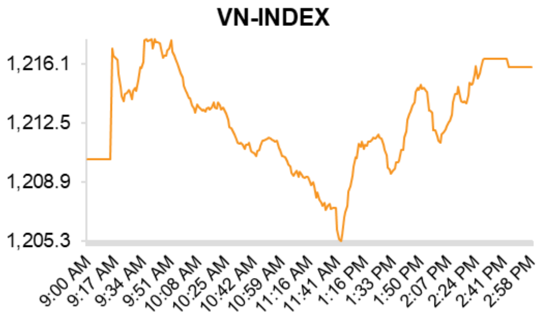
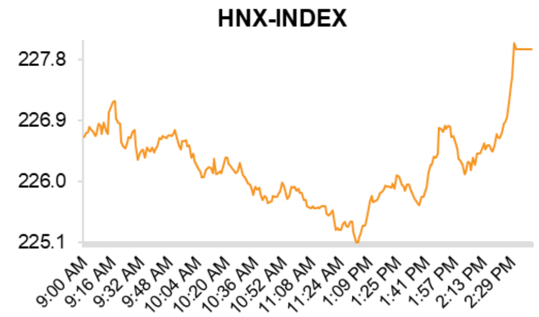
DAILY MARKET RECAP

August 7, 2024

Snapshot	HOSE	HNX	UPCOM
Close (pts)	1,215.9	228.0	92.0
1 Day change (%)	0.5%	0.7%	-0.2%
1 Month change	-5.2%	-5.9%	-6.3%
1 Year change	-2.1%	-7.2%	-0.6%
Value (US$m)	650	48	29
Gainers	176	108	145
Losers	124	66	122
Unchanged	95	133	607





Market Commentary

VHM leads market higher on buyback announcement

The VN-Index opened higher on Wednesday but selling pressure dragged the market into the red by the end of the morning session. In the afternoon, buying interest returned, pushing the index back into positive territory to close up 0.5%, or 5.6 points, at 1,215.88. Meanwhile, the HNX Index rose by 0.7% to 227.95.

Real Estate (+2.5%), Chemicals (+2.3%) and O&G (+1.7%) gained the most today led by VHM (+6.9%), GVR (+3.8%) and BSR (+3.2%). On the contrary, Travel (-1.4%), Basic resources (-1.0%), Banks (-0.5%) and F&B (-0.5%) were the top laggards.

VHM hit its ceiling price and was the top performer today after the property developer announced a buyback of 370 million shares, equivalent to 8.5% of its outstanding shares. VHM said it believes its current share price is 21% below book value per share, according to its 2Q24 financial report (see our analyst note for more details).

Foreign investors net sold today with a net trading value of VND1.36tn (USD54mn), focusing on VHM (VND720bn, USD29mn), VPB (VND118bn, USD4.7mn) and HPG (VND112bn, USD4.5mn). On the contrary, VNM (VND210bn, USD8.3mn), FPT (VND37bn, USD1.5mn) and FRT (VND30bn, USD1.2mn) were mainly sold.

Other top performers today included GAS (+2.7%), VIC (+2.5%) and VRE (+5.9%). Conversely, top laggards included TCB (-2.2%), VPB (-1.9%), BID (-0.8%), CTG (-1.2%) and HPG (-1.0%).

Commentator(s):

