

Weekly Market Roundup: Stocks recover from coronavirus panic but we remain wary

Matthew Smith, CFA

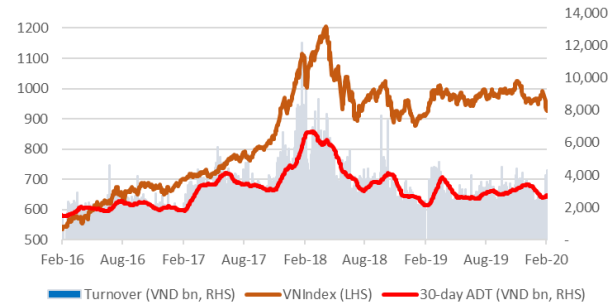
Head of Research

+84 28 3622 6868

matthew.smith@yuanta.com.vn

Introducing the **Yuanta Vietnam weekly market wrap**, a short summary of the prior week's market action that we will endeavor to publish on Monday mornings. This effort is based on client suggestions and is very much a work-in-progress; any feedback on how we can improve it would be more than welcome.

VN Index & Turnover



Weekly Index Performance

- **VNINDEX:** 941 (+0.4% WoW / -2.1% YTD / +1.4% YoY)
- **HNINDEX:** 105 (+2.5% WoW / +2.4% MoM / +1.5% YoY)
- **UPCOM Index:** 56 (+1.1% WoW / -1.4% MoM / +1.7% YoY)
- **Average daily turnover:** US\$180 mn (-7% WoW)
- **Foreign investors net sold** \$27 million of HOSE-listed stocks.
- **VND: 23,200 to the USD** (-6bps WoW)

VN30 Components

Ticker	Closing price (VND k)	Weekly change	Contribution to WoW VN30 Index	TTM PE (x)
BID	51.7	0.4%	0.3%	22
BVH	59.8	1.7%	0.5%	37
CTD	56.8	2.0%	0.3%	6
CTG	26.9	10.2%	7.5%	11
EIB	17.5	-2.0%	-2.9%	25
FPT	53.3	2.5%	5.8%	13
GAS	86.0	-0.6%	-0.4%	14
HDB	30.0	10.9%	17.8%	8
HPG	24.4	1.0%	3.4%	9
MBB	21.4	2.9%	7.0%	6
MSN	49.9	-0.4%	-0.8%	10
MWG	108.7	-1.9%	-4.9%	13
NVL	54.1	-1.8%	-2.6%	15
PLX	51.8	-2.3%	-1.0%	15
PNJ	82.6	-2.0%	-2.4%	16
POW	9.9	-5.6%	-2.1%	9
REE	33.9	0.0%	0.0%	6
ROS	7.5	-19.2%	-3.0%	24
SAB	195.0	-8.0%	-8.9%	26
SBT	18.0	-3.0%	-1.1%	35
SSI	17.7	0.0%	0.0%	10
STB	11.2	9.3%	15.1%	8
TCB	22.2	2.5%	10.4%	8
VCB	90.0	1.5%	3.2%	18
VHM	87.0	-0.6%	-1.5%	14
VIC	114.4	-0.3%	-1.5%	50
VJC	131.2	0.8%	2.1%	17
VNM	110.2	1.6%	7.7%	20
VPB	25.4	12.9%	45.1%	8
VRE	32.0	6.5%	6.9%	26

Source: Bloomberg, Yuanta Vietnam

The week ending Feb 7 saw persistent volatility along with the region on a surge in uncertainty related to the coronavirus outbreak.

The VNI plunged along with Asia on Monday Feb 3 to reach an intraday YTD low of 892 (down 10% from the pre-holiday close of Jan 22). But VNI then recovered to close the week at 941, flat WoW and up 5% from its intraday panic low of last Monday.

Banks led the market higher on solid performance from several heavyweight names including VPB (BUY, +12.9% WoW), STB (BUY, +9.3%), and HDB (HOLD-Underperform, +10.9% WoW). Analyst Tanh Tran remains bullish on the banks after updating our CAMEL analytical framework for 4Q19 preliminary results in a note published last week (see Page 2 of this note for links to our recently published research).

Oil & Gas sector under pressure. O&G shares are highly correlated with oil prices, and thus have been under substantial pressure despite solid 4Q19 financial performance. Analyst Binh Truong remains bullish on the sector but acknowledges that the risks have risen. Unlike stock prices, E&P operations do not fluctuate based on day-to-day oil price volatility. History indicates that operations could be curtailed if oil remains below USD60/barrel for longer than three months.

