MACROECONOMIC & STOCK MARKET REPORT

Turning opportunities into value

September 2024

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SUMMARY

Turning opportunities into value

- **The VN-Index fluctuated significantly and ended August at 1,283.87 points (+2.59% MoM and +13.6% YTD).** VN30 (+2.5% MoM) continued to play a key supporting role for the VN-Index, with notable contributions from stocks in the banking sector, as well as VHM, VNM, MWG, and FPT.
- **The average trading value per session in August decreased for the second consecutive month (-4.07% MoM), reaching VND 18,580.09 billion per session, being the lowest level since December 2023.** Some sectors have increased liquidity in August, including Real Estate (+13.8% MoM), Financial Services (+28.4% MoM), and Oil & Gas (+2.2% MoM). After a series of consecutive net buying, individual investors shifted to strong net selling in August, with a value of VND 3,627.55 billion, the highest level since February 2023. Meanwhile, domestic institutional investors were the only group to net buy. The number of new securities accounts increased by 331,205 accounts (+0.3% MoM, +75.6% YoY), marking the second consecutive month with an increase of over 300,000 accounts.
- **Foreign investors reduced their net selling scale.** The net selling value in August continued to decrease significantly to VND 3,796 billion (-54.2% MoM). ETF capital flow continued to experience net outflows of USD 75 million, marking the ninth consecutive month of outflows, with contributions from FUBON, DCVFM VN30 ETF, and KIM VN30 ETF (-USD 16.6 million), DCVFM VNDiamond.
- **The economy remained positive in August.** Although the PMI for August decreased to 52.4 points, it stayed above the 50-point mark for the fifth consecutive month, supported by continued growth in new export orders, which aided the manufacturing and export sectors. New FDI registrations for the first eight months increased by 27% YoY, and FDI disbursement for the same period reached its highest level in the past five years. The exchange rate continued to cool down in August, with the increase narrowing to 2.51% compared to the end of 2023.
- **The VN-Index is expected to continue consolidating within the price range of 1,250 to 1,300 points in September** before aiming for higher levels in Q4.
- **The recommended stock portfolio includes the addition of VLB.** In September, most stocks saw gains along with the market's recovery. The best-performing stocks in the August portfolio were GVR (+7.1%), PNJ (+5.2%), and FPT (+4.8%). The two stocks that declined in August were SZC (-3.5%) and CTD (-2.3%).

VIETNAM'S MACROECONOMIC IN AUGUST 2024

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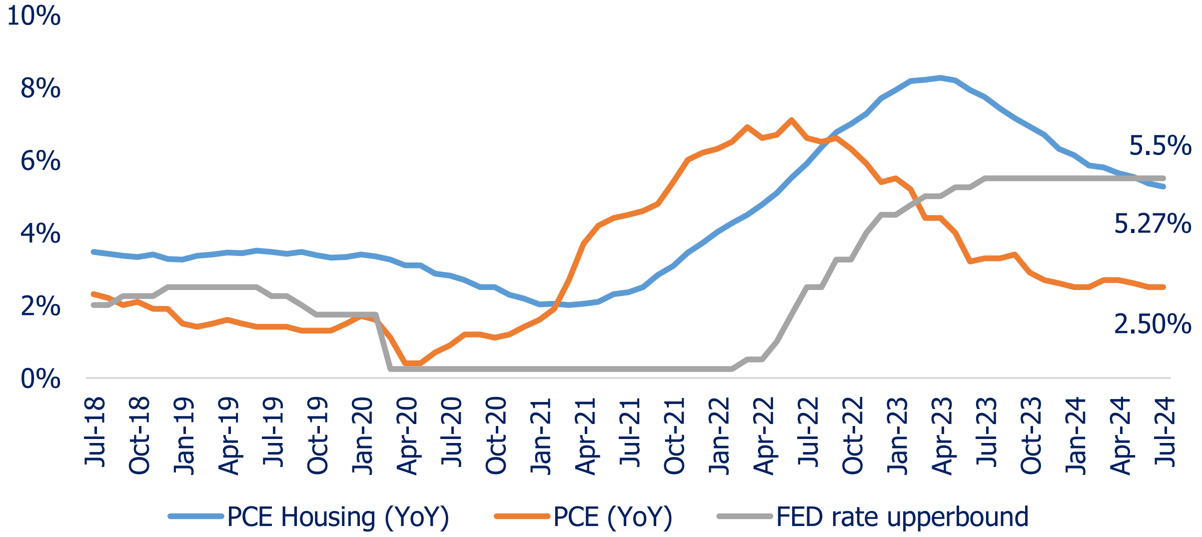
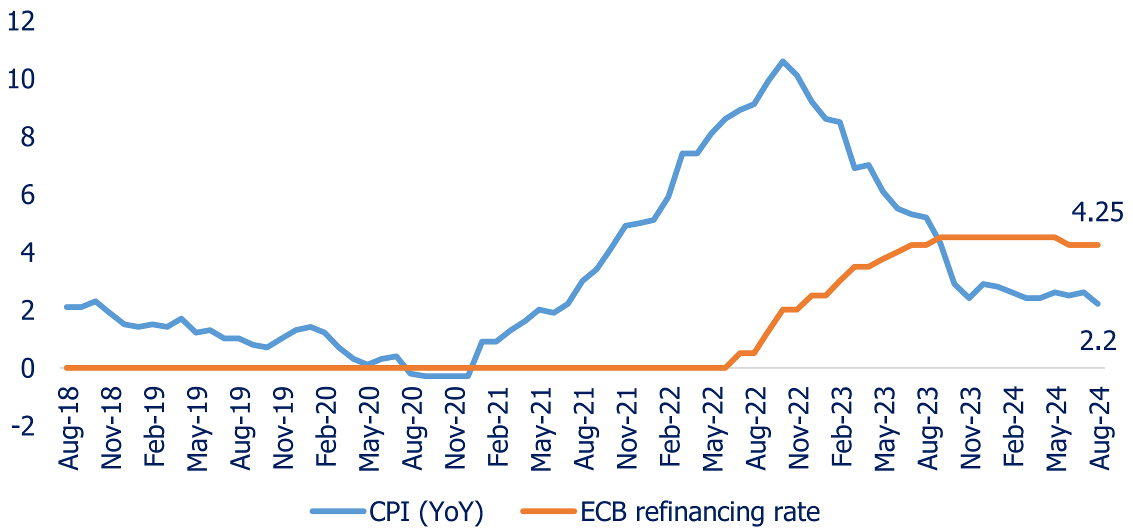
The opportunity for the Fed to cut interest rates is approaching. The CPI for August in the U.S. recorded a 0.2% increase MoM and a 2.5% increase YoY, continuing a downward trend. However, it will take more time for inflation to reach the 2% target because a major component in the PCE calculation is Housing, which is still decreasing relatively slowly (+5.27% YoY as of July 2024), partly due to receiving less supportive policies compared to Europe.

The labor market in the U.S. was still weaker compared to the beginning of the year, although there were more positive signs. The unemployment rate for August was 4.2%, down 0.1% from July's data, marking the first decrease after four consecutive months of increases. The number of new jobs created in August was 142,000, higher than the revised July figure of 89,000. With this data and recent statements from Fed leaders, investors were anticipating a shift towards a more accommodative monetary policy. However, the market seems to have overly optimistic expectations, forecasting a 1.75% to 2% reduction in interest rates over the next year. This would imply eight rate cuts by the Fed, with an average decrease of 0.25% each time, even though inflation is not yet fully stable within the 2% range. According to CME's Fed Watch tool, there is an 85% chance that the Fed will lower rates by 0.25% at the September meeting, which we believe is a reasonable expectation given the current context.

US Infaltion and FED Rate



EU Infation and ECB Rate (%)



Source: Bloomberg, SHS Research

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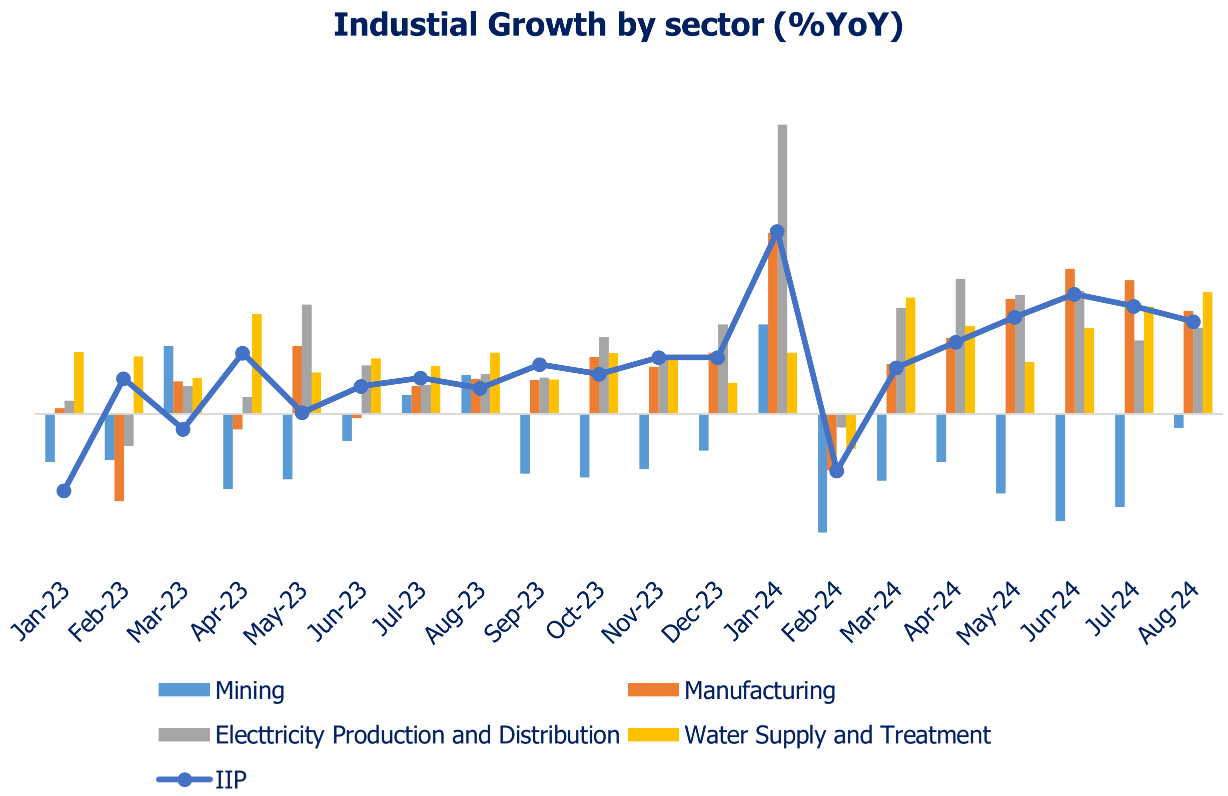
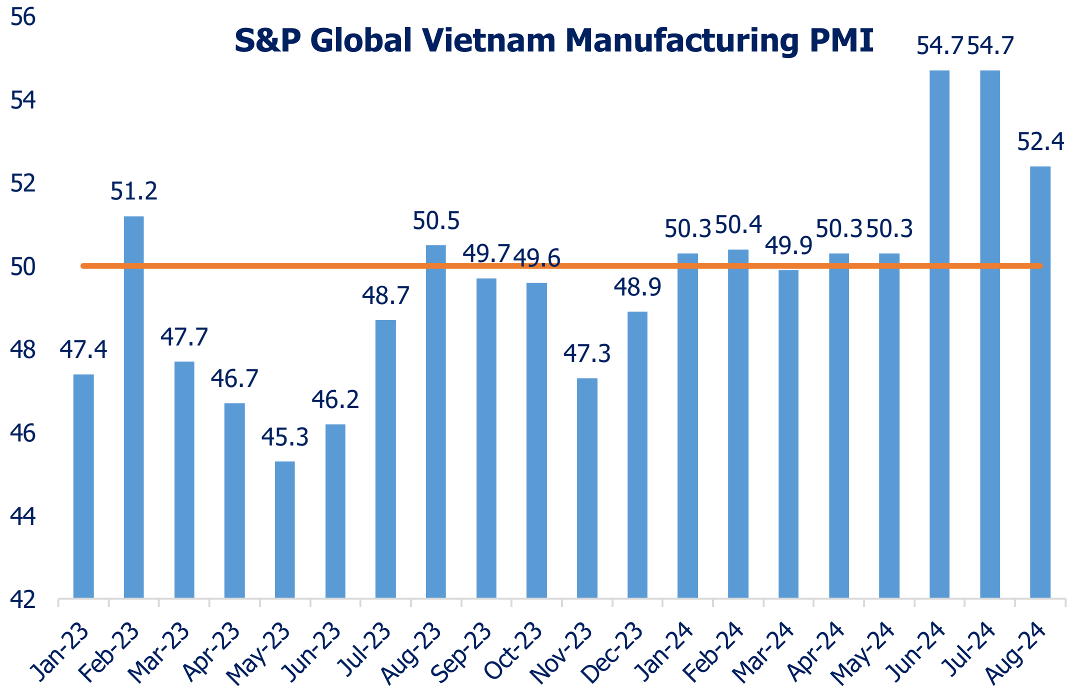
Manufacturing remains positively. The IIP for August increased by 2% MoM and 9.5% YoY, with a cumulative 8-month increase of 8.6% YTD. This reflects a strong recovery, driven by a rise in new export orders for the fifth consecutive month, which has helped the manufacturing sector continue to grow over 10% for the fourth consecutive month. The increase in orders and the reduction in input costs have led manufacturers to ramp up purchasing activities, contributing to Vietnam's manufacturing PMI remaining high at 52.4 points in August, sustaining its position above 50 points for the fifth consecutive month.





Source: Bloomberg, FiinGroup , SHS Research

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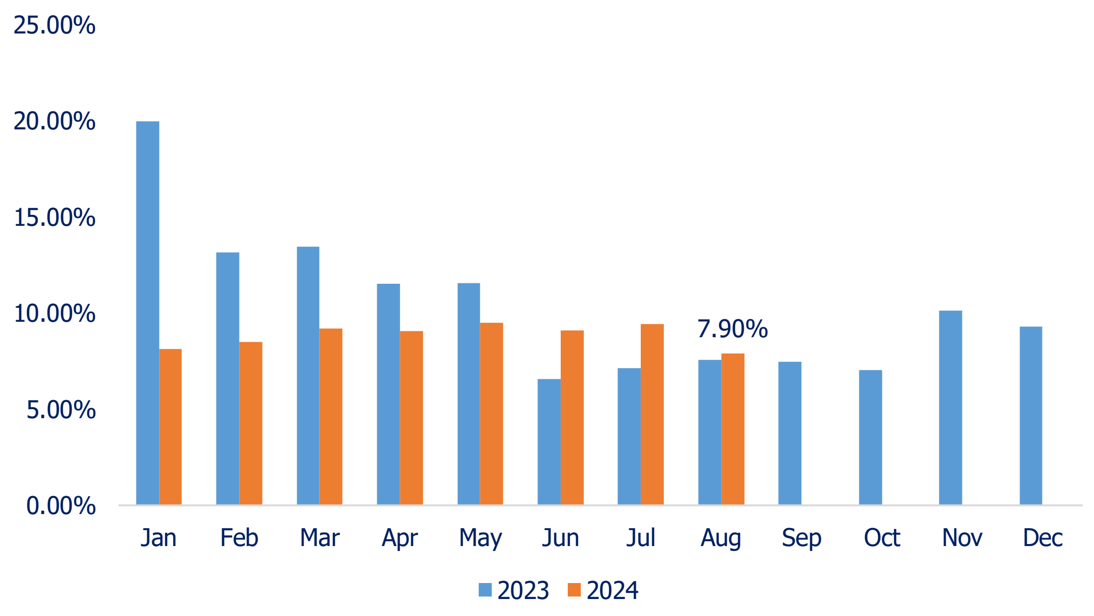
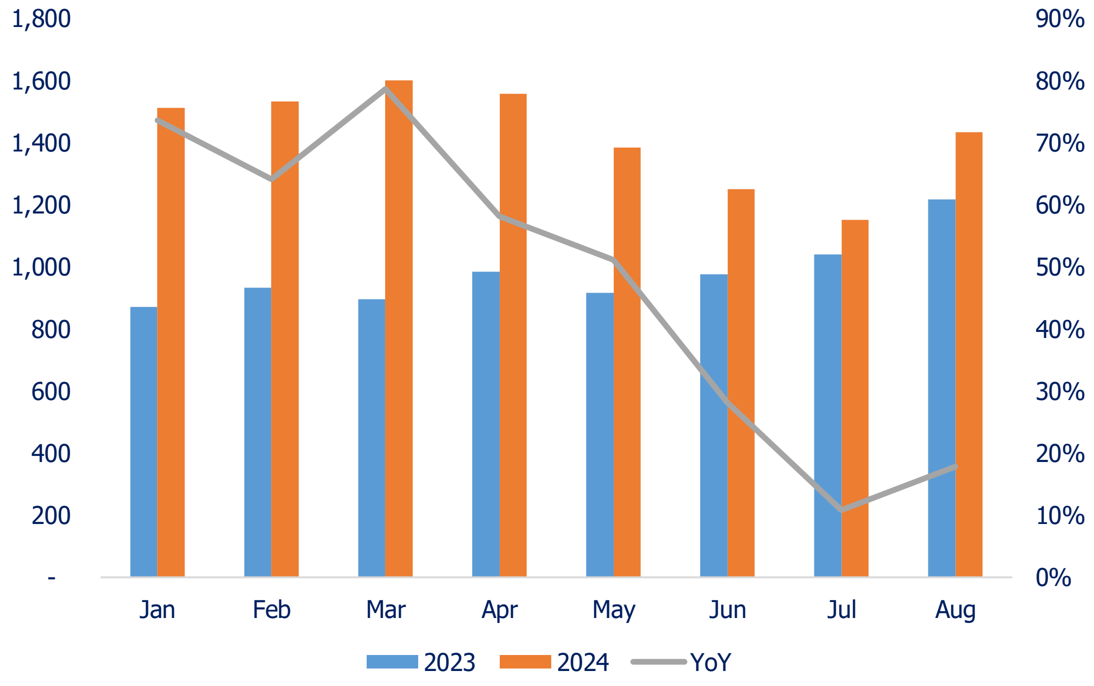
In August, the total retail sales of goods and consumer services at current prices increased by 7.9% YoY. Although this is lower than in July, it still marks the third consecutive month of improvement compared to the same period in 2023. For the first eight months of the year, total retail sales increased by 8.5% YoY, which is lower than the 10.3% increase in the same period of 2023. Excluding the impact of price changes, the increase was 5.3% (compared to 8% in the same period of 2023). The number of international visitors to Vietnam in August rose by 24.5% MoM and 18% YoY, thanks to visitors from China and South Korea. In total, during the first eight months of 2024, Vietnam welcomed 11.4 million international visitors, a 45.6% increase YoY, and comparable to the number of visitors in 2019, before the Covid pandemic.

Comsumer spending (% YoY)



International Tourist Arrivals (thousands)



Source: GSO, SHS Research

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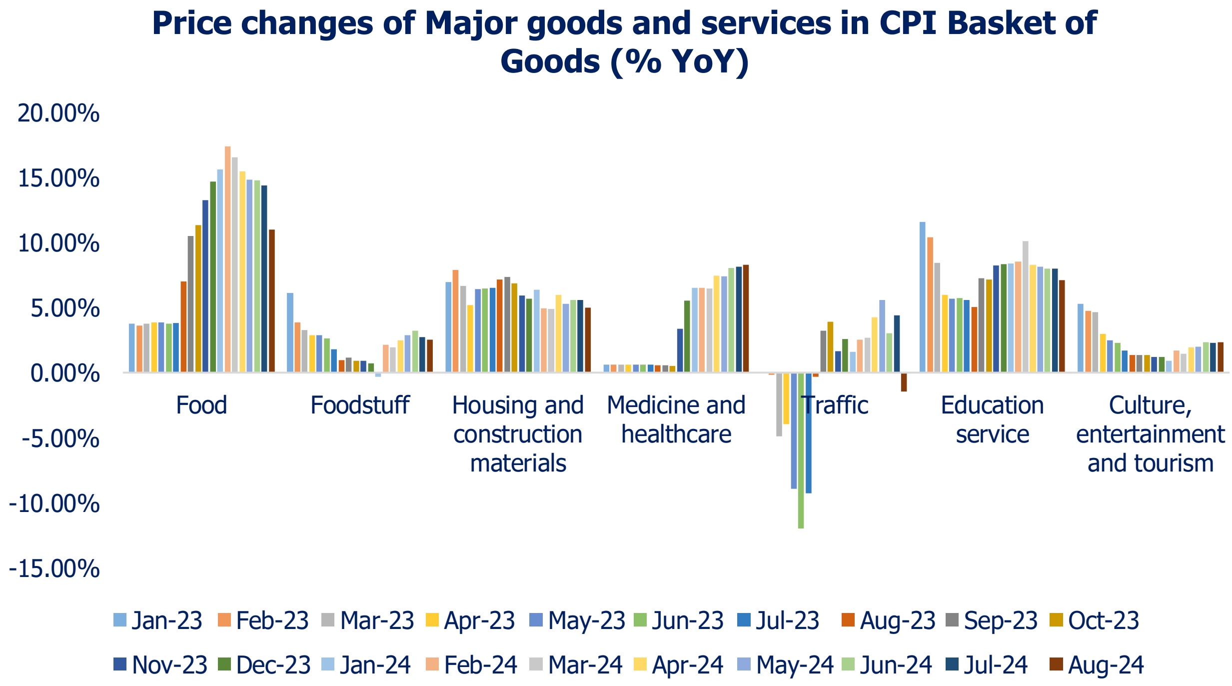
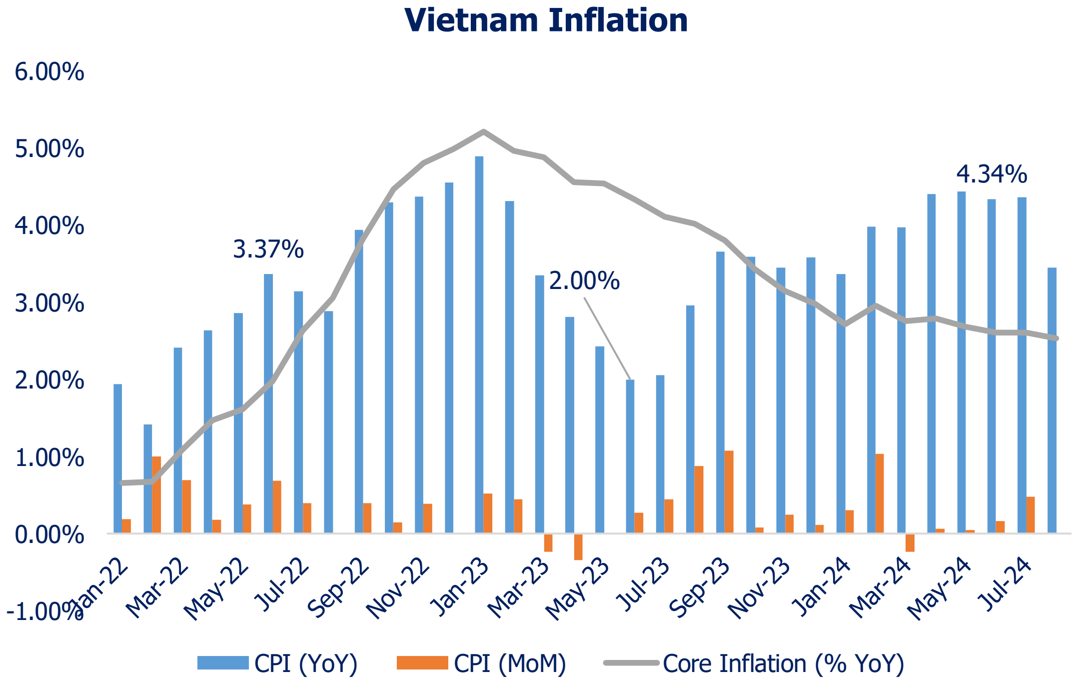
Inflation is cooling down. The Consumer Price Index (CPI) for August did not increase compared to July and rose by 3.45% YoY, which is a decrease from the 4.36% in July. In August, except for the Education sector, which increased due to seasonal factors as the new school year approaches, the major categories in the CPI basket experienced lower increases compared to recent months or even declines. These include: Food (+0.19% MoM and +3.7% YoY), Food products (+0.28% MoM and +2.6% YoY), Housing and construction materials (+0.29% MoM and +5% YoY), and Transportation (-1.98% MoM and -1.46% YoY).

On average, for the first eight months of 2024, the CPI increased by 4.04% YoY, decreased from the 4.12% average for the first seven months, and core inflation continued its downward trend to 2.71%. With the occurrence of unusual storms and floods in early September, it is forecasted that prices for some items may experience fluctuations and increase in September, although the rise is expected to be moderate.





