MACROECONOMIC & STOCK MARKET REPORT

Turning opportunities into value

August 2024

Turning opportunities into value

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Turning opportunities into value

SUMMARY

- **The VN-Index experienced significant fluctuations and ended July with a slight increase of 0.5% compared to June and a 10.8% increase compared to the end of 2023.** The VN30 (+1.62% MoM) played a key supporting role for the VN-Index, while other market capitalization groups all saw declines. The Banking, Oil & Gas, and Healthcare sectors were the top performers, whereas the Telecommunications, Tourism, and Entertainment sectors faced profit-taking pressures in July 2024.

- **The average trading value per session in July decreased sharply by 26.52% MoM to its lowest level since February 2024, reaching only VND 19,368.40 billion/session.** Individual investors continued to be the main drivers with net purchases, while foreign investors were net sellers. The number of securities accounts surged 3 times MoM and 2.2 times YoY in July, bringing the total number of accounts to 8.37 million (+14.8% YTD).

- **Foreign investors reduced the scale of their net selling.** The net selling value in July decreased by 50.5% MoM, with a cumulative total of VND 60,904 billion for the first seven months of 2024. Capital flows from ETF funds continued to withdraw a net USD 94 million, with the focus still on DCVFM VNDiamond ETF and FUBON ETF.

- **The economy remained positive in July.** The PMI for July reached a high of 54.7 points, the same as in June, due to a significant increase in new orders. The manufacturing and processing sector, FDI attraction, and exports continued to perform well, and the tourism services sector saw high growth. While the exchange rate cooled down, deposit interest rates continued to rise, particularly for maturities of less than 6 months.

- **The VN-Index trend in August is expected to accumulate within the price range of 1,180/1,200 points to 1,250/1,260 points**, with no strong upward trend anticipated yet.

- **The recommended stock portfolio maintains a total of 15 stocks.** In the context of a significant market correction at the end of the month, most stocks were affected. The best performers in the July portfolio were MBB (+9.9%) and DCM (+3.1%), while the worst performers were CTD (-7.3%) and BWE (-6.9%).

VIETNAM'S MACROECONOMIC IN JULY 2024

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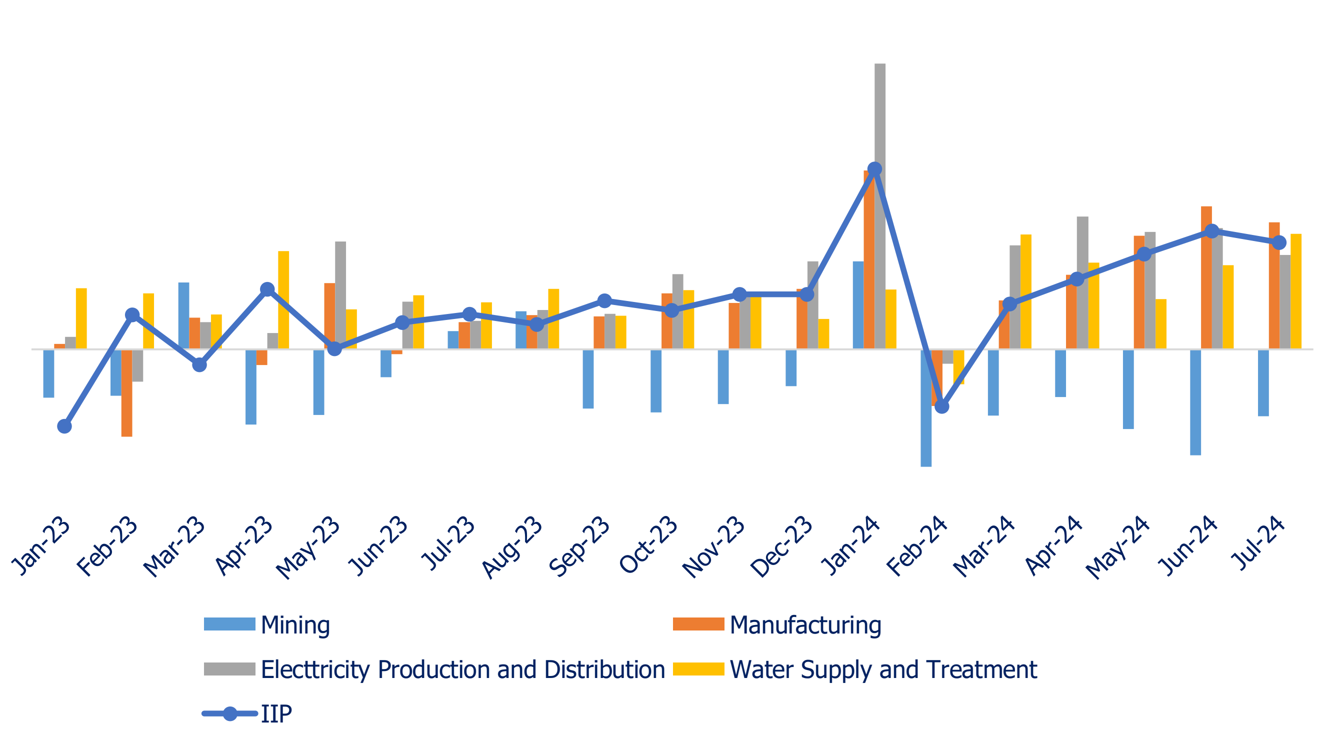
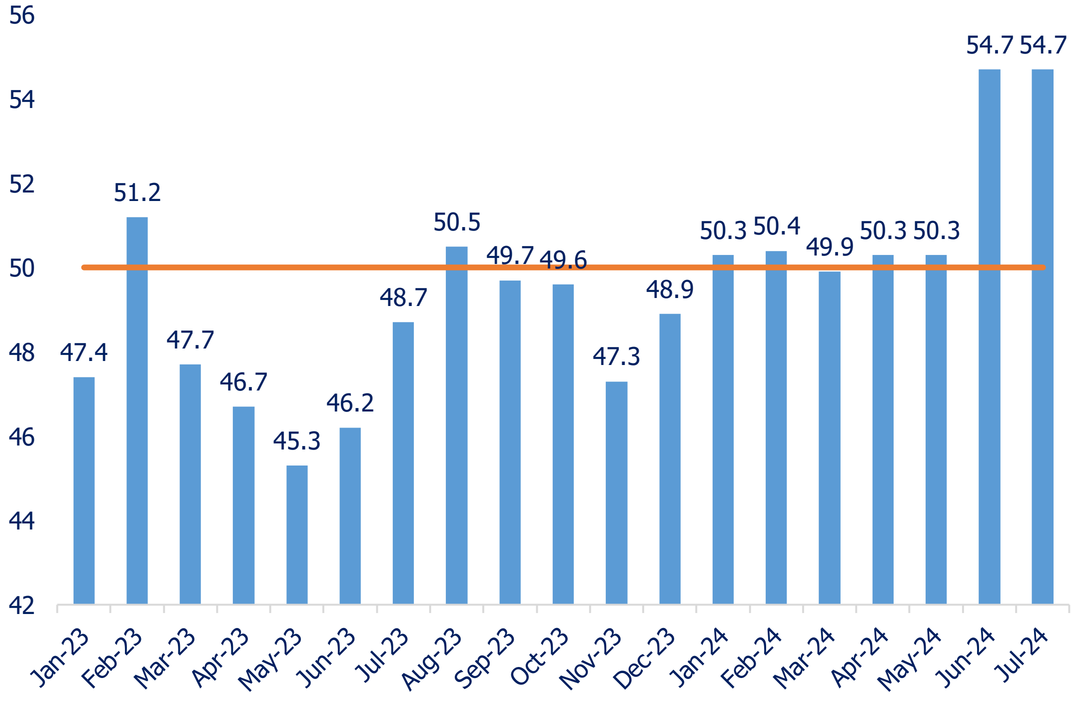
Industrial production growth has slowed, but the business environment remains positive. IIP for July increased by 0.69% MoM and 11.23% YoY, with an 8.47% YTD growth. Although this growth rate has slowed compared to June, it is still high by the standards of the past two years. The manufacturing sector has experienced double-digit growth for the third consecutive month, reaching 13.3% YoY in July. Vietnam's Manufacturing PMI for July remained high at 54.7 points, the same as in June. The number of new orders continued to rise sharply, allowing manufacturers to increase output at nearly record high rates, while finished goods inventories fell to the second lowest level ever recorded.

Industial Growth by sector (%YoY)



S&P Global Vietnam Manufacturing PMI



Source: Bloomberg, FiinGroup , SHS Research

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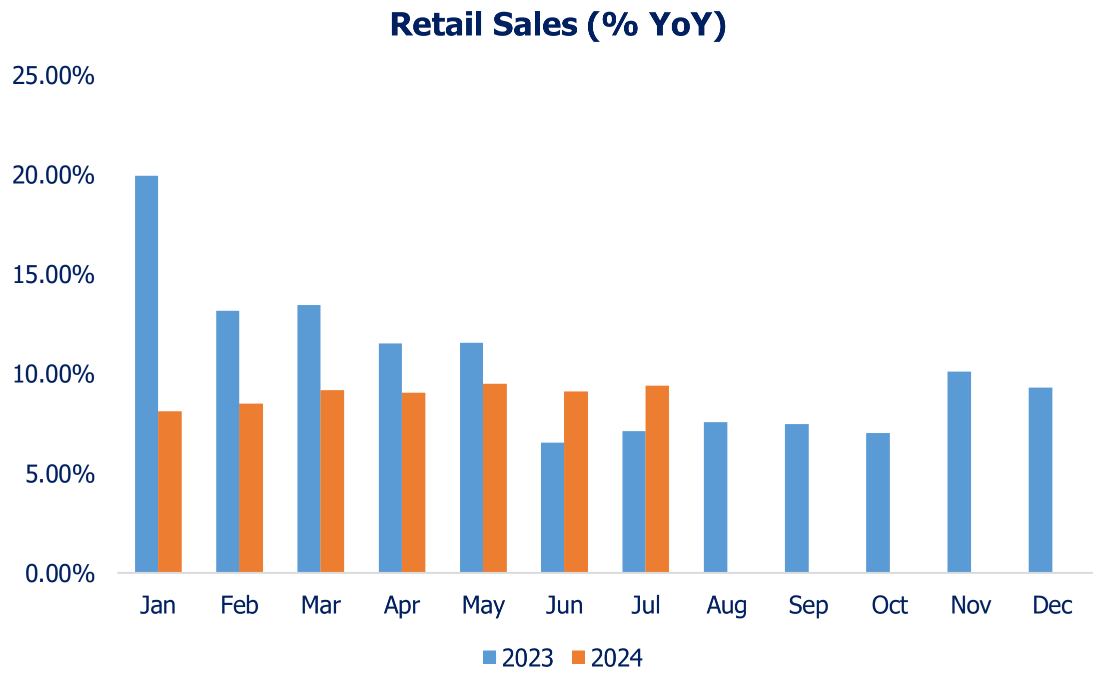
Domestic demand remains low. Total retail sales and services at current prices increased by 9.41% YoY in July, showing an improvement compared to June (+9.1% YoY). For the first 7 months of 2024, the cumulative increase was 8.7% YoY, still lower than the 10.6% increase in the same period of 2023, excluding price factors grew 5.2% (compared to 9.8% in 2023). The number of international tourists arriving in Vietnam in July decreased by 5.8% MoM but increased by 10.8% YoY. For the first 7 months of 2024, Vietnam welcomed 9.98 million international visitors, up 51% YoY. Among these visitors, 79% were from Asia, with significant increases from China (+2.9 times), South Korea (+37.2%), and Taiwan (+76.3%). European visitors also experienced high growth, achived 47.3%.



Source: GSO, SHS Research

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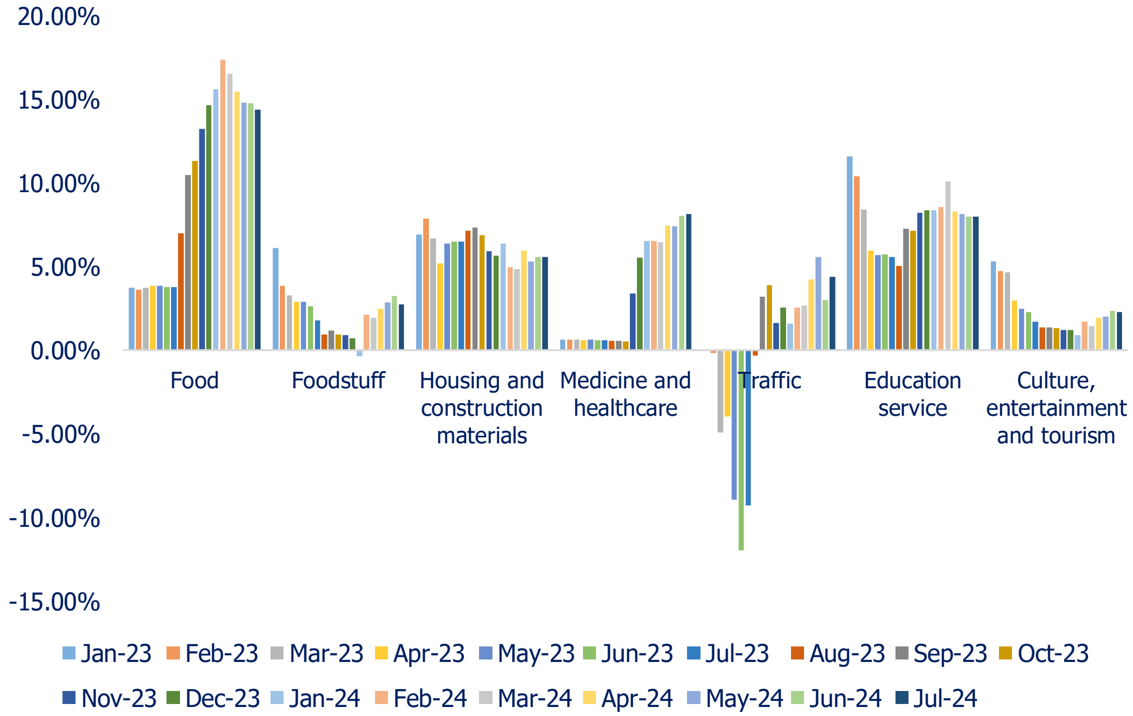
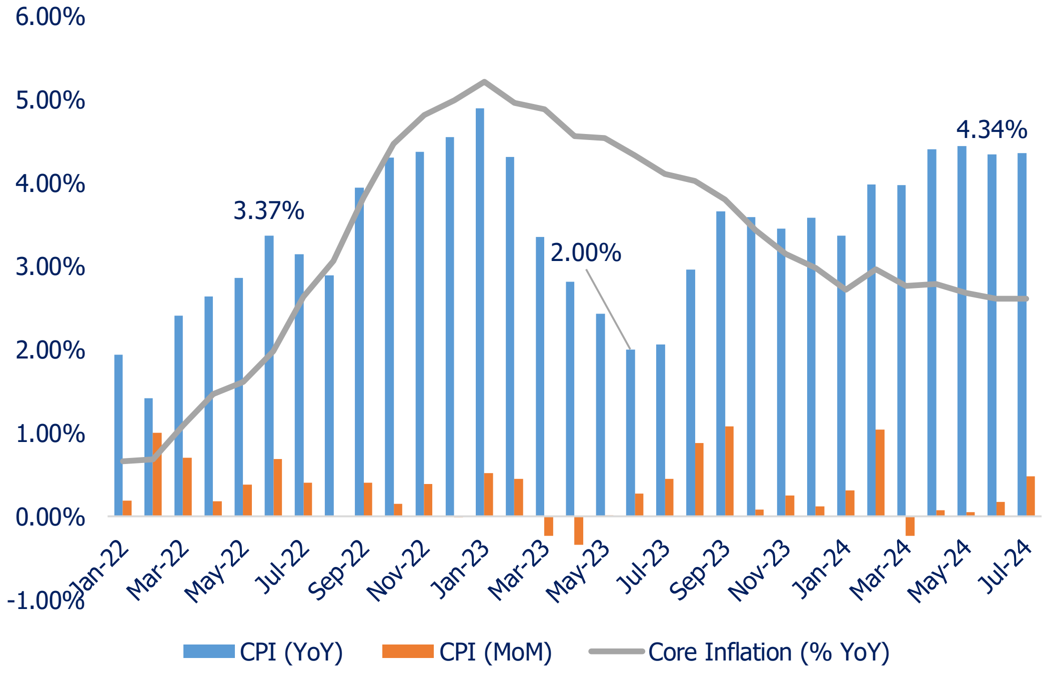
In July, CPI increased by 0.48% MoM and 4.36% YoY. The increase in CPI for July was mainly due to: the transportation group (+1.46%) because of the adjustment in oil prices (+4.07%) and higher transportation service costs due to increased demand in the summer; the housing and construction materials group (+0.5%); and other goods and services (+3.77%) due to a 28.45% rise in health insurance premiums following an adjustment in the basic salary from 1.8 million VND/month to 2.34 million VND/month.

On average, for the first seven months of 2024, the CPI increased by 4.12% YoY, while core inflation decreased from +2.75% in June to 2.73%. Although the current CPI is still within the 4.0% - 4.5% range set by the National Assembly, controlling domestic prices will face many challenges due to the economic recovery in the later part of the year, unfavorable exchange rate trends, and global geopolitical fluctuations.





Source: GSO, SHS Research

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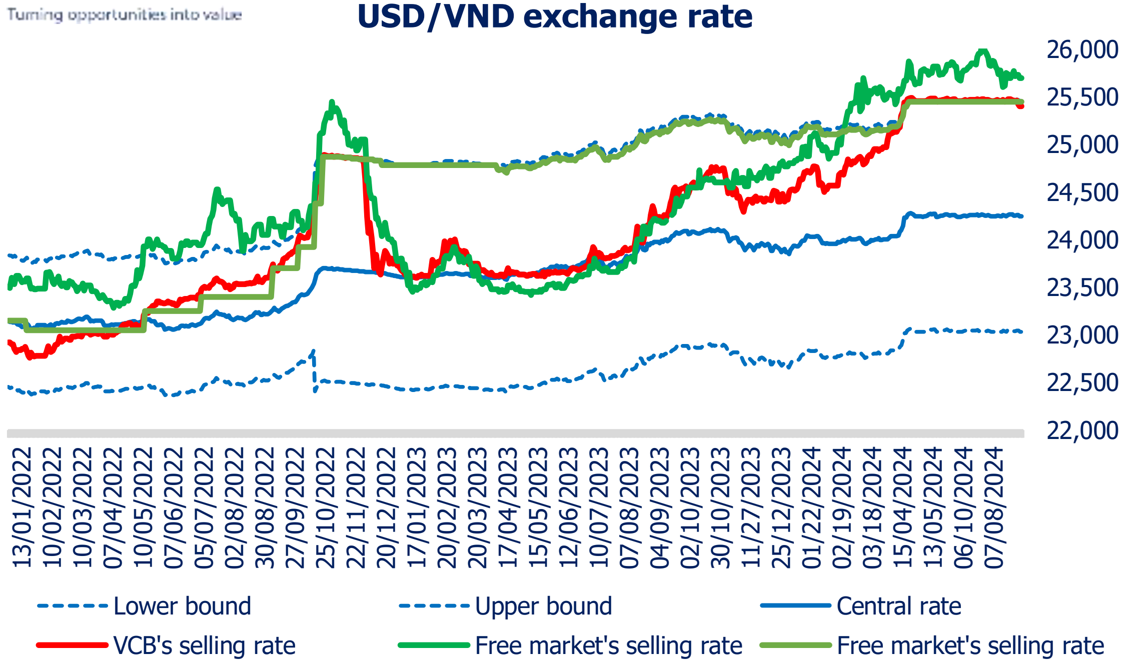
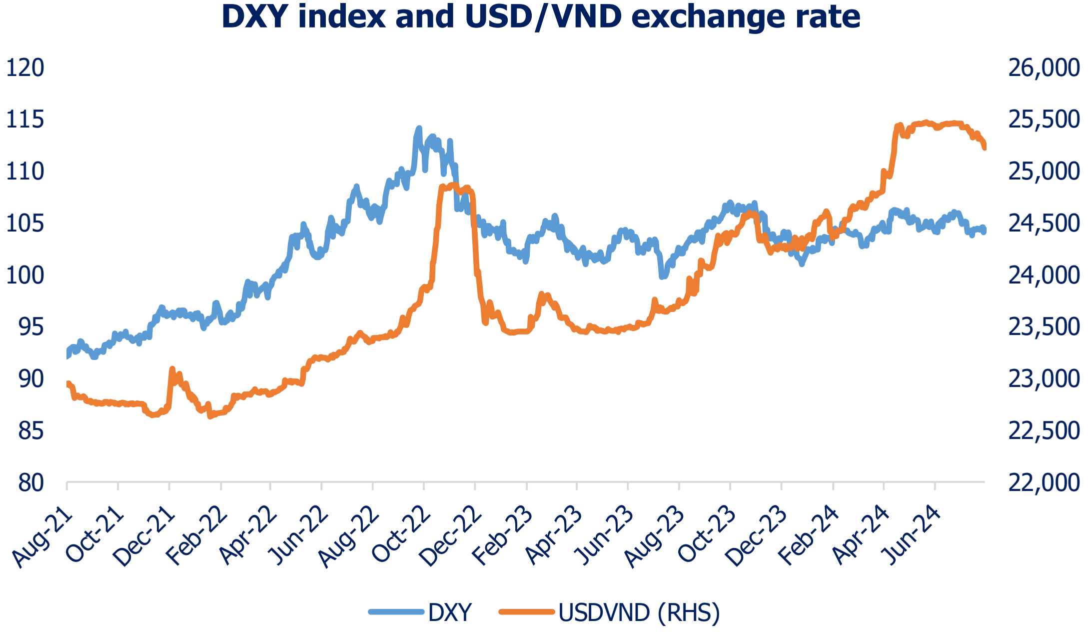




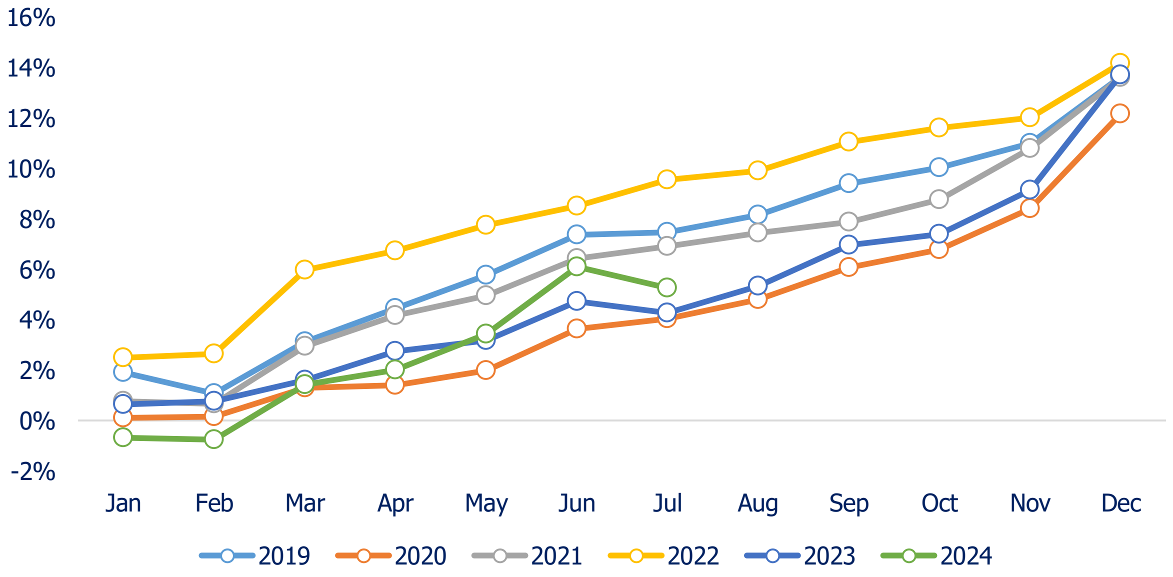
Source: Bloomberg, FiinGroup , SHS Research

The interbank USD/VND exchange rate, the quoted rates at commercial banks, and the free market exchange rate all cooled down in July, narrowing the increase compared to the end of 2023 to 4.11%. The Vietnamese dong (VND) was supported by positive FDI inflows (USD 12.5 billion in the first seven months of the year, grew 8.4% YoY), a trade surplus of USD 14 billion over the seven months, and a cooling DXY index due to expectations of a rate cut by FED.

At the July meeting, FED kept the key interest rate at 5.25%-5.5% and may consider cutting rates in the September meeting, given that inflation has slightly decreased as expected, economic growth remains relatively strong, and the labor market is consistent with current conditions. According to statistics from the CME FedWatch Tool, 97.5% of investors expect the FED to lower interest rates for the first time at the September meeting. The expected rate cut has increased to 0.5% due to less favorable July employment data and rising geopolitical risks.

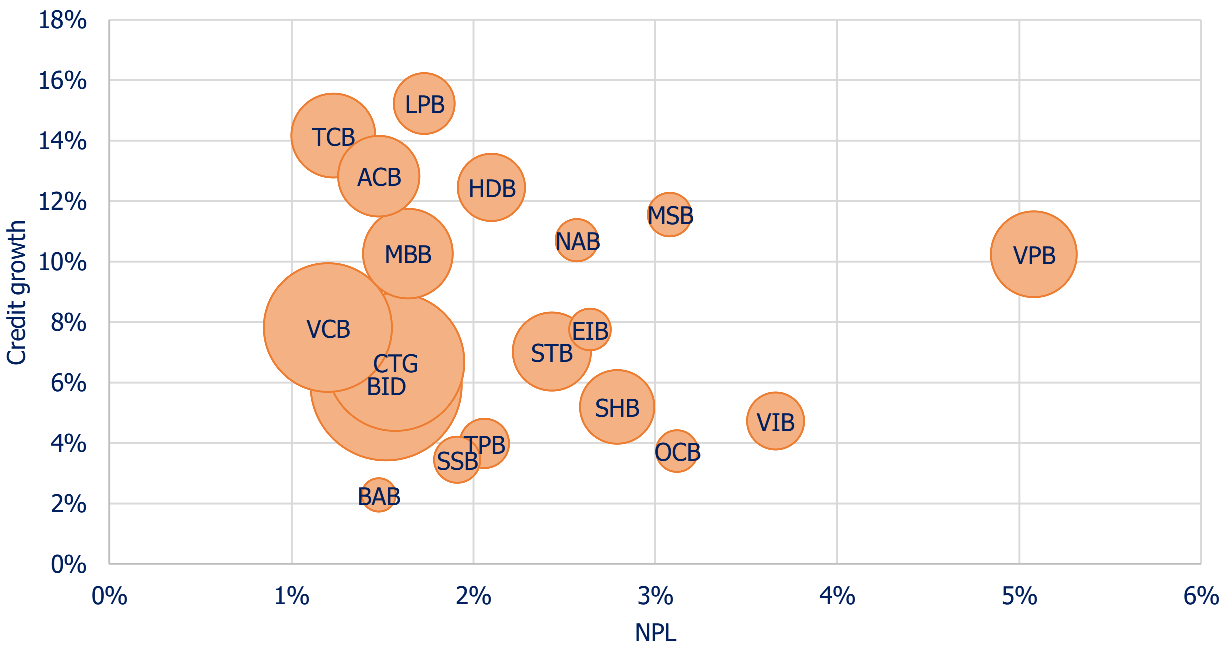
The USD/VND exchange rate is expected to remain at its current high level until the end of Q3 2024, as import demand typically increases to support the end-of-year business season, although a gradual reduction in depreciation is anticipated. The SBV is expected to continue using OMO and issue treasury bills flexibly, with the aim of stabilizing the exchange rate while supporting growth.

Credit growth for the period 2019-2024 (YTD)



Source: Bloomberg, SBV, GSO, SHS Research

Credit growth in 1H 2024 and NPL of Banks



Deposit interest rates continued to be adjusted upwards in July, with a relatively rapid increase in rates for maturities of less than 6 months. State-owned commercial banks maintained their deposit rates, except for a slight increase in the 3-month deposit rate by Agribank. Currently, the average deposit rates across the system are 3.5% for 3-month deposits, 4.3% for 6-month deposits, and 5% for 13-month deposits. The average lending rate is currently 8.3% per year, down by 0.96% compared to the end of 2023.

