

**Sector note**

15 Dec 2022



**CONSUMER: WHEN THE PURSE STRING TIGHTEN UP**

- Consumer spending is slowing down till 3Q23F amid sluggish export growth, rising interest rates and weak VND.
- Luxury goods might get lower risk from a demand downturn, in our view.
- Sector leading stocks are stock with good financial status and less affected by the reduction in people demand, including PNJ and VRE.

**Still good so far but brace for a weakening consumer spending**

Total retail sales of goods and services grew healthily 25.3% yoy in 10M22, largely thanks to low base 2021. We see a few signals that consumers are tightening their purse strings amid rising interest rates and the weakening of labour - intensive industries (property, textiles, ...). We think this downturn might linger till 3Q23 when interest rates are expected to subside and minimum wage hike will give a slight boost.

**Retailers postpone business expansion to solidify the financials**

Per our market research, large retailers are slowing down or postpone their business expansion amid growing concerns over a downturn. MWG's An Khang pharmacy chain expansion has been delayed since 3Q22; number of Bach Hoa Xanh and Circle K stores also saw a reduction ytd to prove the caution of retail chains to the current market status. Thus, listed consumer companies tent to maintain better financial health shape with low leverage and net cash position.

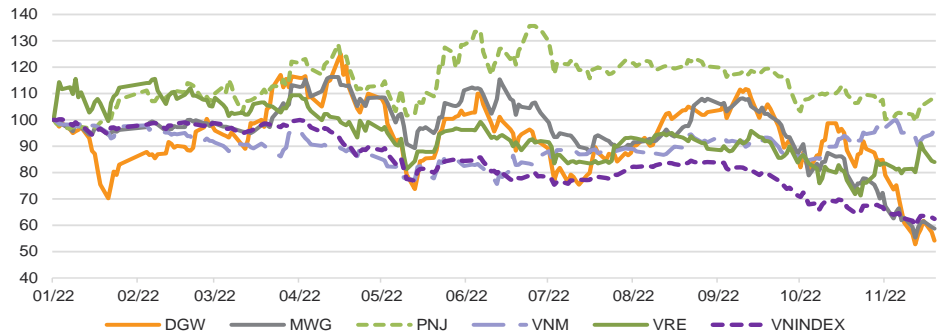
**Luxury goods might get lower risk from a demand downturn**

Although still being at nascent stage, Vietnam's luxury market is expected to grow significantly thanks to the rise of high-net-worth individuals who have increasing appetite for luxury goods. Conventionally, the affluent are often the last to feel the effects because of the cushion their extreme wealth provides. Thus, we expect retail companies with large exposure to luxury segment might get lower risk from a pullback in spending.

**Our stock picks: PNJ and VRE**

We prefer stocks with 1) a net cash position which less risky than others stocks in an unstable market, and 2) a less affected by the demand downturn than peer thanks to business has large exposure to luxury spending. Thus, we believe PNJ and VRE are attractive to put in the portfolio. Upside catalysts: stronger than expected consumer demand, lower than expected effect from FX and rising interest rate to company's results or supply disruptions of Apple products are quickly resolved. Downside risks: a longer than expected downturn in consumer spending or supply disruptions of Apple products, a stronger than expected effect from FX and interest rising.

**Figure 1: Consumer stocks price performance vs. VNIndex performance in 2022**



Source: VNDIRECT RESEARCH, BLOOMBERG

Analyst(s):



**Bach Phan Nhu**

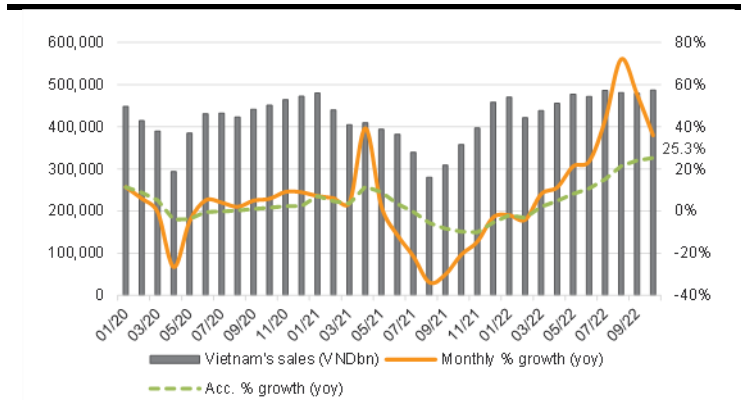
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**Still good so far**

According to General Statistics Office, total retail sales of goods and services grew healthily 25.3% yoy in 10M22, largely thanks to low base 2021. If excluding the price factor, retail sales rose 16.8% yoy, even higher than pre-pandemic level. Though Vietnam has resumed the international flights since 1Q22, revenue from tourism doubled than that of 2021, recovering to 78% of pre-pandemic level.