Source: GSO, SHS Research

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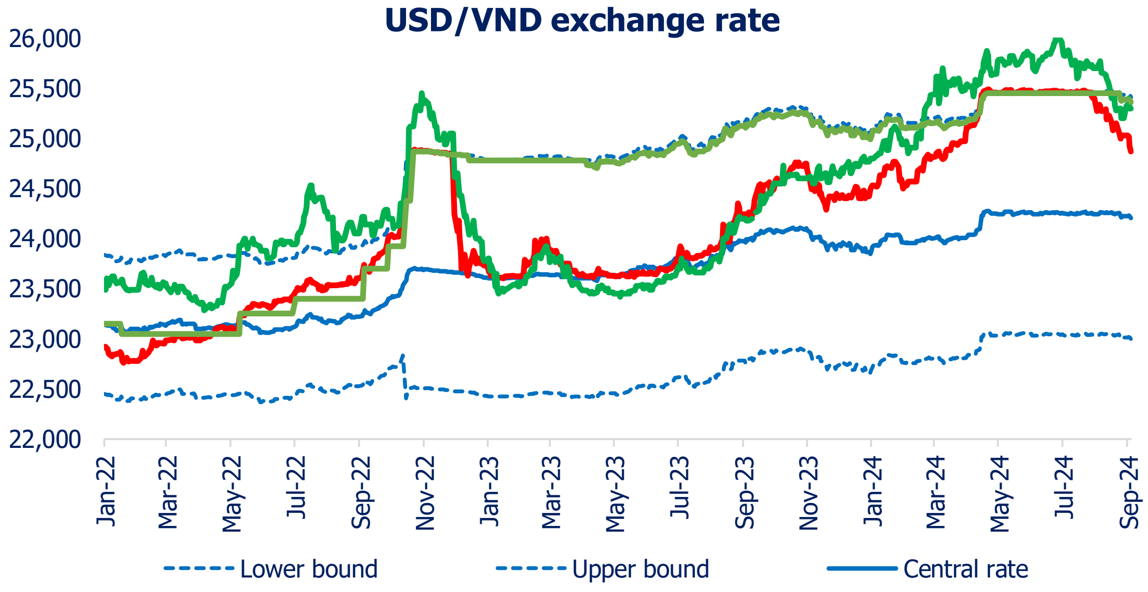
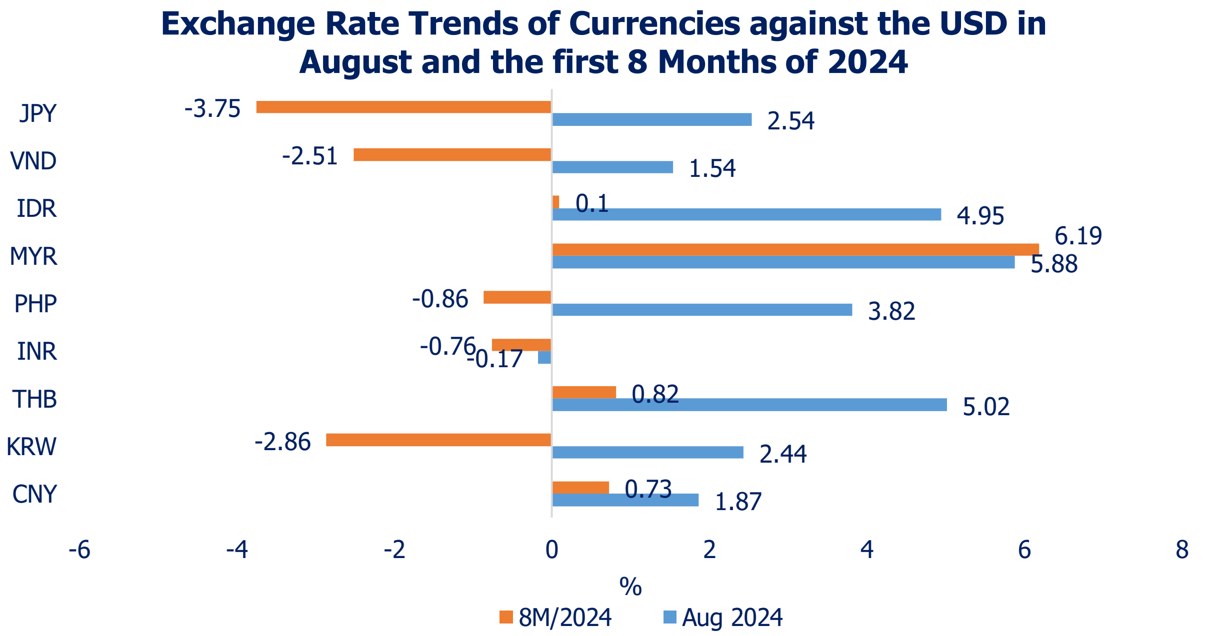




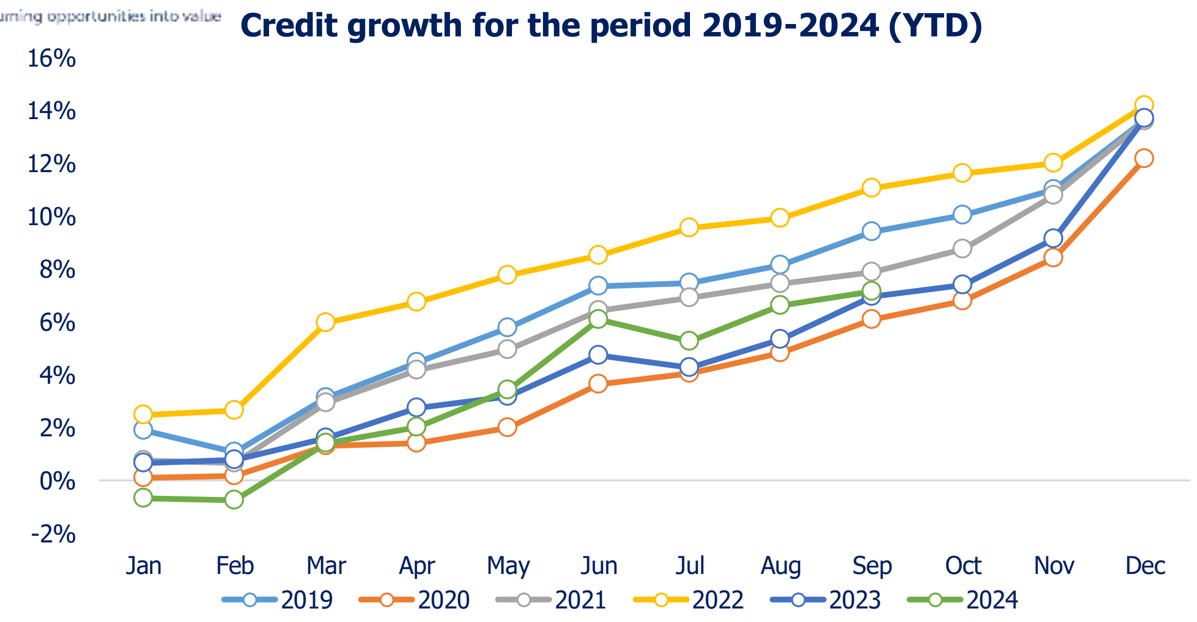
Source: Bloomberg, FiinGroup , SHS Research

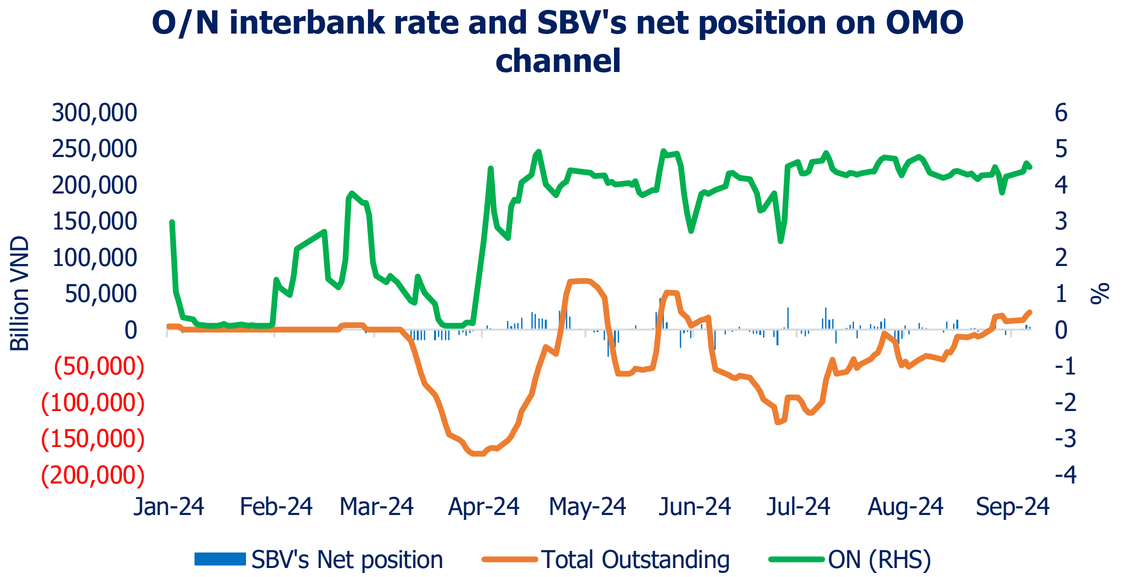
In August, the interbank USD/VND exchange rate, the listed exchange rates at commercial banks, and the free market exchange rates continued to ease, narrowing the increase from the end of 2023 to 2.51%. The VND is supported by active disbursement of FDI (USD 14.15 billion in the first eight months of the year, up 8% YoY), a trade surplus of USD 19 billion for the first eight months, and a cooling DXY index due to the approaching rate cuts by the FED. The market anticipates that the FED will reduce interest rates for the first time at the September meeting on September 18, with a forecasted reduction of 0.25%. The VND continued to appreciate against the USD, reducing the depreciation level to 1.5% as of September 6.

The recovery of the VND in August was relatively modest compared to other currencies in the region. This is due to the high demand for imported goods to support production and business, as well as the State Bank of Vietnam (SBV) implementing a looser monetary policy since early August, right as the pressure on the exchange rate eased.

We believe that the easing of exchange rate pressure provides the State Bank of Vietnam (SBV) with more room to maneuver in monetary policy, including reducing interbank interest rates and boosting credit growth. A depreciation of the VND of about 2% in 2024 is appropriate given Vietnam's tendency to prioritize growth in its monetary policy.

MACROECONOMIC





Source: Bloomberg, SBV, GSO, SHS Research

As of August 26, credit growth reached 6.63%, showing an improvement from the decline in July but still significantly short of the 15% growth target for 2024. SBV has proactively provided additional credit growth limits to banks that have already lent over 80% of their allocated quotas since the beginning of the year, effective from August 28, 2024, depending on each bank's rating. Some banks with high credit growth since the beginning of the year are mostly private commercial banks such as TCB, LPB, ACB, HDB, MBB, etc. It is estimated that the reallocation of credit quotas accounts for about 2% of the total credit growth in the banking system. At the Government's regular meeting in August 2024, the SBV stated that as of September 6, 2024, credit outstanding had increased by 7.15%, which is an additional VND 70 trillion over approximately 10 days, and it is possible to meet the annual target, implying an additional VND 1.065 quadrillion will be injected into the economy in the last four months of the year.

The exchange rate pressure to reduce has allowed the SBV to manage liquidity across the system more flexibly through net injections in the open market operations and by lowering rates on term purchases. The overnight interbank interest rate fluctuated within a narrow range (4.4% - 4.6%) in August. The system-wide deposit rates remained stable, averaging around 3.4%, 4.8%, and 5%–5.2% for VND deposits with maturities of 3, 6, and 13 months, respectively. The average lending rates for new and existing loans from domestic commercial banks are between 6.9% and 9.3% per annum, down from the 7.5% to 9.7% range in March 2024. However, pressure to increase deposit rates remains due to the need to boost credit growth through the end of the year.

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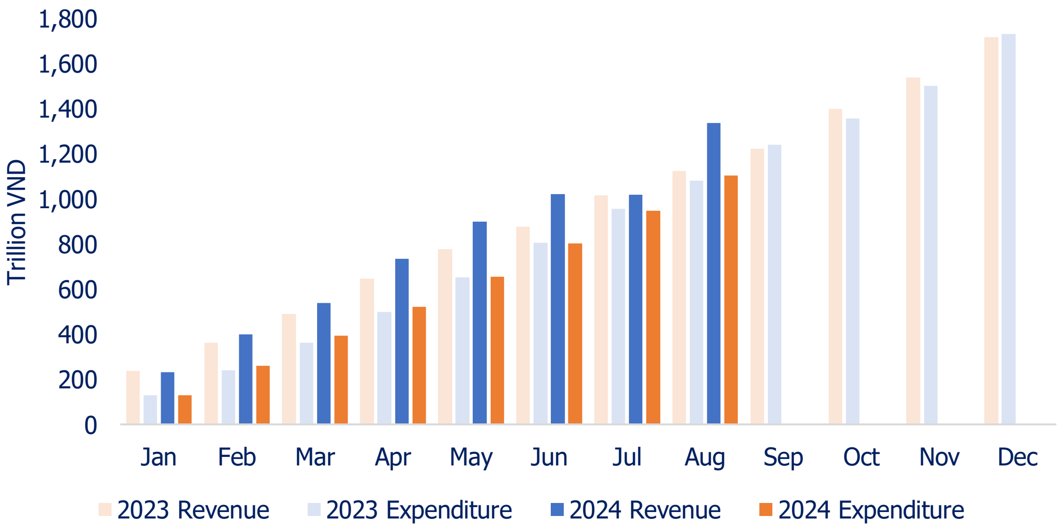
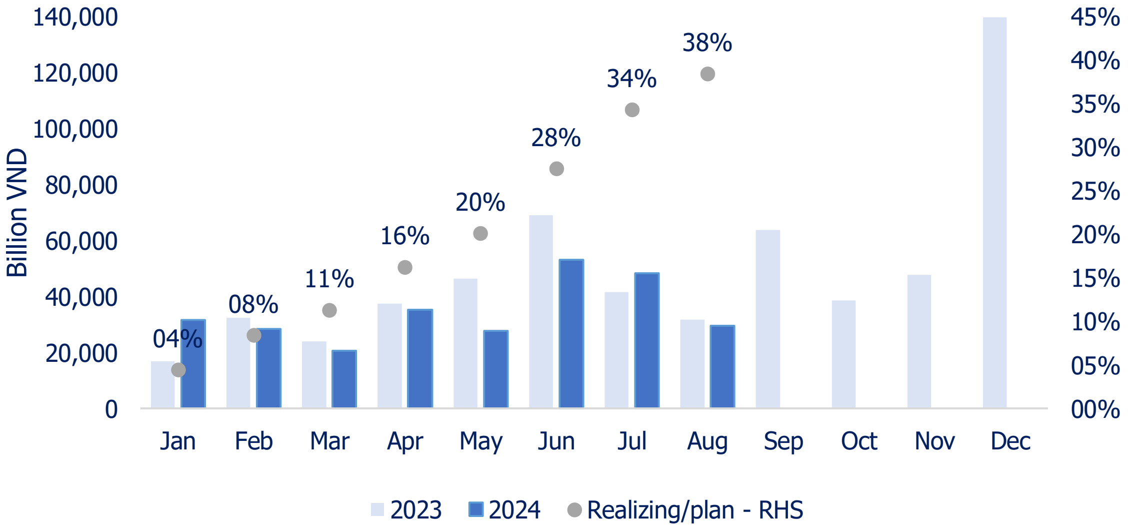
The state budget revenue in August 2024 is estimated to reach over 101 trillion VND, with the cumulative total for the first 8 months of 2024 reaching over 1,336 trillion VND, equivalent to 78.5% of the estimate, an increase of 17.8% YoY, of which domestic revenue reached 1.117 trillion VND, up 18.9% YoY. Total state budget expenditure in August 2024 is estimated at 158.8 trillion VND, with the cumulative total for the first 8 months of 2024 estimated at 1,104.2 trillion VND, equivalent to 52.1% of the annual estimate and an increase of 1.9% YoY.

Public investment capital disbursed from the beginning of the year to August 31, 2024, is estimated at 274,501 billion VND, reaching 37.01% of the total plan, and 40.49% of the plan assigned by the Prime Minister. This rate is lower compared to the same period in 2023 (which reached 39.55% of the plan and 42.35% of the plan assigned by the Prime Minister). Within this, the Economic and Social Recovery and Development Program reached 79.32% of the plan, thanks to some ministries and central agencies managing to achieve a disbursement rate of 99.77% in 8 months (particularly the Ministry of Public Security and the Ministry of Transport reaching a 100% disbursement rate). Thus, to achieve the minimum disbursement target of 95% of the plan, the amount of capital to be disbursed in the remaining period of 2024 is estimated to be nearly 370 trillion VND.

State Budget Revenue and Expenditure (2022-2023) YTD

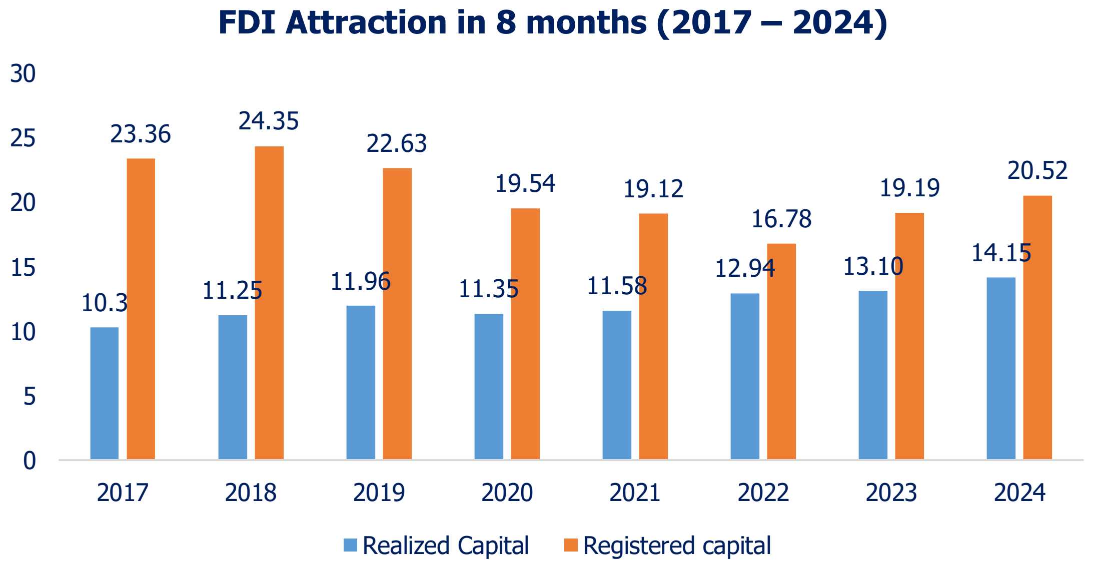


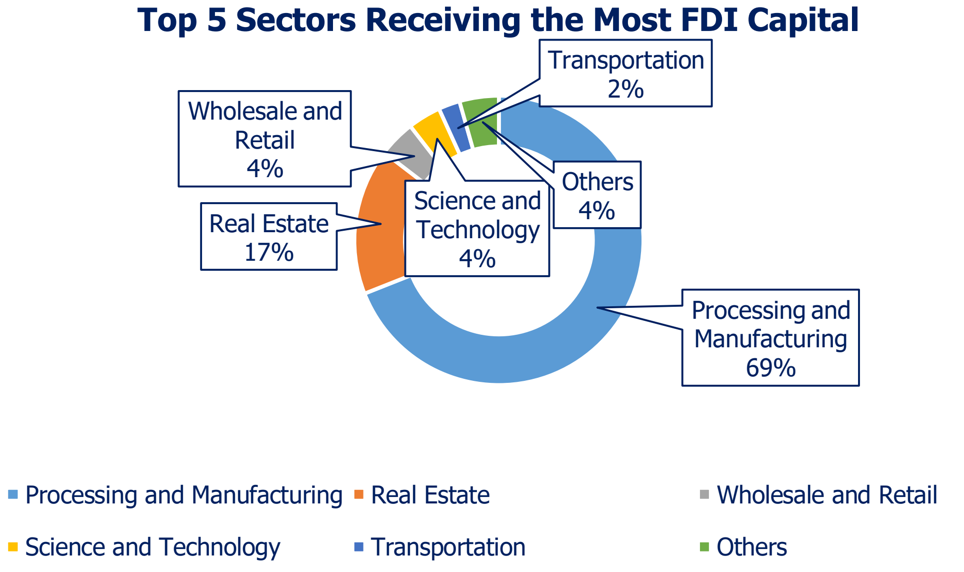
Public investment disbursement monthly (2023-2024)



Source: GSO, SHS Research

MACROECONOMIC





Source: FiinProX, SHS Research

Total registered FDI capital as of August 31, 2024, reached $20.52 billion, an increase of 7% compared to the same period last year, of which newly registered capital reached $12 billion, up 27% YoY. Implemented FDI capital for the first 8 months of 2024 is estimated at $14.15 billion, an increase of 8.0% compared to the same period last year and the highest figure for the first 8 months in the past 5 years.

Regarding capital contributions and share purchases by foreign investors, there were 2,196 instances with a total value of $2.81 billion, a decrease of 40.9% compared to the same period last year. Of these, there were 838 instances of capital contributions and share purchases that increased capital with a value of $1.27 billion; 1,358 instances where foreign investors bought domestic shares without increasing charter capital, with a value of $1.54 billion.

In terms of structure, the processing and manufacturing industry reached $11.28 billion, accounting for 79.7% of total implemented FDI; real estate business activities reached $1.27 billion, accounting for 9.0%; production and distribution of electricity, gas, hot water, steam, and air conditioning reached $542.3 million, accounting for 3.8%.

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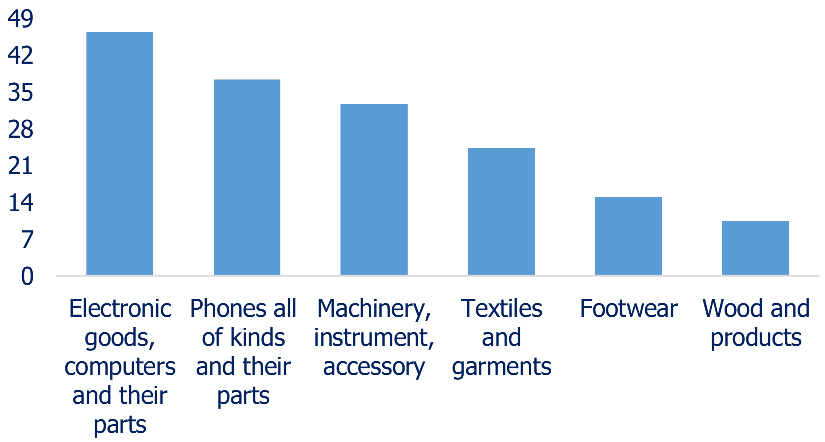
Import and export activities in August continued to maintain positive momentum with a turnover of $70.65 billion (+0.3% MoM, +13.5% YoY), with a trade surplus of $4.5 billion. For the first 8 months of 2024, the total import-export turnover of goods reached $511 billion (+16.7% YoY), of which exports increased by 15.8%; imports increased by 17.7%, with a trade surplus of $19.07 billion.

In August, several key export items recorded high growth compared to the same period last year, including: Machinery and equipment (+30.7%), Electronics & Computers (+27.3%), Textiles (+17%), Footwear (+20.7%), Wood products (+15.8%), indicating continued recovery in demand in external markets. The Phones and components group saw a decrease of 8.8% in export turnover in August, however, the cumulative 8-month figure still increased by 9.5% and is forecasted to improve in the final months of the year when Apple launches new products. The cumulative 8-month export turnover reached $265.1 billion, of which the US is the largest market with $77.9 billion (29.4%, +25.4% YoY).

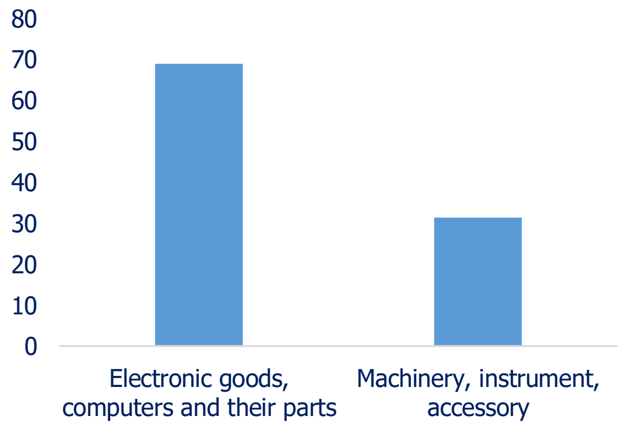
Regarding imports, besides crude oil (+123%), raw materials serving exports such as Electronics & Computers, Machinery and equipment, and Textile accessories also increased in import value. The cumulative 8-month import turnover is estimated at $246 billion, of which China remains the main market with $92.3 billion, accounting for 37.5% of the total turnover.

