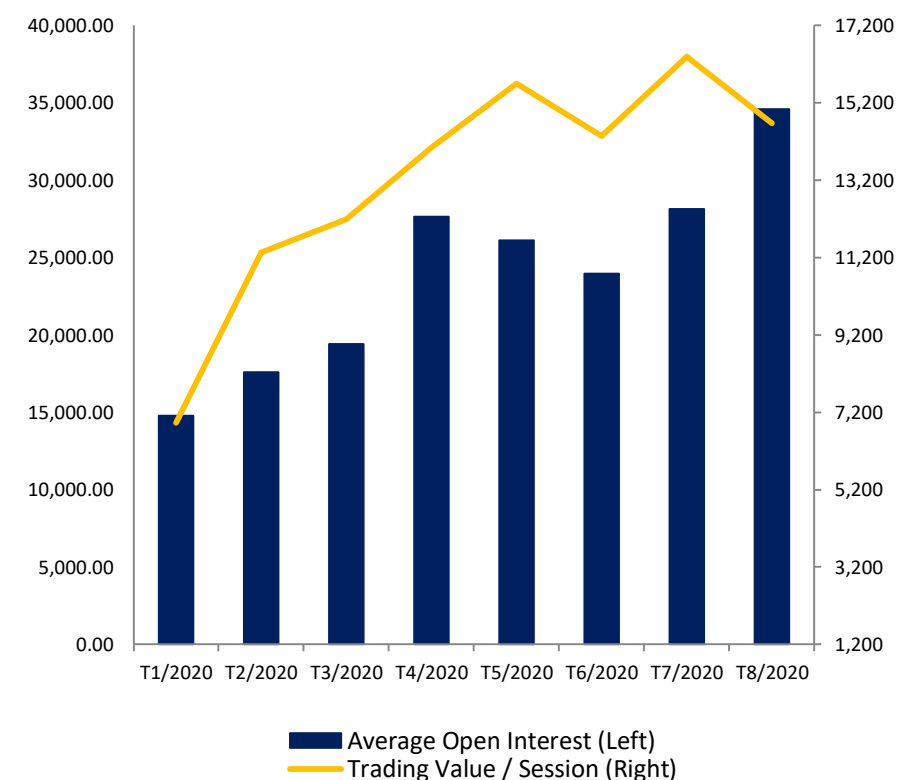
MARKET: DOMESTIC INVESTORS INCREASE TRADING ON THE STOCK AND DERIVATIVE MARKET

- ❖ Trading activities of domestic individual investors still increased.
- ❖ Individual investors in domestic transactions accounted for 80.9% of the market compared with the average level of 73.7% in 1 year.
- ❖ The bottom fishing demand in shaking sessions and the cash flow movement still showed positive signals. Cash flow into the market from the first wave of Covid-19 still held and looks for short-term opportunities.
- ❖ The number of open positions in the futures contract mainly increased in the corrections of the market and those positions decreased when rapidly reversed.