As of July 17, 2024, total system credit increased by 5.26%, a decrease of 0.85% compared to the end of June, amounting to VND 113 trillion. Credit data typically show a strong increase at the end of the quarter and a decrease in the following month as banks finalize their quarterly growth targets. It is important to note that credit growth is uneven across banks, with a significant increase in some banks with a high proportion of real estate credit and lower growth in banks with a focus on consumer credit. In the first six months of the year, real estate credit grew by 4.6% year-to-date (YTD), with real estate business credit increasing by 10.29% YTD and consumer real estate credit only increasing by 1.15% YTD. The NPL continued to rise in the first half of 2024, with the on-balance-sheet NPL at 4.94% (VND 833.3 trillion) as of the end of May 2024, up from 4.55% at the end of 2023. The NPL, including potential and restructured loans, is 6.9%.

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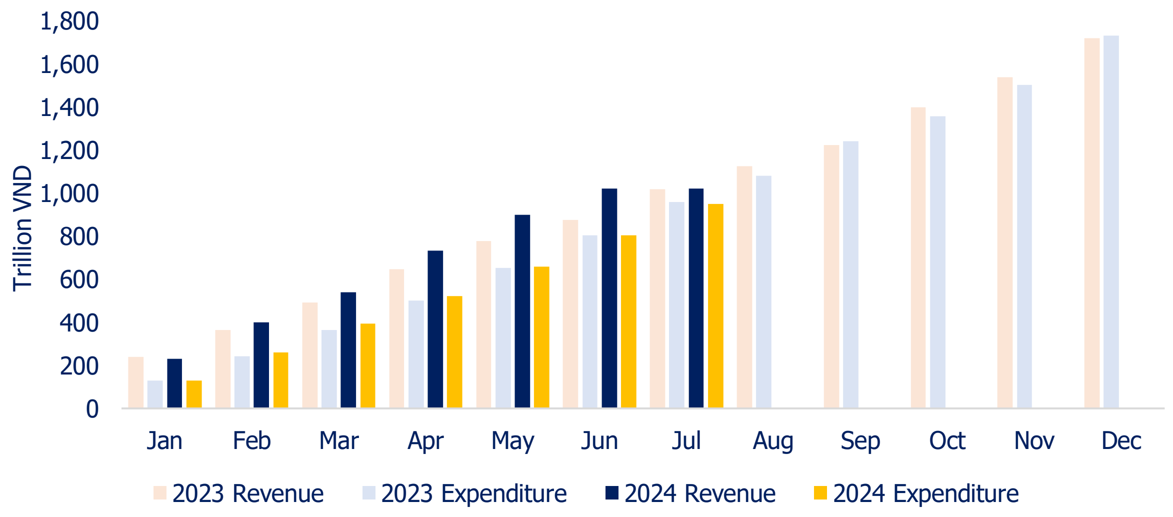
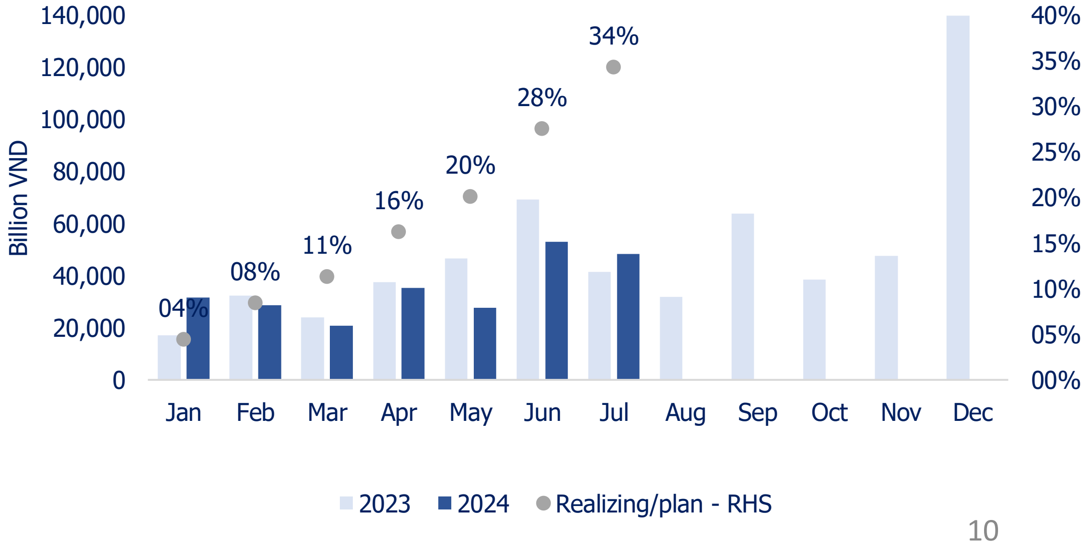
In July 2024, the total State budget revenue is estimated to reach nearly VND 150 trillion. For the first seven months of 2024, revenue has accumulated to over VND 1,188 trillion, which is 69.8% of the estimate and represents a 14.6% increase YoY. Domestic revenue accounts for nearly VND 995 trillion, up by 15.8%. Notably, revenue from business operations has grown compared to the same period last year, indicating a gradual improvement in the economy. Total State budget expenditure in July 2024 is estimated at VND 152.6 trillion. For the first seven months of 2024, total expenditure is estimated at VND 948.3 trillion, which is 44.7% of the annual estimate and an increase of 0.6% YoY.

As of July 31, 2024, public investment disbursement is estimated at VND 232,091.4 billion, which is 32.22% of the total plan and 34.68% of the plan assigned by the Prime Minister (compared to 35.49% of the total plan and 37.85% of the Prime Minister's plan in the same period of 2023). Of this, the Economic and Social Recovery and Development Program accounts for VND 4,685.13 billion (76.46% of the plan), while the National Target Programs account for VND 11,840.8 billion (43.50% of the plan). According to reports from the Ministry of Finance, some localities with large investment plans, such as Ho Chi Minh City (11.8% of the Prime Minister's plan) and Hanoi (12.1% of the Prime Minister's plan), have low disbursement rates, which affects the overall disbursement rate nationwide. The main issues causing delays in disbursement are related to policy mechanisms (Public Investment Law, Planning Law, Land Law, Bidding Law, etc.).

State Budget Revenue and Expenditure (2022-2023) YTD



Public investment disbursement monthly (2023-2024)



Source: GSO, SHS Research

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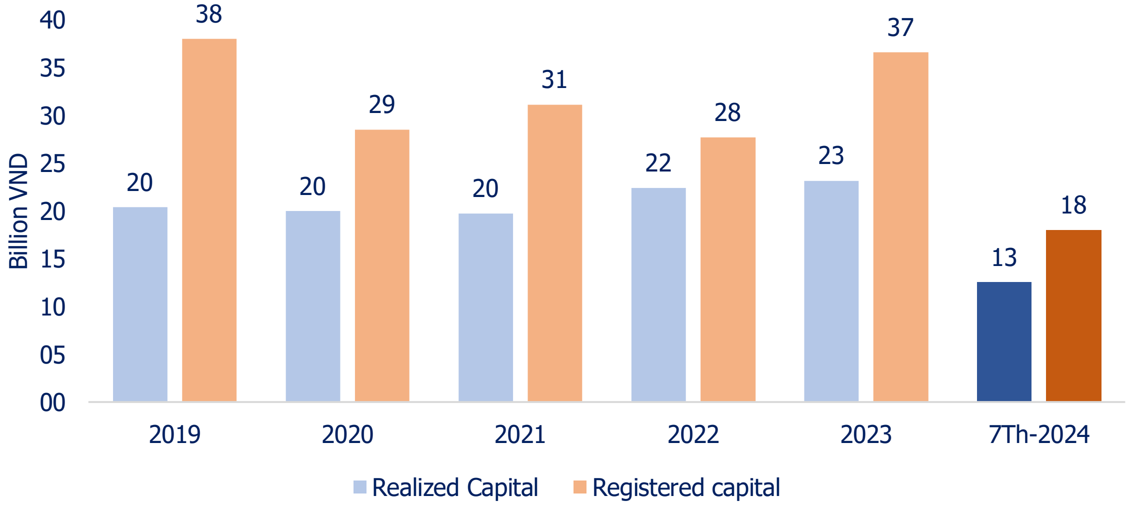
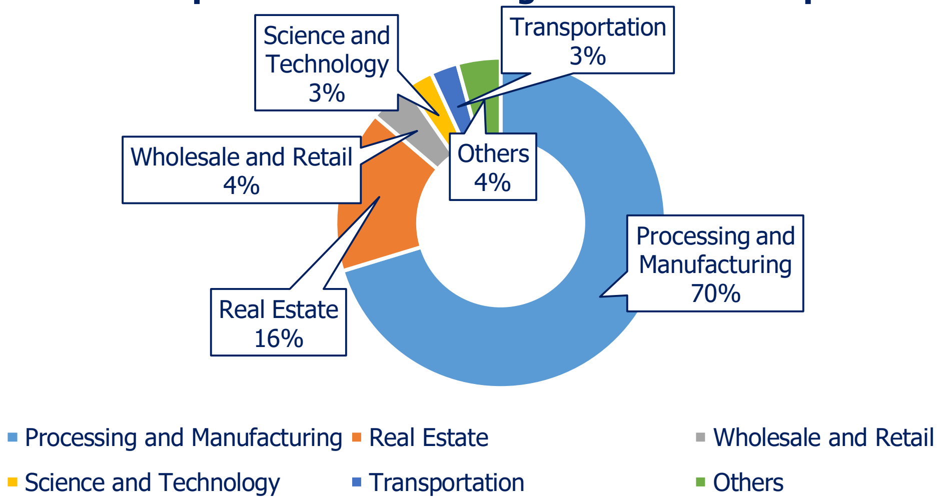
Foreign direct investment capital



Top 5 Sectors Receiving the Most FDI Capital



Source: FiinProX, SHS Research

According to the Foreign Investment Agency, as of July 20, 2024, total registered FDI in Vietnam reached over USD 18 billion (+10.9% YoY). Meanwhile, disbursed capital amounted to over USD 12.55 billion (+8.4% YoY). For the first seven months of 2024, both registered and actual capital continue to increase compared to the same period, at 10.9% and 8.4% respectively. This includes new investments, which have increased in both registered capital (USD 10.76 billion, up 35.6% YoY) and the number of projects (1,816 projects, up 11.6% YoY), as well as the average investment scale (over USD 5.9 million per project compared to USD 4.9 million per project in the first seven months of 2023)

In terms of sector distribution, the manufacturing and processing industry leads with a total investment of over USD 12.65 billion, accounting for 70.3% of total registered FDI, which is an increase of 15.7% compared to the same period last year. Following this, the real estate sector ranks second with total investment exceeding USD 2.87 billion, making up nearly 16% of the total registered FDI, and showing a 78% increase year-on-year. The wholesale and retail sector, with a total registered capital of nearly USD 740.5 million, leads in the number of capital contributions and share purchases, representing 42.1% of the total capital contributions and share purchases over the past seven months. Next is the professional, scientific, and technological activities sector, with registered investment exceeding USD 490.6 million. The remaining investments are spread across other sectors.

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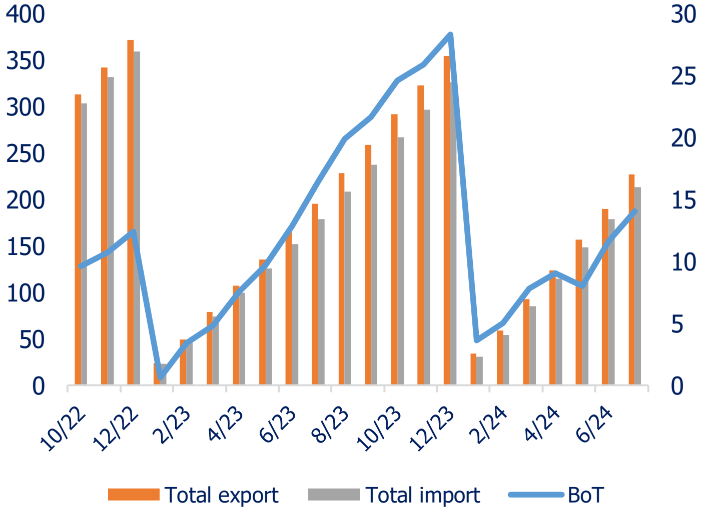
In the first seven months of 2024, the total trade turnover (export and import of goods) reached USD 439.88 billion, up 17.1% year-on-year (YoY). Exports increased by 15.7% YoY, while imports rose by 18.5% YoY, resulting in a trade surplus of USD 14.08 billion.

Export turnover for the first seven months is estimated at USD 226.98 billion, with 30 items having export values exceeding USD 1 billion, accounting for 91.9% of total export turnover (with 9 items exporting over USD 5 billion, representing 70.8%). Import turnover for the same period is estimated at USD 212.9 billion, with 35 items having import values exceeding USD 1 billion, representing 89.4% of total import turnover (with 10 items importing over USD 5 billion, accounting for 62.5%).

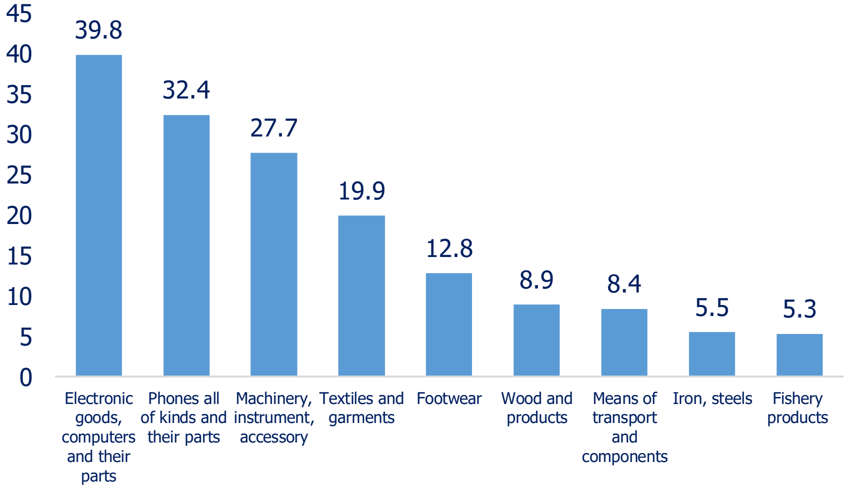
About import and export markets for goods in the first seven months of 2024, the United States remains Vietnam's largest export market with an estimated turnover of 66,1 billion USD. China is Vietnam's largest import market with an estimated turnover of 79,2 billion USD.

Overall, the improvement in global trade has had a positive impact on Vietnam's goods export activities.

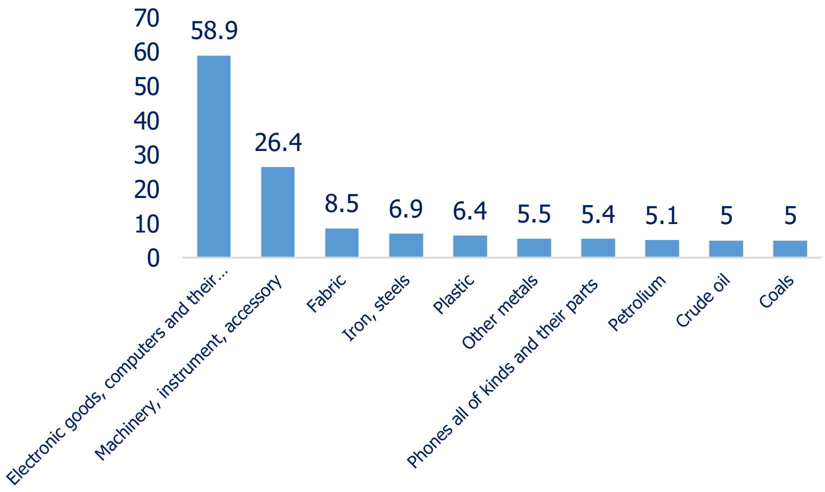
Total export, import and balance of trade



Export items pocketing over 5 billion USD



Import items pocketing over 5 billion USD



Source: GSO, FiinProX, SHS Research

CORPORATE BOND

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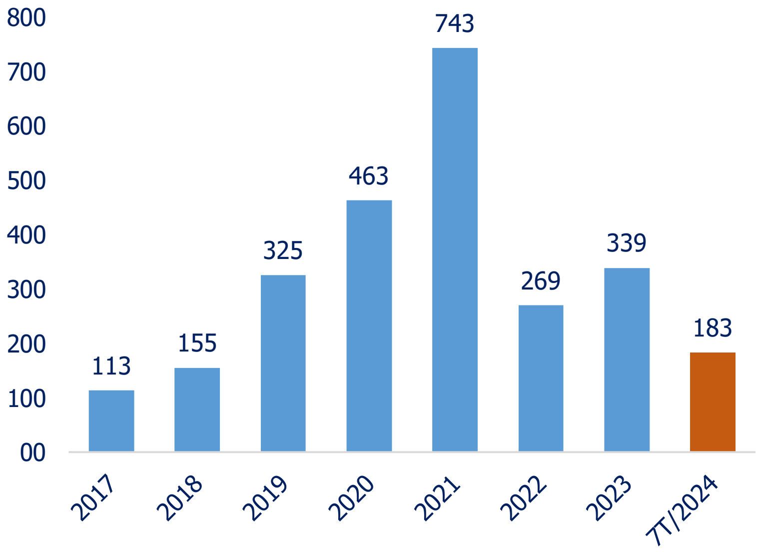
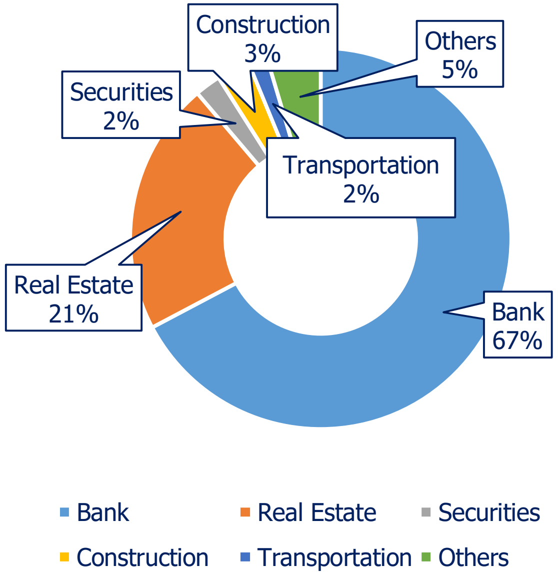
In July 2024, the total value of corporate bonds issued was VND 31,782 billion, including 33 private placements worth VND 31,387 billion and 1 public issuance worth VND 395 billion (compared to no public issuance in the same period of 2023). From the beginning of the year, the total value of corporate bonds issued is recorded at VND 183,019 billion, with 175 private placements worth VND 168,433 billion and 12 public issuances worth VND 14,586 billion. Among the private placements, bonds with credit ratings account for 7% of the value.

In July, companies repurchased VND 32,094 billion worth of bonds before maturity, an increase of 17% YoY. For the remainder of 2024, it is estimated that approximately VND 121,854 billion in bonds will mature, the majority of which are real estate bonds totaling VND 51,653 billion, accounting for 42%.

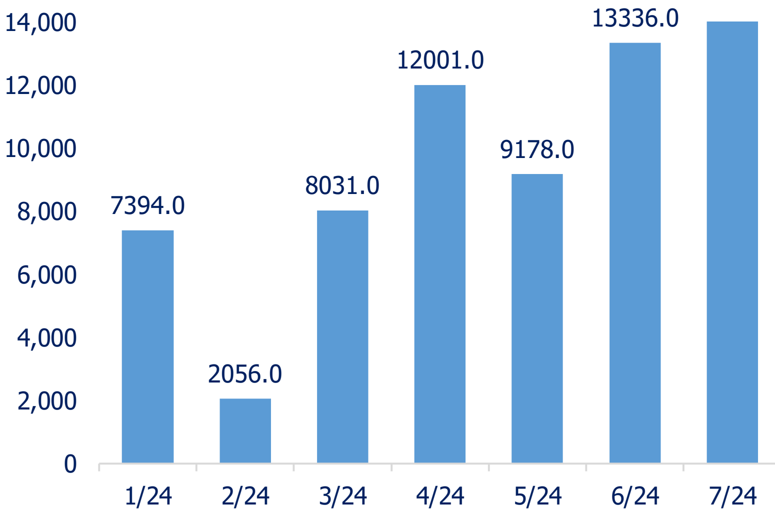
Corporate bond issuance value (Trillion VND)



Issuance structure by sectors



Value of pre-mature bond buybacks monthly 2024 (Billion VND)



Source: VBMA

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Indicators	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24
Economic Data												
IIP – Index of Industrial Production (monthly,% YoY)	2.60%	5.10%	4.10%	5.00%	5.80%	18.30%	-6.80%	4.10%	6.30%	8.90%	10.90%	11.20%
PMI (score)	50.5	49.7	49.6	47.3	48.9	50.3	50.4	49.9	50.3	50.3	54.7	54.7
Retail growth (accumulated, %YoY)	10.00%	9.70%	9.40%	9.60%	9.60%	8.10%	8.10%	8.20%	8.50%	8.70%	8.60%	8.70%
FDI disbursement (accumulated, % YoY)	1.30%	2.20%	2.40%	2.90%	3.50%	40.20%	38.60%	7.10%	7.40%	7.80%	8.20%	8.40%
FDI registry (accumulated, % YoY)	8.20%	7.70%	14.70%	14.80%	32.10%	9.60%	9.80%	13.40%	4.50%	2%	13.10%	10.90%
Exportation growth (accumulated, %YoY)	-10.00%	-8.20%	-7.10%	-5.90%	-4.40%	42%	19.20%	17%	15%	15.20%	14.50%	15.70%
Importation growth (accumulated, % YoY)	-16.20%	-13.80%	-12.30%	-10.70%	-8.90%	33.30%	18%	13.90%	15.40%	18.20%	17%	18.50%
Balance of Trade (monthly, billion USD)	3.82	2.29	3.00	1.28	2.28	3.62	1.10	2.93	0.68	-1.00	2.94	2.12
Macro-Economics												
Inflation (% YoY)	2.96%	3.66%	3.59%	3.45%	3.25%	3.37%	3.98%	3.97%	4.40%	4.44%	4.34%	4.36%
Core Inflation (avg. YTD % YoY)	4.57%	4.49%	4.38%	4.27%	4.16%	2.72%	3.67%	2.81%	2.81%	2.78%	2.75%	2.73%
Credit growth (% YTD)	5.33%	6.96%	7.39%	8.38%	13.70%	-0.68%	-0.75%	1.34%	1.60%	2.41%	6%	5.23%
Growth of M2 (% YTD)	4.04%	5.62%	5.96%	7.92%	10.03%	0%	-0.53%	0.09%	0.13%	0.82%		
Refinancing rate (%)	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Discount rate (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Interbank rate O/N (%)	0.07%	0.15%	0.75%	0.10%	2.96%	1.37%	1.48%	2.43%	4.40%	2.55%	4.50%	4.25%
10y Government Bond yield (%)	2.71%	2.90%	3.10%	2.58%	2.40%	2.55%	2.45%	2.69%	2.93%	2.97%	2.95%	2.90%
CDS 5y	128.00	145.49	145.76	126.77	125.74	129.15	124.18	126.99	122.63	117.87	120.8	116.17
USD/VND (% MoM)	1.70%	0.90%	1.10%	-1.20%	0.03%	0.64%	0.91%	0.58%	2.19%	0.47%	0.02%	-0.75%

STOCK MARKET HIGHLIGHTS IN JULY 2024

STOCK MARKET HIGHLIGHTS

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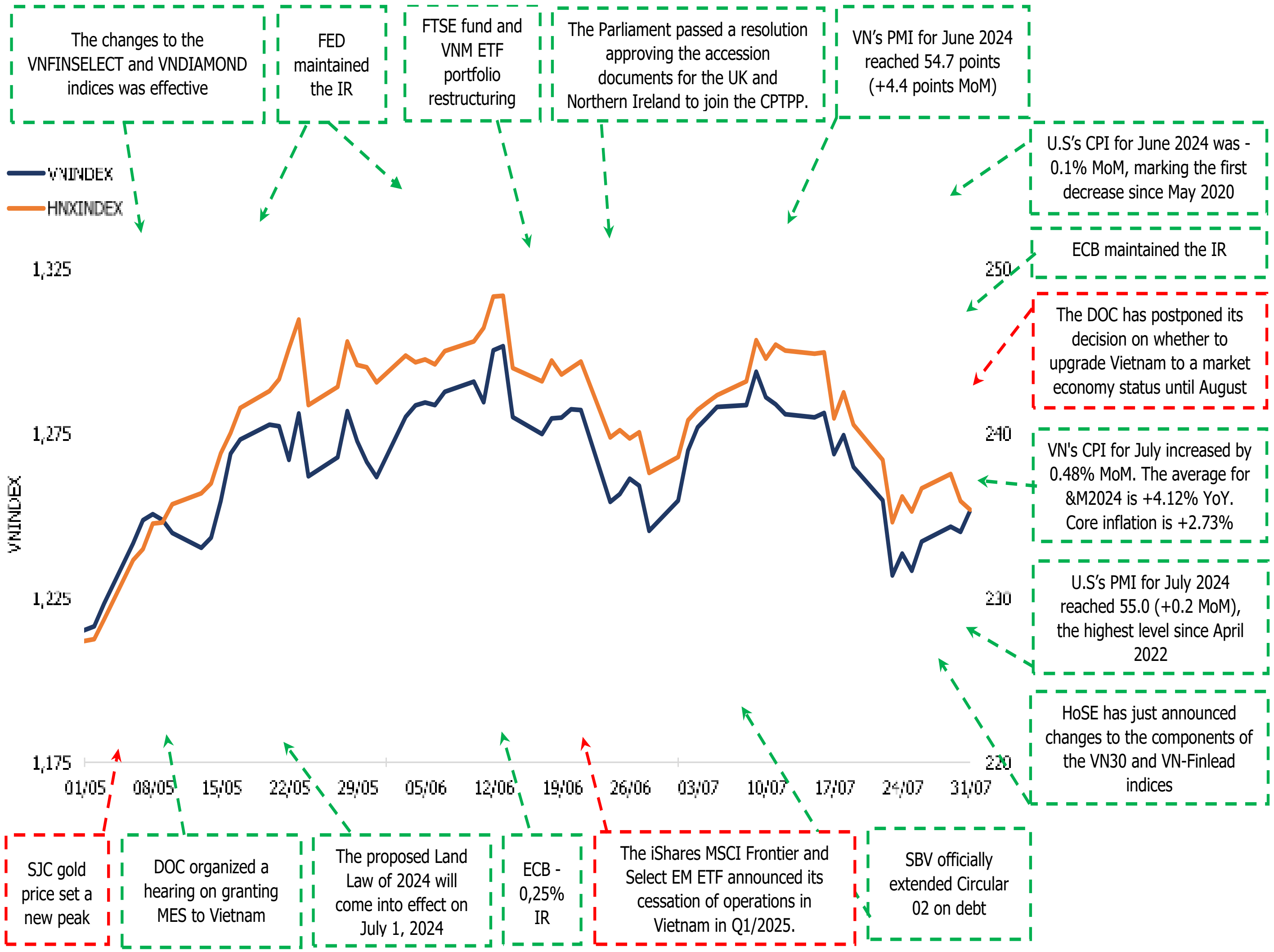
The VN-INDEX concluded July 2024 at 1,251.51; increasing by 0.50% MoM.

VN-INDEX experienced significant fluctuations in July as it rose in the first two weeks from around 1,240 to 1,300 before facing a sharp correction to support price around 1,220. It then recovered to end the month with a slight increase of 0.50% compared to June, reaching 1,251.51 and maintaining within 1,245 - 1,255 price range, corresponding to the highest prices in 2023.

