

MACRO & MARKET AUGUST

**Social distancing conclude,
potential for recovery**

TABLE OF CONTENTS



MACRO ECONOMY AUGUST 2021

- 01 China service sector deteriorate
- 02 Number of business closing decreased
- 03 Vaccination accelerated bringing prospect of recovery
- 04 FDI outlook more positive
- 05 Decline in trade growth rate
- 06 Inflation increased due to food price
- 07 Increase supervision in reducing interest rate
- 08 VND appreciated strongly in August

MARKET AUGUST 2021

- 09 Forecasts for September 2021
- 10 VNIndex's P/E is 16, ranking 13 in Asia
- 11 9/11 level 1 sectors grows in August
- 12 Market capitalization of 3 exchanges reached 6.698 million billion VND
- 13 Foreign investors net-selling
- 14 Domestic investors traded positively in August
- 15 Issuance value and corporate bond issue success rate both decrease
- 16 Factors affecting the market in the third quarter
- 17 Investment strategies in September 2021

APPENDIX



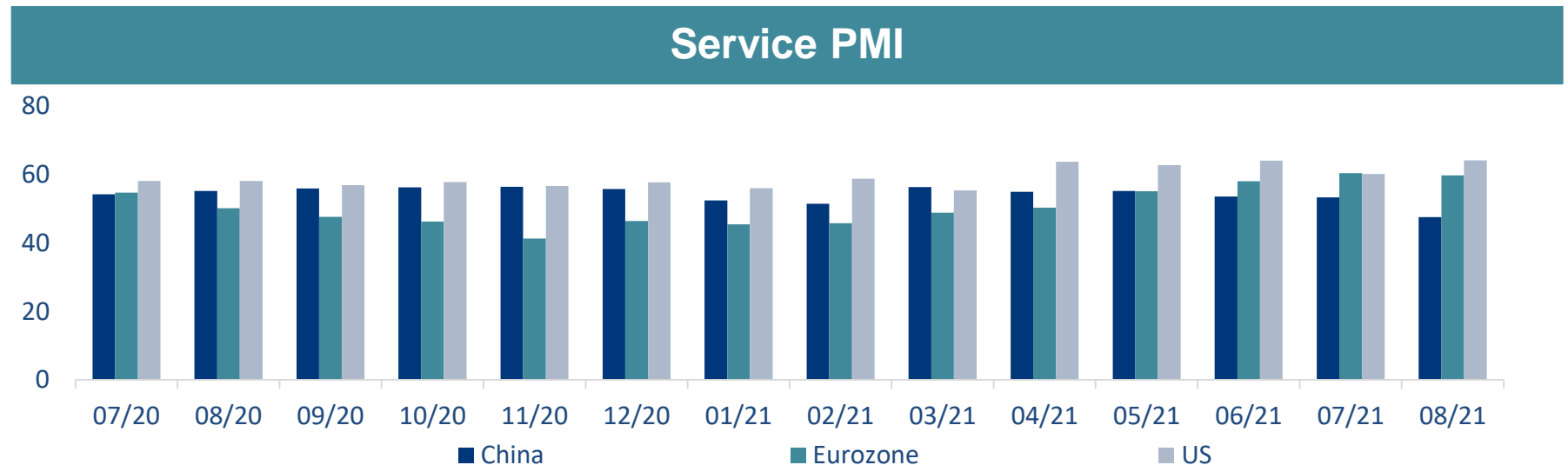
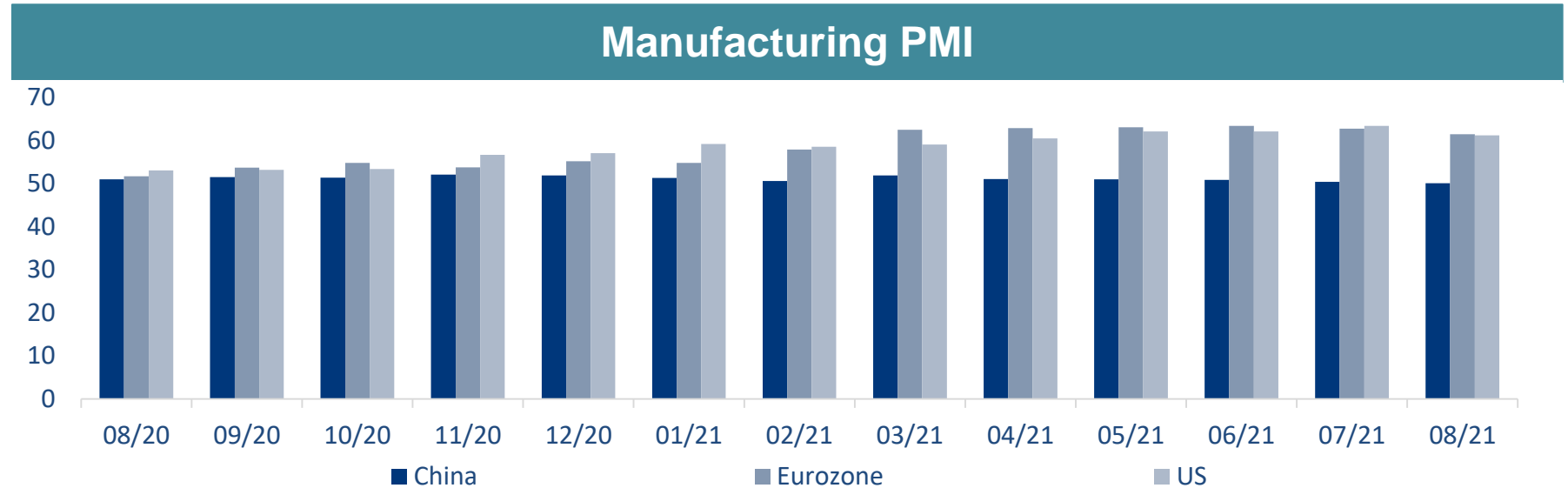
MACRO AUGUST 2021

**Vaccination accelerated to
facilitate recovery**



MACRO: CHINA SERVICE SECTOR DETERIORATE

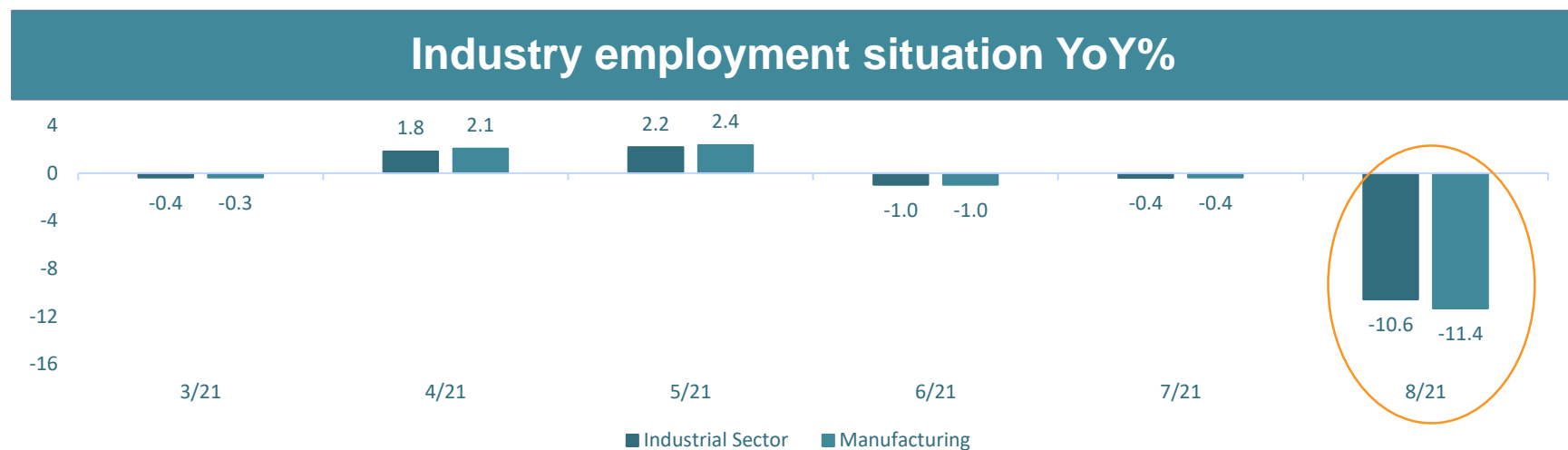
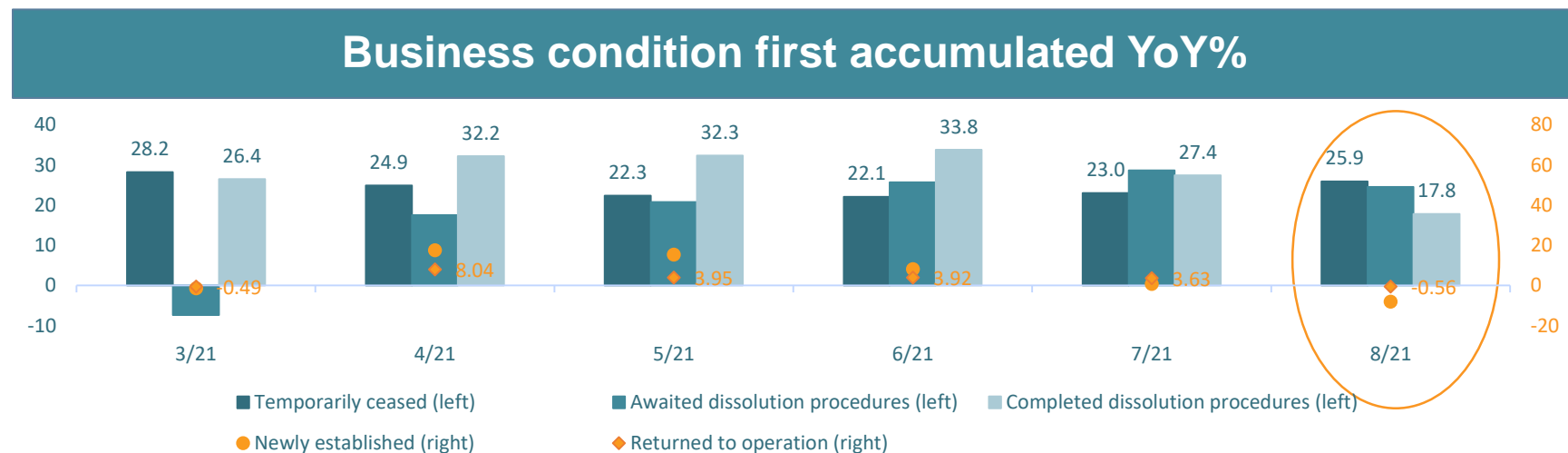
- ❖ Manufacturing PMI: Manufacturing maintained the growth trend in all three areas.
- ❖ Service PMI: Service sector in the EU and the US maintained a recovering trend. China's service industry declined due to the COVID-19 distancing measures in August.
- ❖ Delta variant of Covid-19 continued to spread Asia. The EU and the US continued to recover positively. FED may narrow the monetary easing policy at the end of the year and China might maintain the expansionary monetary policy.



Source: Bloomberg, BSC Research

- ❖ Measures to strengthen disease prevention continue to affect production and business activities, as well as the labor situation. However, the number of business shutdowns in the long term and the number of liquidation decreased, showing that gradual adaptation to prolonged epidemic.
- ❖ Number of enterprises experiencing long-term stoppage decreased -36.1% MoM, completing dissolution decreased by -43.7% MoM. At the same time, the number of established businesses decreased by -34.1% MoM.
- ❖ Industrial labor decreased by -5.3% MoM (processing and manufacturing -5.8% MoM) at the beginning of August.
- ❖ BSC revises down GDP outlook to 5.29%. If the epidemic lasts longer than expected, GDP is estimated to increase by 4.06%.