Total export, import and balance of trade

Export Items with a value of over 10 billion USD



Import Items with a value of over 10 billion USD



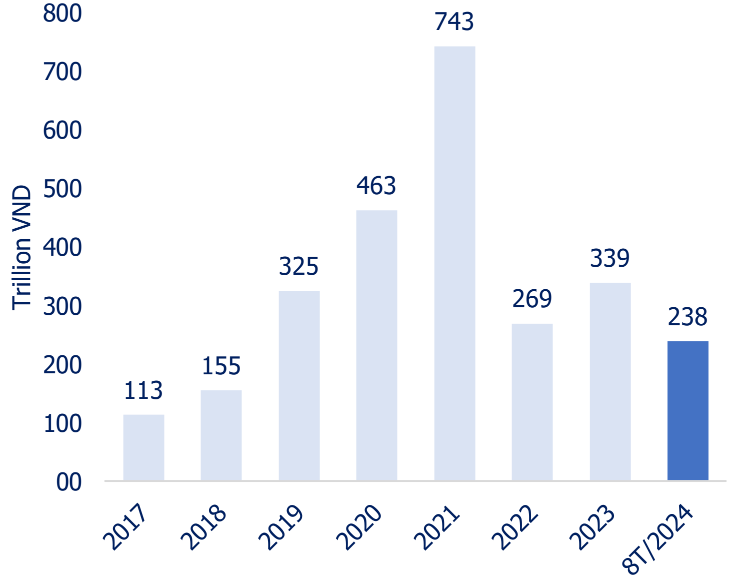
Source: GSO, FiinProX, SHS Research

CORPORATE BONDS

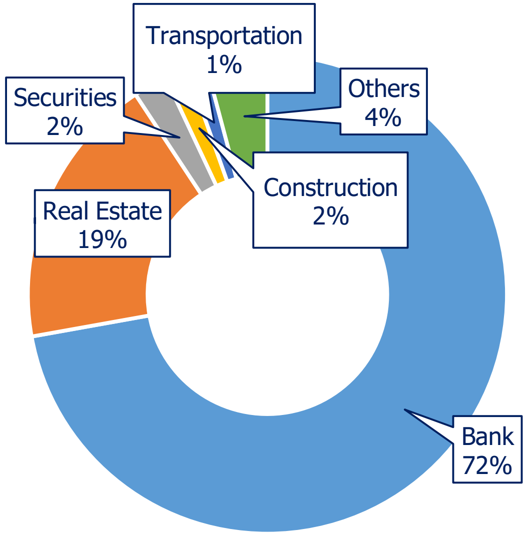
In August 2024, the total value of corporate bonds issued was 49,995 billion VND (+57.3% MoM), including 43 private placements worth 37,995 billion VND and 2 public offerings worth 11,000 billion VND. Cumulatively from the beginning of the year, there were 227 private placements worth 215,583 billion VND (+86% YoY) and 13 public offerings worth 22,773 billion VND (+38.2% YoY).

In August, businesses bought back 11,023 billion VND of bonds before maturity (-65.6% MoM, -45% YoY). For the remainder of 2024, it is estimated that about 105,945 billion VND of bonds will mature, of which the majority are real estate bonds with 43,352 billion VND, equivalent to 40.9%. Regarding the disclosure of extraordinary information, there were 10 bond codes with delayed interest payments totaling 197.5 billion VND and 1 bond code with delayed principal payment of 998 billion VND.

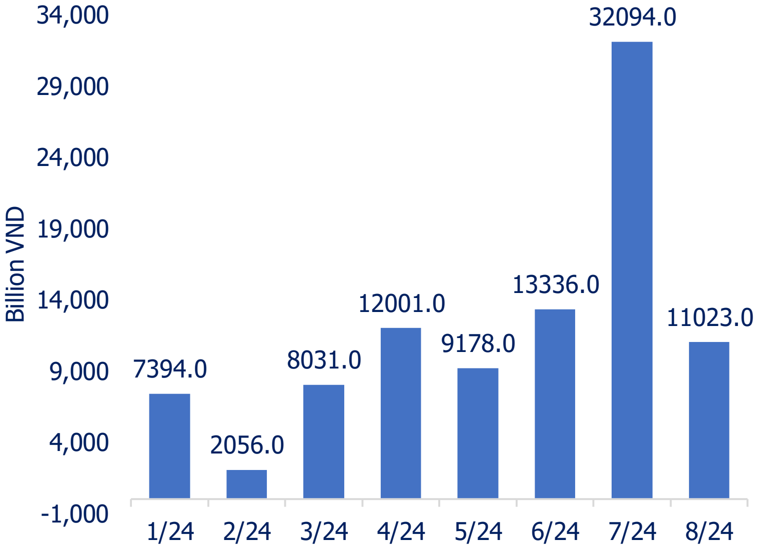
Corporate bond issuance value



Issuance structure by sectors



Value of pre-mature bond buybacks monthly 2024



Source: VBMA

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Turning opportunities into value

Indicators	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24
Economic Data												
IIP – Index of Industrial Production (monthly,% YoY)	5.10%	4.10%	5.00%	5.80%	18.30%	-6.80%	4.10%	6.30%	8.90%	10.90%	11.20%	9.50%
PMI (score)	49.7	49.6	47.3	48.9	50.3	50.4	49.9	50.3	50.3	54.7	54.7	52.4
Retail growth (accumulated, %YoY)	9.70%	9.40%	9.60%	9.60%	8.10%	8.10%	8.20%	8.50%	8.70%	8.60%	8.70%	8.50%
FDI disbursement (accumulated, % YoY)	2.20%	2.40%	2.90%	3.50%	40.20%	38.60%	7.10%	7.40%	7.80%	8.20%	8.40%	8%
FDI registry (accumulated, % YoY)	7.70%	14.70%	14.80%	32.10%	9.60%	9.80%	13.40%	4.50%	2%	13.10%	10.90%	7%
Exportation growth (accumulated, %YoY)	-8.20%	-7.10%	-5.90%	-4.40%	42%	19.20%	17%	15%	15.20%	14.50%	15.70%	15.80%
Importation growth (accumulated, % YoY)	-13.80%	-12.30%	-10.70%	-8.90%	33.30%	18%	13.90%	15.40%	18.20%	17%	18.50%	17.70%
Balance of Trade (monthly, billion USD)	2.29	3.00	1.28	2.28	3.62	1.10	2.93	0.68	-1.00	2.94	2.12	4.53
Macro-Economics												
Inflation (% YoY)	3.66%	3.59%	3.45%	3.25%	3.37%	3.98%	3.97%	4.40%	4.44%	4.34%	4.36%	3.45%
Core Inflation (avg. YTD % YoY)	4.49%	4.38%	4.27%	4.16%	2.72%	3.67%	2.81%	2.81%	2.78%	2.75%	2.73%	2.71%
Credit growth (% YTD)	6.96%	7.39%	8.38%	13.70%	-0.68%	-0.75%	1.34%	1.60%	2.41%	6%	5.23%	6.63%
Growth of M2 (% YTD)	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 (%)	0.15%	0.75%	0.10%	2.96%	1.37%	1.48%	2.43%	4.40%	2.55%	4.50%	4.25%	4.23%
10y Government Bond yield (%)	2.90%	3.10%	2.58%	2.40%	2.55%	2.45%	2.69%	2.93%	2.97%	2.95%	2.90%	2.85%
CDS 5y	145.49	145.76	126.77	125.74	129.15	124.18	126.99	122.63	117.87	120.8	116.17	104.4
USD/VND (% MoM)	0.90%	1.10%	-1.20%	0.03%	0.64%	0.91%	0.58%	2.19%	0.47%	0.02%	-0.75%	-1.54%


STOCK MARKET
HIGHLIGHTS IN
AUGUST 2024

Turning opportunities into value

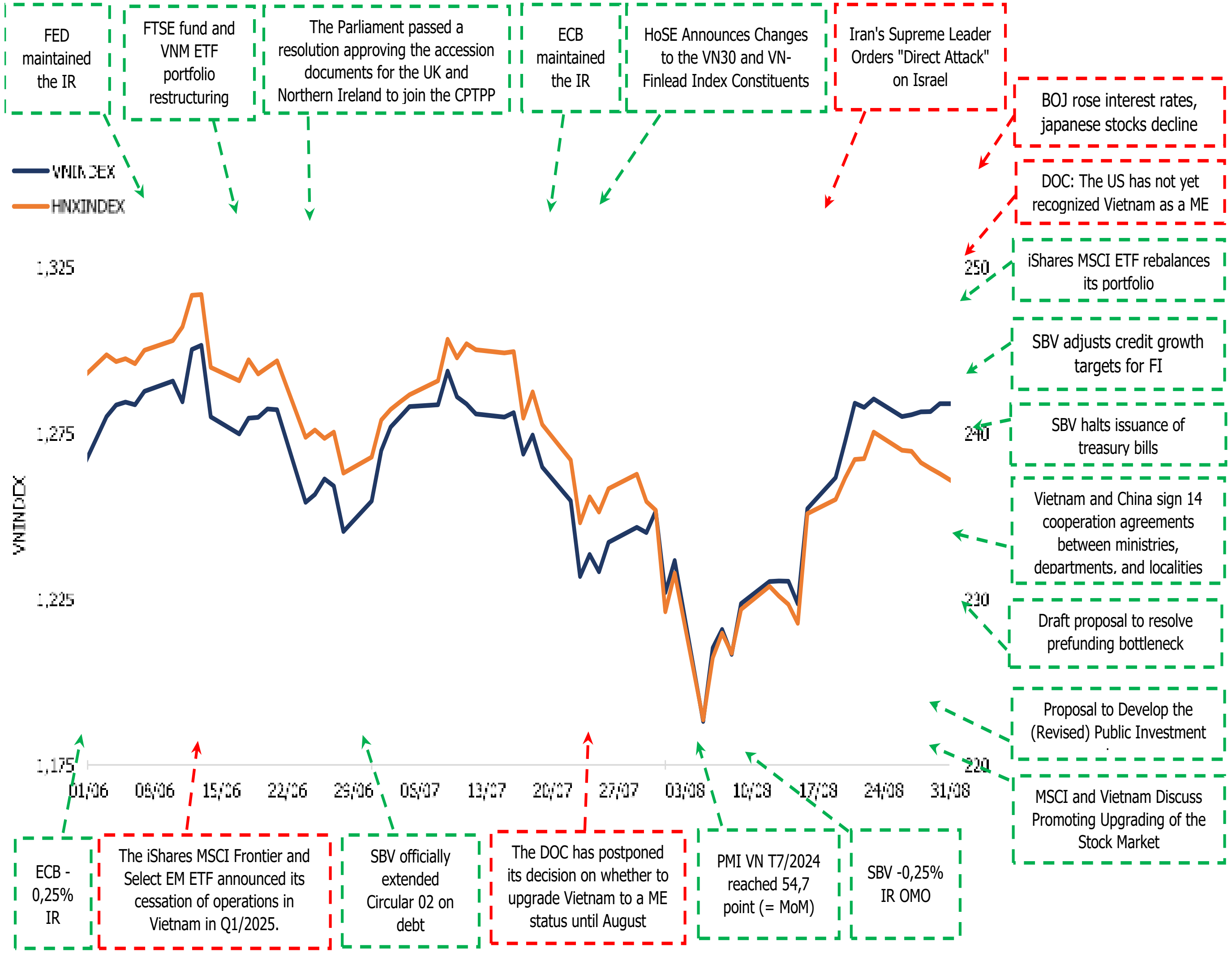
STOCK MARKET HIGHLIGHTS

The VN-INDEX concluded August 2024 with a 13.6% increase compared to the end of 2023.

In August, the VN-INDEX experienced significant fluctuations with two sharp declines at the beginning of the month, dropping from 1,260 to 1,185 before rebounded above the psychological threshold of 1,200 and continued to recover well throughout the rest of the month. VN-INDEX ended August by increased 2.59% MoM, reaching 1,283.87, surpassing the price range of 1,250, corresponding to the highest level in 2023 and this is also the price range that the index has reached many times in the first half of 2024 but has not been able to successfully break through.

The adjustment pressure in August came from several factors: 1/ The market entered an information gap after the Q2 report; 2/ Prolonged net selling pressure from foreign investors; 3/ External fluctuations such as escalating geopolitical tensions in the Middle East and global stock market instability due to concerns over Japan's Carry trade on the Yen. However, the recovery indicates that the market's internal strength is still being maintained well, supported by: (1) The economy maintains a good recovery and growth momentum; (2) Interest rates are stable at a low level; (3) Expectations that the FED will start a rate-cutting cycle.

VN-INDEX concluded August with a good increase of 13.6% compared to the end of 2023, maintaining a medium to long-term growth trend that has continued since April 2020. The total market capitalization is estimated to reach 60%-65% of 2024's GDP, lower than the Government's target of 100% by 2025.



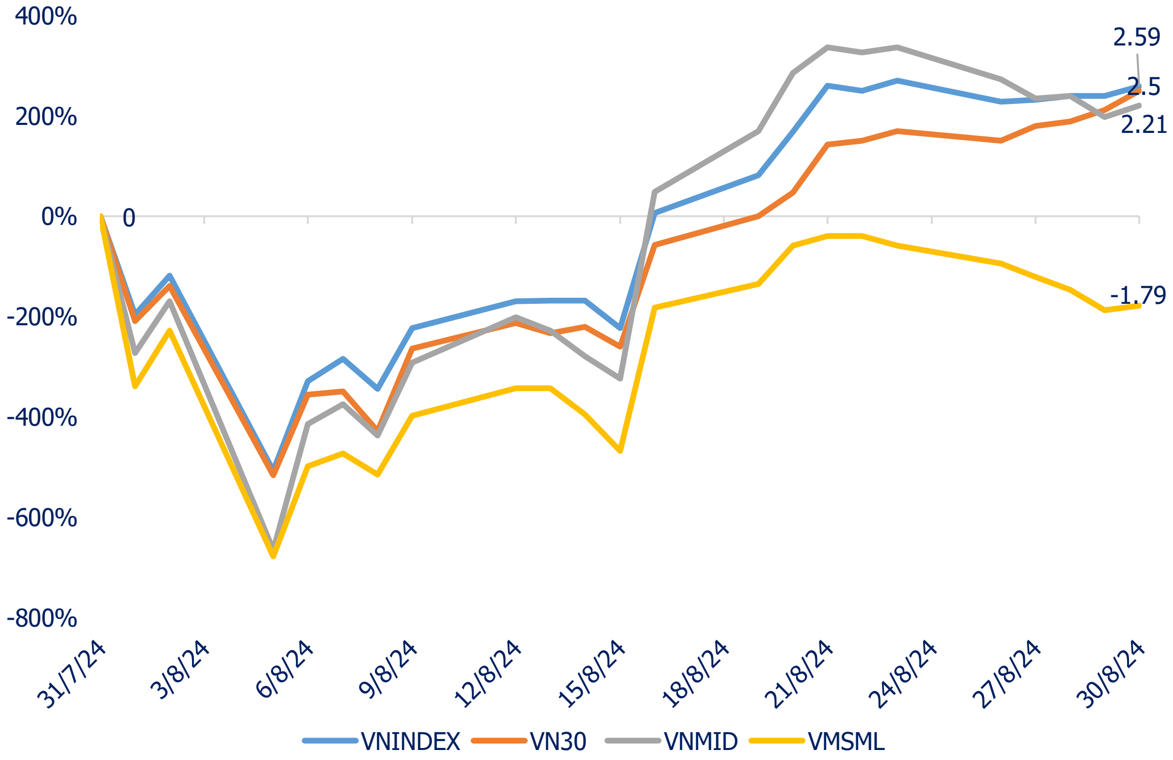
STOCK MARKET HIGHLIGHTS

Turning opportunities into value

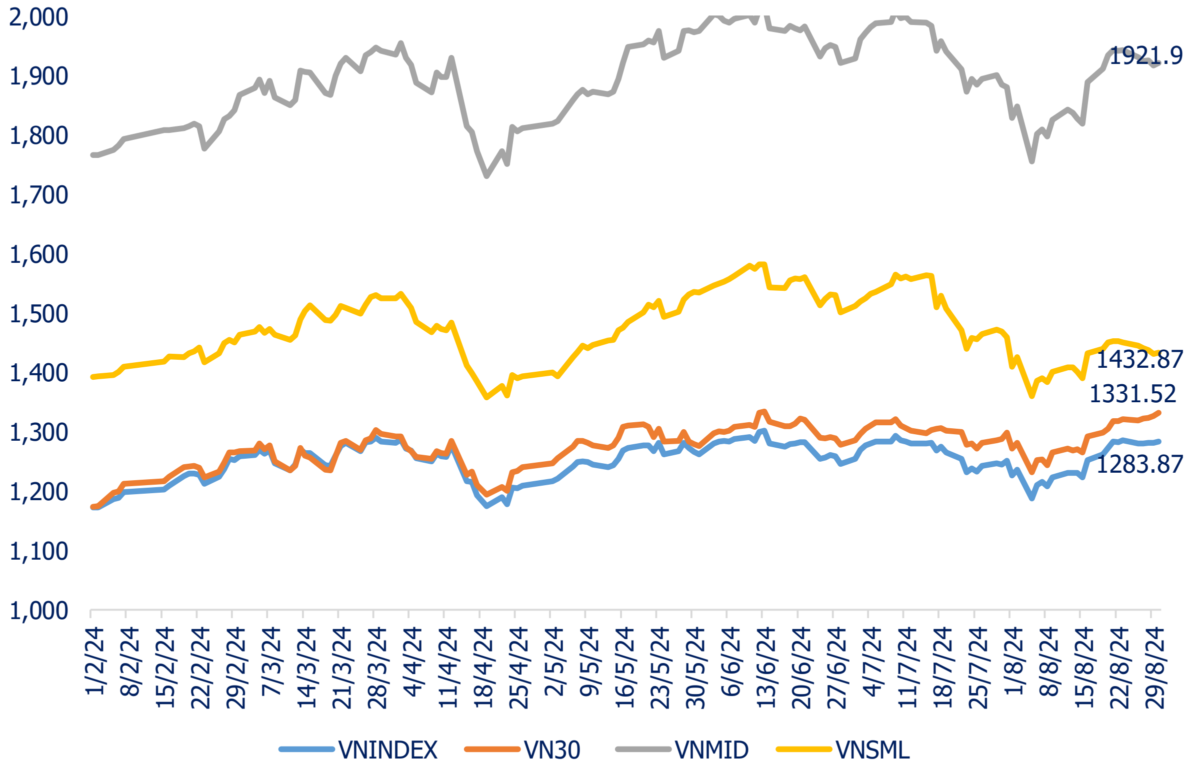
VN-INDEX increased by +2.59% MoM in August, mainly driven by large-cap stocks, represented by VN30 (+2.50% MoM) after a 1.62% increase in July. The mid-cap group, represented by VNMID (+2.21% MoM), also recovered relatively well after a decline in July, while the small-cap group VNMSL (-1.79% MoM) continued to decline in August and was the worst-performing group in the market.

In the first eight months of 2024, VN30 remained the best-performing group with an increase of 17.7%, leading the VN-INDEX to rise by 13.6%. Meanwhile, the VNMID group (+11.13%) and the VNSML group (+4.48%) performed less effectively than VN-INDEX.

Market index growth in August 2024



Vietnam Stock Market Trends in 2024

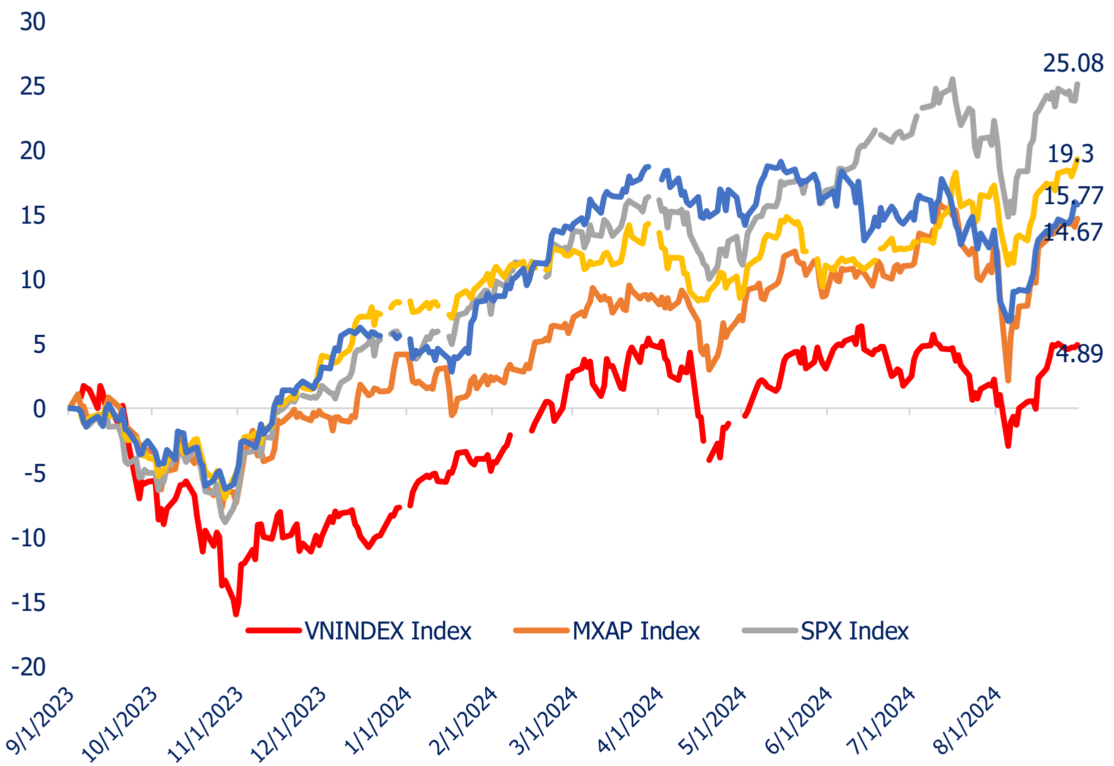


Source: Bloomberg, SHS Research

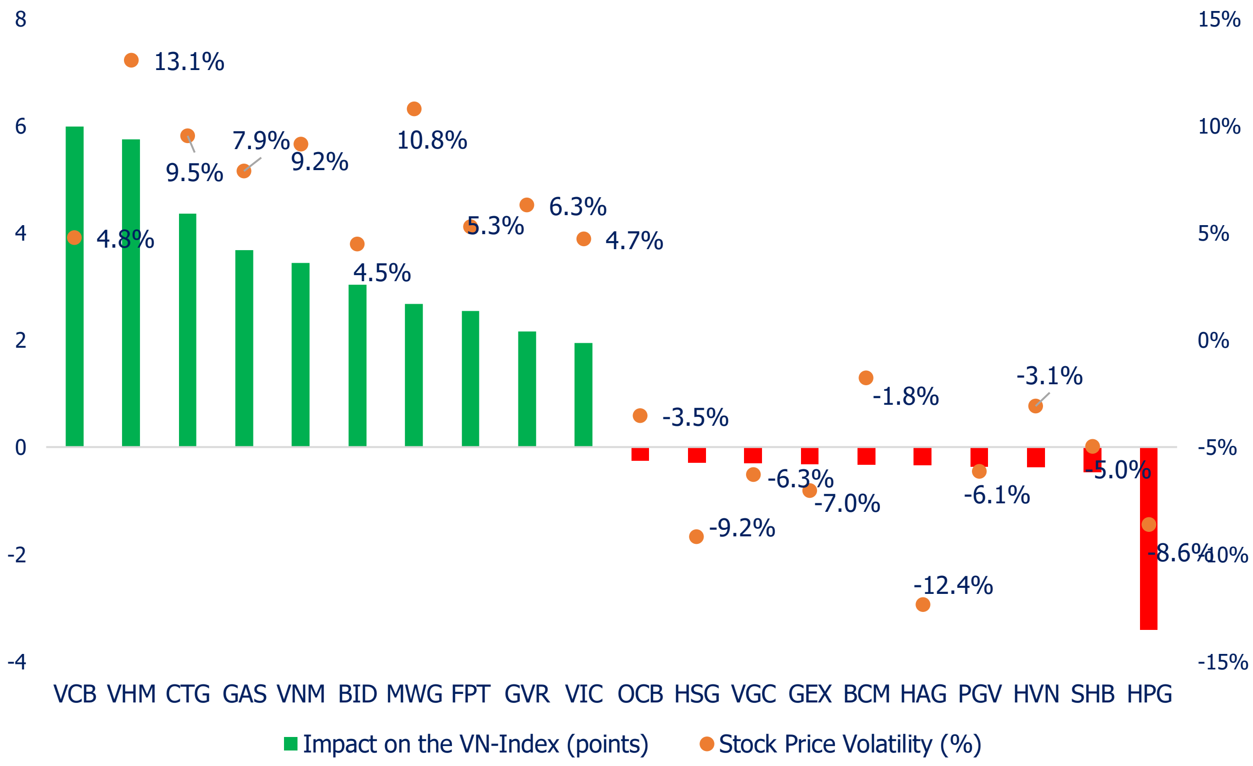
STOCK MARKET HIGHLIGHTS

In August, the banking sector continued to have the most positive impact on the market, with VCB (+4.8% MoM), CTG (+9.5% MoM), and BID (+4.5% MoM)… driven by positive news such as capital increases and raising credit growth limits for institutions with credit growth reaching 80% of the targets announced at the beginning of 2024. Other notable gainers included VHM (+13.1% MoM) due to share buyback news, VNM (+9.2% MoM) on dividend news, and stocks with good business performance like MWG (+10.8% MoM) and FPT (+5.3% MoM). On the other hand, negatively impacting the index were HPG (-8.6% MoM) due to strong foreign selling pressure and poor steel price performance, SHB (-5.0% MoM), HVN (-3.1% MoM), and PGV (-6.1% MoM).