The adjustment pressure occurred in the context of market receiving the business report results of the second quarter, the first 6 months of 2024 and when VN-INDEX failed to maintain the medium-term growth trend line connecting the lowest price zones in November 2023, April 2024 and July 2024. The market showed a negative divergence, with most stocks facing strong correction pressures and weak recovery, while only a few maintained good accumulation and price increases.

At the end of July, the VN-Index still increased by 10.80% compared to the end of 2023, reflecting strong growth amidst positive economic indicators such as (1) sustained robust GDP growth of 6.42% in the first six months, and (2) interest rates are stable at a low level. Alongside less positive and uncertain factors like (1) prolonged net selling pressure from foreign investors; (2) escalating global geopolitical tensions; (3) pressure from inflation remaining high.



STOCK MARKET HIGHLIGHTS

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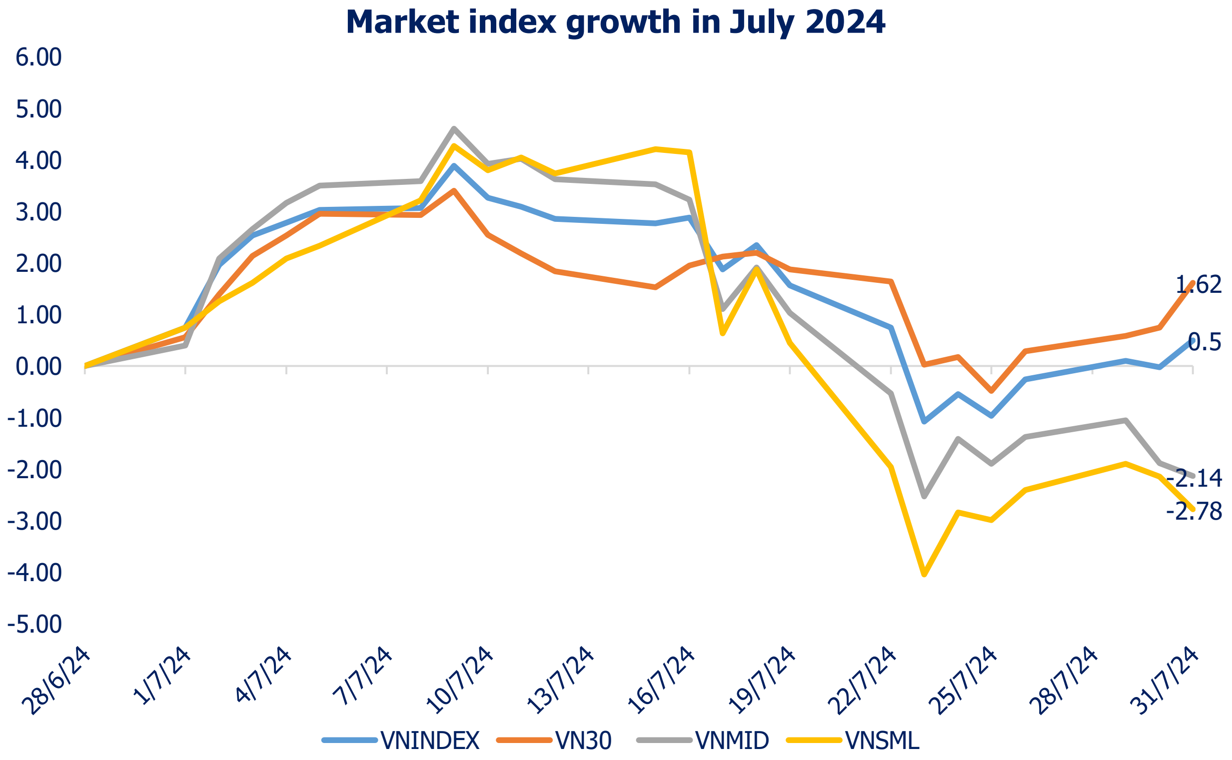
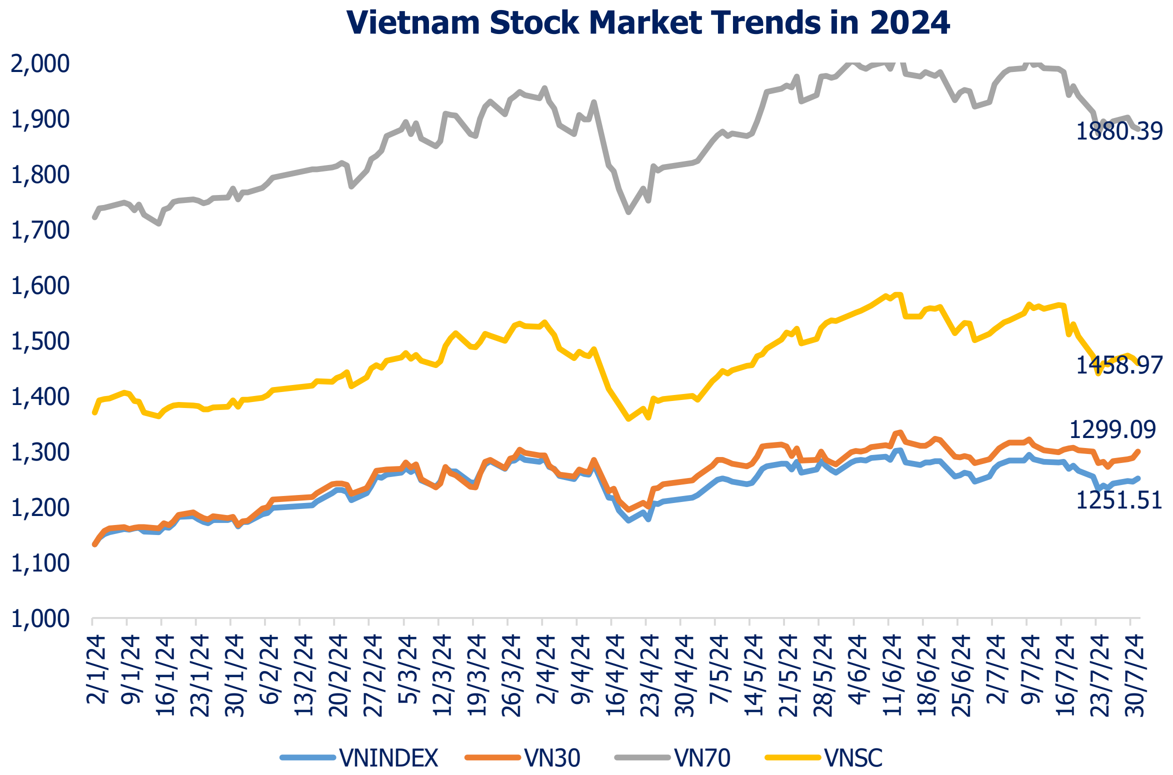
The two groups of stocks that faced the strongest selling pressure in July were the mid-cap and small-cap, represented by the VNMID index (-2.14% MoM) and the VNSML index (-2.78% MoM). From the VN-INDEX peak around 1,300 in July, the VNMID index decreased by -6.74%, and the VNSML index decreased by -7.05%, with significant declines across many stocks. Meanwhile, the VN-INDEX (+0.50% MoM) remained positive primarily due to the influence of the VN30 (+1.62% MoM), which experienced less adjustment pressure and still ended July with a price increase.

Overall, in the first seven months of 2024, VN30 index remained the most positively performing group, with an increase of 14.8%, leading the VN-INDEX to increase by 10.58%. Meanwhile, the VNMID group (+9.20%) and the VNSML group (+6.50%) underperformed VN-INDEX.





Source: Bloomberg, SHS Research

STOCK MARKET HIGHLIGHTS

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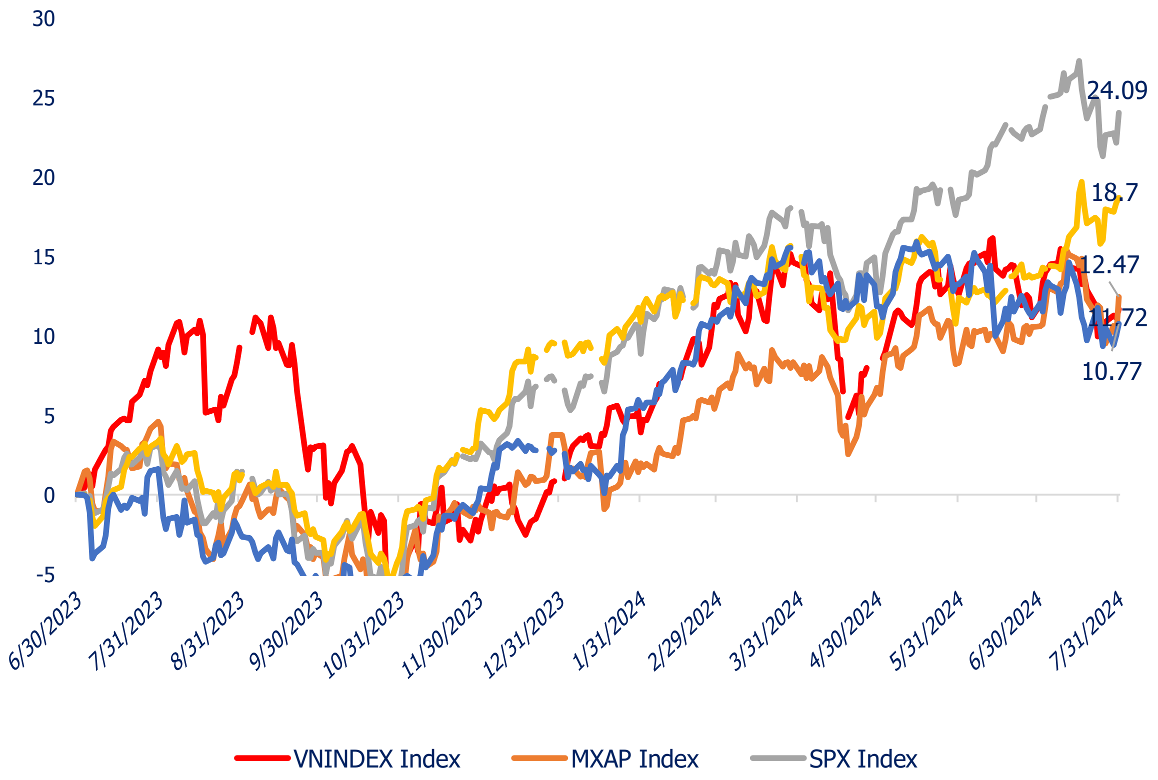
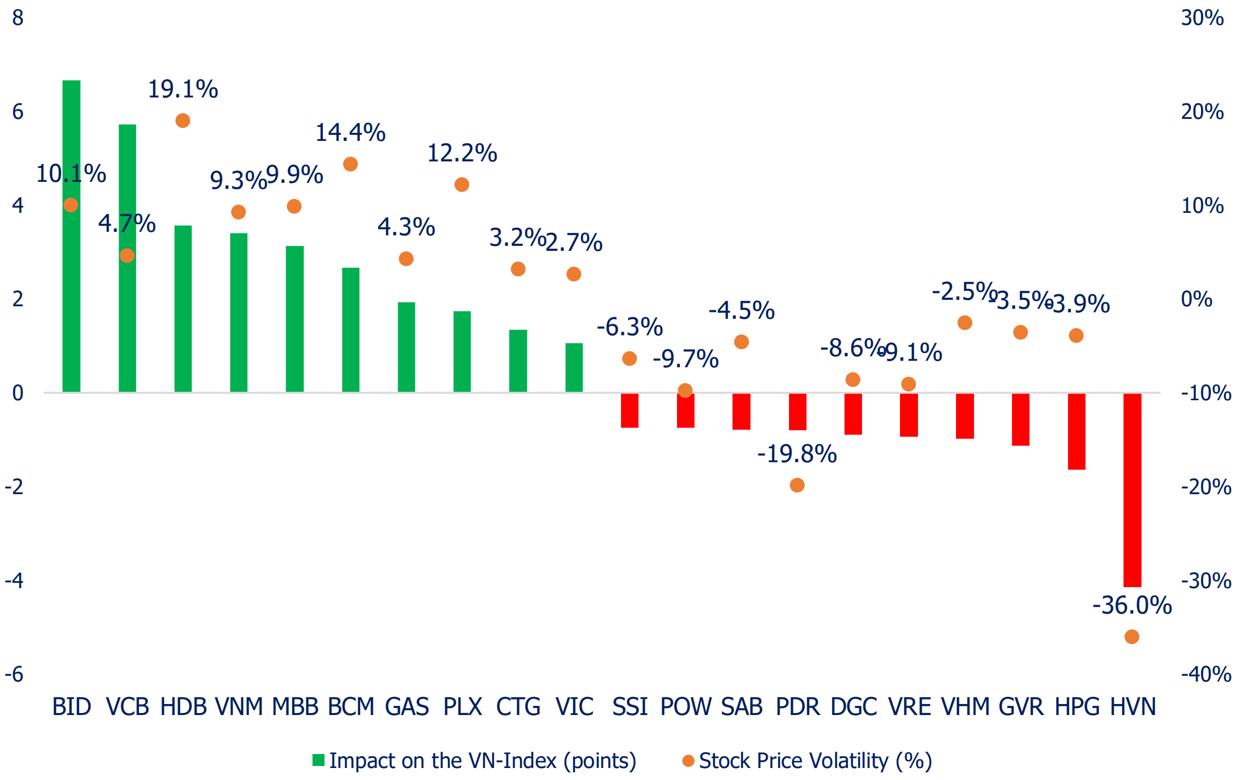
In July 2024, banking stocks had the most positive impact on the market, as most banks reported strong profit growth in Q2/2024. BID (+10.1% MoM), VCB (+4.7% MoM), HDB (+19.1% MoM), MBB (+9.9% MoM)... along with VNM (+9.3% MoM), BCM (+14.4% MoM)... contributed positively to VN-INDEX. Conversely, HVN (-36.0% MoM) faced selling pressure after a period of strong price increase, while HPG (-3.9% MoM), GVR (-3.5% MoM), and PDR (-19.8% MoM) represented significant adjustments within the mid-cap real estate sector.

Percentage Growth of Stock Indices in the Region



Top Stocks Impacting the VN-Index in July 2024



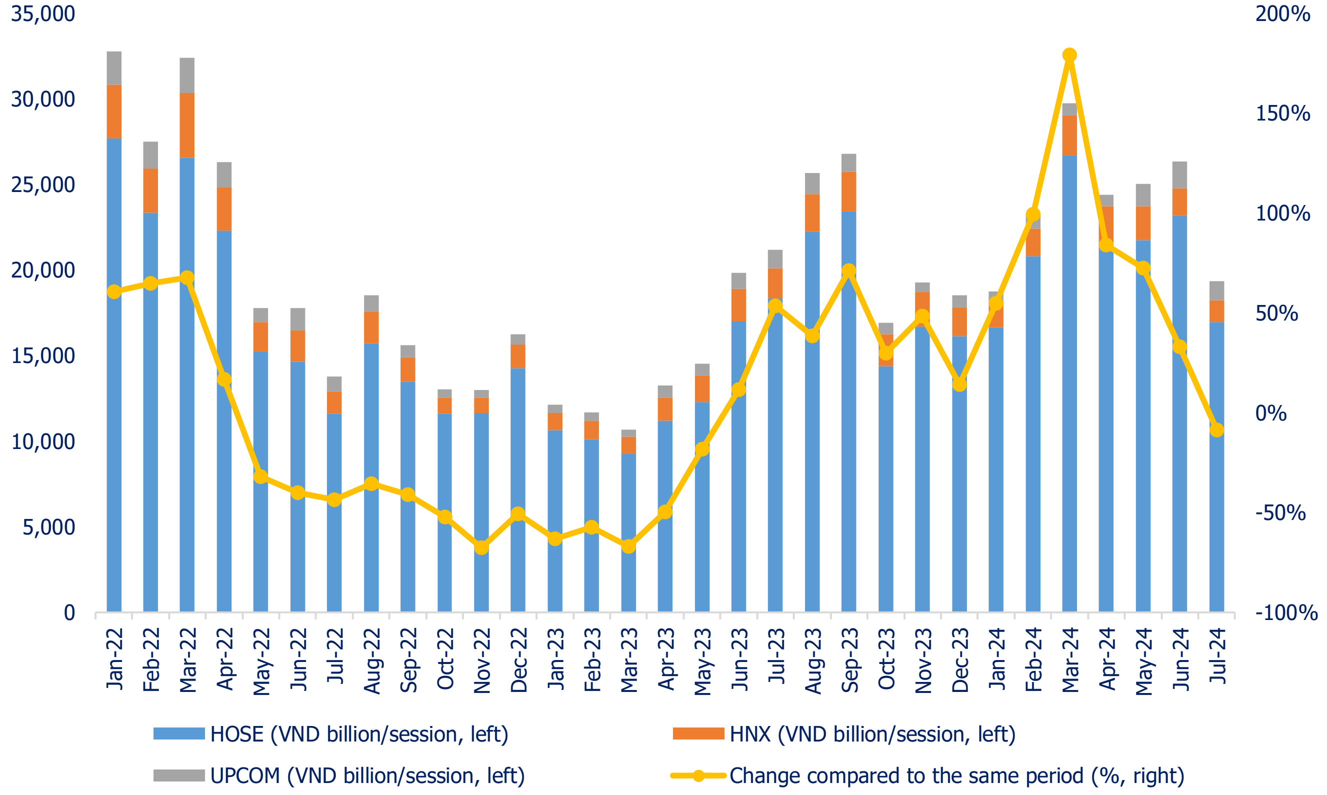
Source: Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS

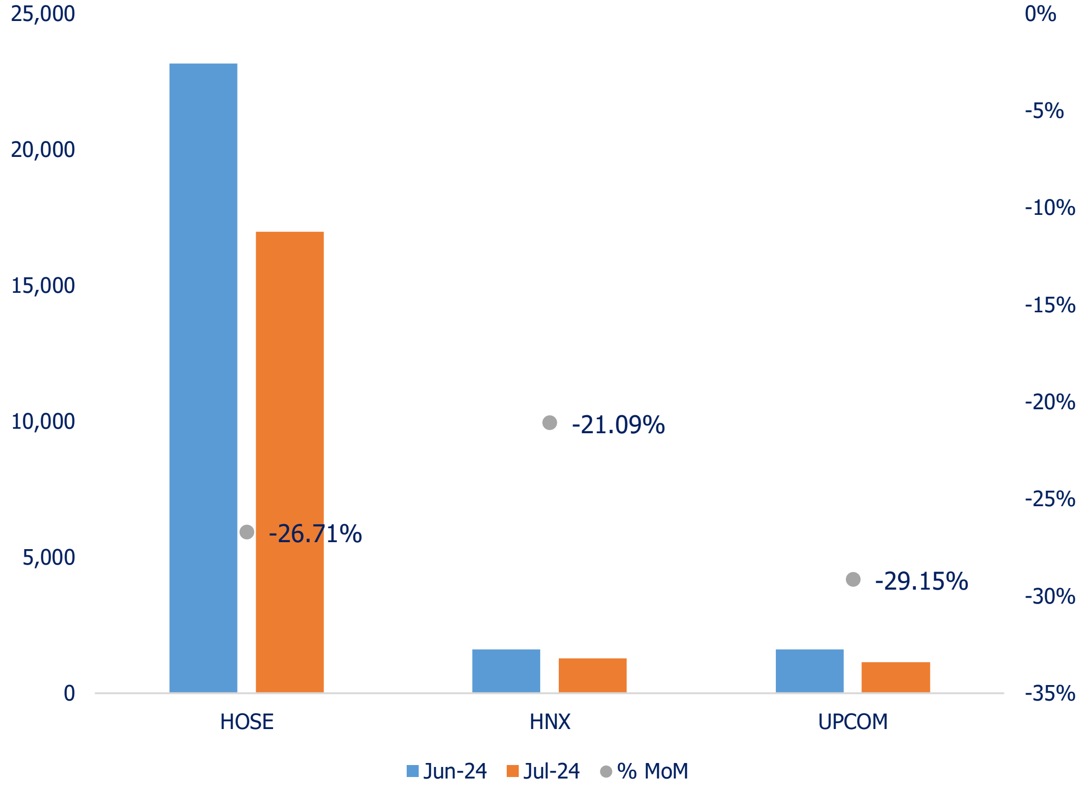
Turning opportunities into value

Liquidity decreased sharply, below the average in July 2024. The average trading value per session in July declined significantly by 26.52% MoM to the lowest point since February 2024, reaching only VND 19,368.40 billion per session after two consecutive months of increase, indicating weakening cash flow and signs of withdrawal from the market. Specifically, on HOSE, the average liquidity was VND 16,970.39 billion per session (-26.71% MoM); on HNX, it was VND 1,270.11 billion per session (-21.09% MoM); and on UPCOM, it was VND 1,127.9 billion per session (-29.15% MoM).

Average Trading Volume (VND billion/session)



Average Trading Value (VND billion/session)



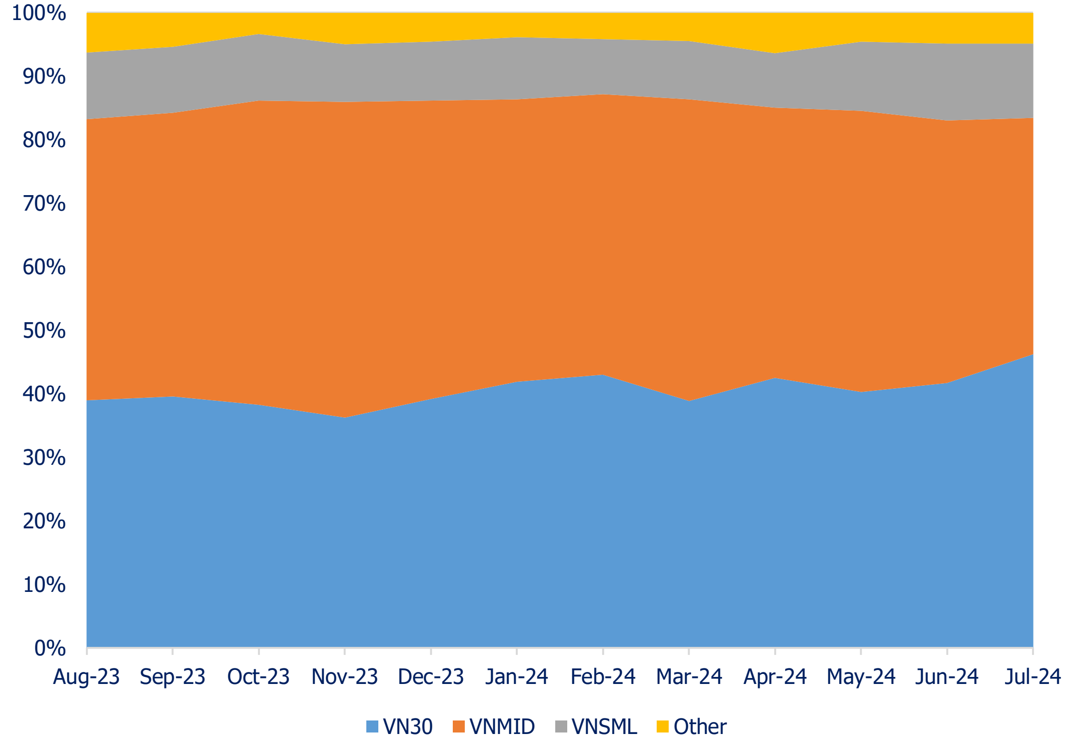
Source: Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS

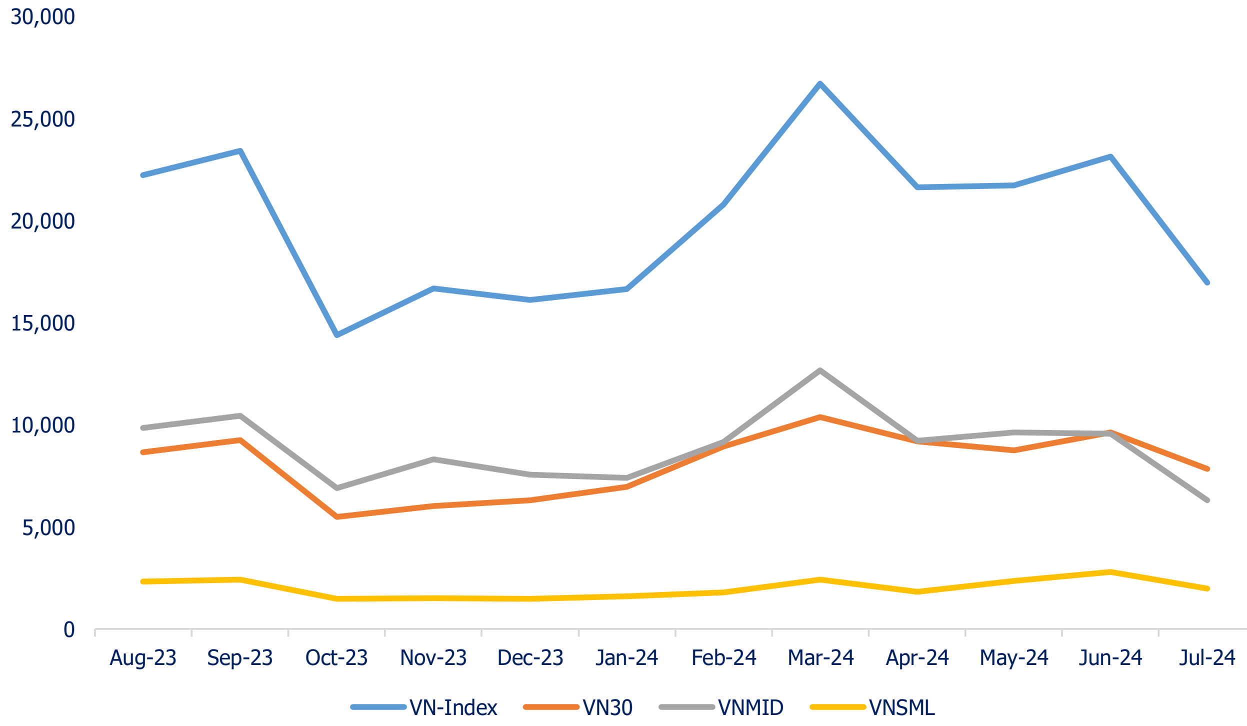
Turning opportunities into value

Cash flow declined across all market capitalization groups, with the sharpest decrease in the mid-cap VNMID (-34.1% MoM). The average trading value reached VND 6,308.02 billion per session, accounting for 37.17%, the lowest in a year, indicating a decline in individual investor cash flow. The small-cap stock group VNMSL (-29.0% MoM) also dropped substantially compared to June, with an average trading value of VND 1,991.37 billion per session, accounting for 4.88%. The large-cap VN30 experienced a lesser decrease (-18.7% MoM), with an average trading value of VND 7,308.02 billion per session, accounting for 46.22%, the highest in a year.

Proportion of Average Trading Value on VN-Index



Average Trading Value per Session over the last 12 Months (VND billion)



Source: Bloomberg, Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS

Turning opportunities into value

In July, the number of new securities accounts surged by 330,199 accounts (+209% MoM, +119.2% YoY). Accumulated over the first 7 months of 2024, the total number of new accounts reached 1.08 million (+91.8% YoY), bringing the total number of investor trading accounts to over 8.37 million, an increase of 14.8% compared to the end of 2023.

