



**Công ty Cổ phần chứng khoán  
Ngân hàng Đầu tư và Phát triển Việt Nam**

# **SECTOR REPORT 2021: OIL AND GAS OUTLOOK**

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## I. OVERVIEW

About the world oil and gas market :

- **The prospect of oil demand in 2021 improves** thanks to the expectation of economic recovery.
- **Supply is expected to be tighten** due to (1) OPEC group increasing production cuts in the first 4 months of 2021 and (2) the slow recovery of US oil production.
- **World oil inventories are expected to continue to decline in 1Q2021** due to improved consumption demand and tight supply, then will remain stable when production output increases again.
- Based on the average forecast value of various institutions, BSC uses the **average price of Brent oil in 2021 at USD 57/barrel ( +36% yoy )** as the base scenario for the forecast ( compared to the old price of 45 USD/barrel).

Regarding the domestic oil and gas market:

- **The production of crude oil and natural gas decreased** due to the depletion of long-standing fields.
- **Demand for petroleum, liquefied petroleum gas and natural gas is expected to increase** (at 3%/year, 10.5%/year and 14% respectively) in the coming period.
- **Imported LNG will be an important additional source to alleviate long-term energy supply-demand problem .**

BSC recommends **OUTPERFORM** for the Oil and Gas industry in 2021 and recommends **BUY** stocks of **GAS, PVD, PVS** because:

- The average Brent oil price in 2021 is forecasted to increase to \$57/barrel (+36% yoy), improving the business outlook and valuation of oil and gas companies.
- The prospect of economic recovery improves the demand for petroleum and gas for production, business and transportation activities.
- The shortage of oil and gas in the country promotes the need for investment in projects of exploration of new fields.

Stock	Revenue 2021 (bil. VND )	% yoy	NPAT 2021 (bil. VND )	% yoy	EPS 2021 ( VND /share)	P/E fw	P/B fw	Price on 26/2/2021	Price target	Upside
<b>GAS</b>	77.1 4 5	20%	11, 7 1 8	50%	6.122	14.6	3.1	89,300	110,200	23.4%
<b>PVD</b>	5.034	-4%	212	17%	325	47.6	0.7	23,400	29,550	26.3%
<b>PVS</b>	19,550	-2%	950	29%	1,738	12.9	1.1	22,500	26,070	15.9%
<b>PET</b>	17.875	28%	174	28%	2.007	8.8	1.0	16,550	21,170	27.9%
<b>PLC</b>	6,890	23%	212	43%	2,628	10.7	1.5	26,800	31,500	17.5%
<b>DPM</b>	9,846	27%	865	25%	1,924	9.8	1.0	16,850	23.030	36.7%
<b>DCM</b>	9,591	27%	844	27%	1.298	12.7	1.4	13,500	18,790	39.2%

## II. OVERVIEW OF THE GLOBAL OIL AND GAS MARKET

### 2.1. GLOBAL Oil Demand – Improving

Global economic outlook improves thanks to numerous supportive policies and Covid-19 vaccine

Global real GDP growth improved to **-1.4% yoy in Q4/2020 (from -10% yoy in Q2/2020)**, showing that the world economy has taken the first steps of recovery from the impact of Covid-19 pandemic. Along with that, **the world manufacturing PMI has surpassed 50 points since July 2020**, thereby reflecting the general recovery of the worldwide economy.

Figure 1. World real GDP growth improves in 2H2020

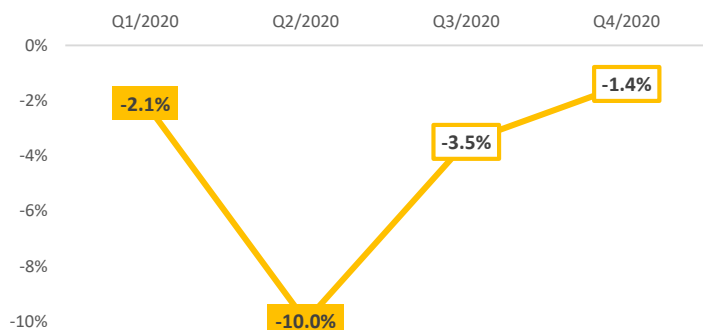
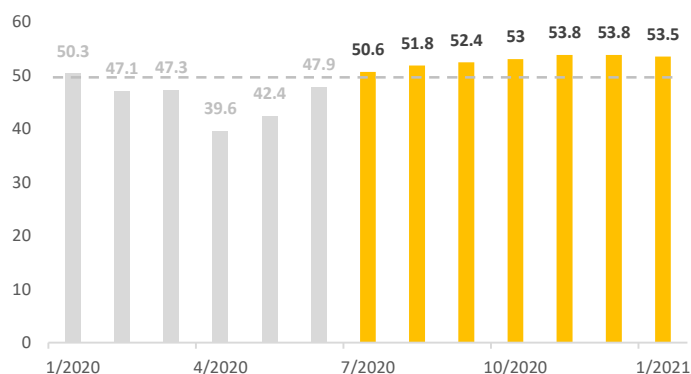


Figure 2. World Manufacturing PMI keep above 50 points from Jul 2020



Source: Bloomberg, CEIC, BSC Research

Global economic recovery have been facilitated by many supportive policies. According to *the International Monetary Fund (IMF)*, large support packages will be disbursed gradually in the period of 2021 - 2022, thereby continuing to support the world economy.

Table 1. Some support policy packages in the world

nation	Time	Stimulus package value	Target
America	March 2020	2,000 billion USD	Support households, businesses, state and local governments.
	December 2020	900 billion USD	Unemployment benefits.
	March 2021	\$1.9 trillion	Unemployment benefits, tax support, vaccine distribution.
Brother	March 2020	\$91 billion	Reduce taxes, protect jobs.
	July 2020	\$38 billion	Protect jobs, encourage green investment.
EU	July 2020	857 billion USD	Supporting businesses, reforming the economy.
	December 2020	2.2 trillion USD	Green investment and long-term digital transformation.
Japan	April 2020	1,100 billion USD	Protect jobs, support the health system.
	December 2020	384 billion USD	Promote green investment and digitization.
South Korea	March 2020	14 billion USD	Support the health care system, child care system and small and medium enterprises.
	April 2020	69 billion USD	Protecting jobs, supporting micro and small businesses, and self-employed people.
	June 2020	30 billion USD	Protect jobs, develop a Covid-19 vaccine, support to reduce prices of goods that promote consumption.

Source: BSC Research

In addition, we assess that the Covid-19 vaccine will help control the disease from 2021. Currently, more than 176 million doses of the vaccine have been distributed in 78 countries. Experts expect the vaccine to be widely distributed in advanced countries and a few developing countries from the first half of 2021, and will have global coverage by the end of 2022.

**Table 2. 06 approved vaccines for widespread use**

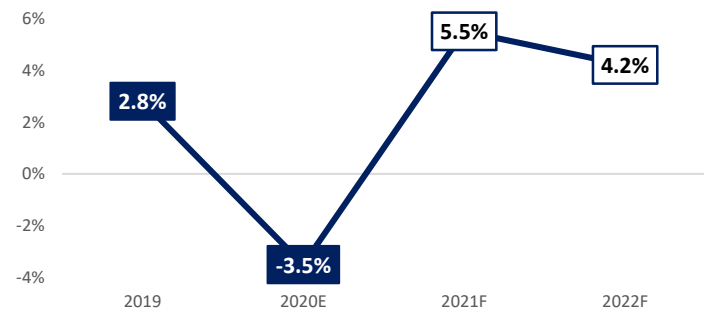
Vaccine (manufacturer)	Approved for wide use	Approved for emergency use
<b>Pfizer - BioNTech</b>	New Zealand, Bahrain, Saudi Arabia, Switzerland	30 countries/regions, WHO
<b>Moderna</b>	Switzerland	10 countries/regions
<b>Sinopharm (Beijing)</b>	Bahrain, China, Arabia	7 countries/regions
<b>Sinovac Biotech</b>	China	8 countries/regions
<b>CanSino Biologics</b>	China	Mexico, Pakistan
<b>Sinopharm (Wuhan)</b>	China	Arabic

Source: The New York Times, BSC Research

With the epidemic under control, production and business activities are expected to recover.

In early 2021, the IMF revised up its forecast for global GDP growth in 2021 to 5.5% (up 0.3% from the previous forecast), reflecting expectations of strengthening economic activity thanks to supportive policies and Covid-19 vaccine.

**Figure 3. World GDP growth forecast to reach 5.5% in 2021**

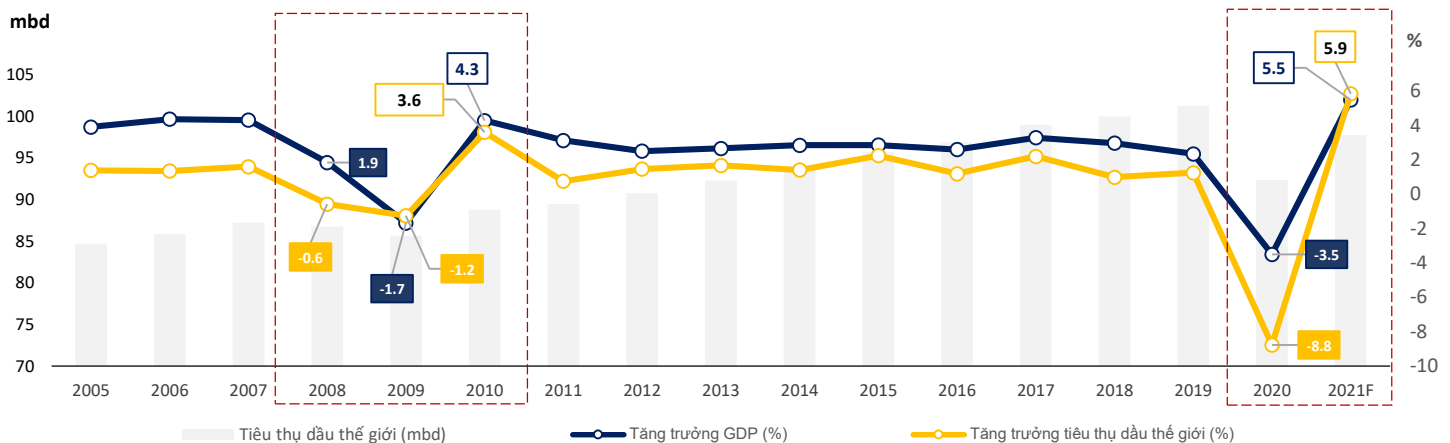


Source: IMF, BSC Research

#### Oil demand recovers along with world economy

Oil demand is closely tied to production and transportation activities, and therefore depends largely on the outlook for the world economy. During the 2008-2009 recession, global GDP growth and total world oil consumption declined for two consecutive years, then rebounded in 2010. Similar to 2010, we expect that oil demand in 2021 will also improve when global GDP growth increases to 5.5%/year from -3.5%/year in 2020.