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Country Peering	Index	1D Chg (%)	Ytd Chg (%)	P/E (x)	P/B (x)	ROE (%)	Dividend yield (%)	3M/ADTV (USDm)	5Y LC Gov Bond Yield	YTD Net Foreign Flow (USDm)	LC/USD %MoM	LC/USD %YoY
China	Shanghai Index	0.1%	-3.5%	13.5	1.2	8.6%	3.0%	44,053	1.8%	-17,979	1.1%	0.1%
India	NSE500 Index	1.7%	17.4%	27.4	4.3	15.5%	1.1%	13,912	6.8%	3,073	-0.6%	-1.5%
Indonesia	JCI Index	1.2%	-0.8%	17.2	2.0	19.9%	3.4%	599	6.7%	30	1.4%	-5.3%
Singapore	FSTAS Index	1.5%	-0.8%	12.3	1.0	8.4%	5.4%	875	2.8%	N/A	1.7%	1.0%
Malaysia	FBME Index	1.4%	11.8%	16.7	1.4	8.2%	3.5%	642	3.5%	52	4.7%	1.4%
Philippines	PCOMP Index	1.2%	4.1%	11.6	1.2	10.7%	3.1%	84	5.8%	-502	1.7%	-2.6%
Thailand	SET Index	1.0%	-9.1%	15.4	1.2	7.4%	3.6%	1,072	2.3%	-3,358	2.1%	-2.4%
				-	-			-				
Vietnam	VN-Index	**0.5%**	**7.6%**	**14.2**	**1.6**	**12.5%**	**1.7%**	**712**	**2.0%**	**-2,023**	**1.0%**	**-5.7%**

7-Aug

Macro note

Number of new domestic securities accounts broke records in July

The latest VSD data reveals a significant jump in domestic individual securities accounts in July. Total accounts climbed to 8.31 million, representing about 8.3% of the population. This figure marks a substantial MoM increase of 329,836 accounts in July compared to the previous month. Account growth in July tripled that of June, when only 106,417 new accounts were added.

From the beginning of the year, domestic individual securities accounts have seen robust growth, increasing 1.08 million in 7M24, +92% YoY. On average, the market gained approximately 154,000 new individual investor accounts each month.

Despite a surge in new investor accounts, July witnessed a decline in market liquidity, with average daily trading volume on HOSE contracting by 25% MoM to VND17.4tn (USD698mn), reflecting near term investor caution. However, the influx of new accounts amid market volatility, coupled with the SBV's flexibility in injecting liquidity to the system when FX pressures subside, in our opinion, is a positive leading indicator, and is expected to further fuel future market liquidity.

Commentator(s):