Number of Securities Accounts (Monthly increase/decrease)

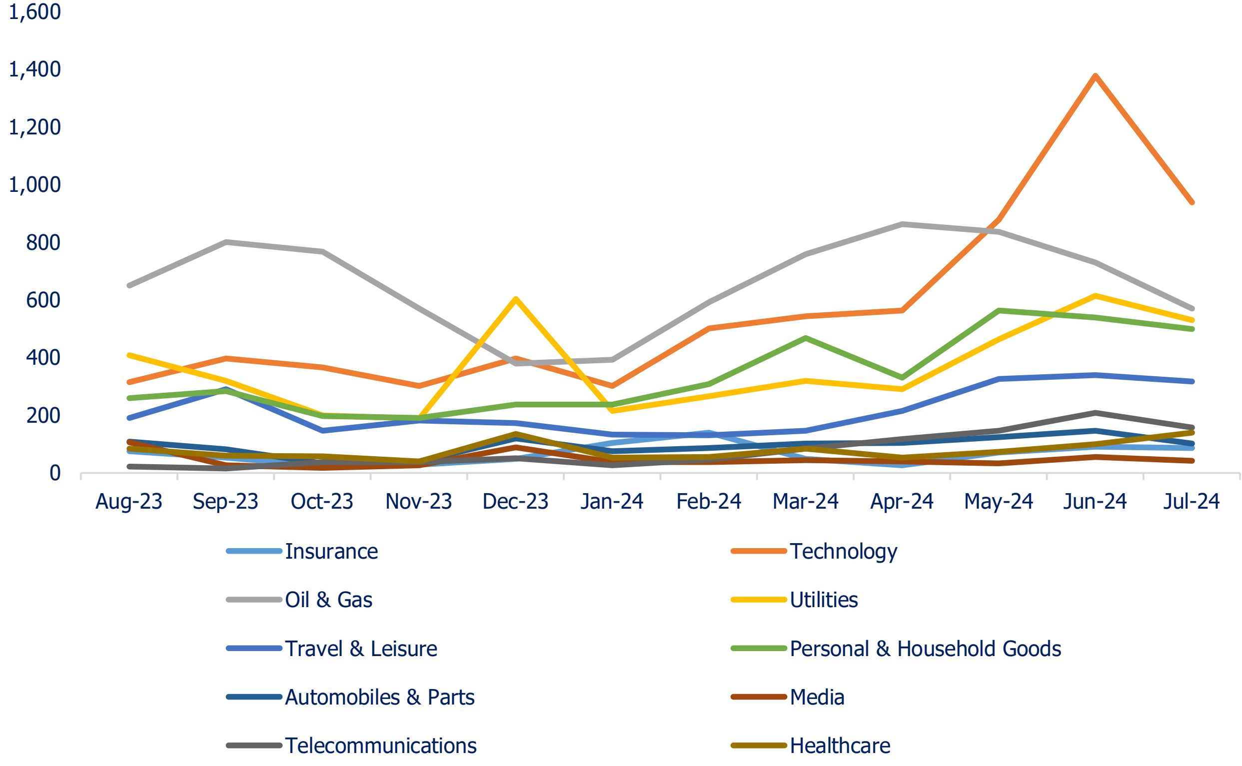
Source: VSD

STOCK MARKET HIGHLIGHTS

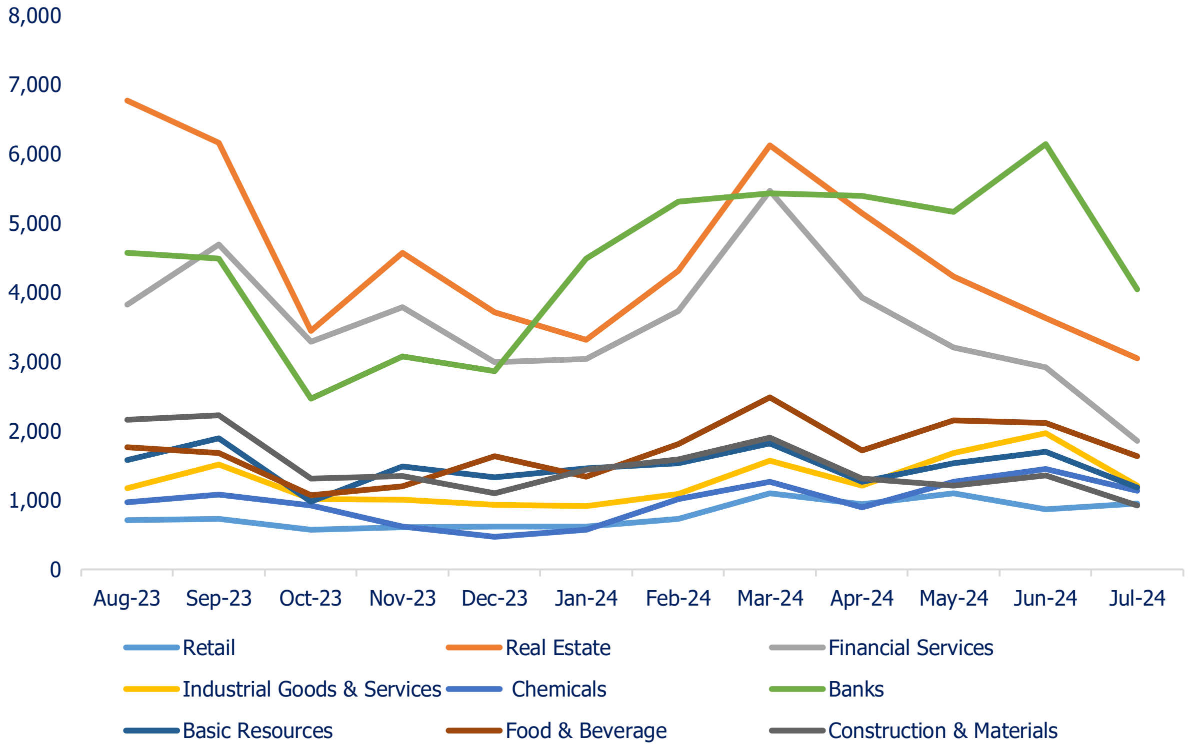
Turning opportunities into value

Liquidity in all sectors decreased significantly. Several sectors experienced four consecutive months of decline, such as Real Estate (-16.1% MoM), Financial Services (-36.3% MoM) and Oil & Gas (-21.8% MoM). Technology (-32.0% MoM) and Telecommunications (-24.4% MoM) exhibited substantial drops in July after a period of strong growth. The Banking (-34.1% MoM) also declined significantly following a good performance in June, as did the Industrial Goods & Services (-38.5% MoM), Construction & Materials (-31.9% MoM), and Chemicals (-21.6% MoM)… However, the Healthcare sector (+39.9% MoM) and Retail (+8.9% MoM) showed good improvement in liquidity.

Average Trading Value per Session by Sector (VND billion, Chart 1)



Average Trading Value per Session by Sector (VND billion, Chart 2)

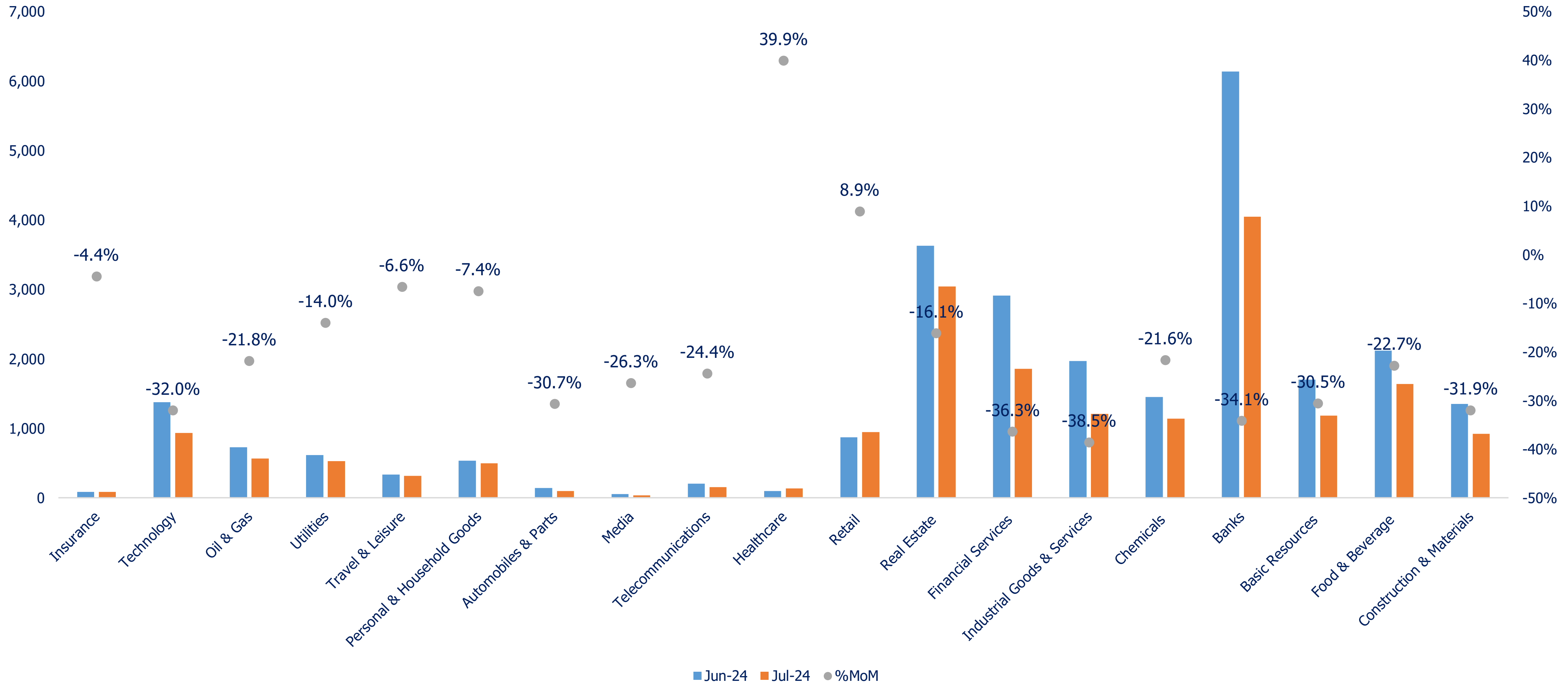


Source: Bloomberg, Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS

Turning opportunities into value

Average Trading Value per Session by Sector



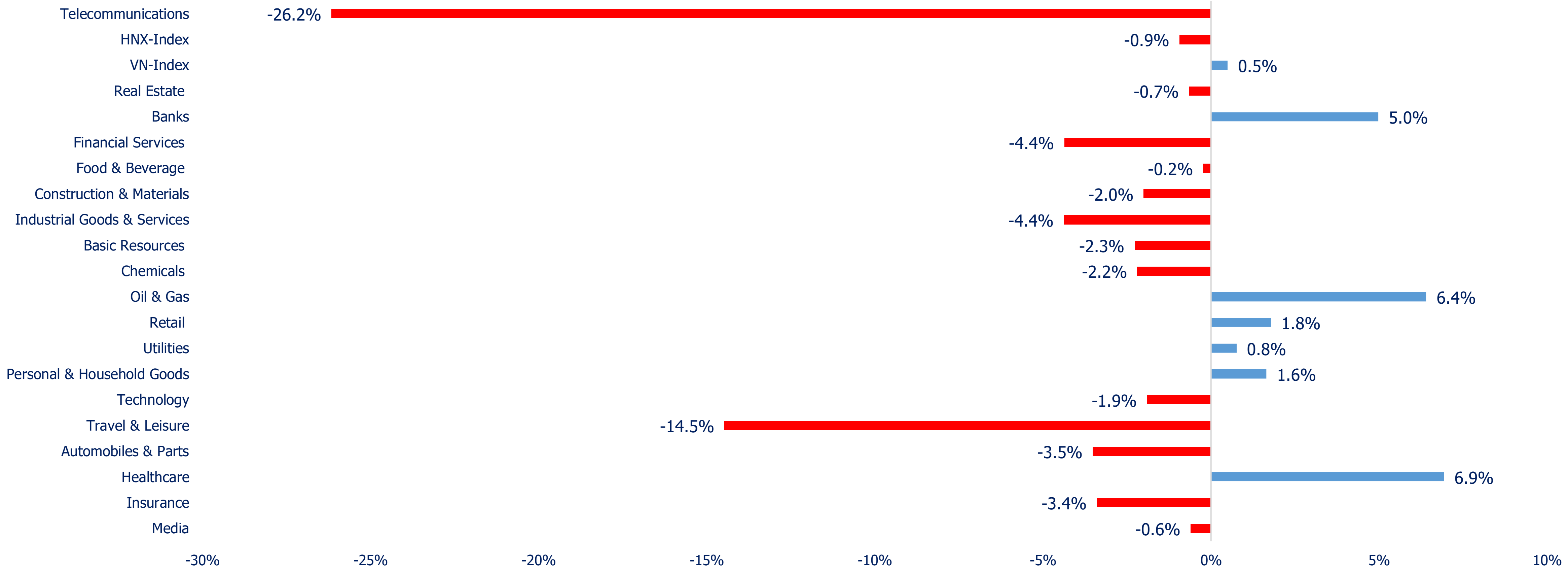
Source: Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS

Turning opportunities into value

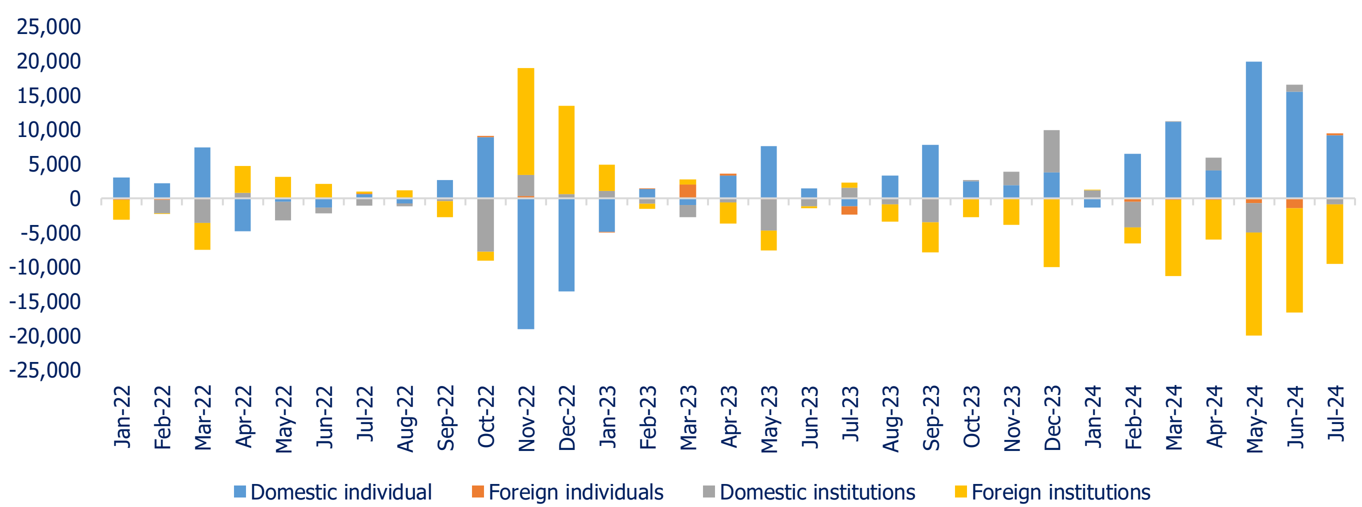
In July 2024, Banking (+5.0% MoM), Oil & Gas (+6.4% MoM), and Healthcare (+6.9% MoM) were the three sectors with the best performance, positively impacting VN-Index and VN30. Meanwhile, several previously high-performing sectors faced strong correction pressures in July, including Telecommunications (-26.2% MoM) and Travel & Leisure (-14.5% MoM). Among the sectors that declined in July, only Real Estate (-0.7% MoM) and Media (-0.6% MoM) experienced less downward pressure compared to the overall market.

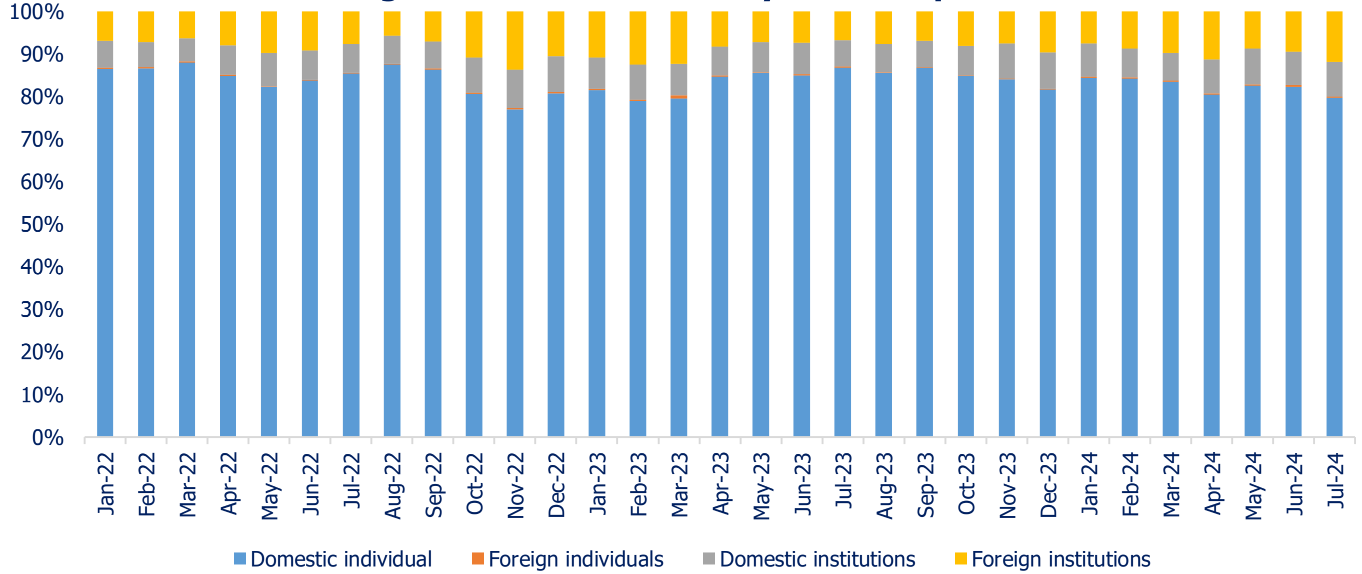
Sector Performance in July 2024



Source: Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS





Source: Fiingroup, SHS Research

In July, foreign institutions investors maintained strong net selling of VND 8,619.47 billion, raising the cumulative net selling for the first seven months of 2024 to VND 57,809.97 billion. The trading proportion of foreign institutions significantly increased to 11.81% in July, compared to 9.43% in June, exceeding the 3-year average. Meanwhile, after five consecutive months of strong net selling, foreign individual investors returned to net buying in July, with a value of VND 247.32 billion.

After net buying in June, domestic institutions also engaged in strong net selling in July, with a value of VND 860.56 billion, accounting for 8.25% of total trading, above the average. Cumulatively, in the first seven months, domestic institutions remained net sellers with a total value of VND 4,769.42 billion.

Meanwhile, in response to the net selling pressure of foreign investors and domestic organizations, domestic individual investors continued to be strong net buyers with a value of VND 9,232.71 billion in July, a significant decrease compared to the net buying value in May and June. The cumulative net buying value by individual investors in the first seven months of 2024 reached a record high of VND 65,178.45 billion. The trading proportion of individual investors in July continued to decline sharply to 79.71%, marking the lowest level in the past three years.

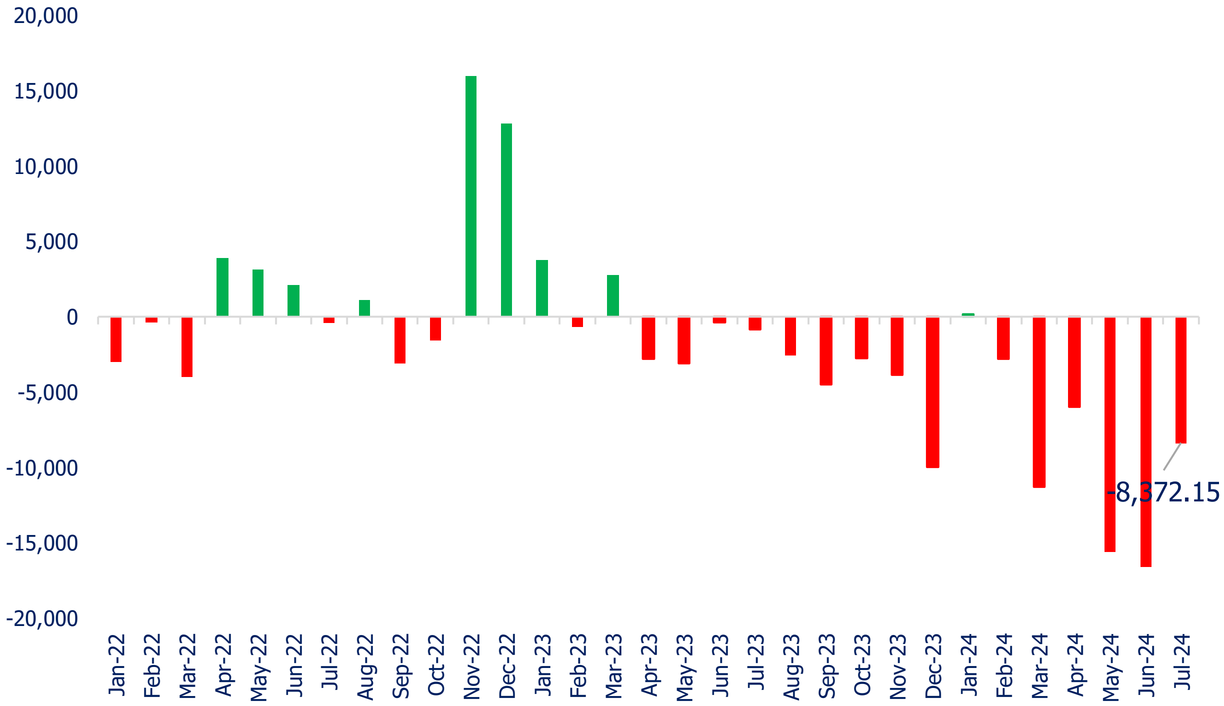
STOCK MARKET HIGHLIGHTS

Turning opportunities into value

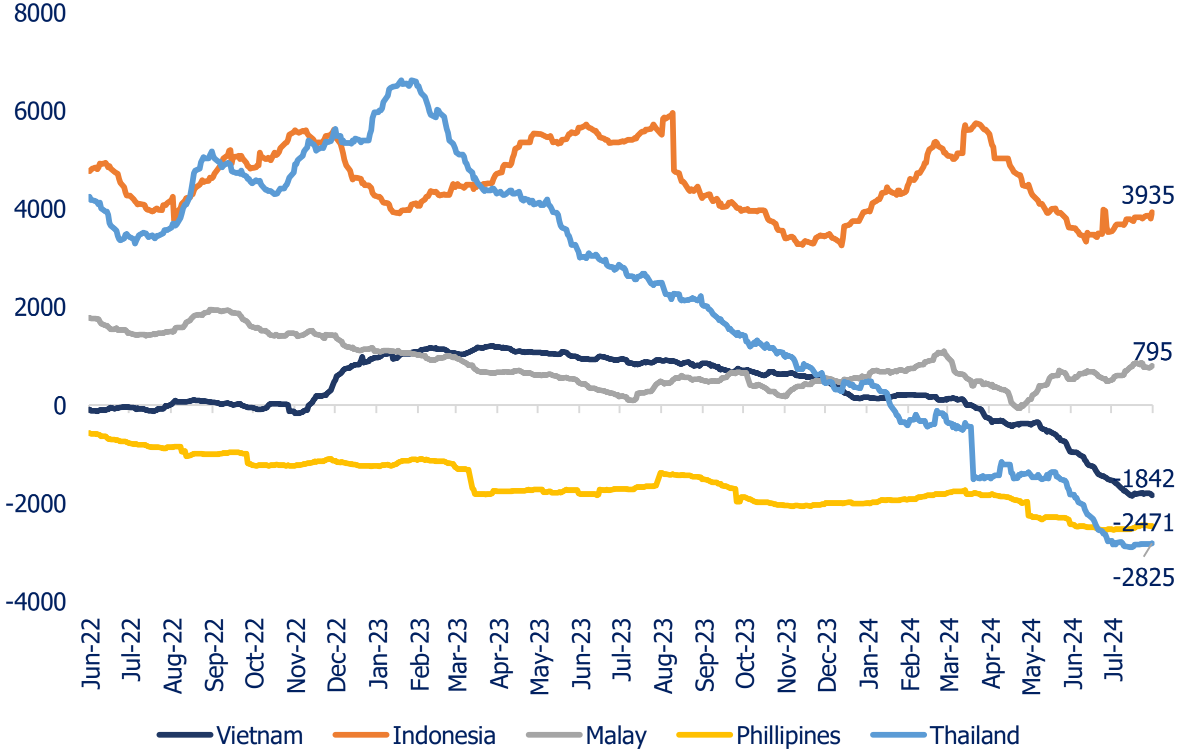
Foreign investors reduced their net selling scale: In July, foreign investors maintained net selling with a value of VND 8,283 billion across all three exchanges, corresponding to only 49.5% of June's figures. Specifically, there was net selling at HOSE and HNX, while net buying nearly VND 200 billion on Upcom. Cumulatively, in the first seven months of 2024, the total net selling value of foreign investors reached VND 60,904 billion, 2.67 times the total for entire year of 2023.

In other Southeast Asian markets, foreign capital flows have reversed to net buying: Indonesia (+USD 400 million), Malaysia (+USD 282 million), and the Philippines (+USD 62 million), while the net selling pressure decreased in Thailand (-USD 56 million).

