



MACRO & MARKET February 2022

Along with the World Momentum

04/03/2022

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MONTHLY ARTICLE

February 2022

**Impact of military campaign between
Russia and Ukraine on the economy
and stock market**

MONTHLY ARTICLE:

ANNEXATION OF CRIMEA BY THE RUSSIAN FEDERATION (22/02/2014 - 27/03/2014)

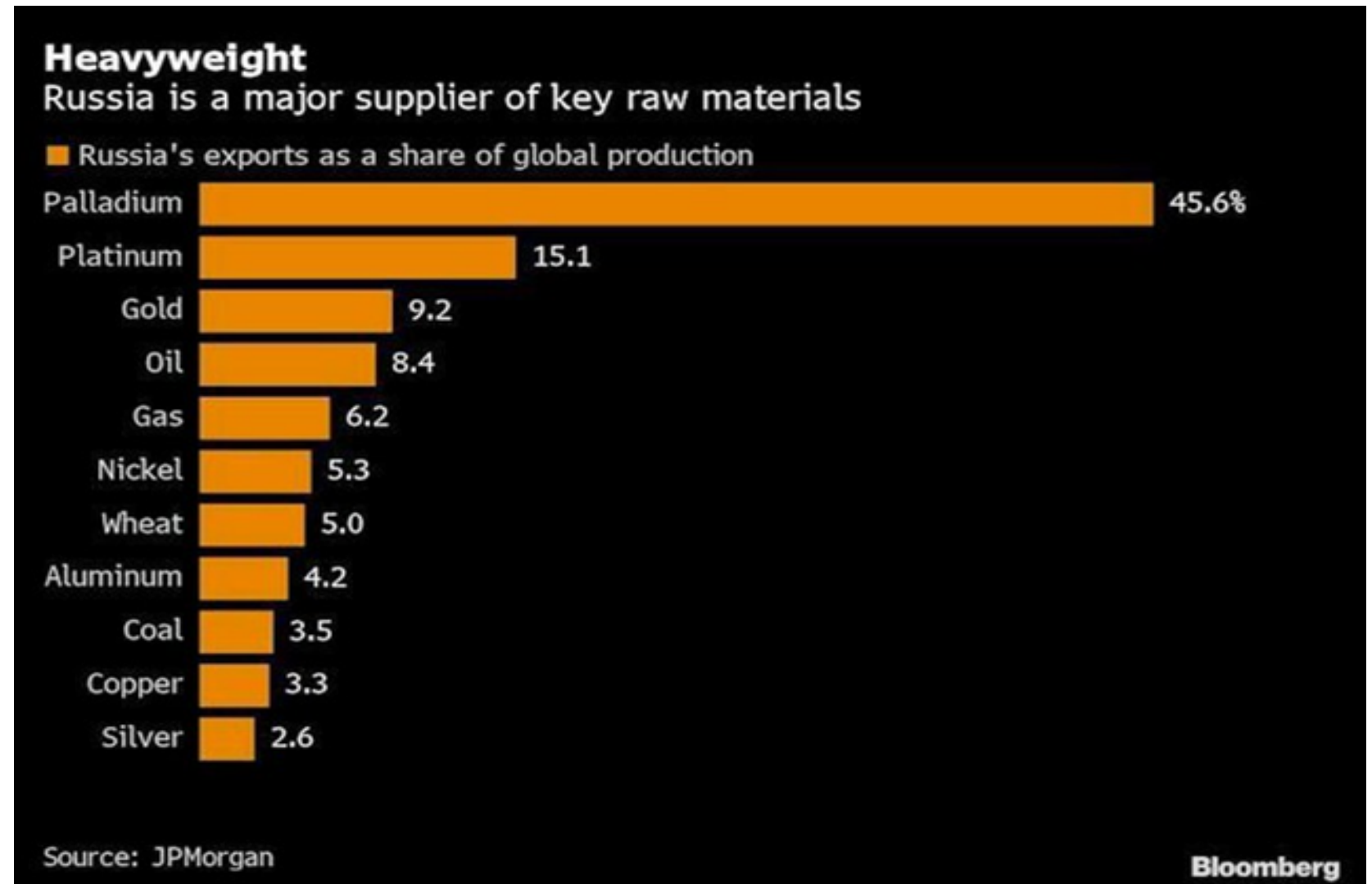
- ❖ **Russian stock market** was down 10.47% since the event began until the end, then recovered after 3 months;
- ❖ **The U.S. stock market** was almost flat during the event, then entered a bullish period 3 months later;
- ❖ **Vietnam stock market** was hardly affected by this event;
- ❖ **Oil prices** tended to go sideways and rise slightly (from 1-3 months) due to a high price base;
- ❖ **Commodities prices** tended to fall in the opposite direction;
- ❖ **Wheat and barley prices** reacted quite negatively to the event.

| No | Category | Index/ Commodity | Unit | Start Date | End Date | Timestamp | | | | |
|----|---------------|------------------|------------------|------------|-----------|-----------|---------|---------|---------|---------|
| | | | | 2/22/2014 | 3/27/2014 | T+5 | 1M | 3M | 6M | 12M |
| 1 | Russian Stock | MOEX | point | 1,488 | 1,332 | 1,366 | 1,299 | 1,477 | 1,408 | 1,572 |
| 2 | US Stock | S&P 500 | point | 1,836 | 1,849 | 1,889 | 1,869 | 1,961 | 1,978 | 2,061 |
| 3 | Vietnam Stock | VN-Index | point | 570.57 | 590.14 | 589.44 | 573.10 | 578.82 | 599.78 | 551.42 |
| 4 | Crypto | Bitcoin | USD/BTC | 563.31 | 513.58 | 436.23 | 439.17 | 576.53 | 375.22 | 248.55 |
| 5 | Energy | Brent | USD/bbl | 110 | 108 | 106 | 108 | 113 | 97 | 56 |
| 6 | Energy | Gas | USD/MMBtu | 6.135 | 4.584 | 4.470 | 4.795 | 4.409 | 4.154 | 2.590 |
| 7 | Metal | Gold | USD/ounce | 1,324 | 1,291 | 1,287 | 1,297 | 1,316 | 1,216 | 1,199 |
| 8 | Metal | Palladium | USD/troy | 740 | 761 | 789 | 801 | 843 | 790 | 741 |
| 9 | Metal | Platinum | USD/t oz | 1,429 | 1,400 | 1,442 | 1,419 | 1,477 | 1,308 | 1,138 |
| 10 | Metal | Steel | CNY/metric tonne | 3,418 | 3,317 | 3,330 | 3,416 | 3,385 | 2,990 | 2,556 |
| 11 | Metal | Aluminum | USD/MT | 1,740 | 1,705 | 1,800 | 1,799 | 1,858 | 1,936 | 1,782 |
| 12 | Fertilizer | Ammonium Nitrate | USD/metric tonne | 317.5 | 300 | 285 | 252.5 | 265 | 297.5 | 247.5 |
| 13 | Fertilizer | Urea | USD/metric tonne | 365 | 320 | 320 | 295 | 300 | 315 | 280 |
| 14 | Fertilizer | NPKs | USD/metric tonne | 350 | 350 | 335 | 295 | 316.5 | 360 | 267.5 |
| 15 | Fertilizer | Sulphur | USD/MT | 934.25 | 899 | 881.5 | 914 | 920.75 | 812.75 | 541 |
| 16 | Lương thực | Wheat | USD/bu. | 610 | 711 | 676 | 700 | 585 | 481 | 508 |
| 17 | Lương thực | Corn | USD/bu. | 453 | 492 | 500 | 507.75 | 443 | 323 | 391 |
| 18 | Lương thực | Barley | INR/quintal | 1,389.0 | 1,326.5 | 1,314.0 | 1,354.0 | 1,368.0 | 1,595.0 | 1,115.0 |

Source: Bloomberg, BSC Research

MONTHLY ARTICLE: RUSSIAN'S EXPORTS

- ❖ According to JPMorgan, Russia is one of the main suppliers of several commodities and raw materials. Specifically, Russia is in charge of 11 commodities, including some rare goods and metals accounting for a high proportion of total global commodity production such as:
- ❖ **Palladium (45.6%)**: a rare metal with high application in electronics industry, automobile manufacturing
- ❖ **Platinum (15.1%)**: Also known as white gold, it is widely used to make jewelry.



Source: Bloomberg, JPMorgan

❖ Import and export turnover between Vietnam and Russia in 2021 reached 7.14 billion USD, Vietnam ranked 21st among the main trading partners of Russia.

❖ Of which, Vietnam's export turnover to Russia reached 4.89 billion USD mainly in items such as phones and components (33%), computers / electronic products (13%), textiles (10%)...

❖ **Conclusion:** Import and export turnover between Vietnam and Russia accounts for more than 1% of Vietnam's total import and export turnover. Vietnam ranks 39th among Russia's trading partners. Price fluctuations of important input materials such as gasoline, oil, gas... Should followed further in the near future.

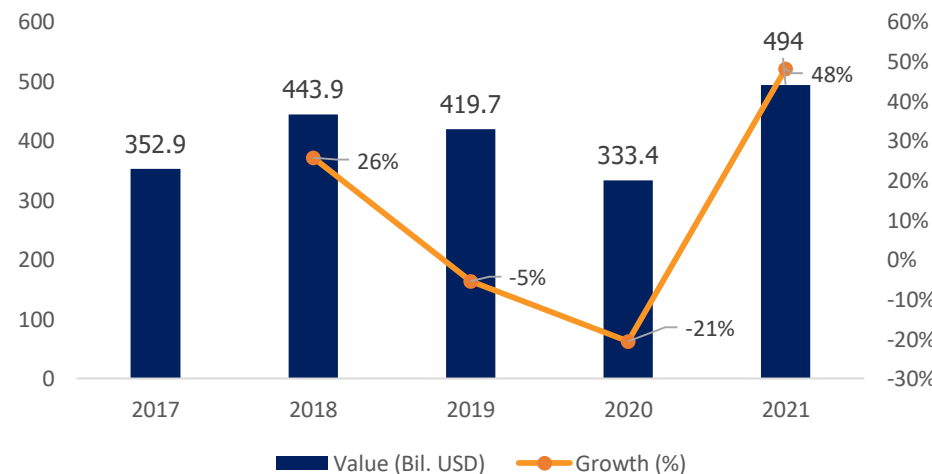
MONTHLY ARTICLE: RUSSIAN'S EXPORTS

Exports in the period of 2020-2021

| Categories | Export 2020 (billion USD) | Export 2021 (billion USD) | % change to 2020 | Check | Proportion in export structure | |
|-------------------------------|------------------------------|------------------------------|---------------------|--------|-----------------------------------|--------|
| | | | | | 2020 | 2021 |
| Fuel and energy | 198.35 | 314.43 | 58.52% | 58.52% | 58.65% | 63.73% |
| Metals and metal products | 45.88 | 68.82 | 50.00% | 50.00% | 10.3% | 7.90% |
| Chemical products | 28.08 | 37.85 | 34.80% | 34.80% | 7.1% | 7.70% |
| Food and raw materials | 29.56 | 35.89 | 21.40% | 21.40% | 8.8% | 7.30% |
| Machinery and equipment | 24.97 | 32.44 | 29.90% | 29.90% | 7.5% | 7.50% |
| Wood, pulp and paper products | 12.52 | 17.2 | 37.40% | 37.40% | 3.7% | 3.50% |
| Total | 339.37 | 506.63 | | | | |

Source: Bộ Công Thương

Export in the period of 2017-2021



Source: Bloomberg, BSC Research

Top 5 export market of Russian

Unit: million USD

| Nation | 2020 | 3Q/2021 | Nation |
|---------|--------|---------|-------------|
| China | 57,092 | 54,319 | China |
| The UK | 24,532 | 24,635 | Germany |
| Germany | 21,889 | 22,586 | The US |
| Turkey | 17,829 | 21,310 | Netherlands |
| The US | 16,843 | 20,178 | Turkey |

MONTHLY ARTICLE: UKRAINE'S EXPORTS

❖ According to Reuters, Ukraine currently accounts for 16% of maize production and 12% of global wheat exports, of which 36% of corn exports to China (2020-2021) are up 19% from the previous year.

❖ In addition, some other major exports of Ukraine can be mentioned as iron and steel, ore, animal grease, plants ... However, the export value is not too significant.

❖ Bilateral trade between Vietnam and Ukraine in 2021 reached 720 million USD (up 50% compared to 2020) but only accounted for 0.1% of Vietnam's total import and export turnover.

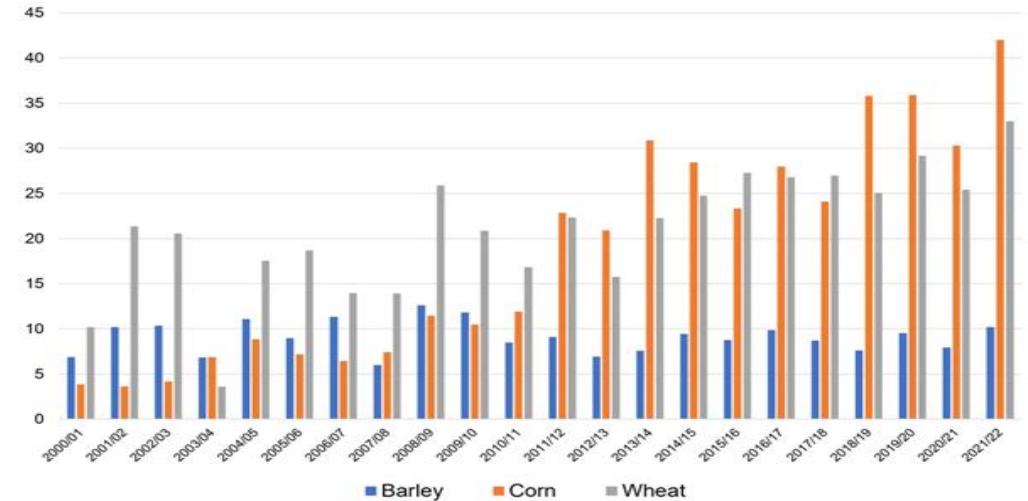
❖ **Conclusion:** The conflict in Ukraine will not have a significant impact on Vietnam's economy.

Exports in the period of 2020-2021

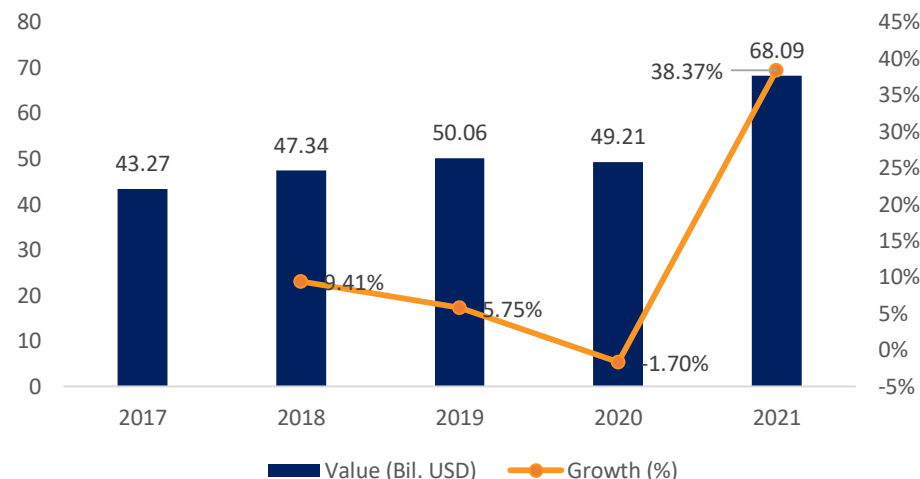
Ukraine's export value in 2020 of some goods

| Goods | Weighted (%) | Export Value 2020 (Bil. USD) |
|------------------------------------|--------------|------------------------------|
| Cereals | 19.0% | 9.42 |
| Iron and steel | 16.0% | 7.69 |
| Animal and vegetable fats and oils | 12.0% | 5.76 |
| Wholesale ore and ash | 9.0% | 4.42 |
| Electrical equipment, electronic | 5.2% | 2.57 |
| Machines, boilers... | 3.9% | 1.92 |
| Cereals, fruit seeds... | 3.7% | 1.84 |
| Animal feed, scrap... | 3.2% | 1.58 |
| Wood and wooden products | 2.9% | 1.41 |
| Articles of iron or steel | 1.8% | 0.88 |

Source: Tradingeconomics, USDA, Reuters



Export in the period of 2017-2021



Source: Bloomberg, BSC Research

Top 5 export market of Ukraine

Unit: million USD

| Nation | 2020 | 3Q/2021 | Nation |
|---------|--------|---------|---------|
| China | 16,047 | 14,750 | China |
| Russian | 8,161 | 7,253 | Poland |
| Germany | 7,443 | 6,917 | Russian |
| Poland | 6,987 | 6,162 | Germany |
| Turkey | 4,998 | 5,172 | Turkey |

MONTHLY ARTICLE : INDUSTRY RECOMMENDATIONS

OIL & GAS INDUSTRY

- ❖ **For upstream groups:** Exploration and mining projects will be active again thanks to increased demand for mining, and enterprises providing drilling services, rig construction, floating warehouses such as **PVS** and **PVD** are expected to get new contracts with higher value..
- ❖ **For the midstream group:** the demand for oil transport in 2022 is expected to increase as the demand for petrochemical products from Dung Quat and Nghi Son projects recovers. In addition, the demand for LNG imports will continue to promote the construction of the storage system. **PVT** currently accounts for the entire market share of crude oil and LPG transport in the country, while **GAS** is investing in Thi Vai LNG projects phase 2 and Son My LNG phase 1 with a lot of potential in the coming time.
- ❖ **For downstream groups:** **PLX**, **OIL** are positive thanks to expectations of a recovery in gasoline production and rising selling prices, and the prospect of divestment at PGBank. In addition, **BSR** will also benefit from the crack spread, which improves profitability.