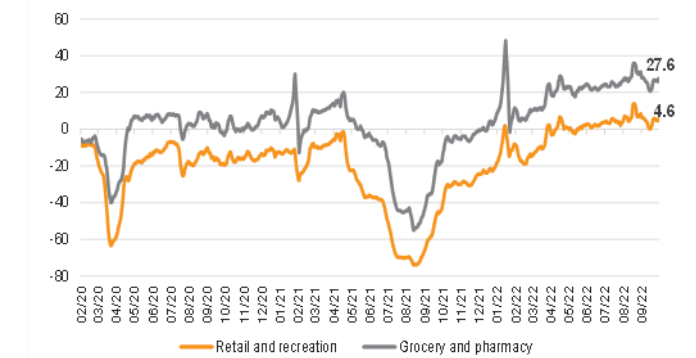
According to Google data, Vietnam mobility to retail and recreation has exceeded the pre-epidemic level by 4.6%, and mobility to grocery and pharmacy has increased by 27.5% compared to pre-epidemic.

**Figure 2: Total retail sales of goods and services grew 25.2% yoy in 10M22**



Source: VNDIRECT RESEARCH, GSO

**Figure 3: Mobility trends from 2020 – Oct 22 showed a recovery to the pre-epidemic level of the visitor mobility (% vs pre-covid level)**



Source: VNDIRECT RESEARCH, Google

Consumer spending power recovery was reflected in the 9M22 business results of retailers and beverages companies. In 3Q22, PNJ recorded VND252bn in net profit, from loss of VND160bn while VRE's net profit jumped 32x times yoy. Noted that Vietnam has implemented strict social distancing in 3Q21. SAB's net profit also posted a growth of 2.0x times yoy in 3Q22 to make a growth of 76.9% yoy in 9M22.

Meanwhile, food producers posted a sluggish performance on yoy basis due to the high stocking demand in 3Q21 and the increasing input prices (grains, whole milk powder...)

**Figure 4: 3Q22 and 9M22 results of consumer sector and some typical stocks**

	3Q22 net revenue growth	1Q-3Q22 revenue growth trend	3Q22 net profit growth	9M22 net profit growth	1Q-3Q22 net profit growth trend
<b>Beverages</b>	<b>81.0%</b>		<b>161.7%</b>	<b>68.0%</b>	
SAB	101.7%		202.3%	76.9%	
<b>Retail</b>	<b>57.7%</b>		<b>128.4%</b>	<b>36.4%</b>	
MWG	31.6%		15.3%	4.3%	
PNJ	739.7%		from loss to net profit	132.6%	
FRT	54.4%		80.9%	174.1%	
DGW	58.6%		68.2%	60.0%	
PET	17.7%		-5.5%	-12.9%	
VRE	154.8%		3,204.2%	63.0%	
<b>Food Producers</b>	<b>2.2%</b>		<b>-13.8%</b>	<b>3.4%</b>	
VNM	-0.7%		-21.5%	-20.3%	
MSN	-17.3%		-52.7%	46.8%	
<b>Market</b>	<b>29.6%</b>		<b>17.4%</b>	<b>21.4%</b>	

Source: VNDIRECT RESEARCH, Fiiipro

**Bracing for a pullback in consumer spending**

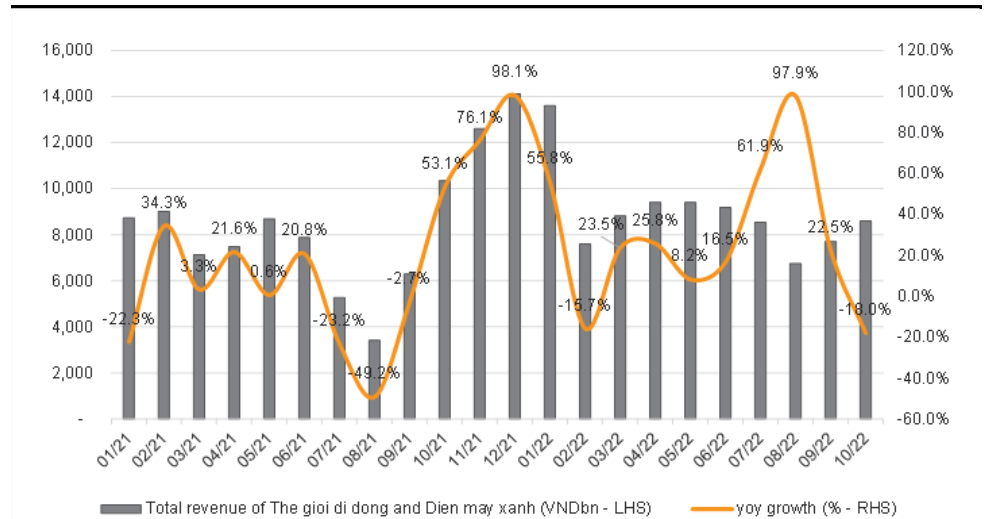
We believe the quantum of pent-up demand is dimming meanwhile rising interest rates and weak VND push consumers to tighten up their purse strings. Besides, we see the fading of “wealth effect” - the psychological phenomenon that refers to a change in consumer spending patterns following a rise in the value of unrealised assets. All investment channels (stock market, property market, bond market, digital asset market...) enjoyed a robust rise in 2021. As all these markets have entered sharp correction this year which scaled down the unrealised asset value, thus will dent the consumer spending power.