The coronavirus outbreak remains the key story of the Year of the Rat so far. So far the virus is not known to be widespread, as the authorities reported Vietnam's 14th case on Sunday, Feb 9. But the economic implications may be more substantial given the impact on global manufacturing and, potentially, domestic consumption.

Yuanta Vietnam Coverage Universe										
Sector	Company	Stock code	Market cap (USDm)	3-month ADT (USDm)	Yuanta Rating	Current price (VND)	Target price (VND)	Up (down) side	2019E Dividend yield	12-m TSR*
Banks	BIDV	BID VN	8,951	1.7	Hold-Outperform	51,700	38,713	-25%	1.7%	-23%
	HD Bank	HDB VN	1,241	1.9	Hold-Underperform	29,950	30,970	3%	0.0%	3%
	MB Bank	MBB VN	2,142	4.4	BUY	21,400	28,694	34%	3.1%	37%
	Sacombank	STB VN	866	1.7	BUY	11,150	14,049	26%	0.0%	26%
	Vietcombank	VCB VN	14,368	3.0	Hold-Outperform	90,000	92,035	2%	0.9%	3%
	Vietnam Prosperity Bai	VPB VN	2,660	2.0	BUY	25,350	25,530	1%	0.0%	1%
Brokers	HCM City Securities	HCM VN	247	0.9	BUY	18,800	29,931	59%	5.1%	64%
	Saigon Securities	SSI VN	395	1.3	Hold-Underperform	17,700	23,525	33%	5.4%	38%
	Viet Capital Securities	VCI VN	187	0.1	Hold-Outperform	26,500	32,437	22%	4.7%	27%
	VNDirect Securities	VND VN	126	0.1	BUY	14,050	13,231	-6%	4.3%	-2%
Energy	PV POW	POW VN	999	0.9	BUY	9,910	17,457	76%	3.0%	79%
	PV NT2	NT2 VN	255	0.2	Hold-Outperform	20,550	29,195	42%	9.7%	52%
Consumer	Masan Group	MSN VN	2,511	2.5	BUY	49,900	84,143	69%	0.0%	69%
	Phu Nhuan Jewelry	PNJ VN	801	2.2	Hold-Underperform	82,600	86,300	4%	2.4%	7%
	Digiworld	DGW VN	45	0.5	Hold-Outperform	24,900	31,574	27%	4.7%	32%
Oil & GAS	PV Drilling	PVD VN	240	1.4	BUY	13,250	19,896	50%	0.0%	50%
Property	Nam Long	NLG VN	283	0.4	BUY	26,350	36,400	38%	1.9%	40%
	Novaland	NVL VN	2,258	0.9	Hold-Ourperform	54,100	65,073	20%	0.0%	20%
	Khang Dien	KDH VN	584	0.3	BUY	24,900	31,081	25%	2.0%	27%
	Vinhomes	VHM VN	12,319	5.3	BUY	87,000	94,862	9%	1.1%	10%
Transport	Airports Corp Vietnam	ACV VN	5,529	0.2	Hold-Underperform	59,000	76,400	29%	1.5%	31%

*Note: TSR = Total shareholder return over the next 12 months inclusive of expected share price change and dividends.

Pricing data as of close on Feb 7, 2020.

Source: Bloomberg, Yuanta Vietnam

Recent publications

[Banks Sector: 4Q19 CAMEL update \(Feb 7\)](#)

[Sabeco \(SAB VN, Not Rated\) analyst conference takeaways \(Feb 7\)](#)