FERTILIZER INDUSTRY

- ❖ Russia's ban on ammonium nitrate (NH_4NO_3) exports could push up global nitrogen fertilizer prices. Currently, Russia's ammonium nitrate exports reach about 15 million tons per year, accounting for 75% of the world's supply. In addition, China maintains a policy of restricting fertilizer exports to ensure domestic supply, amid energy shortages and rising input costs (gas and coal). This will further exacerbate supply shortages, and push up the price of fertilizers to remain high.
- ❖ **DPM** and **DCM** are expected to be positive on expectations that fertilizer exports will increase and the selling price will continue to remain high..

MONTHLY ARTICLE : INDUSTRY RECOMMENDATIONS

STEEL INDUSTRY

- ❖ Russia is ranked second in steel exports to the EU (after Turkey). The proportion is about 14.1% for flat steel and 19% for long steel.
- ❖ Proportion of exports to the EU by some stakeholders:
 - Ukraine: 8% flat steel and 7.4% long steel
 - Belarus: 14.4% long steel
 - China: 5.7% flat steel and 5.8% long steel
- ❖ If this export is cut due to the embargo, it will create opportunities for other exporters to enter this market, especially with the galvanized steel group currently exporting to this market (NKG, HSG). Currently, HPG does not export much construction steel to the EU;
- ❖ The group of galvanized steel producers exported to the EU (**NKG, HSG**) could benefit if the EU cuts steel imports from Russia and Belarus, Ukraine cannot maintain production due to the war.;

LOGISTICS INDUSTRY

❖ Seaport:

Trade in goods between Vietnam, Russia and Ukraine accounts for a small proportion of the total import and export turnover, so the disruption of trade with these two countries will not significantly affect Vietnam's import and export turnover, the output of goods through the seaport system maintains a positive outlook. BSC recommends **POSITIVE** for seaport industry (**GMD, VSC**) in 2022.

❖ Shipping:

- Shortages are still ongoing, so ship owners have the ability to transfer costs to customers thereby ensuring operating profit margins in case fuel costs continue to fluctuate;
- Shipping enterprises in Vietnam mainly carry out the leasing of ships on the Middle East - Inner Asia routes, so the increase in Russian and Ukrainian freight charges will not affect businesses in case tensions continue to linger.
- BSC recommends **POSITIVE** for shipping industry (**HAH, PVT**) in 2022

MONTHLY ARTICLE : INDUSTRY RECOMMENDATIONS

FOOD INDUSTRY

❖Rice Export Industry:

- From the beginning of the year to February 15, 2022, rice exports showed relatively positive signals when production and export value increased by 36% and 20% respectively compared to the same period last year. Currently, exports to Russia and Ukraine account for less than 1% of Vietnam's rice exports, so the fighting will not seriously affect the industry. BSC assesses that the food industry may benefit from a number of factors:

(1) Food supply disruptions: Russia and Ukraine are the two top-notch exporters of wheat (one-third of the world's trade) and corn (Ukraine's corn exports account for a staggering 22% of world trade), causing prices of foods such as bread to rise. Therefore, prices of foods such as bread rose, while people's incomes were significantly affected, leading to increased demand for lower-priced alternatives such as rice.

(2) Non-war countries have also increased the need to stockpile food and substitutes to ensure national food security.

- Therefore, BSC recommends **POSITIVE** for large rice exporters such as **LTG, TAR, AFX, PAN**,... Will benefit from the tendency to hoard food during the war.

❖Sugar Cane Industry :

- BSC recommends **POSITIVE** for sugarcane industry group (**SBT, QNS, LSS**) thanks to the sugar price is expected to maintain positive based on:

(1) Sugarcane supplies in Brazil (the world's largest sugar exporter) are prioritized to produce ethanol biofuels as the price of this fuel (+32%YoY) follows the trend of crude oil prices increasing by 54% YoY.

(2) Sugar demand still exceeds the world supply, expected to be 3-4 million tons in the period 2021-2022.

MACRO February 2022

**Active operation of
the economy**

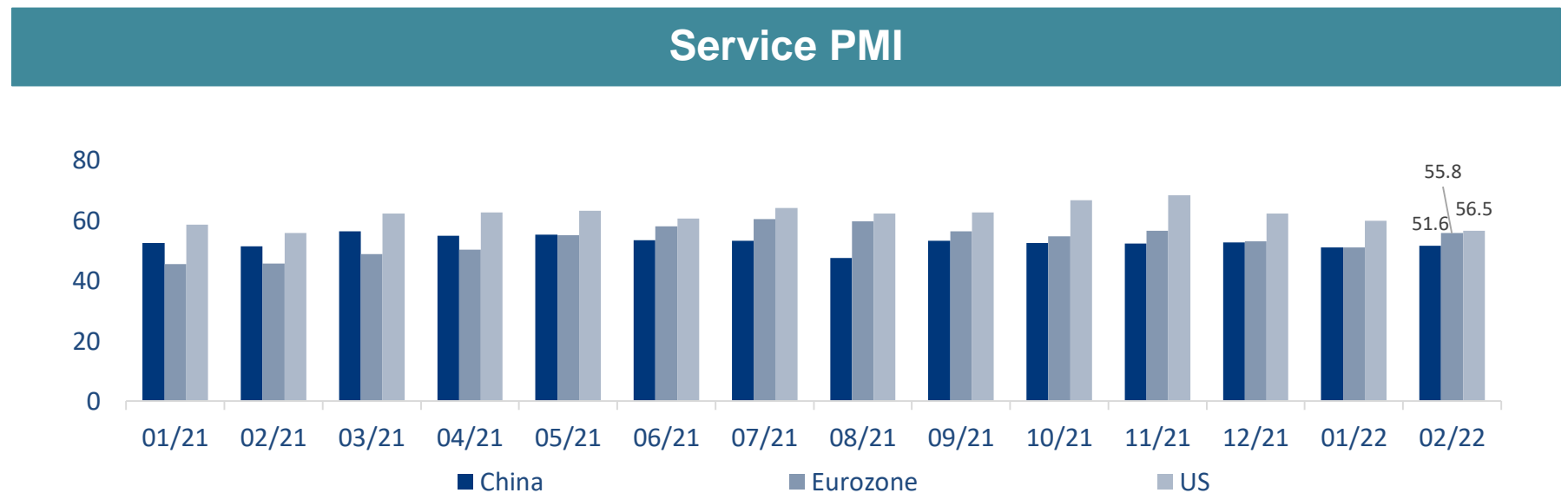
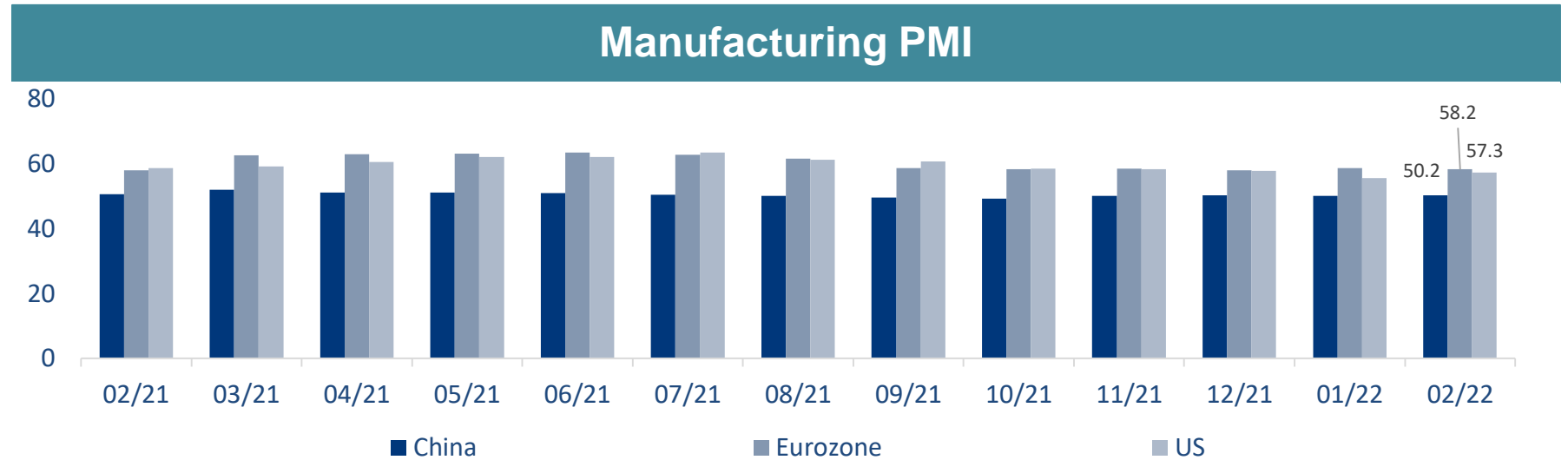


MACRO: ALL THREE ECONOMIES HAD POSITIVE GROWTH

❖ Manufacturing PMI: Positive growth in all three economies.

❖ Service PMI: maintained a recovery trend in all 3 economies.

❖ BSC Assessment: Economic growth in all three major economies was good in February 2022 with the number of orders increasing and delays in deliveries having been eased. However, all three major economies are still facing rising input prices due to supply pressures and inflation.



Source: Bloomberg, BSC Research

MACRO: INTERNATIONAL MONETARY POLICY

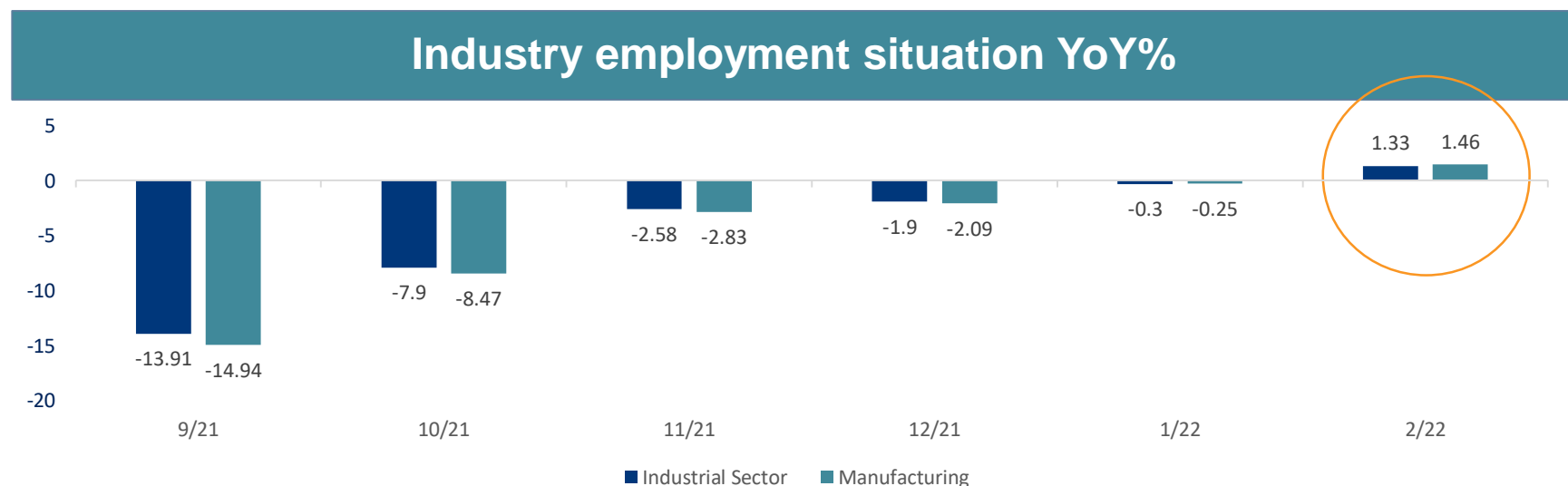
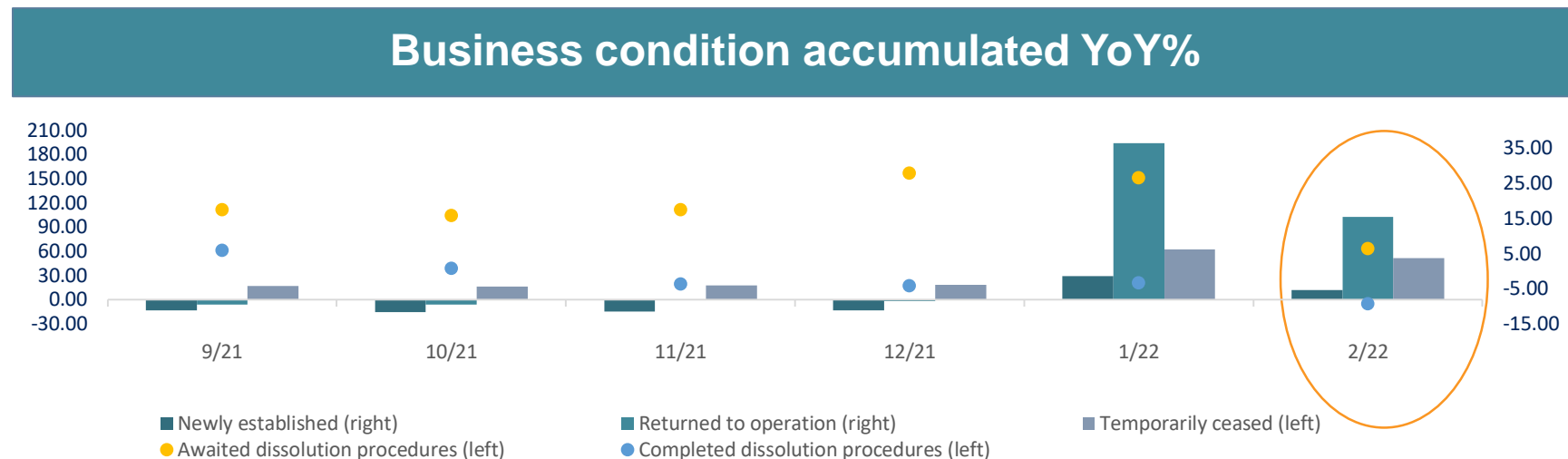
| Nation | US | EU | China |
|-------------------------|---|--|--|
| Monetary policy | Towards tightening | Towards tightening | Towards loosening |
| Operating interest rate | 0 - 0.25% | -0.50% | 2.00% |
| Stimulus packages | - Bond buying activities worth 60 billion USD/month. | - Buying bonds under the Asset Purchase Program (APP) at a rate of EUR 40 billion in Q2 and EUR 30 billion in Q3 | - Lowering the 1-year term interest rate from 3.85% to 3.8%; lowering prime interest rate for 5-year loan from 4.65% to 4.6% |
| Highlight | - Signaling to raise interest rates at least 3 times from 0%-0.25% to 0.75%-1%; ending the bond buying program in March 2022. | - Ending PEPP program but still maintaining APP asset purchase program. - No signal to raise interest rates in 2022 | - The PBOC is gradually shifting to a looser policy to stimulate economic. |

❖ The number of enterprises returning to operation in the first 2 months of the year increased by +102.5% YoY; The number of newly registered enterprises +11.9% YoY while the number of enterprises completing dissolution procedures decreased by -9.4% YoY.

❖ Employment of industrial workers increased by +1.2% MoM (manufacturing processing +1.3% MoM)

❖ In February 2022, the start-up activity of the business took place quite quietly compared to the previous month due to the Lunar New Year holiday in February.