Net Buy/Sell Value of Foreign Investors on HOSE by month since 2022 (VND billion)

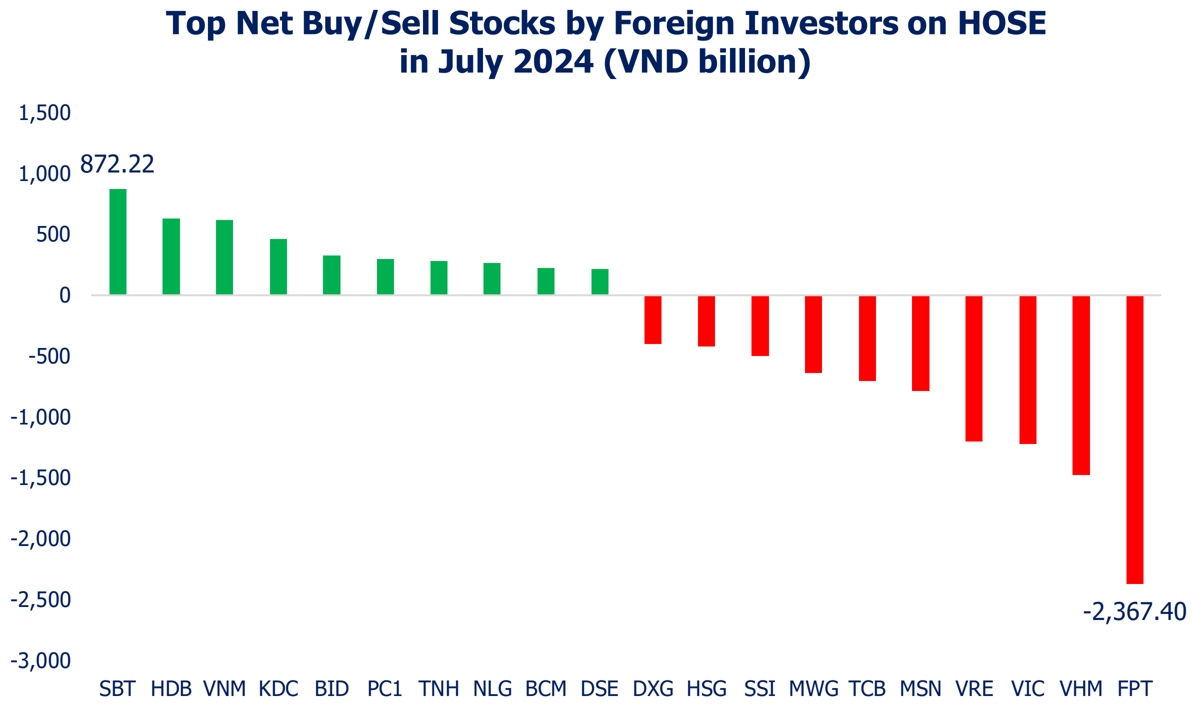


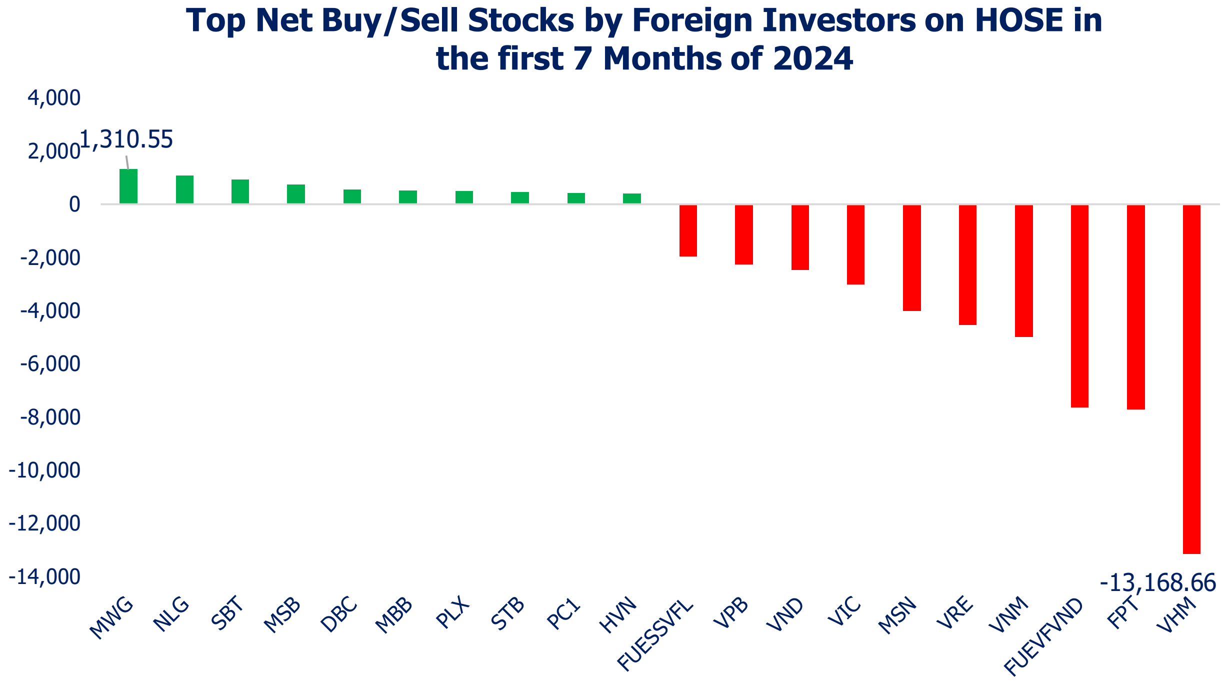
Cumulative Foreign Stock Trading (2022-2024)



Source: Bloomberg, Fiingroup, SHS Research

Turning opportunities into value





Source: Fiingroup, SHS Research

On HOSE, in July, FPT (-VND 2,367.40 billion) continued to face strong net selling pressure from foreign investors after significant sell-off in June. Next were three Vingroup stocks: VHM (-VND 1,475.31 billion), VIC (-VND 1,224.87 billion), and VRE (-VND 1,204.56 billion). Cumulatively for the first seven months of 2024, VHM was the stock most heavily sold by foreign investors, totaling -VND 13,168.66 billion. Following that were FPT (-VND 7,728.99 billion), FUEVFVND (-VND 7,646.26 billion), VNM (-VND 4,992.05 billion), VRE (-VND 4,534.70 billion), and MSN (-VND 4,015.97 billion).

On the other hand, in July, foreign investors saw significant net buying in SBT (+VND 872.22 billion), followed by HDB (+VND 629.68 billion) and VNM (+VND 615.77 billion). For the cumulative 7 months of 2024, MWG (+VND 1,310.55 billion) was the most favorably bought by foreign investors, followed by NLG (+VND 1,079.15 billion), SBT (+VND 915.96 billion), and MSB (+VND 718.94 billion).

STOCK MARKET HIGHLIGHTS

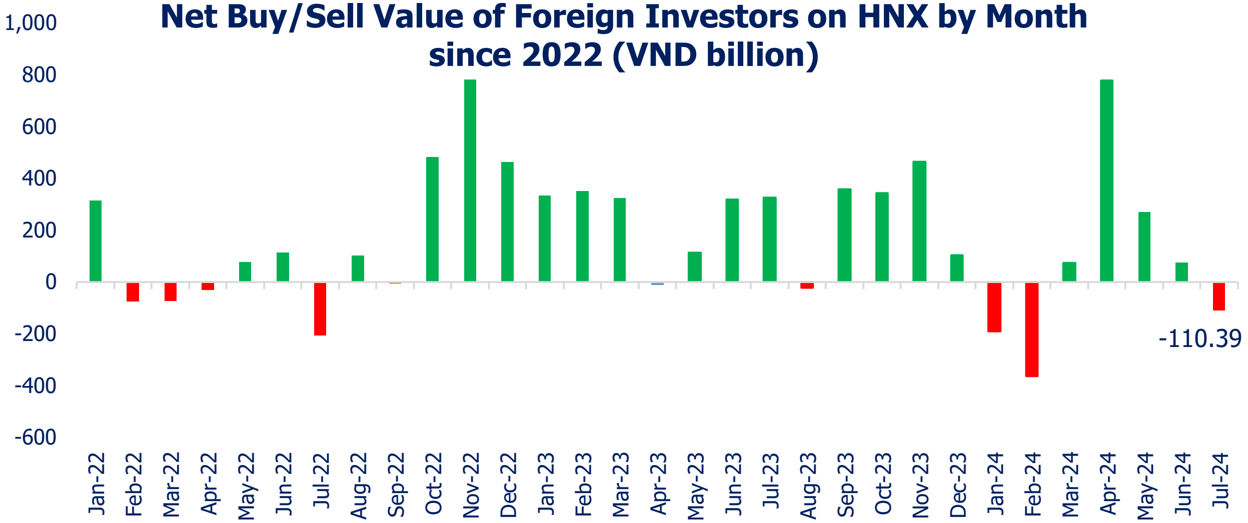
Turning opportunities into value

On HNX, after four consecutive months of net buying, foreign investors turned to net selling with a value of VND 110.39 billion. The selling was concentrated in PVI (-VND 119.42 billion), DTD (-VND 34.56 billion), and IDC (-VND 29.5 billion), which faced selling pressure after strong net buying. Conversely, foreign investors showed favorable net buying in PVS (+VND 156.78 billion).

Cumulatively for the first seven months of 2024, foreign investors remained net buying on HNX, with a total of VND 528.10 billion, notablely concentrated in IDC (+VND 1,313.67 billion), MBS (+VND 343.87 billion), and PVS (+VND 168.65 billion)… Conversely, strong net selling pressure in SHS (-VND 617.80 billion), LHC (-VND 141.24 billion), and PVI (-VND 118.28 billion).

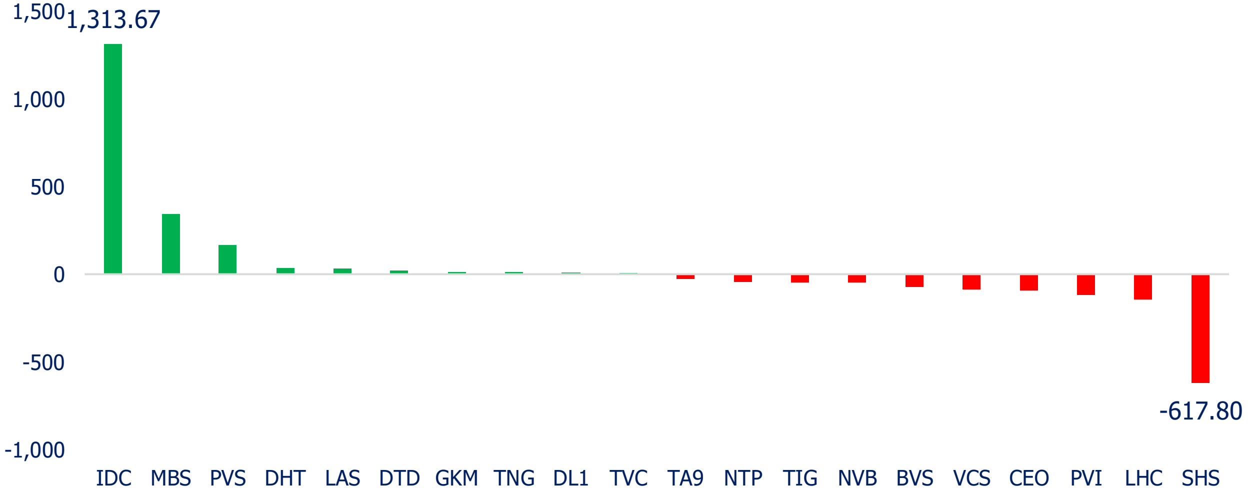
Source: Fiingroup, SHS Research

Net Buy/Sell Value of Foreign Investors on HNX by Month since 2022 (VND billion)



Top Net Buy/Sell Stocks by Foreign Investors on HNX in July 2024 (VND billion)

Top Net Buy/Sell Stocks by Foreign Investors on HNX in the first 7 Months of 2024



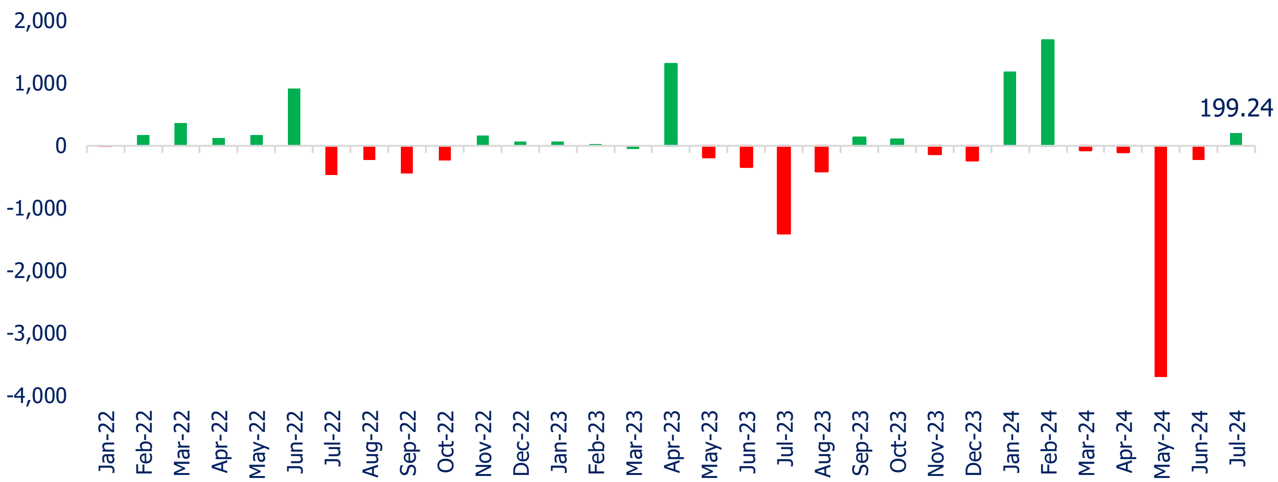
Turning opportunities into value

STOCK MARKET HIGHLIGHTS

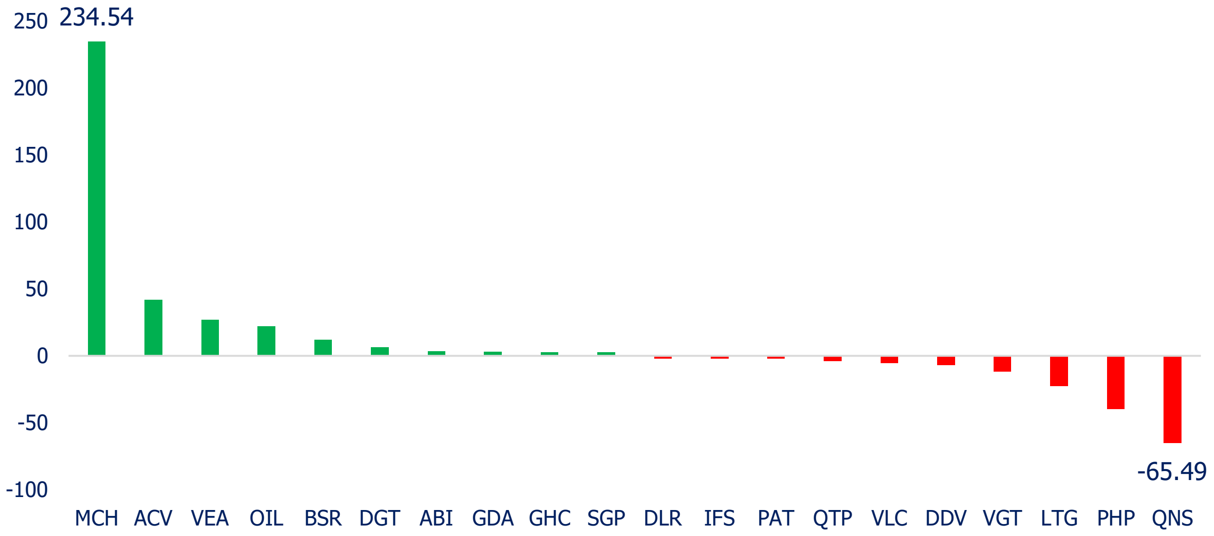
On Upcom, after four consecutive months of net selling, foreign investors returned to net buying with a value of VND 199.24 billion. The strongest net buying was in MCH (+VND 234.54 billion), ACV (+VND 41.79 billion), and VEA (+VND 26.78 billion), while notable net selling occurred in QNS (-VND 65.49 billion), PHP (-VND 39.86 billion), and LTG (-VND 22.67 billion).

As of the first seven months of 2024, foreign investors continued to net selling of VND 1,023.65 billion, after strong net buying in the first two months of the year. Notable transactions included net buying in BHI (+VND 1,628.10 billion) and AIC (+VND 1,262.90 billion), and significant net selling in MSR (-VND 1,627.44 billion), VEA (-VND 933.12 billion), and ABB (-VND 882.88 billion).

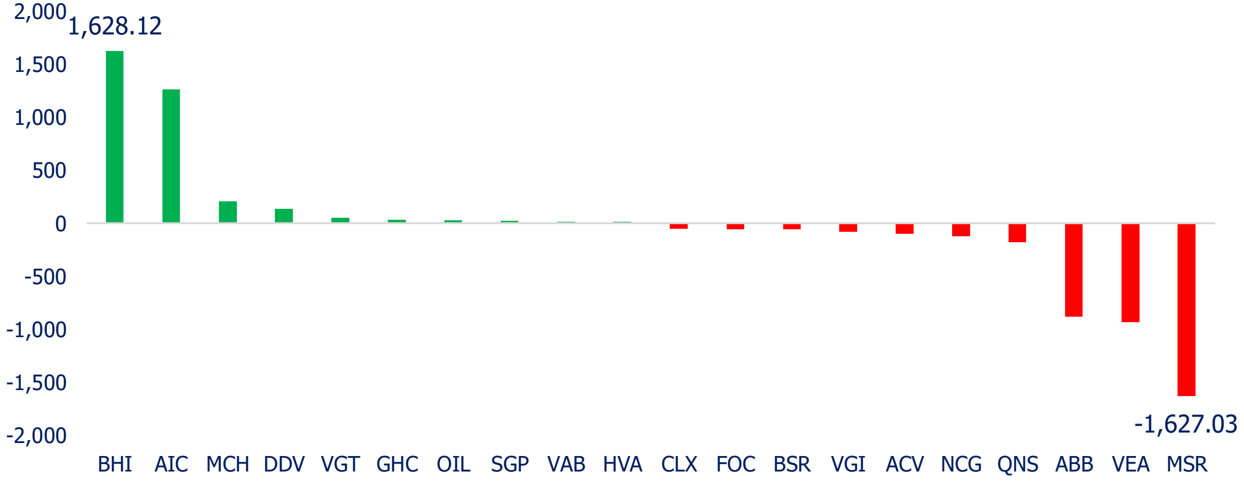
Net Buy/Sell Value of Foreign Investors on UPCOM by Month since 2022 (VND billion)



Top Net Buy/Sell Stocks by Foreign Investors on UPCOM in July 2024 (VND billion)



Top Net Buy/Sell Stocks by Foreign Investors on UPCOM in the first 7 Months of 2024



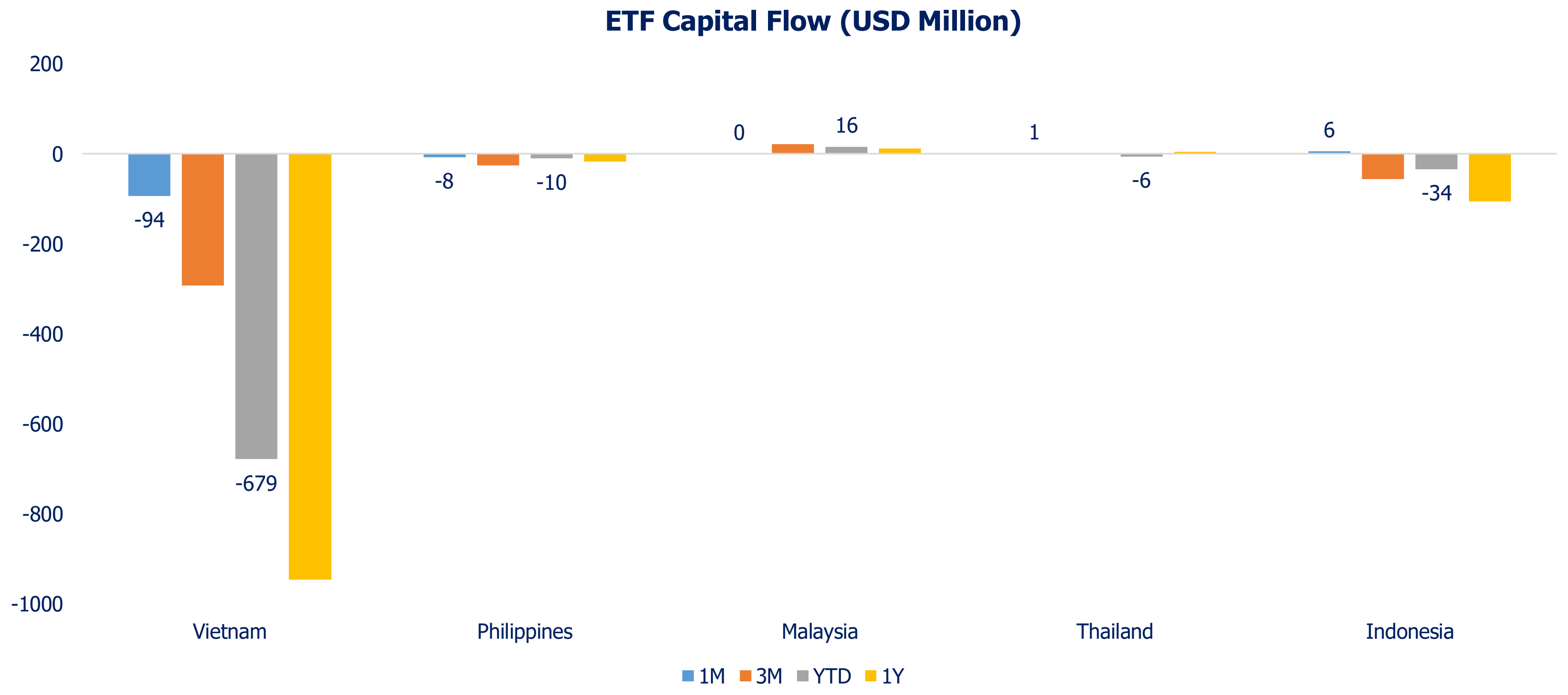
Source: Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS

Turning opportunities into value

In July 2024, ETF outflows continued in Vietnam, with a net withdrawal of USD 94 million, marking the eighth consecutive month of outflows. Cumulatively, Vietnam experienced the highest ETF net selling in Southeast Asia, totaling USD 679 million, while only Malaysia attracted a modest inflow of USD 16 million.

DCVFM VNDiamond fund continued to experience net outflows in July, with the outflow scale increasing to USD 61 million. Following closely was FUBON (-USD 39.9 million), despite a decrease in selling compared to June. Meanwhile, VN30 ETF fund reversed the trend and attracted net inflows of USD 11.9 million.



Source: Bloomberg, SHS Research

STOCK MARKET HIGHLIGHTS

Turning opportunities into value

Fund	Type of Fund	AUM	NAV	Number of outstanding shares	Net capital flow (USD million)			
		(USD million)	(USD billion)		1M	3M	YTD	1Y
DCVFMVN Diamond ETF (VND)	ETF	496,58	1,3	369.500.000	-61,0	-159,7	-368	-508
Fubon FTSE Vietnam ETF (TWD)	ETF	725,53	0,4	1.854.738.000	-39,9	-121,4	-151,6	-145,4
DCVFMVN30 ETF Fund (VND)	ETF	305,77	0,9	330.000.000	11,9	-12,0	-51,3	0,0
VanEck Vietnam ETF (USD)	ETF	488,30	12,1	40.300.3000	-	-5,2	-5,8	-27,0
Xtrackers FTSE Vietnam Swap UCITS ETF (EUR)	ETF	280,49	23,6	10.965.620	-11,9	-11,9	-51,3	-51,3
SSIAM VNFIN LEAD ETF (VND)	ETF	58,0	0,8	31.800.000	-1,4	-59,6	-78,2	-162,0
KIM KINDEX Vietnam VN30 ETF (KRW)	ETF	225,39	15,7	14.400.000	-3,1	17,3	-11,3	-15,7
Premia MSCI Vietnam ETF (USD)	ETF	4,78	7,5	640.000	-0,8	-5,6	-10,4	-11,6
SSIAM VNX50 ETF (VND)	ETF	5,11	0,8	6.400.000		0,0	-1,2	-0,7
Asian Growth CUBS ETF (USD)	ETF	9,81	18,9	520.000		0,0	0,0	0,0
Global x MSCI Vietnam ETF (USD)	ETF	11,93	15,9	750.000		0,0	1,9	5,7
SSIAM VN30 ETF (VND)	ETF	6,06	0,7	9.300.000		0,0	0,1	1,1
KIM KINDEX Vietnam VN30 Fututres Leverage ETF (KRW)	ETF	5,28	8,8	600.000		0,0	0,0	-0,9
KIM GROWTH VN30 ETF (VND)	ETF	58,78	0,4	166.200.000	5,4	23,6	30,9	31,7

Source: Bloomberg, SHS Research

STOCK MARKET OUTLOOK FOR AUGUST 2024

STOCK MARKET OUTLOOK FOR AUGUST

Turning opportunities into value

In July 2024, VN-INDEX failed to maintain the short-to-medium-term growth support trendline connecting the low price of November 2023 and April 2024, leading to adjustment pressure. VN-INDEX accumulated less positively in a narrow range below the resistance around 1,250 and above the strong support of 1,200. This development was predicted in our previous monthly strategic report.

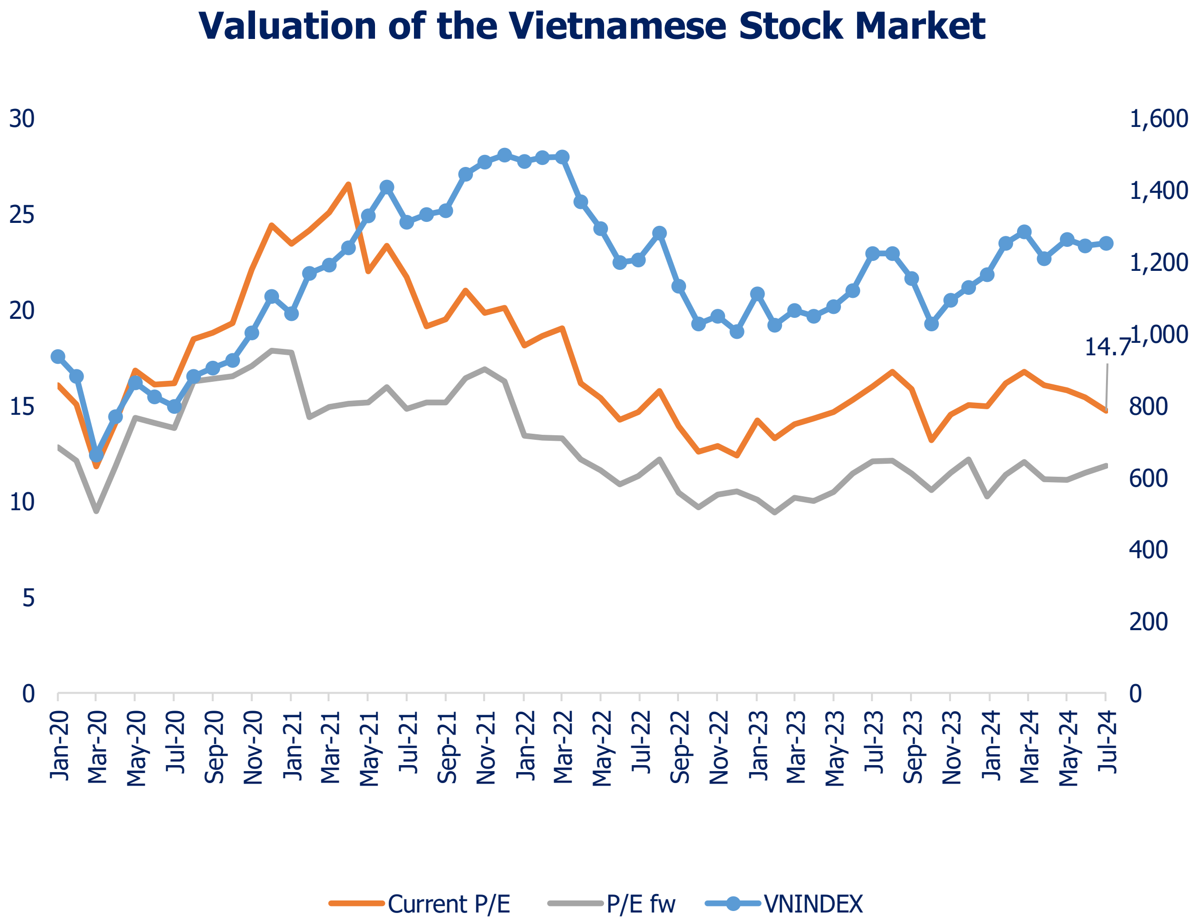
In August, we anticipate that VN-INDEX is likely to continue accumulating within the price channel of 1,180 - 1,200 to 1,250 - 1,260, the equilibrium point is at 1,230. Notably, 1,200 represents the highest price level in 2018, as well as the average price over the last year and five years, serving as strong psychological support. The range of 1,255 - 1,260 corresponds to the highest price from 2023. This consolidation phase is appropriate given the context of (1) global geopolitical tensions, (2) persistent domestic inflationary pressures, and (3) continued net selling by foreign investors.