**Figure 4. Oil demand recovers in line with global GDP growth**

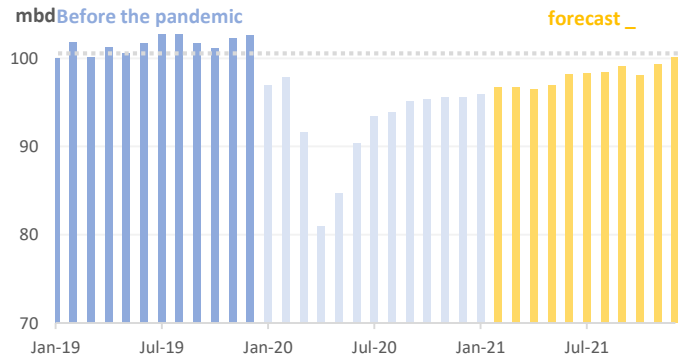


Source: Bloomberg, BSC Research

The US Energy Information Administration (EIA) forecasts that world oil consumption will gradually increase in 2021 and reach the pre-pandemic threshold of 100 million barrels per day (mbd) by year-end.

Average oil consumption in 2021 is forecasted to reach 97.7 mbd – 6% higher than 2020 and 3.5% lower than 2019.

**Figure 5. World oil consumption forecast to recover to pre-pandemic levels by the end of 2021**



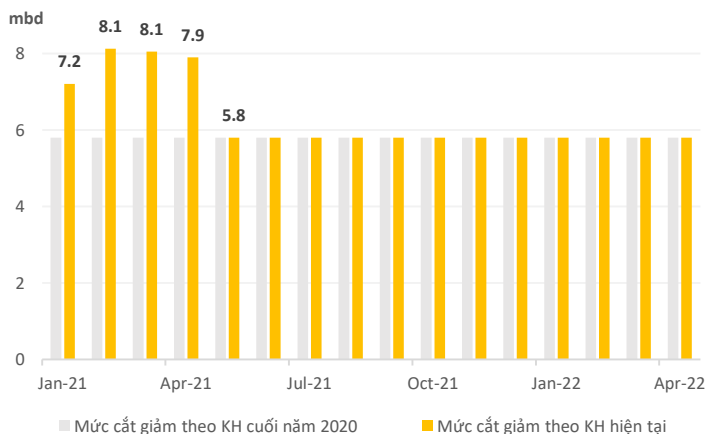
Source: EIA, BSC Research

## 2.2. Global oil supply – Tighten

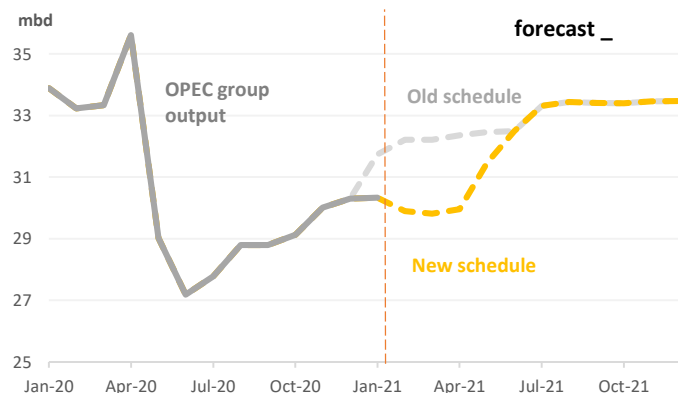
### OPEC countries increase production cuts

The group of major oil exporters OPEC produces about 40% of the world's oil production and holds about 75% of the total oil reserves. In the latest meeting on March 4, 2021, **the OPEC group decided to continue to increase production cuts until the end of April 2021**. This will limit the world's total oil supply, reducing inventories, and putting upward pressure on oil prices.

**Figure 6. OPEC strengthens production cuts**



**Figure 7. OPEC's expected release**



Source: EIA, BSC Research

### US oil production slows down

The United States is the leading oil producer, providing about 20% of the world's oil production. According to EIA, **the number of active drilling rigs in the US recovers slowly in the late 2020 - early 2021 period**, equal to only 43% of the pre-epidemic level due to (1) the impact of the Covid-19 epidemic, (2) the impact of the blizzard on the oil extraction area in Texas, and (3) the number of old rigs that have ceased operation is higher than in previous years.

By January 2021, **the total US mining production was only 11 mbd, 14% lower than pre-epidemic levels**, and is forecast to be almost unchanged in 2021 due to slow start-up of new rigs, only enough to compensate for the output of old rigs that have stopped working.

Figure 8. US rig count recovers slowly

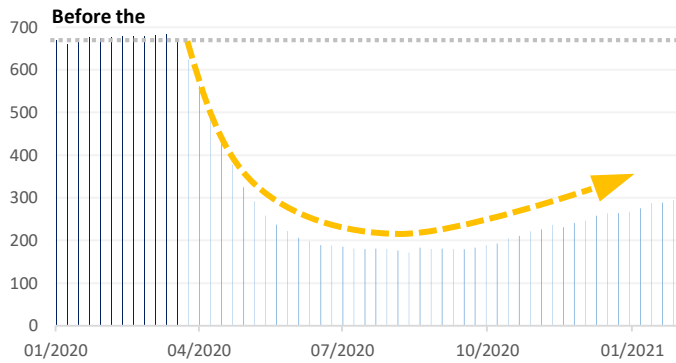
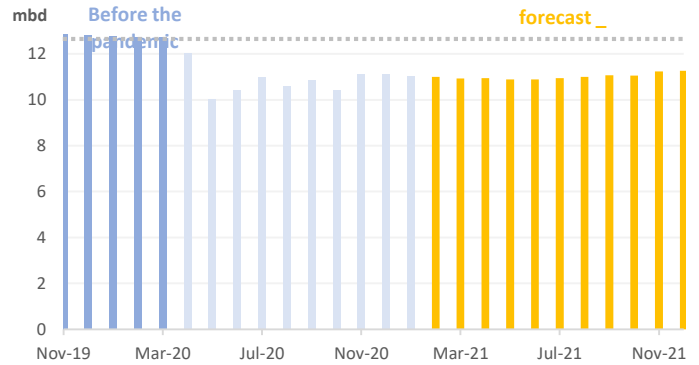


Figure 9. US oil production forecast to stay below pre-pandemic levels in 2021

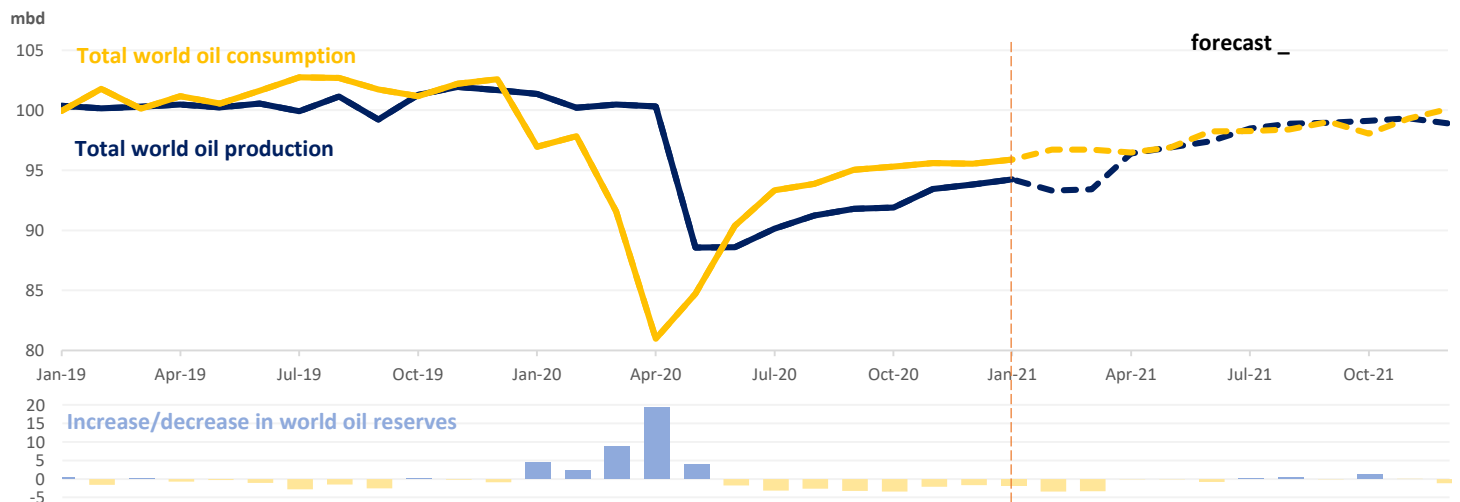


Source: EIA, Bloomberg, BSC Research

### 2.3. Global oil reserves – Declining

According to the EIA, **world oil inventories are expected to continue to decline in Q1/2021** due to improved consumption demand and tight supply, **and will remain stable from Q2/2021** after oil producers increase production, catching up with world demand.

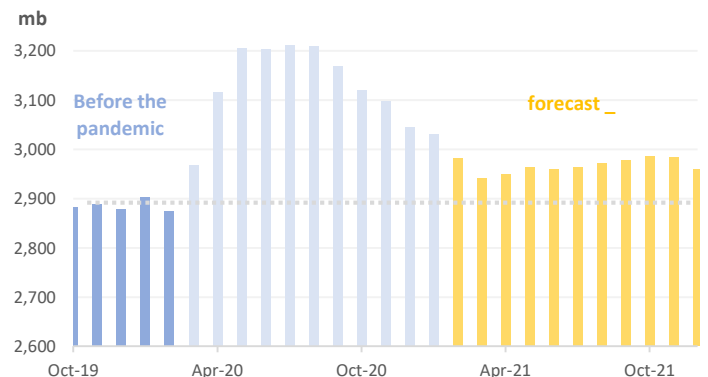
Figure 10. World oil inventories are expected to continue to decline in Q1/2021, then stabilize



As of January 2021, OECD country oil stocks (accounting for 85% of world oil inventories) have fallen to 3,030 million barrels (mb) – down 180 mb from the July high.

EIA forecasts that oil inventories of these countries will continue to decrease in Q1/2021, then remain stable in the range of 2,950 - 2,980 mb until the end of the year (100 mb higher than the pre-epidemic level).