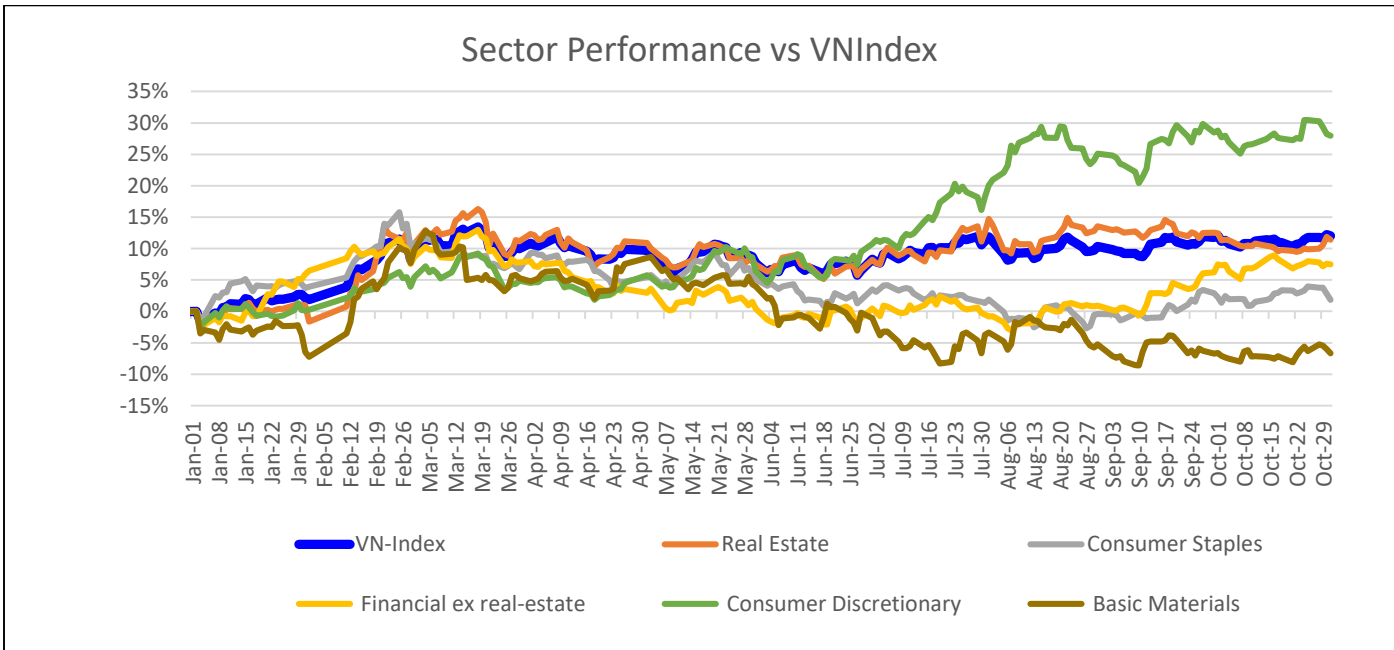
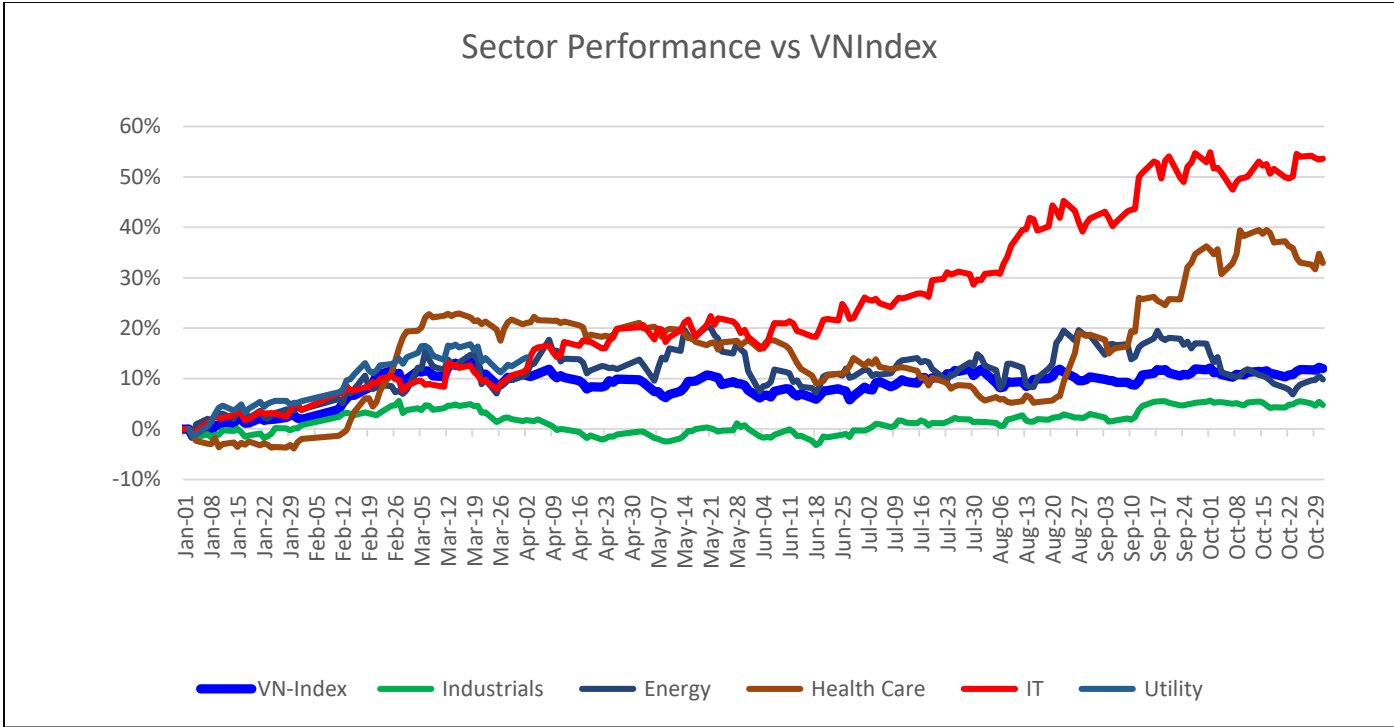
[Oil & Gas Sector: Risks have risen but we remain bullish \(Feb 6\)](#)