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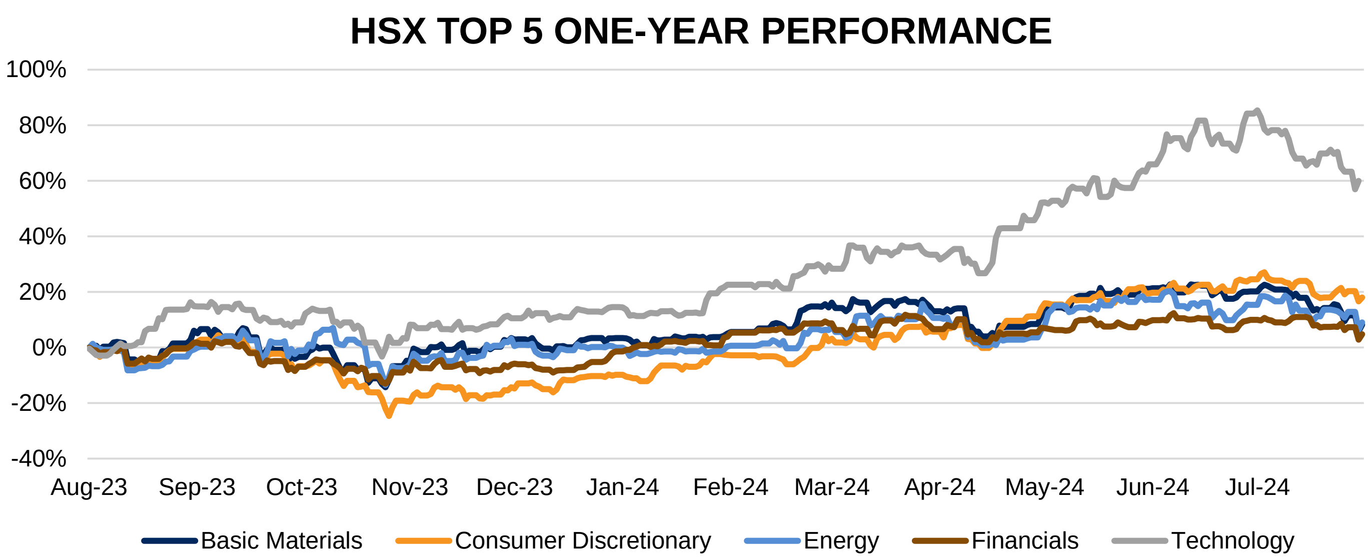
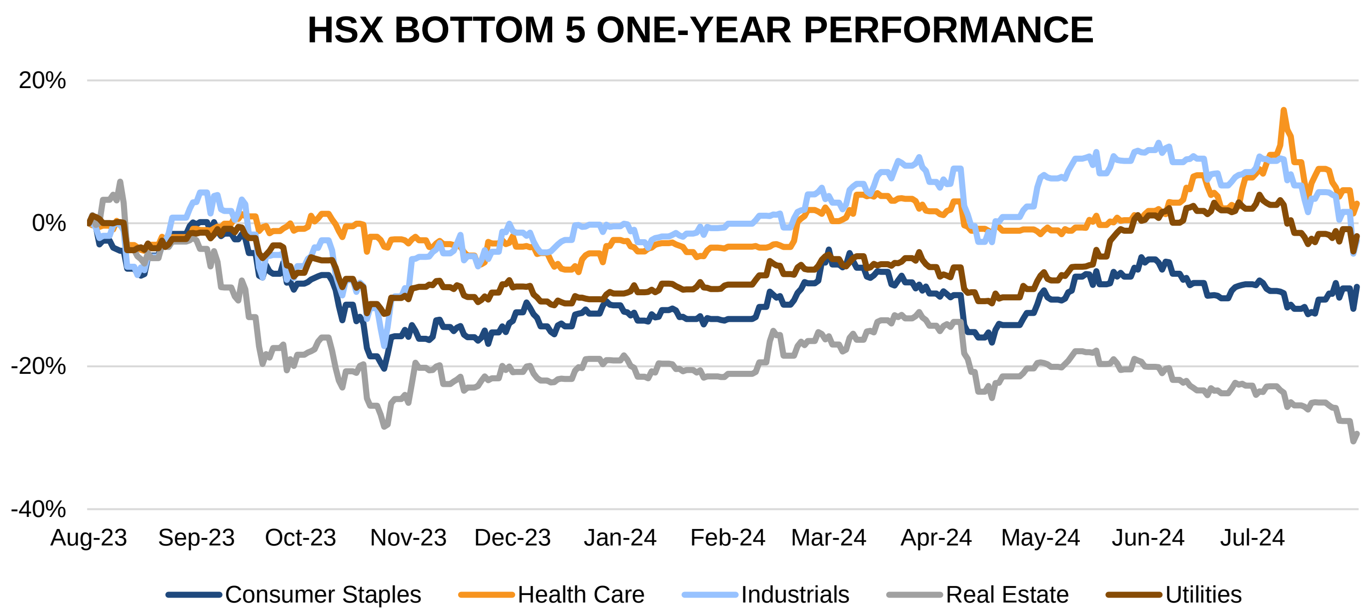
Sectors (VN-Index)	Index Wgt (%)	Price 1D chg	P/E x	P/B x
Consumer Discretionary	3.8	0.1%	33.1	4.3
Consumer Staples	8.9	0.3%	51.6	3.2
Energy	1.8	1.3%	17.8	2.0
Financials	43.4	-0.4%	10.8	1.7
Health Care	0.8	-0.2%	19.2	2.6
Industrials	8.5	-0.2%	40.0	2.3
IT	4.0	1.0%	25.1	6.1
Materials	9.1	1.1%	24.4	1.9
Real Estate	13.1	3.2%	39.7	1.6
Utilities	6.4	1.6%	21.7	2.3

Source: Bloomberg

Real Estate (+3.2%), Utilities (+1.6%), and Energy (+1.3%) rose, while Financials (-0.4%), Industrials (-0.2%), and Health Care (-0.2%) lost ground today. Top index movers included VHM (+6.9%), GAS (+2.7%), GVR (+3.8%), VIC (+2.5%), and VNM (+1.5%). Top index laggards consisted of TCB (-2.2%), VPB (-1.9%), BID (-0.8%), CTG (-1.2%), and HPG (-1.0%).