Percentage Growth of Stock Indices in the Region



Top Stocks Impacting the VN-Index in August 2024



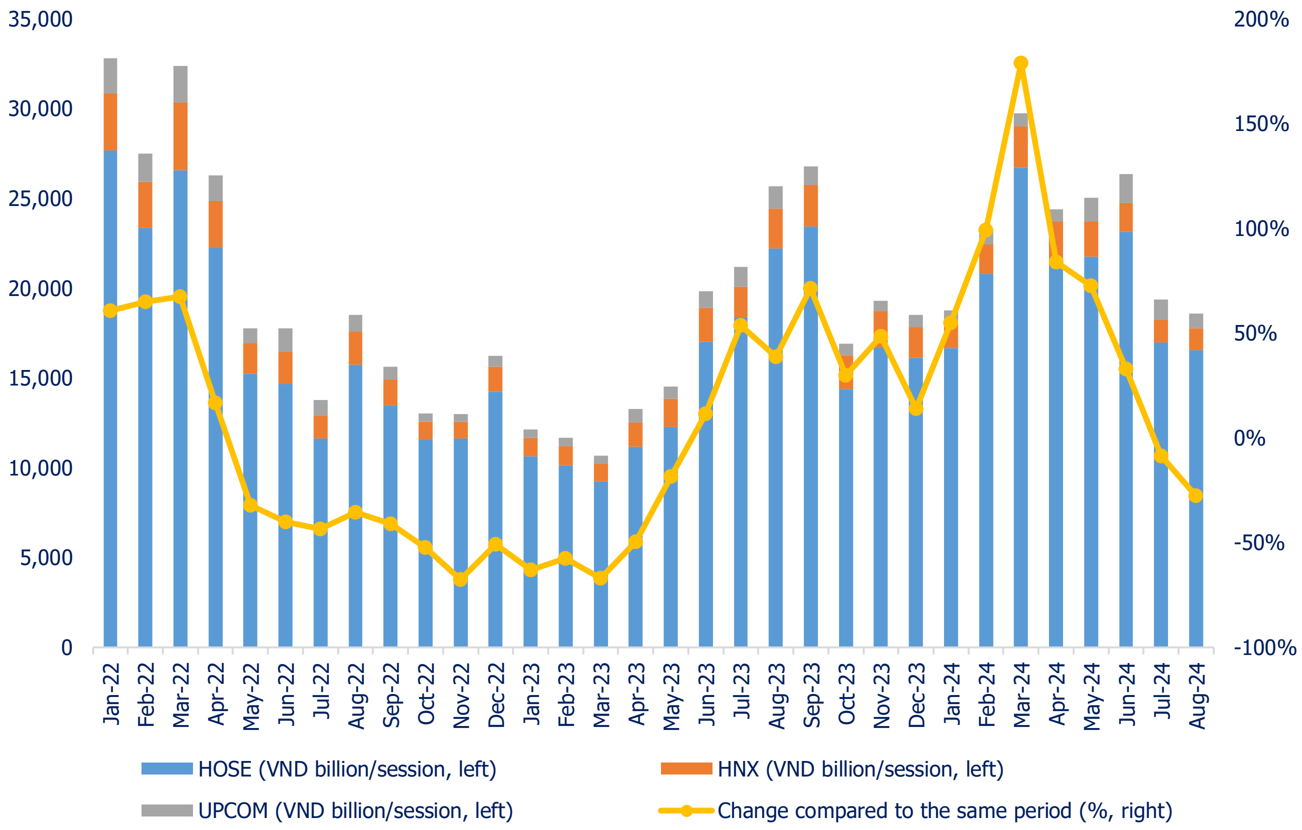
Source: Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS

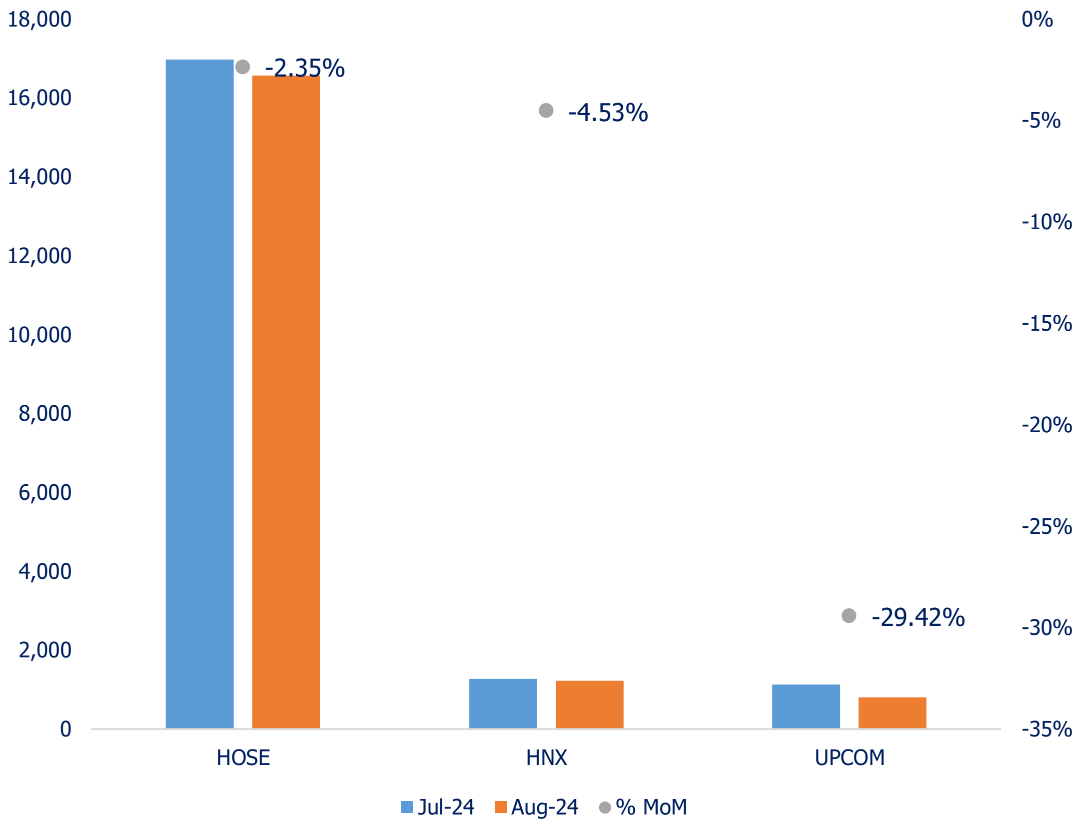
Turning opportunities into value

Liquidity continued to decline below the average in August. The average trading value across three exchanges decreased by 4.07% MoM, reaching VND 18,580.09 billion per session, the lowest since December 2023 and marking the second consecutive month of decline. Specifically, liquidity on HOSE was VND 16,571.40 billion per session (-2.53% MoM), HNX was VND 1,212.60 billion per session (-4.54% MoM), and UPCOM saw a sharp drop of 29.42% MoM to VND 796.09 billion per session, reflecting reduced investor activity after a period of price surges.

Average Trading Volume (VND billion/session)



Average Trading Value (VND billion/session)



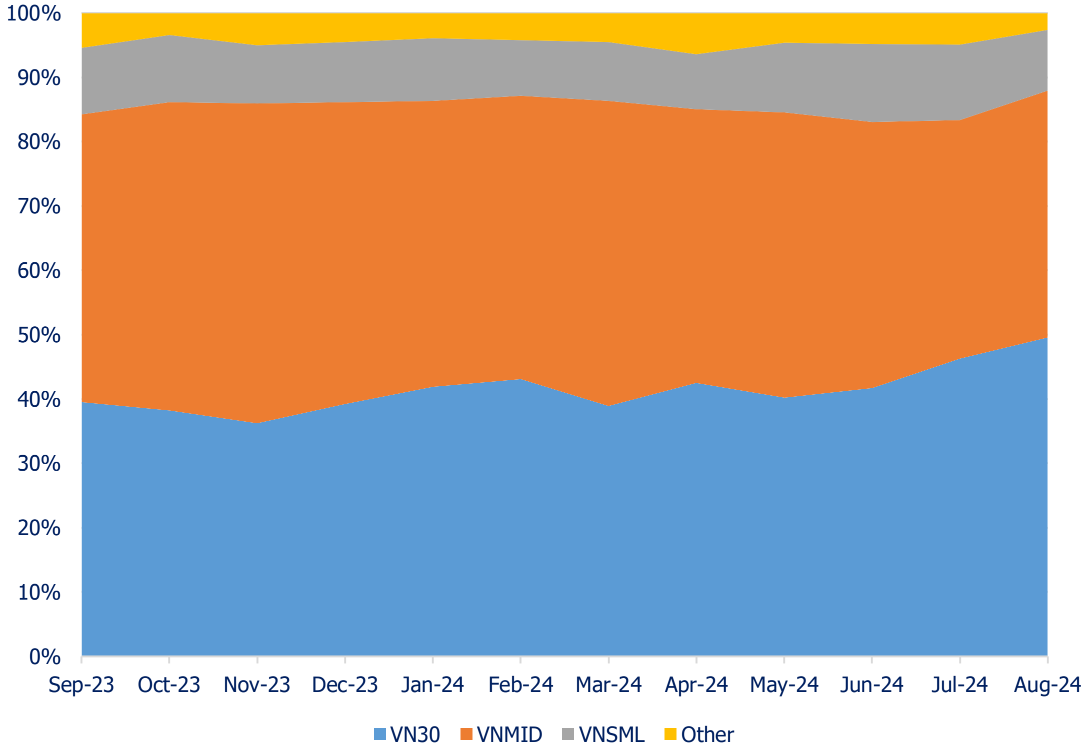
Source: Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS

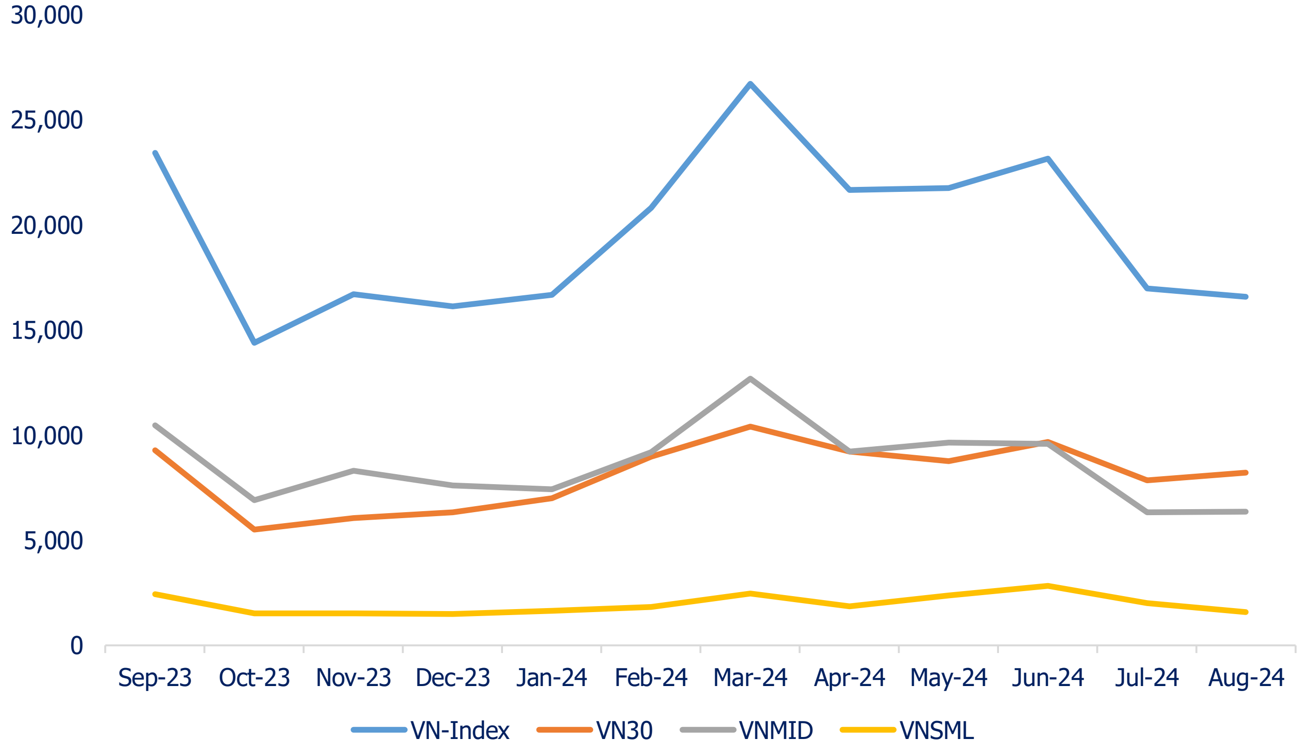
Turning opportunities into value

In August, cash flow divergence continued to shift significantly from small-cap, VNSML (-27.35% MoM) toward large-cap VN30, (+4.50% MoM) and improving in the mid-cap, VNMID (+0.79% MoM). As a result, the trading proportion of VN30 increased to 49.56%, the highest in a year, with an average trading value of VND 8,212.88 billion per session. The proportion of VNMID slightly increased to 38.37%, reaching VND 6,358.15 billion per session compared to 37.17% in July, while VNSML dropped to 9.44%, reaching VND 1,563.65 billion per session.

Proportion of Average Trading Value on VN-Index



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

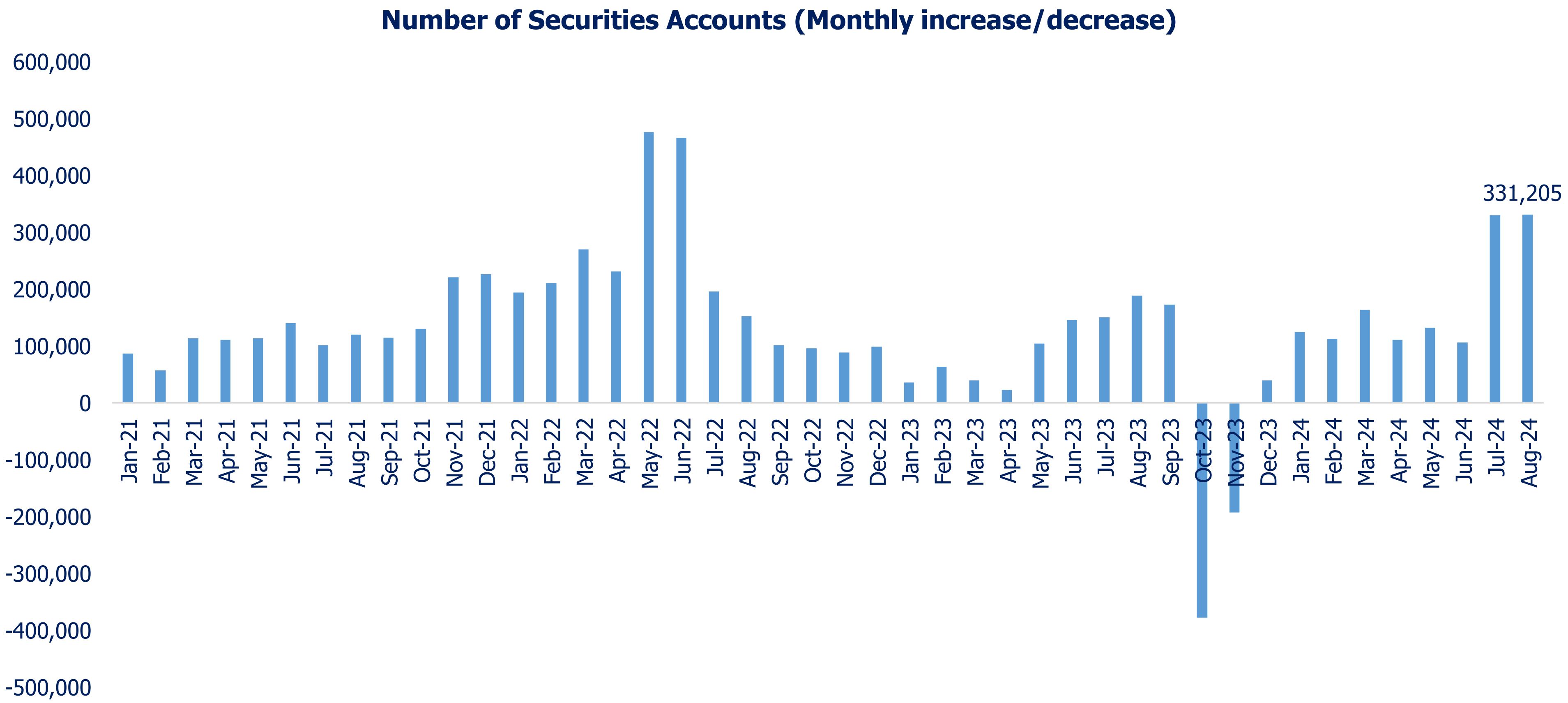


Source: Bloomberg, Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS

Turning opportunities into value

In August, the number of new securities accounts continued to remained high, reaching 331,205 accounts (+0.3% MoM, +75.6% YoY), marking the second consecutive month with an increase of over 300,000 accounts, the highest since June 2022. Cumulatively, in the first eight months of 2024, 1.4 million accounts were opened (+87.6% YoY), bringing the total number of trading accounts to over 8.7 million, increased 19.4% compared to the end of 2023.



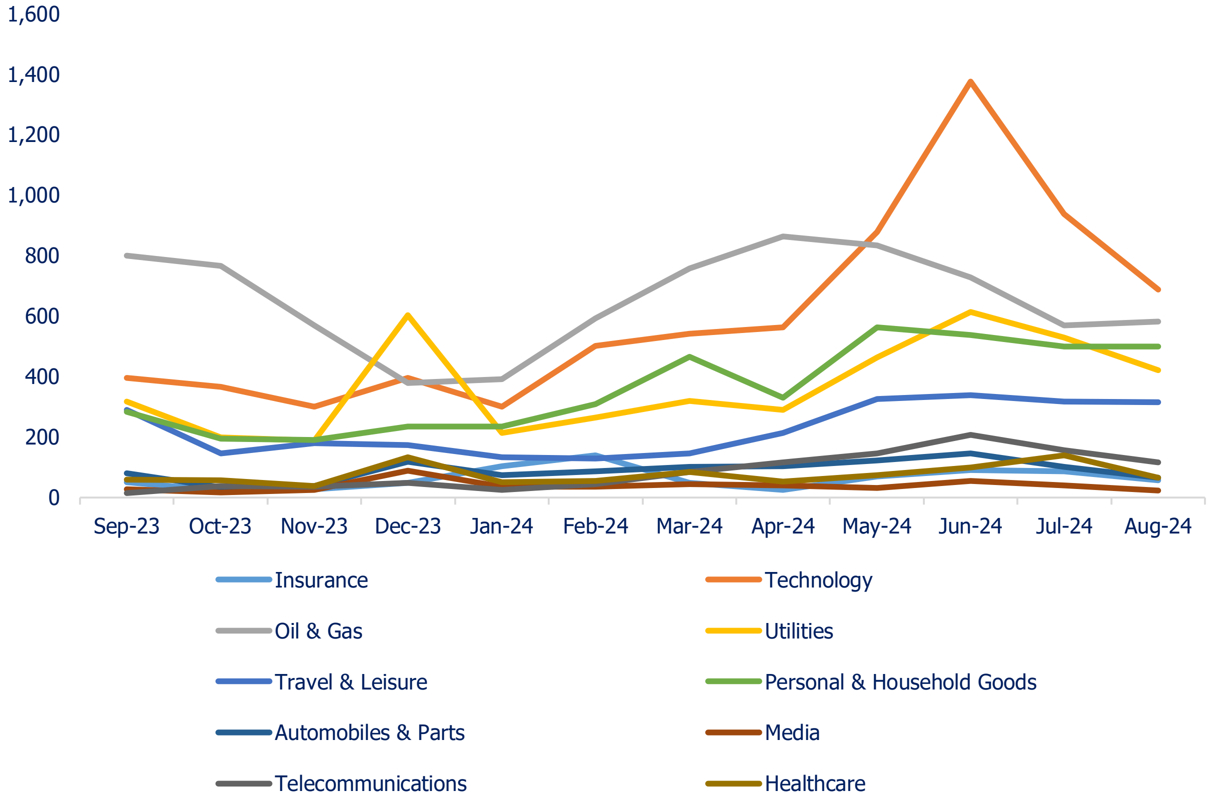
Source: VSD

STOCK MARKET HIGHLIGHTS

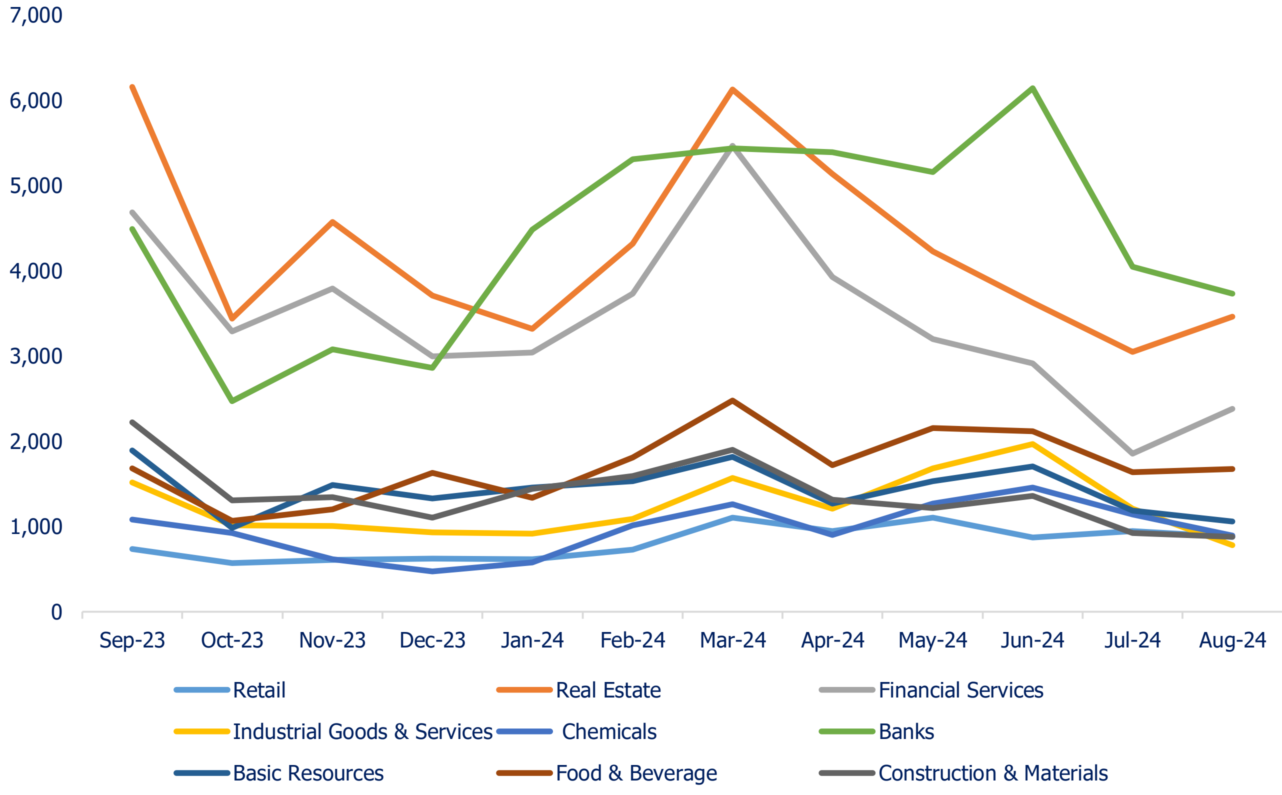
Turning opportunities into value

Liquidity in most sectors continued to decline in August, with the largest drops in Healthcare (-53.5% MoM), Media (-44.8% MoM), Industrial Goods & Services (-35.5% MoM), Automobiles & Parts (-44.8% MoM), and Insurance (-32.8% MoM). However, a few sectors saw strong cash flow recovery after prolonged declines since March 2024, notably Real Estate (+13.8% MoM), boosted by positive news from VHM and expectations of a FED rate cut, Financial Services (+28.4% MoM) and Oil & Gas (+2.2% MoM).