[Strategy: Coronavirus & the market sell-off \(Feb 4\)](#)

[PV Power \(POW VN, BUY\): +30% YoY PAT growth in 2019, despite provisioning loss](#)

[Vinhomes \(VHM VN, BUY\): Analyst call takeaways: 4Q19 PBT +78% YoY; 2020 outlook looks solid \(Jan 31\)](#)

[Masan \(MSN VN, HOLD-Outperform\): A top-line miss and bottom-line beat in 2019 \(Jan 31\)](#)



Yuanta Universe: Valuations and ratings

Sector	Stock Code	PER (x)			EPS Growth (%)			PEG (x)			PBV (x)			ROE (%)			ROA (%)		
		2018A	2019F	2020F	2018A	2019F	2020F	2018A	2019F	2020F	2018A	2019F	2020F	2018A	2019F	2020F	2018A	2019F	2020F
Banks	BID VN	31.9	25.9	21.0	8.3	22.9	23.6	3.8	1.1	0.9	3.2	2.7	2.5	10.7	11.2	12.3	0.44	0.53	0.61
	HDB VN	9.8	8.9	7.4	48.1	10.5	20.1	0.2	0.9	0.4	1.7	1.7	1.6	18.0	19.4	22.5	1.40	1.49	1.64
	MBB VN	7.6	6.0	5.1	72.1	25.1	18.1	0.1	0.2	0.3	1.4	1.2	1.0	19.2	20.8	20.8	1.81	2.05	2.19
	STB VN	14.3	9.7	8.4	40.8	47.1	15.5	0.3	0.2	0.5	0.8	0.8	0.7	5.9	8.1	8.6	0.36	0.49	0.52
	VCB VN	25.1	21.7	13.9	79.7	15.7	56.0	0.3	1.4	0.2	5.2	4.1	3.4	22.5	21.2	26.7	1.22	1.31	1.82
	VPB VN	8.4	8.2	6.4	7.2	2.5	27.8	1.2	3.3	0.2	1.8	1.5	1.2	22.8	20.3	21.5	2.45	2.17	2.40
Brokers	HCM VN	3.9	16.0	11.1	26.1	(75.4)	44.5	0.2	(0.2)	0.2	1.9	1.3	1.2	23.1	10.6	12.5	10.39	5.89	7.03
	SSI VN	7.8	10.4	8.6	3.1	(25.3)	21.6	2.5	(0.4)	0.4	1.0	1.0	0.9	14.8	9.3	10.7	5.69	3.41	3.62
	VCI VN	4.6	7.0	7.3	(1.2)	(33.9)	(3.8)	(3.8)	(0.2)	(1.9)	1.2	1.1	1.0	24.7	16.3	14.1	12.51	8.46	6.87
	VND VN	7.7	9.0	9.0	(22.4)	(14.9)	0.2	(0.3)	(0.6)	48.4	1.0	0.9	0.9	13.7	11.3	10.4	3.83	2.95	2.56
Energy	PVD VN	28.3	55.1	17.3	336.8	(48.7)	218.0	0.1	(1.1)	0.1	0.4	0.4	0.4	1.4	0.7	2.3	0.92	0.49	1.58
	NT2 VN	7.8	8.2	7.9	(2.9)	(5.2)	3.9	(2.7)	(1.6)	2.0	1.6	1.5	1.5	18.0	19.6	19.9	8.31	8.79	10.29
Consumer	MSN VN	10.9	12.1	11.4	67.2	(9.2)	5.6	0.2	(1.3)	2.0	2.0	1.7	1.5	20.7	15.2	14.0	8.78	7.31	7.19
	PNJ VN	15.5	17.9	14.4	(17.2)	(13.6)	24.4	(0.9)	(1.3)	0.6	3.7	3.0	2.5	28.7	27.5	27.9	17.79	17.79	16.93
	DGW VN	9.1	7.3	6.0	37.4	24.5	23.3	0.2	0.3	0.3	1.3	1.2	1.1	15.2	17.1	18.9	5.80	6.12	7.13
Oil & GAS	POW VN	12.1	9.3	7.2	(14.0)	29.6	29.0	(0.9)	0.3	0.2	0.9	0.9	0.9	7.0	9.1	11.1	3.24	4.44	5.97
Property	NLG VN	7.5	10.6	6.9	17.7	(29.6)	54.4	0.4	(0.4)	0.1	1.2	1.2	1.1	16.8	12.9	16.9	9.28	6.66	10.00
	NVL VN	15.7	20.5	16.6	10.0	(23.3)	23.8	1.6	(0.9)	0.7	2.5	2.5	2.5	10.2	11.2	11.1	3.12	3.42	3.33
	KDH VN	14.2	16.8	12.3	40.0	(15.8)	37.0	0.4	(1.1)	0.3	1.5	1.8	1.6	11.7	11.9	14.5	7.92	7.45	8.88
	VHM VN	19.1	15.9	12.5	93.7	20.4	27.1	0.2	0.8	0.5	6.1	4.6	3.4	30.7	30.0	28.7	12.35	11.56	11.88
Transportatio	ACV VN	21.8	20.8	19.2	55.1	5.0	8.3	0.4	4.1	2.3	4.1	3.6	3.1	21.2	20.7	18.8	11.97	12.13	11.39