Figure 11. OECD oil inventories are expected to remain stable above pre-epidemic levels in 2021



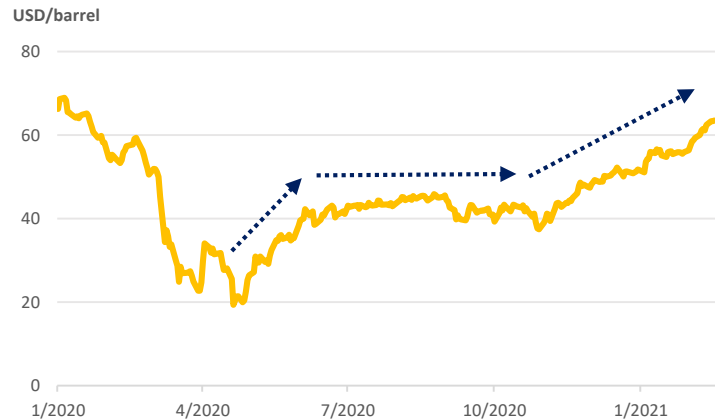
Source: EIA, Bloomberg, BSC Research

## 2.4.Oil price outlook 2021 – Recovers to 57 USD/barrel

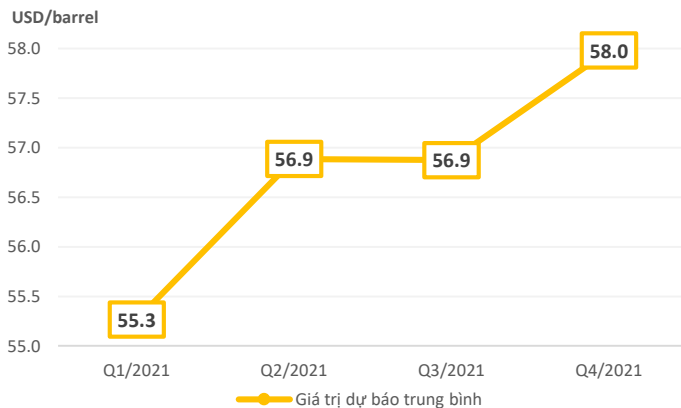
After 5 months of moving sideways in the region of 40-45 USD/barrel, **Brent oil price has increased for five consecutive months since November 2020 and surpassed 65 USD/barrel** with the prospect of recovering demand and tight oil supply .

Major organizations and institutions in the world have also adjusted their forecast for the average Brent oil price in 2021 to an average of 57 USD/barrel (Details refer to the Appendix). **BSC assesses that the oil price of 57 USD/barrel is suitable to serve as the base scenario for the 2021 forecast** (compared to the old baseline scenario of 45 USD/barrel).

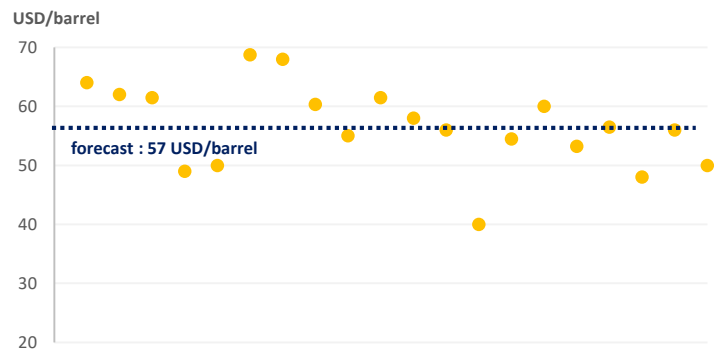
**Figure 12. Brent oil price movements**



**Figure 13. Oil price forecast in**



**Figure 14. Oil price forecast distribution in 2021**



Source: Bloomberg, BSC Research

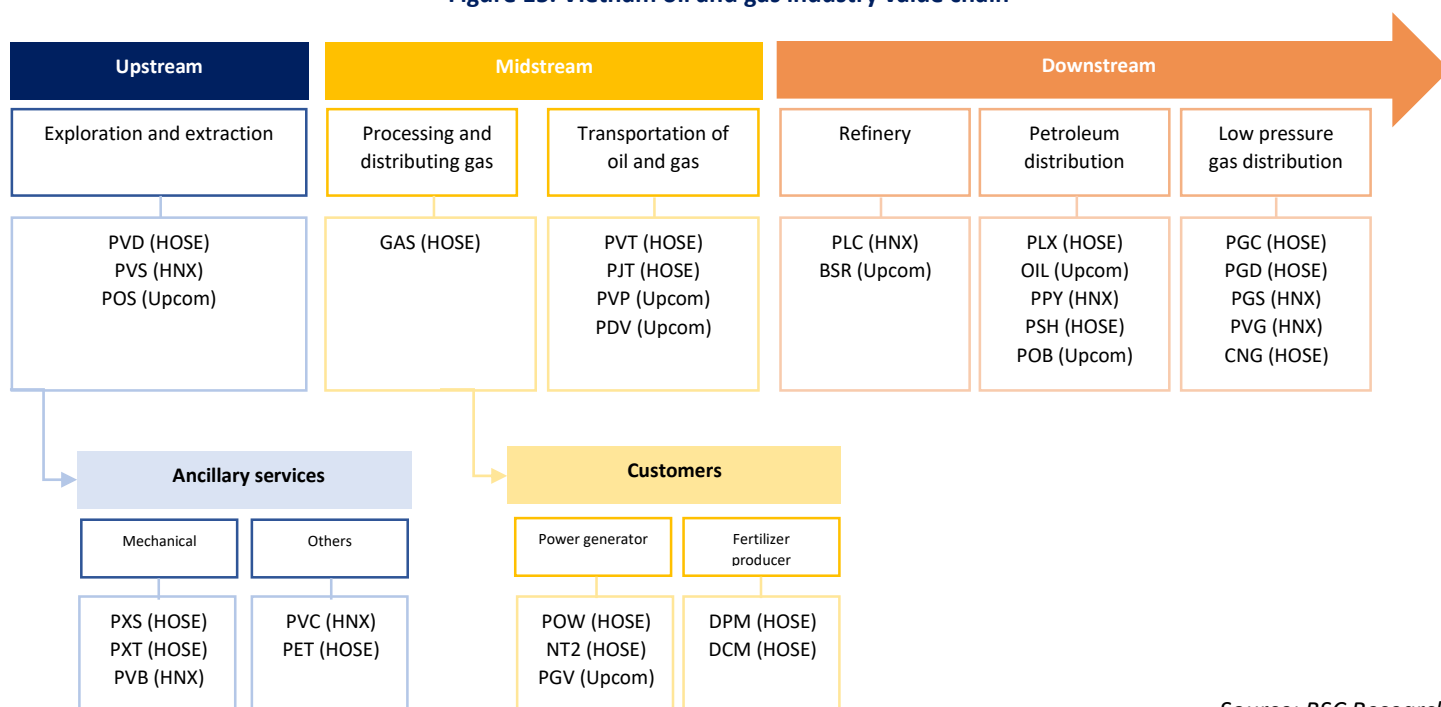


### III. OVERVIEW OF VIETNAM OIL AND GAS MARKET

#### 3.1. Value chain of Vietnam's oil and gas industry –Prospect of oil price recovery

The oil and gas value chain consists of three main stages : (1) Upstream (exploration and extraction), (2) Midstream (natural gas processing and petrochemicals transportation), and (3) Downstream (refinery, distribution of petroleum and low pressure gas) (See Appendix 3 for background information on stocks in the industry).

Figure 15. Vietnam oil and gas industry value chain



Source: BSC Research

BSC assesses the impact of the base oil price in 2021 revalued from 45 USD/barrel to 57 USD/barrel on the stages of the value chain as follows:

Table 3. Impact of oil price recovery on oil and gas value chain stages

Value stitch	Share	Affect	Note
Exploration, exploitation	PVD (HOSE) PVS (HNX) POS (Upcom)	Positive	The recovery in oil prices improves (1) exploration and production demand and (2) business prospects and affordability of field owners/operators.
Processing and distributing natural gas	GAS (HOSE)	Positive	The selling price of gas depends directly on the price of oil.
Transportation of petroleum, oil and gas	PVT (HOSE) PJT (HOSE) PVP (Upcom) PDV (Upcom)	Positive	Rising oil prices improve demand for oil and gas exploration and transportation.
Oil refining, petrochemical	PLC (HNX) BSR (Upcom)	Mixed	The specific effect depends on the difference in the growth rate of (1) the selling price of the output inoculants and (2) the price of the input materials (crude oil, inoculants).
Distribution of petrol	PLX (HOSE) OIL (Upcom) PPY (HNX)	Positive (short term)	The increase in gasoline price along with the oil price will help improve the profit margin of enterprises in the short term thanks to the increased selling price while the inventory price is low.

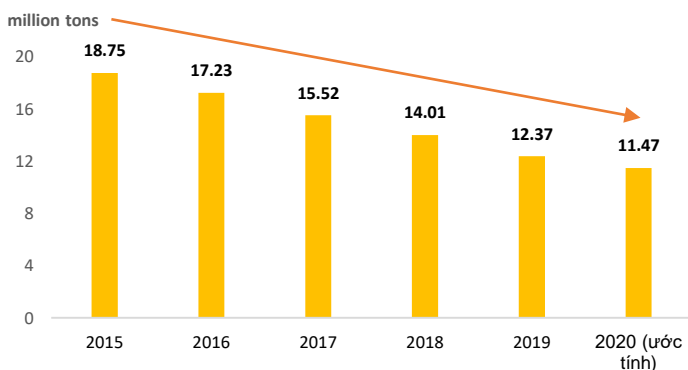
	PSH (HOSE) POB (Upcom)		
Low pressure gas distribution	PGC (HOSE)	<b>Positive (Short-term)</b>	<i>Low pressure gas prices benefiting from the increase in oil prices will help improve the profit margin of enterprises in the short term thanks to the increased selling price while the inventory price is low.</i>
	PGD (HOSE)		
	PGS (HNX)		
	PVG (HNX)		
	CNG (HOSE)		
Ancillary services	PXS (HOSE)	<b>Positive</b>	<i>The demand for improved exploration and exploitation creates many job opportunities for enterprises in mechanical services, chemicals, and auxiliary equipment.</i>
	PXT (HOSE)		
	PVB (HNX)		
	PVC (HNX)		
	PET (HOSE)		
Electrification	POW (HOSE)	<b>Negative</b>	<i>Input gas prices increase with oil prices.</i>
	NT2 (HOSE)		
Protein gas	DPM (HOSE)	<b>Negative</b>	<i>Input gas prices increase with oil prices.</i>
	DCM (HOSE)		

### 3.2. Upstream extraction in Vietnam

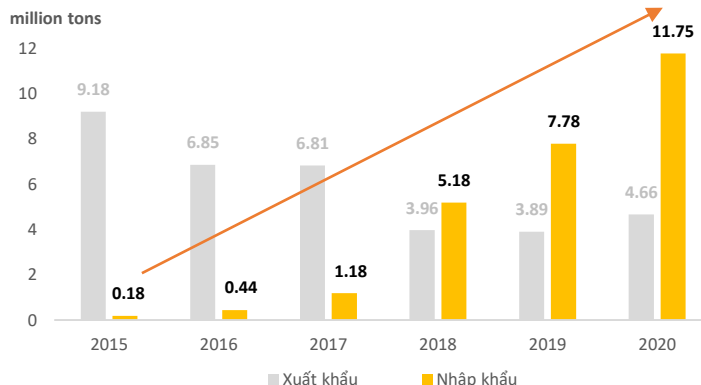
#### Crude oil and natural gas production declines

**Crude oil output decreased by 10%/year on average in the period 2015 - 2020** due to (1) decline in output of long-term oil fields (such as fields in Cuu Long basin - accounting for about 80% of total output), and (2) activities of exploration, extraction and development of mines encountered many difficulties and obstacles in terms of agreements and capital sources. During the same period, imported crude oil output increased by 156%/year on average.