Domestic investors' trading increased by 7% compared to 12-month average level



The number of open interest increased by 23% MoM

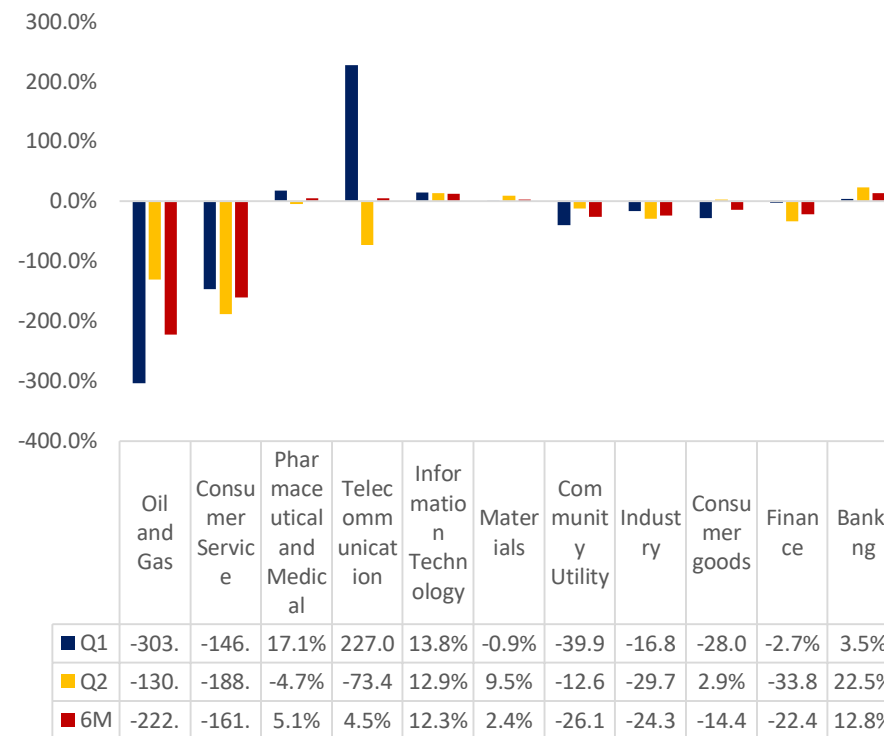


Source: FiinPro, BSC Research

MARKET: BANKING SECTOR WAS THE MAIN PILLAR

- ❖ Profitability of Q2 was less negative than Q1.
- ❖ The Banking sector is the main pillar as after tax profit in 1H2020 increased to 41.2% compared to 28.5% in the same period in 2019.
- ❖ Together with the Bank, Raw Materials also contributed to the market profitability.
- ❖ Oil and gas, and consumer services were strongly impacted in the first 6 months of the year. While Banking, Pharmaceutical, Information Technology, material and telecommunications sectors' profits were improved

Banking and Technology sectors increased significantly



Banking sectors accounted for 40% after – tax profit of 1H2020

| Industry | Weight 6M2019 | Weight 6M2020 |
|----------------------------|---------------|---------------|
| Oil and Gas | 2.9% | -4.5% |
| Consumer Service | 4.9% | -3.8% |
| Pharmaceutical and Medical | 0.9% | 1.2% |
| Telecommunication | 1.0% | 1.4% |
| Information Technology | 1.4% | 2.0% |
| Materials | 5.6% | 7.4% |
| Community Utility | 9.0% | 8.6% |
| Industry | 13.1% | 12.7% |
| Consumer goods | 13.3% | 14.6% |
| Finance | 19.4% | 19.3% |
| Banking | 28.5% | 41.2% |

Source: FiinPro, BSC Research

FACTORS THAT IMPACT ON THE MARKET IN SEPTEMBER

| Events | Impact on Stock Market |
|--|--|
| ❖ Significant intensification activities after a good recovery in May and June. Community bounce back will re-impact and unpredictably on macro modules and markets in the second half of 2020 | ❖ Short-term negative effects, disease control are important factors supporting the market |
| ❖ Increased disbursement of public investment capital to support the growth | ❖ Positive |
| ❖ Measures to control disease, and solutions to support interest rates and taxes for businesses to deal with diseases | ❖ Impact on market sentiment |
| ❖ The market valuation index is still at a reasonable level compared to the past and to the region | ❖ Stabilizing the market and identifying reasonable area. |
| ❖ Capital flow from ETFs is based on the VNFin lead Index and VNDiamond Index. | ❖ Capital flow increased at Finlead and Diamond and decreased at E1VN30 |
| ❖ ETFs announce adjustments and implementation of a portfolio structure | ❖ Increasing liquidity for the market |
| ❖ The second wave of epidemics returns to many countries, while the time to put the vaccine into use is not clear | ❖ Positively impact |
| ❖ The risk of recession is high in key countries and regions of the world | ❖ Medium-term negative, depending on the speed of economic recovery |
| ❖ International investors is afraid of risks and invest precious metals such as gold and silver | ❖ Impact the cash flow |
| ❖ Oil prices fluctuate, along with conflicts in the Middle East | ❖ Difficult to anticipate |

INVESTMENT STRATEGIES 09/2020

- ❖ Investors can take advantage of the vibrations to accumulate more stocks in stocks with good profit growth such as Banking, Information Technology, and Raw Materials.
- ❖ Stocks to pay attention in August 2020 (Industry report Q32020).
- ❖ Bank stocks, information technology
- ❖ Group benefiting from public investment such as Steel, Cement, Building Materials, Asphalt
- ❖ Groups that benefit from reduced inputs such as Fertilizers, Plastics, and Chemicals

