

Sector note

26 Jan 2021

PROPERTY DEVT & INVT

Significant recovery in 4Q20

- In 4Q20, residential market saw a significant recovery in new supply and transaction volumes in both Ho Chi Minh City (HCMC) and Hanoi.
- We expect the residential market to recover in 2021F, given a broad-based recovery of the economy and loosening of regulatory bottlenecks.
- Our top picks are VHM, NLG and KDH.

HCMC: significant recovery in 4Q20 new supply and sales volume

4Q20 HCMC new condo supply soared 103% qoq/59% yoy to 8,058 units; leading to an increase of 74% qoq/3% yoy in sales volume. High-end segment maintained market dominance, accounting for 89% of new supply with 7,133 units (+85% qoq/218% yoy), followed by luxury segment with 925 units (+816% qoq/35% yoy). 4Q20 luxury condo segment posted an impressive growth on qoq basis at 8% qoq in primary price while others stayed nearly flat qoq.

Hanoi: new supply and sales volume recover on qoq basis

4Q20 Hanoi condo market witnessed a significant recovery on qoq basis, with +107% qoq (-24% yoy) in new launches (7,263 units) and +68% qoq (-14% yoy) in sales volume (7,071 units). Vinhomes (VHM) cemented its leading position with two mega projects launched in 4Q20 namely Vinhomes Ocean Park (3,837 units) and Vinhomes Smart City (695 units). Meanwhile, take-up rate remained high at 97.4% in 4Q20 (+11.9% pts yoy).

Ready-built houses flourish in HCMC but dry up in Hanoi in 2020

In 2020, the new supply of ready-built houses fell 80% yoy to 840 units in Hanoi; this dragged down sales by 88% yoy. In contrast, the new supply in HCMC soared 101% yoy to c.2,200 units and transaction volumes surged 217% yoy to c.1,900 units. Secondary prices for townhouses and villas recorded a strong growth of 8%-9% yoy in both HCMC and Hanoi, driven by the establishment of Thu Duc City and the impressive infrastructure development in eastern Hanoi.

FY21F outlook: A firm recovery trajectory from 2021F onwards

We expect the residential market to recover in 2021F, based on three factors: 1) the acceleration of infrastructure development propelling the property market in 2021F; 2) a recovery of new supply thanks to the loosening of regulatory bottlenecks; and 3) housing purchasing decisions underpinned by affordable mortgage interest rates.

Our top picks are VHM, NLG and KDH

We reiterate our Overweight rating on residential sector. Re-rating catalyst is recovery in new supply. Downside risk is lower-than-expected new supply due to regulatory delays. Our top picks are VHM, KDH and NLG, in view of their positive presales outlook in FY21F and their huge ready-to-use land bank.

Analyst(s):