MACRO: NUMBER OF BUSINESS CLOSING DECREASED

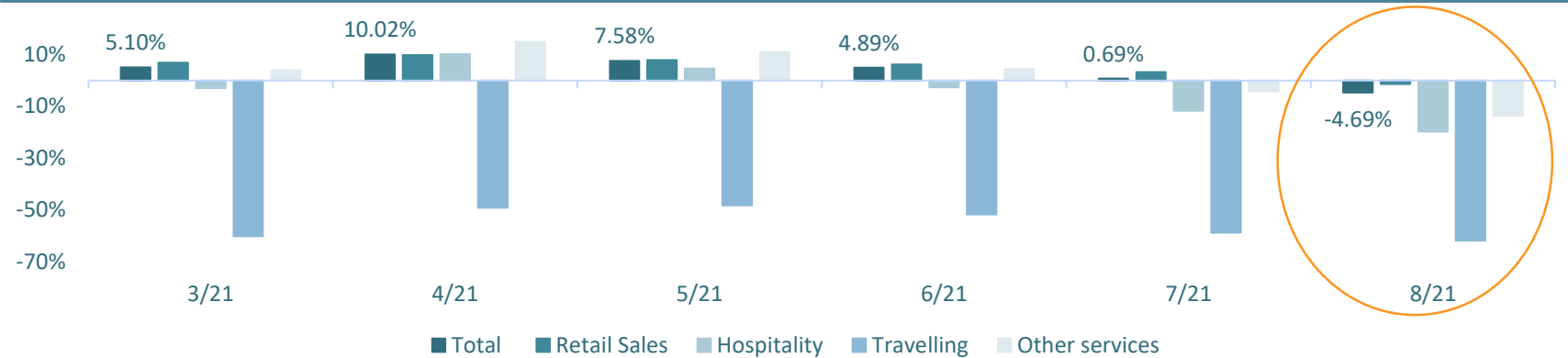


MACRO: VACCINATION ACCELERATED BRINGING PROSPECT OF RECOVERY

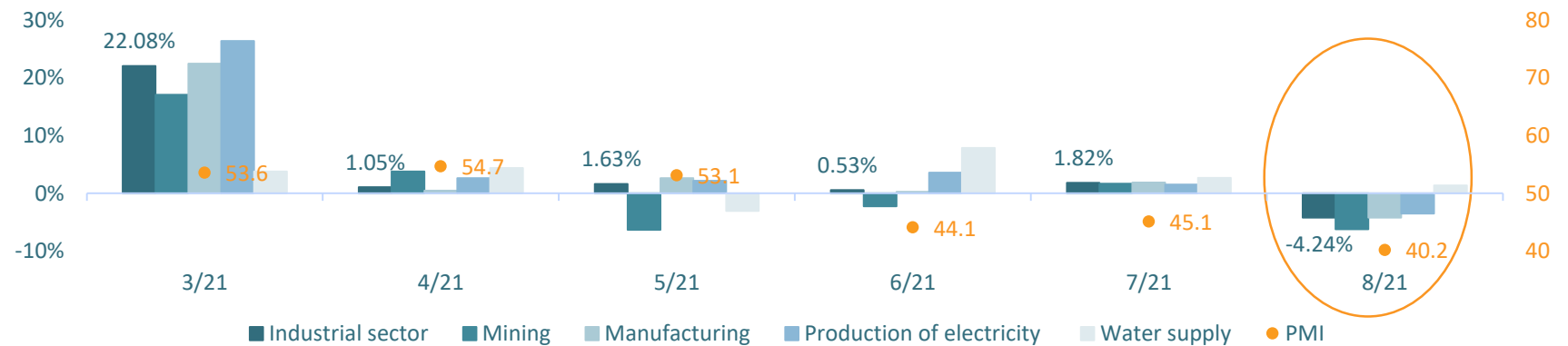
❖ Retail sale decreased by -1.4%, and services decreased by -13.7% in the first eight months of 2021. In August, the reproduction rate gradually decreased, and might further decrease as strengthened distancing measures initially showed their effectiveness. Vaccination accelerated (average of 4,635 doses/million people/day), forming basis for reoccurring in remaining months of 2021.

❖ Members of the supply chain were still not able to operate at full capacity. PMI is at a low level of 40.2 points in August. By the end of August, industrial production reached +5.6% YoY compared to the same period of 2020. With Covid-19 partly under control, gradual lifting of social distancing measures brought the prospect of a recovery in the coming period.

Retail and Consumer services accumulated YoY%



IIP + PMI MoM%

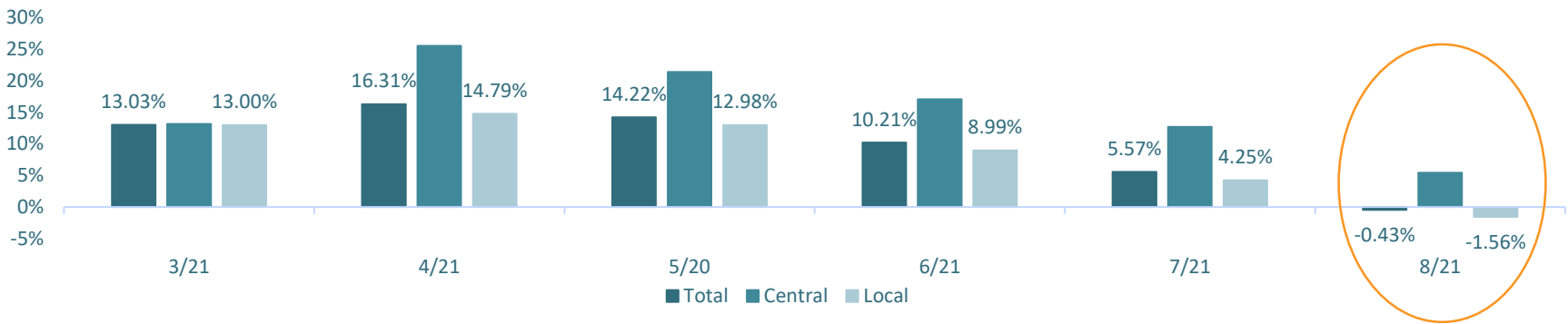


❖ In the first eight months of 2021, disbursement decreased by -0.4% YoY (equivalent to 51.1% of the plan in 2021). Social distance measures partially affected progress (local government disbursement -1.6%). Following Resolution 63/NQ-CP, disbursement continued to play a pivotal role in maintaining growth prospects. Disbursement is estimated at 513,200 billion VND.

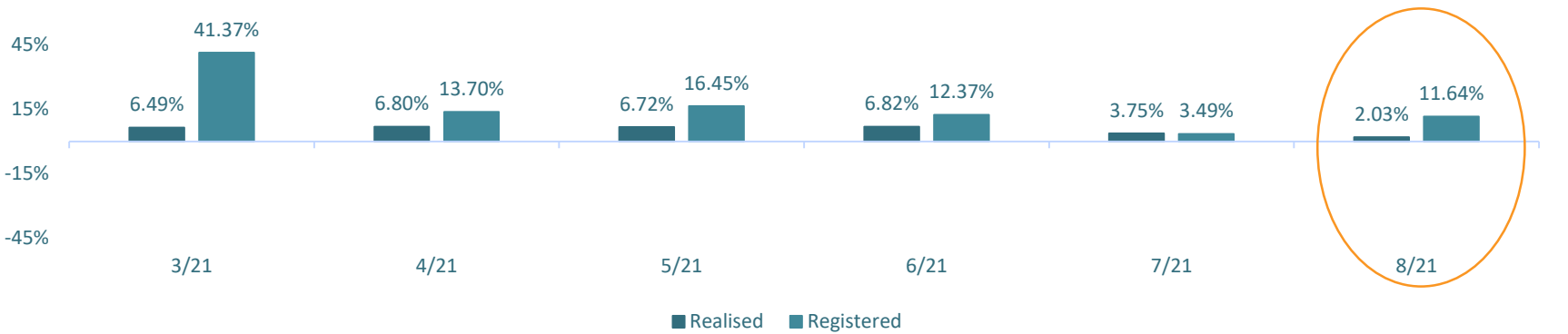
❖ In the first eight months of 2021, realized FDI is estimated to increase by +2.0%. Registered FDI increased by +11.6%. Newly granted capital reached +16.3%. Additional capital decreased +2.3%. Distancing measures might still affect the short-term prospects of the FDI sector. FDI is estimated to increase by +7.77% in 2021.

MACRO: FDI OUTLOOK MORE POSITIVE

Disbursement of State capital budget accumulated YoY%



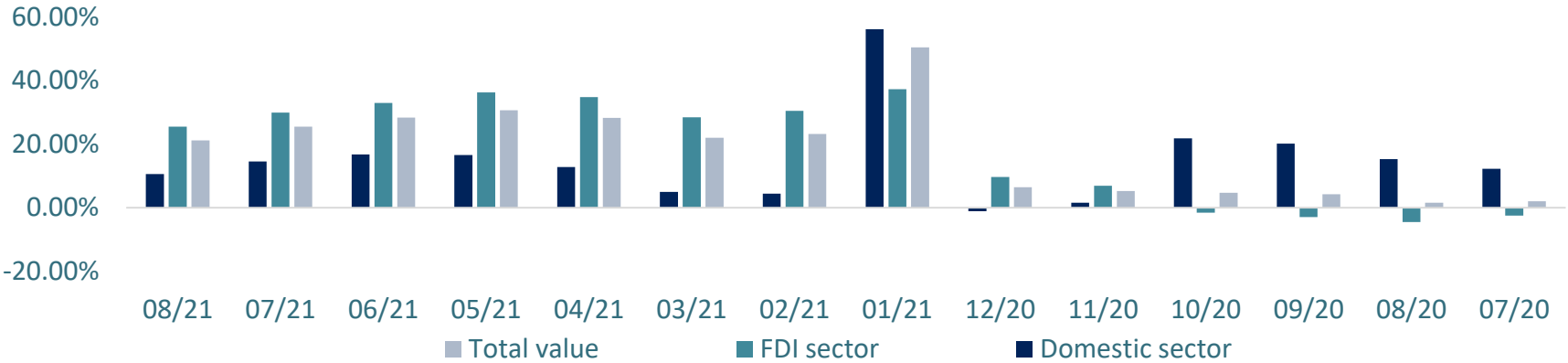
FDI accumulated YoY%



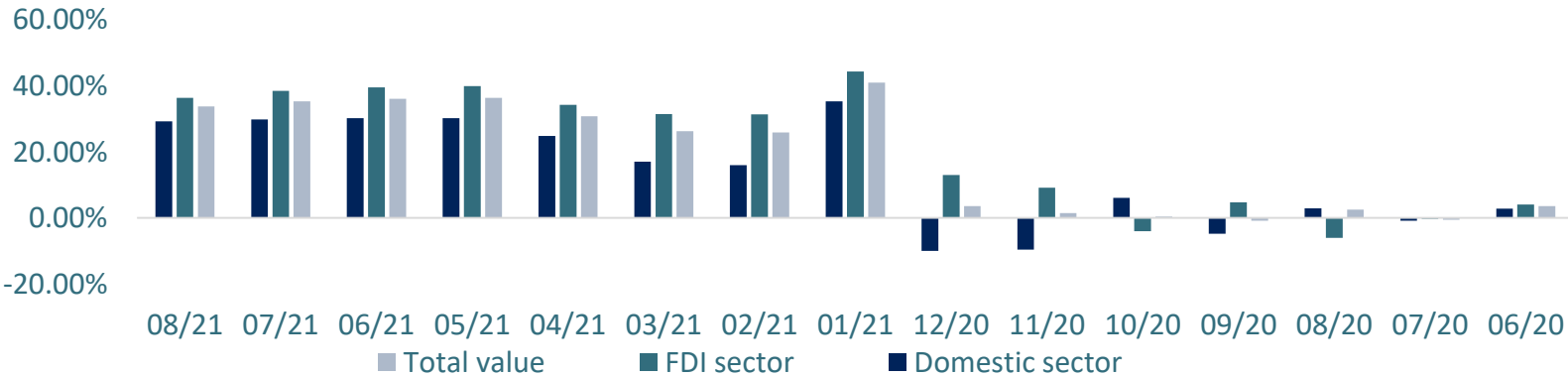
- ❖ Accumulated to the end of August, exports increased by +25.5% YoY, while imports increased by 36.4% YoY. August had a trade deficit of 1.3 billion USD, making the trade balance to be 3.71 billion USD by the end of August
- ❖ The trade deficit continued due to: (1) import of machinery, equipment and spare parts continued to increase. (2) social distancing measures caused slow down in growth of export.
- ❖ BSC revised forecast for export to 19.5%YoY while imports increased by +30.2% YoY in 2021. Export growth continued to be affected negatively by social distancing. Consumption in United States heading towards food and beverage, and entertainment products instead of machinery and equipment.