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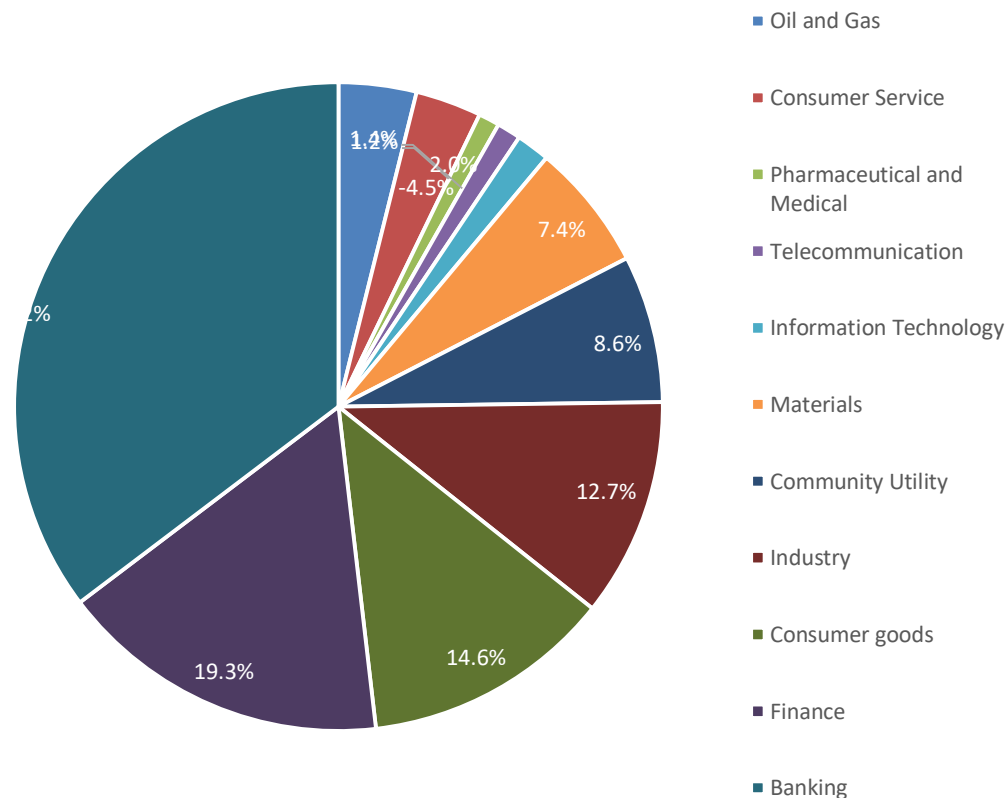
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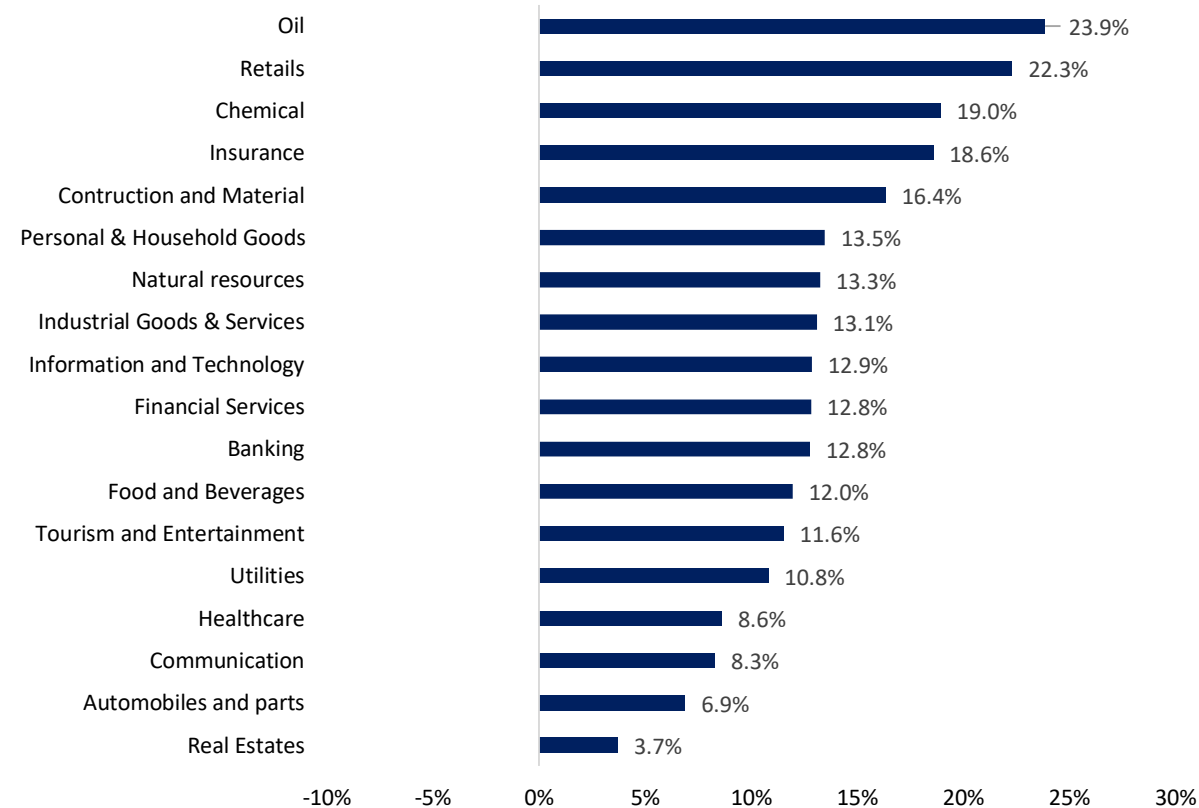