Analyst notes

Analyst(s):

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Vinhomes plans to buy back 370 million shares

On August 7, 2024, Vinhomes published its BOD's resolution approving a share buyback plan. The company will need to finalize the list of shareholders, seek shareholders' opinions, and submit an application to the SSC. The repurchase of 370 million shares (~8.5% of current outstanding shares) will result in a corresponding decrease in Vinhomes' charter capital of VND3.7tn (USD148mn).

If Vinhomes is approved to repurchase shares, EPS will increase as the number of outstanding shares is reduced. This will also allow the company to return excess cash to shareholders in a tax-efficient manner, providing flexibility as it is not a long-term commitment such as dividends. Share buybacks can also consolidate ownership.

Market strategy

Market Strategy August 2024 – Every cloud has a silver lining

Market Performance: Stock market flat amid investor caution

VN-Index witnessed a 0.3% drop in July (data as of 7/26/2024), while the HNX-Index and UPCOM-Index followed suit, contracting by 0.4% and 2.5%, respectively.

The market's performance was triggered by the following concerns:

- Investors adopted a cautious approach as the market awaited 2Q earnings releases
- Profit taking as the VN-Index grew by 10.2% YTD in 1H24
- The SBV reported that credit growth reached 5.3% YTD as of July 17, down from 6% at the end of June. In addition, interbank rates remained high around 5% and CPI held steady at 4.4%, both of which could put pressure on SBV's monetary policy.

Top performing sectors were: 1) energy (+3.2% MoM) thanks to PLX (+16.9% MoM), driven by the benefits of the new petroleum trading decree and the improvement in fixed trading costs from July, which boosted the company's profitability; and 2) banking (+1.3% MoM) thanks to investors' newfound optimism regarding the sector's attractive valuations and robust ROE.

Following news of the weak US non-farm job growth on August 5, global stocks fell sharply due to mounting concerns about a US economic slowdown. However, we believe that 'every cloud has a silver lining'. Market consensus now believes that the Fed will cut rates two or three times this year. Two or more Fed rate cuts would probably drive the DXY index below 100. This takes pressure off the SBV to support the VND and gives the SBV flexibility to pump liquidity into Vietnamese markets.

Market Outlook: Market correction brings great opportunities for long-term investors

Valuations remain reasonable. The VN-Index trades at a P/E of 13.7x, a 7.1% discount to the five-year average and moderate compared to neighboring countries.

Business results appear to be more positive than the market's previous forecast and stronger than the previous quarter, with second-quarter profits increasing by 15.2% YoY.

Due to the weak US non-farm payrolls, the consensus for two or three Fed cuts makes our stretch scenario of the VN-Index closing 2024 at 1,400 more feasible.

Recommendations: We currently recommend the following sectors:

Banking: Navigating hardships, Awaiting brighter skies. Top picks: MBB, VPB, VCB

Property: Market poises for gradual rebound. Top picks: KDH

Industrial Property: Supply will gradually improve. Top pick: KBC

Read the full report: HERE

Commodity prices

Energy	% dod	% mom	% yoy
WTI	0.0%	-11.7%	-10.3%
Brent Crude	0.3%	-11.3%	-10.1%
JKM LNG	0.4%	-4.4%	25.3%
Henry Hub LNG	-0.2%	8.8%	18.0%
NW Thermal Coal	1.6%	-8.4%	-26.9%
Singapore Platt FO	-2.0%	-14.9%	-15.9%

Precious Metals	% dod	% mom	% yoy
Gold	0.1%	-0.3%	23.7%
Domestic SJC Gold	0.0%	2.7%	15.4%
Silver	-0.6%	-13.8%	16.4%
Platinum	0.4%	-10.7%	-0.3%