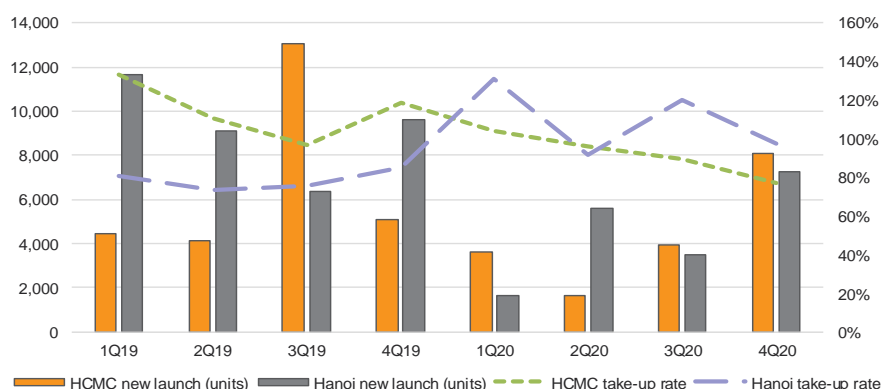
Nguyen Thi Cam Tu

tu.nguyencam2@vndirect.com.vn

Chu Duc Toan

toan.chuduc@vndirect.com.vn

Figure 1: Significant recovery of condo market in 4Q20

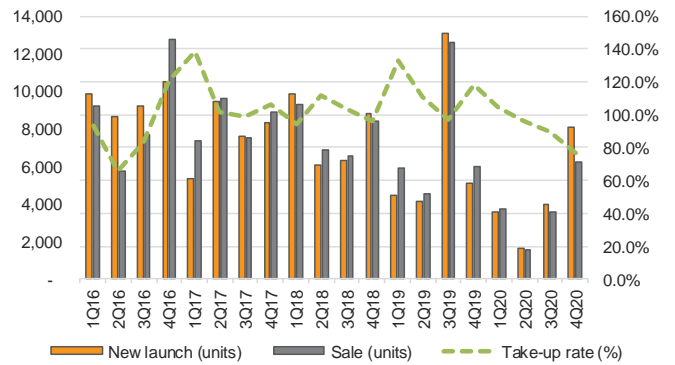


SOURCES: CBRE, VNDIRECT RESEARCH

KEY CHARTS

4Q20 HCMC condo transactions

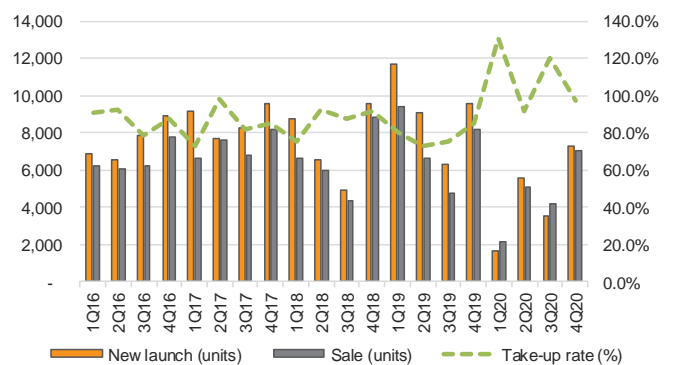
According to CBRE Vietnam, the 4Q20 HCMC new condo supply soared 103% qoq/59% yoy to 8,058 units; leading to an increase of 74% qoq/3% yoy in sales volume. High-end segment continued to dominate the market, accounting for 89% of new supply with 7,133 units (+85% qoq/218% yoy), followed by luxury segment with 925 units (+816% qoq/35% yoy) while there were no new launches from the mid-range and affordable segments. The new supply mostly came from the East of HCMC, accounting for 91% of total new supply, no new launches in the central due to lack of land bank.



SOURCE: CBRE, VNDIRECT RESEARCH

4Q20 Hanoi condo transactions

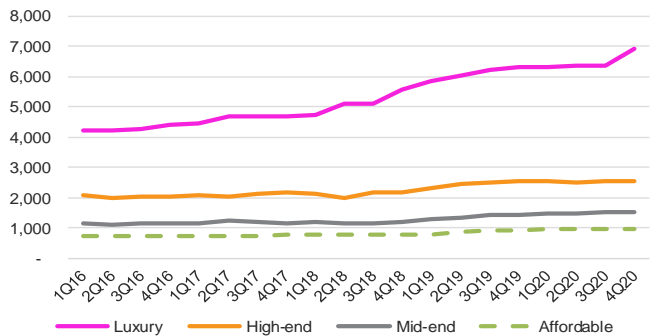
4Q20 Hanoi condo market witnessed a significant recovery on qoq basis, with +107% qoq (-24% yoy) in new launches (7,263 units) and +68% qoq (-14% yoy) in sales volume (7,071 units). Vinhomes (VHM VN, Add, TP:VND104,300) cemented its leading position with two mega projects launched namely Vinhomes Ocean Park (3,837 units) and Vinhomes Smart City (695 units). Meanwhile, take-up rate remained high at 97.4% in 4Q20 (+11.9% pts yoy). To be specific, the number of transactions in affordable segment was higher than newly-launched units at 94%, equivalent to a take-up rate of 194%, pointing demand in this segment still staying high.



SOURCE: CBRE, VNDIRECT RESEARCH

HCMC condo primary price (US\$ psm)

The 4Q20 luxury condo segment posted an impressive growth on qoq basis at +8% qoq (+9% yoy), driven by the sought-after locations of two new projects namely The River and The Metropole in District 2. The others stayed nearly flat qoq but inched up 4-5% yoy, except high-end segment (-1% yoy).

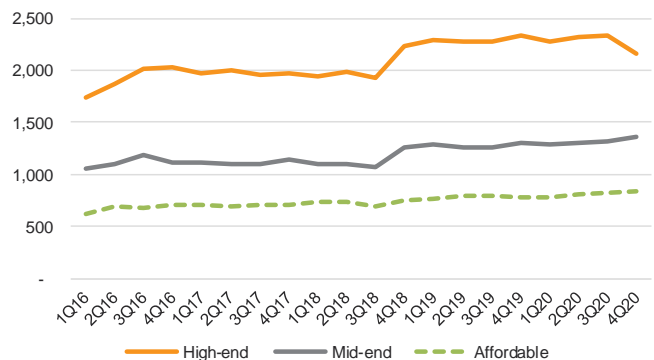


SOURCE: CBRE, VNDIRECT RESEARCH

Hanoi condo primary price (US\$ psm)

4Q20 primary price in high-end segment decreased by 7% yoy as developers delayed project launches at prime locations to 2021F amid suspended international flights disrupted sales to foreign buyers. The limited supply of mid-range and affordable segment, coupled with high demand, drove prices in these respective segments up by 4% yoy and 6% yoy.

Noticeably, the primary price in the eastern of Hanoi is setting new pricing level with +20% yoy in Gia Lam District and +11% yoy in Long Bien District, leveraging its infrastructure development. Noticeable infrastructure projects that under/planning construction in this area: 1) Tran Hung Dao Bridge, a six-lane bridge with total investment of VND9,000bn; and 2) Ngoc Hoi Bridge, a six-lane bridge with total investment of VND4,881bn; and 3) Vinh Tuy Bridge, a four-lane bridge with total investment of VND2,500bn.