Most of labour - intensive industries are facing headwinds. Vietnam export growth is expected to decelerate amid weakening global demand, thus textile, footwear, aquaculture, wood processing... have to scale down their production.

Since end- Nov 22, Taiwanese footwear producer, PouYuen Viet Nam Co., Ltd. - the largest company in Ho Chi Minh City in term of number of employees with more than 50,000 workers has given workers rotational leave for the next 3 months due to order cutdown. According to Department of Labor and Social Affairs in Binh Duong - one of the industrial centers in the South, in 10M22, about 28,000 workers had to suspend their labor contracts and 240,000 people had their working hours reduced, equivalent to about 20% of the workforce in Binh Duong has been affected by the downturn of economy and this proportion may increase in the near future.

Some retailers signaled for a pullback in consumer spending since Oct 22. MWG posted Oct performance with a clear decline in consumer demand for consumer electronic and mobile phone products, while grocery segment is still in recovering phase. MWG's Oct 22 revenue was reached VND10,884bn (+3.3% mom, -10.7% yoy) despite entering the 4Q22 peak consumption season and preparing for big events like World Cup. DGW also released prelim Oct results a 40% yoy drop in revenue due to lower sales volume of smart phones and consumer electronics products (TVs) were below expectation.

**Figure 5: Monthly revenue of Thegioididong & Dien May Xanh from 2021-Oct 22**



Source: VNDIRECT RESEARCH, COMPANY REPORTS

We expect Vietnam consumption will be hit hard in 1H23F and gradually recover to growth momentum since 3Q23 thanks to 1) rising interest rate to slow down in FY23F as the Fed rate gradually eases down, 2) a gradually stabilizing macro in Vietnam, helping to increase people's confidence in consumption, 3) the recovery of consumption in the EU and U.S. regions to bring back orders to Vietnam industrial

zones and 4) on 11/11/2022, the National Assembly passed a Resolution on the state budget estimate in 2023 with from Jul 23, the base salary will be increased by 20.8% compared to the current of VND1.8m per month, which can increase the income of the cadres and civil servants in Vietnam.

**Luxury goods might get lower risk from a demand downturn**

Conventionally, while spending among lower-income consumers squeezed by inflation, the affluent are often the last to feel the effects because of the cushion their extreme wealth provides. According to Statista, Vietnam’s personal luxury goods market reached US\$976m in 2021 and is expected to grow 6.7% per annum to US\$1bn in 2025F. Another report of Knight Frank said that there were about 72,135 individuals in Vietnam who has liquid asset more than US\$1m in 2021.

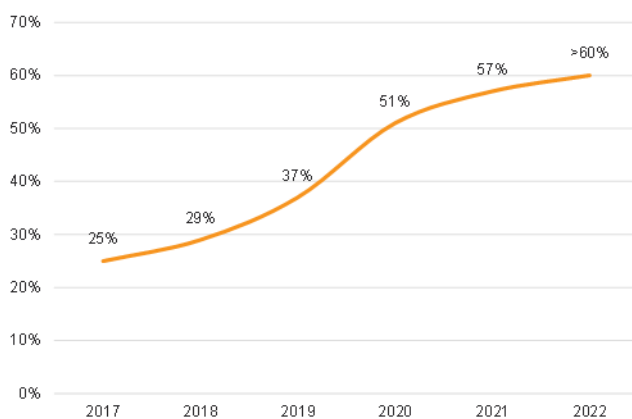
Although still being at nascent stage, Vietnam’s luxury market is expected to grow significantly thanks to the rise of high-net-worth individuals who have increasing appetite for luxury goods and services (luxury traveling, jewelry, car, high-end digital products...). Although wealthy consumers will become more selective amid the current headwinds, we believe brands/companies that have large exposure to luxury goods might face the lower risk from this spending downturn.