Base Metals	% dod	% mom	% yoy
Tungsten	0.0%	-1.5%	5.7%
Copper	-1.6%	-14.9%	3.4%
Aluminum	2.1%	-9.6%	2.5%
Nickel	0.7%	-5.5%	-23.4%
Zinc	-1.1%	-11.3%	4.4%
Lead	NA	NA	NA
Steel	-0.3%	-6.3%	-7.5%
Iron Ore	0.0%	-9.8%	-12.8%

Agriculture	% dod	% mom	% yoy
Rice	-0.2%	-10.4%	-4.7%
Coffee (Arabica)	2.8%	5.3%	48.0%
Sugar	0.2%	-11.1%	-24.6%
Cocoa	1.7%	8.3%	140.5%
Palm Oil	-0.3%	-8.2%	NA
Cotton	0.0%	-1.6%	-23.4%
Dry Milk Pow der	0.6%	2.8%	17.9%
Wheat	0.5%	-4.6%	-17.0%
Soybean	-0.8%	-14.1%	-27.8%
Cashew s	NA	-7.4%	-24.2%
Rubber	-0.2%	0.2%	68.8%
Urea	NA	NA	NA

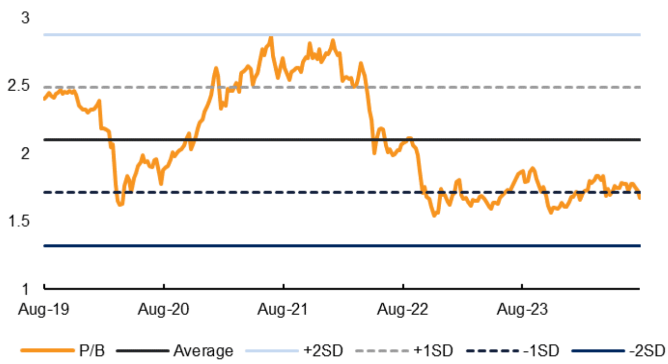
Livestock	% dod	% mom	% yoy
Live Hogs	0.1%	1.6%	-9.7%
Cattle	0.2%	-2.4%	0.6%