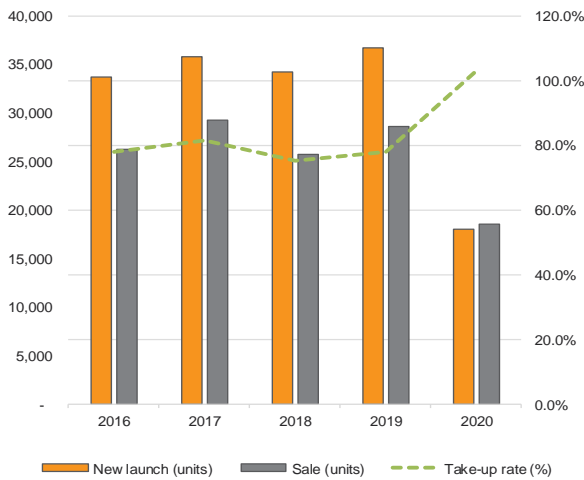


SOURCE: CBRE, VNDIRECT RESEARCH

RESIDENTIAL PROPERTY MARKET SNAPSHOT 2020
Condo demand to stay high despite COVID-19

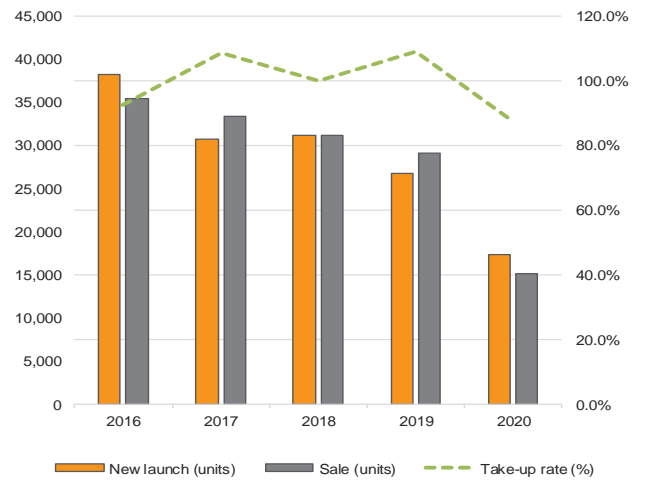
Although the new condo supply in Hanoi/HCMC decreased by 51%/35% yoy to 17,979/17,272 units, the occupancy rate in two big cities remained high, at 103%/87%. The condo market's in HCMC is lack of new supply in mid-end segment with only 2,999 units launched, while no new project in affordable segment launched in 2020. In Hanoi, the mid-end segment maintained market dominance, accounting for 74% of new supply with 13,260 units (-54% yoy). The highest increase in price was mid-end segment (+6% yoy) in Hanoi while luxury segment with 9% yoy in HCMC.

Figure 2: Although 2020 Hanoi new condo supply decreased by 51% yoy, take-up rate remained high at 103% (+25% pts yoy)



SOURCE: CBRE, VNDIRECT RESEARCH

Figure 3: Although 2020 HCMC new condo supply decreased by 35% yoy, take-up rate remained high at 87% (-14% pts yoy)

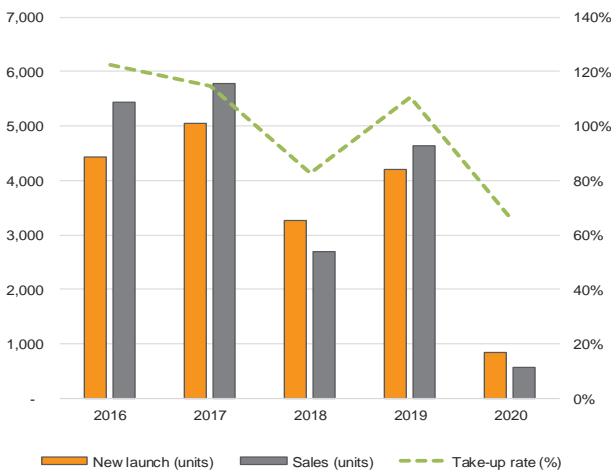


SOURCE: CBRE, VNDIRECT RESEARCH

Ready-built houses flourish in HCMC but dry up in Hanoi in 2020

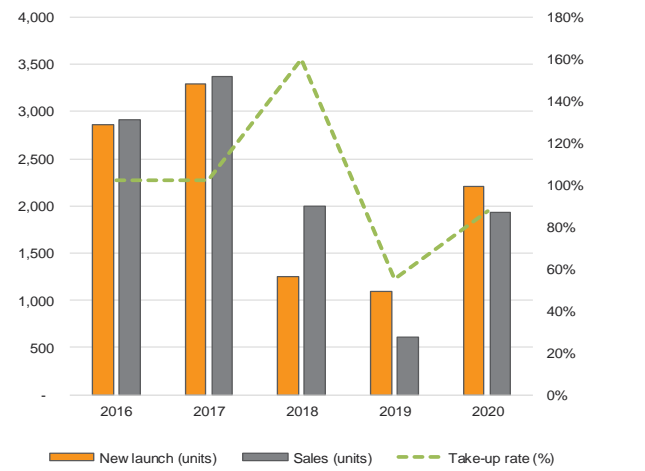
In 2020, the new supply of ready-built houses fell 80% yoy to 840 units in Hanoi; this dragged down sales by 88% yoy. In contrast, the new supply in HCMC soared 101% yoy to c.2,200 units and transaction volumes surged 217% yoy to c.1,900 units. Secondary prices for townhouses and villas recorded a strong growth of 8%-9% yoy in both HCMC and Hanoi, driven by the establishment of Thu Duc City and the impressive infrastructure development in eastern Hanoi.