Pricing data as of close on Feb 7, 2020.

Source: Bloomberg, Yuanta Vietnam



Appendix A: Important Disclosures

Analyst Certification

Each research analyst primarily responsible for the content of this research report, in whole or in part, certifies that with respect to each security or issuer that the analyst covered in this report: (1) all of the views expressed accurately reflect his or her personal views about those securities or issuers; and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by that research analyst in the research report.

Ratings Definitions

BUY: We have a positive outlook on the stock based on our expected absolute or relative return over the investment period. Our thesis is based on our analysis of the company's outlook, financial performance, catalysts, valuation and risk profile. We recommend investors add to their position.

HOLD–Outperform: In our view, the stock's fundamentals are relatively more attractive than peers at the current price. Our thesis is based on our analysis of the company's outlook, financial performance, catalysts, valuation and risk profile.

HOLD–Underperform: In our view, the stock's fundamentals are relatively less attractive than peers at the current price. Our thesis is based on our analysis of the company's outlook, financial performance, catalysts, valuation and risk profile.

SELL: We have a negative outlook on the stock based on our expected absolute or relative return over the investment period. Our thesis is based on our analysis of the company's outlook, financial performance, catalysts, valuation and risk profile. We recommend investors reduce their position.

Under Review: We actively follow the company, although our estimates, rating and target price are under review.

Restricted: The rating and target price have been suspended temporarily to comply with applicable regulations and/or Yuanta policies.

Note: Yuanta research coverage with a Target Price is based on an investment period of 12 months. Greater China Discovery Series coverage does not have a formal 12 month Target Price and the recommendation is based on an investment period specified by the analyst in the report.

Global Disclaimer

© 2019 Yuanta. All rights reserved. The information in this report has been compiled from sources we believe to be reliable, but we do not hold ourselves responsible for its completeness or accuracy. It is not an offer to sell or solicitation of an offer to buy any securities. All opinions and estimates included in this report constitute our judgment as of this date and are subject to change without notice.

This report provides general information only. Neither the information nor any opinion expressed herein constitutes an offer or invitation to make an offer to buy or sell securities or other investments. This material is prepared for general circulation to clients and is not intended to provide tailored investment advice and does not take into account the individual financial situation and objectives of any specific person who may receive this report. Investors should seek financial advice regarding the appropriateness of investing in any securities, investments or investment strategies discussed or recommended in this report. The information contained in this report has been compiled from sources believed to be reliable but no representation or warranty, express or implied, is made as to its accuracy, completeness or correctness. This report is not (and should not be construed as) a solicitation to act as securities broker or dealer in any jurisdiction by any person or company that is not legally permitted to carry on such business in that jurisdiction.