APPENDIX

After – tax profit structure 1H2020



Oil and Gas increased sharply in August



APPENDIX

Margin status is at an average level

| Characteristics | 2015 | 2016 | 2017 | 2018 | 2019 | Q1_2020 | Q2_2020 |
|--|-------|-------|-------|-------|-------|---------|---------|
| Margin Value (Billion.USD) | 1.1 | 1.0 | 1.8 | 1.8 | 2.4 | 2.0 | 2.0 |
| MarketCap (Billion.USD) | 61.8 | 78.4 | 140.5 | 173.8 | 191.9 | 157.6 | 175.1 |
| Margin/MarketCap Ratio | 1.7% | 1.3% | 1.2% | 1.1% | 1.2% | 1.3% | 1.2% |
| Volume/session (Million.USD) | 117.1 | 136.9 | 217.8 | 271.0 | 200.0 | 194.0 | 234.1 |
| Margin/Volume Ratio | 9.2 | 7.6 | 8.0 | 6.8 | 11.9 | 10.4 | 8.6 |
| Market share Top 10 securities companies | 66.5% | 67.9% | 67.8% | 62.2% | 61.9% | 62.4% | 64.8% |

APPENDIX

VN-Index median 947.3 points, recommended by financial institutions

| No | Stock | Weight | 31/08/2020 | Mean | Max | Min | P/E | P/B |
|----|-------|--------|------------|---------|---------|---------|--------|------|
| 1 | VCB | 9.83% | 83,000 | 85,662 | 93,000 | 75,140 | 16.89 | 3.44 |
| 2 | VIC | 9.72% | 90,000 | 106,860 | 116,000 | 95,000 | 39.91 | 3.79 |
| 3 | VHM | 8.39% | 78,500 | 104,466 | 113,000 | 93,500 | 11.57 | 3.76 |
| 4 | VNM | 6.73% | 121,000 | 127,196 | 138,300 | 115,000 | 21.85 | 6.99 |
| 5 | BID | 5.26% | 40,950 | 36,870 | 43,650 | 26,700 | 19.20 | 2.15 |
| 6 | GAS | 4.53% | 74,100 | 73,795 | 83,000 | 66,374 | 14.34 | 2.71 |
| 7 | SAB | 3.92% | 191,500 | 195,667 | 201,000 | 191,000 | 30.26 | 6.66 |
| 8 | CTG | 3.05% | 25,700 | 25,263 | 27,200 | 23,500 | 8.58 | 1.19 |
| 9 | HPG | 2.60% | 24,550 | 26,490 | 29,900 | 15,833 | 9.33 | 1.55 |
| 10 | TCB | 2.38% | 21,300 | 26,328 | 32,000 | 21,500 | 6.87 | 1.11 |
| 11 | PLX | 2.17% | 52,500 | 49,133 | 53,600 | 45,700 | 119.06 | 3.25 |
| 12 | MSN | 2.05% | 55,000 | 69,361 | 84,908 | 51,000 | 16.90 | 2.78 |