Figure 4: 2020 Hanoi new ready-built houses dry up with a decrease of 80% yoy



SOURCE: CBRE, VNDIRECT RESEARCH

Figure 5: 2020 HCMC new ready-built houses flourish with an increase of 101% yoy



SOURCE: CBRE, VNDIRECT RESEARCH

Residential property market in HCMC's/Hanoi's neighbouring provinces occupy centre stage in 2020-21F, driven by an impressive year of infrastructure development

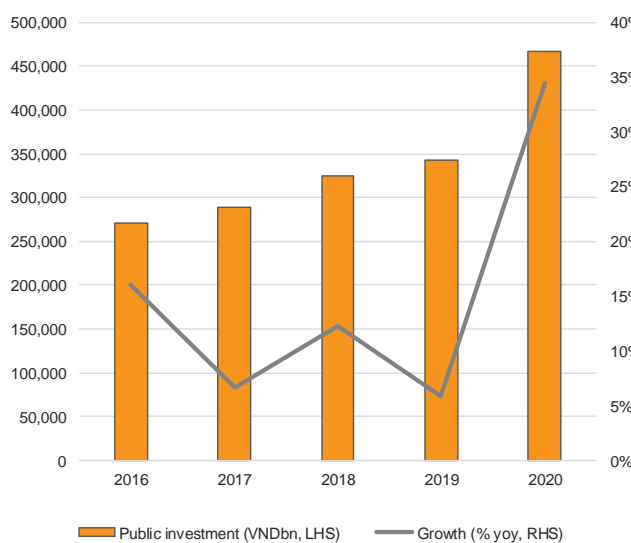
In a bid to reverse the downtrend in GDP growth, the government has made aggressive steps to boost public investment, especially in infrastructure development. According to the General Statistics Office of Vietnam (GSO), in 2020, the disbursed public investment jumped 34.5% yoy to VND466.6tr and made up 91.1% of the government's full-year target. This was the highest government disbursement result in the 2011-2020 period.

Many noticeable infrastructure projects started construction or boosted to complete in 2020 such as: 1) on 30 Sep, the Ministry of Transport began construction of three sub-projects under the North-South Expressway project, including Mai Son-National Highway 45, Vinh Hao-Phan Thiet and Phan Thiet-Dau Giay expressways; 2) the VND6,300bn Lo Te-Rach Soi Expressway which connects National Highway N2 could link Binh Phuoc, Binh Duong and HCMC with the Mekong Delta completed in Oct 2020; and 3) The VND8,500bn Hanoi Ring Road No.3 (Mai Dich-Thang Long Section) expected to ease traffic jams in the inner city completed in Nov 2020.

The acceleration of infrastructure development lifted land prices in some areas in HCMC's/Hanoi's neighbouring provinces to a new pricing levels in 2020, such as Ba Ria-Vung Tau (+c.40% yoy), Phan Thiet (+c.60% yoy), Gia Lam (+c.20% yoy), Nha Be (+c.50% yoy), etc.

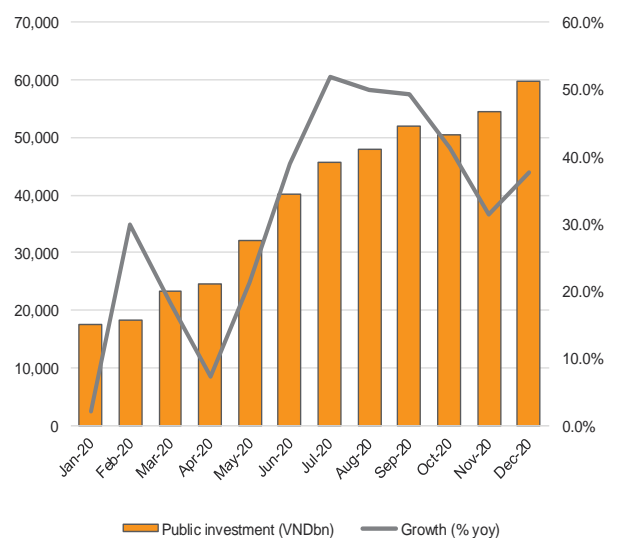
Neighbouring provinces are expected to continue to dominate the residential property market in 2021F, leveraging public investment to further escalate in 2021F as we believe that the government would continue to maintain loose fiscal policies to support economic growth. In early-2021, Prime Minister Nguyen Xuan Phuc attended the opening ceremony of the Trung Luong-My Thuan expressway and the ground-breaking ceremony of phase one of the Long Thanh international airport project. These appearances demonstrated the government's commitment to boost public investment and develop the national infrastructure, in our view.