Source: Bloomberg

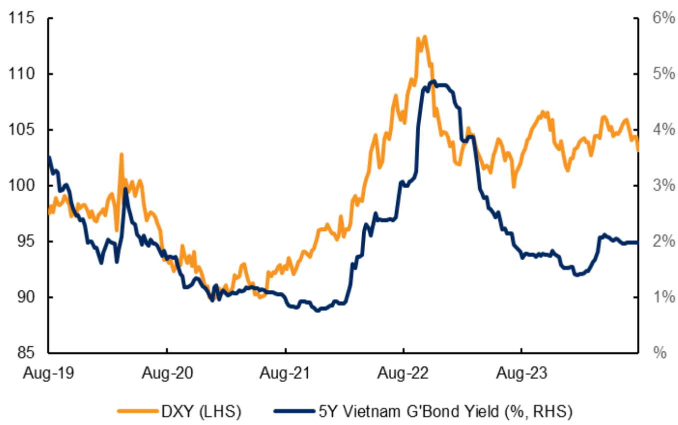
Market Value Drivers

VN-INDEX TTM P/E

VN-INDEX CURRENT P/B



DXY and 5Y Vietnam G'Bond Yield



VNDS RESEARCH COVERAGE SUMMARY

Ticker	Market cap (US$m)	3M ADTV (US$m)	Foreign Room (US$m)	Closing price (VND)	Adjusted target price (VND)	Total shareholder return (%)	Dividend yield (%)	TTM P/E	Current P/B	ROE	Recom-mendation
AVIATION											
ACV	8,799	2.7	4,258	101,700	136,200	33.9%	0.0%	30.7	4.4	18%	ADD
VJC	2,138	4.5	302	99,300	120,100	20.9%	0.0%	44.5	3.2	8%	HOLD
Simple Avg	**5,468**	**3.6**	**2,280**			**27.4%**	**0.0%**	**37.6**	**3.8**	**13%**	
CONSTRUCTION											
CTD	239	3.6	5	60,300	80,200	33.0%	0.0%	20.2	0.7	4%	HOLD
HHV	173	2.1	70	10,050	17,000	69.2%	0.0%	11.2	0.5	4%	ADD
Simple Avg	**206**	**2.8**	**38**			**51.1%**	**0.0%**	**15.7**	**0.6**	**4%**	
CONSUMER											
BAF	171	3.6	80	18,000	26,800	48.9%	0.0%	21.2	1.9	9%	ADD
DGW	371	5.1	88	55,900	68,000	22.6%	0.9%	24.8	3.4	14%	HOLD
MWG	3,620	12.8	112	62,300	72,100	16.6%	0.8%	41.3	3.5	9%	ADD
PNJ	1,270	5.8	0	95,500	114,400	21.6%	1.8%	15.6	3.0	21%	ADD
QNS	675	1.6	239	47,600	62,400	37.2%	6.2%	6.6	1.7	27%	ADD
VHC	609	3.3	420	68,300	68,000	2.3%	2.7%	20.4	1.8	9%	ADD
VNM	6,130	11.8	2,832	73,800	81,000	15.0%	5.2%	17.8	4.5	26%	ADD
Simple Avg	**1,835**	**6.3**	**539**			**23.4%**	**2.5%**	**21.1**	**2.8**	**16%**	
FINANCIALS											
ACB	4,154	11.5	0	23,400	30,300	33.1%	3.6%	6.4	1.4	24%	ADD
BID	10,512	4.4	1,332	46,400	51,600	11.2%	0.0%	11.6	2.0	19%	ADD
CTG	6,445	10.8	248	30,200	39,500	30.8%	0.0%	8.0	1.2	16%	ADD
HDB	2,877	12.0	48	24,850	29,000	16.7%	0.0%	6.0	1.4	27%	ADD
LPB	2,872	22.4	121	28,250	23,700	-16.1%	0.0%	8.5	1.9	26%	ADD
MBB	4,924	18.6	0	23,350	28,400	23.4%	1.8%	5.7	1.2	23%	ADD
SSI	1,835	18.0	1,035	30,600	36,500	22.3%	3.0%	16.2	1.9	12%	HOLD
TCB	6,104	19.9	65	21,800	26,900	23.4%	0.0%	7.2	1.1	17%	ADD
TPB	1,492	6.8	21	17,050	23,600	38.4%	0.0%	7.9	1.1	14%	ADD
VCB	19,481	8.2	1,293	87,700	111,800	27.5%	0.0%	14.7	2.7	20%	ADD
VIB	2,082	7.2	-316	20,650	29,600	49.4%	6.1%	6.9	1.4	21%	ADD
VPB	5,676	20.1	207	18,000	23,700	31.7%	0.0%	11.9	1.1	10%	ADD
Simple Avg	**5,705**	**13.3**	**338**			**24.3%**	**1.2%**	**9.2**	**1.5**	**19%**	
GARMENT & TEXTIILE											
MSH	132	0.5	58	44,400	46,200	9.2%	5.2%	12.2	2.0	16%	HOLD
TCM	186	0.3	55	46,000	42,300	-8.0%	0.0%	24.7	2.2	9%	HOLD
Simple Avg	**159**	**0**	**56**			**0.6%**	**2.6%**	**18.5**	**2.1**	**13%**	
INDUSTRIALS											
BCM	2,962	2.6	1,311	72,000	99,000	38.6%	1.1%	28.6	3.9	15%	ADD