Yuanta research is distributed in the United States only to Major U.S. Institutional Investors (as defined in Rule 15a-6 under the Securities Exchange Act of 1934, as amended and SEC staff interpretations thereof). All transactions by a US person in the securities mentioned in this report must be effected through a registered broker-dealer under Section 15 of the Securities Exchange Act of 1934, as amended. Yuanta research is distributed in Taiwan by Yuanta Securities Investment Consulting. Yuanta research is distributed in Hong Kong by Yuanta Securities (Hong Kong) Co. Limited, which is licensed in Hong Kong by the Securities and Futures Commission for regulated activities, including Type 4 regulated activity (advising on securities). In Hong Kong, this research report may not be redistributed, retransmitted or disclosed, in whole or in part or and any form or manner, without the express written consent of Yuanta Securities (Hong Kong) Co. Limited.

Taiwan persons wishing to obtain further information on any of the securities mentioned in this publication should contact:

Attn: Research
Yuanta Securities Investment Consulting
4F, 225,
Section 3 Nanking East Road, Taipei 104
Taiwan

Hong Kong persons wishing to obtain further information on any of the securities mentioned in this publication should contact:

Attn: Research
Yuanta Securities (Hong Kong) Co. Ltd

Korean persons wishing to obtain further information on any of the securities mentioned in this publication should contact:

Head Office

Yuanta Securities Building

Euljiro 76 Jung-gu

Seoul, Korea 100-845

Tel: +822 3770 3454

Indonesia persons wishing to obtain further information on any of the securities mentioned in this publication should contact:

Attn: Research

PT YUANTA SECURITIES INDONESIA

(A member of the Yuanta Group)

Equity Tower, 10th Floor Unit EFGH

SCBD Lot 9

Jl. Jend. Sudirman Kav. 52-53

Tel: (6221) - 5153608 (General)

Thailand persons wishing to obtain further information on any of the securities mentioned in this publication should contact:

Research department

Yuanta Securities (Thailand)

127 Gaysorn Tower, 16th floor

Ratchadamri Road, Pathumwan

Bangkok 10330

Vietnam persons wishing to obtain further information on any of the securities mentioned in this publication should contact:

Research department

Yuanta Securities (Vietnam)

4th Floor, Saigon Centre

Tower 1, 65 Le Loi Boulevard,

Ben Nghe Ward, District 1,

HCMC, Vietnam

China
 Beijing Rep. Office
 Shanghai Rep. Office
 Shenzhen Rep. Office

Hong Kong
 Yuanta Securities Hong Kong
 Polaris Securities
 Hong Kong Rep. Office

Vietnam
 Yuanta Securities Vietnam



South Korea
 Yuanta Securities Korea
 Hanshin Mutual Savings

Taiwan
 Yuanta Securities
 Yuanta Bank
 Yuanta Life

Philippines
 Yuanta Saving Bank

Indonesia
 Yuanta Securities Indonesia

Thailand
 Yuanta Securities Thailand

YUANTA SECURITIES VIETNAM OFFICE

Head office: 4th Floor, Saigon Centre, Tower 1, 65 Le Loi Boulevard, Ben Nghe Ward, District 1, HCMC, Vietnam

Institutional Research

Matthew Smith, CFA
 Head of Research
 Tel: +84 28 3622 6868 (ext. 3815)
matthew.smith@yuanta.com.vn

Quang Vo
 Analyst (Consumer)
 Tel: +84 28 3622 6868 (ext. 3872)
quang.vo@yuanta.com.vn

Tanh Tran
 Senior Analyst (Banks)
 Tel: +84 28 3622 6868 (3874)
tanh.tran@yuanta.com.vn

Tam Nguyen
 Analyst (Property)
 Tel: +84 28 3622 6868 (3874)
tam.nguyen@yuanta.com.vn

Institutional Sales

Huy Nguyen
 Head of Institutional sales
 Tel: +84 28 3622 6868 (3808)
huy.nguyen@yuanta.com.vn

Duyen Nguyen
 Sales Trader
 Tel: +84 28 3622 6868 (3890)
duyen.nguyen@yuanta.com.vn