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



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

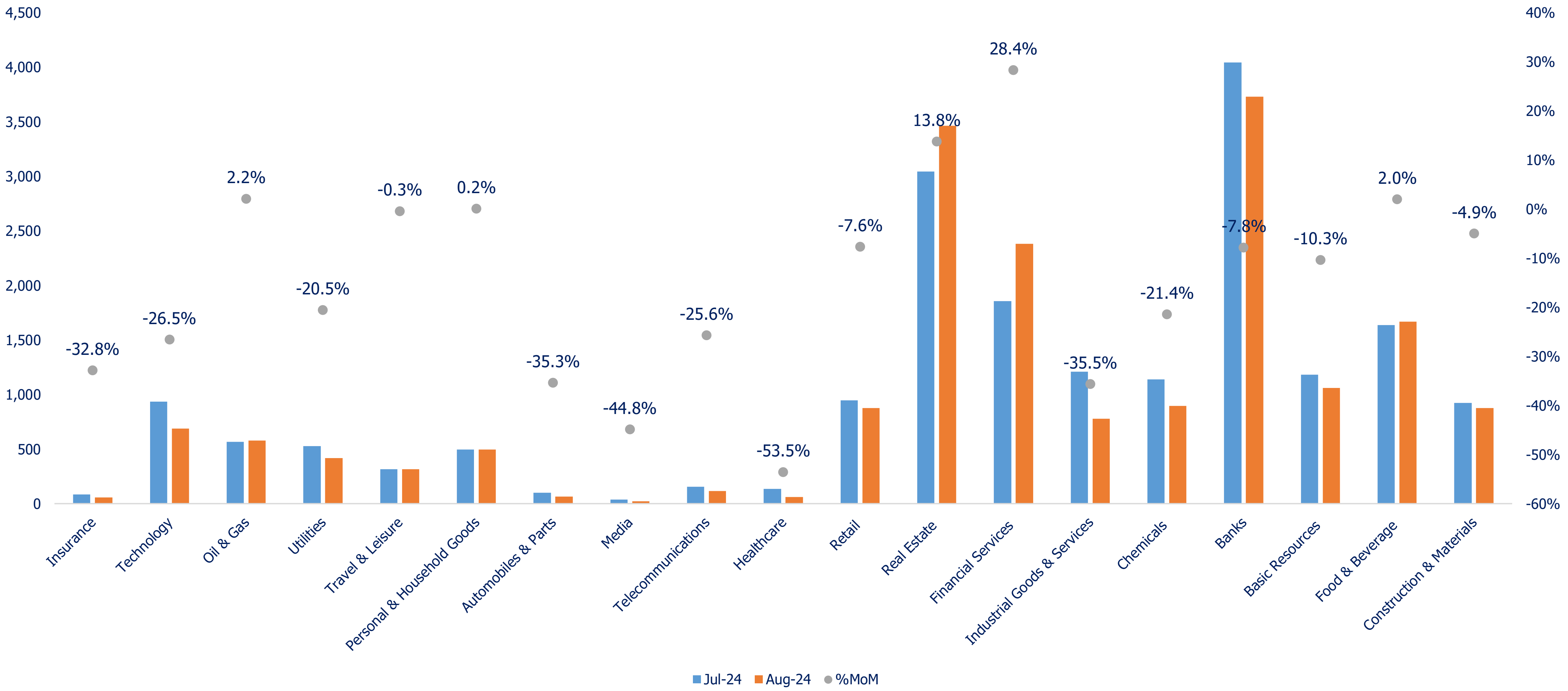


Source: Bloomberg, Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS

Turning opportunities into value

Average Trading Value per Session by Sector



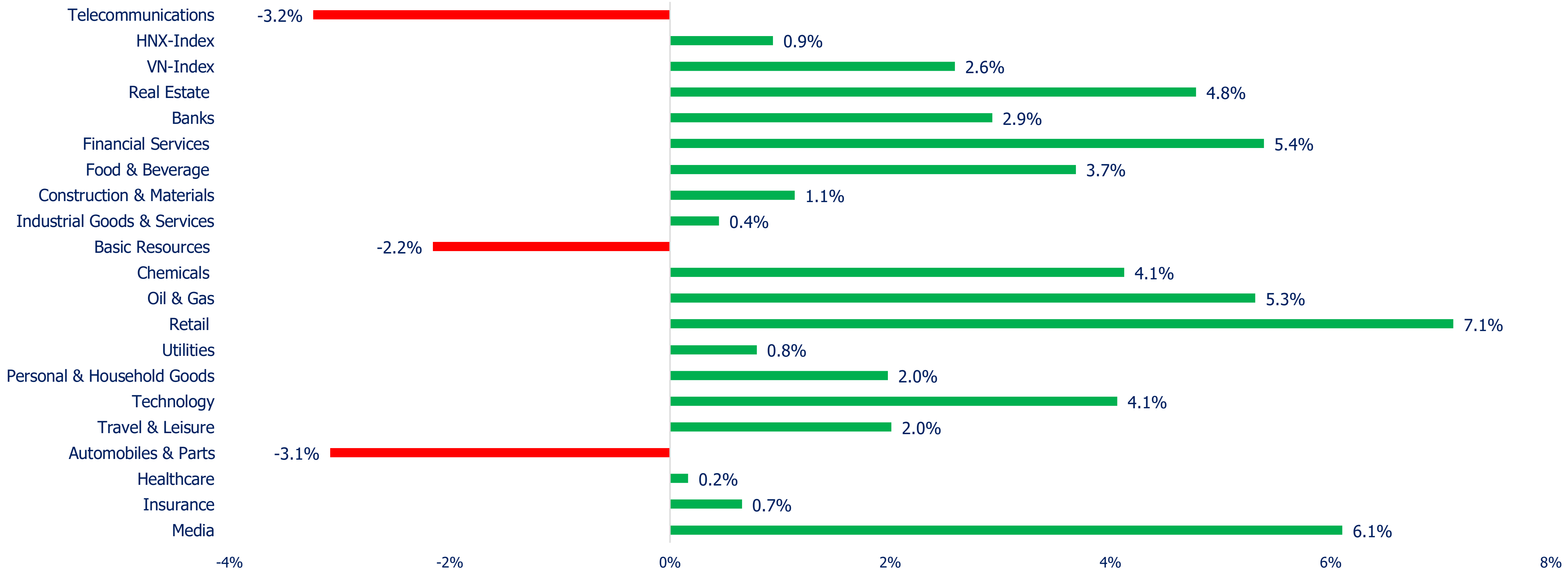
Source: Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS

Turning opportunities into value

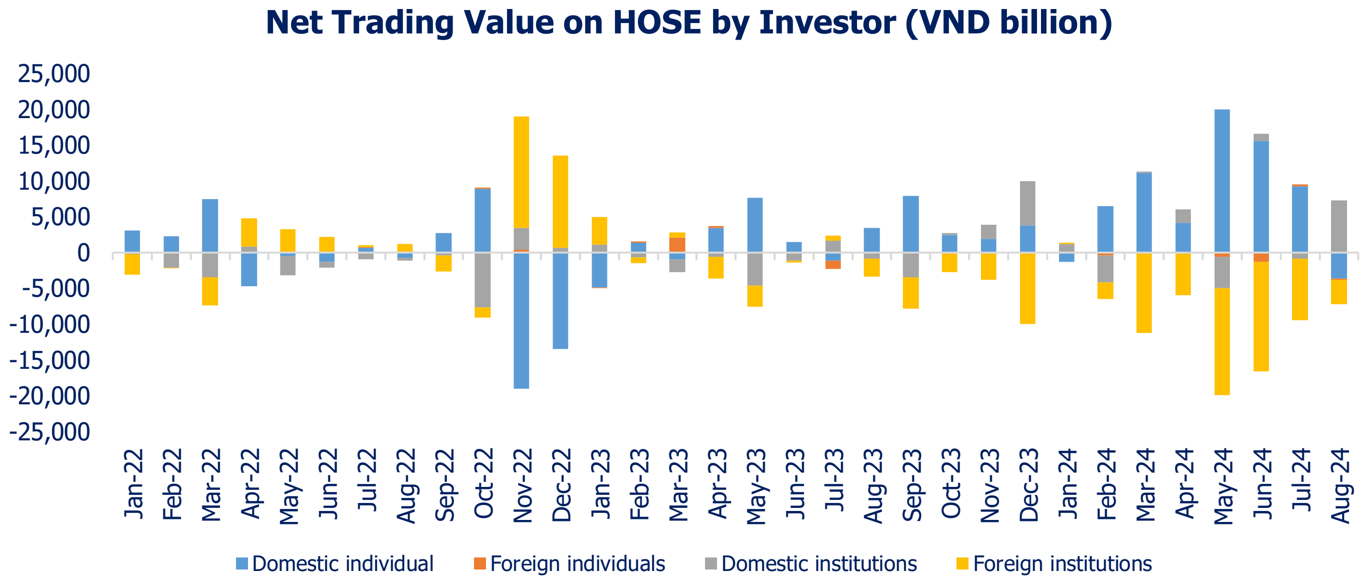
In August, Retail (+7.1% MoM) was the standout sector, achieving the best market gains due to positive business results from stocks like MWG and FRT. Following that were Financial Services (+5.4% MoM) with market upgrade expectations, Oil & Gas (+5.3% MoM), and Real Estate (+4.8% MoM), all showing good price increases and improved liquidity. On the other hand, sectors with less positive performance and declines included Automobiles & Parts (-3.1% MoM), Telecommunications (-3.1% MoM), and Basic Resources (-2.2% MoM).

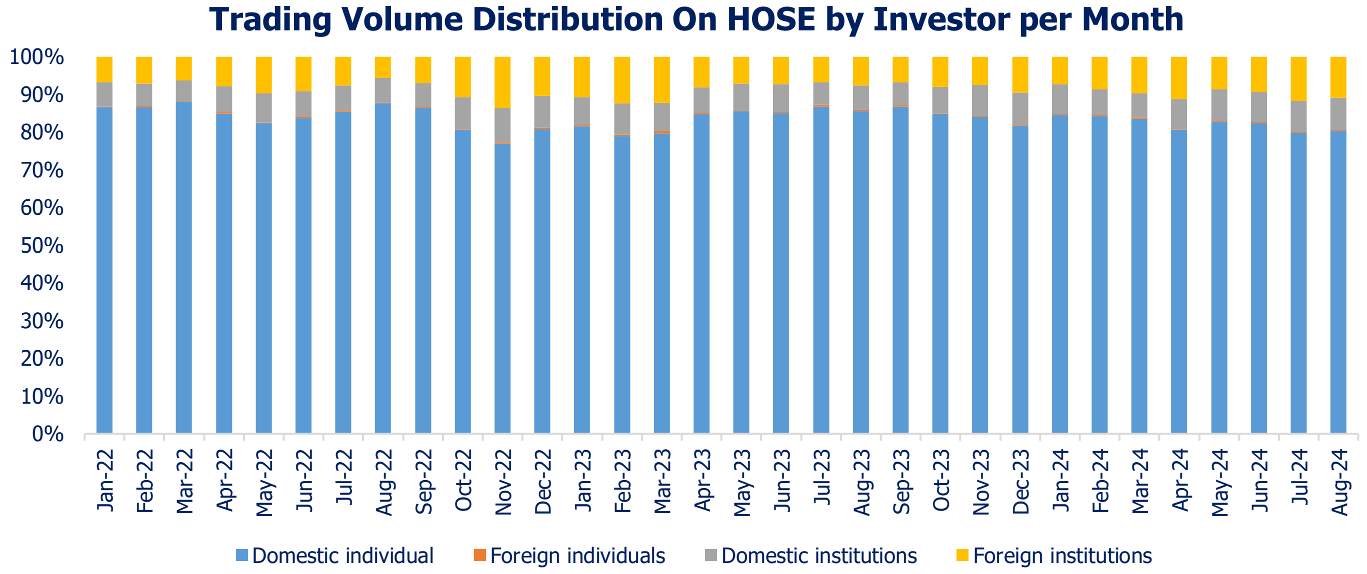
Sector Performance in August 2024



Source: Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS





In August, foreign institutions continued net selling, but the scale decreased to VND 3,431.05 billion, bringing the cumulative net selling for the first eight months of 2024 to VND 61,241.02 billion. Their trading proportion of this group also decreased to 10.93% from 11.81% in July, still above the three-year average of 8.7%. Meanwhile, foreign individuals also net sold VND 180.11 billion.

Domestic individuals, after a continuous net buying streak countering the net selling pressure from institutions, switched to strong net selling in August with a value of VND 3,627.55 billion, the highest since February 2023. However, the cumulative net buying value for the first eight months of 2024 remained at a record VND 61,550.89 billion, equivalent to the net selling value of foreign investors. The trading proportion of individual investors in August slightly increased to 80.26%, below the three-year average of 84%.

In response to foreign net selling pressure, domestic institutions made strong net purchases in August, totaling VND 7,237.72 billion, marking the highest monthly net buying in the past three years. Cumulatively, for the first eight months of 2024, this group reversed to net buying with a total value of VND 2,469.26 billion. This unexpected development indicating that major shareholders may have increased their investment proportions. The trading proportion also increased to 8.58%, above the average.

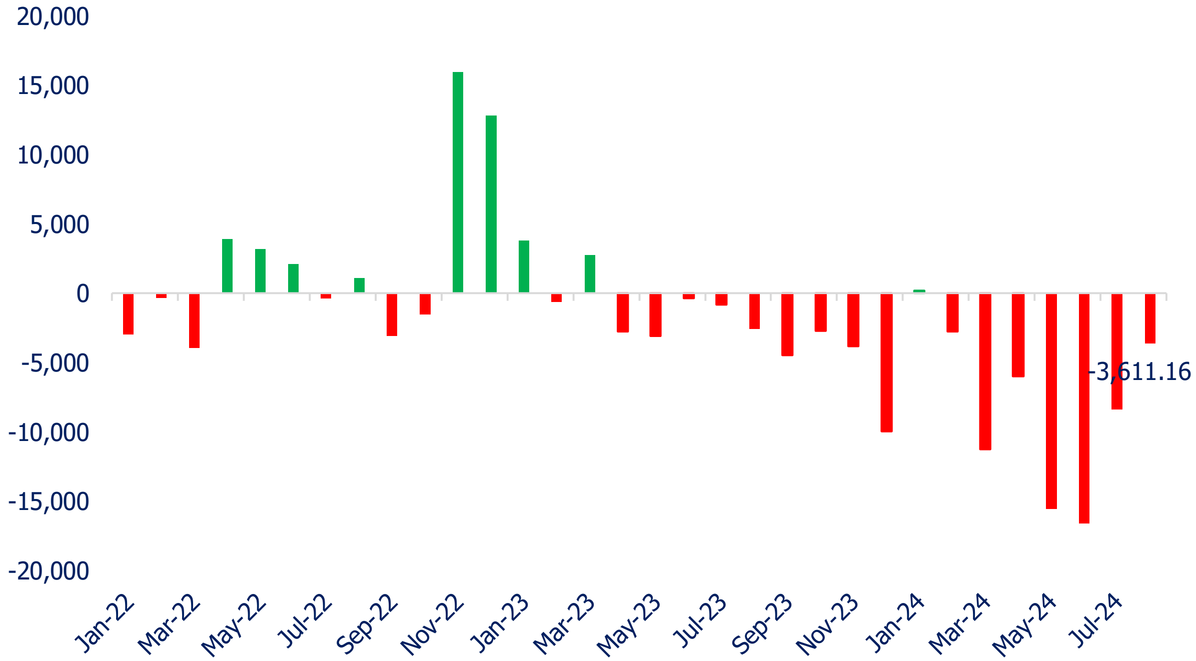
Source: Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS

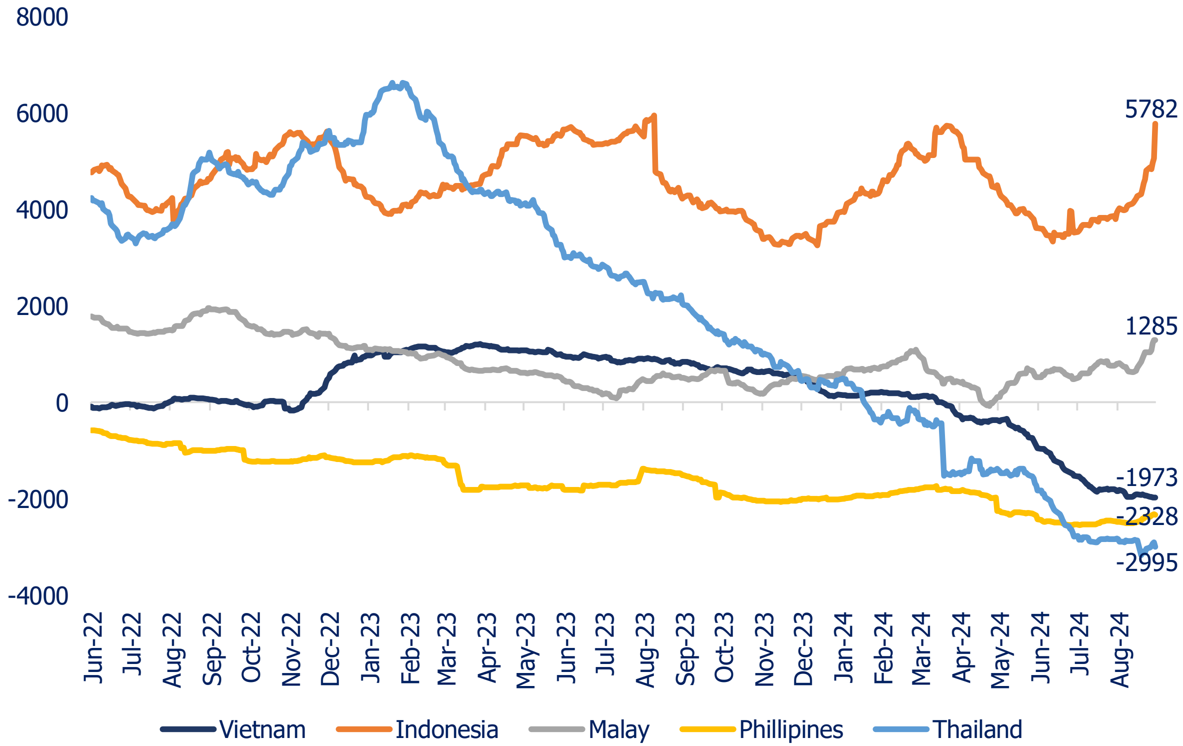
Turning opportunities into value

Foreign investors reduced their net selling scale in August, with net outflows amounting to VND 3,796 billion (-54.2% MoM), primarily from HOSE and HNX, while net buying occurred on Upcom. Compared to other regional markets, Vietnam and Thailand still saw negative foreign investor activity, while Indonesia (+USD 1.8 billion), Malaysia (+USD 491 million), and the Philippines (+USD 143 million) recorded consecutive months of net buying. Cumulatively, foreign investors posted a record net sell of VND 64,700 billion in the first eight months of 2024, 2.8 times higher than in 2023. Investors are hoping that foreign investors might reduce their net selling scale after the FED begins its interest rate reduction path.

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

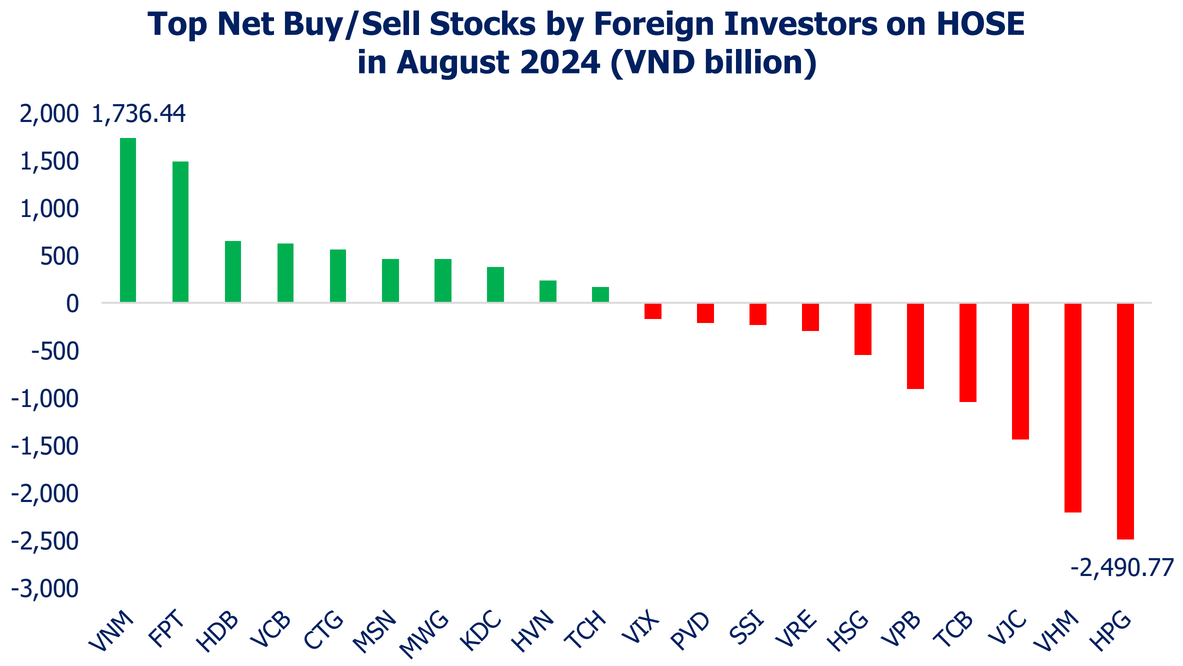


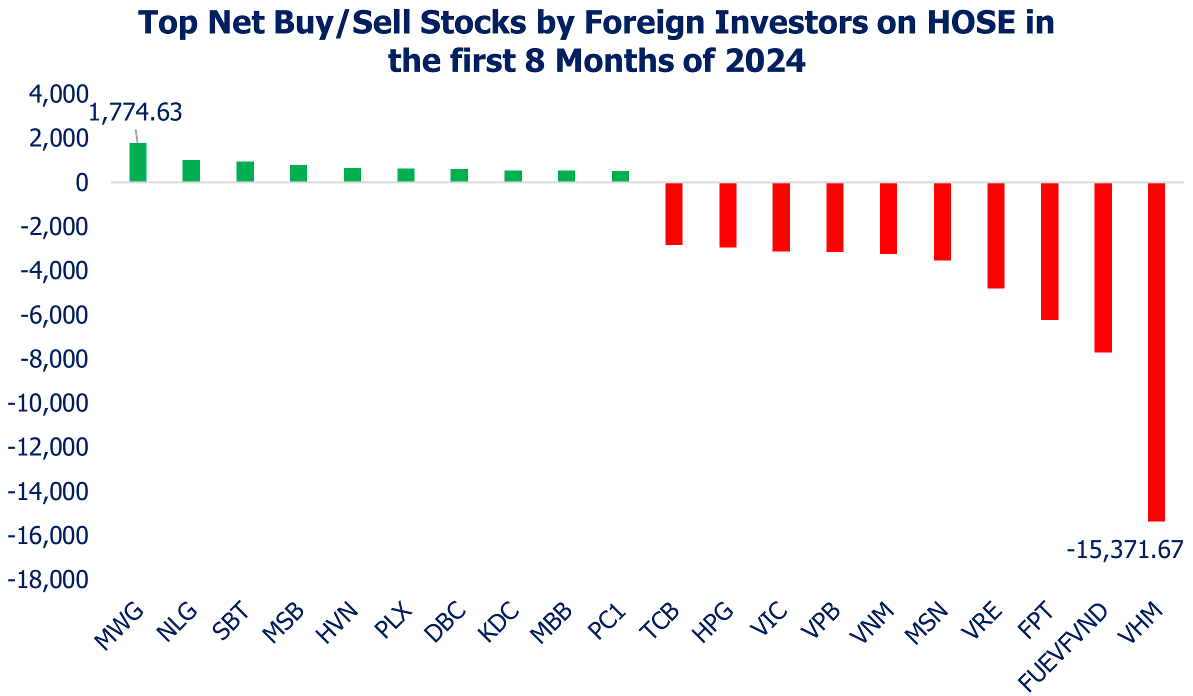
Cumulative Foreign Stock Trading (2022-2024)



Source: Bloomberg, Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS





Source: Fiingroup, SHS Research

On HOSE, in August, foreign investors had a net sell of VND 3,611.16 billion, with HPG (-VND 2,490.77 billion) experiencing significant selling pressure from foreign investors. Following that were VHM (-VND 2,203 billion), VJC (-VND 1,433.7 billion), and TCB (-VND 1,040.8 billion), with each stock seeing net sells exceeding VND 1,000 billion. On the other hand, there was notable net buying in VNM (+VND 1,736.4 billion), a strong return to net buying in FPT (+VND 1,491.2 billion), and continued good net buying in HDB (+VND 650.8 billion).

Cumulatively, for the first eight months of 2024, foreign investors' strongest net selling was in VHM, with a total of -VND 15,371.7 billion, followed by FUEVFVND (-VND 7,702.9 billion), FPT (-VND 6,237.8 billion), VRE (-VND 4,825.6 billion), MSN (-VND 3,548.7 billion), and VNM (-VND 3,255.6 billion)... On the other hand, MWG (+VND 1,774.5 billion) was the most actively net bought stock, followed by NLG (+VND 991.8 billion), SBT (+VND 937.4 billion), and MSB (+VND 764.6 billion)…

STOCK MARKET HIGHLIGHTS

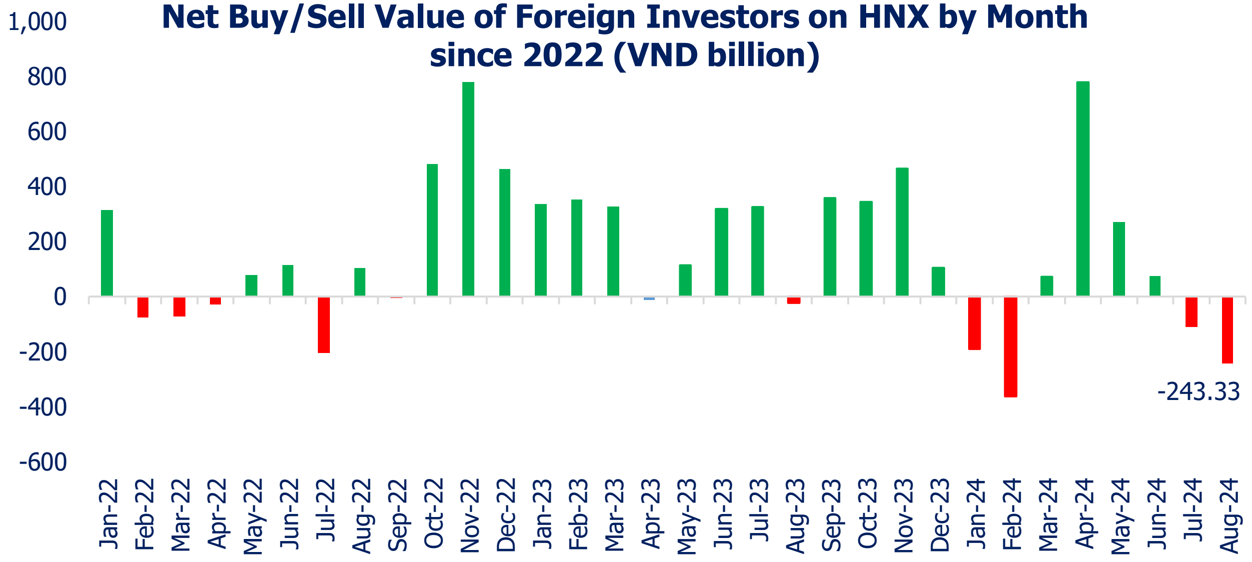
Turning opportunities into value

On HNX, foreign investors recorded their second consecutive month of net selling, with net outflows increasing to VND 243.3 billion. Notably, they continued to sell PVI (-VND 158.7 billion), SHS (-VND 43 billion), and NTP (-VND 38.7 billion)… On the other hand, they returned to net buying in IDC (+VND 47.6 billion) and continued to buy PVS (+VND 37.3 billion).