**Figure 16. Crude oil production decreased by 10%/year on average**



**Figure 17. Crude oil import volume increased by 156%/year on average**



Source: Ministry of Industry and Trade, BSC Research

**Gas output from fields in the Southeast region decreases by 5% - 20%/year, especially large fields that have been exploited for more than 10 years** (such as Bach Ho field, Lan Tay - Lan Do field cluster). These gas fields' output are forecasted to continue to decline on average 10% - 20%/year in the future in accordance with natural extraction cycle.

Figure 18. Proportion of exploitation output of gas tanks

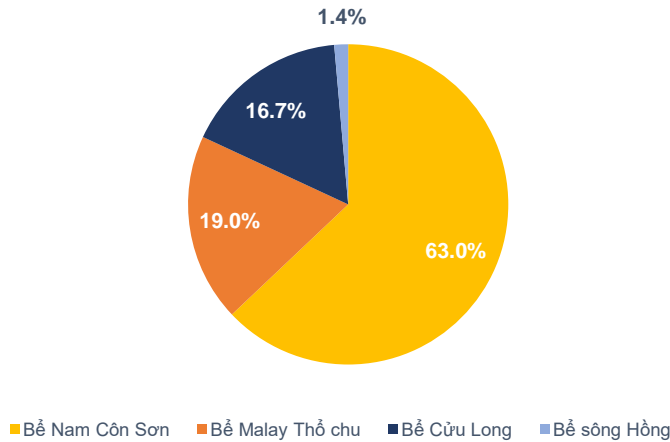
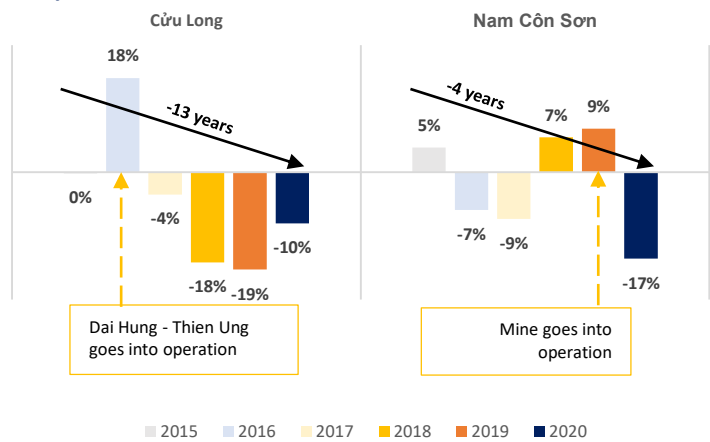


Figure 19. Output of large gas basins decreases over the years



Source: PV GAS, BSC Research

Update on the situation of developing gas fields

Table 4. Information on ongoing gas field development projects

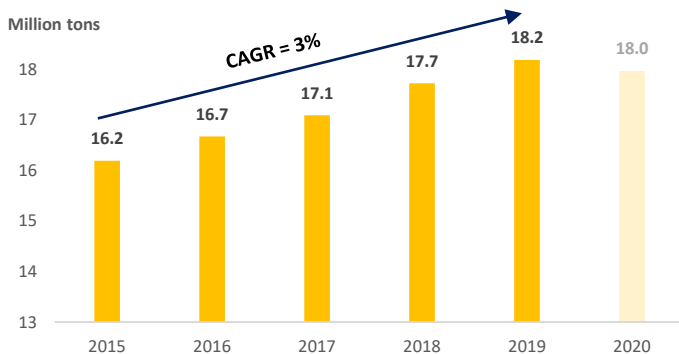
Project	Expected output	Expected life cycle	Estimated total investment	Expected exploitation	Progress	Note
<b>Sao Vang - Dai Nguyet (Lot 05-1)</b>	16 billion m3 of gas (1.5 billion m3/year)	20 years		SV-CPP: 11/2020 DN-WHP: Q3/2022	- Completed Sao Vang-CPP (SV-CPP) central processing rig, receiving the first gas flow from 11/2021 - Dai Nguyet WHP rig project (DN-WHP) reached 65.54% of progress.	
<b>White Lion phase 2 (Plot 15-1)</b>	24 billion m3 of gas (1.5 billion m3/year)	15 - 20 years	2 billion USD	Q4/2023	- Approved the outline plan for mine development (OPD) in December 2019. - Expected to be approved Feasibility Study Report (FS) in Q1/2021	
<b>Lot B - O Mon</b>	176 billion m3 of gas (5-7 billion m3 /year)	20 years	8.1 billion USD	September 2024 (FID condition no later than March 2021)	- The parties involved are completing the negotiation of the project's commercial agreements. - The project is waiting for final investment decision (FID) approval.	- The project has been delayed by 3 years compared to the original schedule due to problems in the investment approval stage of O Mon 3 Power Plant (main customer of Lot B)
<b>Blue Whale (Plot 118)</b>	150 billion m3 of gas	25 years	10 billion USD	Jun 2024	- The project is waiting for approval of the field development report (FDP) and project implementation plan (EPC) after the investment decision (FID). - PVN and Exxon Mobil are negotiating a gas sale agreement.	- Exxon Mobil estimated a loss of \$22 billion in 2020, decided to further reduce investment costs (CAPEX) by 11% in 2021, increasing the risk that the Blue Whale project will continue to be behind schedule.

### 3.3. Downstream consumption demand in Vietnam

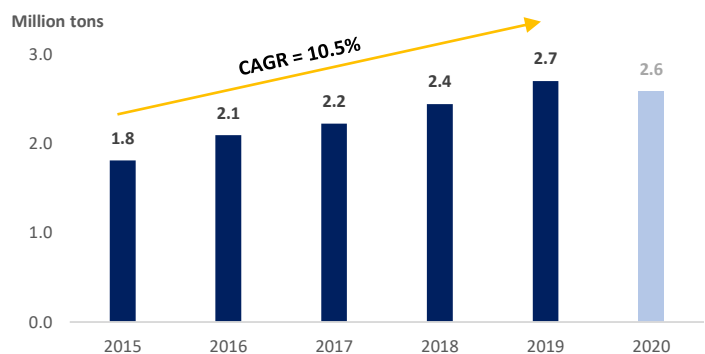
Domestic demand for gasoline and liquefied petroleum gas (LNG) increases by an average of 3%/year and 10.5%/year, respectively, under stable economic conditions.

According to data from the Ministry of Industry and Trade, **Vietnam's domestic petroleum consumption output grew at an average of 3% per year in the period 2015 - 2019**. Along with that, **consumption of liquefied natural gas also grew by an average of 10.5% per year during this period.**

**Figure 20. Gasoline consumption volume increased by 3%/year in the period 2015 - 2019**



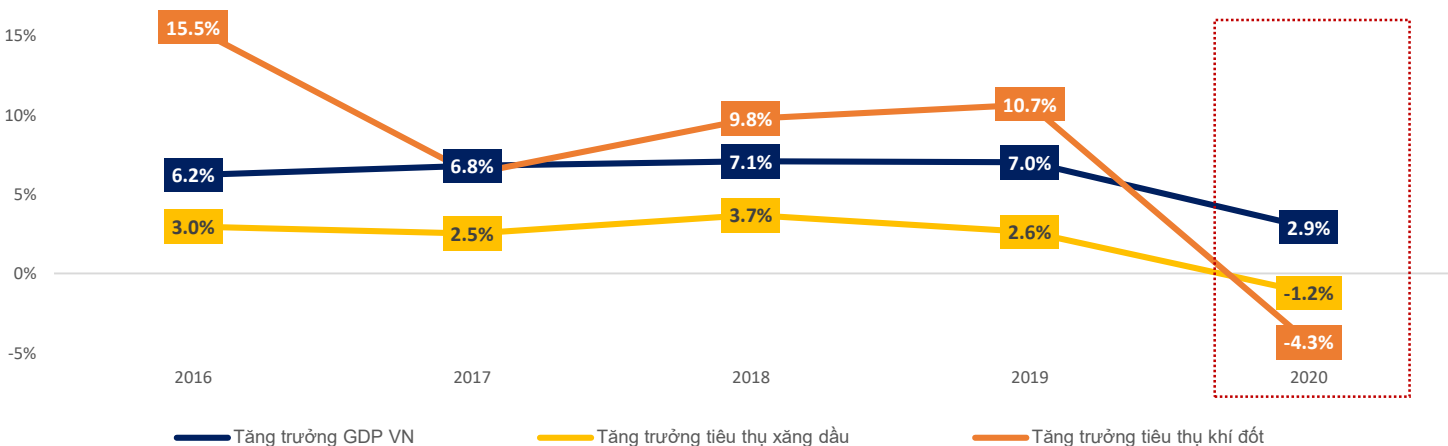
**Figure 21. Liquid gas consumption volume increased by 10.5%/year in the period 2015 - 2019**



Source: Ministry of Industry and Trade, BSC Research

In 2020, the Covid-19 epidemic negatively impacted the Vietnamese economy, limiting production, business activities and transportation. This has caused Vietnam's GDP growth in 2020 to drop to 2.9%/year (compared to 7%/year in the previous 3 years) and demand for petrol and gas to decrease by 1.2% and 4.3% compared to 2019.

**Figure 22. Along with the national economy, gasoline and gas consumption demand is affected by the Covid-19 epidemic in 2020**



Source: Ministry of Industry and Trade, BSC Research

We expect that from 2021, petroleum and gas consumption will return to a stable growth rate (3%/year and 10.5%/year respectively) thanks to the control of the epidemic and the domestic economy recovery.

Demand for natural gas for power generation is forecasted to increase by 14% per year on average in the period 2021-2030

Gas power plants are the main consumers of natural gas (about 80% of total production). According to the draft *Power Development Plan 8 (PDP 8)*, the total installed capacity is forecasted to reach 138,000 MW in 2030, 2.3 times higher than 2020. In which, the contribution of gas-fired power will increase from 12% (in 2020) to 19% (in 2030). Therefore, the demand for natural gas consumption for power generation is forecasted to increase by 14%/year on average during this period (For details, refer [to the Industry Outlook Report](#)).