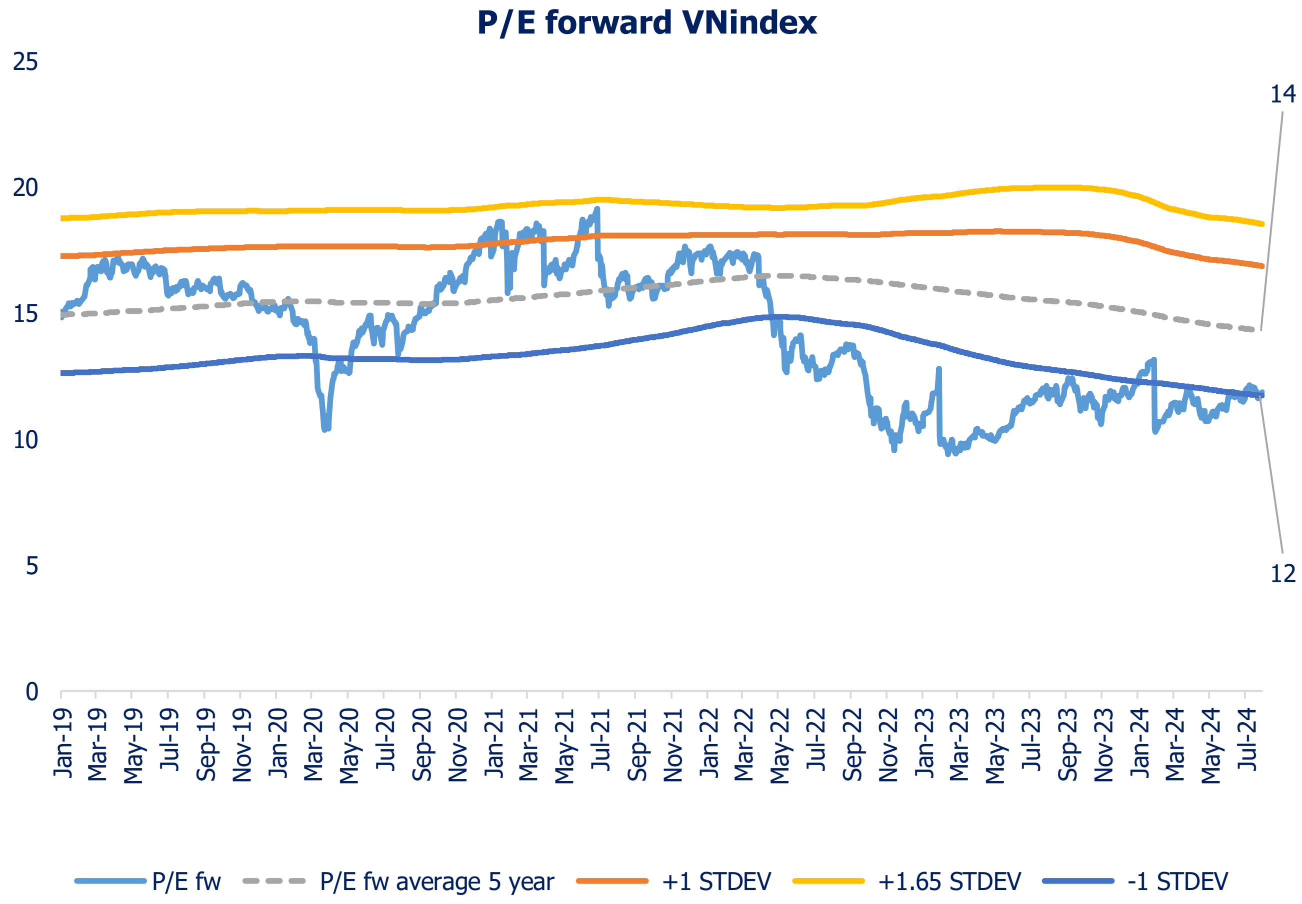
A more positive period can be expected towards the end of Q3 and the beginning of Q4 2024, when Fed starts its interest rate reduction trajectory, thereby reducing pressure on the domestic exchange rate. Additionally, improvements in the bond and real estate markets are anticipated. However, if new uncertainties arise, such as (1) the expansion of Middle East tensions into war or (2) economic recession, the VN-INDEX could face downward pressure, potentially adjusting to 1,150-1,160 range before recovering.

STOCK MARKET OUTLOOK FOR AUGUST

Turning opportunities into value

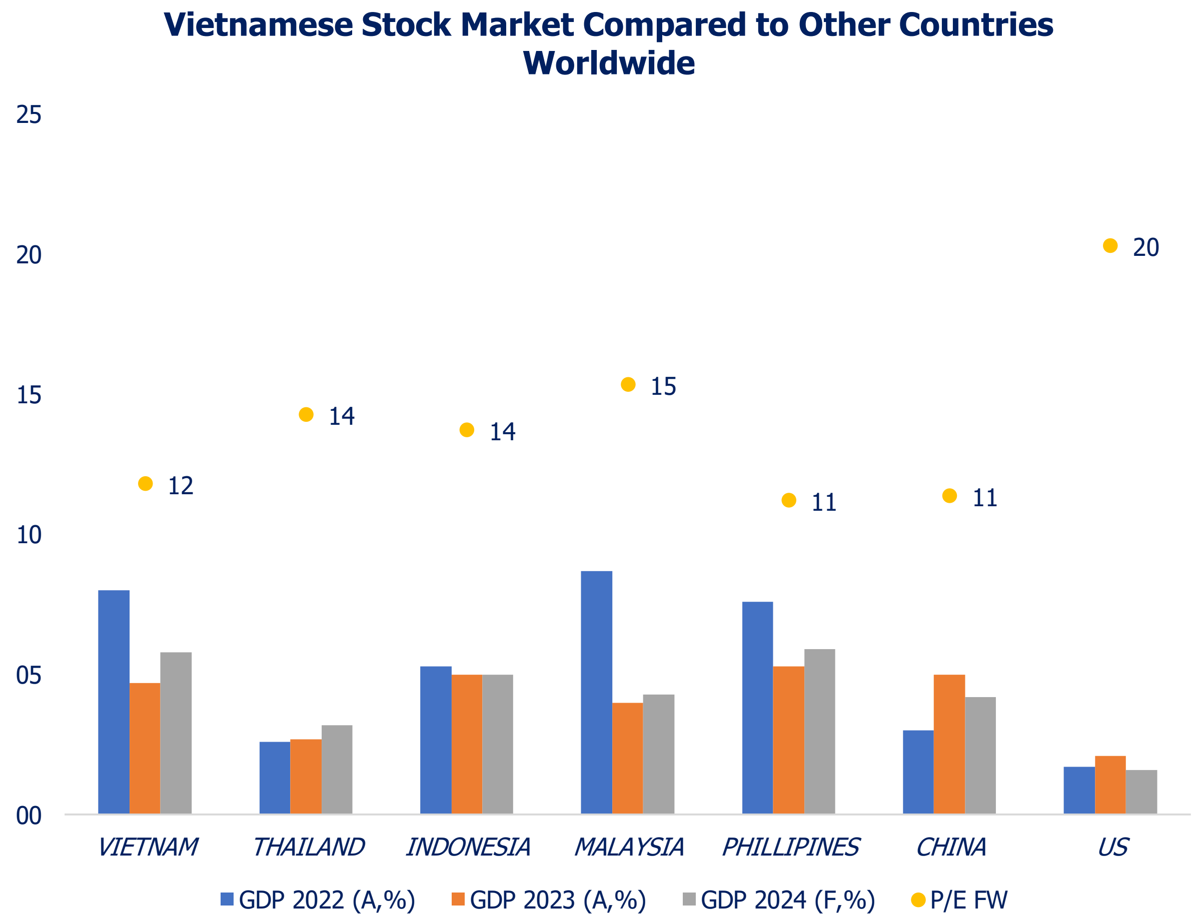
At the end of July 2024, the market's P/E valuation had decreased to 14.7x, lower than the 10-year average P/E ratio (16.6x) and also below the 5-year average (17.3x).

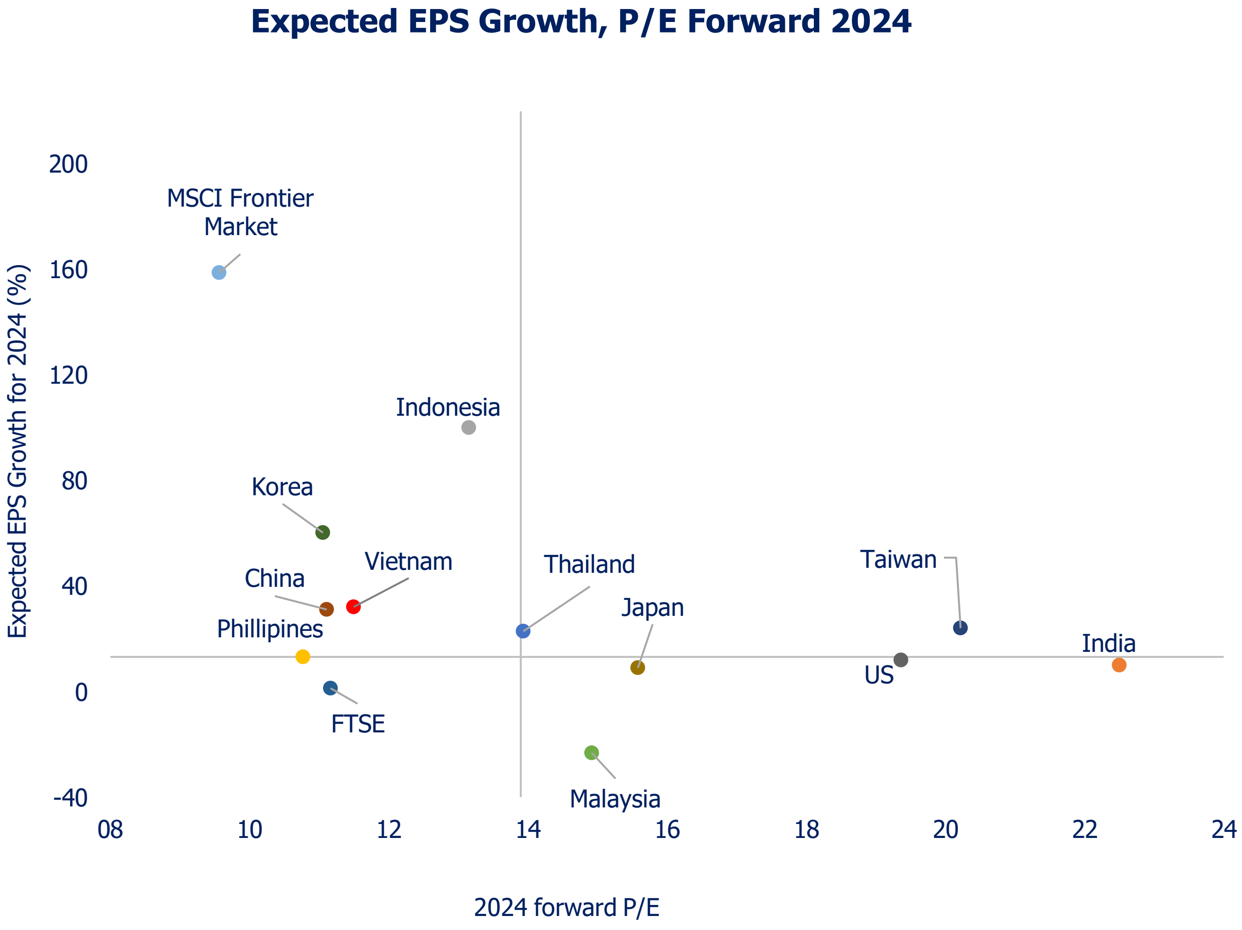




Source: Bloomberg, SHS Research

STOCK MARKET OUTLOOK FOR AUGUST





Source: Bloomberg, SHS Research

Turning opportunities into value

EVENT SCHEDULE FOR AUGUST

01/08/2024

International event
Release of the Purchasing Managers' Index (PMI) - Manufacturing for July in the US

02/08/2024

International event
Release of the Unemployment Rate in the US

05/08/2024

Domestic event
The changes in VN30 and VNFINLEAD indices are effective.

14/08/2024

International event
Release of the CPI in the US

15/08/2024

Domestic event
Expiration date of VN30 Futures in August 2024

20/08/2024

International event
Release of the CPI in Europe

22/08/2024

International event
Release of the Purchasing Managers' Index (PMI) - Manufacturing for August in the US

LIST OF RECOMMENDED STOCKS

Turning opportunities into value

LIST OF RECOMMENDED STOCKS

No	Ticker	Closing price	+/- MoM	+/- YTD
1	**BWE**	42,550	-6.9%	+17.8%
2	**CTD**	65,000	-7.3%	-5.5%
3	**DCM**	37,100	+3.1%	+20.7%
4	**FPT**	128,600	-1.5%	+55.0%
5	**GMD**	80,000	-1.0%	+16.5%
6	**GVR**	33,000	-3.5%	+55.7%
7	**IDC**	59,000	-1.2%	+21.3%
8	**PHR**	57,100	-5.8%	+14.9%
9	**PNJ**	97,100	1.7%	+13.6%
10	**PVD**	27,700	-3.8%	-2.1%
11	**PVS**	40,600	0.0%	+6.8%
12	**PVT**	28,450	-0.5%	+18.5%
13	**SZC**	38,450	-0.8%	+7.8%
14	**TCB**	23,250	-0.4%	+50.8%
15	**MBB**	24,400	+9.9%	+33.7%
	VN-Index	1,251.51	+0.49%	+10.76%

(Click on each ticker to view the detailed information)

LIST OF RECOMMENDED STOCKS FOR 2024

Turning opportunities into value

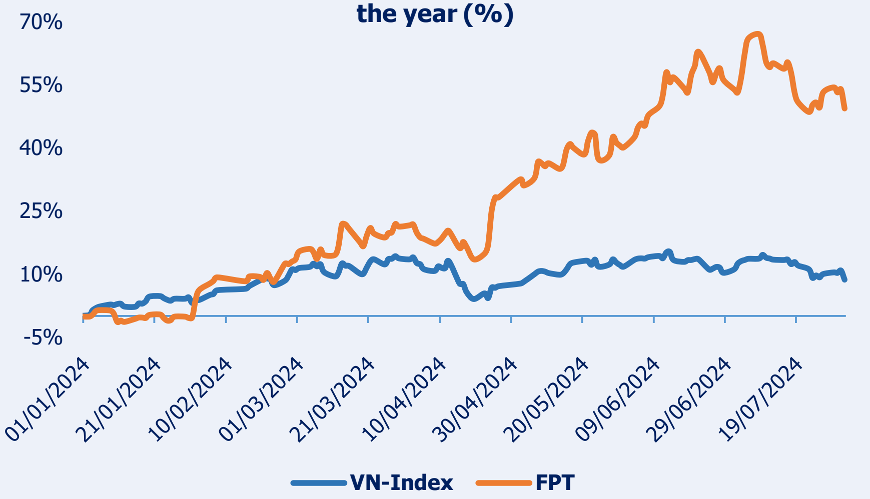
FPT Corporation - JSC (HOSE – FPT)

(Return to the summary list)

Current price	**128,600**
TA Target price	**140,000-143,000**
Highest price in July	**139,700**
Market capitalization (Billion VND)	**187,814**
EPS ttm	**4,885.10**
BV	**18,819.56**
PE trailing	**26.32**
PB trailing	**6.83**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Revenue	13,761.74	14,690.41	14,092.93	15,245.23	61,850.00
% yoy	23.44%	12.64%	20.64%	22.11%	+17.55%
Profit after taxes	2,075.87	2,051.24	2,160.27	2,283.04	8,700.00
% yoy	18.22%	26.63%	19.36%	23.04%	+11.71%
Total assets	62,112.68	60,325.28	62,024.71	65,321.97	
Total equity	28,405.66	29,948.35	31,727.10	32,784.24	
ROA (%)	10.83	11.55	11.06	11.43	
ROE (%)	26.67	33.85	27.21	27.74	
Gross profit margin (%)	39.94	38.34	39.10	37.07	
Net profit margin (%)	15.08	13.96	15.33	15.33	

Stock price performance compared to the beginning of the year (%)



- FPT Corporation stands out among the leading technology companies and internet providers in Vietnam. Its primary operational sectors (software exports, information systems, and internet infrastructure,…) benefiting from the global and domestic digital transformation trends. The company maintains strong financial health with significant cash reserves, totaling 26,750 billion VND (41% of total assets and 83% of total liabilities), and low debt (25% of total equity)
- FPT is actively pursuing M&A in the US, aiming to double its revenue from technical product and service offerings (consultation, design, development, testing of new technologies) within the next two years. In 2023, FPT acquired three technology companies in the US. On December 16, 2023, FPT entered partnerships with Yamato Holdings, a major player in logistics, and TradeWaltz, a leading information interaction platform in Japan. On March 13, 2024, it opened a branch in Dalian, China. On April 23, 2024, FPT signed an MOU with NVIDIA to establish an AI Factory with an initial investment of $200 million, collaborate on workforce training and become NVIDIA's service development partner. Signed MOU with JIT, a subsidiary of JAL, to develop IT systems for the aviation sector in Japan.
- In Q1/2024, FPT recorded revenues of VND14,092 billion (+20.64% YoY) and after-tax profits of VND2,160 billion (+19.36% YoY). Accumulated over six months, revenue reached 29,338 billion VND (+21.4% YoY) and net profit was 4,443 billion VND (+21.2% YoY), corresponding to 47.4% and 51% of the target, respectively, with EPS of 2,514 VND. The foreign market services segment achieved revenue of 14,573 billion VND (+29.8% YoY) and profit of 2,294 billion VND (+25.1% YoY), with digital transformation revenue accounting for 46% and increasing by 37%. The value of new contracts signed was 18,671 billion VND (+22.4%). In the education sector, revenue grew by 35.3% to 2,615 billion VND. Education revenue increased by 24%, reaching 3,425 billion VND. The educational complex in Thanh Hoa has been topped out, and the one in Hue has been approved. A proposal is being made to establish an educational complex in Hai Duong.
- SCIC plans to divest its entire 5.8% equity stake in FPT in the second divestment phase in 2024. On June 12, 2024, FPT finalized the shareholders list, distributing a 10% cash dividend and bonus shares at a ratio of 20:3.

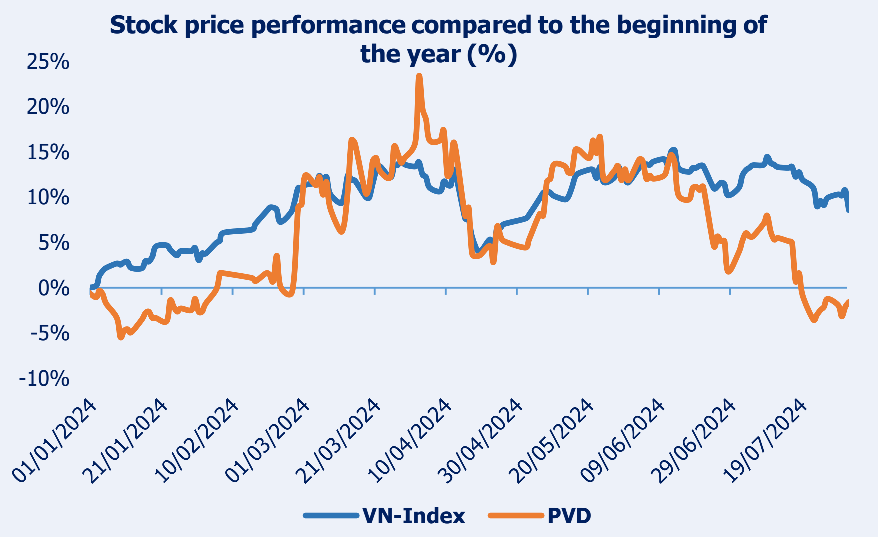
LIST OF RECOMMENDED STOCKS FOR 2024

PetroVietnam Drilling & Well Services Corporation (HOSE – PVD)

(Return to the summary list)

Current price	**27,700**
TA Target price	**35,000-36,000**
Highest price in July	**30,750**
Market capitalization (Billion VND)	**15,398**
EPS ttm	**0.04**
BV	**1.10**
PE trailing	**29.23**
PB trailing	**1.00**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Revenue	1,381.11	1,747.44	1,755.53	2,253.92	6,200.00
% yoy	11.22%	19.82%	43.12%	59.80%	+6.82%
Profit after taxes	132.89	194.04	148.50	129.95	380.00
% yoy	356.51%	264.09%	184.21%	-17.54%	-30.40%
Total assets	21,499.36	21,650.09	22,515.43	23,344.44	
Total equity	14,809.87	14,894.25	15,306.78	15,741.82	
ROA (%)	2.08	2.74	3.09	2.87	
ROE (%)	3.08	3.79	4.57	4.28	
Gross profit margin (%)	21.42	22.79	25.66	20.83	
Net profit margin (%)	9.62	11.10	8.46	8.46	



- PVD is the leading drilling service company in Vietnam with 4 self-elevating offshore drilling rigs, 1 semi-submersible drilling rig, and 1 land drilling rig. The financial situation is robust with 3,534 billion Vietnamese dong in cash and cash equivalents, corresponding to 105% of debt. Shareholders' equity amounted to 14,894 billion dong, which is 2.2 times the total debt to be paid.
- All drilling rigs operated continuously throughout 2023 with an operational efficiency of 97.7%, utilization efficiency of 99.8%, and Zero Lost Time Incidents (LTI). In 2023, total revenue reached nearly VND6,200 billion (+10.7% YoY , =115% of target 2023), and post-tax profit was VND540 billion (+449% YoY, =540.6% of target). PVD did not pay dividends in 2023.
- PV Drilling's leadership estimates a 10%-15% increase in the rental price of 4 self-elevating rigs in 2024 compared to 2023. The PV DRILLING III rig has just signed a contract until 2028 and can be extended for another 2 years. In 2024, the target revenue is 6,200 billion dong (+6.82% YoY), with post-tax profit of 380 billion dong (-30.40% YoY). In Q1/2024, revenue reached VND1,755 billion (+43.1% YoY), with post-tax profit of VND148.5 billion (+184% YoY). In Q2/2024, revenue reached VND1,2,254 billion (+59.5% YoY), with post-tax profit of VND130 billion (-16.1% YoY). Accumulated over six months, revenue reached VND14,036billion (+53% YoY), with post-tax profit of VND280.7 billion (+33.8% YoY), corresponding to 65% of the annual target revenue and 73% of the annual target profit.
- On June 23, PVD signed a contract to lease the self-elevating rig Thor (leased from Borr Drilling) to serve drilling programs. The rig will be used for serving the program 70 days by Hoang Long JOC and 51 days by Thang Long JOC.
- Prospects: The maintenance of high oil prices will support the positive trend in the rental prices of PVD's drilling rigs, all of which have signed long-term service contracts abroad. The Lot B – O Mon project, scheduled to operate from 2026, will create long-term job opportunities for PVD's drilling rigs starting from 2025 (PVD plans to invest VND2,115 billion in a three-legged self-elevating rig in 2024)..

LIST OF RECOMMENDED STOCKS FOR 2024

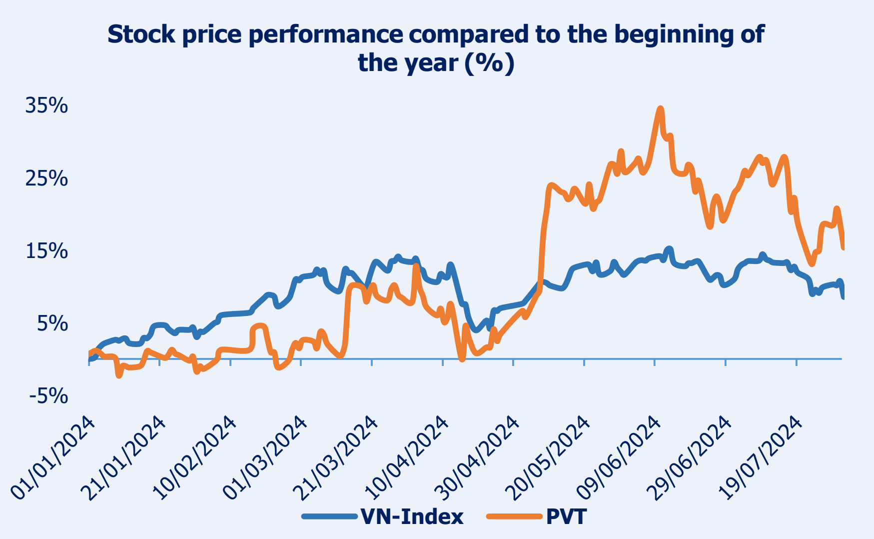
Turning opportunities into value

PetroVietnam Transports Corporation (HOSE – PVT)

(Return to the summary list)

Current price	**28,450**
TA Target price	**31,500-33,000**
Highest price in July	**31,000**
Market capitalization (Billion VND)	**10,129**
EPS ttm	**2,707,61**
BV	**19,745.30**
PE trailing	**10.51**
PB trailing	**1.44**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Revenue	2,550.62	2,752.79	2,536.11	2,994.05	8,800.00
% yoy	9.45%	12.88%	24.13%	41.56%	-7.91%
Profit after taxes	321.04	267.73	306.17	369.56	760.00
% yoy	-16.83%	-3.14%	27.49%	-5.31%	-37.78%
Total assets	16,965.20	17,466.21	17,601.98	17,566.53	
Total equity	8,675.19	9,026.38	9,351.19	9,373.33	
ROA (%)	6.26	6.13	6.07	5.73	
ROE (%)	14.74	19.07	14.58	13.93	
Gross profit margin (%)	20.22	18.21	20.74	23.31	
Net profit margin (%)	12.59	9.73	12.07	12.07	



- PVTrans is the leading oil and gas transportation company specializing in the transportation of crude oil, gas, chemicals, coal for units within and outside the PVN conglomerate, owning the largest fleet of liquid cargo vessels in Vietnam. In 2023, PVT invested in and leased an additional Supramax cargo vessel, 7 oil/chemical tankers, 01 VLGC (Very Large Gas Carrier) with a capacity of 84,597 m3, and 01 LPG Coaster, thereby increasing the fleet to 51 vessels (1.4 million DWT).
- In 2023, revenue reached VND9,487 billion with post-tax profit of VND1,238.5 billion. In 2024, the target revenue is VND8,800 billion (-7.24% YoY), with post-tax profit of VND760 billion (-38.6% YoY) and a dividend payout ratio of 8%. The total capital investment demand in 2024 is VND3,364 billion, including $80 million for the purchase of feeder vessels, $52 million for the investment in 2 MR vessels/1 Aframax vessel, and 262 billion dong for capital contribution to subsidiary companies such as PVTrans Logistics, HH Thang Long, and Indochina Shipping.
- In Q1/2024, PVT achieved revenue of VND2,536.10 billion (+24.14% QoQ) and net profit after tax of VND306.17 billion (+27.49% QoQ), achieving 28.82% of the target revenue and 40.29% of the target profit. For the first 6 months, the parent company achieved revenue of 1,610 billion VND (+9.4% YoY) and net profit of 266 billion VND (-13.8% YoY)
- On April 11, 2024, the Record Date for Dividend Rights received a 10% stock dividend for 2021. A cash dividend of 3% will be distributed after the completion of the 2021 dividend distribution.
- Catalyst: The expansion of the fleet contributes to increased revenue and profit, with the potential for recognizing extraordinary profits from the sale of the Athena crude oil waiting vessel. There's a resurgence in demand for oil transportation due to the recovery in the oil and gas sector. Potential growth is anticipated from the thermal power development policy aligned with LNG under Planning VIII, leading to increased demand for LNG transportation. Lease rates for crude oil and refined petroleum product tankers internationally in the first four months of 2024 continue to remain above the high levels seen in 2023 (crude oil tanker at $47,000/day and refined petroleum product tanker at $27,500/day).