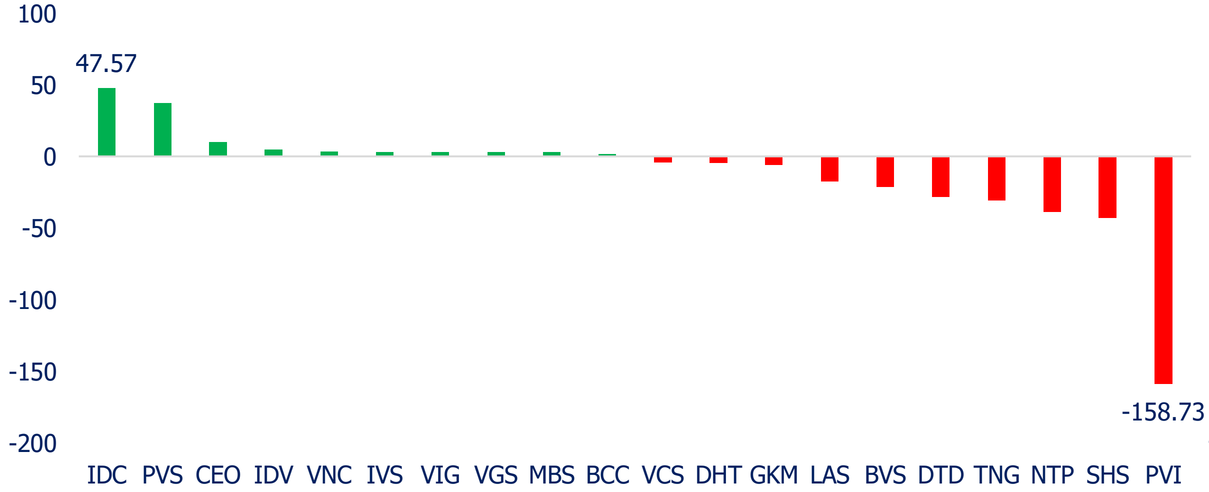
Accumulated over the first 8 months of 2024, foreign investors remained net buying of VND 284.8 billion on the HNX. Notable concentrated in IDC (+VND 1,361.2 billion), MBS (+VND 346.7 billion), and PVS (+VND 206 billion)... Conversely, strong net selling pressure in SHS (-VND 661 billion), PVI (-VND 277 billion), and LHC (-VND 141.2 billion)…

Source: Fiingroup, SHS Research

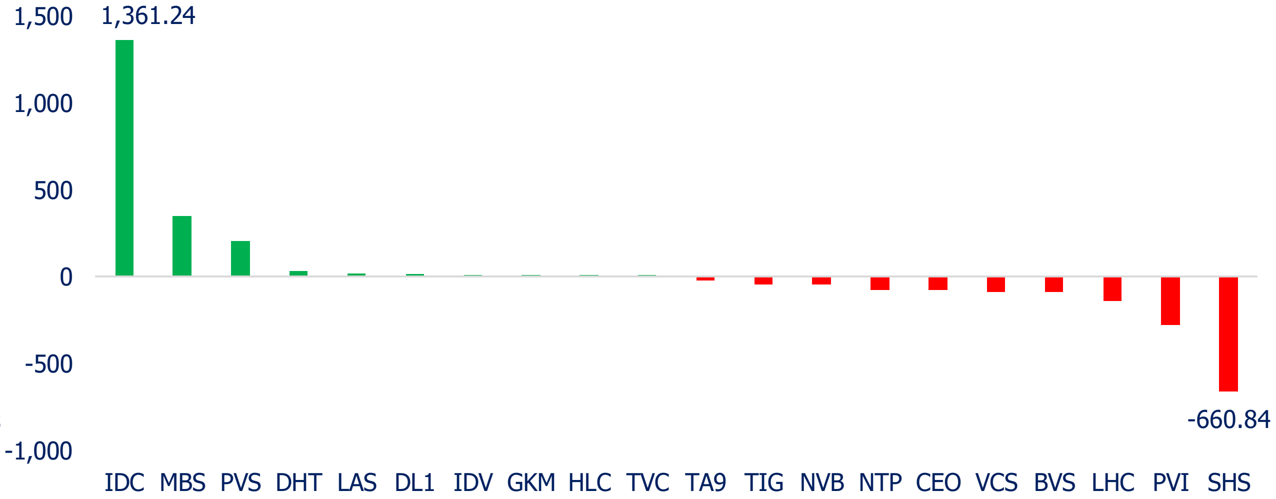
Net Buy/Sell Value of Foreign Investors on HNX by Month since 2022 (VND billion)



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



Top Net Buy/Sell Stocks by Foreign Investors on HNX in the first 8 Months of 2024

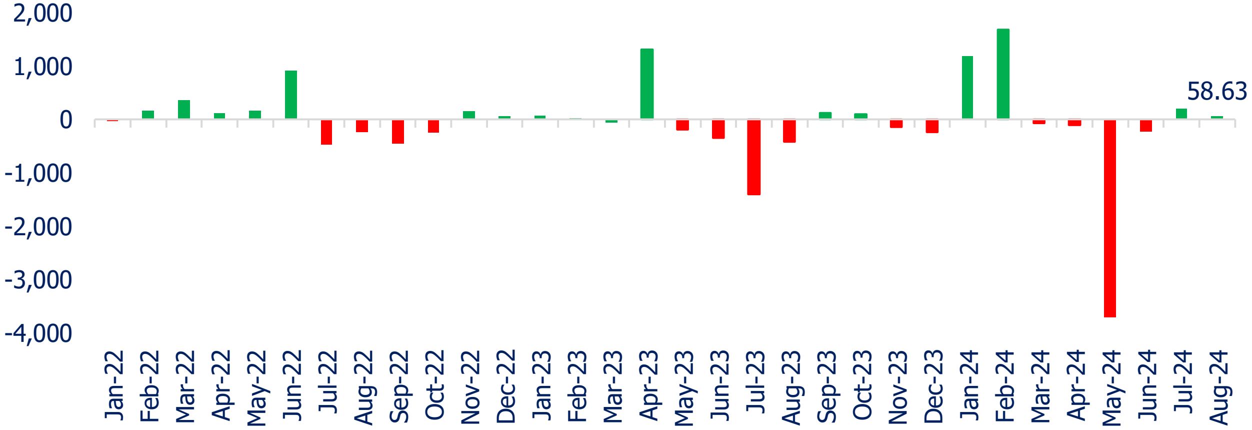


STOCK MARKET HIGHLIGHTS

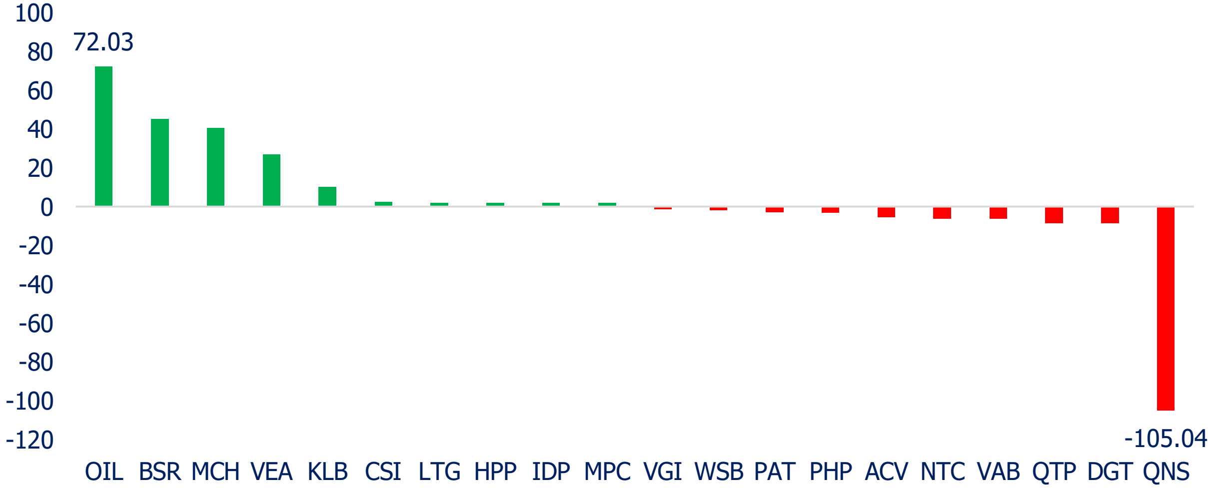
On Upcom, in August, foreign investors recorded a net buying of VND 58.63 billion. Notable in OIL (+VND 72 billion), BSR (+VND 44.9 billion), MCH (+VND 44.5 billion), and VEA (+VND 27 billion)… In contrast, there was significant net selling in QNS (-VND 105 billion)…

Cumulatively, in the first eight months of 2024, foreign investors remained net selling of VND 965 billion. Noteworthy net buying in BHI (+VND 1,628 billion) and AIC (+VND 1,263 billion); significant net selling in MSR (-VND 1,626.7 billion), VEA (-VND 906.2 billion), ABB (-VND 883 billion), and QNS (-VND 281.5 billion)…

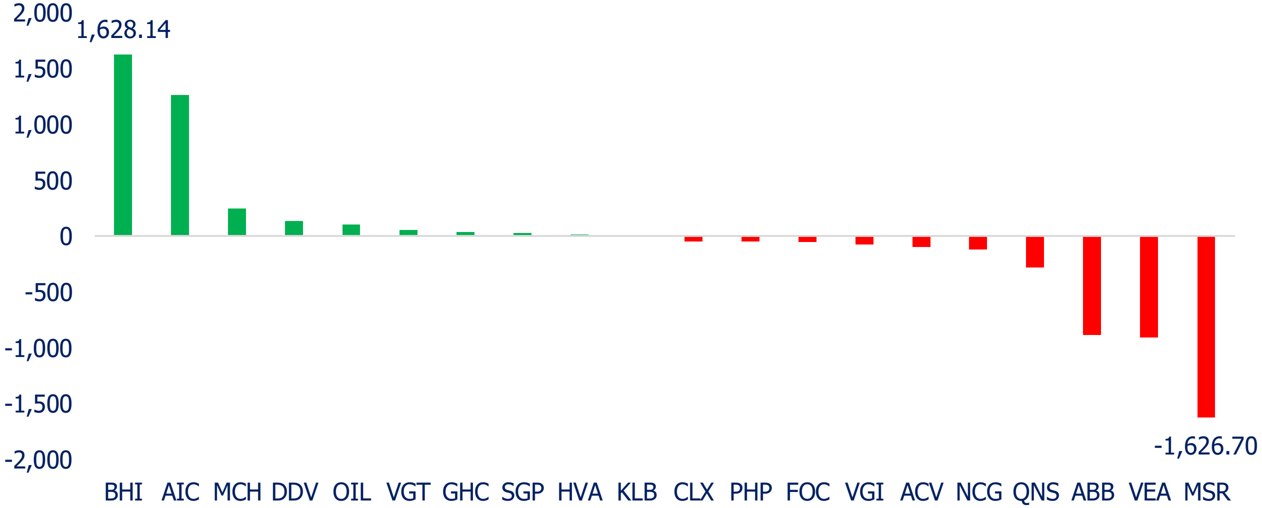
Net Buy/Sell Value of Foreign Investors on UPCOM by Month since 2022 (VND billion)



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



Top Net Buy/Sell Stocks by Foreign Investors on UPCOM in the first 8 Months of 2024



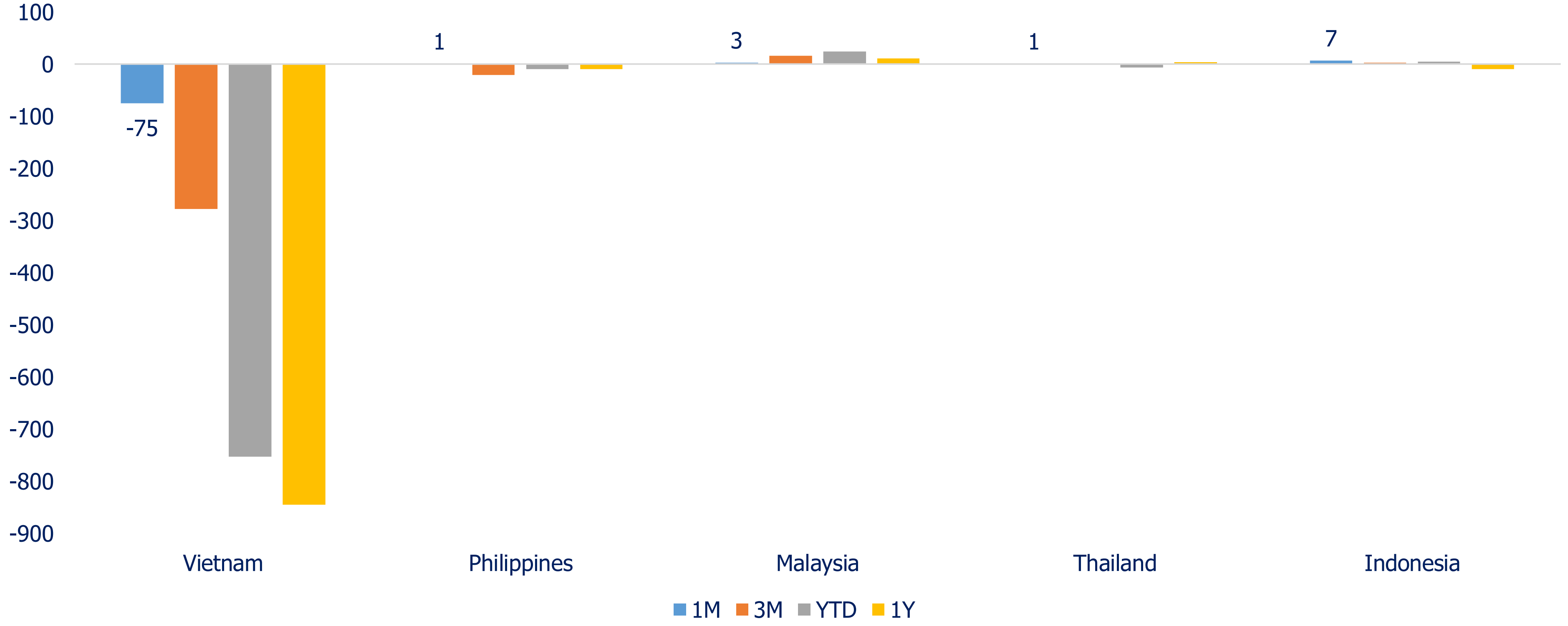
Source: Fiingroup, SHS Research

STOCK MARKET HIGHLIGHTS

In August 2024, ETF outflows continued in Vietnam, with a net withdrawal of USD 75 million, marking the ninth consecutive month of outflows. Cumulatively, in the first eight months of 2024, Vietnam experienced the highest ETF net selling in Southeast Asia, totaling USD 753 million, while only the Philippines attracted a modest inflow of USD 9 million.

The FUBON fund saw increased net outflows in August, with a withdrawal of USD 42.1 million, followed by DCVFM VN30 ETF (-USD 15.6 million) and KIM VN30 ETF (-USD 16.6 million). The DCVFM VNDiamond fund also had outflows, though the scale reduced to USD 6.8 million.

ETF Capital Flows by Country (USD 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)		1M	3M	YTD	1Y
DCVFMVN Diamond ETF (VND)	ETF	489.9	1.4	364,500,000	(6.8)	-112.0	-375	-480
Fubon FTSE Vietnam ETF (TWD)	ETF	656.7	0.4	1,758,238,000	(42.1)	-130.7	-193.7	-130.5
DCVFMVN30 ETF Fund (VND)	ETF	289.3	1.0	314,100,000	(15.6)	-4.1	-66.0	-63.8
VanEck Vietnam ETF (USD)	ETF	504.0	12.6	39,750,000	(6.7)	-11.9	-12.6	-33.8
Xtrackers FTSE Vietnam Swap UCITS ETF (EUR)	ETF	299.3	24.0	11,130,620	4.0	-14.9	-47.4	-39.7
SSIAM VNFIN LEAD ETF (VND)	ETF	20.8	0.9	29,000,000	(2.4)	-59.6	-80.5	-160.7
KIM KINDEX Vietnam VN30 ETF (KRW)	ETF	200.0	15.8	13,300,000	(16.6)	-15.0	-27.9	10.3
Premia MSCI Vietnam ETF (USD)	ETF	5.0	7.8	640,000		-4.5	-10.4	-10.7
SSIAM VNX50 ETF (VND)	ETF	5.1	0.8	6,400,000		0.0	-1.2	-0.7
Global x MSCI Vietnam ETF (USD)	ETF	12.5	16.5	750,000		0.0	1.9	3.4
SSIAM VN30 ETF (VND)	ETF	6.5	0.7	9,800,000	0.3	0.3	0.4	1.3
KIM KINDEX Vietnam VN30 Fututres Leverage ETF (KRW)	ETF	5.2	9.2	600,000	-	0.0	0.0	0.0
KIM GROWTH VN30 ETF (VND)	ETF	61.9	0.4	175,300,000	3.2	14.1	34.1	33.4

Source: Bloomberg, SHS Research


STOCK MARKET
OUTLOOK FOR
SEPTEMBER 2024

STOCK MARKET OUTLOOK FOR SEPTEMBER

Turning opportunities into value

In August 2024, the VN-INDEX recovered well in the price channel of 1,185-1,200, corresponding to the support trendline extending from April 2020. By the end of August, VN-INDEX increased 2.59% MoM, maintaining positive accumulation around 1,250 support zone, the highest price range of 2023.

In September, several positive factors still maintained: (1) the economy continues to grow well, expected to sustain growth to the end of the year, (2) interest rates are stable at low levels, and (3) the prospect of FED starting a rate-cutting cycle. We expect FED begin cutting rates by 0.25% in September, reducing pressure on domestic exchange rates, while the bond and real estate markets are starting to improve. However, there were also some uncertain and negative factors: (1) rising global geopolitical tensions and (2) continued net selling by foreign investors.

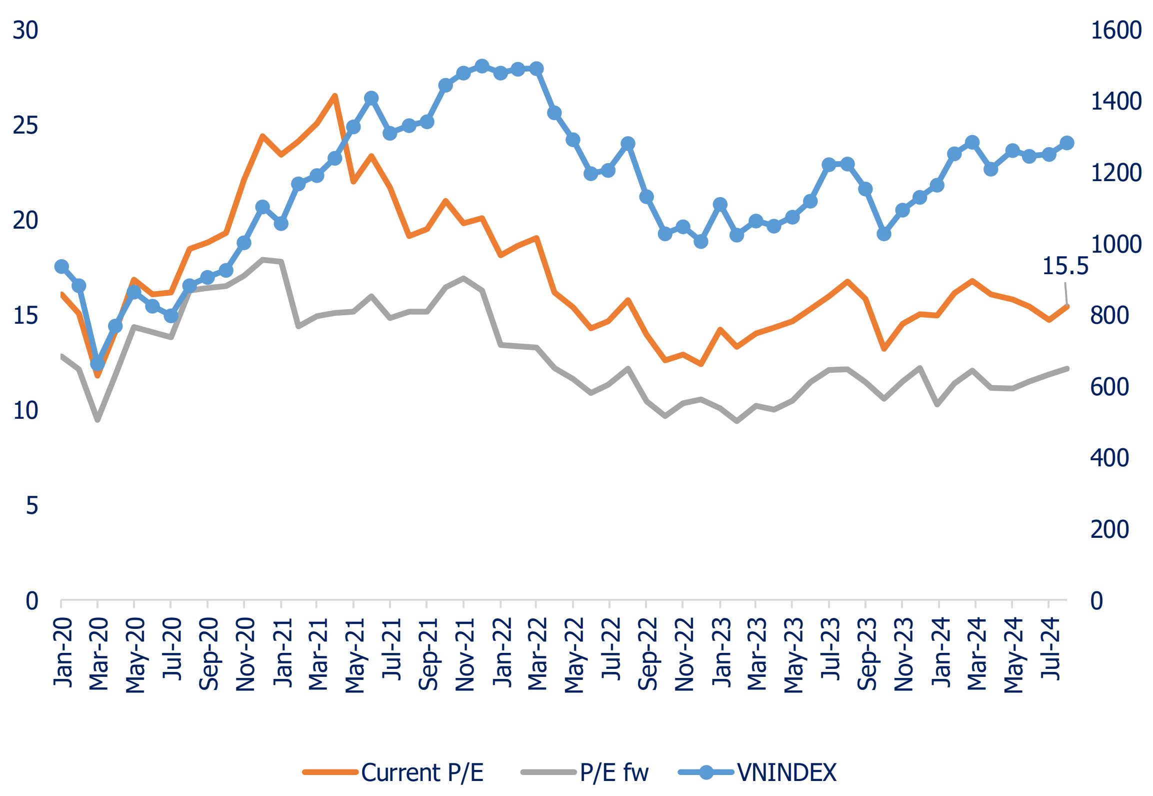
VN-INDEX has continuously accumulated within the price channel of 1,180- 1,200 to 1,300 since the beginning of 2024, with a narrowing range. If no new uncertainties arise, we expect VN-INDEX continue accumulating in the price range of 1,250 -1 ,300 and potentially break above 1,300, aiming for higher levels of 1,320 and 1,350 in Q4/2024, given more favorable macroeconomic and market conditions.

STOCK MARKET OUTLOOK FOR SEPTEMBER

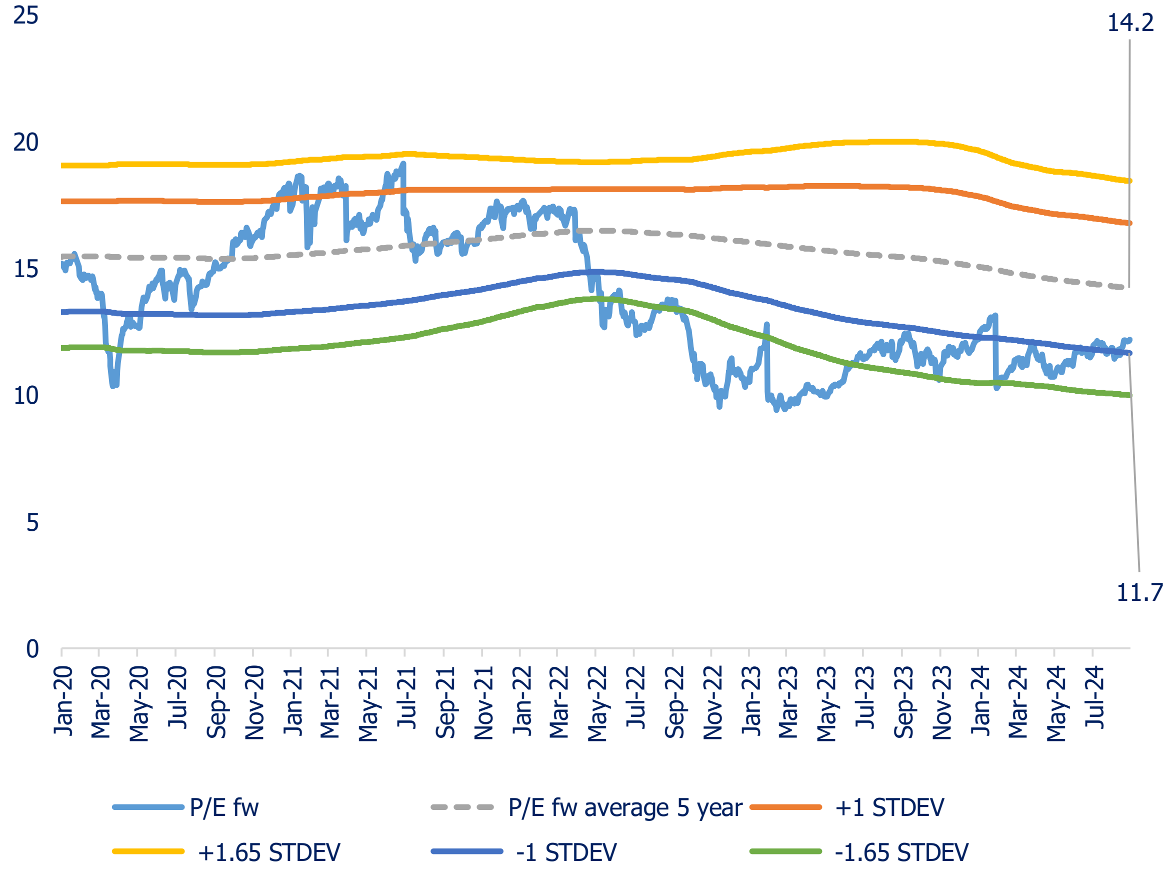
Turning opportunities into value

At the end of August 2024, the market's P/E valuation had increased to 15.45, lower than the 10-year average P/E (16.6x) and the 5-year average P/E (17.3x). With a P/E forward of 12.2, the market is considered quite attractive compared to current growth prospects.