**Jewelry and watches**

According to Statista, luxury jewelry and watches market has a higher growth rate than that of Vietnam’s personal luxury goods, reaching a CAGR of 8.5% in the period 2021-26F. Thus, PNJ with a dominant market share in the jewelry market, with a strong brand name and a wide range of products in the luxury jewelry and watches segment is likely to benefit from this growth momentum.

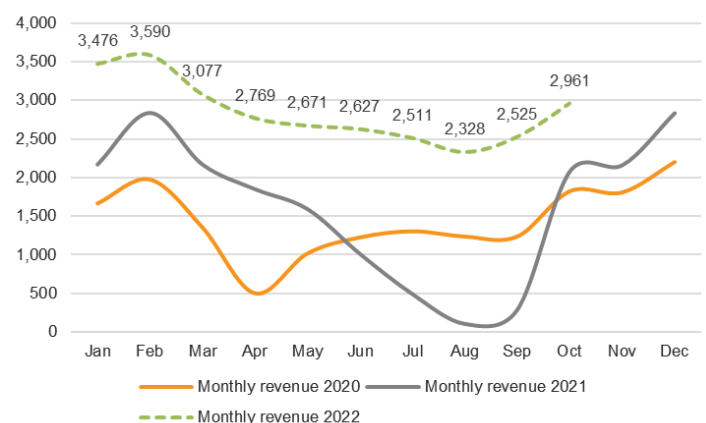
PNJ’s jewelry market share has widened from about 25% in 2017 to over 60% in 10M22 with the tendency of consumers to choose better branded products. In Oct 22, PNJ’s revenue and net profit still maintained a strong growth pace, reaching VND2,961bn and VND147bn, up 42.4% yoy and 21.5% yoy, respectively. In the coming period, PNJ is expected to build a new factory with higher production technology than the current one in order to continue to expand its market share in the jewelry mid-high-end products with more sophistication and fashion style.

**Figure 6: PNJ’s gold jewelry market shares among branded market**



Source: VNDIRECT Research, Company reports

**Figure 7: PNJ’s monthly revenue from 2020-2022 (Unit:VNDbn)**



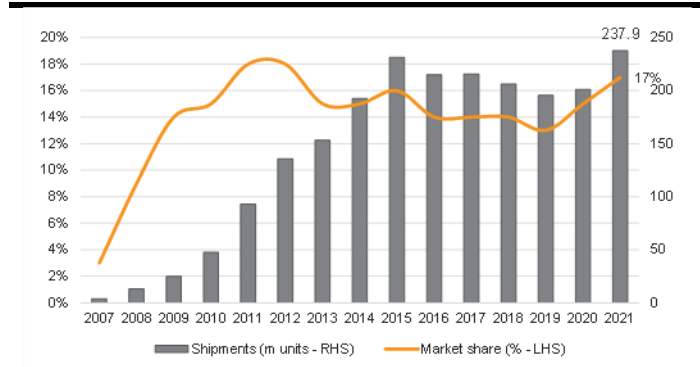
Source: VNDIRECT Research, Company reports

**High-end digital products: iPhone 14 series**

With selling price of about VND25m –VND47m, 3.7 – 7.0x times to Vietnamese monthly average wage, iPhone 14 could be considered as a luxury goods. By end-

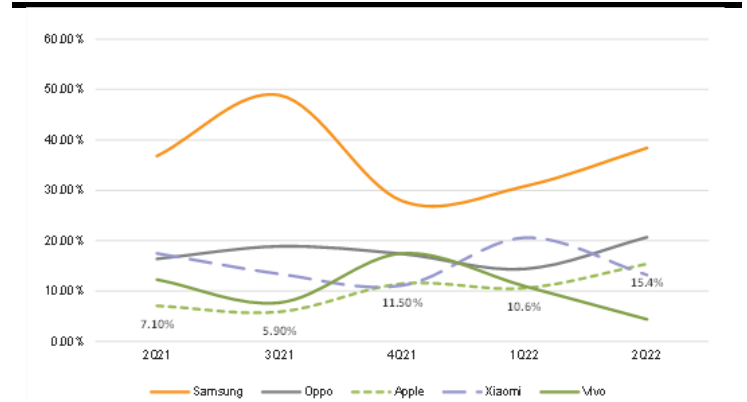
2Q22, iPhone accounted for 15.4% (+8.3 pts % yoy) market share of Vietnam smartphone, among top 5 popular phones. Apple Vietnam revealed that the volume of iPhone 14 shipments to Vietnam also doubled vs iPhone 13 shipments, reaffirming the strong demand for Apple products.