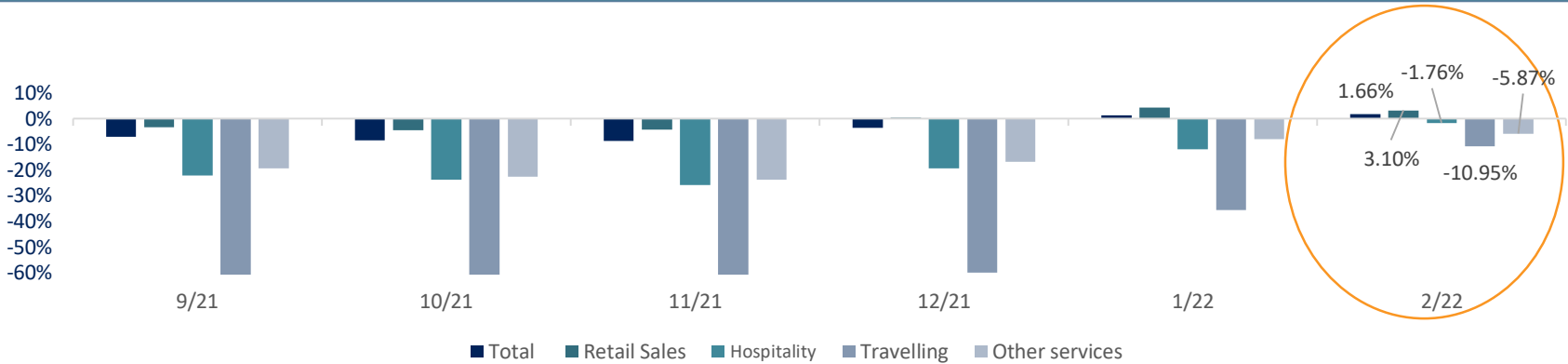
MACRO: THE NUMBER OF BUSINESSES BACK TO OPERATION REMAINED HIGH



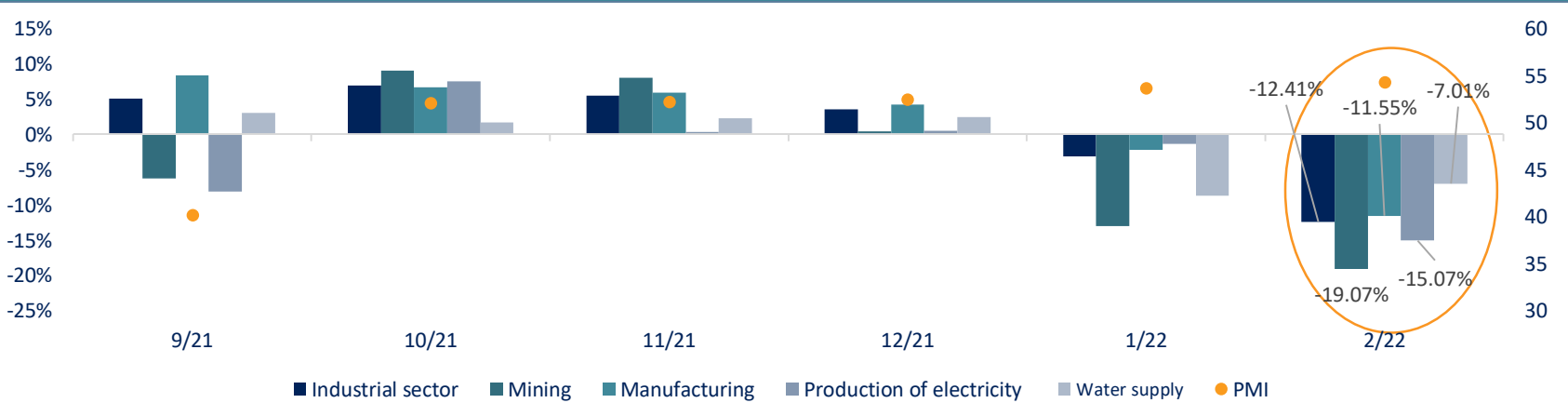
- ❖ Retail sales increased by +3.1% YoY. Other sectors also recovered and narrowed the downward momentum, especially travel services, causing total retail sales of goods and consumer services revenue to grow positively +1.7% in the first two months of 2022.
- ❖ Although the components are still declining over the same period due to the Covid-19 epidemic, they are on the verge of recovery.
- ❖ The PMI reached 54.3 points in February. The number of new orders in February increased as consumer demand at home and abroad both increased. Industrial production in February 2022 is estimated to decrease by 12.4% compared to the previous month due to the Lunar New Year holiday. However, compared to the same period last year, industrial production in February 2022 continued to flourish with an increase of +8.5% YoY.

MACRO: TRAVEL & TOURISM INDUSTRY NARROWS DOWNWARD MOMENTUM

Retail and Consumer services accumulated YoY%



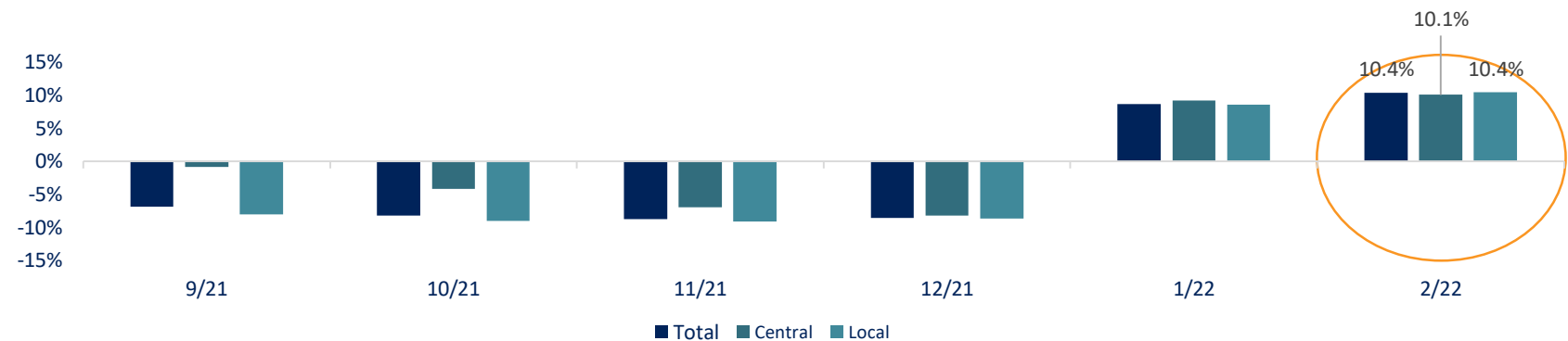
IIP + PMI MoM%



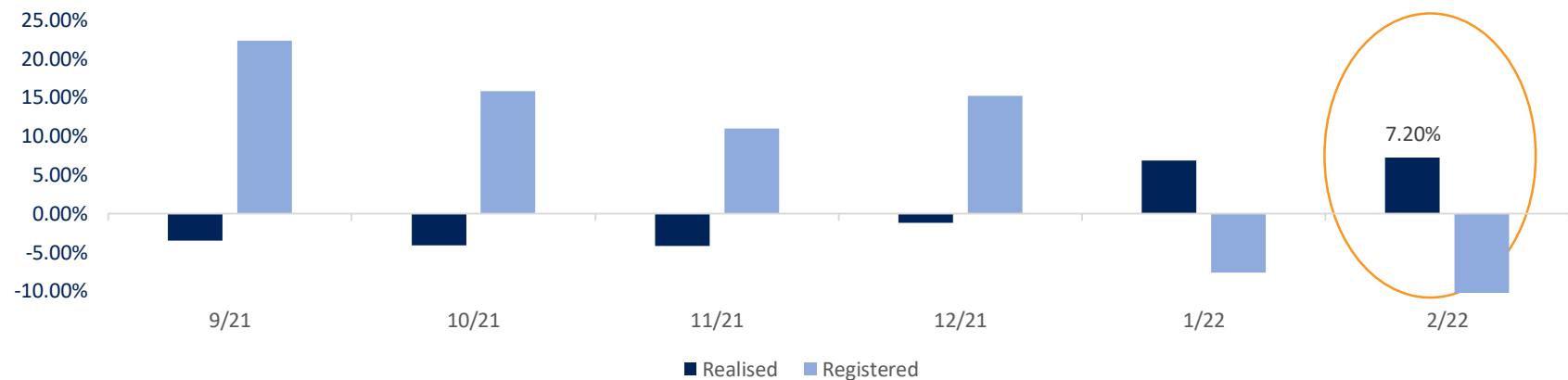
- ❖ Accumulated 2T/2022, disbursement of state budget capital is estimated to increase +10.36% YoY (equivalent to VND 46,320 billion, equal to 8.8% compared to the plan in 2022).
- ❖ In 2M/2022, FDI is estimated to increase by +7.2%. FDI registered for new levels reached 631.76 million USD, down -80.9% YoY. Meanwhile, adjusted registered capital increased by +123.8% YoY.
- ❖ The growth rate of FDI increased compared to the same period last year thanks to the Government's timely issuance and timely implementation of many appropriate solutions to create conditions for production and business activities of enterprises.

MACRO: POSITIVE RATE OF FDI DISBURSEMENT

Disbursement of State capital budget accumulated YoY%



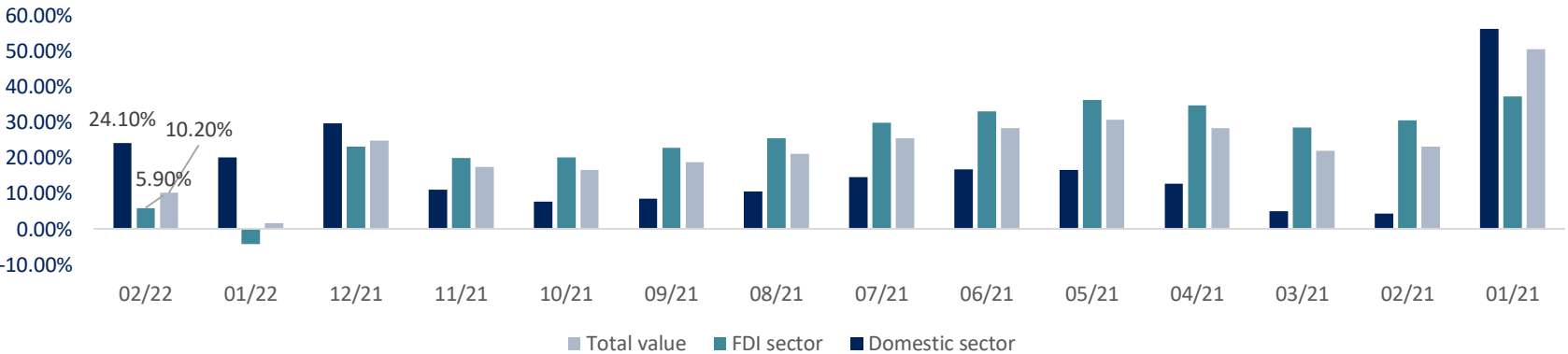
FDI accumulated YoY%



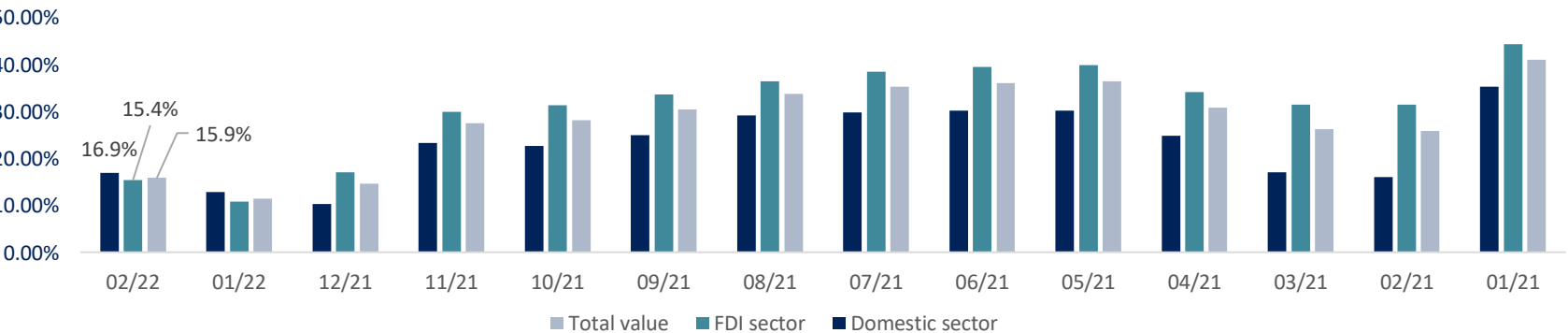
- ❖ Accumulated by the end of February, exports increased by +10.2% YoY, while imports increased by 15.9% YoY. Accumulated 2M/2022 is estimated to import super \$0.93 billion.
- ❖ The growth rate of imports and exports showed signs of rebounding as consumer trends recovered after the Western holiday in January.
- ❖ BSC estimates the export growth rate from 18-19% %YoY and imports at 17-19% YoY by the end of 2022.

MACRO: STABILIZED IMPORT-EXPORT GROWTH RATE

Export accumulated 2021 YoY%



Import accumulated 2021 YoY%



Source: GSO, BSC Research

IMPORT AND EXPORT MOVEMENTS: POSITIVE MOMENTUM

| Export | Tỷ trọng | 01/21 | 02/21 | 03/21 | 04/21 | 05/21 | 06/21 | 07/21 | 08/21 | 09/21 | 10/21 | 11/21 | 12/21 | 01/22 | 02/22 |
|--|----------|--------|--------|--------|-------|-------|-------|--------|--------|--------|--------|--------|-------|--------|-------|
| Total Value (Month) | 100% | 55.8% | -3.2% | 22.9% | 51.0% | 36.5% | 17.4% | 8.6% | -5.4% | -0.6% | 0.2% | 18.5% | 25.1% | 8.1% | 13.6% |
| Phone types and accessories | 17% | 126.3% | -24.4% | -13.6% | 52.4% | 22.4% | -9.5% | 0.3% | 10.3% | 15.1% | -3.7% | 22.6% | 21.9% | -26.2% | 3.3% |
| Computers, electronic products and components | 16% | 46.2% | 23.0% | 27.0% | 28.3% | 14.2% | 1.3% | -13.9% | -11.9% | 3.0% | 8.3% | 9.1% | 23.1% | 5.6% | 9.8% |
| Textile products | 10% | 7.7% | -18.5% | 16.5% | 52.8% | 37.9% | 15.3% | 8.5% | -9.0% | -18.5% | -4.3% | 24.9% | 27.7% | 34.2% | 26.3% |
| Others machinery, equipment, tools and spare parts | 10% | 119.1% | 41.9% | 78.2% | 85.7% | 47.9% | 20.6% | 16.0% | 11.6% | 10.9% | 13.0% | 29.0% | 36.3% | 7.5% | 6.8% |
| Footware | 6% | 33.4% | -11.1% | 23.3% | 42.8% | 44.1% | 38.1% | 2.3% | -38.4% | -44.1% | -46.4% | -14.3% | 11.4% | 3.7% | 7.5% |
| Import | Tỷ trọng | 01/21 | 02/21 | 03/21 | 04/21 | 05/21 | 06/21 | 07/21 | 08/21 | 09/21 | 10/21 | 11/21 | 12/21 | 01/22 | 02/22 |
| Total Value (Month) | 100% | 42.3% | 11.2% | 28.5% | 49.9% | 55.5% | 33.5% | 31.7% | 21.1% | 9.5% | 7.7% | 20.7% | 13.3% | 11.3% | 22.4% |
| Computers, electronic products and components | 24% | 33.7% | 10.6% | 17.7% | 48.4% | 28.1% | 11.7% | 11.8% | 4.5% | 8.3% | 0.1% | 19.1% | 14.8% | 25.8% | 27.8% |
| Others machinery, equipment, tools and spare parts | 14% | 38.6% | 20.7% | 32.4% | 31.8% | 61.2% | 36.2% | 33.5% | 25.0% | 13.8% | 5.5% | 8.6% | -3.1% | 0.4% | -2.0% |
| Phone types and accessories | 6% | 101.0% | 32.4% | 7.7% | 70.8% | 88.3% | 39.4% | 42.9% | 11.4% | 1.6% | -2.3% | 10.9% | 9.4% | -12.2% | 28.6% |
| Fabric of all kinds | 4% | 30.3% | 10.4% | 2.0% | 52.8% | 62.0% | 37.0% | 20.9% | 9.7% | 1.8% | -5.0% | 16.7% | 11.9% | 25.7% | 27.7% |
| Iron and Steel of all kinds | 3% | 47.6% | 18.2% | 32.0% | 52.1% | 44.1% | 75.2% | 34.2% | 51.7% | 63.2% | 65.7% | 25.5% | 43.1% | 27.6% | 42.0% |

Source: Fiinpro, BSC Research

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

❖ CPI in Feb 2022 increased +1.42% YoY, making the average annual CPI reach 1.68% YoY. CPI increased compared to the previous month mainly due to:

✓ The price of gasoline, the price of gas increases according to the world price.

✓ The prices of food, food, eating out of the family and the price of public transport services increased during the Lunar New Year.