LIST OF RECOMMENDED STOCKS FOR 2024

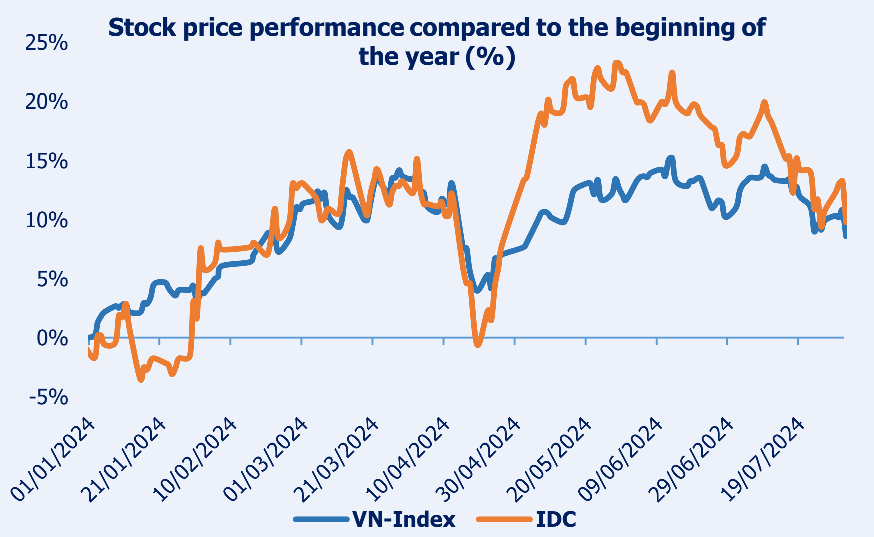
Turning opportunities into value

IDICO Corporation – JSC (HNX – IDC)

(Return to the summary list)

Current price	**59,000**
TA Target price	**68,000-69,000**
Highest price in July	**62,900**
Market capitalization (Billion VND)	**19,470**
EPS ttm	**5,575.59**
BV	**14,417.01**
PE trailing	**10.58**
PB trailing	**4.09**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Revenue	1,443.47	2,239.31	2,467.06	2,148.49	8,466
% yoy	-29.68%	85.38%	115.15%	-10.76%	+13.2%
Profit after taxes	194.52	623.06	797.17	583.87	2,502*
% yoy	-68.32%	169.41%	354.99%	-11.88%	+21.6%
Total assets	16,898.22	17,731.90	17,386.39	17,544.50	
Total equity	5,610.85	6,204.23	6,492.10	6,138.05	
ROA (%)	6.17	8.02	11.26	10.58	
ROE (%)	21.22	33.38	39.83	38.07	
Gross profit margin (%)	28.07	36.67	44.52	37.69	
Net profit margin (%)	13.48	27.82	32.31	32.31	



- IDC owns 10 IPs located in strategically advantageous positions, with a total area of approximately 3,267 hectares in both the Northern and Southern regions of Vietnam. In 2023, IDC leased out 169.8 hectares of new land, surpassing the annual target by 34%. Currently, there are 580 hectares of land available for leasing across 5 industrial parks (Phu My 2, Phu My 2 expansion, Huu Thanh, Cau Nghin, and Que Vo 2). The backlog of unrecorded land area as of the end of 2023 is 156 hectares, including over 30 hectares from memorandums signed in 2022 and 126 hectares from contracts and memorandums signed in 2023. Rental prices for land at Huu Thanh, Que Vo 2, and Cau Nghin industrial parks increased by 6% YoY, 3% YoY, and 18% YoY respectively. In 2024, IDC plans to lease out 145 hectares of land and 50,000 square meters of factory space. The new investment value is VND3,134 billion (+140% YoY), with VND1,579 billion allocated to industrial park projects, VND865 billion to residential projects, and VND406 billion to energy projects. The dividend for 2023 is planned to be 40% in cash (with 35% already advanced), and the dividend for 2024 is set at 40%. In Q1/2024, IDC achieved revenue of VND2,467.06 billion (+115.15% QoQ) and a net profit after tax of VND797.17 billion (+350% QoQ). In Q2/2024, IDC achieved revenue of VND2,148.49 billion (-10,7% YoY) and a net profit after tax of VND583.87billion (-11.8% YoY); for the first 6 months, revenue reached 4,615 billion VND (+29.8% YoY) and net profit was 1,381 billion VND (+64.8% YoY), corresponding to 54.5% and 69% of the target 2024. Profit from real estate transfer was 272 billion VND due to the sale of land at the Phường 6, Tân An urban area project (51% owned by IDC) to Aeon.
- IDC plans to expand its total land bank from 2,430 hectares to 2,820 hectares over the next 5 years. IDC has submitted to the Prime Minister the project to expand the My Xuan B1 Industrial Park (110 hectares to 500 hectares) and the Tan Phuoc 1 Industrial Park (470 hectares) in Tien Giang province. IDC has decided to contribute VND 550 billion to establish the subsidiary company IDICO Vinh Quang in Hai Phong for investing in construction and urban development projects, as well as industrial parks. The Vinh Quang Industrial Park (1,000 hectares) has completed the 1/2,000 planning and is expected to be approved for investment in 2025.
- On June 4, 2024, was the last registration date to exercise the right to receive cash dividends of 5% for the third installment of 2023 and interim cash dividends of 20% for the first installment of 2024.

LIST OF RECOMMENDED STOCKS FOR 2024

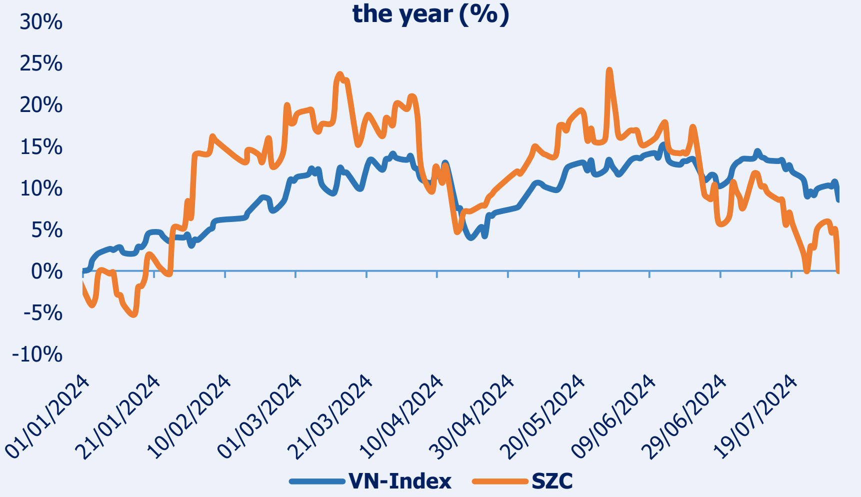
SONADEZI Chau Duc Corporation (HOSE – SZC)

(Return to the summary list)

Current price	**36,600**
TA Target price	**45,000-46,000**
Highest price in July	**40,900**
Market capitalization (Billion VND)	**6,920**
EPS ttm	**1,608.35**
BV	**16,505.35**
PE trailing	**23.91**
PB trailing	**2.33**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Revenue	208.10	258.51	213.72	262.43	881.09
% yoy	68.79%	32.12%	238.36%	-8.93%	+7.72%
Profit after taxes	55.09	56.06	65.08	102.23	228.15
% yoy	136.25%	49.23%	453.70%	6.52%	+4.24%
Total assets	6,404.28	6,961.13	8,057.49	8,250.99	
Total equity	1,681.25	1,737.32	2,971.31	2,970.73	
ROA (%)	3.16	3.29	3.92	3.75	
ROE (%)	12.55	13.38	13.58	11.90	
Gross profit margin (%)	41.17	35.84	46.09	56.98	
Net profit margin (%)	26.47	21.69	30.45	30.45	

Stock price performance compared to the beginning of the year (%)



- SZC owns a large land leasing portfolio with a total area of approximately 2,135 hectares, of which around 600 hectares are designated for urban development projects.
- In 2023, SZC decreased 4.7% YoY and increased post-tax profit 10.9% YoY. For 2024, SZC has set a revenue target of VND881 billion (+5.5% YoY) and a net profit target of VND228 billion (+4.6% YoY), with a dividend payout ratio of 10%. Additionally, SZC plans to allocate nearly VND450 billion for basic construction investment and VND1,089 billion for land clearance expenses for the 92.99-hectare industrial park within the year. In Q1, revenue reached VND213.7 billion (+238% YoY), with a post-tax profit of VND65.1 billion (+453% YoY). In Q2, revenue reached VND262.43 billion (-8.93% YoY), with a post-tax profit of VND102.23 billion (+6.52% YoY). For the first 6 months, revenue reached 476 billion VND (+35.6% YoY) and net profit was 167 billion VND (+55% YoY), corresponding to 54% of the revenue target and 73% of the profit target.
- Successfully issued 99.97% of newly offered shares at a 2:1 ratio, priced at 20,000 VND/share, to raise funds for the investment in Chau Duc Industrial Park (1,556ha), restructuring of existing debts, and repayment of maturing bond principal. On May 14, 2024, a lease agreement was signed to lease back 18ha of land in Chau Duc Industrial Park to Electronic Tripod Vietnam Limited Liability Company for a 250 million USD factory investment.
- Shareholders of Sonadezi Corporation (SZN) have approved the restructuring plan for the corporation for the period 2021-2025. As per the plan, SZN will reduce its ownership in SZC from the current 46.84% to 36%. The BoD has recently approved a plan to increase the credit limit, whereby the total long-term credit limit is set at VND3,000 billion, including the existing long-term credit limit of VND1,600 billion and a new long-term credit limit of VND2,000 billion, to continue implementing the investment in the Chau Duc Industrial Park project.
- April 24, 2024 was the ex-dividend date to receive 10% cash dividend for the year 2023.

LIST OF RECOMMENDED STOCKS FOR 2024

Turning opportunities into value

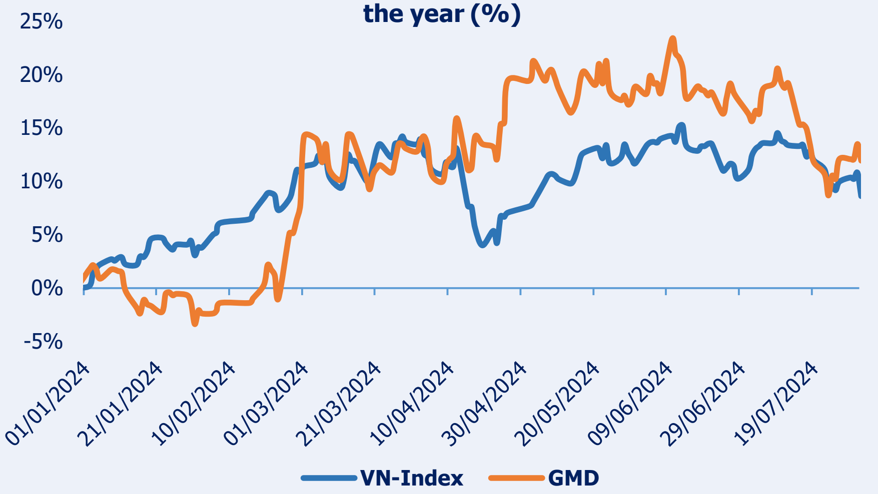
Gemadept Corporation (HOSE – GMD)

(Return to the summary list)

Current price	**78,900**
TA Target price	**85,000-90,000**
Highest price in July	**85,000**
Market capitalization (Billion VND)	**24,839**
EPS ttm	**3,821.66**
BV	**30,481.28**
PE trailing	**20.93**
PB trailing	**2.62**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Revenue	997.92	1,033.81	1,005.54	1,181.10	4,000
% yoy	0.60%	-3.01%	11.48%	29.48%	+4.03%
Profit after taxes	338.45	191.54	655.99	418.03	1,348,8
% yoy	17.73%	-11.14%	157.41%	-75.66%	-46.7%
Total assets	13,245.08	13,542.10	14,338.01	14,831.16	
Total equity	9,552.71	9,706.54	10,390.81	10,794.51	
ROA (%)	17.09	16.72	18.71	8.80	
ROE (%)	29.45	32.32	29.62	13.84	
Gross profit margin (%)	46.57	41.17	43.85	45.90	
Net profit margin (%)	33.92	18.53	65.24	65.24	

Stock price performance compared to the beginning of the year (%)



- GMD is one of the leading port and logistics operators in Vietnam, with 8 seaports (with a capacity of 3.45 million TEUs and 2 million tons of bulk cargo). Among these, Gemalink is ranked among the top 19 ports globally capable of accommodating Megaships (250,000 Dwt). GMD's container throughput in 2023 exceeded 3 million TEUs, accounting for 12.2% of the national market share. On May 24, 2023, the operation of Phase 2 of Nam Dinh Vu port, with a capacity of 1.4 million TEUs per year, commenced. On April 16, the transfer of the entire 99.98% stake in Nam Hai Port Joint Stock Company (NHP) was completed.
- In 2023, GMD achieved revenue of VND3,846 billion (-1% YoY, =98% of target) and pre-tax profit of VND3,144 billion (+140% YoY,=277% of target). For 2024, the target revenue increased by 4.03%, while profit decreased by 46.7% due to the absence of extraordinary gains. The company plans to distribute dividends for 2023 in cash at a rate of 23% and to offer a 33.33% stake to shareholders at a price of 29,000 dong per share. In Q1, revenue reached 1,005 billion VND (+11.5% YoY), and net profit was 656 billion VND (+157% YoY), thanks to the recognition of a divestment at NHP. In Q2, revenue amounted to 1,181 billion VND (+29% YoY), while net profit was 418 billion VND (-75.5% YoY) due to the recognition of the profit from divestment in Nam Hai Dinh Vu in the same period last year. For the first 6 months, the company achieved revenue of 2,186.6 billion VND (+20.5%) and net profit of 1,074 billion VND (-45.5% YoY), completing 54.6% and 79.6% of the target 2024, respectively.
- On February 1, 2024, the groundbreaking ceremony for the Upgrading Project of the Maritime Shipping Channel in front of Nam Dinh Vu Port commenced. The project is expected to be completed by August 2024, lowering the channel depth from -7m to -8.5m to accommodate ships of up to 48,000 DWT. On July 15, 2024, the dividend payment for the year 2023 was finalized at a rate of 22% in cash. On July 16, 2024, the Board of Directors issued a resolution to proceed with a rights offering to existing shareholders.
- Investment story: Starting from February 15, 2024, there will be a 10% increase in the floor price and a 10% increase in the ceiling price for international container handling fees at Cai Mep-Thi Vai. Gemalink Port may see an additional 10% increase compared to the usual rates. The Nam Đình Vũ Port Phase 3 project (600,000 TEU/year) and Gemalink Phase 2 (39 hectares, 1.5 million TEU/year) are expected to be completed by 2025. There will be a divestment in the rubber plantation project in Cambodia (30,000 hectares) and in the real estate sector. Export-import turnover has been recovering well, with a 17% increase in the first 7 months of 2024 compared to the same period last year.

LIST OF RECOMMENDED STOCKS FOR 2024

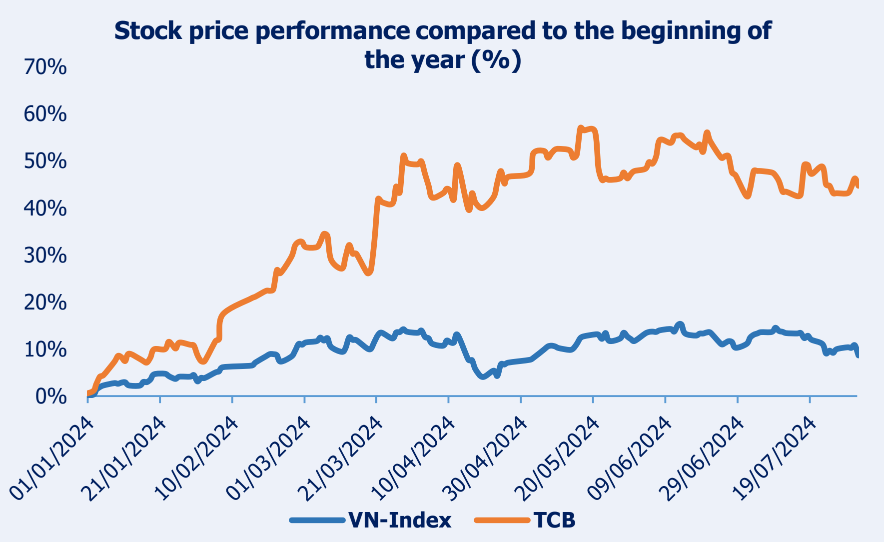
Turning opportunities into value

Vietnam Technological and Commercial Joint Stock Bank (HOSE – TCB)

(Return to the summary list)

Current price	**23.000**
TA Target price	**25.500-26.500**
Highest price in July	**23.700**
Market capitalization (Billion VND)	**163.797**
EPS ttm	**3.048,55**
BV	**19.470,45**
PE trailing	**7,63**
PB trailing	**1,19**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Total operating income	10,418.49	11,017.45	12,261.77	13,419.70	-
% yoy	0.78%	16.87%	31.85%	43.91%	-
NPAT	4,668.71	4,481.62	6,277.00	6,269.97	21,680.00
% yoy	-13.02%	25.46%	38.35%	39.23%	+19.18%
Deposits from customers	409,044.57	454,660.78	458,040.69	481,860.24	
Loan to customers	475,605.59	518,641.57	559,276.89	592,083.27	616,031
NPL Ratio (%)	1.36	1.16	1.13	1.23	<1.5
ROE (%)	14.37	14.84	15.36	16.21	
NIM (%)	4.11	4.02	4.07	4.26	
Net profit margin (%)	44.81	40.68	51.19	51.19	



- The financial performance in Q1/2024 was positive, with total operating income reaching VND12,262 billion (+31.8% YoY), and net profit after tax amounting to VND7,802 billion (+38.7% YoY). By the end of the first 6 months of 2024, total operating income increased by 43.7% YoY, driven by key factors such as interest income (+40% YoY), service income (+34% YoY), and other income (+65% YoY). The quarterly NIM improved to 4.6%. Investment banking fees in the first half of the year tripled due to favorable conditions in the bond and securities markets (with a higher market share). Bancassurance has recovered from a very low base in Q2 2023. Techcombank regained the 2nd position in APE for Q2 and the 3rd position for the first 6 months of 2024, despite industry challenges. Profit before tax grew by 38.6% compared to H1 2023, reaching 15,628 billion VND, achieving 57.7% of the annual target.
- The NPL ratio at the end of Q2 is 1.23%, an increase of 0.07% YTD (+1,288 billion VND), with a NPL coverage ratio of 101%. Credit growth in H1 2024 increased by 11.6% YtD. Home loan balances recovered to 181.7 trillion VND, up 6.3% YtD. Customer deposits reached 481.9 trillion VND, up 6.0% YtD. The CASA ratio decreased to 37.4%, from 40.5% at the beginning of the year, due to the resurgence of term deposits.
- The business outlook for TCB in 2024 is optimistic, with profit expected to increase by around 15%. The passage of the Land Law, Real Estate Business Law, and Securities Law is expected to address legal issues, accelerate the progress of land clearance for real estate projects, and facilitate the handling of collateral assets, particularly real estate assets owned by the bank. Asset quality remains stable, with non-performing loans controlled well around 1.2%. We are focused on differentiating customer value through digital platforms, sales systems, and modern data utilization. TCB has embraced artificial intelligence (AI) as the core platform for transformation, employing machine learning technology to analyze data from daily transactions and enhance mobile applications to deliver greater value to customers.
- On June 21, 2024, TCB finalized the list of shareholders to issue bonus shares at a 1:1 ratio, on August 6, the trading of additional listed shares will take place.

LIST OF RECOMMENDED STOCKS FOR 2024

Turning opportunities into value

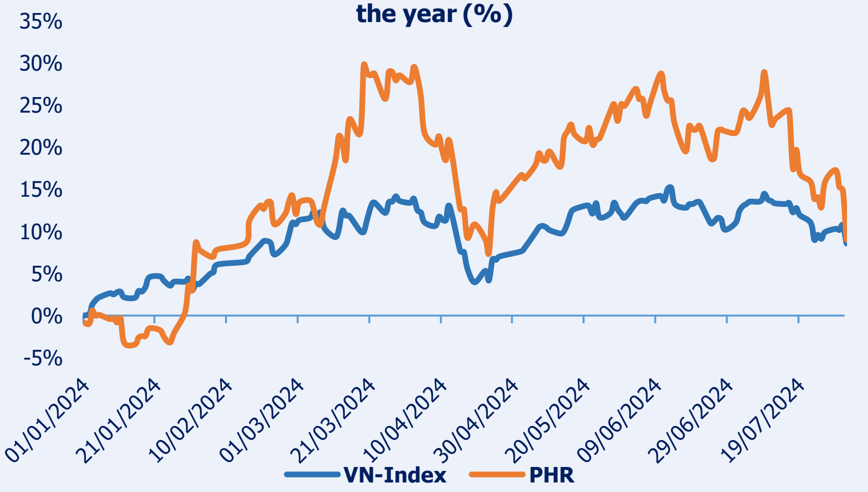
Phuoc Hoa Rubber ., JSC (HOSE – PHR)

(Return to the summary list)

Current price	**54,200**
TA Target price	**66,000-68,000**
Highest price in July	**64,100**
Market capitalization (Billion VND)	**7,737**
EPS ttm	**3,430.20**
BV	**27,502.89**
PE trailing	**16.65**
PB trailing	**2.08**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Revenue	452.92	461.07	323.36	271.95	1,455*
% yoy	-13.35%	-20.05%	-0.89%	145.52%	-10%*
Profit after taxes	144.36	158.48	78.44	70.33	245*
% yoy	2.78%	-63.51%	-66.41%	-44.78%	-47%*
Total assets	6,049.49	6,160.97	5,989.73	5,994.55	
Total equity	3,709.48	3,816.04	3,899.86	3,988.73	
ROA (%)	14.48	9.92	7.73	6.78	
ROE (%)	26.04	19.07	13.12	11.16	
Gross profit margin (%)	32.85	19.11	22.41	21.16	
Net profit margin (%)	31.87	34.37	24.26	24.26	

Stock price performance compared to the beginning of the year (%)



- PHR currently manages 15,084 hectares of rubber plantations in Binh Duong, Cambodia, and Dak Lak, with 4 latex processing factories having a total capacity of 53,000 tons per year. PHR is currently investing in 3 industrial real estate projects: Tan Binh (240 ha, fully occupied), VSIP 3 (20% gross profit from 646 ha to be recognized from 2024), and the expansion of Nam Tan Uyen phase 2 (345 ha, expected to start generating rental revenue from 2024).
- In 2023, PHR recorded revenues of VND1,351.02 billion and after-tax profit of VND663.74 billion. The financial situation is strong with cash reserves of VND2,143 billion. Liabilities account for 38% of total equity and 61% of owner's equity in which 57% (VND1,338 billion) represents unrealized revenue. PHR has maintained a stable cash dividend payout ratio over the years.
- In Q1, revenue reached VND323.4 billion (-0.89% YoY) and net profit of VND78.4 billion (-66.4% YoY). In Q2, revenue reached 271.9 billion VND (+145.6% YoY), with net profit at 70.3 billion VND (-44.8% YoY). For the first 6 months, revenue totaled 595 billion VND (+36.2% YoY) and net profit was 148.7 billion VND (-58.8% YoY). The significant drop in profit compared to the same period last year is due to a 36% decrease in financial income and the fact that in 2023, PHR recorded compensation income from the land handover for the VSIP 3 project.
- Prospects: World rubber prices for the first 7 months of 2024 increased by 54% YoY and 30% YTD due to a high shortage of natural rubber supply, particularly from Thailand and Indonesia. Rubber exports increased by 8.9% in value over the same period. For the period from 2021 to 2025 and extending to 2030, PHR plans to allocate 4,992 hectares for industrial zone planning, 1,018 hectares for industrial clusters (8 in Phu Giao district, 4 in Bac Tan Uyen district, and 2 in Bau Bang district), and 1,300 hectares for residential area planning. PHR will focus on completing the legal framework for the expansion of Tan Binh Industrial Zone (1,055 hectares), acting as the investor for Hoi Nghia Urban-Industrial-Service Area (715 hectares), Binh My (1,002 hectares), and Tan Lap 1 Industrial Zone (201.62 hectares) expected to be leased out starting from 2025.

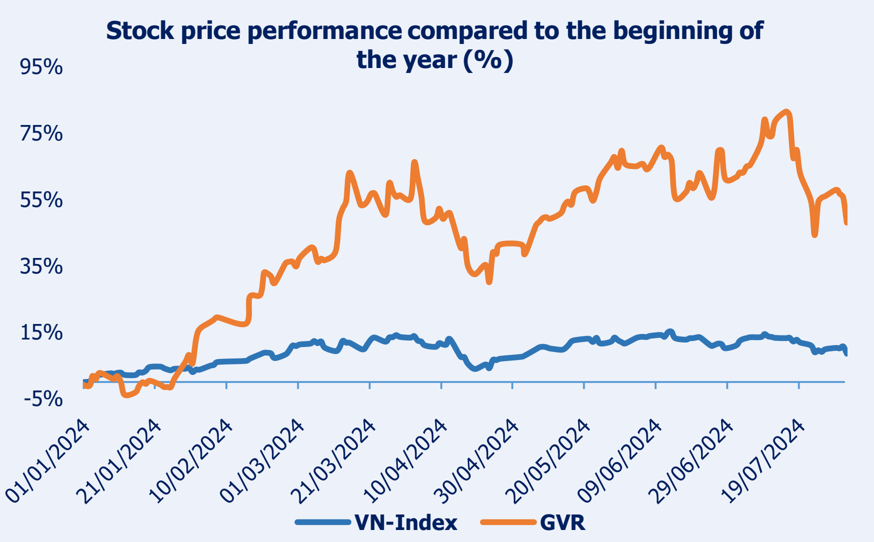
LIST OF RECOMMENDED STOCKS FOR 2024

Vietnam Rubber Group (HOSE – GVR)

(Return to the summary list)

Current price	**31,400**
TA Target price	**36,000-37,000**
Highest price in July	**38,500**
Market capitalization (Billion VND)	**132,000**
EPS ttm	**713.59**
BV	**12,699.97**
PE trailing	**46.25**
PB trailing	**2.59**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Revenue	6,195.32	7,591.18	4,585.37	4,622.18	24,999
% yoy	5.95%	-15.77%	10.89%	11.16%	+1.1%
Profit after taxes	493.61	1,416.19	650.03	994.53	3,437
% yoy	-50.33%	8.03%	-13.98%	41.17%	+2.03%
Total assets	77,796.79	78,385.27	76,913.14	76,116.65	
Total equity	55,290.02	54,853.58	56,018.18	55,599.02	
ROA (%)	3.01	3.30	3.24	3.64	
ROE (%)	4.70	6.83	5.01	5.58	
Gross profit margin (%)	19.93	21.12	23.47	25.37	
Net profit margin (%)	7.97	18.66	14.18	14.18	



- The Nam Tan Uyen Industrial Park expansion phase 2 (344 hectares) has been approved by the Prime Minister, and the People's Committee of Binh Duong province has issued a decision to lease land for project implementation. Projects currently being submitted to the Prime Minister include: the 317 hectares industrial park investment project led by Bac Dong Phu Industrial Park JSC; the expansion of Rach Bap Industrial Park by 360 hectares (in Binh Duong); and the expansion of Minh Hung III Industrial Park (577.53 hectares).
- In 2023, the revenue reached VND22,079.89 billion (-13.16% YoY, = 91% of target), with a post-tax profit of VND3,369.95 billion (-29.10% YoY, =100.2% of target). The target for 2024 with revenue of VND24,999 billion, post-tax profit increasing by 2% to VND3,437 billion, and a dividend of 3% for 2024. For the first 6 months of the year, consolidated revenue reached 9,207 billion VND (+11% YoY, =36.8% of the target 2024), and net profit was 1,644 billion VND (+12% YoY, = 47.8% of the target 2024).
- On March 1, 2024, GVR was approved by the Prime Minister to invest in Phase 1 of the Hiệp Thạnh Industrial Park project in Tay Ninh (495.17 hectares) with a total investment of VND2,350 billion, of which GVR's contributed capital is VND352.5 billion. GVR is collaborating with the Vietnam Commodity Exchange (MXV) to finalize procedures and regulations, with plans to officially list natural rubber for trading on the exchange from the fourth quarter of 2024.
- Prospects: 1/The recovery of natural rubber demand from China has supported to increase rubber prices by 30% since the beginning of the year. 2/ Expanding the area of industrial parks by converting rubber plantations and developing new ones. GVR is currently operating on 3,932 hectares of industrial parks, aiming to develop an additional 19,513 hectares by 2025, bringing the total area of industrial parks to 23,444 hectares (1,734 hectares are currently undergoing investment procedures). 3/Decree 10 amending the Land Law will expedite the implementation progress of GVR's industrial park projects. 4/GVR has submitted to the Government a plan to divest its capital by the end of 2025, as proposed by the Ministry of Planning and Investment.