MACRO: DECLINE IN TRADE GROWTH RATE

Export accumulated 2021 YoY%



Import accumulated 2021 YoY%



Source: GSO, BSC Research

IMPORT-EXPORT MOVEMENTS: DISRUPTED BY SOCIAL DISTANCING

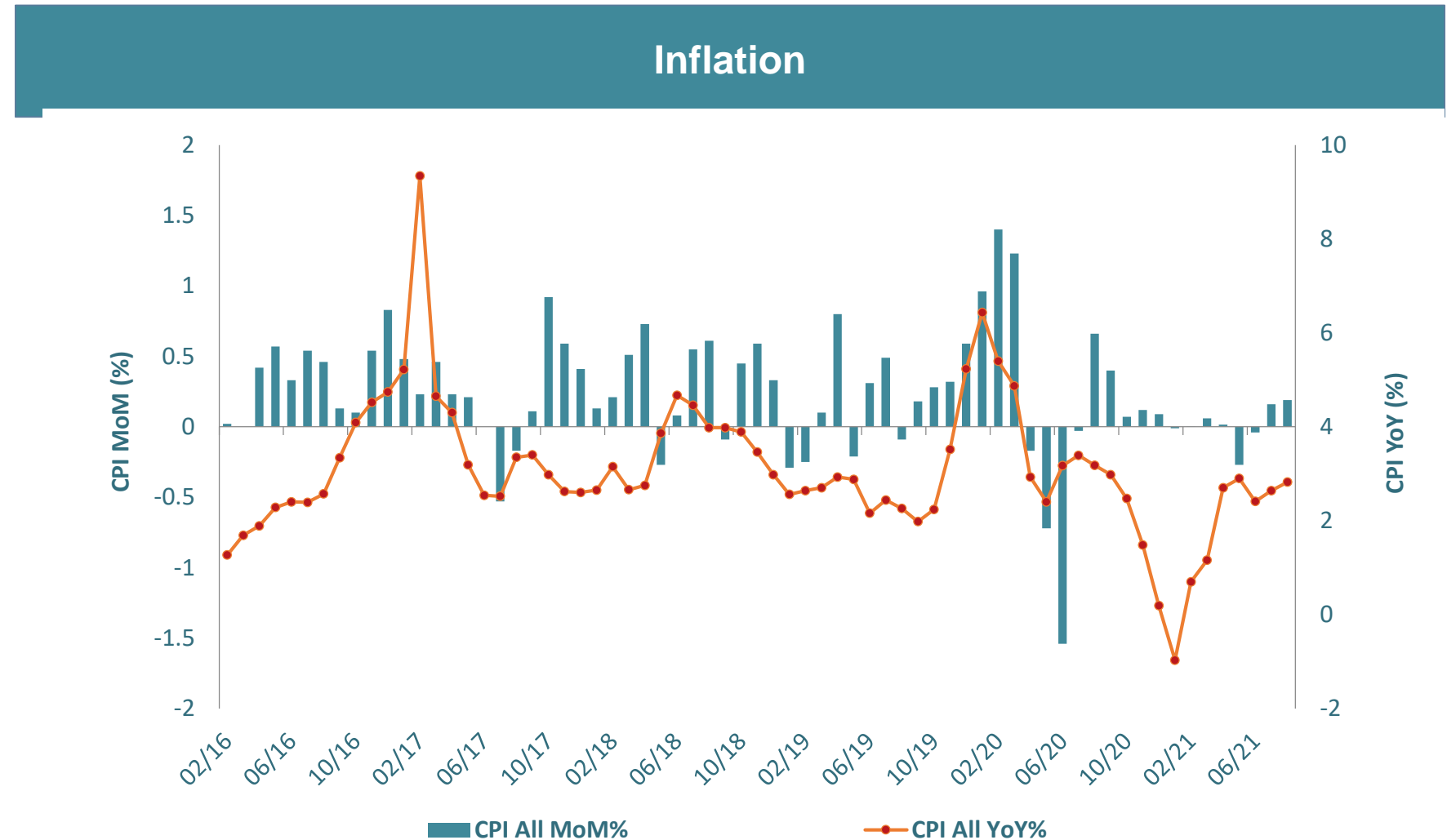
Export	Tỷ trọng	07/20	08/20	09/20	10/20	11/20	12/20	01/21	02/21	03/21	04/21	05/21	06/21	07/21	08/21
Total Value (Month)	100%	8.2%	7.0%	16.3%	12.5%	10.7%	22.6%	55.8%	-3.2%	22.9%	51.0%	36.5%	17.4%	8.6%	-5.4%
Phone types and accessories	17%	7.3%	-9.5%	-4.0%	3.5%	-2.1%	61.4%	126.3%	-24.4%	-13.6%	52.4%	22.4%	-9.5%	0.3%	10.3%
Computers, electronic products and components	16%	33.8%	17.6%	28.3%	20.7%	17.7%	21.5%	46.2%	23.0%	27.0%	28.3%	14.2%	1.3%	-13.9%	-11.9%
Textile products	10%	-7.8%	-12.0%	1.3%	-4.7%	-13.2%	-4.7%	7.7%	-18.5%	16.5%	52.8%	37.9%	15.3%	8.5%	-9.0%
Others machinery, equipment, tools and spare parts	10%	49.0%	64.3%	74.2%	71.0%	61.8%	80.2%	119.1%	41.9%	78.2%	85.7%	47.9%	20.6%	16.0%	11.6%
Others	6%	-15.9%	-12.6%	-5.4%	-12.2%	-11.0%	-1.9%	33.4%	-11.1%	23.3%	42.8%	44.1%	38.1%	2.3%	-38.4%
Import	Tỷ trọng	07/20	08/20	09/20	10/20	11/20	12/20	01/21	02/21	03/21	04/21	05/21	06/21	07/21	08/21
Total Value (Month)	100%	-3.7%	1.2%	11.3%	8.7%	15.7%	25.1%	42.3%	11.2%	28.5%	49.9%	55.5%	33.5%	31.7%	21.1%
Computers, electronic products and components	24%	18.8%	21.7%	33.9%	39.9%	44.1%	48.4%	33.7%	10.6%	17.7%	48.4%	28.1%	11.7%	11.8%	4.5%
Others machinery, equipment, tools and spare parts	14%	-0.7%	0.2%	16.2%	4.7%	7.7%	14.0%	38.6%	20.7%	32.4%	31.8%	61.2%	36.2%	33.5%	25.0%
Phone types and accessories	6%	-17.3%	-6.4%	12.8%	28.3%	62.5%	66.5%	101.0%	32.4%	7.7%	70.8%	88.3%	39.4%	42.9%	11.4%
Fabric of all kinds	4%	-12.2%	-8.7%	-3.3%	-9.5%	-5.3%	7.1%	30.3%	10.4%	2.0%	52.8%	62.0%	37.0%	20.9%	9.7%
Iron and Steel of all kinds	3%	-8.6%	-21.1%	-16.7%	-32.8%	-0.7%	-0.9%	47.6%	18.2%	32.0%	52.1%	44.1%	75.2%	34.2%	51.7%

Source: Fiinpro, BSC Research

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

MACRO: INFLATION INCREASED DUE TO FOOD PRICE

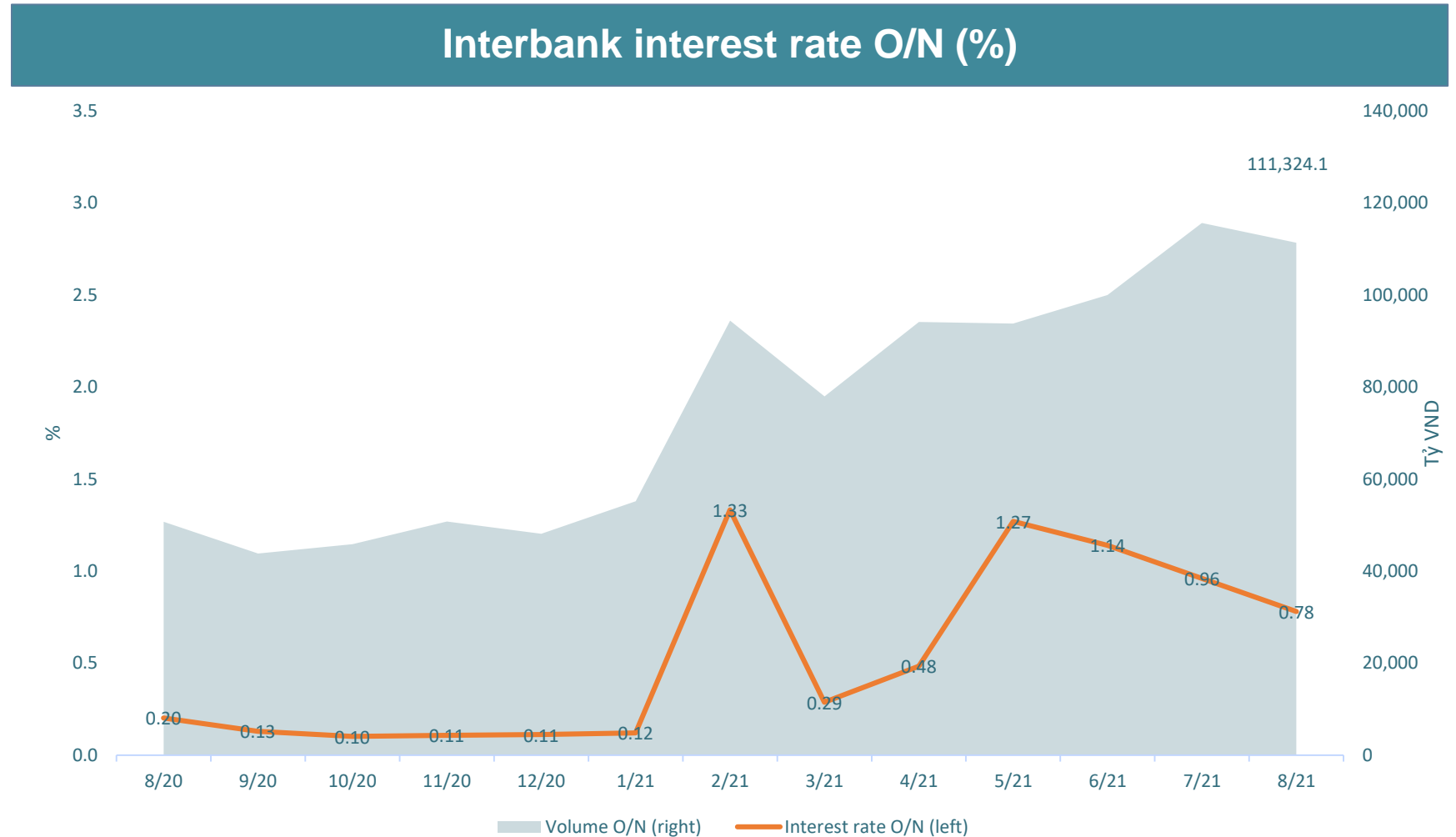
- ❖ CPI in August 2021 increased by +2.64% YoY with average CPI of 1.79%. Increase was mainly due to the increase in food prices in provinces implementing social distancing according to Directive No. 16/CT-TTg.
- ❖ BSC estimates the CPI at the end of Q3 at 2.9%-3.1% based on the following assumptions:
 - ✓ (1) The price of pork fluctuates in the price range of 50,000 – 60,000 VND/kg.
 - ✓ (2) Brent oil price fluctuated in the range of 70-75 USD/barrel in the third quarter.
 - ✓ (3) Food prices continue to increase when the social distance measures is prolonged.



Source: Bloomberg, BSC Research

MACRO: INCREASE SUPERVISION IN REDUCING INTEREST RATE

- ❖ Interbank interest rate adjusted downward to an average of 0.78%. Trading volume increased, averaging 111,324.1 billion/session. In context of extended distancing measures, Covid-19, direction for promotion of supervision and implementation of commitment to reduce interest rates in Official Letter 5901/NHNN, potentially contribute to increase cash flow, actively supporting economy in coming period.
- ❖ Core CPI increased by 0.98% YoY in August. Moderate inflation continues to create conditions for interest rates to be maintained at current levels. Caution in cutting rate is reasonable, given many central banks around the world have begun to tighten policy.



- ❖ DXY increased slightly compared to July due to: (1) Fed signaled to narrow monetary easing measures by reducing amount of treasuries bought each month, (2) The increase of DXY narrowed toward the end of August due to appreciation of Euro.