| 13 | VRE | 2.01% | 27,000 | 34,075 | 39,000 | 28,450 | 25.56 | 2.21 |
| 14 | NVL | 1.97% | 63,800 | 61,743 | 65,073 | 57,000 | 16.14 | 2.70 |
| 15 | VPB | 1.83% | 23,350 | 25,966 | 30,000 | 22,088 | 5.66 | 1.20 |
| 16 | VJC | 1.78% | 103,000 | 96,283 | 107,200 | 84,630 | 29.72 | 3.60 |
| 17 | GVR | 1.51% | 11,850 | 14,000 | 14,000 | 14,000 | 15.40 | 1.02 |
| 18 | MBB | 1.40% | 17,950 | 23,915 | 45,819 | 15,800 | 5.13 | 0.99 |

| No | Stock | Weight | 31/08/2020 | Mean | Max | Min | P/E | P/B |
|----|----------------|---------------|---------------|--------------|---------------|--------------|--------------|-------------|
| 19 | MWG | 1.35% | 93,400 | 132,634 | 158,300 | 94,453 | 11.19 | 2.97 |
| 20 | FPT | 1.24% | 49,500 | 57,890 | 61,700 | 55,000 | 11.57 | 2.59 |
| 21 | BVH | 1.18% | 49,900 | 60,300 | 63,000 | 58,400 | 30.44 | 1.88 |
| 22 | HVN | 1.16% | 25,700 | 21,491 | 26,472 | 18,600 | - | 3.20 |
| 23 | BCM | 1.11% | 33,600 | 33,600 | 33,600 | 33,600 | - | 2.42 |
| 24 | HDB | 0.89% | 28,350 | 32,074 | 34,000 | 30,700 | 6.69 | 1.31 |
| 25 | POW | 0.75% | 10,050 | 13,873 | 17,457 | 12,000 | 10.86 | 0.84 |
| 26 | EIB | 0.68% | 17,250 | 12,500 | 12,500 | 12,500 | 30.45 | 1.31 |
| 27 | STB | 0.67% | 11,200 | 14,725 | 16,500 | 12,950 | 8.30 | 0.74 |
| 28 | TPB | 0.62% | 22,500 | 24,250 | 24,500 | 24,000 | 5.41 | 1.27 |
| 29 | DHG | 0.44% | 105,500 | 89,933 | 95,000 | 86,800 | 20.92 | 4.33 |
| 30 | HNG | 0.43% | 12,200 | 12,200 | 12,200 | 12,200 | - | 1.48 |
| 31 | PNJ | 0.43% | 60,000 | 70,771 | 86,200 | 50,300 | 12.96 | 2.87 |
| 32 | KDH | 0.42% | 24,350 | 29,000 | 29,800 | 26,857 | 12.50 | 1.78 |
| 33 | BHN | 0.39% | 52,400 | 52,400 | 52,400 | 52,400 | 34.07 | 2.60 |
| 34 | REE | 0.37% | 36,900 | 43,102 | 47,208 | 38,100 | 7.72 | 1.09 |
| 35 | GEX | 0.35% | 22,200 | 22,200 | 22,200 | 22,200 | 15.98 | 1.66 |
| | VNIndex | 83.61% | 881.65 | 947.3 | 1089.2 | 832.7 | 15.07 | 2.44 |