Figure 6: Public investment surged 34.5% yoy in 2020



SOURCE: GSO, VNDIRECT RESEARCH

Figure 7: Monthly disbursed state capital



SOURCE: GSO, VNDIRECT RESEARCH

Figure 8: Pipeline of mega projects in 2020-26F.

Project	Total investment (VNDbn)	Starting time	Completion
Metro 1 (Ben Thanh - Suoi Tien)	43,757	2012	4Q21
Metro 2 (Ben Thanh - Tham Luong)	47,800	2021	2026
HCM - Thu Dau Mot - Chon Thanh Highway	24,150		2021-25
HCM - Moc Bai Highway	10,668	2021	2026
Parallel Road for 50 Route	3,816		2021-25
Belt Road 2	6,500		2021-25
Belt Road 3	19,871		2021-25
Soai Rap Dredging Project (Phase 3)	8,977		2021-25
The Water environment improvement project (Phase 2)	11,282	2015	2021
Long Thanh International Airport	109,112	2021	2025
11 sub-projects of the eastern section of the North-South expressway	118,716	2019	2021-25

SOURCES: VNDIRECT RESEARCH, MINISTRY OF TRANSPORT

Figure 9: Eleven sub-projects in the eastern section of the North-South expressway and My Thuan–Can Tho expressway.

Expressway	Total investment (VNDbn)	Length of the route (km)	Starting time	Financing format
Cao Bo - Mai Son	1,612	15	4Q19	Public investment
Cam Lo - La Son	7,900	98	1Q20	Public investment
My Thuan Bridge 2	5,125	7	1Q20	Public investment
Mai Son - National Highway 45	14,703	63	3Q20	Public investment
Vinh Hai - Phan Thiet	19,648	101	3Q20	Public investment
Phan Thiet - Dau Giay	19,571	99	3Q20	Public investment
Dien Chau - Bai Vot	13,596	50	2021-25	PPP
Nha Trang - Cam Lam	5,131	49	2021-25	PPP
Cam Lam - Vinh Hao	15,013	78	2021-25	PPP
National Highway 45 - Nghi Son	7,769	43	2021-25	PPP
Nghi Son - Dien Chau	8,648	50	2021-25	PPP

SOURCES: VNDIRECT RESEARCH, MINISTRY OF TRANSPORT

Three noticeable new regulatory measures issued in 2020 to tackle the bottlenecks in the approval of residential projects

Decree 148 to tackle bottleneck for pending projects due to public land

The authorities on 18 Dec 2020 finally gave solutions to tackle the bottlenecks in the approval of residential projects with mixed land fund via Decree 148/2020/ND-CP. According to Decree 148 which comes into effect from 8 Feb 2021, the small and narrow land plots managed by the State interconnected with real estate projects, which accounts for less than 10% of total land area will not be auctioned, but assigned or leased. This will tackle bottleneck for at least 158 residential projects on the congestion in construction investment procedures in the past five years, such as 90ha Bac Phuoc Kien project of Quoc Cuong Gia Lai (QCG), Lexington Residence, Green Star Sky Garden suspended the construction due to public land problems, My Phuoc 4, Landcaster Legacy, etc. More than 10 NVL's projects can be carried out the legal procedures to issue the red book for home buyers.

Amended construction law 2020 would reduce some processes, simplify administrative procedures

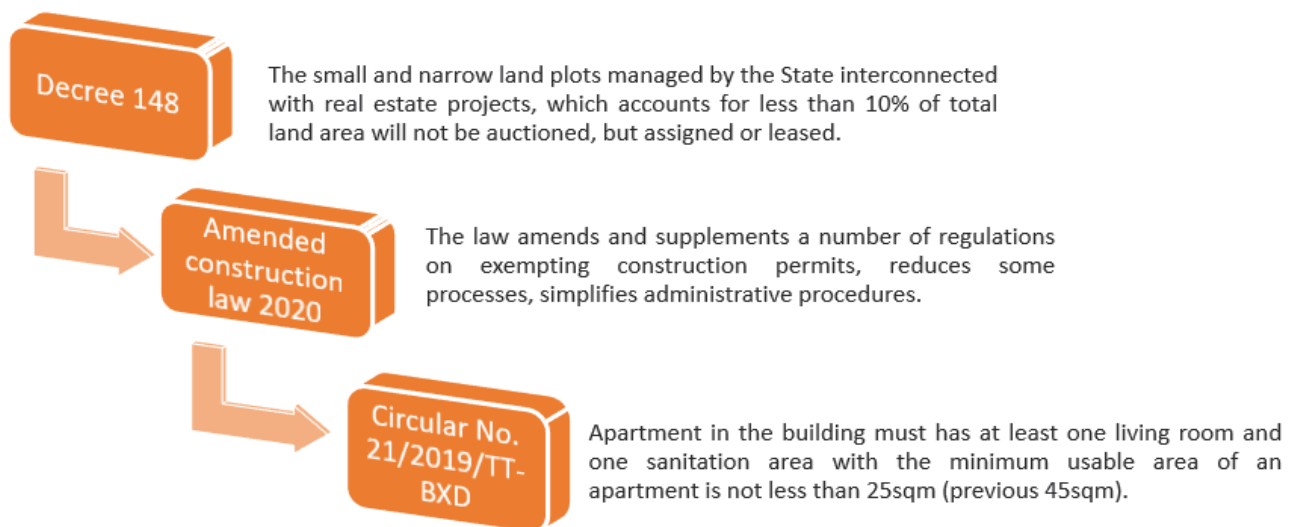
The law amending and supplementing a number of articles of the Construction Law passed at the 14th National Assembly and would come into effect from 1 Jan 2021. The law amends and supplements a number of regulations on