Figure 23. Total installed capacity under PDP 8

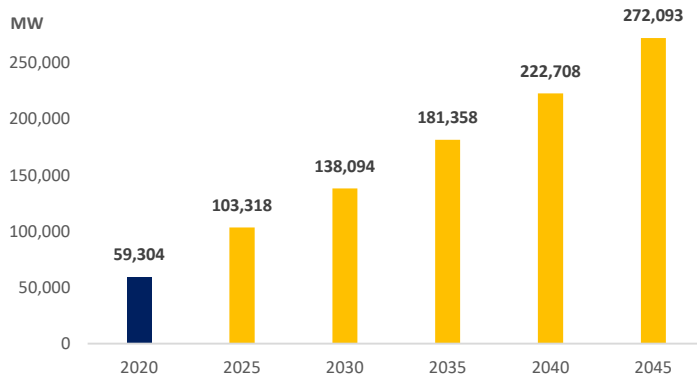
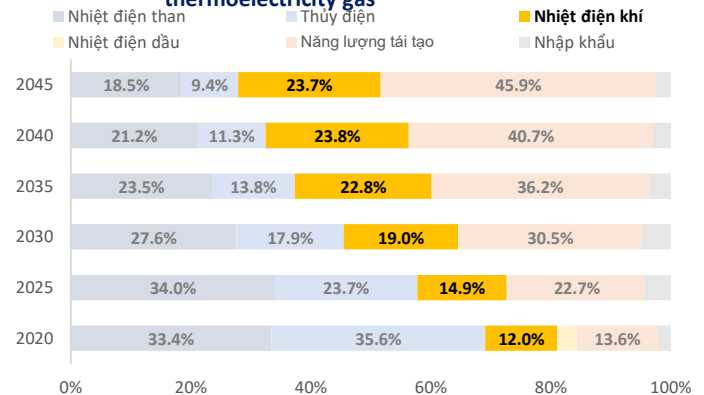


Figure 24. Orientation to increase the proportion of thermoelectricity gas



Source: Draft PDP 8, BSC Research

### 3.4.Imported LNG as long-term addition energy

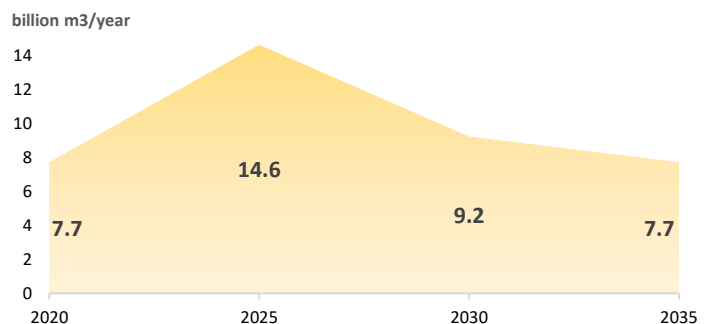
Output of gas fields in the Southeast region is declining, and shortages have begun to appear. On the other hand, large plots of mines under development are only expected to be sufficient for a number of planned power plants, specifically:

- The Block B gas field in the Southwest is only enough to supply O Mon Power Center (3,800 MW) from 2024.
- Blue Whale gas field is only enough to supply 5 planned plants in Dung Quat and Chu Lai (5x750 MW) from 2024

Meanwhile, according to the draft PDP 8, about 19,000 MW of gas power is expected to be added to the plan in the period 2021 - 2030. Gas demand for power production is forecasted to increase by 14%/year on average during the period. this.

According to the gas supply plan for electricity production, **by 2030, Vietnam will be short of 5.4 billion m3 of gas per year** due to the depletion of long-term gas fields.

Figure 25. Total gas supply for power generation is expected to decline after 2025



Source: BSC Research

Therefore, we assess that imported LNG will be an important additional source in the long-term to address the problem of energy supply and demand. In the period of 2021 - 2030, the proportion of imported LNG in the structure of power generation is expected to gradually increase from 0% to 8.5%.

According to the Vietnam Gas Industry Development Plan to 2025, with a vision to 2035, 07 LNG terminals have been planned to 2035 with a total capacity of more than 26 million tons/year.

**Table 5. Development plan of LNG terminals up to 2035**

2016 - 2025 period			
TT	Project	Operation time	Capacity (million tons/year)
first	LNG Thi Vai Warehouse	2022 - 2025	1 - 3
2	Son My LNG Warehouse (Binh Thuan) Phase 1	2023 - 2025	1 - 3
3	Southwest LNG warehouse (Ca Mau) Phase1	2022 - 2025	1
4	Southeast LNG warehouse	2022 - 2025	4-6
Period 2026 - 2035			
TT	Project	Operation time	Capacity (million tons/year)
first	Southwest LNG warehouse (Ca Mau) Phase 2	2026 - 2030	2
2	Floating LNG warehouse (FSRU) Thai Binh	2026 - 2030	0.2 - 0.5
3	Son My LNG Warehouse (Binh Thuan) Phase 2	2027 - 2030	3
4	Son My LNG Warehouse (Binh Thuan) Phase 3	2031 - 2035	3
5	Northern LNG warehouse (Hai Phong)	2030 - 2035	1 - 3
6	Khanh Hoa LNG warehouse	2030 - 2035	3

Source: BSC Research

Currently, there are 02 LNG terminal projects being implemented according to the planning, specifically:

**Table 6. Information about 02 LNG terminals being deployed**

Project	total investment	Expected capacity	Location	Expected completion	Customer
<b>LNG Thi Vai Warehouse</b>	\$286 million (Phase 1)	Phase 1: 1 million tons/year Phase 2: 3 million tons/year	Cai Mep Industrial Park, Phu My Town, Ba Ria Vung Tau Province	Phase 1: Q3/2022 Phase 2: Q4/2023	Nhon Trach 3 & 4 Power Plants and other consumers
<b>Son My LNG Warehouse</b>	1.3 billion USD	3.6 million tons/year	Son My Industrial Park, Binh Thuan Province	Q4/2023	Son My 1 & 2 . Power Plants

Source: BSC Research

#### IV. INVESTMENT OUTLOOK – OUTPERFORM

BSC recommends **OUTPERFORM** for the Oil and Gas industry in 2021 due to:

- The average Brent oil price in 2021 is expected to recover to \$57/barrel (+36% yoy), improving the business outlook and valuation of oil and gas companies.
- The prospect of economic recovery improves the demand for petroleum and gas for production, business and transportation activities.
- The shortage of oil and gas in the country promotes the need for investment in projects of exploration, production, and development of new fields.

We recommend **BUY** stocks of **GAS, PVS, PVD** as these are companies that benefit the most from the prosperity of:

- World oil price
- Outlook for energy and fuel demand for production and business
- Demand for oil and gas exploration and production in the country and in the region.

Stock	Revenue 2021 (bil. VND )	% yoy	NPAT 2021 (biil. VND )	% yoy	EPS 2021 (VND /share)	P/E fw	P/B fw	Price on 26/2/2021	Price target	Upside
<b>GAS</b>	77.1 4 5	20%	11, 7 1 8	50%	6.122	14.6	3.1	89,300	110,200	23.4%
<b>PVD</b>	5.034	-4%	212	17%	325	47.6	0.7	23,400	29,550	26.3%
<b>PVS</b>	19,550	-2%	950	29%	1,738	12.9	1.1	22,500	26,070	15.9%
<b>PET</b>	17.875	28%	174	28%	2.007	8.8	1.0	16,550	21,170	27.9%
<b>PLC</b>	6,890	23%	212	43%	2,628	10.7	1.5	26,800	31,500	17.5%
<b>DPM</b>	9,846	27%	865	25%	1,924	9.8	1.0	16,850	23.030	36.7%
<b>DCM</b>	9,591	27%	844	27%	1.298	12.7	1.4	13,500	18,790	39.2%

## Update 2020 business results – 2021 prospects of some typical stocks

Oil and gas upstream groupPVD – TP 29,550 – Price on 26/02/2021: 23,400 – BSC Company Update (Recent report: [Link](#))

(billion VND)	2019	2020	% yoy	
<b>Net Revenue</b>	<b>4,371</b>	<b>5,235</b>	<b>+20%</b>	<u>Enterprise Update :</u> <ul style="list-style-type: none"> <li>In 2020, PVD achieves Revenue = <b>5,235 billion VND ( +20% yoy )</b>, EAT = <b>180 billion VND ( +2% yoy )</b> due to (1) The number of leased rigs reached 1.7 rigs (compared to 0.3 rigs in 2019), (2) The rental unit price of jack-up rigs estimated +4.4% yoy, (3) Profits distributed from joint ventures and associates reached VND 217 billion (+96% yoy), and (4) reversed 107 billion VND of provision for bad debts.</li> <li>Up to now, <b>5/6 rigs owned</b> by PVD have secured jobs in 2021.</li> <li>PVD plans to postpone the payment of 2019 dividend (share dividend, rate of 10%) to early 2021.</li> </ul> <u>Outlook for 2021 :</u> <ul style="list-style-type: none"> <li><b>The jack-up rigs have many job opportunities in 2021</b> thanks to many new domestic drilling programs expected to be implemented, thereby improving the operating system.</li> <li><b>The TAD rig signed a long-term contract, bringing secure jobs to PVD for the period of 2021 - 2026</b> and helping to improve PVD's revenue, profit and cash flow.</li> </ul> <u>Risks :</u> <ul style="list-style-type: none"> <li>Operators end drilling contracts earlier than expected</li> </ul> <u>Forecast of business results in 2021 :</u> <ul style="list-style-type: none"> <li>BSC forecasts that revenue and net profit in 2021 will reach <b>VND 5,034 billion (-4% yoy)</b> and <b>VND 212 billion , respectively. (+17% YoY)</b> , EPS FW 2021 = <b>325 VND/share</b> assuming (1) the operating efficiency of the jack-up rig improves from 77% (2020) to 87%, and (2) The unit price for renting a jack-up rig is maintained at 61,000 USD/day.</li> </ul>
<i>Drilling service</i>	2,177	3,074	+41%	
<i>Commerce</i>	448	329	-27%	
<i>Other drilling services</i>	1,745	1,831	+5%	
<b>Gross profit</b>	<b>449</b>	<b>330</b>	<b>-27%</b>	
<i>Drilling service</i>	107	-69		
<i>Commerce</i>	53	21	-61%	
<i>Other drilling services</i>	288	378	+31%	
Selling exp	-17	-16	-3%	
G&A	-397	-316	-21%	
Financial income	170	159	-6%	
Financial expense	-242	-202	-16%	
Profit from associates	113	217	+92%	
<b>EBT</b>	<b>195</b>	<b>200</b>	<b>+3%</b>	
<b>NPAT</b>	<b>177</b>	<b>180</b>	<b>+2%</b>	



PVS – TP 26,070 – Price on February 26, 2021: 22,500 – BSC Company Update (*Recent report: [Link](#)*)