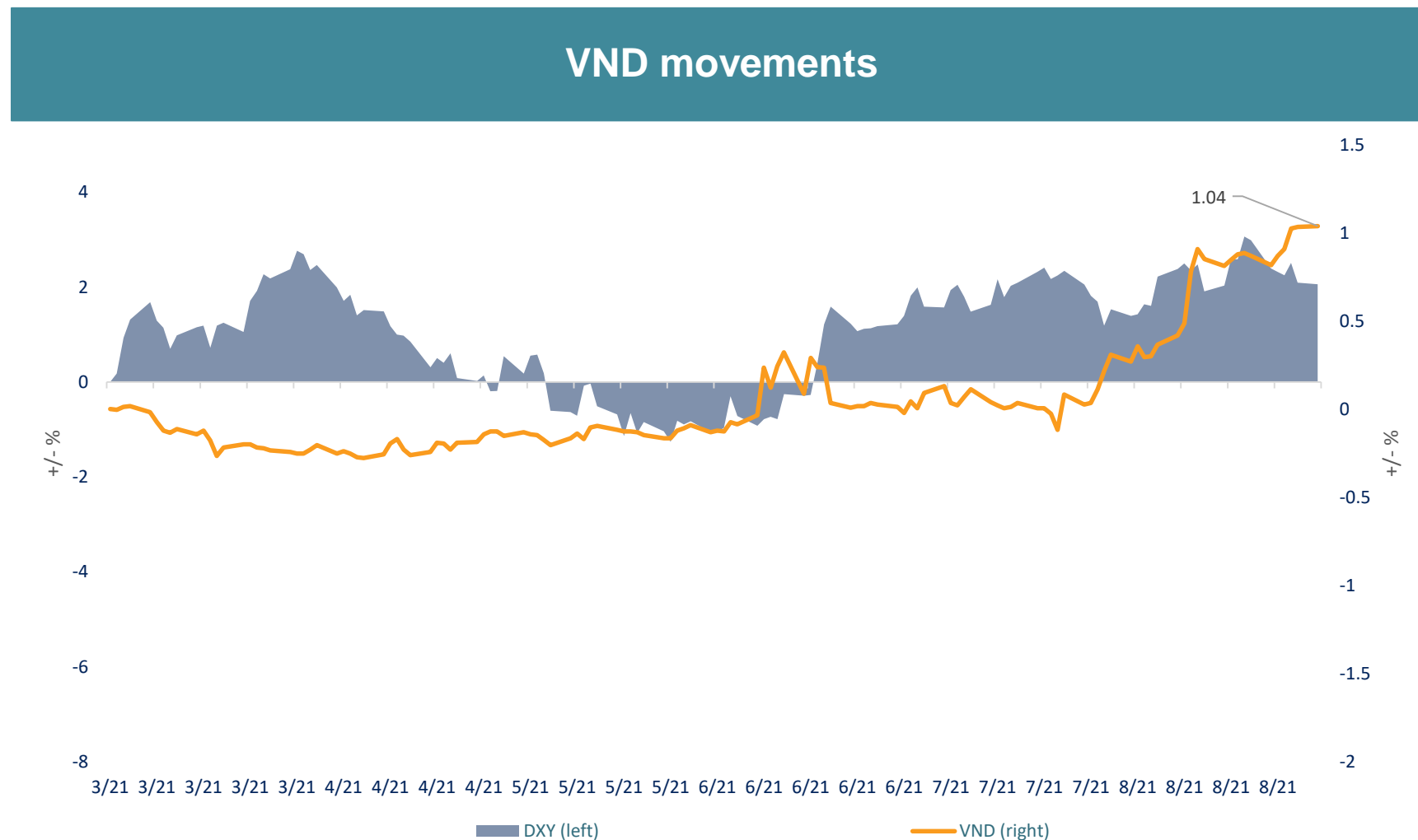
- ❖ VND appreciated strongly due to decline in demand for import. Exchange rate is expected to maintain a stable level due to:

- ✓ Vietnam's foreign exchange reserve reaches 103 billion USD

- ✓ Trade balance for the first seven months was at a deficit of 3.71 billion USD.

- ✓ Social distancing measures in southern provinces may conclude in September in positive scenario.

MACRO: VND APPRECIATED STRONGLY IN AUGUST



Source: Bloomberg, BSC Research

MACRO OVERVIEW

	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	9/20	10/20	11/20	12/20	1/21	2/21	3/21	4/21	5/21	6/21	7/21	8/21
Retail Sales + Customer Services	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%	0.70%	1.27%	2.03%	2.62%	6.42%	5.49%	5.10%	10.02%	7.58%	4.89%	0.69%	-4.69%
Retail Sales	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%	4.80%	5.44%	6.22%	6.78%	8.65%	7.83%	6.84%	9.77%	7.83%	6.16%	3.19%	-1.37%
Hospitalisty	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%	-15.00%	-14.70%	-13.72%	-12.97%	-4.13%	-4.30%	-2.97%	10.14%	4.60%	-2.68%	-11.77%	-19.77%
Travelling	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%	-56.30%	-57.66%	-58.60%	-59.50%	-62.18%	-62.06%	-60.08%	-49.17%	-48.22%	-51.76%	-58.81%	-61.81%
Other services	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%	-5.60%	-5.40%	-4.76%	-4.03%	7.31%	3.00%	3.90%	14.95%	10.90%	4.38%	-4.23%	-13.65%
Index of Industrial Production	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%	3.80%	5.40%	9.20%	9.52%	22.16%	7.35%	22.08%	1.05%	1.63%	0.53%	1.82%	-4.24%
Mining	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%	-5.70%	-14.54%	6.24%	-10.41%	-6.22%	-11.00%	17.06%	3.78%	-6.36%	-2.27%	1.64%	-6.24%
Manufacturing	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%	4.60%	8.30%	0.119	13.13%	27.15%	10.35%	22.49%	0.45%	2.63%	0.26%	1.88%	-4.22%
Electricity production	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%	5.50%	0.98%	5.30%	2.12%	16.27%	4.25%	26.40%	2.64%	2.19%	3.58%	1.51%	-3.55%
Water supply	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%	5.30%	9.91%	5.30%	7.95%	8.40%	4.84%	3.77%	4.36%	-3.07%	7.88%	2.65%	1.36%
PMI	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	52.2	51.8	49.9	51.7	51.3	51.6	53.6	54.7	53.1	44.1	45.1	40.2
Export	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%	2.37%	4.07%	4.78%	5.30%	6.50%	50.53%	23.25%	22.01%	28.30%	30.72%	28.40%	25.50%	21.20%
Import	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%	-2.44%	-0.78%	0.35%	1.50%	3.60%	41.00%	25.87%	26.29%	30.80%	36.36%	36.10%	35.28%	33.76%
State budget disbursement	10.30%	11.26%	12.30%	12.66%	11.86%	11.47%	3.93%	4.30%	3.48%	3.58%	3.81%	3.00%	3.08%	4.42%	4.93%	5.16%	5.55%	3.65%	22.17%	17.04%	13.98%	16.83%	19.77%	28.26%	32.40%	35.27%	36.17%	35.84%	34.45%	24.53%	10.60%	13.03%	16.31%	14.22%	10.21%	5.57%	-0.43%
FDI realised	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%	-3.23%	-2.53%	-2.38%	-1.96%	4.14%	2.04%	6.49%	6.80%	6.72%	6.82%	3.75%	2.03%
FDI registered	-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%	-1.82%	-5.09%	-3.22%	-6.59%	-62.55%	-12.88%	41.37%	13.70%	16.45%	12.37%	3.49%	11.64%
CPI core YoY	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%	1.97%	1.88%	1.61%	0.19%	-0.97%	0.79%	0.73%	0.95%	1.13%	1.14%	0.99%	0.98%
CPI YoY	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%	2.98%	2.47%	1.48%	0.99%	0.49%	0.70%	1.16%	2.70%	2.90%	2.41%	2.64%	2.82%
Credit growth ΔYTD%	-1.82%	-1.88%	-2.56%	-3.41%	-4.35%	0.94%	-0.30%	-0.37%	-0.67%	-0.44%	-0.50%	-0.62%	-0.82%	-0.93%	-1.13%	-1.30%	-0.24%	-1.80%	-0.90%	-1.82%	-3.05%	-3.78%	-3.71%	-3.43%	-3.34%	-3.32%	-3.24%	-2.59%	-1.48%	0.66%	0.49%	1.62%	2.76%	2.95%	2.79%		
Total means of payment ΔYTD%	-0.44%	-1.51%	-1.07%	-2.89%	-4.46%	1.73%	-0.76%	-1.12%	-2.09%	-1.53%	-1.28%	-0.89%	-0.49%	0.42%	0.24%	0.93%	2.34%	-1.26%	-0.85%	-1.17%	-1.68%	-2.01%	-1.96%	-1.46%	-0.98%	-0.83%	-0.77%	-0.60%	-0.25%	-0.98%	0.03%	0.25%	0.98%	0.34%	-0.72%		
Interest O/N (%)	3.65	2.99	3.24	4.50	4.40	4.20	4.08	3.51	3.71	3.02	3.06	2.88	2.98	2.56	1.72	2.40	2.92	1.63	2.10	1.96	2.15	1.06	0.22	0.11	0.14	0.10	0.10	0.10	0.10	0.10	0.88	0.17	0.27	1.27	1.14	0.96	0.78



MARKET IN AUGUST 2021

**Differentiation before the 3rd
Quarter business results
announcement season**

MARKET: 09/2021 FORECAST

SCENERIO 1

VN-Index maintained its uptrend and headed towards the threshold of 1400 points. The epidemic can be controlled in mid-September, foreign investors return to net buying, the market sentiment is optimistic along with the expectation of a post-epidemic recovery to support the market's gain. However, it should be noted that the less positive third quarter business results will soon lead to divergence and strong fluctuations in the high price zone.

SCENERIO 2

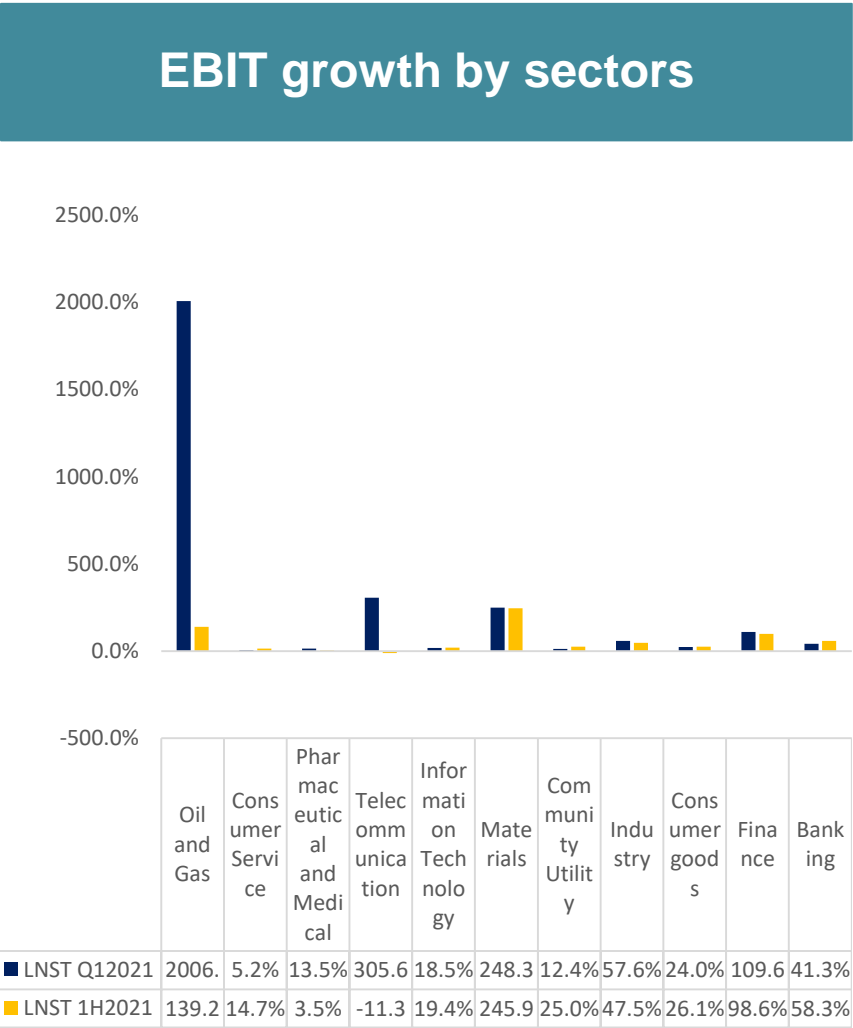
VN-Index corrected after the recovery but did not fall below 1,270 and then, continued to maintain the uptrend. Price movement is around 1,320 points at the end of the month if the ability to control the disease is not favorable and foreign investors do not maintain the net buying momentum like in June. This scenario is assessed at 40%.