exempting construction permits, reduces some processes, simplifies administrative procedures to shorten the time in granting construction permits. Particularly, the design evaluation after the basic design of construction in housing projects has been integrated when carrying out the procedures for granting construction permits.

Circular No. 21/2019/TT-BXD: the minimum usable area of an apartment is not less than 25sqm opening opportunities for affordable home buyers

On 31 December 2019, the Ministry of Construction issued the Circular No. 21/2019/TT-BXD on promulgating the National technical regulation on apartment building, came into effect from 1 July 2020. Accordingly, apartment in the building must has at least one living room and one sanitation area with the minimum usable area of an apartment is not less than 25sqm (previous 45sqm).

Figure 10: Top three noticeable new regulatory measures were issued in 2020 to tackle the bottlenecks in the approval of residential projects .



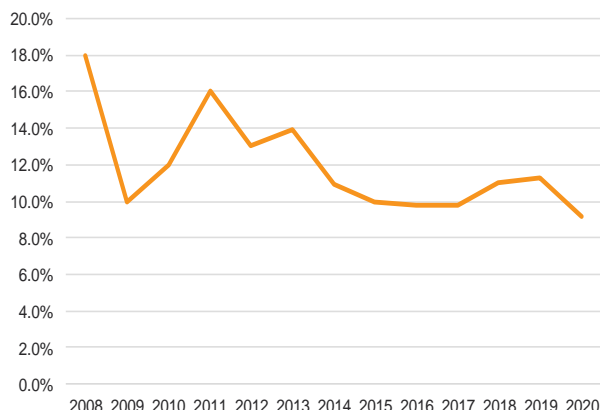
SOURCE: VNDIRECT RESEARCH, MINISTRY OF TRANSPORT

Lower mortgage rate following subdued deposit rates cross commercial banks

The average adjustable mortgage rate declined in 2020 to speed up the decision-making of home buyers

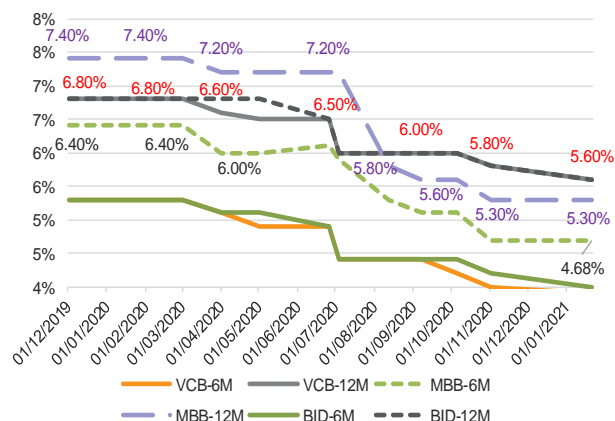
Since the Covid-19 outbreak in Jan 2020, the State Bank of Vietnam (SBV) has cut the key policy rates three times (in Mar, May and Oct 2020), in an effort to save the economy from the fallout of the pandemic. The refinancing rate/discount rate decreased to 4%/2.5% (from 6%/4%, before the first key rate cut in Mar 20). This should help ease the pressure on banks for provision expense, and on customers for interest expense. Thus, banks offered stimulus packages, such as waiving/exempting interest rates and lowering lending rates to reverse the low capital demand from local homebuyers due to the Covid-19 pandemic and limited housing supply. As at Dec 20, the average adjustable mortgage rate from local banks has dropped 2.1% pts to 9.2%, a 10-year low.