(billion VND)	2019	2020	% yoy	
<b>Net Revenue</b>	<b>16,870</b>	<b>19,832</b>	<b>+18%</b>	<u>Enterprise Update :</u> <ul style="list-style-type: none"> <li>In 2020, PVS achieves Revenue = <b>19,832 billion VND ( +18% yoy )</b> and NPAT = <b>735 billion VND ( -26% yoy )</b> due to (1) the parent company won the bids for some big projects such as Sao Vang – Dai Nguyet, LNG Thi Vai, Southern Petrochemical Complex, and (2) the Covid-19 epidemic and the drop in oil prices delayed the construction progress and increased costs.</li> <li>CPP Gold Star rig has been completed and started transporting gas to shore from November 16, 2020, Dai Nguyet WHP rig is being focused on construction and manufacturing, progress is at 65.54%.</li> <li>The Gallaf (Al Shaheen) project in Qatar has completed the fabrication, transportation and offshore installation of 3 drilling rigs and 3 bridges with a volume of nearly 10,000 MT, the overall progress is 87.09%.</li> <li>PVS sets the 2021 target to achieve revenue = 10,000 billion VND (-50% yoy), PBT = 700 billion VND (-30% yoy).</li> </ul>
<i>Mechanical services</i>	8,905	10,423	+17%	
<i>Vessel Supply Service</i>	2,248	2,057	-8%	
<i>FSO/FPSO</i>	3,013	3,300	+10%	
<i>Port service</i>	1,743	1,728	-1%	
<i>O&amp;M service</i>	1,521	3,300	+117%	
<b>Gross profit</b>	<b>1,338</b>	<b>712</b>	<b>-37%</b>	
Selling exp	-108	-119	+10%	<u>Outlook for 2021 :</u> <b>In the coming period, PVS is expected to have many job opportunities</b> thanks to: <ul style="list-style-type: none"> <li>The average oil price in 2021 is forecasted to improve to 57 USD/barrel (+36% yoy) along with the shortage of oil and gas to promote investment in exploration and exploitation of new fields.</li> <li>Construction projects of LNG terminals are promoted.</li> </ul>
G&A	-651	-718	+20%	
Financial income	318	399	+26%	
Financial expense	-67	-140	+109%	<u>Risks :</u> <ul style="list-style-type: none"> <li>Projects are behind schedule because of upstream - downstream synchronization</li> </ul>
<b>EBT</b>	<b>1,336</b>	<b>1,042</b>	<b>-22%</b>	
<b>NPAT</b>	<b>996</b>	<b>735</b>	<b>-26%</b>	<u>Forecast of business results in 2021 :</u> BSC forecasts that PVS's revenue and net profit in 2021 will reach <b>VND 19,550 billion ( -2% yoy )</b> and <b>VND 950 billion ( +29% yoy )</b> , EPS = <b>1,738 VND/share</b> assuming : (1) Average oil price in 2021, reaching 57 USD/barrel, and (2) PVS won the contract to execute large oil and gas projects.

Oil and gas midstream groupGAS – TP 110,200 – Price on February 26, 2021: 89,300 – BSC Company Update (Recent report: [Link](#))

(billion VND)	2019	2020	% yoy	
<b>Net Revenue</b>	<b>75,348</b>	<b>64,150</b>	<b>-15%</b>	<u>Enterprise Update :</u> <ul style="list-style-type: none"> <li>In 2020, GAS achieves Revenue = <b>64,150 billion VND ( -15% yoy )</b> and EAT = <b>7,927 billion VND ( -35% yoy )</b> due to (1) oil price drop, average 2020 at 42 USD/barrel (-34% yoy) and (2) production the amount of gas ashore decreased by -11% yoy.</li> <li>The LNG Thi Vai project is on schedule, has completed construction and raised the roof of the tank, is expected to be completed in Q4/2022 according to the set schedule.</li> </ul> <u>Outlook for 2021 :</u> <ul style="list-style-type: none"> <li><b>The average oil price in 2021 is forecasted to recover to \$57/barrel, having a direct positive impact on GAS's revenue and profit margin</b> . It is estimated that a change of 10 USD in oil price will affect in the same direction to about 3% - 4% of GAS' profit margin.</li> <li>Sao Vang - Dai Nguyet gas field has been put into operation since November 2020, and is expected to add <b>1.5 billion m3 of gas per year</b> from 2021.</li> <li>The LNG segment being actively invested by GAS will be a long-term growth prospect of enterprises.</li> </ul> <u>Risks :</u> <ul style="list-style-type: none"> <li>Upstream incidents cause blocks/fields to reduce/stop gas supply unplanned.</li> </ul> <u>Forecast of business results in 2021 :</u> BSC forecasts that GAS's parent company's revenue and net profit in 2021 will reach <b>VND 77,145 billion (+20% yoy)</b> and <b>11.718 billion VND (+50% yoy)</b> , EPS FW 2021 = <b>6,122 VND/share</b> assuming (1) Sao Vang – Dai Nguyet field provides 1.5 billion m3 of gas/year (+16% of output), and (2) average oil price average in 2021 will reach 57 USD/barrel (+36% yoy).
Gross profit	16,990	11,357	-33%	
Selling exp	-2,394	-1,943	-19%	
G&A	-875	-769	-12%	
Financial income	1,666	1,451	-13%	
Financial expense	-243	-183	-34%	
<b>EBT</b>	<b>15,141</b>	<b>9,937</b>	<b>-34%</b>	
<b>NPAT</b>	<b>12,158</b>	<b>7,927</b>	<b>-35%</b>	
<b>Quantity</b>				
Dry gas (million m3)	9,925	8,867	-11%	
LPG (1000T)	1,769	1,909	8%	
Condensate (1000T)	70.4	58.2	-17%	

Petroleum downstream group

BSR – TP N/A – Price on February 26, 2021: 12,300 – BSC Company Update

(billion VND)	2019	2020	% yoy	
<b>Net Revenue</b>	<b>102,824</b>	<b>57,959</b>	<b>-44%</b>	<u>Enterprise Update :</u> <ul style="list-style-type: none"> <li>In 2020, BSR achieves Revenue = <b>57,959 billion VND ( -44% yoy )</b>, EAT = - <b>2,848 billion VND</b> (compared to 2,823 billion VND in the previous year) due to (1) BSR had a 51-day general maintenance period, reducing production by 14.5% yoy, and (2) average price of crude oil and gasoline decreased by 31% yoy.</li> <li>Considering Q4/2020 alone, BSR had the second consecutive quarter of recovery with NPAT reaching VND 1,246 billion (an increase of VND 1,087 billion compared to Q3/2020).</li> <li>By the end of 2020, the initial long-term debt for factory investment decreased by 40% compared to the beginning of the year to VND 2,878 billion. With the current repayment schedule, it is expected that by 2023, BSR will complete this loan repayment.</li> <li>BSR sets the 2021 plan to achieve revenue = 70.661 billion VND (+22% yoy), EAT = 846 billion VND.</li> </ul>
<b>Gross profit</b>	<b>3.973</b>	<b>-2.215</b>		
Selling exp	-714	-552	-23%	
G&A	-389	-268	-31%	
Financial income	537	666	+24%	
Financial expense	-416	-499	+20%	
<b>EBT</b>	<b>3.054</b>	<b>-2.842</b>		
<b>NPAT</b>	<b>2,823</b>	<b>-2.848</b>		<u>Outlook for 2021 :</u> <ul style="list-style-type: none"> <li><b>Demand for gasoline is expected to recover to pre-epidemic levels</b> due to the control of the Covid-19 epidemic and the recovery of the economy.</li> <li><b>The increase in gasoline price in line with oil price</b> (expected to recover to 57 USD/barrel (+36% yoy) in 2021) helps to <b>improve the cracking spread and profit margin of BSR</b>.</li> </ul>
Production output (million tons)	6.94	5.93	-15%	
				<u>Risks :</u> <ul style="list-style-type: none"> <li>Gasoline demand recovers slower than expected</li> <li>Gasoline price growth rate is slower than oil price</li> </ul>

PLC – TP 31,500 – Price February 26, 2021: 26,800 – BSC Company Update (*Recent report: [Link](#)*)

(billion VND)	2019	2020	% yoy	
<b>Net Revenue</b>	<b>6,160</b>	<b>5,608</b>	<b>-9%</b>	<u>Enterprise Update :</u> ▪ In 2020, PLC achieved revenue = <b>5,608 billion VND ( -9% yoy</b> and NPAT = <b>149 billion VND</b> (equivalent to the previous year) due to (1) increased asphalt demand from public investment projects, (2) demand for lubricant and chemicals decreased due to the impact of the Covid-19 epidemic, and (3) provision for bad debts of the asphalt industry was about VND 80 billion. ▪ At the end of 2020, PLC's provision for short-term bad debts reached VND 234 billion (+34% yoy). It is expected that the company will revert back at the end of the project life cycle.
<i>Lubricant</i>	<i>1.434</i>	<i>1.348</i>	<i>-6%</i>	
<i>Asphalt</i>	<i>2,252</i>	<i>2.525</i>	<i>+12%</i>	
<i>Chemistry</i>	<i>2.434</i>	<i>1.693</i>	<i>-30%</i>	
<i>Others</i>	<i>40</i>	<i>42</i>	<i>+6%</i>	
<b>Gross profit</b>	<b>839</b>	<b>952</b>	<b>+13%</b>	<u>Update progress of North-South Expressway project implementation :</u> ▪ Currently, clearance work reaches 92%, behind schedule. ▪ The construction progress of the resettlement area only reached 53% of the volume, the progress of the power line relocation only reached 18%, the relocation progress of telecommunications cables reached about 21.5%.
<i>Grease</i>	<i>436</i>	<i>449</i>	<i>3%</i>	
<i>Asphalt</i>	<i>232</i>	<i>354</i>	<i>+52%</i>	
<i>Chemistry</i>	<i>165</i>	<i>141</i>	<i>-14%</i>	
<i>Others</i>	<i>6</i>	<i>7</i>	<i>+27%</i>	<u>Outlook for 2021 :</u> ▪ <b>The North-South Expressway Project accelerates the progress and converts it to Public Investment</b> , supporting an average growth of +30% yoy in the period 2021-2023 for the asphalt segment. ▪ <b>Oil price in 2021 is forecasted to recover to \$57/barrel (+36% yoy)</b> , increasing input material costs, <b>narrowing PLC's gross margin</b> . It is estimated that with every 10 USD change in oil price, PLC's gross profit margin fluctuates in the opposite direction about 3%.
Selling exp	-468	-528	+13%	
G&A	-98	-206	+109%	
Financial income	45	78	+73%	
Financial expense	-137	-118	-14%	
<b>EBT</b>	<b>193</b>	<b>190</b>	<b>-2%</b>	<u>Risks :</u> ▪ Bad debts from public investment projects due to many procedures and slow disbursement progress  <u>Forecast of business results in 2021 :</u> BSC forecasts PLC's revenue and NPAT in 2021 at <b>VND6,890 billion ( +23% yoy )</b> and <b>VND 212 billion ( +43 percent )</b> , EPS = <b>2,628 VND/share</b> assuming (1) asphalt production +25 % thanks to the promotion of road and bridge investment projects (2) the output of lubricants and chemicals recovered to pre-epidemic levels, and (3) the average oil price in 2021 reached 57 USD/barrel (+36% yoy) ).
<b>NPAT</b>	<b>150</b>	<b>149</b>	<b>-1%</b>	