Heatmap of VNIndex's performance by month

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|---------|---------|---------|---------|---------|---------|--------|---------|---------|---------|---------|---------|---------|
| 2000 | | | | | | | 1.55% | 13.39% | 4.83% | 16.68% | 19.80% | 22.58% |
| 2001 | 18.84% | 2.69% | 6.70% | 19.22% | 25.91% | 23.75% | -15.56% | -34.34% | -11.87% | 6.48% | 10.85% | -18.41% |
| 2002 | -11.83% | -7.93% | 4.74% | 4.16% | -0.65% | -2.44% | -2.22% | -2.99% | -4.97% | -2.48% | 0.15% | 3.07% |
| 2003 | -5.97% | -4.51% | -11.66% | 4.90% | -0.20% | 0.02% | -3.91% | -2.47% | -2.38% | -2.23% | 20.31% | 1.87% |
| 2004 | 28.38% | 21.59% | 6.46% | -4.69% | -4.70% | -0.91% | -4.51% | -2.54% | 0.35% | -0.26% | -1.30% | 4.24% |
| 2005 | -2.49% | 0.76% | 4.85% | -0.11% | -0.82% | 1.05% | 2.65% | 0.45% | 13.69% | 6.25% | 1.28% | -1.23% |
| 2006 | 1.57% | 25.08% | 28.90% | 18.25% | -9.50% | -4.33% | -18.07% | 16.28% | 7.24% | -2.88% | 23.75% | 18.75% |
| 2007 | 38.52% | 9.25% | -5.83% | -13.76% | 17.06% | -5.25% | -11.39% | 0.05% | 15.25% | 1.74% | -8.71% | -4.66% |
| 2008 | -8.94% | -21.42% | -22.08% | 1.07% | -20.73% | -3.55% | 13.01% | 19.44% | -15.28% | -24.01% | -9.31% | 0.28% |
| 2009 | -3.93% | -18.95% | 14.21% | 14.59% | 27.99% | 8.90% | 4.12% | 17.14% | 6.24% | 1.07% | -14.14% | -1.85% |
| 2010 | -2.59% | 3.10% | 0.47% | 8.64% | -6.44% | -0.06% | -2.61% | -7.86% | -0.12% | -0.42% | -0.23% | 7.32% |
| 2011 | 5.35% | -9.64% | -0.05% | 4.11% | -12.23% | 2.65% | -6.21% | 4.69% | 0.68% | -1.59% | -9.53% | -7.65% |
| 2012 | 10.36% | 9.19% | 4.10% | 7.42% | -9.41% | -1.59% | -1.87% | -4.45% | -0.87% | -1.06% | -2.73% | 9.50% |
| 2013 | 15.97% | -1.09% | 3.47% | -3.37% | 9.25% | -7.19% | 2.23% | -3.89% | 4.22% | 0.97% | 2.08% | -0.62% |
| 2014 | 10.28% | 5.38% | 0.87% | -2.29% | -2.76% | 2.87% | 3.10% | 6.81% | -5.95% | 0.34% | -5.70% | -3.70% |
| 2015 | 5.58% | 2.86% | -6.99% | 2.04% | 1.27% | 4.12% | 4.72% | -9.07% | -0.37% | 7.95% | -5.63% | 1.02% |
| 2016 | -5.83% | 2.59% | 0.33% | 6.62% | 3.35% | 2.23% | 3.16% | 3.43% | 1.65% | -1.45% | -1.59% | -0.03% |
| 2017 | 4.87% | 1.94% | 1.62% | -0.63% | 2.80% | 5.24% | 0.91% | -0.10% | 2.77% | 4.08% | 13.45% | 3.61% |
| 2018 | 12.81% | 1.01% | 4.72% | -10.58% | -7.52% | -1.08% | -0.46% | 3.47% | 2.79% | -10.06% | 1.29% | -3.67% |
| 2019 | 2.03% | 6.02% | 1.58% | -0.11% | -2.02% | -1.04% | 4.39% | -0.77% | 1.27% | 0.23% | -2.81% | -1.01% |
| 2020 | -2.54% | -5.81% | -24.90% | 16.09% | 12.40% | -4.55% | -3.24% | 10.43% | | | | |
| Average | 5.52% | 1.11% | 0.58% | 3.58% | 1.15% | 0.94% | -1.44% | 1.29% | 0.96% | -0.03% | 1.56% | 1.47% |