Source: FireAnt, BSC Research

- ❖ EAT in the 2nd Quarter of the whole market continued to improve, contributing an increase of 82.2% in the first 6 months of the year over the same period.
- ❖ Materials, Oil & Gas, and Finance sectors increased strongly by 245.9%, 139.2%, 98.6% respectively, while the telecommunications industry decreased by -11.5% and the pharmaceutical and medical industries increased by only 3.5%.
- ❖ The banking sector still contributed 37% of the total NPAT of the whole market in 6 months thanks to a growth of 58.3% yoy. Consumer services -2.3% due to airline companies' business results.
- ❖ With the prolonged gap, the third quarter business results will be strongly affected. BSC adjusted NPAT growth from 38% to 30% in case business activities recover in September

Market: Q2 RESULT IS POSITIVE



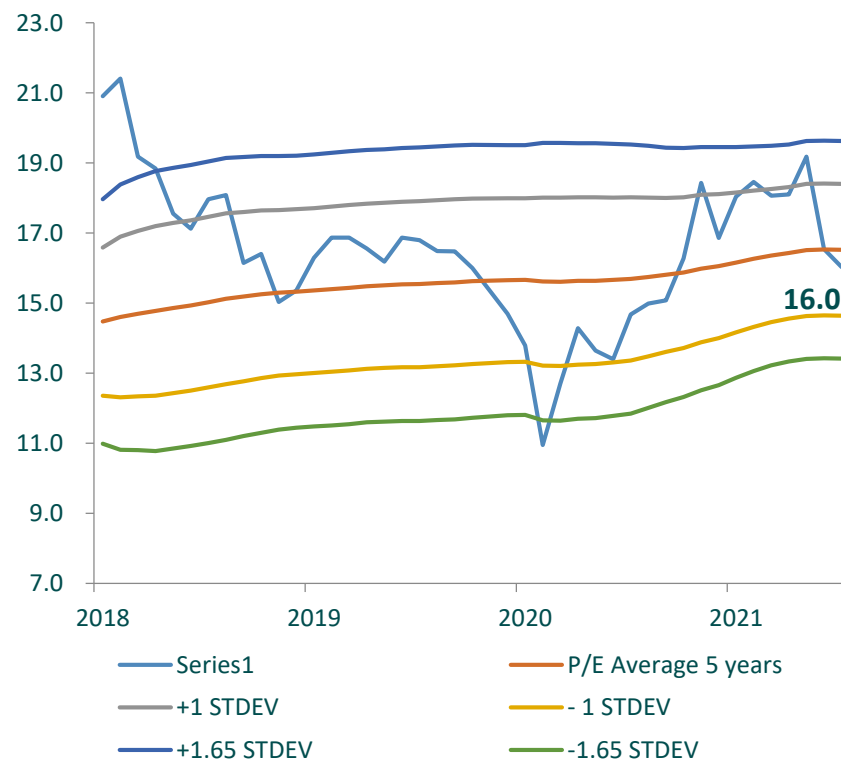
SECTOR	EAT Q2.2021		EAT 1H2021	
	% TT	% YOY	% TT	% YOY
Materials	16.4%	248.3%	14.6%	245.9%
Oil and Gas	3.2%	2006.3%	3.0%	139.2%
Finance	20.4%	109.6%	19.5%	98.6%
Bank	32.4%	41.3%	37.0%	58.3%
Industry	10.5%	57.6%	9.9%	47.5%
Consumer goods	10.2%	24.0%	9.9%	26.1%
Community Utilities	5.7%	12.4%	5.7%	25.0%
Information technology	1.2%	18.5%	1.2%	19.4%
Consumer Services	-2.0%	5.2%	-2.3%	14.7%
Pharmaceutical and Medical	0.7%	13.5%	0.8%	3.5%
Telecommunication	1.2%	305.6%	0.7%	-11.3%
Total	100.0%	74.6%	100.0%	82.2%

Nguồn: Bloomberg, BSC Research

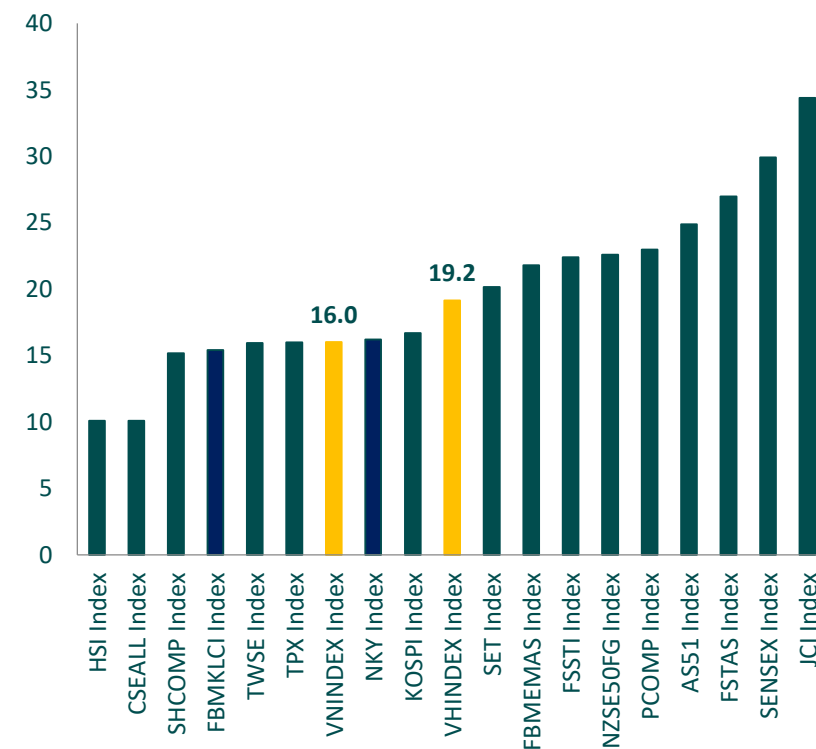
- ❖ VNIndex increased by 1.6% while HNXIndex increased strongly by 8.8% in August.
- ❖ P/E decreased slightly from 16.5 to 16 times (-3%) thanks to the improvement in announced second quarter business results.
- ❖ P/E is slightly lower than the 5-year average P/E (16.52 times) and remains low compared to Asia.
- ❖ P/E VN-Index is forecasted to increase to 17 in September along with the market's recovery.

MARKET: VN-INDEX P/E IS 16, RANKING 13 IN ASIA

P/E ratio VNindex



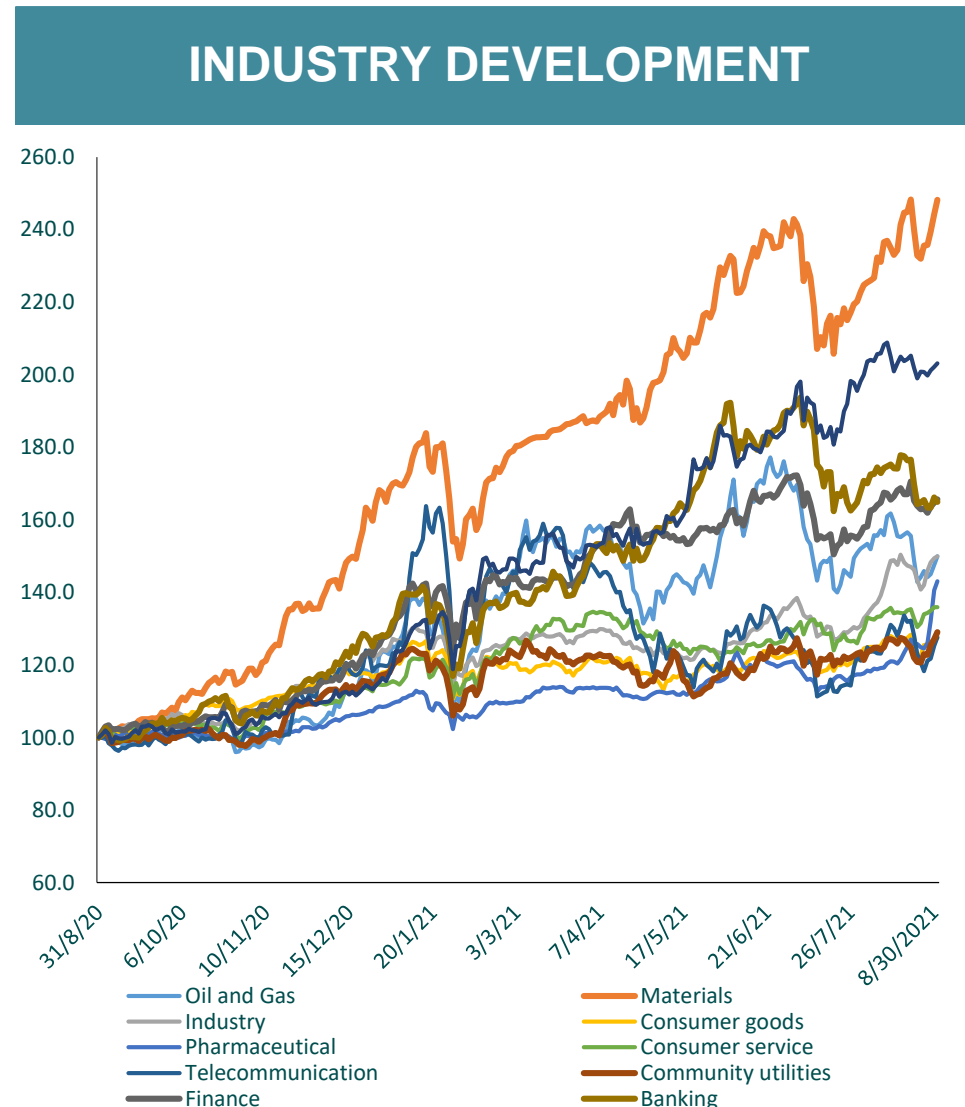
Vietnam P / E compared to region



Source: Bloomberg, BSC Research

MARKET: 9/11 LEVEL I SECTORS GROW IN AUGUST

- ❖ Reversal compared to July and November, the first-tier sectors increased in August. The increase was strong in the small and mid-size sectors.
- ❖ Pharmaceuticals and Health, Industry, and Materials had an increase of 21.5%, 12.9% and 10.4%, respectively. Banking and Oil and Gas continued to decrease by -3.4% and -1.8%.
- ❖ There are 4/11 sectors with P/E below the market average.
- ❖ There are 3/11 sectors with P/B lower than the end of July.



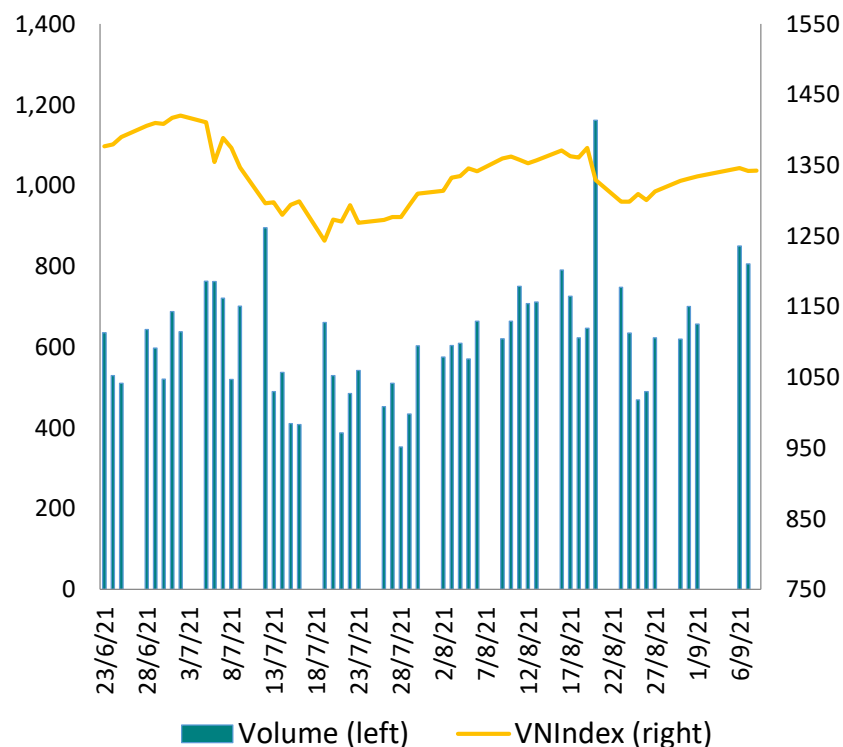
Source: Bloomberg, BSC Research

Sector	%QoQ	P/E	± %	P/B	± %
Pharmaceutical	21.5%	20.06	20.2%	2.50	16.9%
Industry	12.9%	19.21	2.7%	2.28	14.2%
Materials	10.4%	12.49	7.4%	2.31	9.5%
Community utilities	6.3%	15.38	3.6%	2.05	4.4%
Telecommunication	5.1%	83.97	-49.2%	3.49	3.8%
Finance	4.9%	18.09	0.3%	2.84	2.0%
Consumer service	4.7%	-	0.0%	3.93	1.8%
Consumer goods	2.4%	19.85	0.6%	3.25	1.1%
Information Technology	1.6%	22.39	-0.5%	3.53	-0.1%
Oil and Gas	-1.8%	15.37	-5.9%	1.58	-4.1%
Banking	-3.4%	12.41	-3.3%	2.18	-3.4%