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BMP	374	1.1	57	115,500	126,00	19.8%	10.4%	11.1	3.3	34%	ADD
GMD	942	5.2	5	76,300	90,200	21.6%	3.4%	20.0	2.5	13%	HOLD
HAH	190	9.2	41	39,500	48,000	24.0%	2.5%	15.6	1.7	12%	HOLD
IDC	774	4.6	185	59,000	63,900	12.6%	4.2%	10.6	4.1	38%	ADD
KBC	755	5.5	211	24,750	37,900	53.1%	0.0%	72.7	1.0	1%	ADD
PHR	296	0.9	89	55,000	53,700	3.1%	5.5%	18.3	2.0	11%	ADD
PTB	169	0.8	0	63,500	62,900	0.6%	1.6%	13.0	1.5	12%	HOLD
SCS	310	1.0	17	82,200	95,100	21.8%	6.1%	13.1	6.1	47%	HOLD
SZC	253	2.7	41	35,300	42,700	25.5%	4.5%	21.9	2.1	12%	HOLD
VTP	346	4.6	141	71,500	93,300	32.6%	2.2%	30.8	5.4	18%	HOLD
Simple Avg	**670**	**3.5**	**191**			**23.0%**	**3.8%**	**23.3**	**3.1**	**19%**	
MATERIALS											
DGC	1,600	16.0	471	106,000	143,600	39.8%	4.3%	14.3	3.1	23%	HOLD
HPG	6,622	27.3	1,621	26,050	44,000	68.9%	0.0%	NA	1.5	11%	ADD
HSG	517	12.3	151	21,100	34,000	61.1%	0.0%	NA	1.2	11%	ADD
NKG	218	6.3	76	20,850	35,000	67.9%	0.0%	NA	0.9	7%	ADD
Simple Avg	**2,239**	**15.5**	**580**			**59.4%**	**1.1%**	**14.3**	**1.7**	**13%**	
OIL & GAS											
BSR	2,797	8.8	1,308	22,700	24,700	12.1%	3.2%	8.1	1.2	16%	HOLD
GAS	7,248	4.1	3,291	79,400	84,100	9.7%	3.8%	16.3	2.6	16%	HOLD
PLX	2,414	4.1	45	47,800	47,100	1.7%	3.2%	17.2	2.4	15%	ADD
PVD	587	5.1	190	26,550	36,800	38.6%	0.0%	28.1	1.0	4%	HOLD
PVS	729	8	194	38,400	46,500	23.7%	2.6%	16.9	1.4	8%	HOLD
PVT	388	5.4	134	27,400	32,400	21.9%	3.6%	10.1	1.4	15%	HOLD
Simple Avg	**2,360**	**5.9**	**860**			**17.9%**	**2.7%**	**16.1**	**1.7**	**12%**	
PETROCHEMICALS											
DPM	541	5.2	210	34,800	38,600	16.6%	5.7%	22.9	1.2	5%	HOLD
POWER											
NT2	227	0.7	80	19,850	27,100	44.0%	7.5%	123.7	1.4	1%	HOLD
POW	1,280	8.4	555	13,750	14,800	7.6%	0.0%	30.5	1.0	3%	ADD
Simple Avg	**753**	**4.5**	**318**			**25.8%**	**3.8%**	**77.1**	**1.2**	**2%**	
POWER & PROPERTY											
HDG	354	7.9	117	26,500	35,700	36.6%	1.9%	14.3	1.5	11%	HOLD
PC1	339	5.6	120	27,450	34,700	26.4%	0.0%	33.8	1.6	5%	ADD
REE	1,232	3.5	0	65,800	67,000	3.3%	1.5%	17.3	1.7	10%	ADD
Simple Avg	**642**	**5.7**	**79**			**22.1%**	**1.1%**	**21.8**	**1.6**	**9%**	
PROPERTY											
DXG	378	4.8	121	13,200	22,100	67.4%	0.0%	51.0	0.9	2%	HOLD

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KDH	1,290	4.7	132	35,700	43,800	22.7%	0.0%	50.2	2.1	4%	ADD
NLG	599	4.6	1	39,150	43,900	14.1%	1.9%	37.6	1.6	4%	ADD
VHM	6,438	13.6	2,084	37,200	66,400	81.0%	2.5%	6.9	0.8	13%	ADD
VRE	1,626	8.3	404	18,000	29,600	64.4%	0.0%	9.1	1.0	12%	ADD
Simple Avg	**2,066**	**7.2**	**548**			**49.9%**	**0.9%**	**31.0**	**1.3**	**7%**	
TECHNOLOGY											
FPT	7,081	33.6	268	122,000	136,800	13.8%	1.7%	25.0	6.5	28%	ADD

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