## PLX – TP N/A – Price on February 26, 2021: 58,200 – BSC Company Update

(billion VND)	2019	2020	% yoy	
Net Revenue	189,656	124,008	-35%	<u>Enterprise Update :</u> <ul style="list-style-type: none"> <li>In 2020, PLX achieves revenue = <b>124,008 billion VND ( -35% yoy )</b>, EAT = <b>1,235 billion VND ( 74% yoy )</b>. Output is estimated to decrease by 5% yoy.</li> <li>In Q4/2020 alone, PLX had the second consecutive quarter of recovery with NPAT reaching VND <b>1,007 billion ( -11% yoy )</b>.</li> <li>PLX sets a production plan in 2021 to recover to 2019 levels, EAT is about 3,500 – 4,000 billion VND.</li> <li>PLX has the orientation to divest subsidiaries/affiliated companies outside the industry (total investment of more than 500 billion), expected to divest PGB in 2021 and reduce its ownership of PGI from 40.95% to 31.5%</li> </ul> <u>Outlook for 2021 :</u> <ul style="list-style-type: none"> <li><b>Petroleum consumption demand is expected to recover to pre-epidemic levels</b> with control of the Covid-19 epidemic and the recovery of the economy</li> <li><b>Gasoline prices benefiting from an increase in oil prices will help improve PLX's profit margin in the short term</b> thanks to an increase in selling prices while inventory prices are low.</li> </ul> <u>Risks :</u> <ul style="list-style-type: none"> <li>Gasoline demand recovers slower than expected</li> <li>Increased competition from foreign businesses if the Draft Amendment to Decree 83/2014 is passed</li> </ul>
Gross profit	14,169	10,034	-29%	
Selling exp	-8,702	-8,596	-1%	
G&A	-640	-820	-28%	
Financial income	1,004	917	-9%	
Financial expense	-966	-952	-1%	
EBT	5,648	1,398	-75%	
NPAT	4,677	1,235	-74%	

## OIL – TP N/A – Price on 26/02/2021: 11,700 – BSC Company Update

(billion VND)	2019	2020	% yoy	
Net Revenue	78,862	50,010	-37%	<u>Enterprise Update :</u> <ul style="list-style-type: none"> <li>In 2020, OIL reaches Revenue = <b>50,010 billion VND ( -37% yoy )</b> and EAT = <b>-177 billion VND</b> (compared to 325 billion VND the previous year). Output in 2020 - 12% yoy.</li> <li>For Q4/2020 alone, OIL recorded revenue = 9,092 billion VND (-56% yoy) but EAT reached 190 billion VND (+459% yoy) thanks to financial shares -53% yoy; Selling expense -4% yoy; and G&amp;A expense -8% yoy.</li> <li>By the end of 2020, OIL's provision for devaluation of inventories was only 1.7 billion dong, total financial debt was -16.5% yoy to 4,095 billion dong.</li> <li>The number of new petrol station opened in the year is 30, bringing the total number of self-managed petrol station to 590.</li> <li>In 2021, OIL sets the target for petroleum trading volume and NPAT to return to 2019 levels (3,200 thousand m3/ton, 320 billion VND), opening 30 new petrol stations in the year.</li> </ul> <u>Outlook for 2021 :</u> <ul style="list-style-type: none"> <li><b>Petroleum consumption demand is expected to recover to pre-epidemic levels</b> thanks to the control of the Covid-19 epidemic and the recovery of the economy</li> <li><b>Gasoline prices benefiting from an increase in oil prices will help improve OIL's profit margin in the short term</b> thanks to an increase in selling prices while inventory prices are low.</li> </ul> <u>Risks :</u>
Gross profit	2,774	1,937	-30%	
Selling exp	-1,689	-1,559	-8%	
G&A	-810	-736	-9%	
Financial income	373	453	+21%	
Financial expense	-285	-210	-26%	
EBT	396	-124		
NPAT	325	-177		
Number of petrol station	560	590	+5%	
Petroleum production	3,185	2,803	-12%	

volume (thousand m3/ton)			<ul style="list-style-type: none"> <li>Gasoline demand recovers slower than expected</li> <li>Increased competition from foreign businesses if the Draft Amendment to Decree 83/2014 is passed</li> </ul>
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**DPM – TP 23.030 – Price on February 26, 2021: 16,850 – BSC Company Update (Recent report: [Link](#))**

(billion VND)	2019	2020	% yoy	
<b>Net Revenue</b>	<b>7,683</b>	<b>7,762</b>	<b>+1%</b>	<u>Enterprise Update :</u> <ul style="list-style-type: none"> <li>In 2020, DPM achieves Revenue = <b>7,782 billion VND ( +1% yoy )</b>, EAT = <b>693 billion VND ( +83% yoy )</b>, gross margin increased from 16.8% to 21% thanks to (1) recovery of urea sales volume as it was not affected by plant maintenance, and (2) cost of input gas is estimated at -24% yoy and (3) another profit of 90 billion dong is recognized from insurance claims.</li> <li>Pays cash dividend for the first time in 2020: <b>700 VND/share</b>, the expected date of dividend payment is 19/02/2021</li> <li>DPM sets the 2021 plan: Revenue = 8,331 billion VND (+8% yoy), EBT = 437 billion VND (-6% yoy) based on the oil price scenario at 45 USD/barrel.</li> </ul> <u>Outlook for 2021 :</u> <ul style="list-style-type: none"> <li><b>The selling price of urea is expected to increase by 29% yoy</b> due to disrupted supply and high demand</li> <li><b>Input gas price is forecast to increase by 27% yoy</b> as the average oil price in 2021 is expected to recover to 57 USD/barrel (+36% yoy)</li> <li><b>Selling price increased faster than input material price, helping to improve GPM</b> from 22.3% to 23.7%.</li> </ul>
<b>Gross profit</b>	<b>1,402</b>	<b>1,730</b>	<b>+23%</b>	
Selling exp	-554	-654	+18%	
G&A	-415	-409	-2%	
Financial income	140	179	+28%	
Financial expense	-108	-93	-14%	
Other profit	first	95		
<b>EBT</b>	<b>467</b>	<b>850</b>	<b>+82%</b>	
<b>NPAT</b>	<b>378</b>	<b>693</b>	<b>+83%</b>	
Sales volume (1000 tons)				
Urea	680	827	+20%	<u>Risks :</u> <ul style="list-style-type: none"> <li>Input gas price increased faster than forecast and adjusted selling price was lower than expected</li> <li>Operating efficiency of factories is lower than expected due to routine maintenance</li> </ul> <u>Forecast of business results in 2021 :</u> <p>BSC forecasts that DPM's 2021 revenue and NPAT will reach <b>9,846 billion VND ( +27% yoy )</b> and <b>865 billion VND ( +25% yoy )</b>, EPS = <b>1,942 VND/share</b> assuming (1) volume down 4% yoy due to plant maintenance in Q2/2021, (2) selling price of urea increased by 29% and (3) average oil price in 2021 was at USD 57/barrel, making input gas price +27% yoy.</p>
NPK	76	94	+23%	
Self-employed	200	179	-13%	

## DCM – TP 18,790 – Price February 26, 2021: 13,500 – BSC Company Update

(billion VND)	2019	2020	% yoy	
<b>Net Revenue</b>	<b>7,043</b>	<b>7,563</b>	<b>+7%</b>	<u>Enterprise Update :</u> <ul style="list-style-type: none"> <li>In 2020, DCM achieves Revenue = <b>7,563 billion VND ( +7% yoy )</b> and EAT = <b>665 billion VND ( +56% yoy )</b>, gross margin <b>improved from 13.6% to 17.3%</b> due to (1) Average commercial urea selling price -10% yoy, (2) sales volume +20.6% yoy (boosting exports due to high demand in Asia), and (3) average gas price cost - 24.2% yoy due to new floating gas price mechanism amid falling oil price reduction.</li> <li>DCM sets revenue target and NPAT in 2021 to reach VND 7,839 billion (+11% yoy), NPAT = VND 197 billion (-70% yoy), urea output converted to 860 thousand tons (-8% yoy).</li> </ul>
<b>Gross profit</b>	<b>959</b>	<b>1,312</b>	<b>+37%</b>	
Selling exp	-364	-368	+1%	
G&A	-201	-299	+49%	
Financial income	127	128	+1%	<u>Outlook for 2021 :</u> <ul style="list-style-type: none"> <li><b>The selling price of urea is expected to increase by 29% yoy</b> due to disrupted supply and high demand</li> <li><b>Input gas price is forecast to increase by 27% yoy</b> as the average oil price in 2021 is expected to recover to 57 USD/barrel (+36% yoy)</li> <li><b>Selling price increased faster than input material price, helping to improve GPM</b> from 17.3% to 18%.</li> <li>Maintain the leading market share in the Mekong Delta and export (Cambodia).</li> </ul>
Financial expense	-103	-63	-39%	
<b>EBT</b>	<b>463</b>	<b>719</b>	<b>+55%</b>	
<b>NPAT</b>	<b>427</b>	<b>665</b>	<b>+56%</b>	
Converted urea output (1000 tons)	801	931	+16%	<u>Risks :</u> <ul style="list-style-type: none"> <li>Input gas price increased faster than forecast and adjusted selling price was lower than expected</li> </ul>
				<u>Forecast of business results in 2021 :</u> <p>BSC forecasts DCM's revenue and NPAT in 2021 to reach <b>VND 9,591 billion ( +27% yoy )</b> and <b>VND 1,298 billion ( +27% yoy )</b>, EPS = <b>1,298 VND/share</b> assuming (1) the selling price of urea increases by 29 % and (2) average oil price in 2021 is at 57 USD/barrel, making input gas price +27% yoy.</p>

Ancillary service team

PET – TP 21,170 – Price February 26, 2021: 16,550 – BSC Company Update (*Recent report:* [Link](#))

(billion VND)	2019	2020	% yoy	
<b>Net Revenue</b>	<b>10.008</b>	<b>13.916</b>	<b>39%</b>	<b>Enterprise Update :</b> ▪ In 2020, PET achieved revenue = <b>13.916 billion VND ( +39% yoy )</b> and EAT = <b>245 billion VND ( +80% yoy )</b> . Growth mainly comes from electronic distribution, due to (1) the trend of working from home and studying online during the epidemic season and (2) the absolute contribution of the Apple brand from Q3/2020 . ▪ <b>Gross profit margin decreased to 5% (2019: 6.1%)</b> due to (1) high growth in the segment with low profit margin (computers and phones) and (2) the selling price of some goods decreased in Q1 and Q2 due to the epidemic. ▪ <b>SG&amp;A/Revenue decreased to 3.6% (2019: 5.8%)</b> due to operating cost tightening policies during the epidemic.
<b>Gross profit</b>	<b>611</b>	<b>695</b>	<b>14%</b>	
Selling exp	-224	-252	13%	
G&A	-251	-198	-21%	
<b>EBIT</b>	<b>136</b>	<b>245</b>	<b>80%</b>	<b>Outlook for 2021 :</b> ▪ The growth driver of the Electronic Distribution segment mainly comes from the Iphone line ▪ Petroleum material distribution segment and Supply - logistics segment are expected to recover when oil prices show signs of increasing again
Financial income	37.7	44.0	17%	
Financial expense	-73.1	-86.1	18%	<b>Risks :</b> ▪ Growth potential of current brands is saturated ▪ Can't sign new brands
EBT	185	210	14%	
<b>NPAT</b>	<b>127</b>	<b>143</b>	<b>13%</b>	<b>Forecast of business results in 2021 :</b> BSC forecasts PET's revenue and NPAT in 2021 to reach <b>VND 17,875 billion ( +28.5% yoy )</b> and <b>VND 174 billion ( +28.3% yoy )</b> , EPS fw = <b>2,007 VND/share</b> assuming (1) GPM decreased to 4.77% due to increased proportion of Apple (low GPM) and (2) SG&A/Revenue increased to 3.32%.