Valuation of the Vietnamese Stock Market



P/E forward VNindex

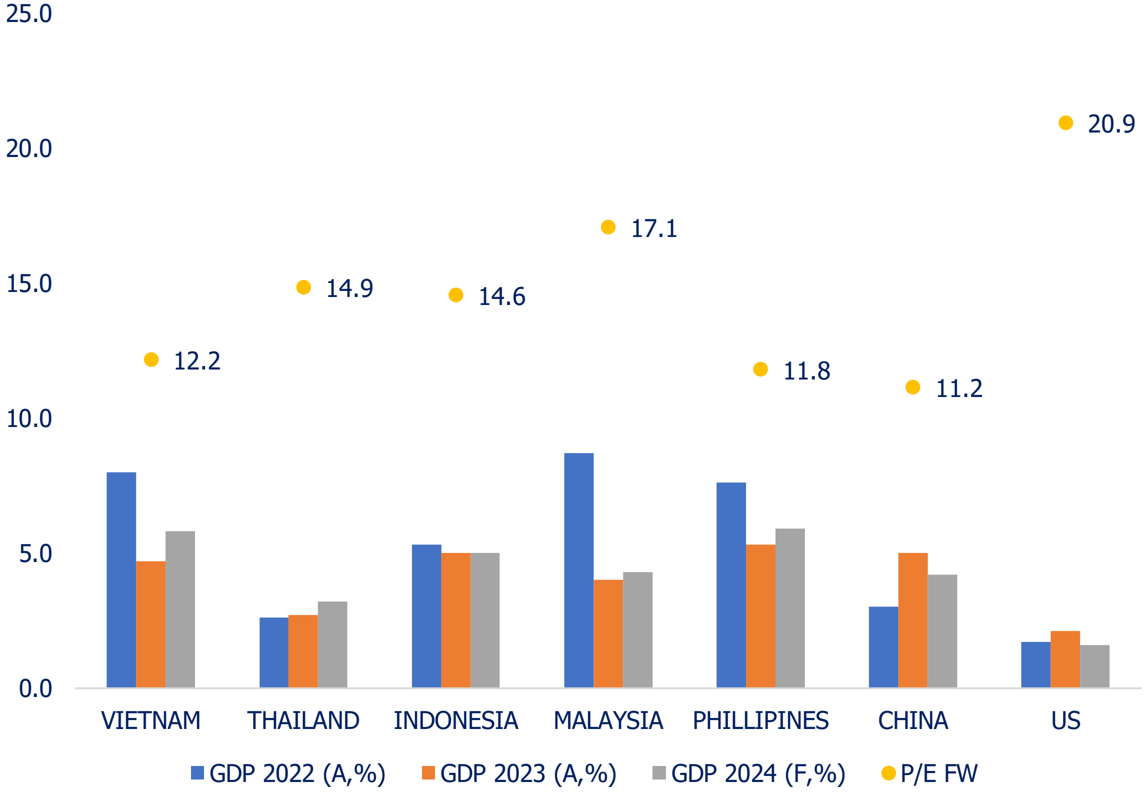


Source: Bloomberg, SHS Research

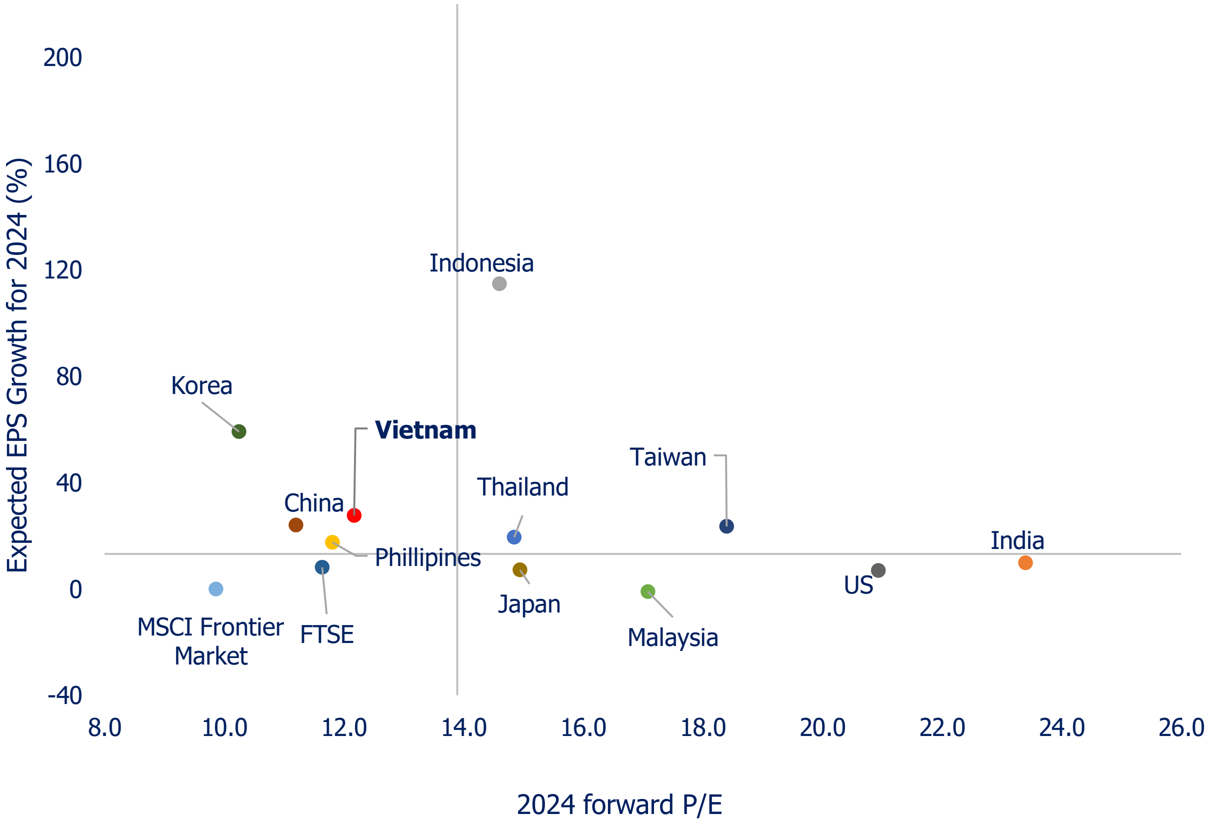
STOCK MARKET OUTLOOK FOR SEPTEMBER

Turning opportunities into value

Vietnamese Stock Market Compared to Other Countries Worldwide



Expected EPS Growth, P/E Forward 2024



Source: Bloomberg, SHS Research

EVENT SCHEDULE FOR SEPTEMBER

Turning opportunities into value

03/09/2024

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

06/09/2024

Domestic event
Announcement of Vietnam's Economic Data for August 2024
FTSE VN ETF Portfolio Restructuring

International event
Release of the Unemployment Rate in the US

11/09/2024

International event
Release of the CPI in the US

12/09/2024

International event
Interest Rate Decision in Europe

13/09/2024

Domestic event
VNM Portfolio Restructuring

18/09/2024

International event
Interest Rate Decision in the US

19/09/2024

Domestic event
Expiration date of VN30 Futures in June 2024

20/09/2024

Domestic event
Date of FTSE and VNM ETF Portfolio Restructuring

LIST OF RECOMMENDED STOCKS

Turning opportunities into value

LIST OF RECOMMENDED STOCKS

No	Ticker	Closing price	+/- MoM	+/- YTD
1	**BWE**	44.250	+4,0%	+22,4%
2	**CTD**	63.500	-2,3%	-7,7%
3	**DCM**	37.400	+0,8%	+21,6%
4	**FPT**	134.800	+4,8%	+62,4%
5	**GMD**	80.500	+0,6%	+17,3%
6	**GVR**	35.350	+7,1%	+66,7%
7	**IDC**	60.600	+2,7%	+24,6%
8	**PHR**	59.500	+4,2%	+19,7%
9	**PNJ**	102.200	+5,2%	+19,5%
10	**PVD**	27.450	-0,9%	-3,0%
11	**PVS**	40.800	+0,5%	+7,4%
12	**PVT**	28.750	+1,0%	+19,8%
13	**SZC**	37.100	-3,5%	+4,0%
14	**TCB**	23.350	+0,4%	+51,4%
15	**MBB**	24.850	+1,8%	+36,2%
16	**VLB**	36.200		
	VN-Index	1.283,87	+2,6%	+13,6%

(Click on each ticker to view the detailed information)

LIST OF RECOMMENDED STOCKS FOR 2024

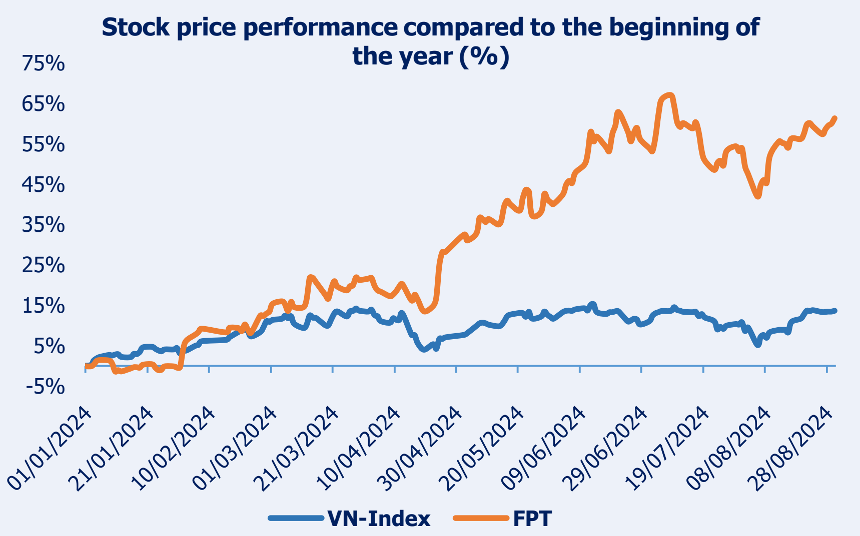
Turning opportunities into value

FPT Corporation - JSC (HOSE – FPT)

(Return to the summary list)

Current price	**134,800**
TA Target price	**140,000-143,000**
Highest price in August	**134,800**
Market capitalization (Billion VND)	**196,868**
EPS ttm	**4,886.02**
BV	**18,820.48**
PE trailing	**27.59**
PB trailing	**7.16**

(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	



- 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.
- Accumulated over six months, revenue reached 29,338 billion VND (+21.4% YoY) and net profit was 4,443 billion VND (+21.2% YoY). Revenue in the first seven months reached 34.243 trillion VND (+20.5% YoY), with a profit of 5.175 trillion VND (+20.9% YoY), corresponding to 55.3% and 59.5% of the annual target, respectively. EPS reached 2,934 VND. The foreign market services segment achieved 17.202 trillion VND in revenue (+29.9% YoY) and a profit of 2.718 trillion VND (+25% YoY), with digital transformation revenue accounting for 44.8% and increasing by 32.4%. The total value of newly signed contracts reached 21.553 trillion VND (+23.8%). In the education sector, revenue increased by 24% to 3.425 trillion VND, the education complex in Thanh Hoa has been topped out, and the one in Hue has received a license, with a proposal for an education 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. Approval of a 10% cash dividend payment in the fourth quarter.

LIST OF RECOMMENDED STOCKS FOR 2024

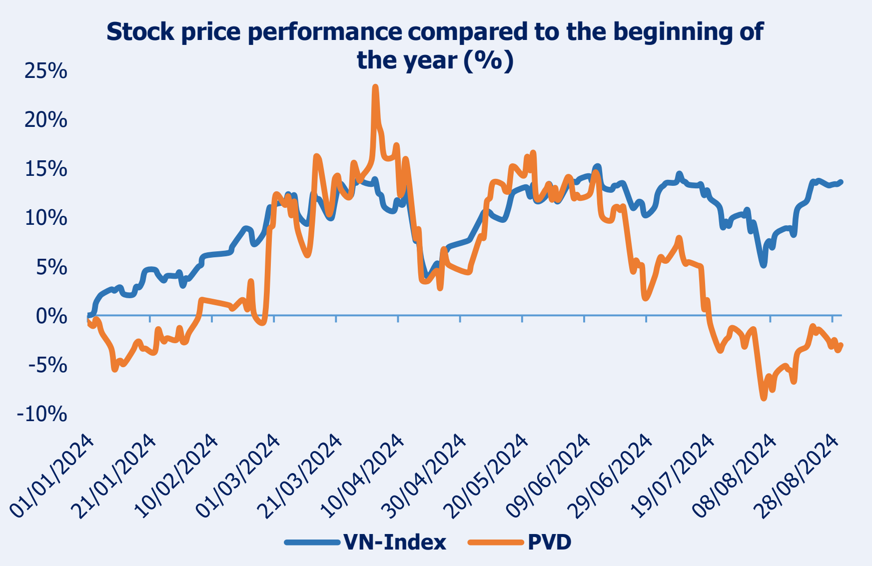
Turning opportunities into value

PetroVietnam Drilling & Well Services Corporation (HOSE – PVD)

(Return to the summary list)

Current price	**27,450**
TA Target price	**32,000-34,000**
Highest price in August	**28,000**
Market capitalization (Billion VND)	**15,259**
EPS ttm	**0.04**
BV	**1.10**
PE trailing	**28.74**
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).

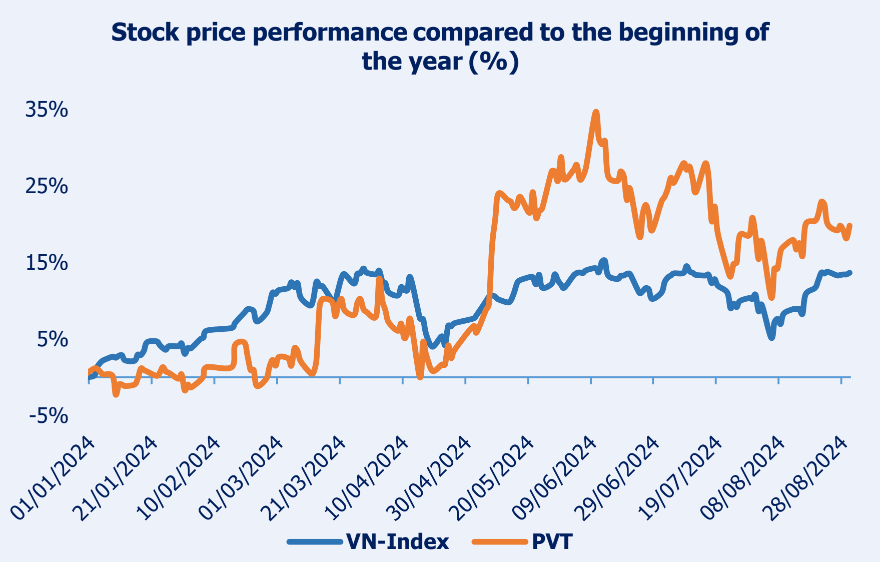
LIST OF RECOMMENDED STOCKS FOR 2024

PetroVietnam Transports Corporation (HOSE – PVT)

(Return to the summary list)

Current price	**28,750**
TA Target price	**31,500-33,000**
Highest price in August	**29,500**
Market capitalization (Billion VND)	**10,235**
EPS ttm	**2,707.61**
BV	**19,745.30**
PE trailing	**10.62**
PB trailing	**1.46**

(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). For the first six months, revenue reached VND 5,524 billion (+32.8% YoY) and net profit was VND 678.8 billion (+7.7% YoY), achieving 62.8% of the revenue target and 89.3% of the profit target.
- 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: Expanding the fleet helps increase revenue and profit, with the possibility of recognizing extraordinary profits for the year from the sale of the crude oil tanker Athena and the recovery in oil and gas transportation demand. There is potential from the policy to develop thermal power plants using LNG as outlined in Plan VIII, leading to higher demand for LNG transportation. Charter rates for ships continue to remain above the high levels of 2023.

LIST OF RECOMMENDED STOCKS FOR 2024

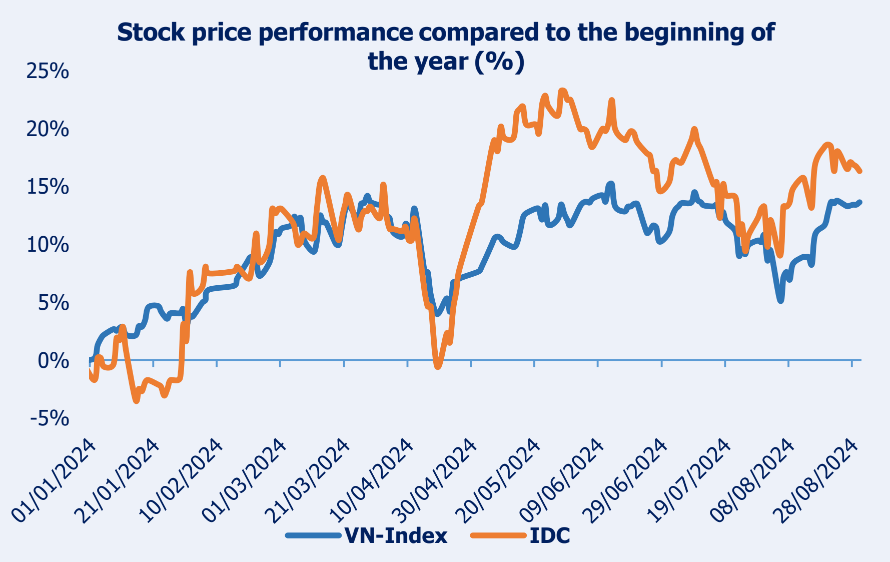
Turning opportunities into value

IDICO Corporation – JSC (HNX – IDC)

(Return to the summary list)

Current price	**60,600**
TA Target price	**65,000-66,000**
Highest price in August	**61,800**
Market capitalization (Billion VND)	**19,998**
EPS ttm	**5,575.15**
BV	**14,417.01**
PE trailing	**10.87**
PB trailing	**4.20**

(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.
- In 2024, IDC targets revenue of VND 8,466 billion (+13.2% YoY) and net profit of VND 2,502 billion (+21.6% YoY), 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

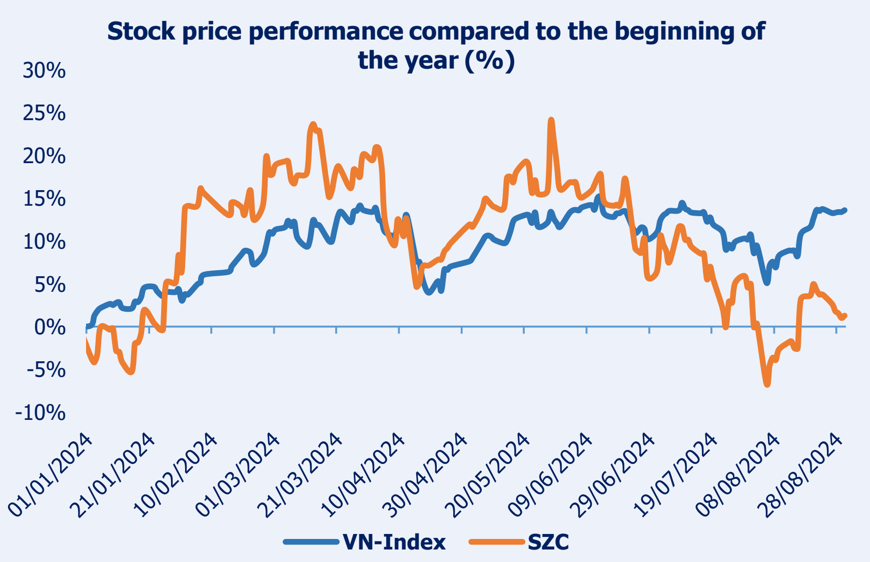
Turning opportunities into value

SONADEZI Chau Duc Corporation (HOSE – SZC)

(Return to the summary list)

Current price	**37,100**
TA Target price	**40,000-41,000**
Highest price in August	**38,450**
Market capitalization (Billion VND)	**6,677**
EPS ttm	**1,608.35**
BV	**16,505.35**
PE trailing	**23.07**
PB trailing	**2.25**

(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	



- SZC owns a large land leasing portfolio with a total area of approximately 2,135 hectares, (in 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.

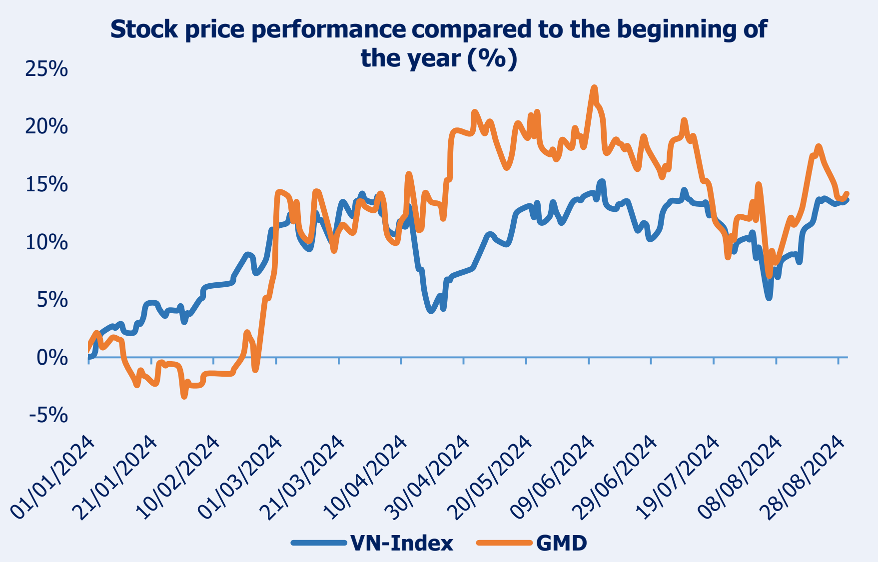
LIST OF RECOMMENDED STOCKS FOR 2024

Gemadept Corporation (HOSE – GMD)

(Return to the summary list)

Current price	**80,500**
TA Target price	**85,000-90,000**
Highest price in August	**83,400**
Market capitalization (Billion VND)	**24,994**
EPS ttm	**3,915.87**
BV	**30,558.47**
PE trailing	**20.56**
PB trailing	**2.63**

(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	



- 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.
- The project to upgrade the maritime channel in front of Nam Dinh Vu port has been completed, deepening the channel from -7m to -8.5m to accommodate vessels of up to 48,000 DWT. On July 15, 2024, the dividend for 2023 was finalized at a rate of 22%. On July 16, 2024, the Board of Directors passed a resolution to initiate a share offering to existing shareholders.
- Investment story: From February 15, 2024, a 10% increase in the base rate for international container handling fees will be applied (with the Cai Mep-Thi Vai area raising the cap by an additional 10% and Gemalink Port potentially increasing by 10% compared to the usual rate). The Nam Dinh Vu Port Phase 3 project (600,000 TEU/year) is expected to start operations in 2025. The Gemalink Phase 2 project (39 hectares, 1.5 million TEU/year) is expected to be completed in 2025. There will be divestment from a rubber plantation project in Cambodia (30,000 hectares) and from real estate investments. Export and import turnover has recovered well, with an increase of 13.5% in the first eight months of 2024 compared to the same period last year.

LIST OF RECOMMENDED STOCKS FOR 2024

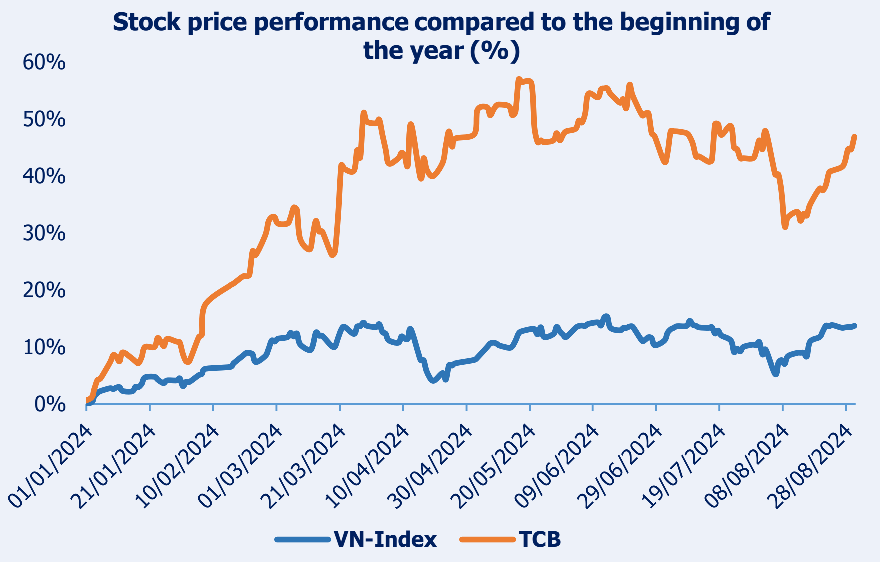
Turning opportunities into value

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

(Return to the summary list)

Current price	**23,350**
TA Target price	**25,500-26,500**
Highest price in August	**23,500**
Market capitalization (Billion VND)	**164,501**
EPS ttm	**3,048.55**
BV	**19,470.45**
PE trailing	**7.66**
PB trailing	**1.20**

(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	



- 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 was 1.23%, an increase of 0.07% (+1,288 billion VND) compared to the beginning of the year, with an NPL coverage ratio of 101%. Credit growth in H1 2024 increased by 11.6% YTD. Home loan balance 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. On June 21, 2024, TCB finalized the list of shareholders for a stock dividend at a ratio of 1:1, with additional shares set to be listed on August 6.
- TCB's business outlook for 2024 is forecasted to be positive with profit growth of about 15%. The Land Law, Real Estate Business Law, and Credit Institutions Law are expected to be passed, addressing legal issues, accelerating the progress of site clearance for real estate projects, and handling real estate collateral assets of the Bank. Asset quality remains stable, with NPLs, although increasing, still well-controlled around the 1.2% threshold. TCB aims to position itself with distinctive value for customers through digital platforms with outstanding features such as automatic profit generation to increase CASA, sales platforms, and the use of AI and Machine learning for data analysis.