**Figure 8: Global shipment units and market share of Apple iPhone from 2007 - 2021**



Source: VNDIRECT Research, Counterpoint

**Figure 9: Vietnam smart phone market share by volume from 2Q21 – 2Q22**



Source: VNDIRECT RESEARCH, Counterpoint

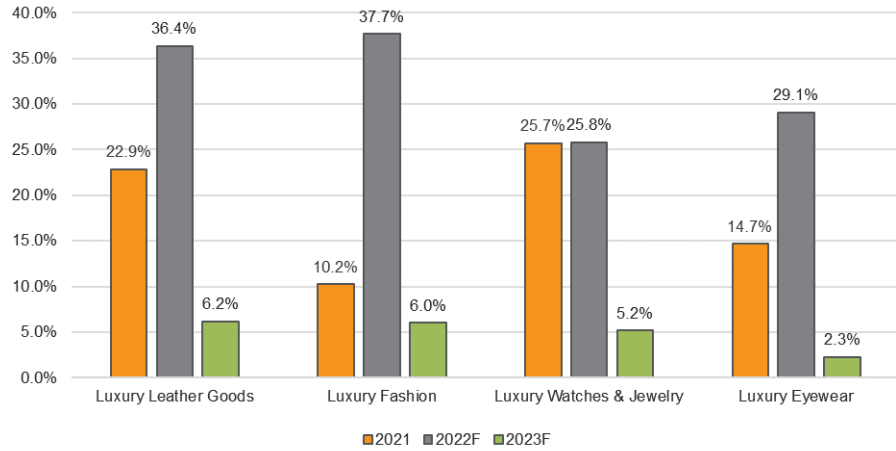
However, Apple products are currently facing supply shortages due to manufacturing cut of Foxconn who produces 70% of iPhone volume in China, is facing problems related to the Covid-19 lockdown. Therefore, we believe the effect of iPhone 14 series launch may turn positive since 1Q23F, later than initial expectation in 4Q22. We expect DGW, FRT and MWG with a significant revenue contribution coming from Apple products, ~30%, 20% and 14%, respectively, will leverage from this trend.

**Fashion and leather goods**

According to Statista, the total sales of luxury fashion and leather goods in Vietnam will reach US\$550m (+6.1% yoy) in FY23F. Accordingly, the key players in this segment are mainly global big brands such as Chanel, Kering, Louis Vuitton, ... which accounted for more than 50% market share in the fashion segment and 80% in the leather goods segments in Vietnam. The growth and domination of major international brands requires brands to maintain stores in city center and malls, keep the footfall level high and be able to make a sustain demand for shopping in these regions.



**Figure 10: Luxury revenue yoy growth by segment in Vietnam (%)**



Source: VNDIRECT RESEARCH, Statista

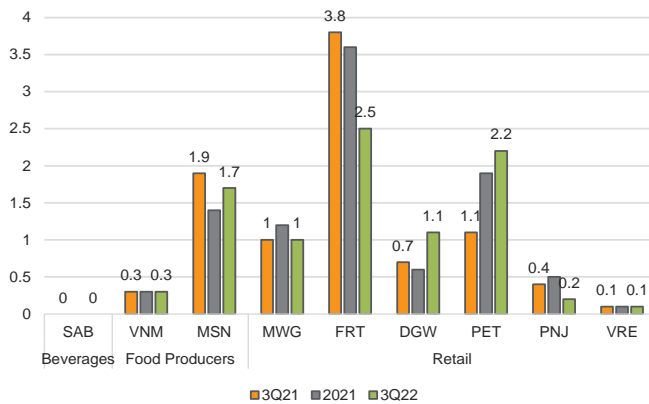
**In general, consumer companies are in good financial shape than other sectors**

With borrowing rates gradually increasing in period of limited credit lines and unstable global macro conditions, we think strong cash flow stock, with net cash position and low leverage to be more stable when dealing with macro fluctuations. SAB, VNM, PNJ and VRE with positive net cash per share in 3Q22, at VND35,372, VND6,184, VND693 and VND462 respectively will be the best strongholds in consumer sector.