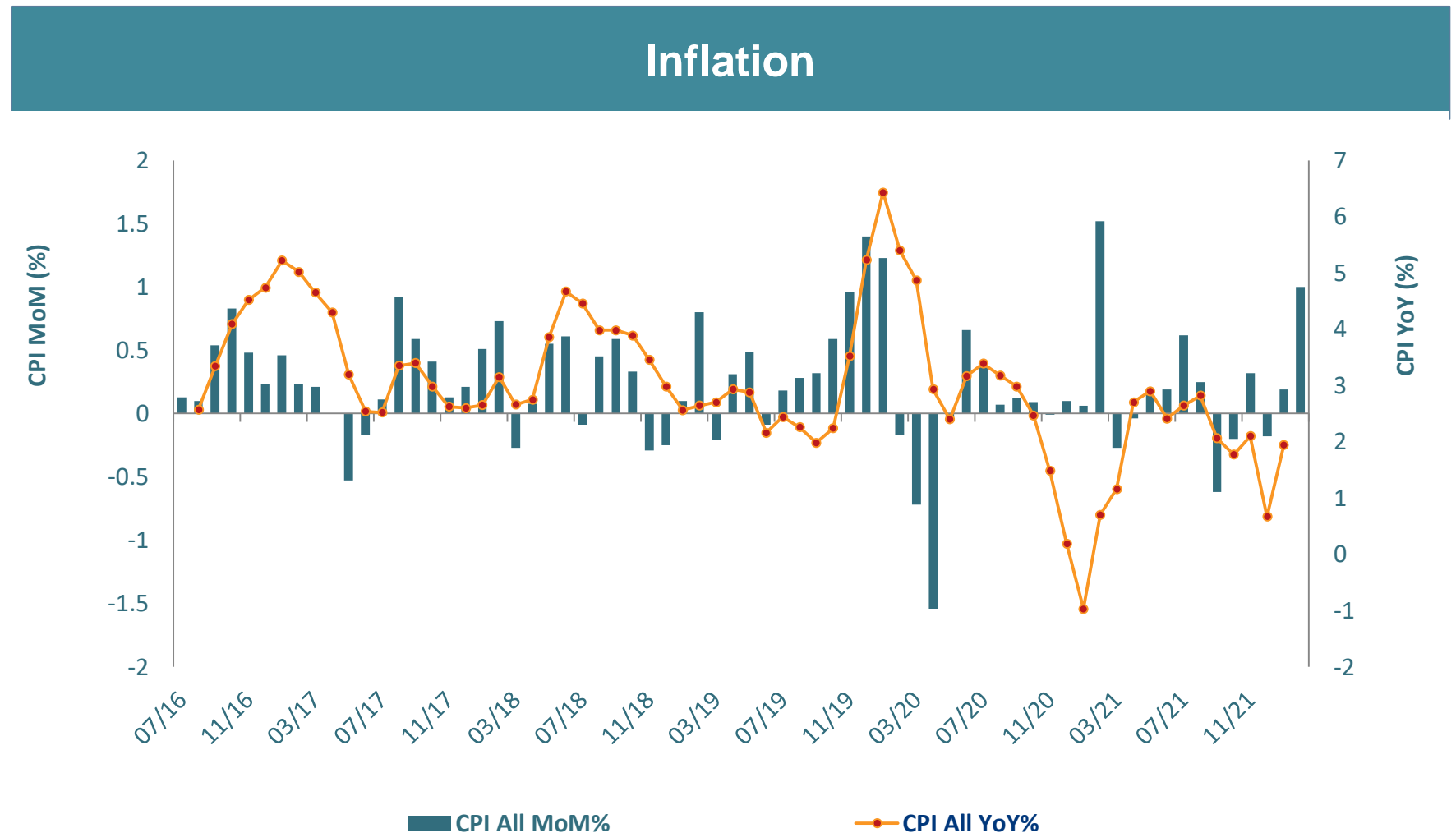
✓ BSC forecasts an estimated CPI in 2022 to reach 3.0%-in a positive scenario and 4.5% in a negative scenario. Key assumptions:

✓ (1) Brent oil prices hover in the \$70-80 per barrel range. If oil prices remain above \$100 per barrel due to the Ukraine war for the full year, the CPI will rise to between 3.6-5.1% compared to the old scenario of 3% and 4.5%.

✓ (2) Pork price ranged from 40,000 - 80,000 VND / kg.

✓ (3) The price of medical services, electricity prices rise again sharply in the negative scenario and sideways in the positive scenario.

MACRO: INFLATION ROSE DUE TO TET HOLIDAYS

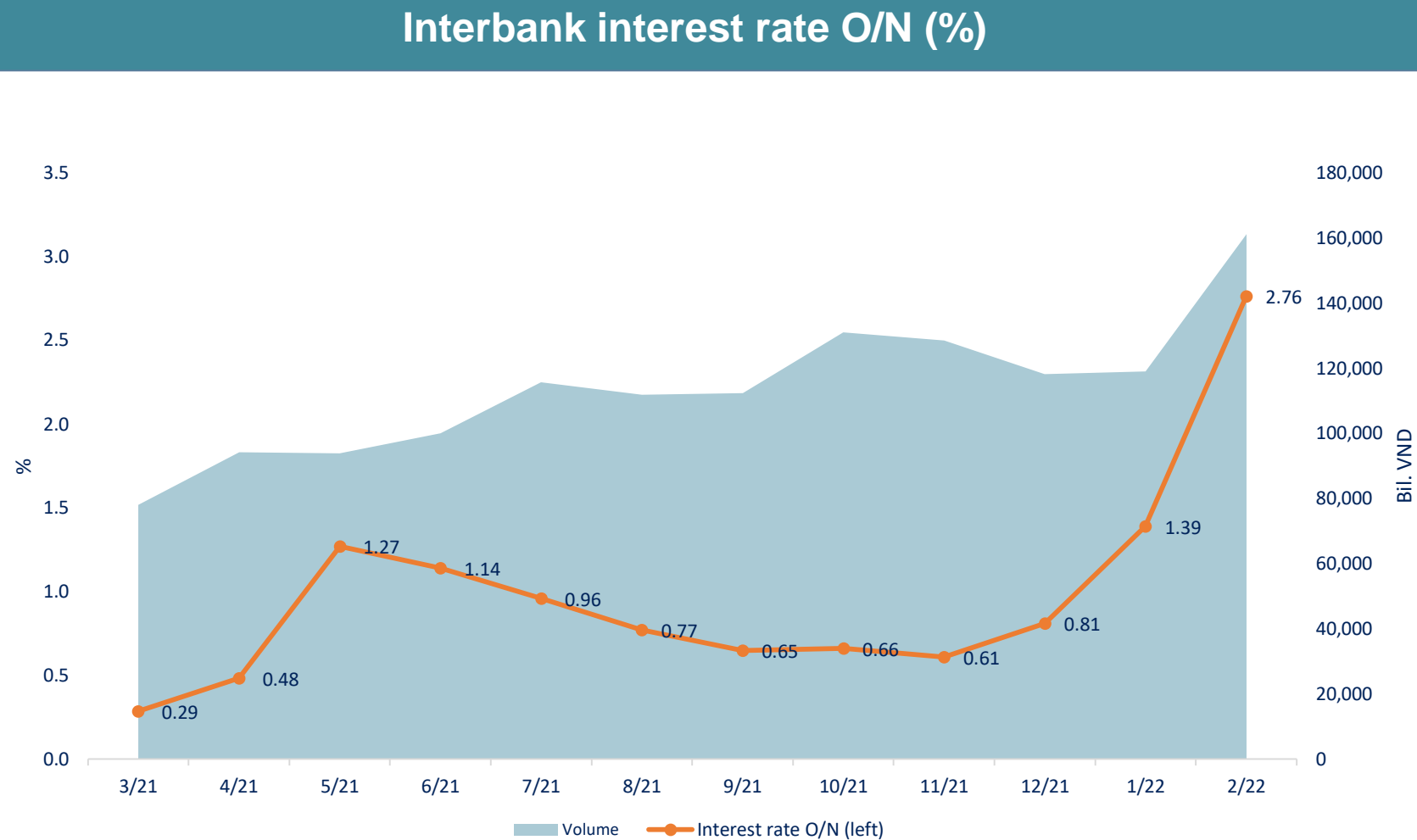


Source: Bloomberg, BSC Research

❖ The average interbank interest rate reached 2.76% in February due to increased demand for credit during the Lunar New Year, following the increase from the end of last year. As of January 2022, credit increased by 1.9% YTD. The level of growth in interbank interest rates is showing a sharp increase in demand for credit as economic activity begins to return.

❖ The underlying CPI increased by +0.68% YoY in February. Inflation has risen again but remains at a stable level, creating conditions to keep the policy direction towards further easing in the coming period. However, the reopening of the economy along with the sharp rise in oil prices will cause inflation to rise sharply in the first quarter of 2022.

MACRO: INTERBANK INTEREST RATES ROSE SHARPLY



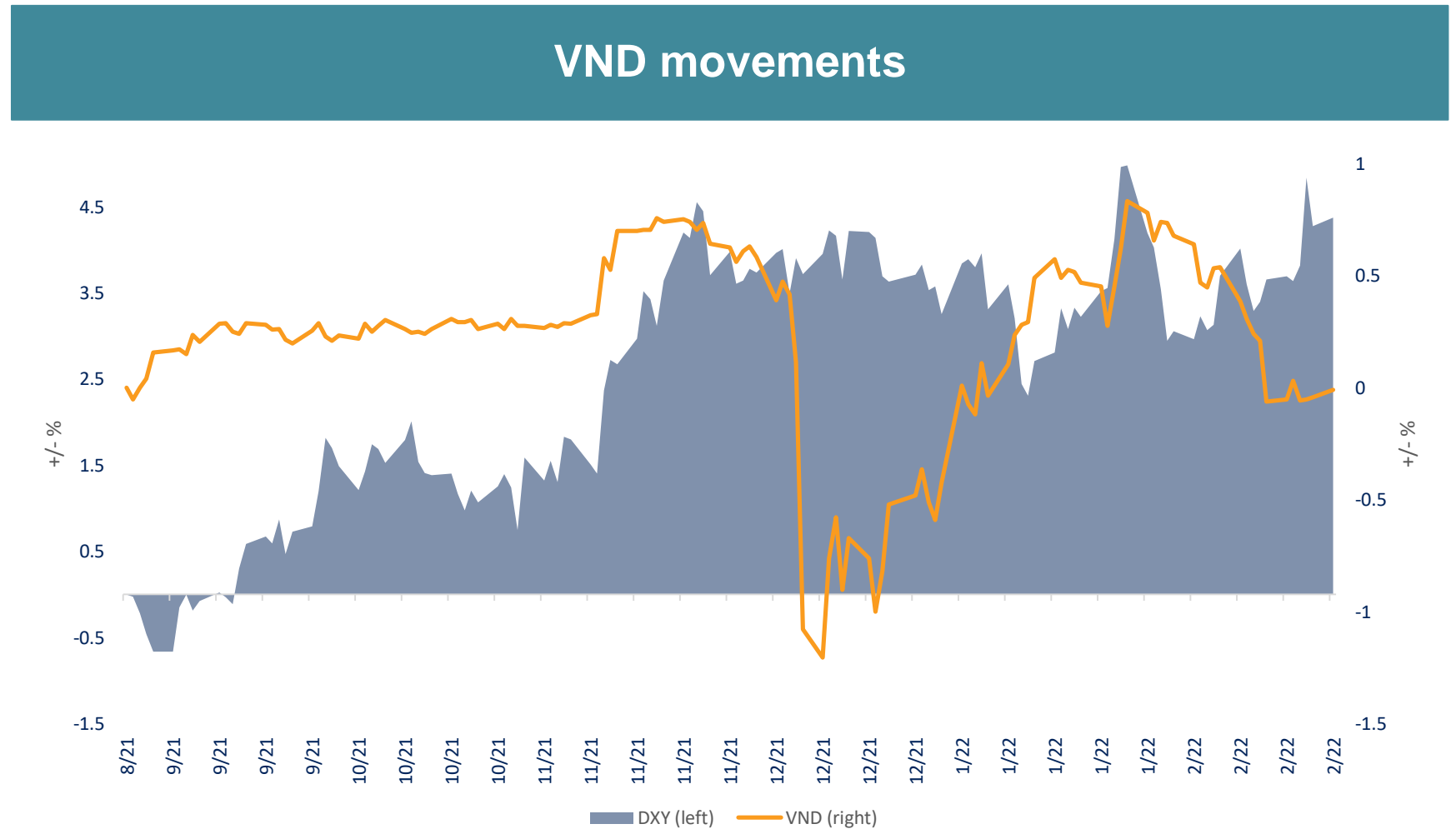
❖ DXY Index increased compared to the previous month as: (1) the Fed accelerated the end of its bond-buying program. (2) The Fed signals to raise interest rates at least three times in 2022. However, the DXY Index has been trending down since mid-February due to tensions between the US and Russia over Ukraine.

❖ After falling sharply at the end of the year, the value of VND rose sharply again during the month but began to decline in February. Although the Fed is likely to raise interest rates to cave 03. However, the exchange rate is expected to remain stable due to:

✓ Foreign exchange reserves remained at a high of \$108 billion.

✓ The trade balance is low, about -0.93 billion USD.

MACRO: VND VALUE DECREASED IN FEBRUARY



Source: Bloomberg, BSC Research

MACRO PICTURE

| | 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 | 9/21 | 10/21 | 11/21 | 12/21 | 1/22 | 2/22 |
|----------------------------------|--------|--------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Retail Sales + Customer Services | 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% | -7.11% | -8.60% | -8.72% | -3.76% | 1.26% | 1.66% |
| Retail Sales | 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% | -3.38% | -4.63% | -4.35% | 0.15% | 4.35% | 3.10% |
| Hospitality | 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% | -22.14% | -23.76% | -26.00% | -19.32% | -11.95% | -1.76% |
| Travelling | 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% | -63.95% | -63.77% | -63.00% | -59.90% | -35.65% | -10.95% |
| Other services | 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% | -19.37% | -22.56% | -23.78% | -16.83% | -8.13% | -5.87% |
| Index of Industrial Production | 9.20% | 9.16% | 9.20% | 9.38% | 9.53% | 9.36% | 9.50% | 9.62% | 9.50% | 9.29% | 9.11% | -5.51% | 6.16% | 5.78% | 1.80% | 0.98% | 2.80% | 2.55% | 2.16% | 2.37% | 2.74% | 3.07% | 3.35% | 22.16% | 7.35% | 5.69% | 9.96% | 9.92% | 9.27% | 7.94% | 5.56% | 4.14% | 3.31% | 3.63% | 4.76% | 2.39% | 5.38% |
| Mining | -4.71% | -2.12% | -0.03% | -0.14% | 1.20% | 1.12% | 2.47% | 1.30% | 1.16% | 0.85% | 0.87% | -12.87% | -3.74% | -5.22% | -6.82% | -8.07% | -7.87% | -7.81% | -6.96% | -7.40% | -8.11% | -7.13% | -7.81% | -6.22% | -11.00% | -8.23% | -5.66% | -6.99% | -6.00% | -6.30% | -6.24% | -6.37% | -6.97% | -6.01% | -5.81% | -4.64% | -2.78% |
| Manufacturing | 11.50% | 11.10% | 10.90% | 10.88% | 10.79% | 10.71% | 10.60% | 10.84% | 10.81% | 10.61% | 10.45% | -4.84% | 7.35% | 7.25% | 3.01% | 2.24% | 4.60% | 4.22% | 3.68% | 3.79% | 4.21% | 0.047 | 4.93% | 27.15% | 10.35% | 8.04% | 12.69% | 12.59% | 11.55% | 9.92% | 7.01% | 5.47% | 4.49% | 4.78% | 6.01% | 2.82% | 6.12% |
| Electricity production | 9.47% | 9.41% | 9.16% | 10.33% | 9.75% | 10.02% | 10.21% | 10.23% | 9.88% | 9.50% | 8.73% | -3.48% | 8.38% | 7.08% | 2.91% | 2.59% | 2.04% | 2.10% | 1.99% | 2.79% | 3.21% | 3.23% | 3.07% | 16.27% | 4.25% | 2.53% | 6.55% | 8.33% | 8.60% | 8.22% | 6.62% | 4.34% | 4.07% | 3.77% | 4.93% | 5.09% | 6.49% |
| Water supply | 7.93% | 8.45% | 7.29% | 7.86% | 7.36% | 7.64% | 7.36% | 7.17% | 7.16% | 6.73% | 6.80% | 1.62% | 4.93% | 6.33% | 3.56% | 2.88% | 2.77% | 3.30% | 2.90% | 3.30% | 4.13% | 3.98% | 4.25% | 8.40% | 4.84% | 7.34% | 7.54% | 7.54% | 6.82% | 5.55% | 4.42% | 3.60% | 3.38% | 2.99% | 2.72% | 1.17% | 2.46% |
| PMI | 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 | 40.2 | 52.1 | 52.2 | 52.5 | 53.7 | 54.3 |
| Export | 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% | 18.75% | 16.62% | 17.53% | 18.97% | 1.61% | 10.21% |
| Import | 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% | 30.54% | 28.20% | 27.54% | 26.48% | 11.46% | 15.92% |
| State budget disbursement | 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% | -6.88% | -8.26% | -8.74% | -8.60% | 8.62% | 10.36% |
| FDI realised | 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% | -3.49% | -4.11% | -4.20% | -1.20% | 6.80% | 7.20% |
| FDI registered | 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% | 22.28% | 15.76% | 10.99% | 15.19% | -7.66% | -14.01% |
| CPI core YoY | 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% | 0.74% | 0.50% | 0.58% | 0.67% | 0.66% | 0.68% |
| CPI YoY | 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% | 2.06% | 1.77% | 2.10% | 1.81% | 1.94% | 1.42% |
| Credit growth ΔYTD% | -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% | 2.87% | 2.63% | 1.80% | 1.97% | 2.39% | 1.44% | | |
| Total means of payment ΔYTD% | -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% | -0.78% | -1.68% | -2.28% | -2.71% | -3.26% | -3.87% | | |
| Interest O/N (%) | 4.1 | 3.5 | 3.7 | 3.0 | 3.1 | 2.9 | 3.0 | 2.6 | 1.7 | 2.4 | 2.9 | 1.6 | 2.1 | 2.0 | 2.1 | 1.1 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.9 | 0.2 | 0.3 | 1.3 | 1.1 | 1.0 | 0.8 | 0.7 | 0.7 | 0.6 | 0.8 | 1.39 | 2.76 |



MARKET February 2022

**Threshold of 1,500 points,
more information awaiting**



MARKET: FORECAST FOR MARCH 2022

SCENARIO 1

Vn-Index exceeded the threshold of 1,500 points and returned to check the peak area of 1,530 points when the economy adapted well in the new normal, the Government stepped up public investment activities, moving towards opening up tourism nationwide. The market is expected to continue to diverge based on preliminary business results in the first quarter, the outlook for the 2022 business plan announced at the annual shareholders' meeting as well as the world stock market movement.