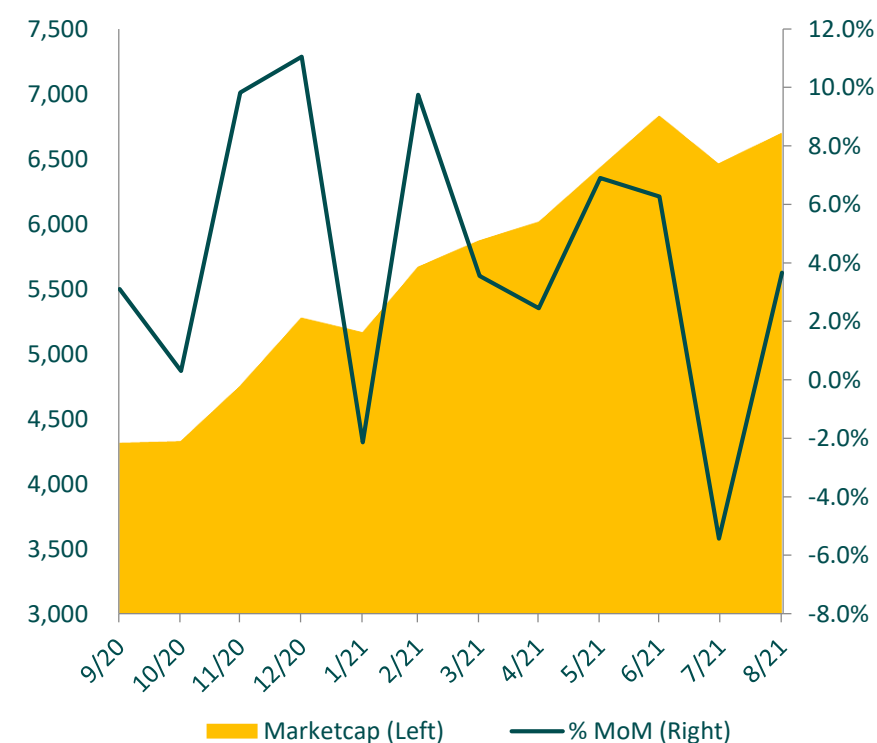
- ❖ Market capitalization increased by 3.1% compared to the end of July. The value of capital increased almost returned to the peak in May.
- ❖ Average trading value reached 1,251 billion USD/session in August, up 18% in July and 21% in average since the beginning of 2021.
- ❖ Liquidity gradually increased most of the month and decreased in the last week of the month. With the scenario VN-Index reaches 1,350 - 1,400 points by the end of August, the market capitalization is forecasted to increase by 2-3%.

MARKET: CAPITALIZATION of 3 EXCHANGES ARE VND 6.698 MILLION BILLION

Liquidity decreased in August



Market capitalization up 3.1% in August

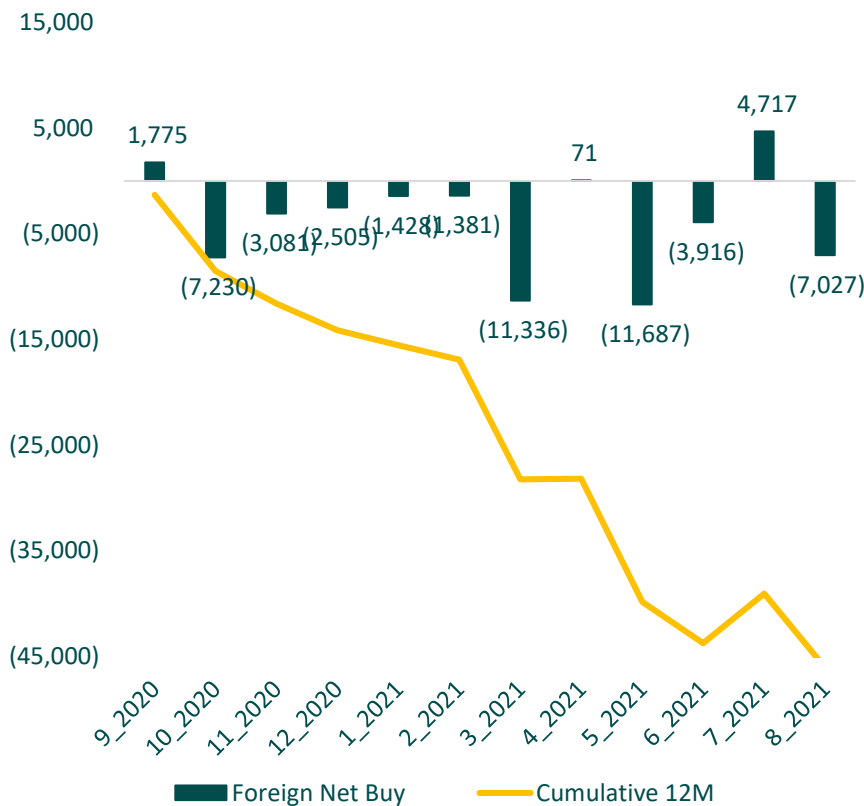


Source: Bloomberg, BSC Research

- ❖ Foreign investors became net sellers again after 1 month of net buying. Net buying was mainly recorded from the Fubon ETF when the fund changed its position.
- ❖ Foreign investors net sold VND 7,027 billion, in which VIC was sold the most with a value of VND 1,555 billion while STB and MBB bank stocks were net bought.
- ❖ ETFs have differentiated positions. The scale up and down activity remained low, with the exception of the Fubon ETF that boosted trading activities

MARKET: FOREIGN INVESTORS NET SELL

Foreign investors accumulated net selling of VND 46.12 billion in 12M

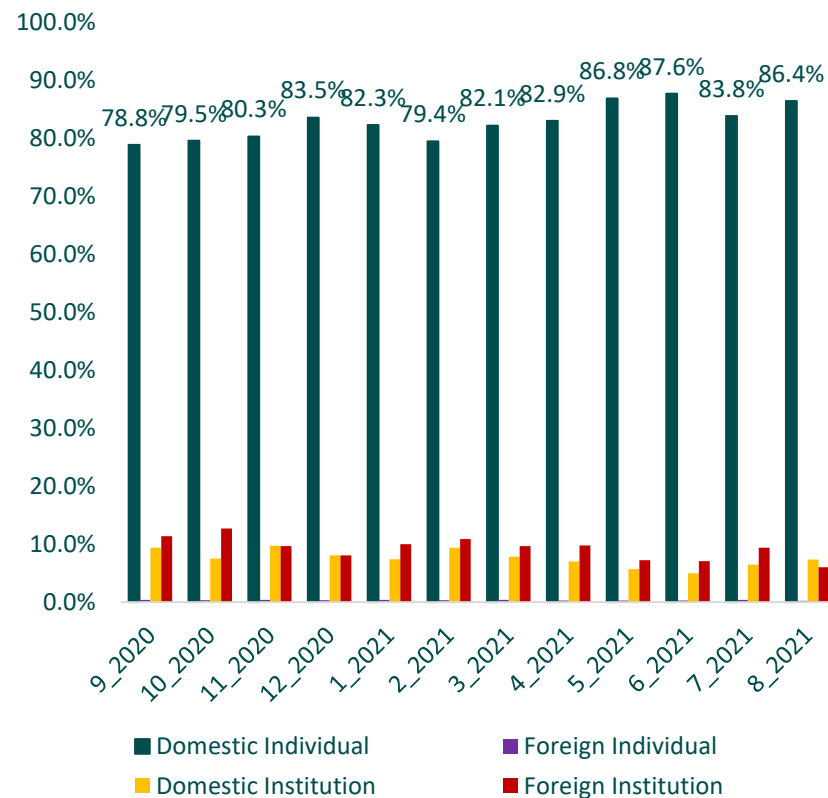


Source: Bloomberg, BSC Research

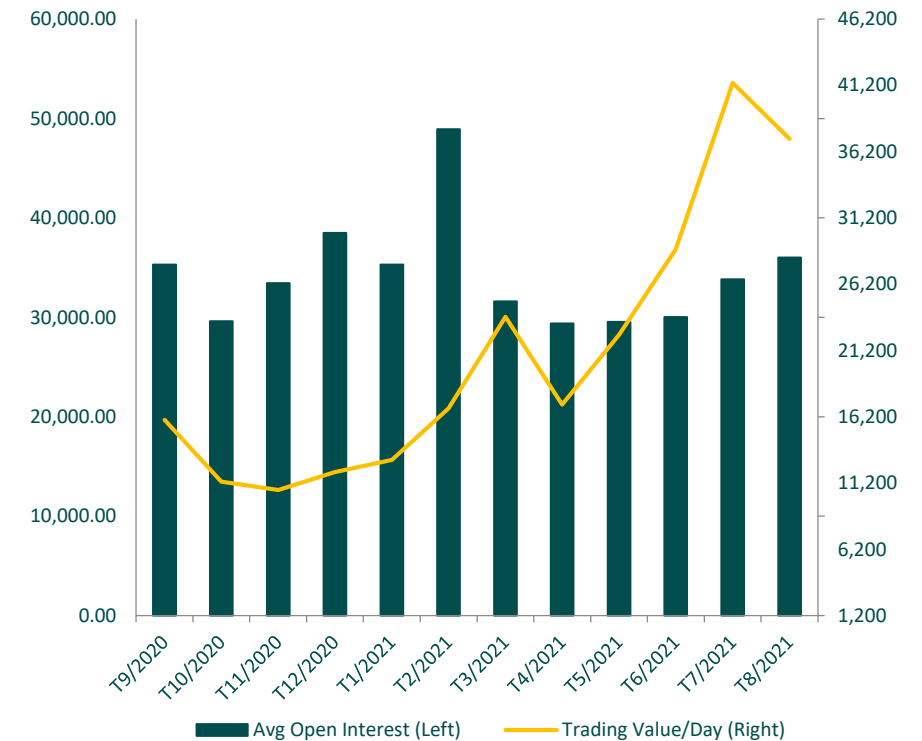
Stock	Value (billion VND))	Stock	Value (billion VND))
STB	993	VIC	(1,555)
MBB	730	MSN	(905)
VHM	600	HPG	(824)
DGC	254	VNM	(797)
PLX	250	FUEVFN30	(706)
HDB	197	SSI	(651)
HSG	146	NVL	(607)
E1VFN30	90	VRE	(504)
PTB	85	GAS	(480)
BVH	77	DPM	(408)
Net buying and selling value of foreign investors in August 2021			

MARKET: DOMESTIC INVESTORS TRADED POSITIVELY IN AUGUST

Domestic investors traded more than 4.4% compared to the average 12M



Average daily trading value of futures contracts decreased by 10.1% MoM

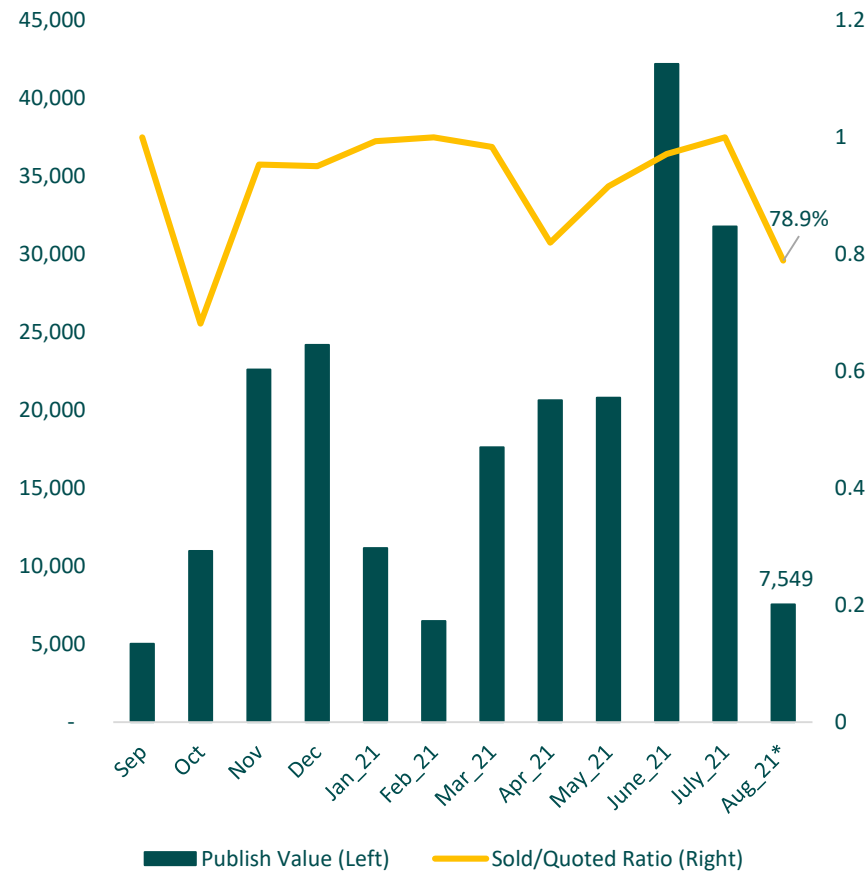


Source: Bloomberg, BSC Research

MARKET: CORPORATE BOND ISSUANCE VALUE DECREASED, HIGH SUCCESS RATE

- ❖ The issuance value of Corporate Bonds (Corporate Bonds) decreased again to only VND 9,565 billion as of August 26, 2021.
- ❖ 23 bonds were issued and purchased 78.9%.
- ❖ The August bond's average maturity stood at 4.1, well above the 12-month average of 3.8 years.
- ❖ Movements of corporate bond market in the second quarter showed that the market's demand for debt securities is still fluctuating strongly.