## APPENDIX

## Appendix 01 – Forecast of Brent oil prices of major organizations and institutions by quarter (Unit: USD/barrel)

Nest position	Forecast date	Q1/2021	Q2/2021	Q3/2021	Q4/2021
MPS Capital Services Banca per le Imprese SpA	26/02/2021	60.0	61.0	62.0	64.0
Landesbank Baden-Wuerttemberg	25/02/2021	61.0	65.0	60.0	60.0
Commerzbank AG	23/02/2021	54.0	45.0	48.0	50.0
Emirates NBD PJSC	23/02/2021	47.5	50.0	50.0	52.5
Intesa Sanpaolo SpA	22/02/2021	60.0	70.0	72.0	73.0
MUFG Bank	17/02/2021	61.0	73.7	71.8	65.4
Rabobank International	16/02/2021	60.0	60.2	60.3	60.7
Capital Economics Ltd	15/02/2021	55.0	59.0	63.5	68.5
ABN AMRO Bank NV	15/02/2021	59.0	57.0	53.0	52.0
Banco Santander SA	08/02/2021	58.0	57.0	55.0	54.0
Westpac Banking Corp	05/02/2021	56.0	56.0	55.0	54.0
Natixis SA	26/01/2021	53.0	55.0	53.0	57.0
Deutsche Bank AG	20/01/2021	55.0	60.0	60.0	65.0
Market Risk Advisory Co Ltd	06/01/2021	52.0	53.0	54.0	54.0
Prestige Economics LLC	29/12/2020	53.5	55.5	57.0	60.0
Santander UK PLC	12/22/2020	48.0	47.5	48.0	48.5
CIMB	09/12/2020	55.0	53.0	52.0	50.0
BNP Paribas SA	11/23/2020	56.0	54.0	55.0	59.0
Bank of Nova Scotia/The	13/10/2020	46.0	49.0	51.0	54.0
		Q1/2021	Q2/2021	Q3/2021	Q4/2021
Median		55.0	56.0	55.0	57.0
<b>Mean</b>		<b>55.3</b>	<b>56.9</b>	<b>56.9</b>	<b>58.0</b>
Maximum		61.0	73.7	72.0	73.0
Minimum		46.0	45.0	48.0	48.5

Source: Bloomberg, BSC Research

**Appendix 02 – Forecast of Brent oil prices of major organizations and institutions by year (Unit: USD/barrel)**

<b>Nest position</b>	<b>Day attend newspaper</b>	<b>2021</b>	<b>2022</b>
Citigroup Inc	01/03/2021	64.0	
MPS Capital Services Banca per le Imprese SpA	26/02/2021	62.0	
Landesbank Baden-Wuerttemberg	25/02/2021	61.5	63.0
Commerzbank AG	23/02/2021	49.0	54.0
Emirates NBD PJSC	23/02/2021	50.0	
Intesa Sanpaolo SpA	22/02/2021	68.8	75.0
MUFG Bank	17/02/2021	68.0	58.2
Rabobank International	16/02/2021	60.3	61.9
ABN AMRO Bank NV	15/02/2021	55.0	56.0
Capital Economics Ltd	15/02/2021	61.5	59.5
Fitch Solutions	12/02/2021	58.0	56.0
Banco Santander SA	08/02/2021	56.0	53.0
Westpac Banking Corp	05/02/2021	40.0	52.0
Natixis SA	26/01/2021	54.5	61.8
Deutsche Bank AG	20/01/2021	60.0	60.0
Market Risk Advisory Co Ltd	06/01/2021	53.3	57.0
Prestige Economics LLC	29/12/2021	56.5	68.5
Santander UK PLC	12/22/2020	48.0	48.0
BNP Paribas SA	11/23/2020	56.0	61.0
Bank of Nova Scotia/The	13/10/2020	50.0	55.0
		<b>2021</b>	<b>2022</b>
Median		56	58
<b>Mean</b>		<b>57</b>	<b>59</b>
Maximum		69	75
Minimum		40	48

Source: Bloomberg, BSC Research

## Appendix 03 – Summary of companies in the industry

Sector	Stock	Market Cap (bil. VND)	Revenue 2020 (bil. VND)	% yoy	NPAT 2020 (bil. VND )	% yoy	ROA	ROE	P/E	P/O	Price 26/02/2021
Exploration and extraction	PVS	10,754	19,832	17%	735	-9%	3.0%	5.0%	17.5	0.9	22,500
	PVD	9,854	5,228	20%	181	5%	1.0%	1.0%	53.9	0.7	23,400
	POS	735	3,405	139%	103	203%	6.0%	13.0%	6.8	0.9	18,600
	PQN	120	848	35%	20	32%	2.0%	27.0%	6.0	1.4	4,000
Gas processing	GAS	170,916	64,150	-14%	7,928	-34%	13.0%	16.0%	22.1	3.6	89,300
Petroleum transportation	PVT	5,518	7,458	-4%	760	-7%	6.0%	10.0%	9.5	1.2	17,050
	PVP	1,244	1,610	F1%	225	49%	9.0%	16.0%	6.2	1.0	13,500
	PJT	179	606	-11%	27	-20%	5.0%	12.0%	7.2	0.9	11,650
	PDV	165	852	-9%	7	-23%	1.0%	2.0%	22.8	0.5	5,600
Oil refinery	BSR	38,056	57,959	-44%	-2,848	-199%	-5.0%	-9.0%	-17.6	1.6	12,300
	PLC	2,190	5,608	-9%	149	2%	3.0%	12.0%	16.3	1.9	27,100
Petroleum trading	PLX	70,935	123,924	-35%	1,235	-74%	2.0%	4.0%	71.6	3.3	58,200
	OIL	11,964	50,010	-37%	-177	-151%	-1.0%	-1.0%	-119.1	1.6	11,700
	PSH	2,523	6,112	-33%	28	-78%	0.0%	2.0%	91.9	1.7	20,000
	COM	649	2,899	-31%	37	-27%	7.0%	8.0%	17.2	1.4	45,950
	POB	156	548	-34%	-1	-129%	-1.0%	-1.0%	-209.7	1.4	16,600
	PPY	138	1,473	-29%	10	-47%	4.0%	8.0%	13.6	1.0	15,900
Gas trading	PGD	2,790	7,527	-6%	203	-13%	7.0%	15.0%	13.7	2.1	31,000
	PGC	1,062	2,821	-11%	125	-19%	6.0%	14.0%	9.8	1.5	17,600
	PGS	975	4,802	-25%	57	-23%	3.0%	6.0%	18.9	1.1	19,500
	CNG	643	2,338	10%	50	-41%	5.0%	9.0%	14.4	1.4	23,800
	PVG	329	3,458	-1%	1	147%	0.0%	0.0%	771.0	0.8	9,000
	ASP	254	2,705	6%	32	-20%	2.0%	9.0%	11.4	0.6	6,800
Petrochemical	PVC	409	2,167	-4%	25	-37%	1.0%	1.0%	56.8	0.7	8,600
Mechanical	PXS	428	1,137	180%	3	-101%	0.0%	1.0%	167.3	1.3	7,130
	PVB	406	695	82%	61	62%	8.0%	14.0%	6.9	1.0	18,800
	PVY	143	369	7%	-51	0%	-7.0%	0.0%	-2.8	-0.6	2,400
	PMS	125	915	-16%	21	23%	7.0%	14.0%	6.6	0.9	17,300
Equipment supply	PET	2,043	13,915	39%	143	12%	2.3%	8.2%	15.3	1.3	16,550
	PEQ	199	657	-21%	15	-30%	9.0%	17.0%	15.7	2.7	40,000
	PTV	134	408	-34%	-0.2	-106%	0.0%	-1.0%	-114.3	0.7	6,700
Fertilizer producer	DCM	7,147	7,563	7%	665	55%	7.0%	11.0%	13.0	1.4	13,500
	DPM	6,594	7,762	1%	703	81%	6.0%	8.0%	10.6	0.9	16,850

Source: BSC Research

## Appendix 04 – Evaluation of stocks from a technical analysis perspective for 2021

Stock	Price 16/03/2021	Forecast trough	Support 2	Support 1	Resistance 1	Resistance 2	Forecast peak	Upside
PVS	23,700	17,040	19,270	22,450	26,500	30,960	33,730	42.3%
PVD	23,550	16,510	18,820	22,110	26,300	30,920	33,780	43.4%
POS	17,800	12,770	14,590	17,190	20,500	24,150	26,410	48.4%
PQN	4,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
GAS	90,300	73,690	78,960	86,450	96,000	106,530	113,040	25.2%
PVT	18,000	12,970	14,570	16,850	19,750	22,950	24,930	38.5%
PVP	14,700	10,050	11,520	13,630	16,300	19,250	21,070	43.3%
PJT	12,550	10,620	11,230	12,100	13,200	14,420	15,170	20.9%
PDV	5,200	3,560	4,220	4,750	5,280	6,040	7,000	34.6%
BSR	16,000	10,850	12,320	14,420	17,100	20,050	21,880	36.8%
PLC	30,000	20,600	23,290	27,120	32,000	37,380	40,710	35.7%
PLX	57,800	46,290	49,430	53,900	59,600	65,880	69,770	20.7%
OIL	14,300	11,150	12,410	14,210	16,500	19,030	20,590	44.0%
PSH	20,000	14,330	16,700	19,070	20,540	21,730	22,910	14.6%
COM	45,000	38,110	41,740	43,990	45,810	47,620	50,210	11.6%
POB	14,000	-4,750	4,140	13,020	18,520	22,970	27,410	95.8%
PPY	15,400	7,960	9,720	12,560	15,410	17,170	18,590	20.7%
PGD	30,800	25,870	27,600	29,340	31,800	34,950	38,420	24.7%
PGC	19,000	14,420	15,890	17,360	19,450	22,100	25,040	31.8%
PGS	21,500	16,230	17,810	19,390	21,640	24,500	27,660	28.7%
CNG	26,400	22,240	23,410	25,080	27,200	29,540	30,990	17.4%
PVG	10,800	8,650	9,320	10,280	11,500	12,850	13,680	26.7%
ASP	7,620	6,190	6,630	7,250	8,050	8,930	9,470	24.3%
PVC	10,800	7,980	9,000	10,450	12,300	14,340	15,600	44.4%
PXS	7,600	5,650	6,440	7,570	9,000	10,580	11,560	52.1%
PVB	19,300	13,020	15,020	17,020	19,870	23,500	27,500	42.5%
PVY	2,400	2,020	2,150	2,280	2,460	2,700	2,960	23.3%
PMS	19,300	14,070	15,310	17,060	19,300	21,770	23,290	20.7%
PET	24,450	15,110	17,350	20,540	24,600	29,080	31,850	30.3%
PEQ	46,000	36,650	39,800	44,290	50,000	56,300	60,200	30.9%
PTV	7,000	4,800	5,450	6,100	7,020	8,200	9,500	35.7%
DCM	16,350	11,120	12,580	14,660	17,300	20,220	22,020	34.7%
DPM	18,700	14,620	15,830	17,550	19,750	22,180	23,680	26.6%

Source: BSC Research

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