In addition, some of companies have made changes in their strategies to reassess market demand and protect a healthy financial structure in the coming time, including:

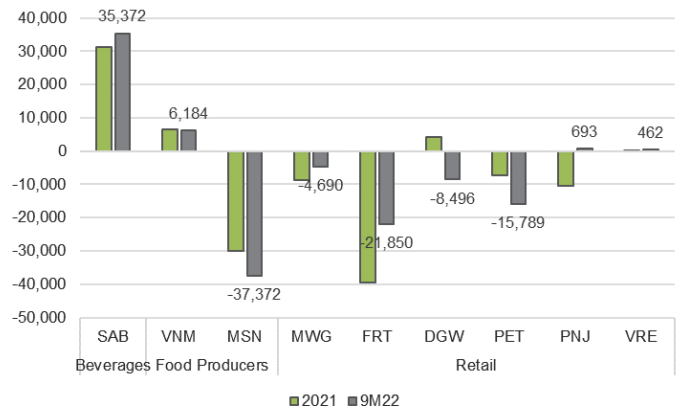
- MWG and MSN made 5-years foreign loans with the value of US\$250m and US\$600m respectively, with a fixed interest rate of about 6.5% to minimize the impact of rising interest rate in coming period. Although these loans will suffer exchange rate losses, we believe that ensuring a stable source of money is a more important priority.
- MWG and FRT have slowed expansion in their chains to reassess the market demand and reduce new opening costs to protect financial health.

**Figure 11: D/E of consumer companies from 3Q21 – 3Q22**



Source: VNDIRECT RESEARCH, Dstock

**Figure 12: Net cash per share of consumer stock in end-2021 and 3Q22**



Source: VNDIRECT RESEARCH, Dstock

### Investment risks

- Longer than expected downturn in Vietnam consumption due to global recession and Vietnam macro fluctuations.
- Overstocking of outdated inventory as peaking demand in pandemic causing inventory clearance costs to increase.
- A stronger than expected financing expenses due to rising interest rates and fx rates.
- A longer than expected disruption of supply chains in China, especially in Apple products will hit revenue of ICT retailers and distributors.

**Stock picks: We like PNJ and VRE**

We prefer stocks with 1) a net cash position which less risky than others stocks in an unstable market, and 2) a less affected by the demand downturn than peer thanks to business has large exposure to luxury spending. Thus, we believe PNJ and VRE are attractive to put in the portfolio.

We also put MWG and VNM in our watchlist as we believe MWG's Bach Hoa Xanh could give a good result for MWG in 2023F, while VNM is an attractive defensive stock in case the strong market correction

Figure 13: Investment ideas

No	Ticker	1-year TP (VND/share)	Rating	Investment thesis
1	PNJ	140,700	ADD	<p>PNJ has proved its soundness through a strong growth of 132.6% yoy in 9M22 net profit. Follow this pace, we pick PNJ as:</p> <p>(1) PNJ is dominating statistical jewelry market share at more than 50% with a strong mid- to high-end customer base that is less affected by inflation. With the market share of non-statistical jewelry market in Vietnam possibly up to 80% and the growth of consumers towards modern chains will maintain, we believe PNJ still have a good growth potential in the coming period.</p> <p>(2) For long-term run, we expect PNJ's strategies, include 1) make attractive concepts like Style by PNJ, 2) launch more effective advertising campaigns, 3) co-operate with Pandora to become "Multi Branded Stores" and 4) increase digitization and aim for omnichannel sale will support PNJ's net profit to maintain 2-digits growth, at CAGR of 24.3% from FY22-26F, per our expectation.</p>
2	VRE	38,800	ADD	<p>VRE in our picks thanks to:</p> <p>(1) Vincom Retail JSC (VRE) is Vietnam's largest retail property developer with 1.75m sq m gross floor area at End-3Q22, will enjoy a strong growth with the country's surge in modern retail and people's income in the long-term.</p> <p>(2) With the recovery of retail consumption and Vietnam's rapid vaccination rate, Covid-19 becomes a common disease to fully reopen the economy to give VRE more potential in revenue and net profit growth by increasing GFA and rental price.</p> <p>(3) We expect VRE's FY23/24F net profit likely to surge 62%/26% yoy follow the rising of Vietnam economy</p>
3	MWG	78,300	ADD	<p>We like MWG for:</p> <p>(1) Leading position in consumer electronic and mobile phones retail, MWG still enjoy the growth in this segment retail, especially of strong growth in premium products like Apple in coming years.</p> <p>(2) After renovation of BHX since 2Q22, monthly sale per BHX stores are growing and BHX is coming to profitable time. We expect BHX to be profitable from 2023F to become the main driver of MWG's net profit. With the breakeven of BHX, we expect net profit of MWG to grow strongly in FY23F to reach 43.9% yoy.</p> <p>(3) MWG is the preferred choice of foreign investors with maintaining the maximum foreign ownership ratio – 49% even during a strong correction of the market. So that, MWG still receives large capital inflows from foreign investors through ETFs, especially VNDiamond ETF.</p>
4	VNM	86,800	HOLD	<p>(1) VNM showed signs of recovery in topline with 7.5% qoq growth in 3Q22 revenue. In the context of raw material prices keep reducing, VNM can improve its gross profit margin in FY23-24F to make FY23-24F earnings growth return to positive territory at 9.9% yoy/11.4% yoy..</p> <p>(2) Although under pressure due to recent exchange rate fluctuations, VNM has a good financial health with a net cash position at VND6,184 per share as of 3Q22, making VNM less affected in the context of rising interest rates and many macro fluctuations.</p> <p>(3) With a market share of 55% - dominant in Vietnam's dairy industry and core business in essential goods, VNM is an attractive defensive stock in case the strong market correction.</p>