SCENARIO 2

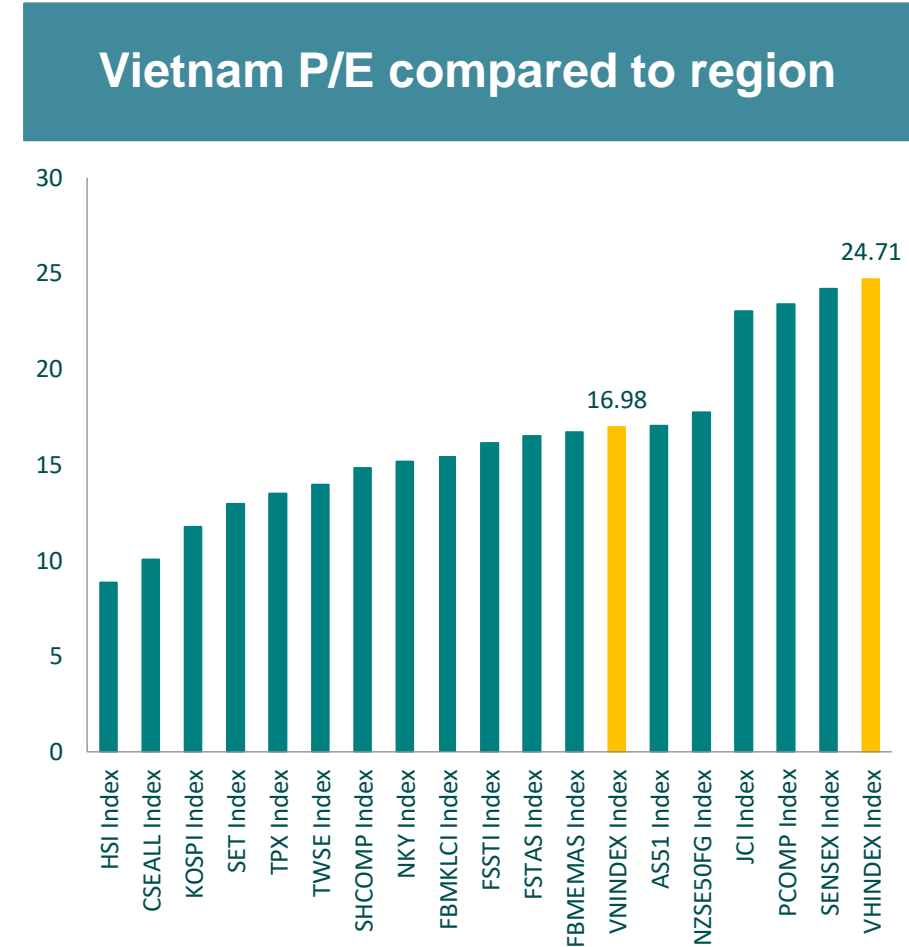
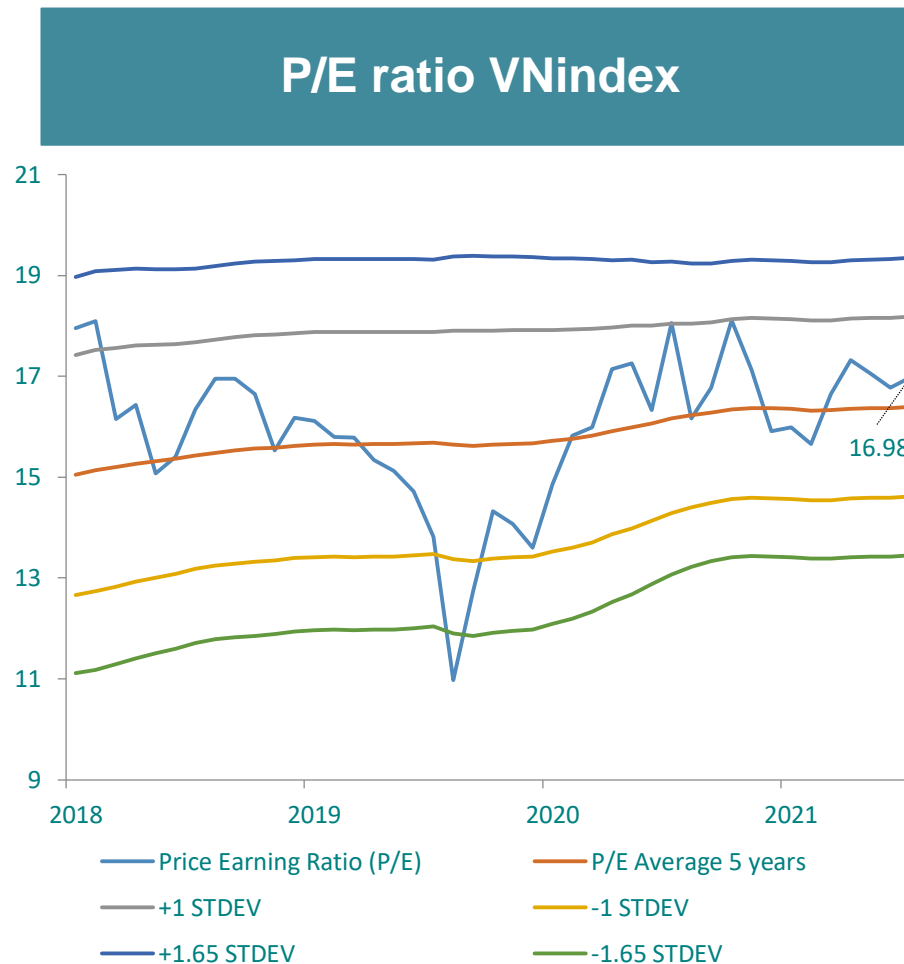
Geopolitical tensions between Russia and Ukraine continue to escalate, causing the price of raw materials and input fuels to rise, increasing inflationary pressures on the economy, not excluding the possibility of reducing the positive effects of the Recovery Package and the direction of the Government. 1,500 points continue to serve as an important psychological barrier, VN-Index will continue to accumulate in the range of $1,470 \pm 30$ points in the process of waiting for more supporting information;



Source: Tradingview, BSC Research

- ❖ VN-Index and HNX-Index increased by 0.76% and 5.63% respectively in February. The indexes had relatively positive bullish sessions after the end of the holiday season. While the VN-Index has quite deep downward corrections, the HNX-Index forms a relatively solid uptrend.;
- ❖ The P/E VN-Index at the end of February stood at 16.98 times, down 1.26% from the previous month, and 3.56% higher than the five-year average P/E. The P/E level of VN-Index is average but P/E HNX Index is at a high price compared to Asia.
- ❖ P/E VN-Index the ability to trade tug-of-war accumulates waiting for more information from the market, around the zone 16.5-17.5.

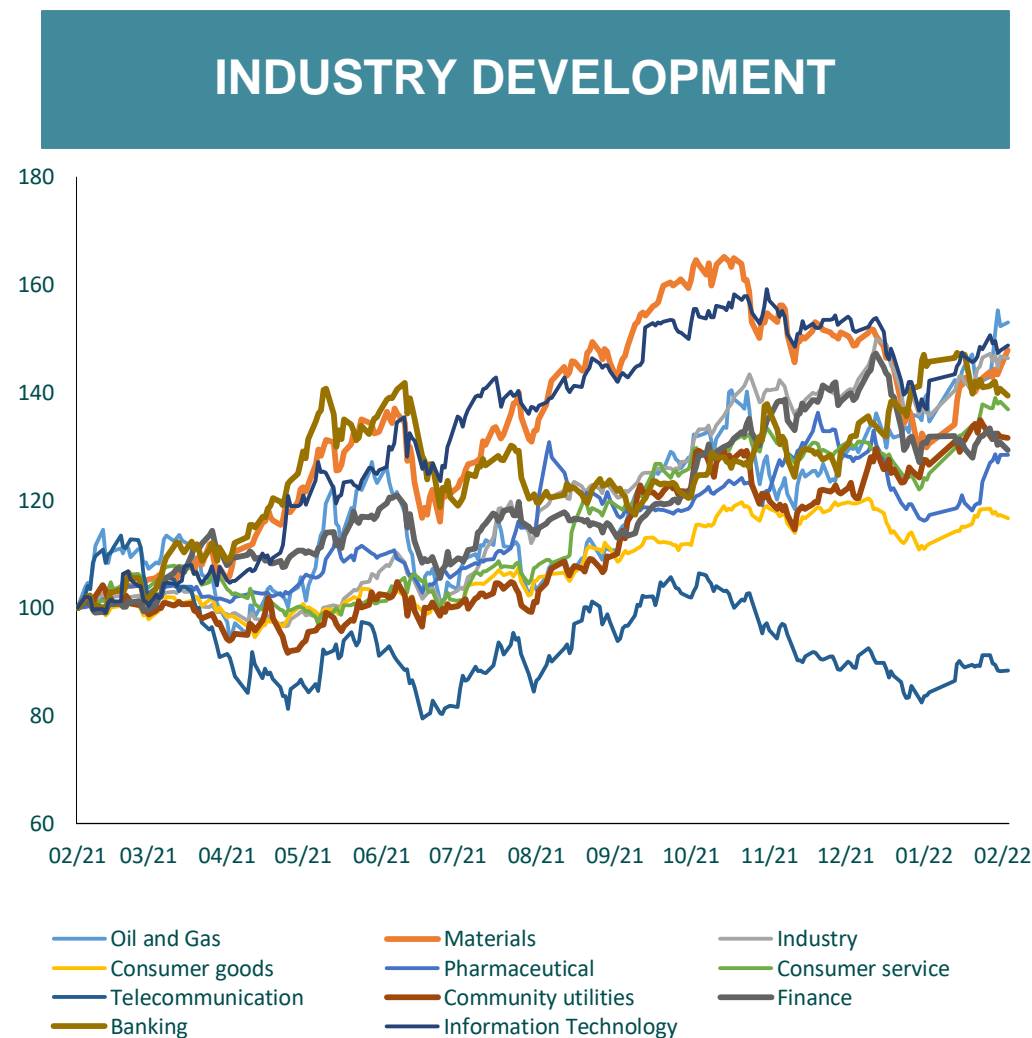
MARKET: VN-INDEX'S P/E WAS RANKED 13TH IN ASIA



Source: Bloomberg, BSC Research

- ❖ The market was positive when 9/11 Tier-I sectors increased. Cash flow is quite cautious in the early stages but has increased from the end of the month onwards when focusing on the oil and gas, materials and consumer services sectors.
- ❖ The oil and gas, materials and consumer services sectors increased positively in February while the banking and finance sectors saw declines of 4.36% and 1.91%, respectively.
- ❖ 2/11 groups have P/E below the market average of 16.98 times. Only 2/11 industries had a decrease in P/B compared to the end of January 2022.
- ❖ The oil and gas industry continues to be an industry with an outstanding increase of over 50% within 12 months

MARKET: POSITIVE WITH 9/11 TIER-I SECTORS RISING



Source: Bloomberg, BSC Research

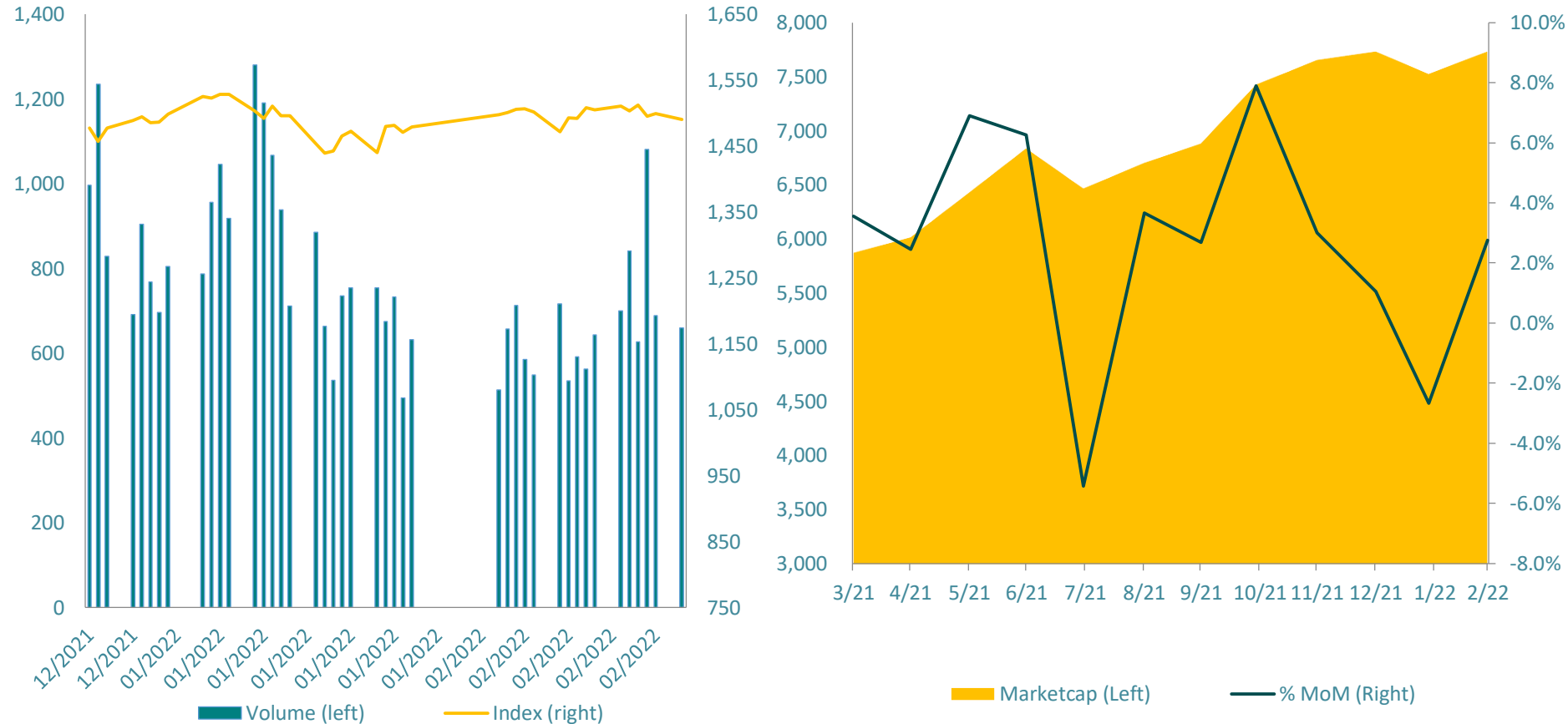
| Sector | %Mom | P/E | ± % | P/B | ± % |
|------------------------|--------|--------|--------|------|--------|
| Oil and Gas | 13.64% | 20.26 | 16.48% | 2.20 | 9.66% |
| Materials | 13.26% | 10.17 | 7.04% | 2.23 | 10.81% |
| Industry | 7.90% | 23.87 | 4.93% | 2.60 | 4.10% |
| Consumer goods | 4.23% | 18.63 | 0.13% | 3.13 | 2.52% |
| Pharmaceutical | 9.46% | 19.54 | 7.42% | 2.21 | 11.96% |
| Consumer service | 9.49% | - | 0.00% | 4.47 | 8.30% |
| Telecommunication | 4.75% | 260.20 | 48.37% | 3.48 | 7.98% |
| Community utilities | 3.99% | 18.74 | 19.07% | 2.39 | 16.58% |
| Finance | -1.91% | 21.85 | 3.76% | 2.87 | -4.64% |
| Banking | -4.36% | 13.62 | -3.62% | 2.28 | -3.85% |
| Information Technology | 4.60% | 20.38 | 1.40% | 3.41 | 8.58% |

- ❖ Market capitalization increased by 2.75% compared to January 2022.
- ❖ Returning after the holidays, the VN-Index traded relatively actively around the 1,500-1,510-point zone before adjusting to around the threshold of 1,500 points in the face of unfavorable world information situation.
- ❖ The average transaction value reached \$1.198 million per session in February, down from January 2022. VN-Index liquidity was active in the last week of February 2022.
- ❖ VN-Index scenario retests the old peak of 1,530 points and waits for more information on the world situation as well as the Government's plan to promote economic development recovery, liquidity is forecast to remain at 1.3 billion USD per session in March 2022.