Figure 11: Average mortgage rate has been declining in 2020 following subdued deposit rates cross commercial banks



SOURCES: VNDIRECT RESEARCH, DOMESTIC BANKS

Figure 12: Banks' 6M/over-6M deposit rates have decreased 100-210bp since Mar 2020



SOURCES: VNDIRECT RESEARCH, COMPANY REPORTS

Inflation pressure eased in 2020, this would help the SBV be more confident in maintaining its accommodative monetary policy in 2021F

Headline inflation with an average of 3.2% in 2020 was well controlled under the government’s target of 4%. With the successful containment of the African Swine Fever (ASF), pig herds have been restored to pre-ASF levels and pork prices lowered to VND72,900/kg in late-Dec 2020 (-24.1% from its peak in Apr-Aug). We expect headline CPI to be at 2.9% in 2021F, given the decrease in pork prices as the domestic pig herd size recovers to pre-ASF levels from 3Q20 and the ASF-vaccine is expected to be commercially produced and marketed from 3Q21. The decline in live pork prices could help reduce the food and foodstuff consumer price index (noting that pork accounts for 11.6% of the food and foodstuff CPI calculation basket and 4.2% of headline CPI calculation basket).

Given the benign inflationary pressure, we expect the SBV to maintain its accommodative monetary policy into 2021F. Although we do not expect the central bank to cut its key policy rates further, we also think it would not lift them either in 2021F, in a bid to continue supporting the economy by maintaining a loose monetary policy. Following that reason, we believe mortgage rates will still be maintained at a low rate in 2021F to stimulate property demand.

STOCK PICKS: WE PREFER VHM, NLG AND KDH

We like developers that meet the following key criteria:

- About to launch projects for which they already have construction licenses or land use right (LUR) certificates, or have a high likelihood of securing the license/certificate in 2021F;
- With material exposure to the mid-range and affordable condo segments as these segments are driven by real end-user demand; and
- Buffered by a healthy financial position (low leverage, strong liquidity) to counter the risk of tightening credit for the real estate market as discussed above.

Based on the above criteria, Nam Long (NLG VN, ADD, TP: VND124,800), Vinhomes (VHM VN, ADD, TP:104,300) and Khang Dien (KDH VN, HOLD, TP: VND29,100), are our top picks.

Figure 13: Peer comparisons

Company Name	Ticker	Share price (local cur)	TP (local cur)	Upside	Recom.	Market Cap (US\$m)	3-year Fwd EPS CAGR (%)	P/E (x)		P/B (x)		ROE (%)		Dividend yield (%)		Net D/E (%)
								2020F	2021F	2020F	2021F	2020F	2021F	2020F	2021F	
Local peer average							17.9	14.8	13.6	2.1	1.8	14.3	14.4	1.5	1.5	42.6
Local peer median							17.9	14.6	13.2	1.9	1.7	14.2	14.0	1.8	1.8	31.5
Regional peer average							(12.2)	29.2	13.2	0.9	0.9	7.2	8.6	3.4	3.9	55.0
Regional peer median							(6.3)	19.8	13.5	1.0	0.8	4.9	5.5	2.8	3.7	52.0
Vietnam																
Vinhomes	VHM VN	99,500	124,800	25.4%	ADD	14,192	33.5	12.1	10.2	3.8	2.8	36.8	30.8	1.0	1.0	1.3
Novaland	NVL VN	80,000	NR	N/A	NR	3,691	N/A	20.9	20.0	3.0	2.6	14.7	13.5	0.0	0.0	113.1
Khang Dien	KDH VN	35,500	29,100	-18.0%	HOLD	860	7.5	17.8	15.4	2.4	2.2	12.9	14.5	1.4	1.4	-5.5
Dat Xanh	DXG VN	21,400	NR	N/A	NR	481	N/A	11.3	11.0	1.4	1.3	13.7	12.1	2.2	2.2	43.4
Nam Long	NLG VN	35,200	34,800	-1.1%	ADD	420	28.3	9.1	7.9	1.4	1.2	16.1	17.7	2.3	2.4	19.6
China & Hongkong																
China Vanke-A	000002 CH	N/A	29.7	N/A	HOLD	51,241	11.8	7.9	7.1	1.6	1.3	20.0	19.4	4.0	4.4	45.1
Sun Hung Kai	16 HK	102.5	131.0	27.8%	ADD	40,410	(9.4)	10.0	9.8	0.5	0.5	5.4	5.5	4.6	4.8	13.6
China Overseas Land	688 HK	23.9	32.0	33.7%	ADD	26,112	11.9	4.5	4.0	0.6	0.5	13.1	13.2	6.5	7.3	32.8
China Resources Land	1109 HK	31.9	40.8	27.9%	ADD	30,541	11.9	7.9	6.9	1.0	0.9	13.5	14.2	4.4	5.1	30.9
China Evergrande	3333 HK	15.9	20.6	30.0%	ADD	28,727	(14.3)	6.8	5.9	1.1	1.0	16.4	17.2	6.6	7.3	181.0
Country Garden	2007 HK	9.7	10.1	3.7%	HOLD	28,540	8.8	4.3	3.8	1.0	0.8	24.5	23.3	7.2	8.1	52.0
Indonesia																
Pakuwon Jati	PWON IJ	600	700.0	16.7%	ADD	1,757	3.1	22.1	13.9	1.6	1.4	7.1	10.7	1.2	0.8	2.7
Bumi Serpong Damai	BSDE IJ	1,320	1,700.0	28.8%	ADD	1,747	19.0	23.6	14.6	0.7	0.7	3.5	5.3	0.6	0.4	9.5
Ciputra Development	CTRA IJ	1,052	1,500.0	42.6%	ADD	1,295	(4.1)	26.5	18.8	1.1	1.1	4.4	5.9	1.1	0.9	27.8
Summarecon Agung	SMRA IJ	1,145	1,500.0	31.0%	ADD	767	13.9	86.7	28.4	1.4	1.4	1.7	4.2	0.4	0.4	77.3
Malaysia																
KLCCP Stapled	KLCCSS MK	7.6	7.9	4.0%	HOLD	3,147	1.4	20.0	18.0	1.0	1.0	4.9	5.5	4.7	5.2	9.6
SP Setia	SPSB MK	1.3	0.9	-30.2%	ADD	903	(14.1)	72.7	12.1	0.3	0.3	0.7	2.5	0.6	2.1	62.3
Sime Darby Property	SDPR MK	0.8	0.9	5.6%	ADD	1,034	(226.3)	42.9	13.0	0.4	0.4	0.8	3.1	1.7	2.8	25.7
Singapore																
CapitaLand	CAPL SP	3.3	3.4	2.3%	ADD	12,790	(17.0)	19.8	15.4	0.7	0.7	2.9	5.5	2.8	3.4	62.9
Keppel Corp	KEP SP	5.7	6.5	13.9%	ADD	7,652	(9.0)	127.7	13.5	1.0	0.9	(1.9)	4.8	2.0	3.7	83.7
City Developments	CIT SP	9.4	10.1	7.3%	ADD	5,116	(10.0)	42.1	15.4	0.6	0.6	1.1	4.1	1.7	2.2	58.2
UOL Group	UOL SP	7.1	7.3	2.7%	ADD	4,774	(9.7)	27.1	16.7	0.6	0.6	2.5	3.4	1.9	2.2	29.5
Frasers Property	FPL SP	1.7	1.7	-0.1%	ADD	2,784	(17.2)	14.0	14.5	0.4	0.4	3.8	3.4	2.7	3.4	110.6
Ascott Residence	ART SP	1.3	1.1	-14.1%	ADD	2,458	(6.3)	54.2	27.8	0.9	0.8	1.4	2.6	2.8	4.5	54.6
Thailand																
Land And Houses	LH TB	8.8	9.1	3.0%	ADD	3,207	(9.2)	14.6	12.9	1.8	1.8	12.9	14.3	5.9	6.6	85.1
WHA Corporation	WHA TB	4.4	4.0	-9.0%	ADD	1,555	4.4	18.8	15.3	1.5	1.5	8.1	9.3	2.7	3.4	109.7
Pruksa Holding	PSH TB	14.6	9.7	-33.6%	REDUCE	905	(16.2)	9.0	8.3	0.6	0.6	6.9	7.5	6.5	6.7	67.0
Supalai	SPALI TB	16.7	18.9	13.5%	ADD	1,286	(3.6)	9.6	8.0	1.1	1.0	11.3	12.7	4.3	5.0	32.7