Source: VNDIRECT RESEARCH



Figure 14: FY22-24F earnings forecasts of stocks under coverage

	MWG			PNJ			VRE			VNM		
	2022F	2023F	2024F	2022F	2023F	2024F	2022F	2023F	2024F	2022F	2023F	2024F
Revenue (VNDbn)	145,113	163,564	186,400	29,152	34,221	38,702	8,614	11,963	14,647	63,009	65,356	68,403
% growth	18.0%	12.7%	14.0%	48.6%	17.4%	13.1%	46.2%	38.9%	22.4%	3.4%	3.7%	4.7%
Gross margin (%)	21.8%	21.4%	21.4%	17.7%	18.2%	18.7%	48.0%	53.8%	55.1%	41.9%	43.4%	44.9%
EBITDA margin (%)	6.5%	7.7%	7.0%	8.5%	8.7%	8.8%	65.2%	67.3%	66.6%	20.1%	20.8%	22.2%
Net profit (VNDbn)	5,313	7,643	8,116	1,856	2,216	2,529	2,689	4,363	5,506	9,332	10,260	11,425
% growth	8.5%	43.9%	6.2%	79.7%	19.4%	14.2%	104.6%	62.3%	26.2%	-11.4%	9.9%	11.4%
EPS (VND/share)	3,630	5,003	5,312	7933.32	9134	10,424	1,183	1,920	2,423	4,019	4,419	4,921
BVPS (VND/share)	16,671	19,893	23,705	36,140	45,274	55,698	14,314	15,688	16,552	16,147	16,794	17,966
Net cash/share (VND/share)	-197	2,019	5,606	4,303	10,539	17,584	399	349	248	11,810	12,601	13,880
D/E	79%	64%	57%	13%	16%	14%	11%	10%	10%	29%	29%	28%
Dividend yield (%)	2.5%	2.5%	2.5%	1.9%	1.9%	1.9%	0.0%	0.0%	0.0%	5.1%	5.1%	5.1%
ROAE (%)	23.7%	27.9%	24.4%	25.1%	22.4%	20.6%	8.4%	12.5%	14.7%	33.8%	37.5%	39.6%
ROAA (%)	8.2%	10.8%	10.2%	16.1%	15.6%	14.5%	6.7%	9.8%	11.4%	21.6%	23.3%	25.0%