MARKET: MARKET CAPITALIZATION OF 3 EXCHANGES IN FEBRUARY 2022 REACHED 7.726 MILLION BILLION

Liquidity remained at a good level in February

Market capitalization increased by 2.75% compared to January 31, 2022

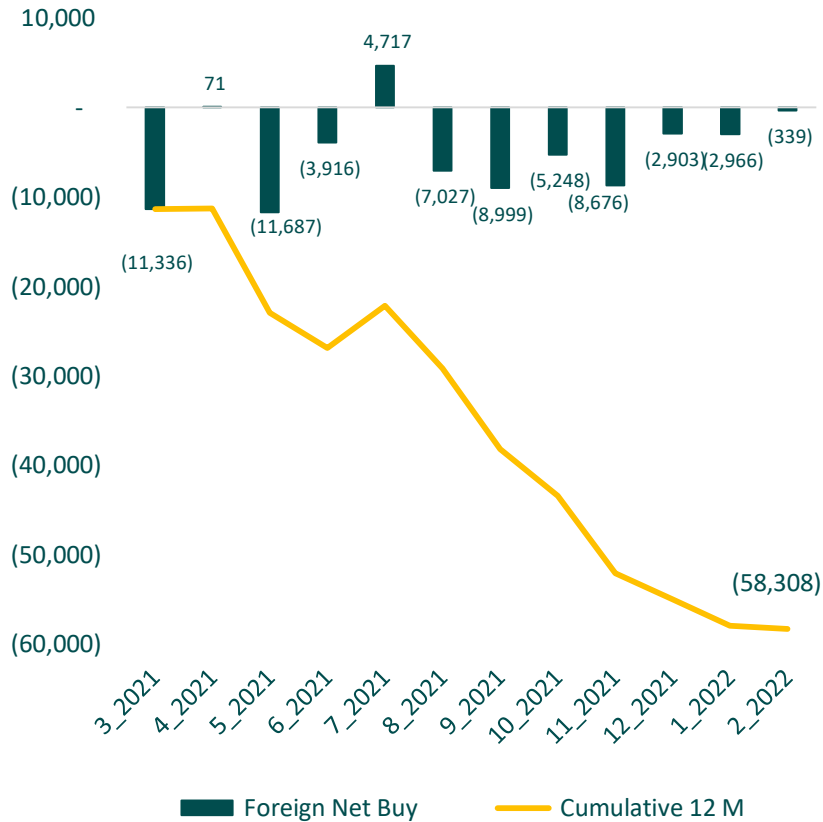


Source: Bloomberg, BSC Research

- ❖ The foreign block maintained net sales for the 7th consecutive month. They sold net in the last 10/12 months with a total net sale value of 58,308 billion.
- ❖ Net foreign sales of VND 339 billion in February decreased significantly compared to January, in which VIC and HPG were the most net sold with the value of VND 1,994 billion and VND 1,048 billion, respectively, while VHM was the most purchased with VND 482 billion..
- ❖ The ETF trades diverge as the Diamond ETF increases in size (up \$17.7 million) while the E1 ETF drops in size (\$32.9 million);
- ❖ Geopolitical tensions between Russia and Ukraine continue to escalate and the Fed is expected to raise interest rates in March, the foreign bloc is expected to be able to maintain the net selling momentum but will shrink as the economy

MARKET: FOREIGN INVESTORS WERE NET SELLERS FOR 7 CONSECUTIVE MONTHS

Foreign investors accumulated net selling of 58,308 billion in 12M



| Stock | Value (billion VND) | Stock | Value (billion VND) |
|---|---------------------|---------|---------------------|
| VHM | 482 | VIC | (1,994) |
| DXG | 469 | HPG | (1,048) |
| FUEVFNVD | 440 | HDB | (499) |
| GMD | 431 | NVL | (338) |
| KBC | 398 | VNM | (255) |
| STB | 337 | E1VFN30 | (233) |
| KDC | 232 | CTG | (176) |
| PNJ | 194 | PLX | (134) |
| SAB | 191 | POW | (113) |
| NLG | 187 | FRT | (105) |
| Net buying and selling value of foreign investors in January 2022 | | | |

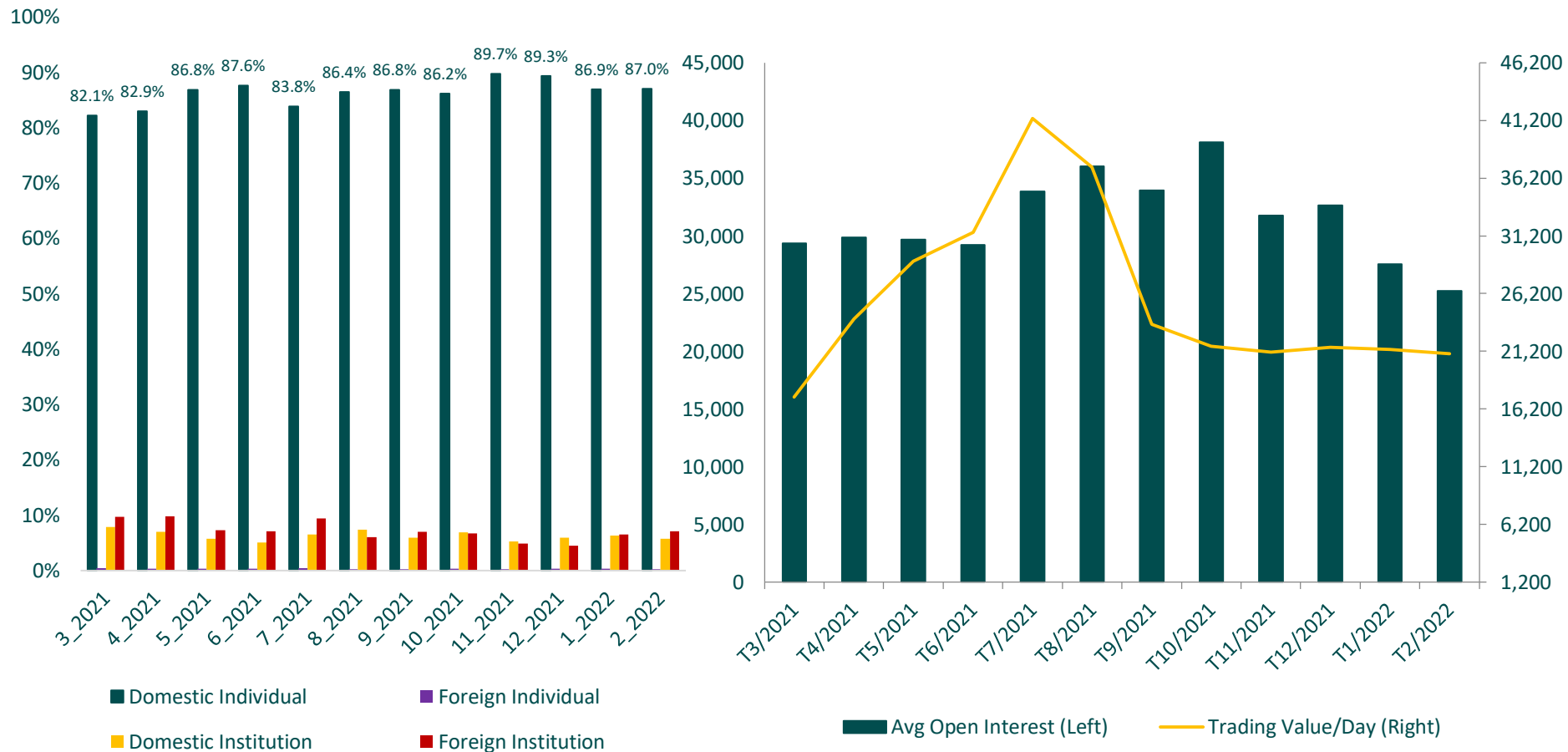
Source: Bloomberg, BSC Research

- ❖ Total trading value in the e-commerce groups had a significant decrease compared to January 2022 (down 28.41%), in which individual investors continued to play a leading role but trading value decreased by 41.68% compared to the previous month.
- ❖ Domestic individual investors traded accounted for 87.0% of the market, a slight increase of 0.09% compared to the previous month and an increase of 0.78% compared to the 12-month average. Other groups of investors traded less actively compared to the previous month except for the group of foreign organizations, but compared to the average of 12 months, all three groups decreased.
- ❖ The average daily transaction value of the Board of Directors decreased by 1.69% compared to T01/2022, while the volume of open contracts decreased by 8.36%. The trend of cautious sentiment, waiting for more information has made the derivatives market less attractive.

MARKET: DOMESTIC INVESTORS REMAINED DYNAMIC TRADE

Domestic investors traded more 0.78 % than the average of 12M

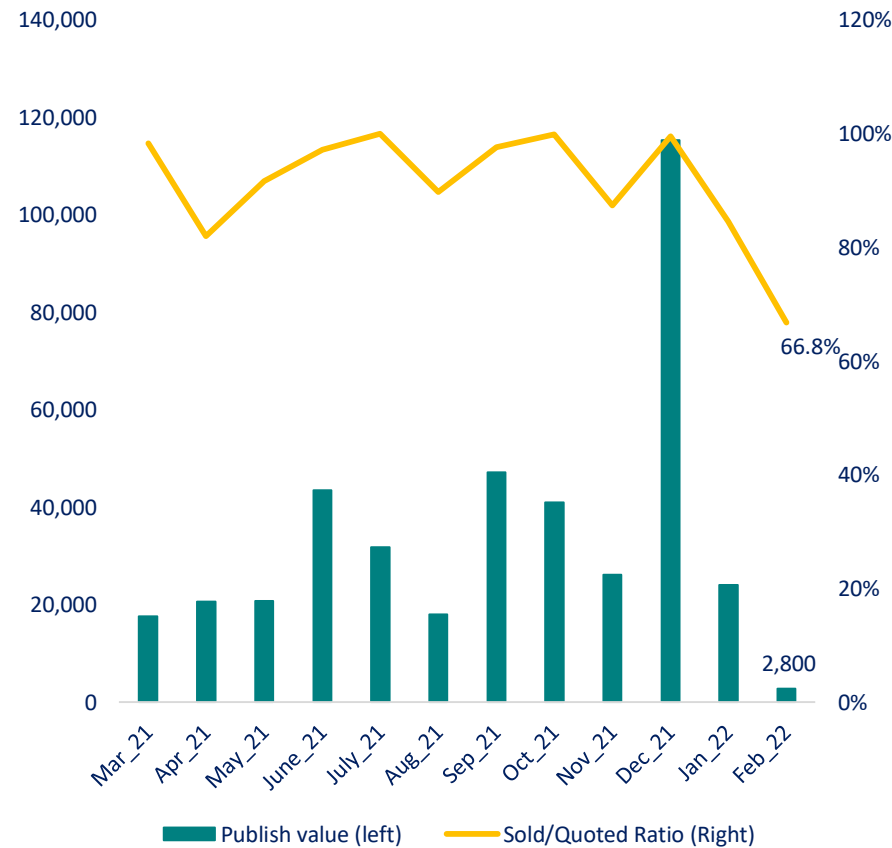
Average daily trading value of futures contracts decreased by 1.69% MoM



Source: Bloomberg, BSC Research

MARKET: CORPORATE BOND FEBRUARY 2022 SIGNIFICANTLY DISCOUNTED

Bond buying/offering ratio reached 66.8 % in February



| Month | Number of bonds issued | Average yield to maturity | Issuance value |
|--------------|------------------------|---------------------------|----------------|
| Mar_21 | 37 | 3.1 | 17,615 |
| Apr_21 | 43 | 3.6 | 20,649 |
| May_21 | 40 | 3.5 | 20,810 |
| June_21 | 77 | 3.8 | 42,200 |
| Jul_21 | 25 | 3.8 | 31,777 |
| Aug_21 | 53 | 4.5 | 18,070 |
| Sep_21 | 73 | 2.9 | 47,128 |
| Oct_21 | 39 | 3.4 | 41,059 |
| Nov_21 | 43 | 5.4 | 26,234 |
| Dec_21 | 137 | 3.7 | 115,377 |
| Jan_22 | 28 | 3.1 | 24,095 |
| Feb_22 | 15 | 2.4 | 2,800 |
| Total | 610 | 3.59 | 407,814 |

Source: Bloomberg, BSC Research

FACTORS AFFECTING MARKET IN MARCH 2022

| Event | Impact on Stock market |
|---|---|
| ❖ The economy continues to recover positively and adapts well to the "new normal" after the 4th Covid outbreak, the PMI continues to recover momentum.; | ❖ Positive |
| ❖ The Government established the Steering Committee for the implementation of the north-south highway construction project in the east and the Long Thanh Airport International Airport Project in Decision No. 262/QD-TTG dated February 22, 2022; | ❖ Positive |
| ❖ SBV is developing a Decree on a 2% interest rate support package in the spirit of Resolution No. 43/2022/QH15 of the National Assembly and Resolution No. 11/NQ-CP of the Government; | ❖ Positive |
| ❖ The foreign sector continues to maintain net selling momentum in the face of unpredictable developments in the world. Besides, VNM ETF, FTSE Vietnam to the portfolio structure period. | ❖ Limiting the uptrend of the index |
| ❖ The COVID-19 epidemic continues to evolve unpredictably with the risk of new variants hindering the recovery momentum and causing instability globally.. | ❖ Impact on the world economic outlook. |
| ❖ The FOMC meeting is scheduled to take place from March 15-16, 2022, under which the Fed is expected to raise interest rates in March 2022. | ❖ The risk increases, the stock market becomes less attractive, thereby affecting the US and global stock markets |
| ❖ Tensions between The US, EU and Russia over Ukraine | ❖ Increased risks, causing instability for the world economy after the epidemic response; |
| ❖ Geopolitical tensions between Russia and Ukraine continue to escalate, putting the prices of goods and input materials at risk of entering a new wave of price increases; | ❖ High inflation may affect the current loosening monetary policy |

INVESTMENT STRATEGIES IN MARCH 2022

- ❖ Investment recommendations for a number of sectors benefiting from the public investment program, and the Economic Recovery Package includes: construction materials industry, construction industry, real estate industry. ([Link](#));
- ❖ Some sectors that have benefited from geopolitical tensions between Russia and Ukraine include oil and gas, fertilizer, steel, chemicals and logistics. ([Link](#));
- ❖ Consider allocating the proportion of the portfolio of stocks in the sectors benefiting from the economic recovery, including: banking, retail, export, utilities;
- ❖ Investors should also carefully observe the Fed's next action at its March 2022 meeting as well as unpredictable developments in the geopolitical conflict between Russia and Ukraine;

Disclaimer

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APPENDIX: RECENT REPORTS OF BSC

REPORT LIST:

- [Macro Market Outlook 2022](#)
- [Insurance Sector Update](#)
- [Social distance incoming end, recovery potential](#)
- [Banking Sector Update](#)
- [Public Investment](#)
- [Commercial Relationship between the USA - Viet Nam](#)
- [Commodity prices & Stock market 2021](#)