Note: all prices are based on the closing prices on Jan 25 2021. All estimates for Non-rated (NR) stocks are based on Bloomberg consensus estimates.

SOURCE: VNDIRECT RESEARCH, BLOOMBERG

DISCLAIMER

This report has been written and distributed by Research Department, VNDIRECT Securities Corporation. The information contained in this report is prepared from data believed to be correct and reliable at the time of issuance of this report. Unless otherwise stated, this report is based upon sources that VNDIRECT considers to be reliable. These sources may include but are not limited to data from the stock exchange or market where the subject security is listed, or, where appropriate, any other market. Information on the company(ies) are based on published statements, information disclosure and announcements of the company(ies), and information resulting from our research. VNDIRECT has no responsibility for the accuracy, adequacy or completeness of such information.

All estimates, projections, forecasts and expression of opinions contained in this report reflect the personal views and opinions of the analyst(s) responsible for the production of this report. These opinions may not represent the views and position of VNDIRECT and may change without notice.

This report has been prepared for information purposes only. The information and opinions in this report should not be considered as an offer, recommendation or solicitation to buy or sell the subject securities, related investments or other financial instruments. VNDIRECT takes no responsibility for any consequences arising from using the content of this report in any form.

This report and all of its content belongs to VNDIRECT. No part of this report may be copied or reproduced in any form or redistributed in whole or in part, for any purpose without the prior written consent of VNDIRECT.

RECOMMENDATION FRAMEWORK

Stock Ratings

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.

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.

Sector Ratings

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.

Hien Tran Khanh – Deputy Head of Research

Email: hien.trankhanh@vndirect.com.vn

Nguyen Thi Cam Tu – Analyst

Email: tu.nguyencam2@vndirect.com.vn

Toan Chu Duc – Senior Analyst

Email: toan.chuduc@vndirect.com.vn

VNDIRECT Securities Corporation

1 Nguyen Thuong Hien Str – Hai Ba Trung Dist – Ha Noi

Tel: +84 2439724568

Email: research@vndirect.com.vn

Website: <https://vndirect.com.vn>