LIST OF RECOMMENDED STOCKS FOR 2024

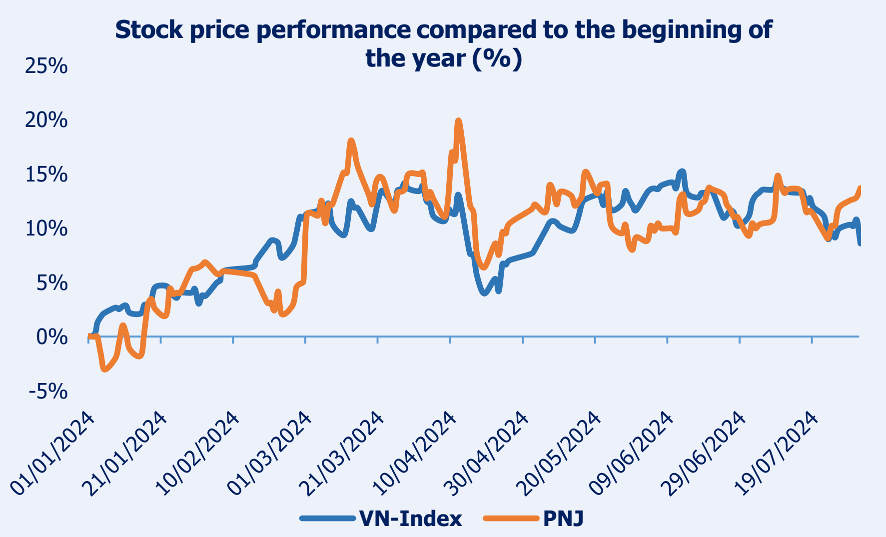
Turning opportunities into value

Phu Nhuan Jewelry Joint Stock Company (HOSE – PNJ)

(Return to the summary list)

Current price	**97,800**
TA Target price	**110,000-115,000**
Highest price in July	**97,800**
Market capitalization (Billion VND)	**32,486**
EPS ttm	**6,136,70**
BV	**31,307.97**
PE trailing	**15.82**
PB trailing	**3.03**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Revenue	6,917.55	9,760.38	12,593.84	9,518.70	37,147.63
% yoy	-6.06%	17.57%	28.57%	42.85%	+12.10%
Profit after taxes	253.34	631.97	737.81	428.85	2,089.20
% yoy	0.42%	35.49%	-1.44%	27.03%	+5.99%
Total assets	13,055.16	14,429.94	12,968.93	12,963.94	
Total equity	9,437.00	9,806.57	10,474.38	10,715.26	
ROA (%)	13.71	14.20	14.54	15.37	
ROE (%)	19.84	21.60	20.16	20.30	
Gross profit margin (%)	17.31	17.94	17.07	15.56	
Net profit margin (%)	3.66	6.47	5.86	5.86	



- Being the leading company in manufacturing and trading jewelry in Vietnam.
- In 2023, the company achieved VND33,137 billion in revenue (-2.2% YoY) and a post-tax profit of VND1,971 billion (+8.9% YoY), completing 93% of the revenue target and 101.7% of the profit target. The gross profit margin averaged 18.3% for the year 2023 compared to 17.5% in 2022. For 2024, the company has set a target of VND37,747 billion in revenue (+12.1% YoY) and VND2,089 billion in post-tax profit (+6% YoY), with a 20% cash dividend.
- In Q1/2024, the company achieved VND12,594 billion in revenue (+29% QoQ, +28.6% YoY) and VND737.8 billion in post-tax profit (+16.8% QoQ, -1.4% YoY). Cumulative for the first 6 months, revenue reached 22,113 billion VND (+34.3% YoY) and net profit was 1,167 billion VND (+7.4% YoY), corresponding to 59.5% and 55.8% of the 2024 annual targets, respectively. Revenue from gold bars increased significantly by 80.8% YoY, while retail jewelry sales grew by 14% YoY and wholesale sales by 20% YoY. The average gross profit margin for the past 5 months was 16.4%, down from 18.9% in the same period last year. During the first 6 months of the year, PNJ opened 13 new stores and closed 8, bringing the total to 405 stores, including 396 PNJ stores, 3 CAO Fine Jewellery stores, and 5 Style by PNJ stores.
- On October 20, 2023, the General Meeting of Shareholders approved the third dividend payment for 2022 at a rate of 8% in cash. On January 5, 2024, 6,559,992 ESOP shares were issued at a price of 20,000 VND per share, increasing the capital to over 3,345 billion dong. In 2024, it is projected to issue 3.3 million ESOP shares at a price of 20,000 VND per share.
- On March 15, 2024, the record date for interim dividend payment for the 2024 at a rate of 6% in cash.

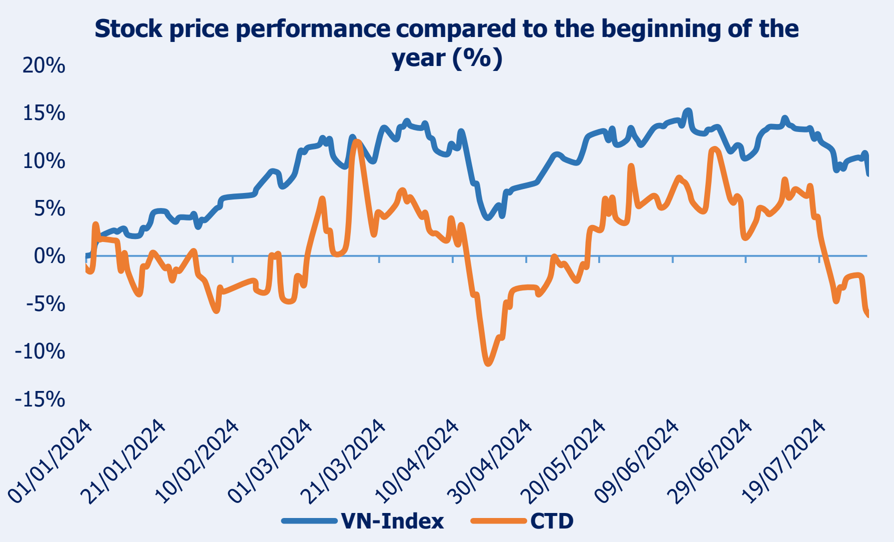
LIST OF RECOMMENDED STOCKS FOR 2024

Coteccons Construction Joint Stock Company (HOSE – CTD)

(Return to the summary list)

Current price	**64,500**
TA Target price	**78,000-81,000**
Highest price in July	**74,300**
Market capitalization (Billion VND)	**6,495**
EPS ttm	**3,133.18**
BV	**85,251.51**
PE trailing	**20.75**
PB trailing	**0.76**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Revenue	4,123.96	5,659.93	4,665.85	6,595.42	17,793.00
% yoy	32.45%	-9.15%	49.09%	82.46%	+163.8%
Profit after taxes	66.64	69.09	104.90	58.83	274.00
% yoy	1995.85%	266.16%	375.49%	95.20%	+426.6%
Total assets	20,550.86	21,651.89	20,932.93	22,829.15	
Total equity	8,338.35	8,407.43	8,519.71	8,581.12	
ROA (%)	0.68	0.93	1.28	1.39	
ROE (%)	1.67	2.26	3.23	3.54	
Gross profit margin (%)	2.43	2.99	4.73	3.37	
Net profit margin (%)	1.62	1.22	2.25	2.25	



- CTD is one of the leading enterprises in the field of residential and commercial construction, and more recently in industrial construction field, having won contracts to build LEGO's billion-dollar toy manufacturing plant and projects for Foxconn.
- For the first half of 2024, CTD reported revenue of VND9,784 billion (+5.0% YoY) and a net profit of VND136 billion, which is 8.8 times higher than as of last year. In Q3, CTD recorded revenue of VND4,666 billion (+49% YoY) and a post-tax profit of VND105 billion (+380% YoY). In Q4, revenue reached 6,595 billion VND (+82.5% YoY) and net profit was 58.8 billion VND (+82.5% YoY). For the entire fiscal year, revenue totaled 21,045 billion VND (+30.8% YoY) and net profit was 299.5 billion VND (+343% YoY), achieving 118% of the revenue target and 109% of the profit target. The value of awarded contracts for 2024 reached 22,000 billion VND.
- On February 9, 2024, CTD completed the acquisition of 100% of the charter capital of two companies: Sinh Nam Metal Co., Ltd (Vietnam) - a supplier of Facade materials (aluminum and glass, providing materials for construction surfaces) and UG Vietnam Mechanical and Electrical Co., Ltd. Additionally, CTD has established a subsidiary company in the United States, with its office located in the state of Florida. On July 16, 2024, an MOU was signed with Daewoo Engineering & Construction (South Korea) to collaborate on large-scale EPC projects in Vietnam as well as other EPC projects globally where Daewoo serves as the main contractor.
- Prospects: The increasing trend of FDI capital inflows is driving demand for industrial construction activities both domestically and internationally. CTD has built a reputation from its involvement in major projects such as Lego and Foxconn, and is increasing its share in this segment within the backlog from 14% to 20%. Additionally, the real estate market is forecasted to recover from 2025 onwards, which will support CTD's civil construction segment.

LIST OF RECOMMENDED STOCKS FOR 2024

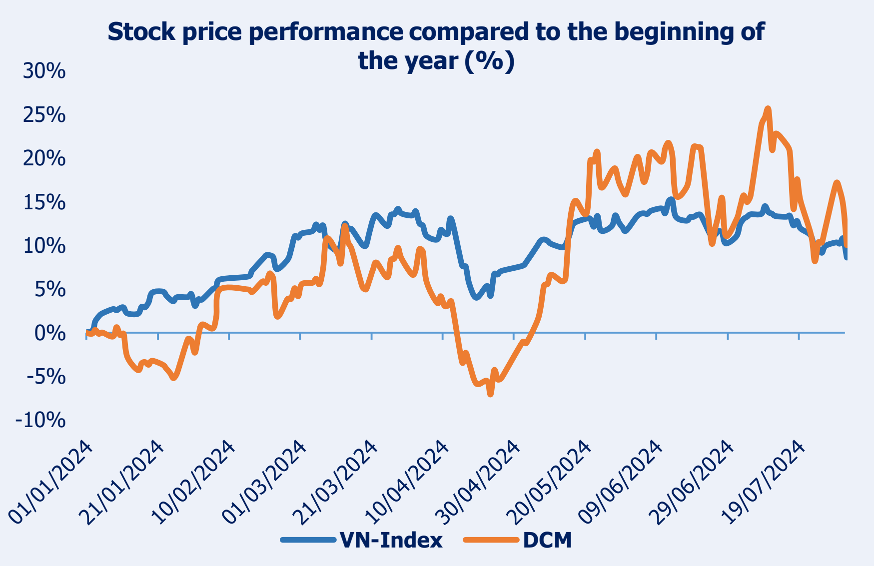
Turning opportunities into value

PetroVietnam Camau Fertilizer Joint Stock Company (HOSE – DCM)

(Return to the summary list)

Current price	**35,650**
TA Target price	**41,000-43,000**
Highest price in July	**40,700**
Market capitalization (Billion VND)	**19,641**
EPS ttm	**2,499.09**
BV	**18,413.01**
PE trailing	**14.85**
PB trailing	**2.01**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Revenue	3,010.59	3,565.57	2,744.04	3,863.35	11,878
% yoy	-8.97%	-20.03%	0.34%	17.39%	-5.73%
Profit after taxes	74.13	491.81	349.60	569.77	795
% yoy	-89.86%	-51.01%	52.21%	82.20%	-28.24%
Total assets	14,714.82	15,277.98	15,743.58	16,830.75	
Total equity	9,568.08	9,993.19	10,290.89	9,779.25	
ROA (%)	10.93	7.54	7.98	9.47	
ROE (%)	15.38	10.82	11.99	15.00	
Gross profit margin (%)	5.89	24.28	25.86	15.79	
Net profit margin (%)	2.46	13.79	12.74	12.74	



- One of the major fertilizer manufacturing companies in Vietnam, with its flagship products being granular Urea and NPK, currently holding a 60% market share in the Mekong Delta region and exporting to Cambodia, South Korea, Thailand, the Philippines, Japan, and Bangladesh.
- In 2023, DCM achieved a revenue of VND12,601 billion (-20% YoY) and a post-tax profit of VND1,108 billion (-74% YoY). The company maintained a strong financial position with cash and cash equivalents reaching VND10,526 billion at the end of 2023, accounting for 69% of total assets and twice the amount of debt obligations. Its total borrowings was VND847 billion, equivalent to 8.4% of the equity. In Q1/2024, DCM recorded a revenue of VND2,744 billion (+0.34% YoY) and a post-tax profit of VND349 billion (+52.2% YoY), corresponding to 23% and 43.8% of the target 2024, respectively. In Q2, revenue was 4,005 billion VND (+15.9% YoY), with net profit reaching 569.8 billion VND (+96.6% YoY). For the first 6 months of 2024, DCM achieved revenue of 6,607 billion VND (+9.6% YoY) and net profit of 919.3 billion VND, fulfilling 55.6% of the annual revenue target and 115.6% of the annual profit target.
- DCM plans to implement a factory project in Long My Industrial Park, Quy Nhon City, starting construction in Q1/2024 and commencing operations in Q1/2025. The factory will cover an area of over 29,755 m2, with an investment capital of nearly VND120 billion. The plant will produce and blend NPK+TE fertilizers (about 50,000 tons per year), package various types of fertilizers (about 50,000 tons per year), and store and trade fertilizers and raw materials, with a capacity of approximately 150,000 tons per year. DCM has recently entered into a partnership with Wuhuan Engineering Co., Ltd - one of the largest petrochemical engineering companies in China. The collaboration aims to: conduct market research and product development; research ways to increase the capacity of the Ca Mau Urea Plant; and cooperate for Ca Mau Urea to provide maintenance and operation services for Wuhuan's new projects. DCM has completed the acquisition of 100% of the charter capital of Han-Viet Fertilizer Company, which produces 360,000 tons of NPK fertilizers per year.
- Prospects: It is expected that fertilizer products will be reclassified and placed into the 5% VAT tax category. DCM will be fully depreciate its factory by 2025.

Turning opportunities into value

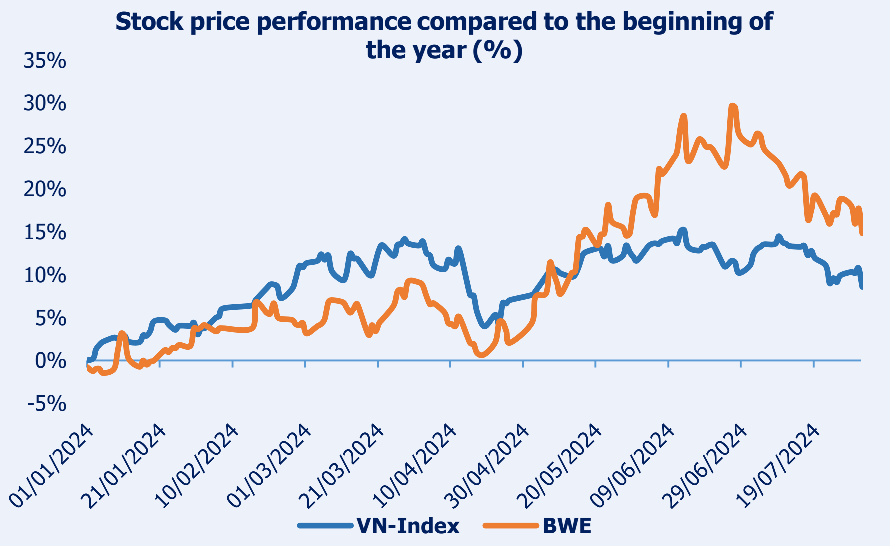
LIST OF RECOMMENDED STOCKS FOR MARCH 2024

Binh Duong Water - Environment Corporation - Joint Stock Company (HOSE – BWE)

(Return to the summary list)

Current price	**41,500**
TA Target price	**50,000-51,000**
Highest price in July	**45,700**
Market capitalization (Billion VND)	**9,358**
EPS ttm	**2,458.30**
BV	**22,780.16**
PE trailing	**17.31**
PB trailing	**1.87**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Revenue	840.49	1,127.89	791.70	1,034.30	11,878
% yoy	-2.28%	8.11%	16.32%	17.95%	-5.73%
Profit after taxes	178.09	150.66	179.72	137.89	795
% yoy	-9.43%	-11.56%	27.71%	-34.32%	-28.24%
Total assets	11,335.08	12,108.12	11,980.28	12,138.31	
Total equity	4,806.94	4,957.38	5,028.11	5,171.33	
ROA (%)	6.55	6.10	6.11	5.34	
ROE (%)	15.53	14.67	15.10	13.12	
Gross profit margin (%)	43.64	42.50	49.54	39.76	
Net profit margin (%)	21.19	13.36	22.70	22.70	



- BWE is one of the top three water exploitation and treatment companies in Vietnam, with a capacity of up to 822,000 cubic meters per day and a monopoly on water supply in Binh Duong province. Additionally, the company provides waste collection and treatment services in Binh Duong. BWE is actively expanding its operations through mergers and acquisitions of companies in the same industry in Dong Nai, Can Tho, Long An, and Quang Binh provinces. BWE also plans to invest in neighboring provinces such as Binh Phuoc and Ben Tre…
- In 2023, BWE achieved a revenue of VND3,526 billion (+1.2% YoY) and a profit of VND682 billion (-8.6% YoY), paid a dividend in the form of shares at a rate of 14%. For 2024, BWE has set a revenue target of VND4,100 billion (+3.1% YoY) and a minimum post-tax profit of VND700 billion (+16.5% YoY), with a minimum cash dividend of 13%. In Q1, BWE achieved revenue of VND792 billion (+16.3% YoY) and a post-tax profit of VND180 billion (+27.7% YoY). In Q2, revenue was 1,034 billion VND (+18% YoY) and net profit was 138 billion VND (-34% YoY) due to a 71 billion VND foreign exchange loss on USD-denominated loans. For the first 6 months, the company achieved revenue of 1,826 billion VND (+17.2% YoY) and net profit of 317.6 billion VND (-9.4% YoY), completing 44.5% of the revenue target and 45.4% of the profit target. On May 17, 2024, BWE distributed a 14% stock dividend.
- Prospects: BWE benefit from the increasing demand for water consumption in industrial parks in Binh Duong province due to rising FDI capital and a high urbanization rate. Water prices are expected to continue rising by 3%-5% per year from 2024. Revenue from waste treatment is expected to increase due to higher prices (BWE is proposing a 10% increase for the residential sector) and capacity expansion. BWE plans to complete the construction of the waste treatment plant Phase 4 processing line (with a total capacity of 840 tons per day) and an incinerator (with a total capacity of 200 tons per day) in 2024. In the long term, BWE is accelerating the progress of land clearance/purchase of 400 hectares of new land in Phu Giao district, Binh Duong province, to build the Tan Long waste treatment complex, expanding its waste treatment business operations.

LIST OF RECOMMENDED STOCKS FOR MARCH 2024

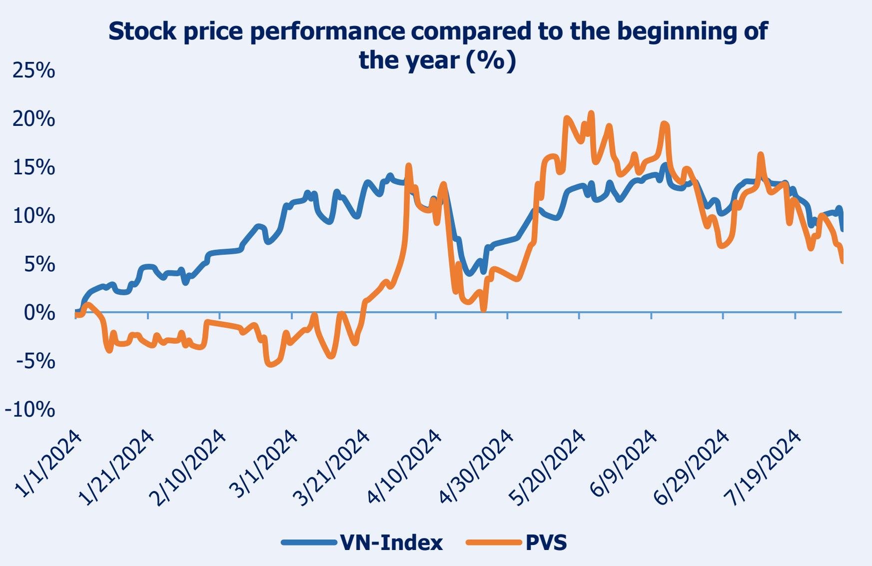
Turning opportunities into value

PetroVietnam Technical Services Corporation (HNX – PVS)

(Return to the summary list)

Current price	**40,000**
TA Target price	**45,000-46,000**
Highest price in July	**44,200**
Market capitalization (Billion VND)	**19,405**
EPS ttm	**2,266.20**
BV	**27,695.80**
PE trailing	**17.92**
PB trailing	**1.47**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Revenue	4,175.55	6,758.31	3,709.59	5,577.86	15,500
% yoy	19.22%	27.89%	0.16%	18.38%	-20%
Profit after taxes	143.56	293.24	304.74	207.95	660
% yoy	-25.62%	-45.89%	33.94%	-11.55%	-26.5%
Total assets	28,564.17	26,401.14	25,468.21	26,918.08	
Total equity	13,399.46	13,383.63	13,935.60	13,909.35	
ROA (%)	3.30	3.92	3.54	3.44	
ROE (%)	7.11	8.43	7.46	7.12	
Gross profit margin (%)	4.33	5.57	6.97	4.14	
Net profit margin (%)	3.44	4.34	8.21	8.21	



- In 2023, the company achieved a revenue of VND19,349 billion (+18.2% YoY) and a post-tax profit of VND899.4 billion (-14.4% YoY, = 160.6% of target) and a increase management and financial expenses. Cash and bank deposits reached VND10,116 billion dong, equivalent to 38.3% of total assets and 78% of liabilities. For 2024, the company set a revenue target of VND15,500 billion (-20% YoY) and a post-tax profit of VND660 billion (-26.5% YoY), with a cash dividend of 7% for 2023 and an expected cash dividend of 7% for 2024. In Q1, the company achieved a revenue of VND3,709 billion (+0.16% YoY) and a post-tax profit of VND305 billion (+33.9% YoY). In Q2, revenue reached 5,578 billion VND (+50% QoQ, +18.3% YoY) and net profit was 208 billion VND (-31.8% QoQ, -11.5% YoY). For the first 6 months, revenue totaled 9,287 billion VND (+10.3% YoY) and net profit was 512.7 billion VND (+10.8% YoY), achieving 60% of the revenue target and 77.7% of the profit target.
- PVS is currently undertaking the fabrication of 33 foundation structures for offshore wind farms in Taiwan, as well as the design, fabrication, and commissioning of 9 offshore transformer stations to be delivered from 2024 to 2026 for offshore wind farms in Taiwan and Poland, with a total value of $1.5 billion. The Lot B O Mon project: The PVS-McDermott joint venture has signed a contract for EPCI#1 package (with PVS's portion valued at $492.7 million). PVS has received a Letter of Limited Authorization (LLOA) for the EPCI#2 package (valued at $300 million), won the bid for the Pipeline Project Design ($6,243 billion), and is currently participating in bidding for other contracts. PVS's leadership expects the Lot B project to receive the Final Investment Decision (FID) by the beginning of Q2/2024.
- The offshore wind power export project of 1.3 GW to Singapore: PVS has been granted a survey license in the Ba Ria - Vung Tau sea area, and Singapore has issued a Conditional Import License (CA) for the Sembcorp Utilities - PVS joint venture. The earliest commencement of electricity sales is expected to be in 2033.

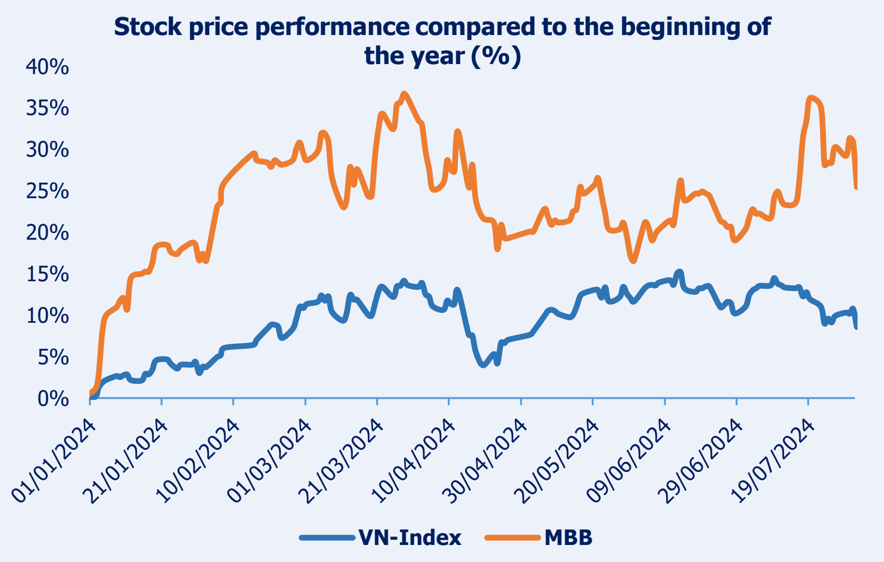
LIST OF RECOMMENDED STOCKS FOR JULY 2024

Military Commercial Joint Stock Bank (HOSE – MBB)

(Return to the summary list)

Current price	**23,400**
TA Target price	**29,500-30,500**
Highest price in July	**25,400**
Market capitalization (Billion VND)	**129,474**
EPS ttm	**4,070.47**
BV	**18,942.09**
PE trailing	**5.99**
PB trailing	**1.29**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Target 2024
Total operating income	12,065.15	11,750.36	12,016.70	14,129.25	-
% yoy	9.82%	-0.01%	0.73%	22.22%	-
NPAT	5,820.71	5,045.09	4,624.22	6,101.98	-
% yoy	15.61%	40.14%	-11.17%	22.47%	+6-8%*
Deposits from customers	479,732.57	567,532.58	558,826.06	618,617.64	
Loan to customers	536,301.78	611,048.83	615,316.72	673,799.06	
NPL Ratio (%)	1.89	1.60	2.49	1.64	≤2,0
ROE (%)	23.40	24.51	22.43	22.56	
NIM (%)	5.23	4.79	4.47	4.35	
Net profit margin (%)	48.24	42.94	38.48	38.48	



- The financial results for Q2 2024 are favorable due to positive credit growth and controlled non-performing loans. For the first 6 months of 2024, MBB reported a pre-tax profit of 13.4 trillion VND (+5% YoY), with Q2 2024 pre-tax profit reaching 7.6 trillion VND (+32% QoQ, +23% YoY). Customer loans and corporate bonds increased by 9.4% YTD, a significant jump from 0.4% YTD at the end of Q1 2024. This includes a 14% YTD increase in corporate loans, a 5.7% YTD increase in personal loans, and a 4% YTD decrease in corporate bonds. The issue of non-performing loans related to CIC has been resolved, leading to a substantial reduction in problem loans by 3,500 billion VND, with the NPL ratio decreasing to 1.6% from 2.5% at the end of Q1, and the NPL coverage ratio recovering to 102%.
- MBB's operational efficiency ranks among the top in the system with an ROE of 23%. Its operational management and cost control processes are highly regarded within the sector. MBB maintains a credit limit for real estate of up to 10% of total outstanding loans. Outstanding loans to Trung Nam, Novaland, Sungroup, and Vingroup are progressing well, with no risk of becoming non-performing loans, and the collateral value is three times the loan size. MBB targets credit growth of 12-13% by the end of Q3, aligning with the 15-16% credit growth limit allocated at the beginning of the year. Q3 profit is expected to fluctuate by +/-6% compared to Q2.
- MBB is currently trading at a P/B ratio of 1.29x, which is 10% lower than the average P/B ratio for the 2019-2024 period. Its valuation is also significantly lower compared to the average P/B ratio of the banking sector, which is 1.66x.
- Investment story: MBB's stock is currently valued attractively; MBB is issuing a 15% stock dividend; MBB is in the process of completing the mandatory acquisition of a struggling bank, which is expected to be finalized in 2024. This move is anticipated to enable MBB to receive a higher credit growth limit compared to the industry average.

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Financial data is provided by Bloomberg, FiinGroup, and Fialda.

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