The rate of buying/selling bonds in August reached 96.8%



Month	Number of bonds issued	Average yield to maturity	Issued value
September	17	3.8	6,745
October	58	5.2	10,976
November	99	4.9	22,613
December	38	4.2	24,187
January_21	21	3.3	11,166
February_21	12	2.7	6,475
March_21	37	3.1	17,615
April_21	43	3.6	20,649
May_21	40	3.5	20,810
June_21	77	3.8	42,200
July_21	25	3.8	31,777
August_21	23	4.1	7,549
Total	490	46	222,762

Source: Bloomberg, BSC Research

FACTORS AFFECTING MARKET IN Q3

Events	Impacts on Stock market
❖ Accelerate disbursement of public investment, maintain monetary policy, and take measures to limit negative impacts of the Covid-19 epidemic and support economic growth.	❖ Positive
❖ The new leadership structure accelerates the planning, promulgation and implementation of new policies.	❖ Positive
❖ The Covid-19 epidemic continues to evolve unpredictably in the world with new strains, and Vietnam is making efforts to implement distancing measures to control the fourth outbreak.	❖ The prolonged gap affects the outlook Macroeconomics and corporate results, increases the risk of future cash flows and stock valuation
❖ ETFs VNM, FTSE announced adjustment and implementation of portfolio structure	❖ Increase market liquidity
❖ The successful Hose transaction solution paved the way for the trading of lots of 10 shares on Hose.	❖ Facilitate and increase market liquidity
❖ Commodity prices, basic raw materials and oil prices fluctuate sharply	❖ Difficult to forecast to stabilize inflation
❖ The Fed considers narrowing its bond buying program	❖ Impact on US and global stock market

INVESTMENT STRATEGY FOR SEPTEMBER 2021

- ❖ Investors may consider increasing the proportion of stocks in the Utilities and retail groups that are driven in the short term by social distancing measures.
- ❖ Export stocks such as Chemicals, Stone, Wood, Garment, Seafood, ... thanks to the recovery of world demand.
- ❖ Holding and waiting to close positions in Logistic groups including seaports, transportation, warehousing, .. benefiting from world supply chain interruptions and shortages.
- ❖ Commodity related industries such as Oil and Gas, Steel, still has potential thanks to the promotion of world public investment, see the Report at [Link](#).
- ❖ Consider long-term holding stocks with good profit growth such as Retail and stocks with potential for continued recovery such as Information Technology - Posts and Telecommunications.

Disclaimer

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

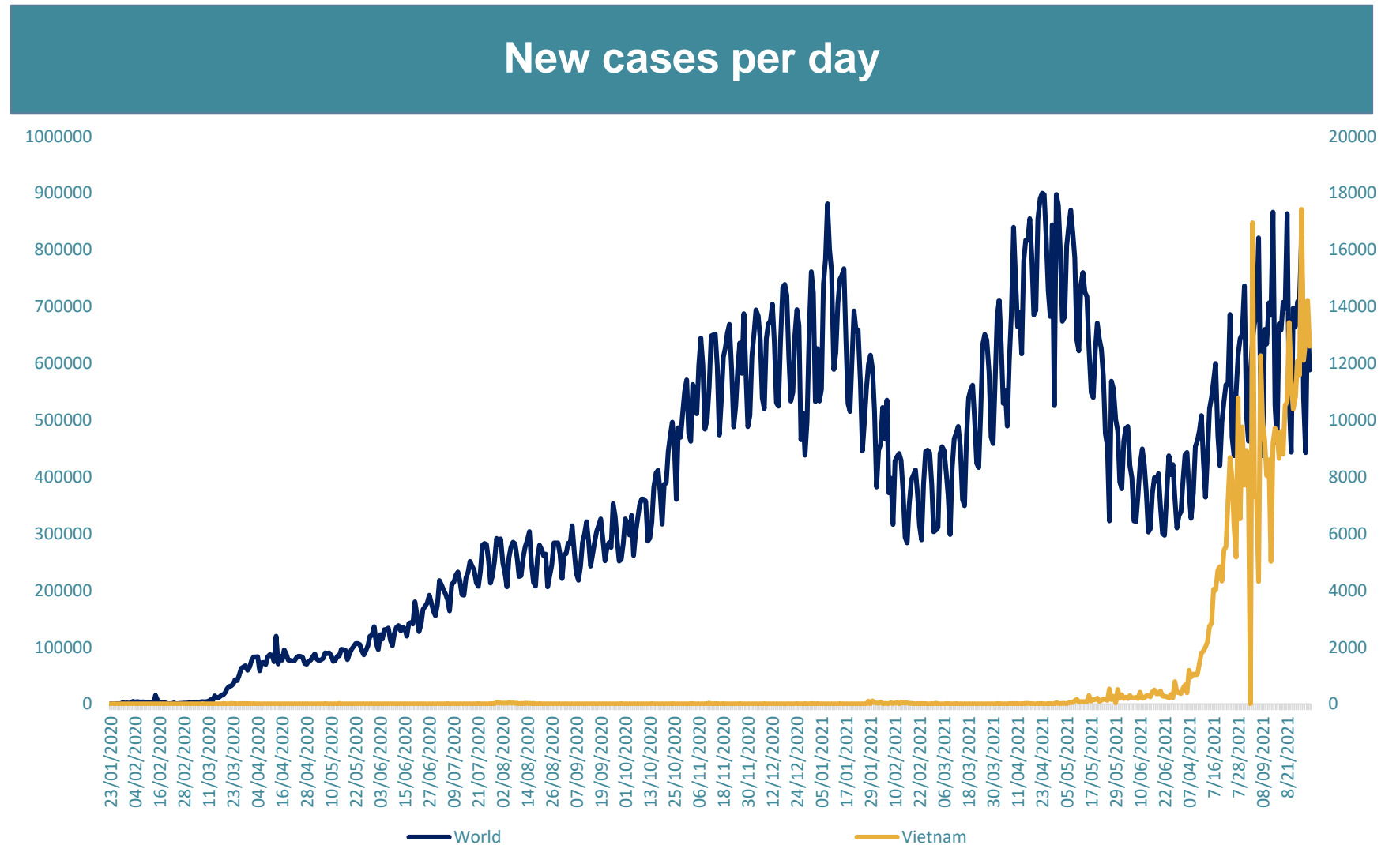
© 2019 BIDV Securities Company, All rights reserved. Unauthorized access is prohibited.

Bloomberg: RESP BSC ResearchV <GO>



Appendix: COVID-19 4TH WAVE IN VIETNAM

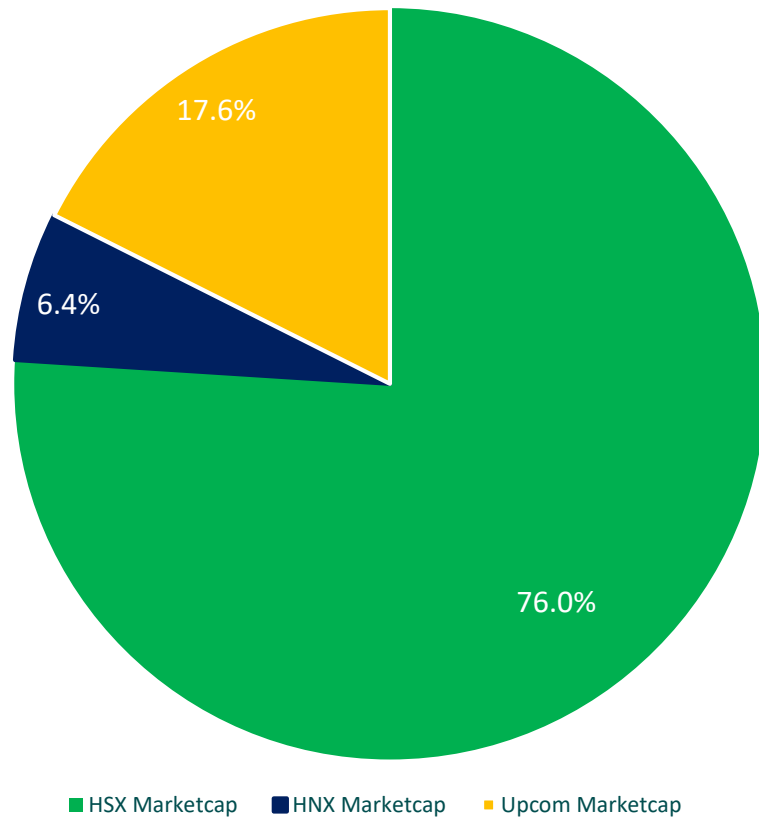
- ❖ **GLOBAL:** 217,707,620 cases as of August 31, 2021. The rate of infection has rebounded due to Delta variant of Covid-19.
- ❖ **VIỆT NAM:** 462,096 cases of COVID-19 as of August 31, 2021. The fourth wave of COVID-19 exacerbated in multiple provinces
- ❖ **VACCINE COVID-19:** As of August 31, Vietnam had inoculated 17,347,538 doses of COVID-19 vaccine. Number of people who had fully vaccinated was 2,619,186.