Source: VNDIRECT RESEARCH

Figure 15: Peer comparison

Company	Ticker	Target price		Recom.	Mkt cap	P/E (x)		3-year EPS		P/B (x)		ROA (%)		ROE (%)	
		Price	LC\$			LC\$	US\$m	FY22F	FY23F	CAGR (%)	FY22F	FY23F	FY22F	FY23F	FY22F
<b>Commercial real estate peers</b>															
SM Prime Holdings Inc	SMPH EQUITY	35	N/A	N/A	18,193	33.1	25.9	(4.4)	2.8	2.6	4.3	5.0	8.9	10.0	
Central Pattana PCL	CPN TB	71	N/A	N/A	9,165	30.5	26.1	(13.1)	3.8	3.4	3.8	4.3	13.1	13.9	
Pakuwon Jati Tbk PT	PWON IJ	560	N/A	N/A	1,857	14.1	12.2	(3.4)	1.3	1.2	5.4	5.8	9.6	10.0	
Vincom Retail JSC	VRE VN	27,950	38,800	ADD	2,697	23.6	14.6	(19.8)	2.0	1.8	6.7	9.8	8.4	12.5	
Average						25.9	21.4	(7.0)	2.6	2.4	4.5	5.1	10.5	11.3	
Median						27.0	20.2	(8.8)	2.4	2.2	4.8	5.4	9.2	11.3	
<b>Gold and jewelry peers</b>															
Chow Tai Fook Jewellery Group Ltd	1929 HK	15	N/A	N/A	19,392	21.3	17.6	27.5	4.1	3.7	8.0	9.3	19.9	21.9	
Kalyan Jewellers India Ltd	KALYANKJ	119	N/A	N/A	1,482	28.9	22.7	N/A	3.5	3.0	N/A	N/A	12.6	14.0	
Chow Sang Sang Holdings International Ltd	116 HK	10	N/A	N/A	855	7.0	6.0	(11.2)	0.5	0.5	5.2	5.8	7.4	8.1	
Phu Nhuan Jewelry JSC	PNJ VN	113,000	140,700	ADD	1,180	14.3	13.3	1.7	3.4	2.8	16.1	15.6	25.1	22.4	
Average						19.0	15.4	7.5	2.7	2.4	6.6	7.5	13.3	14.7	
Median						21.3	17.6	8.2	3.5	3.0	6.6	7.5	12.6	14.0	
<b>Consumer electronics peers</b>															
Erajaya Swasembada Tbk PT	ERAA IJ	404	N/A	N/A	414	6.2	5.3	36.3	0.9	0.8	9.0	9.3	16.2	17.4	
FPT DIGITAL RETAIL JSC	FRT VN	74,500	N/A	N/A	375	19.6	17.0	627.6	N/A	N/A	3.4	3.4	24.7	N/A	
Challenger Technologies Ltd	CHLG SP	N/A	N/A	N/A	152	N/A	N/A	(1.1)	N/A	N/A	N/A	N/A	N/A	N/A	
Sunfar Computer Co Ltd	6154 TT	16	N/A	N/A	42	N/A	N/A	69.7	N/A	N/A	N/A	N/A	N/A	N/A	
Tsann Kuen Enterprise Co Ltd	2430 TT	42	N/A	N/A	161	N/A	N/A	51.0	N/A	N/A	N/A	N/A	N/A	N/A	
Average						12.9	11.1	156.7	0.9	0.8	6.2	6.3	20.4	17.4	
Median						12.9	11.1	51.0	0.9	0.8	6.2	6.3	20.4	17.4	
<b>Grocery retailing peers</b>															
Taiwan FamilyMart Co Ltd Taiwan	5903 TT	199	N/A	N/A	1,452	30.2	22.4	(2.4)	6.7	6.0	3.0	3.6	24.7	28.7	
Sumber Alfaria Trijaya Tbk PT	AMRT IJ	2,590	N/A	N/A	6,912	40.1	31.8	50.1	10.0	8.3	N/A	N/A	27.2	28.6	
Average						35.2	27.1	23.9	8.4	7.2	3.0	3.6	25.9	28.6	
Median						35.2	27.1	23.9	8.4	7.2	3.0	3.6	25.9	28.6	
<b>CE&amp;Grocery retailer</b>															
Mobile World Investment Corp	MWG VN	46,450	78,300	ADD	2,887	12.8	9.3	16.2	2.3	2.0	8.2	10.8	23.7	27.9	
<b>Dairy peers</b>															
Bright Dairy & Food Co Ltd	600597 CH	11	N/A	N/A	2,194	22.4	19.8	21.5	1.8	1.7	2.5	2.7	7.5	8.0	
China Mengniu Dairy Co Ltd	2319 HK	35	N/A	N/A	17,903	21.3	19.0	20.7	3.0	2.7	6.0	6.1	14.8	14.9	
Inner Mongolia Yili Industrial Group Co Ltd	600887 CH	32	N/A	N/A	29,206	21.2	17.9	10.8	3.9	3.5	9.1	10.1	18.6	20.0	
MEIJI Holdings Co Ltd	2269 JP	6,760	N/A	N/A	7,425	16.5	16.5	13.5	1.3	1.3	5.0	5.0	8.5	8.2	
Nestle Malaysia Bhd	NESZ MK	138	N/A	N/A	7,383	49.7	45.2	(4.2)	56.5	53.4	20.8	21.5	102.2	118.6	
Vietnam Dairy Products JSC	VNM VN	77,500	86,800	HOLD	6,877	19.3	17.5	0.9	4.8	4.6	21.6	23.3	33.8	37.5	
Average						11.3	22.8	20.7	10.5	9.9	26.0	29.0	7.9	8.2	
Median						21.3	19.0	13.5	3.0	2.7	6.0	6.1	14.8	14.9	

Source: VNDIRECT RESEARCH, BLOOMBERG (Data as of 15 Dec 2022)

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<b>RECOMMENDATION FRAMEWORK</b>	
<b>Stock Ratings</b>	Definition:
Add	The stock’s total return is expected to reach 15% or higher over the next 12 months.
Hold	The stock’s total return is expected to be between negative 10% and positive 15% over the next 12 months.
Reduce	The stock’s total return is expected to fall below negative 10% over the next 12 months.
<i>The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.</i>	
<b>Sector Ratings</b>	Definition:
Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

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