LIST OF RECOMMENDED STOCKS FOR 2024

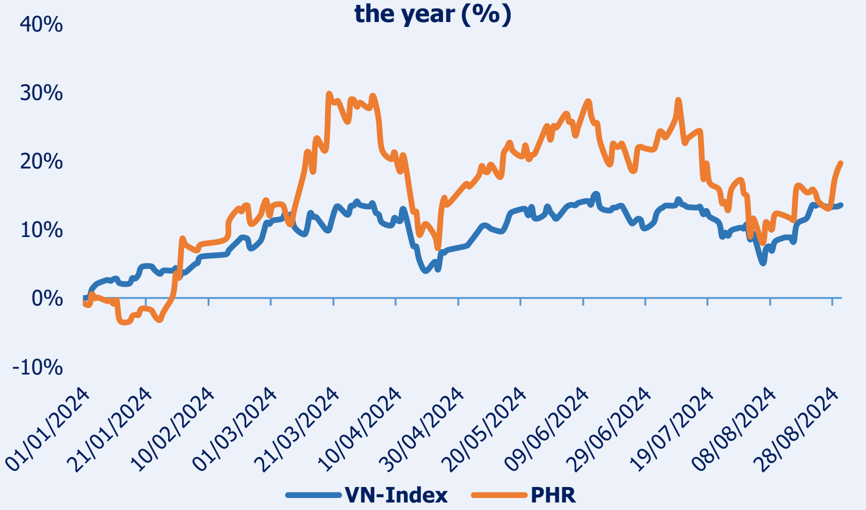
Phuoc Hoa Rubber ., JSC (HOSE – PHR)

(Return to the summary list)

Current price	**59,500**
TA Target price	**66,000-68,000**
Highest price in August	**59,500**
Market capitalization (Billion VND)	**8,062**
EPS ttm	**3,009.49**
BV	**28,117.31**
PE trailing	**19.77**
PB trailing	**2.12**

(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 8 months of 2024 increased by 40% YoY and 25% 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

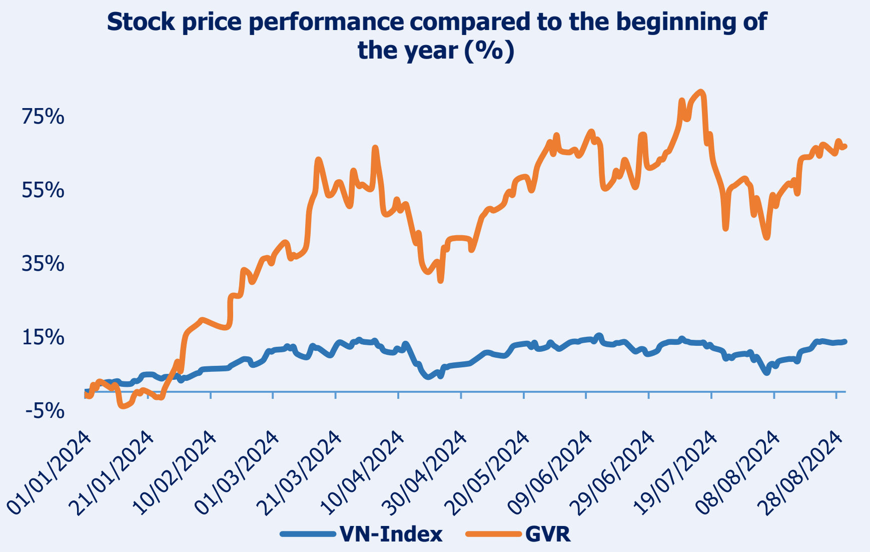
Turning opportunities into value

Vietnam Rubber Group (HOSE – GVR)

(Return to the summary list)

Current price	**35,350**
TA Target price	**36,000-37,000**
Highest price in August	**35,650**
Market capitalization (Billion VND)	**141,100**
EPS ttm	**702.80**
BV	**12,856.83**
PE trailing	**50.30**
PB trailing	**1.27**

(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 25% 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

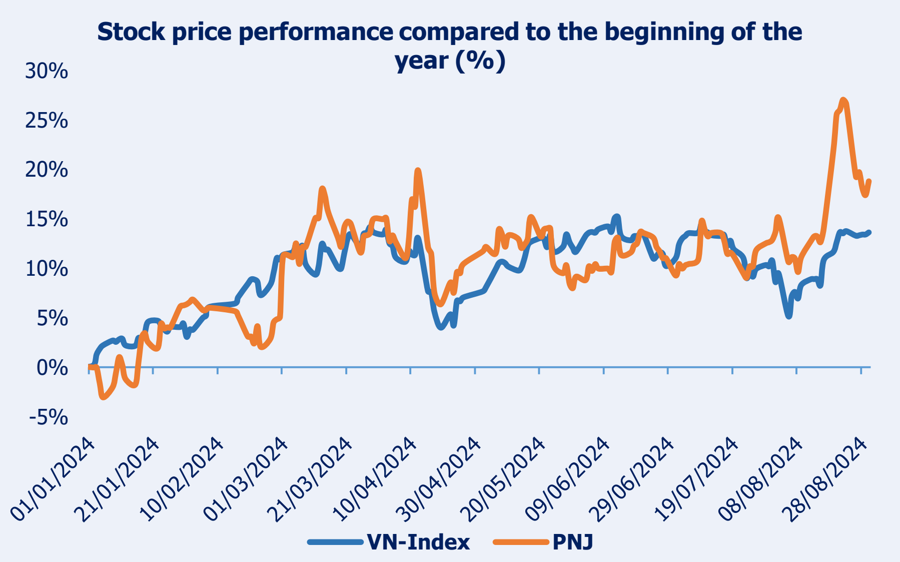
Turning opportunities into value

Phu Nhuan Jewelry Joint Stock Company (HOSE – PNJ)

(Return to the summary list)

Current price	**102,200**
TA Target price	**110,000-115,000**
Highest price in August	**109,300**
Market capitalization (Billion VND)	**34,192**
EPS ttm	**6,135,35**
BV	**32,026.60**
PE trailing	**16.66**
PB trailing	**3.19**

(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 for the first seven months is estimated at VND 24,621 billion (+30.8% YoY), with net profit at VND 1,218 billion (+4% YoY), achieving 66.3% of the revenue target and 58.3% of the profit target. Revenue from gold bullion increased significantly by 66.8% YoY, while retail jewelry sales grew by 14.6% YoY and wholesale increased by 24.7% YoY. The average gross profit margin for the first seven months was 16.4%, down from 18.7% in the same period last year. In the first seven months of the year, PNJ opened 17 new stores and closed 8, bringing the total to 409 stores, including 400 PNJ stores, 3 CAO Fine Jewellery stores, and 5 Style by PNJ stores.
- On October 20, 2023, GDKHQ paid the third dividend for 2022 in cash at a rate of 8%. On January 5, 2024, 6,559,992 ESOP shares were issued at a price of VND 20,000 per share. In 2024, it is planned to issue 3.3 million ESOP shares at a price of VND 20,000 per share. On March 15, 2024, the rights to receive the first interim dividend for 2024 in cash at a rate of 6% will be finalized.

LIST OF RECOMMENDED STOCKS FOR 2024

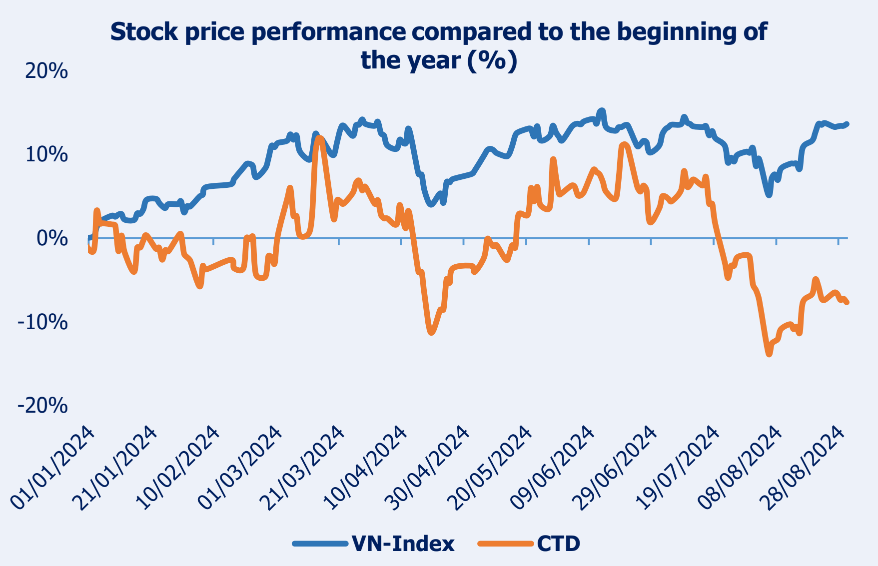
Turning opportunities into value

Coteccons Construction Joint Stock Company (HOSE – CTD)

(Return to the summary list)

Current price	**63,500**
TA Target price	**78,000-81,000**
Highest price in August	**65,400**
Market capitalization (Billion VND)	**6,346**
EPS ttm	**2,977.87**
BV	**85,866.01**
PE trailing	**21.32**
PB trailing	**0.74**

(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. On September 13, the list of shareholders eligible for the annual general meeting will be finalized.
- 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

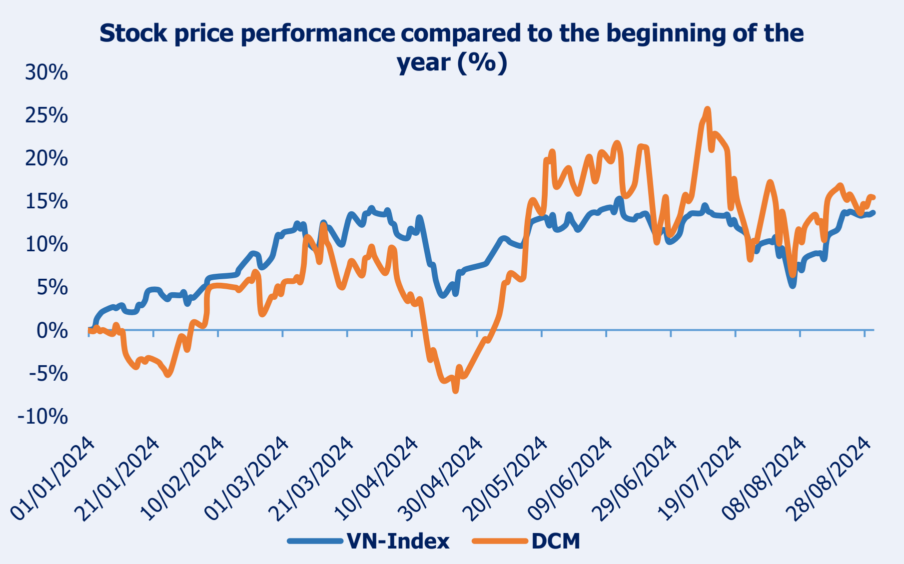
Turning opportunities into value

PetroVietnam Camau Fertilizer Joint Stock Company (HOSE – DCM)

(Return to the summary list)

Current price	**37,400**
TA Target price	**41,000-42,000**
Highest price in August	**37,850**
Market capitalization (Billion VND)	**19,800**
EPS ttm	**2,529.62**
BV	**18,443.14**
PE trailing	**14.78**
PB trailing	**2.03**

(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. The estimated consumption output for the first seven months is 495.62 thousand tons of Urea and 77.9 thousand tons of NPK, corresponding to 66.2% and 48.7% of the target, respectively.
- 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 fully depreciated its factory by Q4/2023.

LIST OF RECOMMENDED STOCKS FOR MARCH 2024

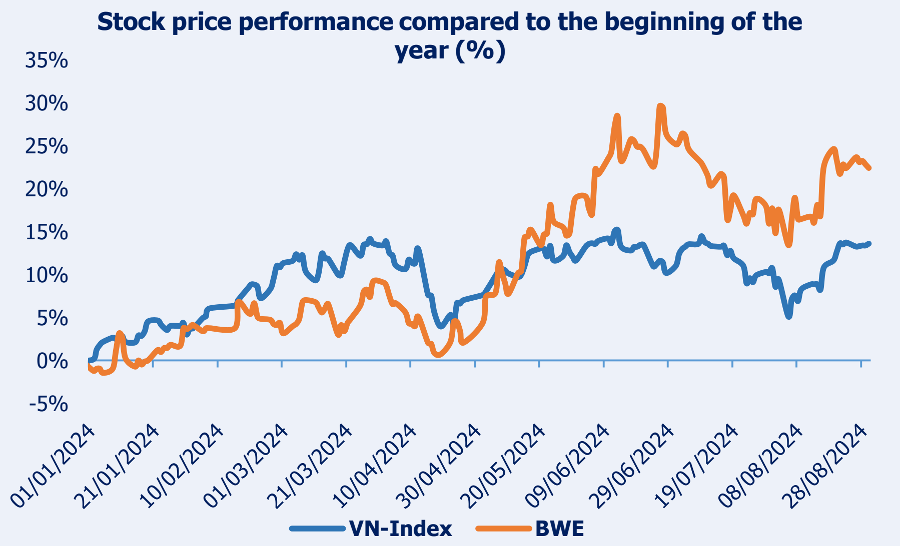
Turning opportunities into value

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

(Return to the summary list)

Current price	44,250
TA Target price	49,000-50,000
Highest price in August	45,050
Market capitalization (Billion VND)	9,732
EPS ttm	2,413.49
BV	22,789.95
PE trailing	18.33
PB trailing	1.94

(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.
- 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.
- On May 17, 2024, BWE distributed a 14% stock dividend. On August 19, the Board of Directors passed a resolution to acquire over 50% of the shares in Saigon – Can Tho Water Joint Stock Company.

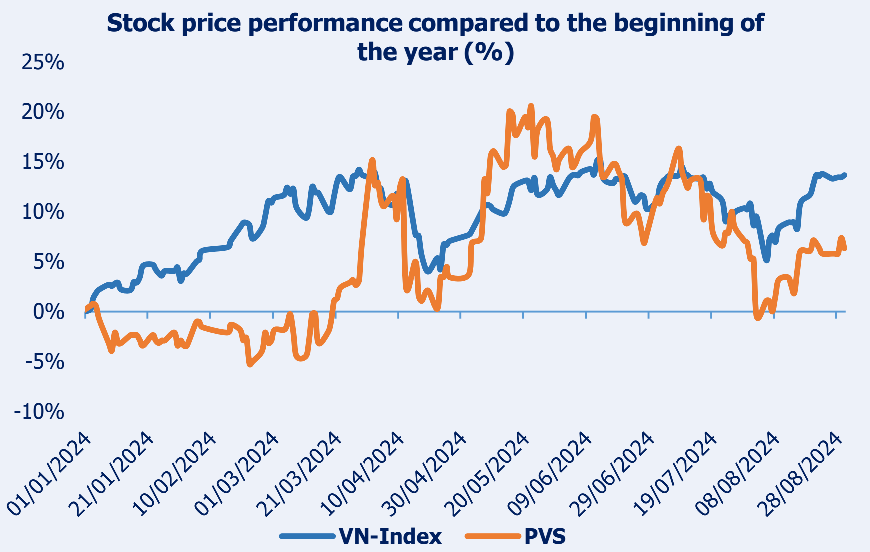
LIST OF RECOMMENDED STOCKS FOR MARCH 2024

PetroVietnam Technical Services Corporation (HNX – PVS)

(Return to the summary list)

Current price	40,800
TA Target price	45,000-46,000
Highest price in August	40,800
Market capitalization (Billion VND)	19,501
EPS ttm	2,267.69
BV	27,744.08
PE trailing	17.99
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. On July 31, 3 LPG tanks at Thi Vai were handed over to GAS.
- 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) soon.
- 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. On August 28, the contract for the hydrological, wind measurement, and geological package of the project will be awarded.

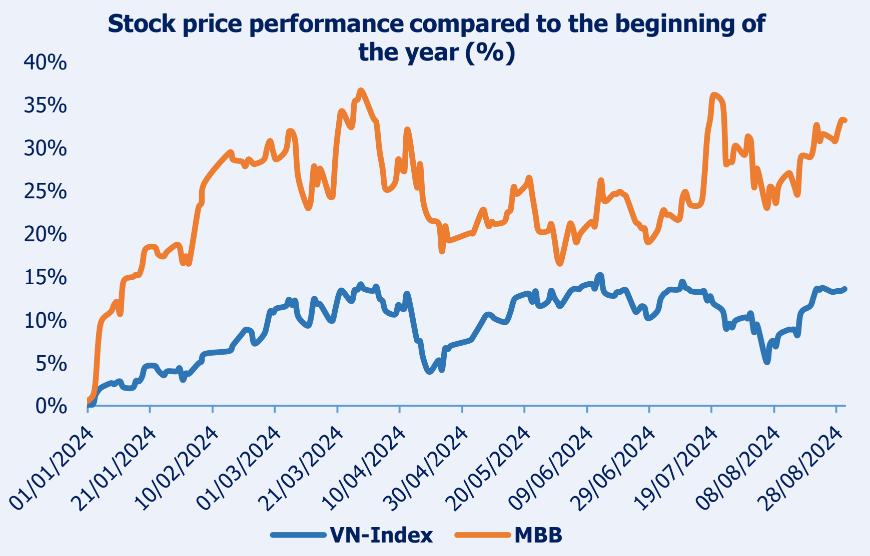
LIST OF RECOMMENDED STOCKS FOR JULY 2024

Military Commercial Joint Stock Bank (HOSE – MBB)

(Return to the summary list)

Current price	**24,850**
TA Target price	**29,500-30,500**
Highest price in August	**24,850**
Market capitalization (Billion VND)	**131,862**
EPS ttm	**4,072.47**
BV	**18,942.09**
PE trailing	**6.10**
PB trailing	**1.31**

(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 credit growth is not focused on high-risk sectors (real estate, construction, and corporate bonds) but rather on wholesale and retail trade, manufacturing and processing industries, and the individual customer segment.
- As of August 28, 2024, MBB's credit growth reached 10.44%, equivalent to VND 679,593 billion, achieving 65.7% of the credit growth target set by the SBV at the beginning of the year, with only a 1% increase compared to the end of Q2 2024. According to the SBV's adjusted credit growth targets, MB is expected to receive an additional VND 14,000 billion, corresponding to a growth target of 18.16%. Currently, MB is prepared for a credit growth plan of 20-25%.
- MBB's operational efficiency is among the top in the system with a ROE of 23%, and its management processes and cost control are highly regarded within the industry. MBB maintains a credit limit for the real estate sector at a maximum of 10% of total outstanding loans. Loans to Trung Nam, Novaland, Sungroup, and Vingroup are progressing well with no signs of bad debt formation, and the collateral is three times the loan amount. MBB is currently trading at a P/B ratio of 1.31x, which is 10% lower than the average P/B ratio for the 2019-2024 period. MBB's valuation is also lower compared to the average P/B ratio of the banking sector (1.36x).

LIST OF RECOMMENDED STOCKS FOR SEPTEMBER 2024

Turning opportunities into value

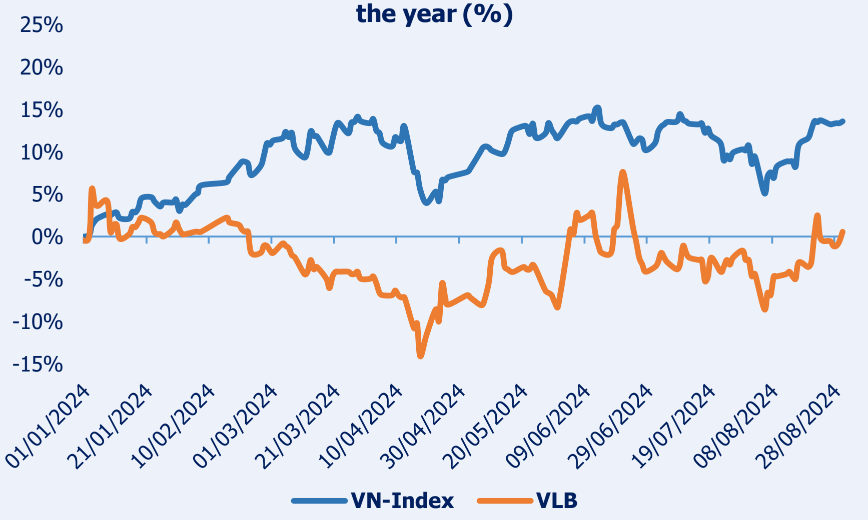
Bien Hoa Building Materials Production And Construction JSC (UPCOM – VLB)

(Return to the summary list)

Current price	**36,200**
TA Target price	**42,000-44,000**
Highest price in August	**37,000**
Market capitalization (Billion VND)	**1,696**
EPS ttm	**2,666.00**
BV	**13,000.08**
PE trailing	**13.62**
PB trailing	**2.79**

(Billion VND)	Q3/2023	Q4/2023	Q1/2024	Q2/2024	KH2024
Revenue	218.95	291.24	290.47	339.09	878
% yoy	-28.54%	-17.88%	16.84%	38.74%	-13%
Profit after taxes	20.46	56.30	51.65	53.04	130*
% yoy	109.13%	-49.04%	43.64%	74.91%	-25%
Total assets	762.38	824.10	838.96	855.09	
Total equity	615.75	607.36	659.02	670.01	
ROA (%)	25.78	18.52	20.09	22.12	
ROE (%)	32.75	25.07	25.63	28.44	
Gross profit margin (%)	16.05	24.10	28.73	28.20	
Net profit margin (%)	9.34	19.33	17.78	17.78	

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



- VLB is one of the leading companies in the stone mining sector, with substantial reserves and a favorable location. The company owns five quarries (Thanh Phu 1, Thien Tan 2, Tan Cang 1, Soklu 2, Soklu 5) with a total remaining stone reserve of approximately 90 million cubic meters as of the end of 2023. The total licensed extraction capacity is 5.7 million cubic meters per year. Its main business areas are in Dong Nai, Binh Duong, Ho Chi Minh City, and the Mekong Delta region. VLB maintains a secure financial position with VND 467 billion in cash (54% of total assets, which is 2.5 times its liabilities), has no bank debt, and maintains a stable and high dividend payout ratio.
- In Q2/2024, VLB's revenue reached VND 339 billion (+39% YoY), net profit was VND 53 billion (+75% YoY), with a gross profit margin of 28%. For the first six months of 2024, VLB's revenue totaled VND 629.5 billion (+27.6% YoY), and net profit was VND 104.69 billion (+58% YoY). This represents 71.6% of the revenue target and 100% of the net profit target for the year.
- Investment Story: VLB is a leading company in the stone mining sector with a strong financial position and high dividend yield. The outlook is positive due to high demand for construction stone driven by major public investment projects in the southern region, including: the North-South Expressway Phase 2, Long Thanh International Airport, Ho Chi Minh City Ring Road 3, Ring Road 4, and three southern expressways. VLB has a competitive advantage with its large reserves and favorable location. Its quarries, such as Tan Cang 1, Thanh Phu 1, and Thien Tan 2, are located in Dong Nai, offering long extraction periods and high extraction capacities.

DISCLAIMERS

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Website: www.shs.com.vn

Deputy Manager: Ngo The Hien
Hien.nth@shs.com.vn

Senior Analyst: Phan Tan Nhat
Nhat.pt@shs.com.vn

Senior Analyst: Doan Thi Anh Nguyet
Nguyet.dta@shs.com.vn

Analyst: Tran Hong May
May.th@shs.com.vn

Analyst: Le Thu Huyen
Huyen.lt@shs.com.vn

Analyst: Vu Nhat Anh
Anh.vn@shs.com.vn

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

Contacts information:
Research Department
Saigon-Hanoi Securities Joint Stock Company

Headquarter
1st-5th Floor, Unimex Hanoi Building
41 Ngo Quyen Str., Haing Bai,
Hoan Kiem District, Hanoi
Tel: 84.24.38181888
Fax: 84.24.38181688
Email: contact@shs.com.vn

Ho Chi Minh Branch
3rd Floor, Saigon Metropolitan Building
235 Dong Khoi Str., Ben Nghe,
District 1, Ho Chi Minh city
Tel: 84.28.39151368
Fax: 84.28.39151369
Email: contact-hcm@shs.com.vn

Da Nang Branch
8th Floor, Thanh Loi 2 Building
03 Le Dinh Ly Str., Vinh Trung, Thanh
Khe District, Da Nang
Tel: 84.236.3525777
Fax: 84.236.3525779
Email: contact-dn@shs.com.vn