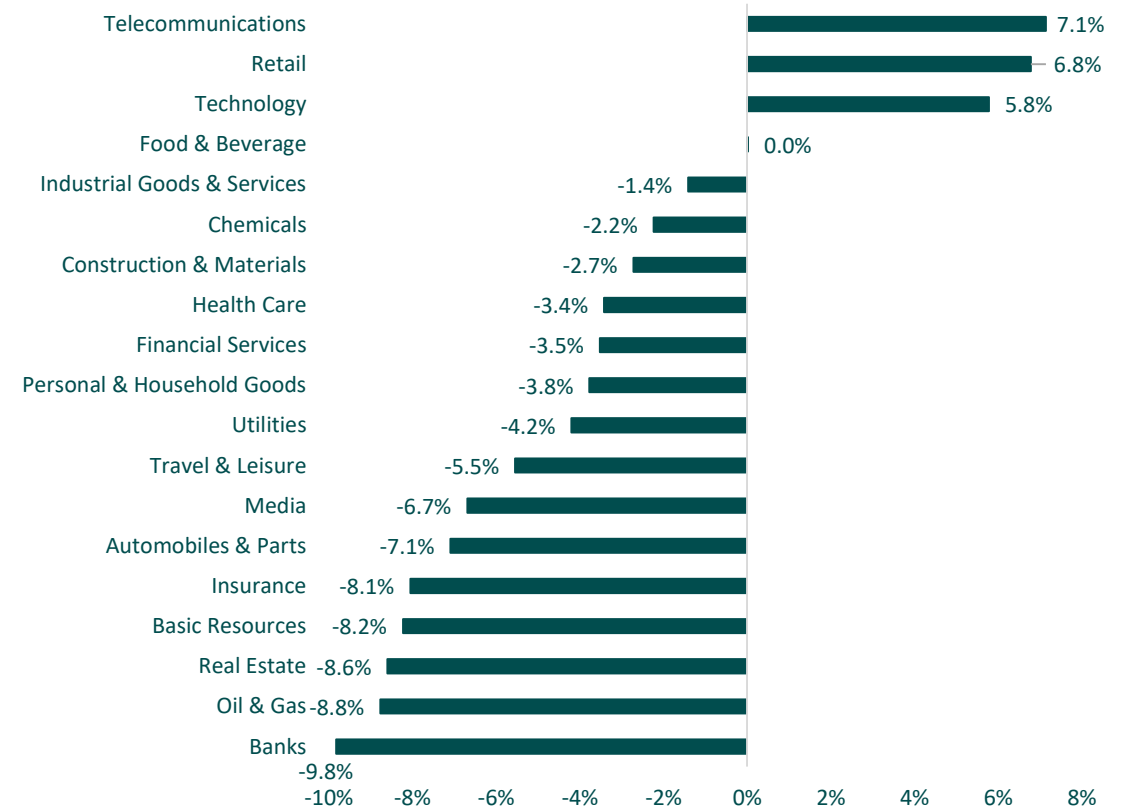
Source: WHO, BSC Research

APPENDIX

Capitalization of 3 exchanges



15/19 Sectors that gained points in July



APPENDIX

VN-Index median 1508.6 points, assessed by financial institutions

No	Stock	Weight	31/08/2021	Mean	Max	Min	P/E	P/B	No	Stock	Weight	31/08/2021	Mean	Max	Min	P/E	P/B
1	VCB	7.51%	99,400	113,470	130,400	100,086	18.0	3.5	19	PLX	1.31%	49,700	66,167	67,000	65,200	15.5	2.5
2	VHM	7.26%	106,400	131,373	150,000	117,300	10.6	3.7	20	VRE	1.29%	27,300	35,121	42,500	28,800	22.8	2.0
3	VIC	6.48%	94,100	120,472	143,111	106,667	53.3	3.9	21	VIB	1.15%	36,250	42,850	48,100	35,500	9.7	2.7
4	HPG	4.49%	49,300	60,588	68,000	52,000	8.8	3.0	22	MWG	1.07%	111,000	120,356	148,400	83,830	17.3	4.3
5	VNM	3.72%	87,400	109,911	130,000	100,000	19.1	5.8	23	STB	1.05%	27,350	24,888	34,100	7,853	14.2	1.6
6	GAS	3.49%	89,400	104,843	121,700	90,400	21.9	3.7	24	BCM	0.99%	46,900	46,900	46,900	46,900	21.0	3.1
7	TCB	3.46%	48,500	61,910	78,000	47,883	10.5	2.0	25	SSB	0.89%	36,000	36,000	36,000	36,000	22.0	3.2
8	MSN	3.25%	135,000	154,311	172,000	136,000	75.5	7.5	26	PDR	0.87%	87,900	87,900	87,900	87,900	30.3	7.7
9	BID	3.19%	38,950	41,973	52,000	22,836	15.8	1.9	27	BVH	0.86%	57,000	67,400	71,000	64,900	22.6	2.0
10	GVR	3.16%	38,750	35,850	40,200	31,500	32.8	3.2	28	HDB	0.85%	25,950	29,941	32,000	25,280	9.8	2.0
11	NVL	3.13%	104,400	109,014	133,500	82,500	29.0	4.6	29	SSI	0.83%	61,800	41,953	42,706	41,200	21.9	3.6
12	CTG	3.11%	31,800	40,611	52,900	19,684	9.3	1.6	30	TPB	0.74%	34,100	43,473	46,400	40,600	8.1	1.8
13	VPB	3.08%	61,600	75,924	86,200	67,000	12.2	2.5	31	MSB	0.68%	28,300	31,400	31,400	31,400	8.5	1.6
14	MBB	2.15%	27,900	33,697	36,400	25,358	10.1	2.0	32	EIB	0.64%	25,350	17,200	17,200	17,200	29.0	1.8
15	SAB	1.96%	150,000	206,317	260,000	180,000	20.6	4.6	33	HVN	0.61%	21,100	18,825	21,670	16,141	-	-
16	ACB	1.76%	32,000	38,072	41,800	33,578	8.9	2.1	34	POW	0.57%	11,850	15,420	17,300	14,000	10.9	0.9
17	FPT	1.71%	92,400	103,762	111,593	93,000	21.8	5.0	35	KDH	0.52%	39,750	41,606	47,000	35,489	20.2	2.9
18	VJC	1.40%	126,500	126,050	138,900	113,200	436.0	4.0		Tổng	81.15%					18.6	3.8

Source: Bloomberg, BSC Research

Performance heatmap of VNIndex by month

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YP (*)
2000							1.55%	13.39%	4.83%	16.68%	19.80%	22.58%	106.83%
2001	18.84%	2.69%	6.70%	19.22%	25.91%	23.75%	-15.56%	-34.34%	-11.87%	6.48%	10.85%	-18.41%	13.81%
2002	-11.83%	-7.93%	4.74%	4.16%	-0.65%	-2.44%	-2.22%	-2.99%	-4.97%	-2.48%	0.15%	3.07%	-22.12%
2003	-5.97%	-4.51%	-11.66%	4.90%	-0.20%	0.02%	-3.91%	-2.47%	-2.38%	-2.23%	20.31%	1.87%	-8.94%
2004	28.38%	21.59%	6.46%	-4.69%	-4.70%	-0.91%	-4.51%	-2.54%	0.35%	-0.26%	-1.30%	4.24%	43.34%
2005	-2.49%	0.76%	4.85%	-0.11%	-0.82%	1.05%	2.65%	0.45%	13.69%	6.25%	1.28%	-1.23%	28.51%
2006	1.57%	25.08%	28.90%	18.25%	-9.50%	-4.33%	-18.07%	16.28%	7.24%	-2.88%	23.75%	18.75%	144.48%
2007	38.52%	9.25%	-5.83%	-13.76%	17.06%	-5.25%	-11.39%	0.05%	15.25%	1.74%	-8.71%	-4.66%	23.31%
2008	-8.94%	-21.42%	-22.08%	1.07%	-20.73%	-3.55%	13.01%	19.44%	-15.28%	-24.01%	-9.31%	0.28%	-65.95%
2009	-3.93%	-18.95%	14.21%	14.59%	27.99%	8.90%	4.12%	17.14%	6.24%	1.07%	-14.14%	-1.85%	56.76%
2010	-2.59%	3.10%	0.47%	8.64%	-6.44%	-0.06%	-2.61%	-7.86%	-0.12%	-0.42%	-0.23%	7.32%	-2.04%
2011	5.35%	-9.64%	-0.05%	4.11%	-12.23%	2.65%	-6.21%	4.69%	0.68%	-1.59%	-9.53%	-7.65%	-27.46%
2012	10.36%	9.19%	4.10%	7.42%	-9.41%	-1.59%	-1.87%	-4.45%	-0.87%	-1.06%	-2.73%	9.50%	17.69%
2013	15.97%	-1.09%	3.47%	-3.37%	9.25%	-7.19%	2.23%	-3.89%	4.22%	0.97%	2.08%	-0.62%	21.97%
2014	10.28%	5.38%	0.87%	-2.29%	-2.76%	2.87%	3.10%	6.81%	-5.95%	0.34%	-5.70%	-3.70%	8.12%
2015	5.58%	2.86%	-6.99%	2.04%	1.27%	4.12%	4.72%	-9.07%	-0.37%	7.95%	-5.63%	1.02%	6.12%
2016	-5.83%	2.59%	0.33%	6.62%	3.35%	2.23%	3.16%	3.43%	1.65%	-1.45%	-1.59%	-0.03%	14.82%
2017	4.87%	1.94%	1.62%	-0.63%	2.80%	5.24%	0.91%	-0.10%	2.77%	4.08%	13.45%	3.61%	48.03%
2018	12.81%	1.01%	4.72%	-10.58%	-7.52%	-1.08%	-0.46%	3.47%	2.79%	-10.06%	1.29%	-3.67%	-9.32%
2019	2.03%	6.02%	1.58%	-0.11%	-2.02%	-1.04%	4.39%	-0.77%	1.27%	0.23%	-2.81%	-1.01%	7.67%
2020	-2.54%	-5.81%	-24.90%	16.09%	12.40%	-4.55%	-3.24%	10.43%	2.67%	2.24%	8.39%	10.05%	14.87%
2021	-4.86%	11.26%	1.97%	4.02%	7.15%	6.06%							27.60%
Average	5.03%	1.59%	0.64%	3.60%	1.44%	1.19%	-1.44%	1.29%	1.04%	0.08%	1.89%	1.88%	13.03%

Appendix: Market movement

Mã	RS-Ratio	RS-Mom ¹	12W%Δ
SSI	122.27	107.93	60.66%
MBB	115.60	101.34	23.84%
FPT	110.86	101.00	30.13%
HDB	108.72	101.23	5.03%
TPB	108.12	102.03	6.11%
KDH	106.35	101.84	21.21%
MSN	105.64	102.70	18.13%
MWG	100.66	101.76	17.09%
VNM	84.38	101.98	-4.63%
BVH	86.85	100.01	-10.16%
PLX	91.90	100.37	-3.85%
BID	94.14	101.93	-2.90%
GAS	95.89	103.84	5.56%
VCB	96.16	102.00	-1.12%
VHM	98.38	101.24	6.64%
PDR	123.46	99.39	26.75%
NVL	122.18	95.70	9.18%
VPB	118.41	94.13	6.36%
STB	116.82	99.12	18.60%
HPG	114.02	97.60	11.24%
TCB	110.34	97.99	23.90%
CTG	106.85	98.72	-6.37%
POW	84.74	97.03	-13.93%
VJC	84.80	99.35	-10.00%
VRE	85.26	96.93	-14.29%
TCH	86.55	95.26	-15.91%
SBT	87.06	98.63	-11.25%
VIC	90.58	93.42	-21.51%
REE	93.19	98.22	-9.17%
PNJ	99.45	98.04	-2.78%

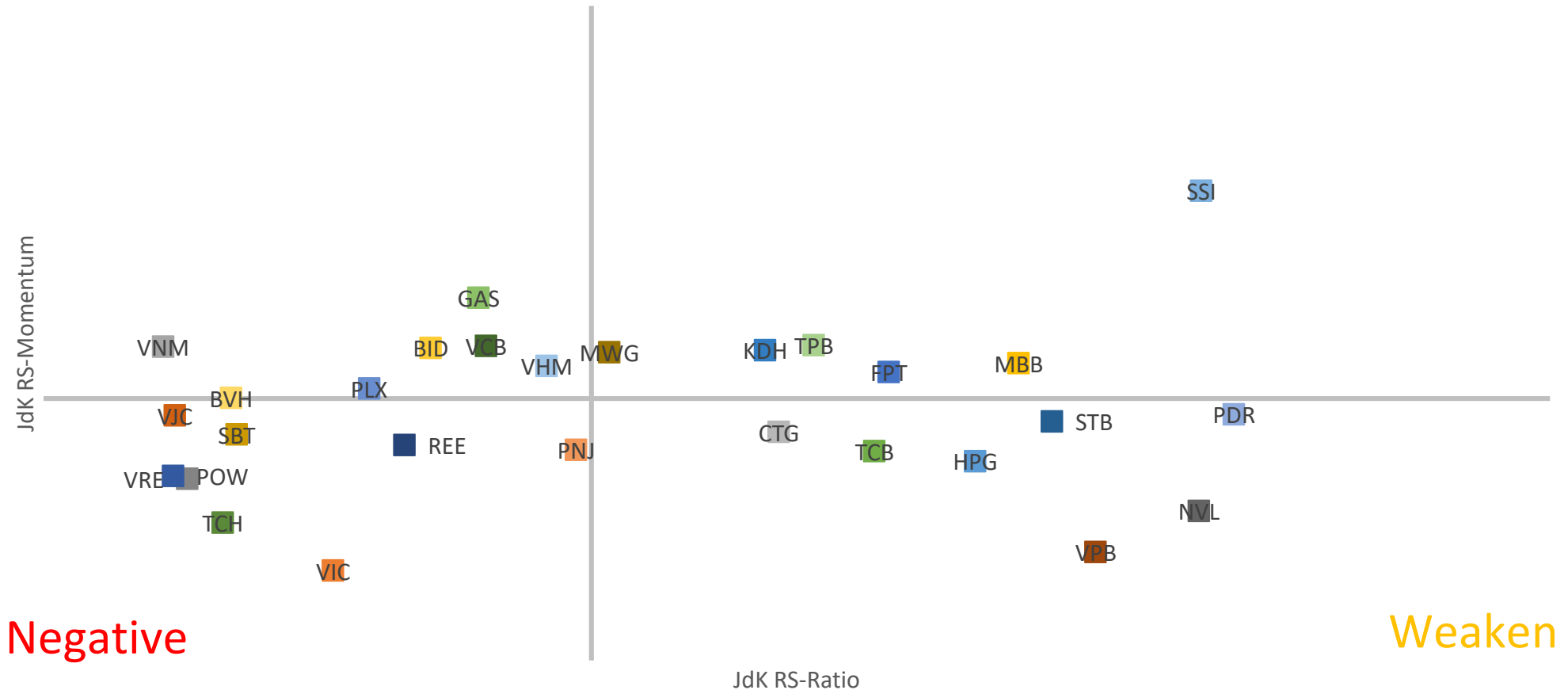
Note: stocks in the quadrant:

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

Recovery

CP VN30 vs. VN-Index

Positive



Nguồn: Bloomberg, BSC Research