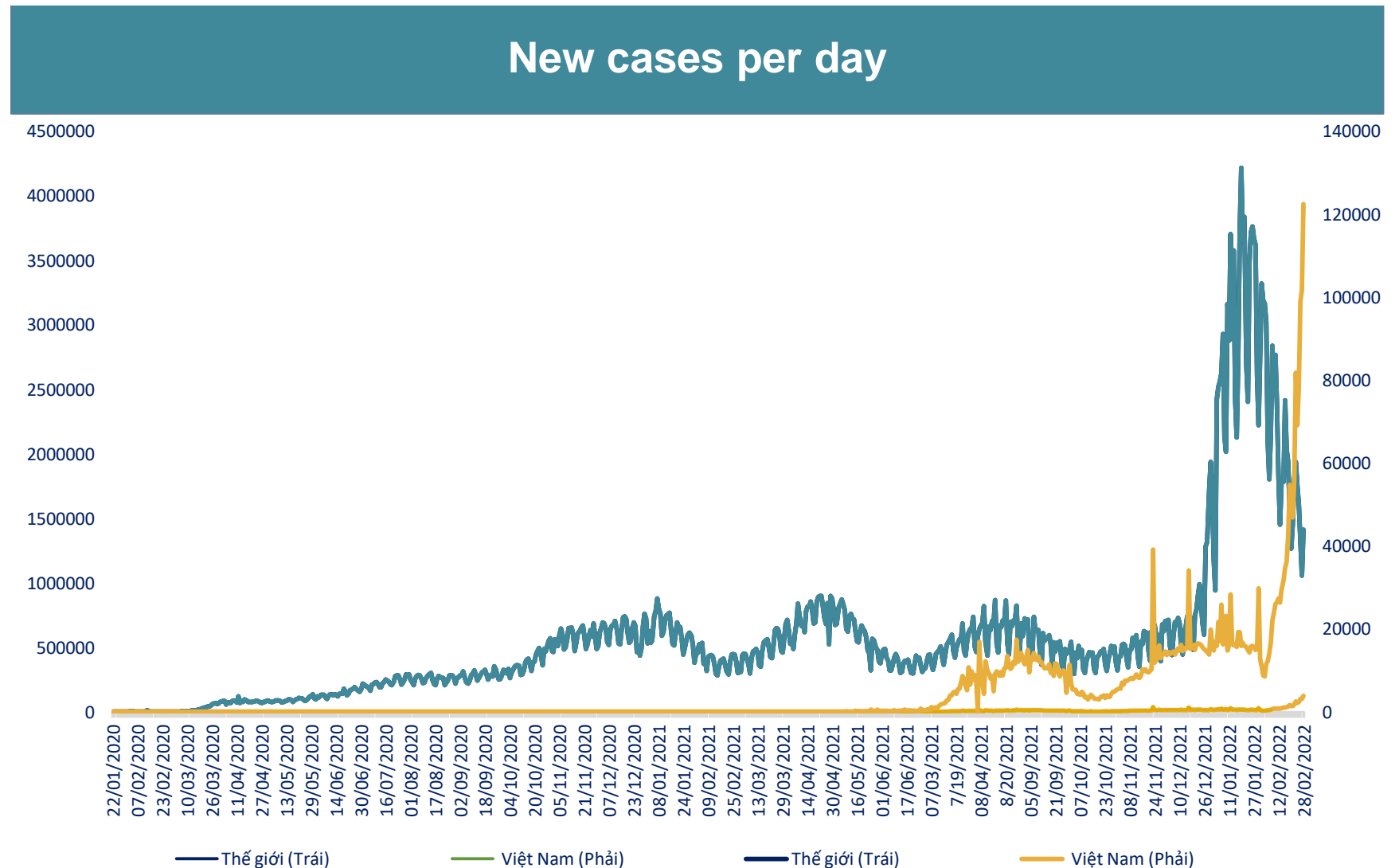
(click for detailed report)

❖ **WORLD:** The world had 436,981,905 cases as of February 28, 2022. The incidence of COVID-19 infection begins to decline when covid-19 vaccination is effective and no new strains appear.

❖ **VIETNAM:** There were 3,443,485 cases of COVID-19 as of February 28, 2022. The number of infections increased in February as the economy resumed operations and cold weather.

❖ **COVID 19 VACCINE:** As the end of February 27, Vietnam had vaccinated 81.7% of the total population. The number of people who have been vaccinated with 2 doses is 78.9% of the total population.

APPENDIX: UPDATE ON THE SITUATION OF COVID-19



APPENDIX: Economic Stimulus Package (SP) – the comparison

| Target | US | Germany | France | Japan | South Korea | Singapore | Thailand | Malaysia | Philippines | Vietnam |
|----------------------|--------|---------|--------|--------|-------------|-----------|----------|----------|-------------|---------|
| GDP (billion USD) | 20,937 | 3,806 | 2,603 | 5,049 | 1,631 | 340 | 502 | 337 | 361 | 271 |
| SP (billion USD) | 5300 | 994.7 | 273.6 | 2,262 | 204.4 | 78.7 | 62.5 | 91 | 27.72 | 10.45 |
| %SP/GDP | 25.3% | 26.1% | 10.5% | 44.80% | 12.5% | 23.1% | 12.5% | 27.0% | 7.67% | 3.9% |

- On average, developed countries spend more than 25% of GDP on economic stimulus packages regarding the pandemic. Southeast Asian countries execute smaller packages, but still accounted for over 15% of GDP on average.

→ There is still a lot of room for Vietnam to have larger support packages in the future.

- GDP: GDP value of 2020
- Information about Vietnam's stimulus packages is updated to the present time
- Stimulus packages: total official packages in 2020 and 2021

APPENDIX: Vietnam Monetary Policies (04/2020 - 10/2021)

| Policy | Major Content | Date | Value (billion VND) | Estimated output |
|---|--|------------------------|------------------------|---|
| | Reduce interest rate 3 times in a row by 4% for refinancing rate, 2.5% for re-discount rate, and maintain low interest rate until now. | M03,08, 09/2020 | | |
| <u>Directive No. 11/CT-TTg</u> | A credit package worth 250.000 billion VND. | 6/3/2020 | 250,000 | Exemption, reduction and restructuring for 1.3 million customers; reduce profits for businesses 27,000 billion in mid-October |
| <u>Circular No. 01 - 03/2021/TT-NHNN</u> | Restructuring term of debt due to the COVID-19 pandemic. For loans affected by COVID-19, extension and/or loan deferral is applied and 3-year provision schedule is also in effect. | 13/3/2020 17/5/2021 | | |
| <u>Resolution No. 63/NQ-CP</u> | The principle related to interest rate reduction up to 1%/year for outstanding VND-denominated loans in the last 5 months of 2021 is applied for customers affected by the pandemic. 16 banks have agreed to reduce the lending interest rate, starting from July 15, 2021 to the end of year, with estimated reduction in interests earned is 20,613 billion VND. | 8/5/2021 | ~21,000 | |

APPENDIX: Vietnam Fiscal Policies (04/2020 - 10/2021)

| Policy | Major content | Date | Value (billion VND) | Estimated output |
|--|---|----------------------|------------------------|-------------------------------|
| <u>Resolution 42/NQ-CP</u> | Support residents who are facing difficulties due to the Covid-19 pandemic, with the subsidy of VND 62,000 billion. | 2020 | 62,000 | 13.9 million people benefited |
| <u>Decree No. 52/2021/ND-CP</u> | The total value of taxes and land lease fees under the Government's recently-issued decree on the extension of deadlines for tax payment is VND 115 trillion. In which: <ul style="list-style-type: none"> • The extended VAT is 8,287 billion; • The extended land rent is 1,044 billion; • The corporate income tax temporarily paid in the first and second quarters is extended to 11,984 billion. | 19/4/2021 | 115,000 | VND 72,700 million |
| <u>Resolution 68/NQ-CP</u> | Support employees and employers affected by the Covid-19 pandemic, with the subsidy of VND 26.000 billion. | 1/7/2021 | 26,000 | VND 21,890 million |
| <u>Resolution No. 116/NQ-CP</u> | Support employees and employers using the unemployment insurance fund, in which about VND 30.000 billion to support employees participating in unemployment insurance in cash | 1/10/2021-31/12/2021 | 30,000 | VND 1,250 billion disbursed |

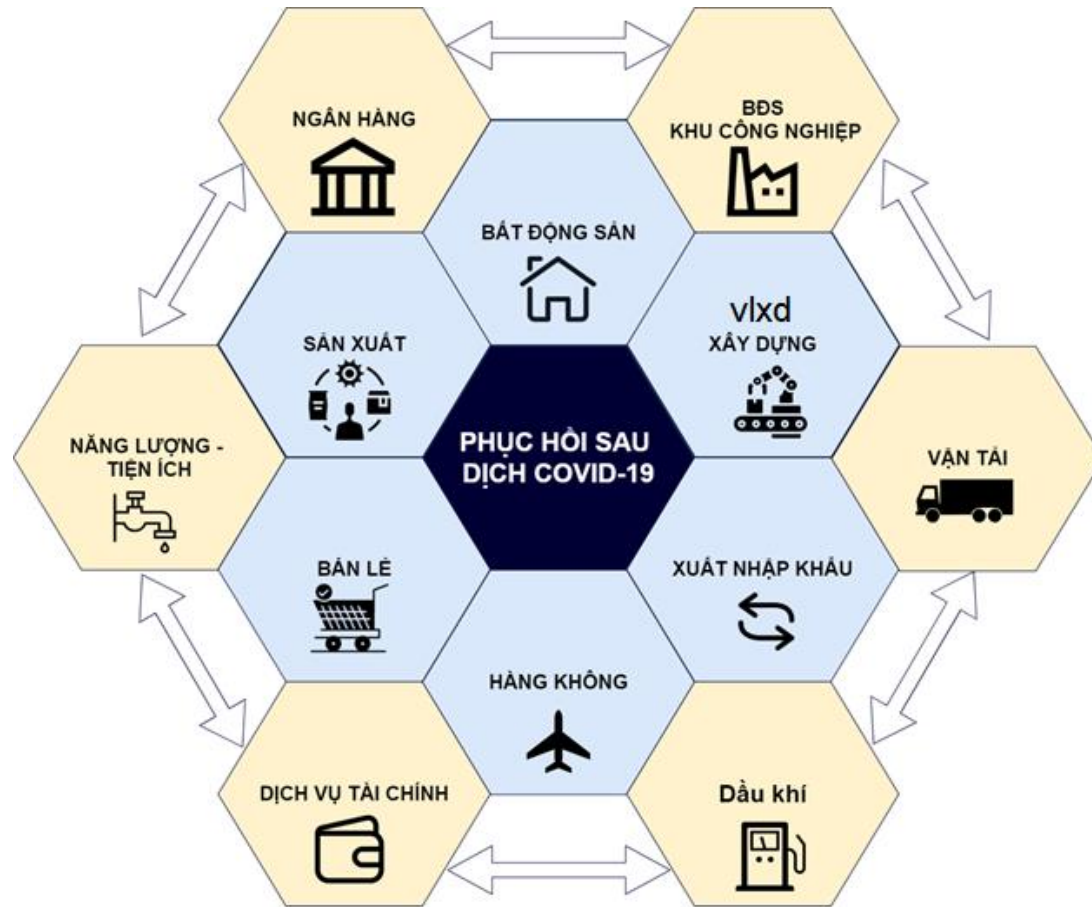
APPENDIX: Further expectation

| Policy | Major content | Date |
|------------------------------------|---|------------|
| Social Security | • Support low-income households, self-employed workers, granting insurances for people affected by the Covid-19 pandemic | 2022 |
| Employment | • Job training, granting preferential credit for poor households | Up to 2023 |
| Transfer Payment | • Reduce taxes, interest rate or compensation, ...; • Reduce VAT rates for consumer goods and services. | |
| Infrastructure development program | • Focus on medium-term public investment projects in the period of 2021 - 2025; • Building houses for workers, or social housing | 2021- 2025 |

Upcoming Economic Stimulus Packages are expected to:

- Release the difficulties of people and businesses that are adversely affected by the epidemic,
- Create resources to promote rapid and sustainable economic growth.

Vietnam's economy recovers after the epidemic: Which sectors will benefit?



Denote these reports:

- [Insurance](#)
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- [Commodity Price Update](#)
(click)

Note: The main assumption is that the government will loosen social distancing from October 2021, from which production and business activities will be restored.

- **Blue :** Direct beneficiary group
- **Yellow:** Indirect beneficiary group

Appendix: Vaccination scenarios

| | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Baseline | | | | | | | | | | |
| Vaccination / million people / day | 500 | 1000 | 1500 | 2000 | 2500 | 3000 | 3500 | 4000 | 4500 | 5000 |
| Number of days to complete vaccination | 2758 | 1379 | 919 | 689 | 552 | 460 | 394 | 345 | 306 | 276 |
| Positive | | | | | | | | | | |
| Vaccination / million people / day | 5500 | 6000 | 6500 | 7000 | 7500 | 8000 | 8500 | 9000 | 9500 | 10000 |
| Number of days to complete vaccination | 251 | 230 | 212 | 197 | 184 | 172 | 162 | 153 | 145 | 138 |
| Positive Plus | | | | | | | | | | |
| Vaccination / million people / day | 10500 | 11000 | 11500 | 12000 | 12500 | 13000 | 13500 | 14000 | 14500 | 15000 |
| Number of days to complete vaccination | 131 | 125 | 120 | 115 | 110 | 106 | 102 | 98 | 95 | 92 |
| G4 | | | | | | | | | | |
| Confidence | 10% | 20% | 30% | 40% | 50% | 60% | 70% | 80% | 90% | |
| Vaccination / million people / day | 8538 | 7290 | 6396 | 5630 | 4906 | 4183 | 3417 | 2523 | 1274 | |
| Number of days to complete vaccination | 161 | 189 | 216 | 245 | 281 | 330 | 404 | 547 | 1082 | |
| NEA | | | | | | | | | | |
| Confidence | 10% | 20.0% | 30.0% | 40.0% | 50.0% | 60.0% | 70.0% | | | |
| Vaccination / million people / day | 8434 | 6659 | 5388 | 4298 | 3269 | 2240 | 1151 | | | |
| Number of days to complete vaccination | 163 | 207 | 256 | 321 | 422 | 615 | 1198 | | | |
| SEA | | | | | | | | | | |
| Confidence | 10% | 20% | 30% | 40% | 50% | 60% | 70% | | | |
| Vaccination / million people / day | 4746 | 3727 | 2998 | 2373 | 1782 | 1192 | 566 | | | |
| Number of days to complete vaccination | 291 | 370 | 460 | 581 | 774 | 1157 | 2434 | | | |
| EA | | | | | | | | | | |
| Confidence | 10% | 20% | 30% | 40% | 50% | 60% | 70% | | | |
| Vaccination / million people / day | 6315 | 4939 | 3955 | 3111 | 2314 | 1517 | 673 | | | |
| Number of days to complete vaccination | 218 | 279 | 349 | 443 | 596 | 909 | 2047 | | | |
| BRIC | | | | | | | | | | |
| Confidence | 10% | 20% | 30% | 40% | 50% | 60% | 70% | | | |
| Vaccination / million people / day | 6190 | 4884 | 3948 | 3147 | 2390 | 1632 | 831 | | | |
| Number of days to complete vaccination | 223 | 282 | 349 | 438 | 577 | 845 | 1660 | | | |

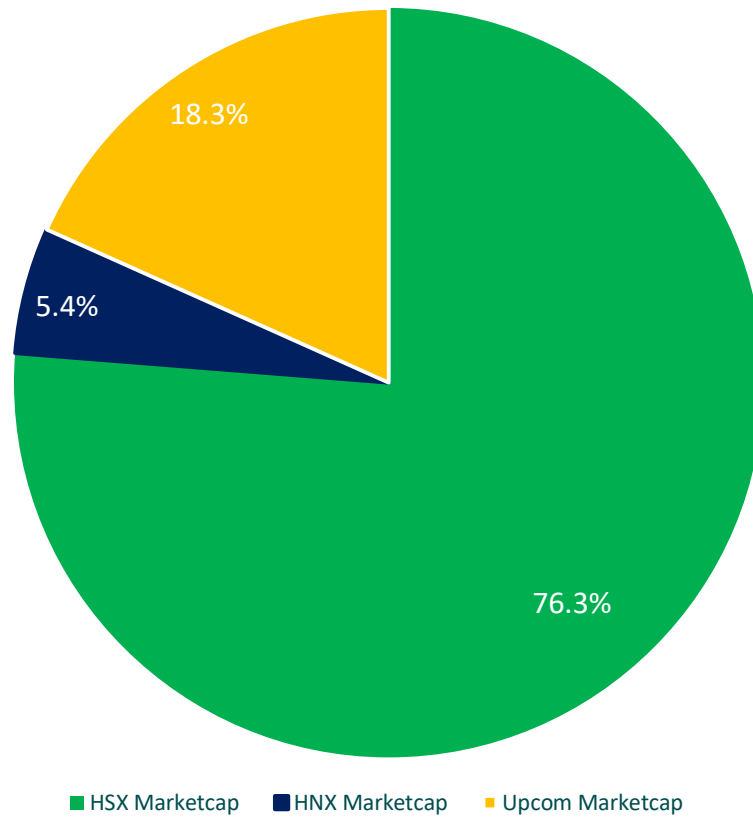
Note: Vaccination starts 8/3/21. * about 67 million people, ages 15-64.

Source: OWID, BSC

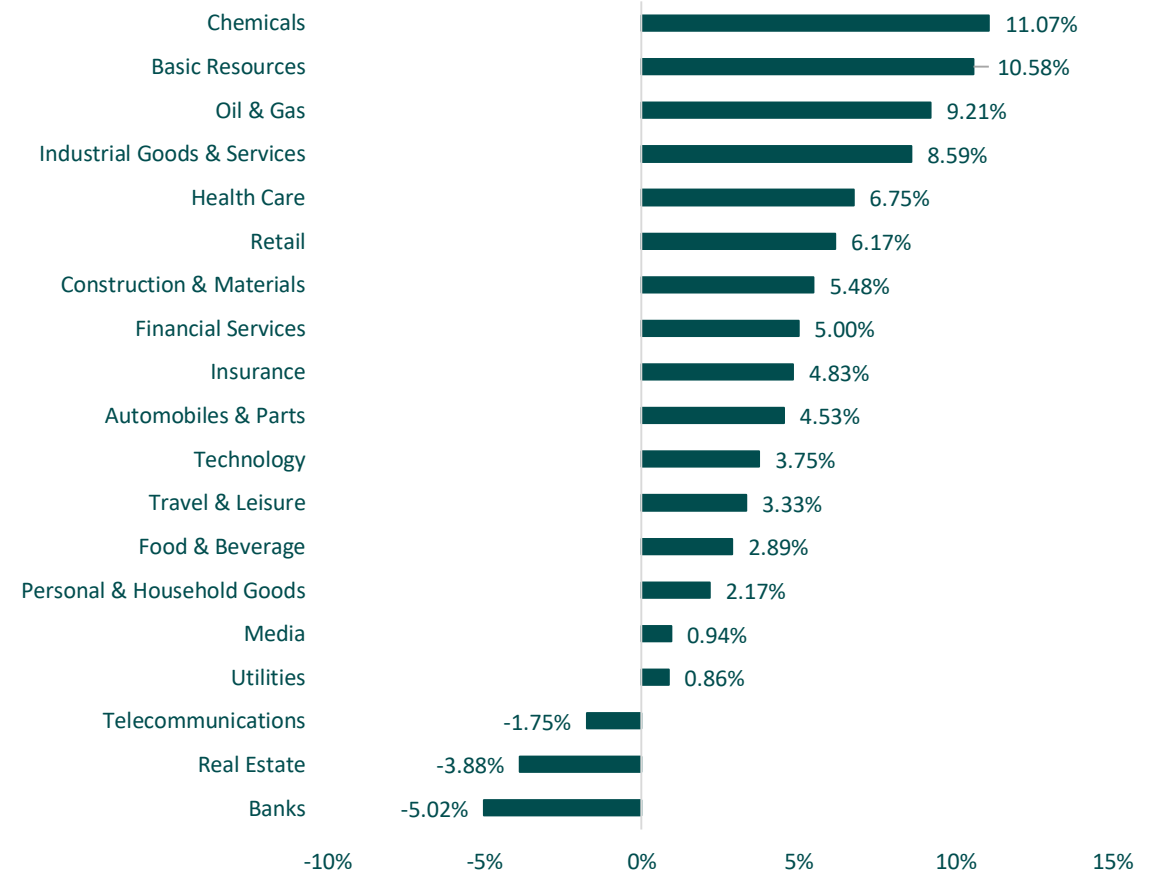


APPENDIX

Capitalization of 3 exchanges



16/19 Sectors that gained points in February



APPENDIX: VN-Index median 1,654.2 points, assessed by financial institutions

| No | Stock | Weight | 28/02/2022 | Mean | Max | Min | P/E | P/B | No | Stock | Weight | 28/02/2022 | Mean | Max | Min | P/E | P/B |
|----|-------|--------|------------|---------|---------|---------|------|-----|----|-------------|---------------|-----------------|-----------------|-----------------|-----------------|-------------|------------|
| 1 | VCB | 6.87% | 84,500 | 92,754 | 115,000 | 80,721 | 16.9 | 3.6 | 19 | BCM | 1.40% | 79,000 | 66,200 | 66,200 | 66,200 | 69.3 | 5.2 |
| 2 | VHM | 5.80% | 77,500 | 102,038 | 115,000 | 89,200 | 8.6 | 2.6 | 20 | PLX | 1.38% | 62,300 | 65,600 | 67,000 | 63,500 | 26.7 | 3.2 |
| 3 | VIC | 5.04% | 77,000 | 107,167 | 127,000 | 88,500 | - | 3.0 | 21 | VRE | 1.34% | 33,500 | 37,750 | 39,500 | 34,400 | 57.9 | 2.5 |
| 4 | GAS | 3.88% | 118,000 | 131,500 | 150,000 | 109,400 | 26.9 | 4.4 | 22 | VJC | 1.30% | 140,100 | 130,600 | 130,600 | 130,600 | 61.7 | 4.5 |
| 5 | HPG | 3.63% | 47,200 | 58,883 | 65,300 | 48,000 | 6.1 | 2.3 | 23 | VIB | 1.25% | 46,900 | 41,500 | 42,100 | 40,900 | 11.5 | 3.0 |
| 6 | MSN | 3.16% | 156,000 | 184,340 | 200,000 | 154,000 | 21.5 | 5.6 | 24 | TPB | 1.15% | 42,250 | 37,395 | 38,000 | 36,100 | 12.8 | 2.6 |
| 7 | TCB | 3.04% | 50,400 | 66,669 | 82,200 | 48,974 | 9.8 | 1.9 | 25 | STB | 1.06% | 32,850 | 30,169 | 40,100 | 8,546 | 17.6 | 1.8 |
| 8 | BID | 3.02% | 43,700 | 34,927 | 49,000 | 17,047 | 20.9 | 2.7 | 26 | HDB | 0.99% | 28,800 | 34,870 | 41,089 | 32,000 | 9.5 | 2.0 |
| 9 | VPB | 2.89% | 38,000 | 42,366 | 50,000 | 36,667 | 14.2 | 2.2 | 27 | SHB | 0.99% | 21,650 | 32,560 | 39,200 | 39,200 | 10.9 | 1.6 |
| 10 | VNM | 2.81% | 78,400 | 106,367 | 130,000 | 91,000 | 17.4 | 5.0 | 28 | HVN | 0.96% | 25,350 | 22,100 | 22,900 | 21,300 | - | 23.5 |
| 11 | CTG | 2.74% | 33,150 | 38,285 | 42,500 | 26,207 | 11.3 | 1.7 | 29 | SSB | 0.90% | 35,400 | 35,400 | 35,400 | 35,400 | 20.7 | 3.0 |
| 12 | NVL | 2.50% | 75,300 | 84,635 | 97,710 | 70,200 | 39.4 | 4.1 | 30 | SSI | 0.77% | 45,700 | 47,300 | 47,300 | 47,300 | 16.5 | 3.2 |
| 13 | GVR | 2.35% | 34,150 | 34,100 | 34,100 | 34,100 | 32.1 | 2.9 | 31 | BVH | 0.75% | 59,100 | 68,850 | 71,900 | 65,800 | 23.6 | 2.1 |
| 14 | MBB | 2.23% | 34,400 | 36,791 | 39,350 | 35,300 | 10.2 | 2.2 | 32 | DIG | 0.74% | 86,000 | 42,000 | 87,000 | 87,000 | 42.6 | 5.8 |
| 15 | SAB | 1.87% | 169,800 | 188,860 | 196,900 | 180,000 | 30.0 | 5.1 | 33 | PGV | 0.73% | 37,600 | 37,600 | 37,600 | 37,600 | - | 2.6 |
| 16 | MWG | 1.67% | 136,000 | 171,846 | 183,200 | 156,263 | 19.6 | 4.8 | 34 | PDR | 0.72% | 85,000 | 85,000 | 85,000 | 85,000 | 22.6 | 5.9 |
| 17 | ACB | 1.57% | 33,900 | 42,275 | 45,462 | 39,850 | 9.5 | 2.0 | 35 | EIB | 0.72% | 33,850 | 17,410 | 17,410 | 17,410 | 43.1 | 2.3 |
| 18 | FPT | 1.45% | 93,300 | 122,283 | 132,500 | 112,500 | 21.4 | 4.7 | | Tổng | 73.69% | 1,490.13 | 1,654.20 | 1,835.81 | 1,459.93 | 21.8 | 3.9 |

Source: Bloomberg, BSC Research

APPENDIX

Event Calendar 2022

| Month | Date | Viet Nam | Date | International |
|-----------|----------|--|---------|--|
| March | 17 | Future VN30: Future contract expire | 5 | FTSE Russell: announces market rating for year-end period |
| | 18 | ETF: VNM review | 10 | ECB: announces monetary policy and interest rates |
| | | | 15-16 | FED: announces monetary policy and interest rates |
| April | 18 | ETF: VNDIAMOND execute restructured transaction | 14 | ECB: announces monetary policy and interest rates |
| | 20 | Enterprise: Deadline for submission of Q1 financial statements | | |
| | 21 | Future VN30: Future contract expire | | |
| May | 2 | ETF: VNFIN LEAD, ETF VNDIAMOND review | 3-4 | FED: announces monetary policy and interest rates |
| | 19 | Future VN30: Future contract expire | 12 | MSCI: semi-annual market indexes review |
| | 27 | ETF: Ishare MSCI review | | |
| | May | Party Central Committee Conference | | |
| June | 16 | Future VN30: Future contract expire | 4 | FTSE Russell: announces market rating for year-end period |
| | 17 | ETF: VNM execute restructured transaction | 9 | ECB: announces monetary policy and interest rates |
| | June | Vietnam National Assembly Conference | 14-15 | FED: announces monetary policy and interest rates |
| | | | 29-30 | OPEC: meeting |
| July | 18 | ETF: VNFIN LEAD restructure their portfolio | 21 | FED: announces monetary policy and interest rates |
| | 20 | Enterprise: Deadline for submission of Q2 financial statements | 26-27 | ECB: announces monetary policy and interest rates |
| | 21 | Future VN30: Future contract expire | | |
| | 25 | ETF: VN30 review | | |
| August | 1 | ETF: VNFIN LEAD, ETF VNDIAMOND review | 11 | MSCI: quarterly market indexes review |
| | 18 | Future VN30: Future contract expire | | |
| | 26 | ETF: Ishare MSCI review | | |
| September | 15 | Future VN30: Future contract expire | 3 | FTSE: Annually Index Review |
| | 16 | ETF: VNM review | 8 | ECB: announces monetary policy and interest rates |
| | | | 20-21 | FED: announces monetary policy and interest rates |
| October | 17 | ETF: VNDIAMOND restructure their portfolio | October | IEA: annually meeting |
| | 20 | Enterprise: Deadline for submission of Q3 financial statements | 27 | ECB: họp và công bố chính sách tiền tệ và lãi suất |
| | 20 | Future VN30: Future contract expire | | ECB: họp và công bố chính sách tiền tệ và lãi suất |
| | October | 13th Party Central Committee Conference | | |
| November | 7 | ETF: VNFIN LEAD, ETF VNDIAMOND review | 1-2 | FED: announces monetary policy and interest rates |
| | 17 | Future VN30: Future contract expire | 3 | FTSE Russell: announces market ratings for year-end period |
| | 25 | ETF: Ishare MSCI review | 10 | MSCI: announce market ratings |
| | November | Vietnam National Assembly Conference | | |
| December | 15 | Future VN30: Future contract expire | 13-14 | FED: announces monetary policy and interest rates |
| | 16 | ETF: VNM execute restructured transaction | 15 | ECB: announces monetary policy and interest rates |

APPENDIX: 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% | -6.99% | 1.60% | 0.80% | 7.60% | 2.40% | 1.34% | 27.60% |
| 2022 | -1.28% | 0.76% | | | | | | | | | | | |
| Average | 4.74% | 1.55% | 0.64% | 3.60% | 1.44% | 1.19% | -1.69% | 1.30% | 1.03% | 0.42% | 1.91% | 1.85% | 13.03% |

APPENDIX: Market movement

| Mã | RS-Ratio | RS-Mom' | 12W%Δ |
|-----|----------|----------|---------|
| POW | 120.3427 | 103.3437 | 28.88% |
| KDH | 107.1996 | 100.2782 | 14.13% |
| BVH | 93.22783 | 96.69488 | 2.08% |
| VRE | 103.8721 | 103.5069 | 10.21% |
| BID | 112.7447 | 107.9579 | 34.03% |
| CTG | 101.3733 | 104.6055 | 5.09% |
| TPB | 115.2854 | 101.4429 | 20.49% |
| MBB | 100.4019 | 104.7158 | 10.36% |
| VCB | 101.2247 | 104.7289 | 12.16% |
| STB | 106.0214 | 105.9026 | 7.67% |
| VHM | 94.82974 | 100.4535 | -6.67% |
| PLX | 99.26259 | 101.1947 | 17.07% |
| VJC | 96.82957 | 101.0398 | 9.92% |
| PNJ | 97.01373 | 100.7985 | 15.40% |
| SAB | 94.46764 | 100.6998 | 9.42% |
| ACB | 96.70602 | 101.7509 | 5.53% |
| TCB | 94.65333 | 100.5138 | -7.65% |
| GAS | 98.88568 | 100.1852 | 21.33% |
| VPB | 94.03189 | 100.0236 | 0.53% |
| MSN | 101.4487 | 97.47415 | 4.80% |
| MWG | 100.1606 | 97.16702 | 3.07% |
| HDB | 101.8852 | 99.83242 | -5.65% |
| SSI | 102.714 | 94.54157 | -16.91% |
| VNM | 92.45573 | 98.99519 | -6.51% |
| FPT | 92.91003 | 97.58716 | -7.70% |
| PDR | 96.55537 | 98.62635 | -7.80% |
| NVL | 97.11997 | 99.18531 | -8.30% |
| VIC | 93.91903 | 97.19256 | -25.02% |
| HPG | 87.64804 | 97.51583 | -6.80% |
| GVR | 91.7472 | 95.11069 | -6.85% |

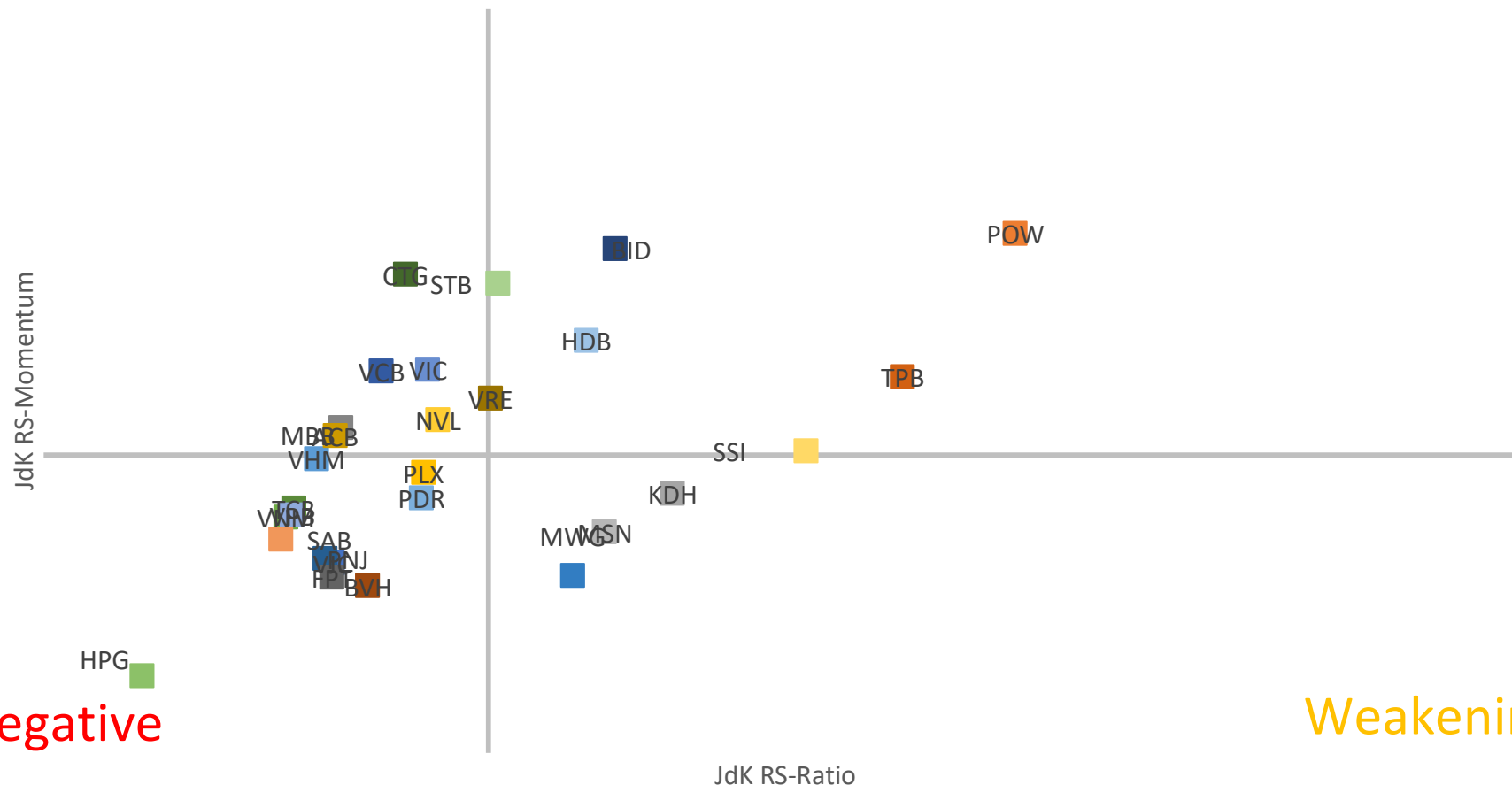
Recovery

CP VN30 vs. VN-Index

Positive

Negative

Weakening



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

Date: 26/2/2022

Source: Bloomberg, BSC Research