

Xin Chao Vietnam

Market performance

	7 Sep	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,243.17	(2.7)	(0.8)	(3.7)	(17.0)
Turnover (VND bn)	20,300				
VN30 (pt, % chg.)	1,268.95	(2.3)	(0.2)	(4.2)	(17.4)

Major indicators

	7 Sep	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	2.81	(0.0)	0.1	1.0	2.3
3-yr gov't bonds (% bp chg.)	3.06	(0.0)	0.1	0.8	2.4
VND/USD (% chg.)	23,601	(0.3)	(0.9)	(1.7)	(3.3)
VND/JPY (% chg.)	16,347	1.5	6.0	6.9	21.2
VND/EUR (% chg.)	23,369	(0.0)	2.0	5.9	10.8
VND/CNY (% chg.)	3,383	(0.1)	2.3	2.8	6.2
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	3.33	(0.0)	0.5	0.4	1.8
WTI (USD/bbl, % chg.)	87.39	0.6	(1.8)	(26.8)	16.2
Gold (USD/oz, % chg.)	93.41	0.6	(1.6)	(22.5)	20.1

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHC	34.1	VNM	(46.0)
MWG	25.2	VPB	(43.4)
SJS	23.1	HPG	(40.8)
VHM	20.0	STB	(37.1)
VRE	19.5	MBB	(36.9)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HDB	45.8	VND	(75.4)
VNM	33.8	HPG	(52.9)
POW	19.1	STB	(50.2)
MSN	12.1	SSI	(42.8)
HSG	5.9	GEX	(31.4)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Commercial Services	1.1	Technology	(5.3)
Household Products	0.0	Diversified Financials	(4.8)
Automobiles	(0.3)	Energy	(4.3)
Telecommunication	(0.4)	Capital Goods	(4.2)
Pharmaceuticals	(0.7)	Transportation	(3.8)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Breakdown?

Macro & Strategy

- **ETF review:** FTSE removes KDH and SBT

Event Calendar

KIS market view

	OP	NP	EPS growth	PE	PB	EV/EBITDA	ROE
	(VND bn)	(VND bn)	(% yoy)	(x)	(x)	(x)	(%)
2018	191,785	119,519	29.7	15.2	2.7	13.6	17.7
2019	238,659	144,922	24.2	13.8	2.4	11.0	17.4
2020	270,014	151,973	43.0	13.0	2.1	11.1	16.2
2021F	304,264	177,159	19.0	10.9	1.8	10.0	16.5

Note: KIS Universe coverage of 35 companies that account for 58% of all listed (VNIndex) firms' earnings based on the past three-year average

KIS macro forecast

	2Q21	3Q21	4Q21	1Q22F	2020	2021	2022F
GDP (% yoy)	6.6	(6.0)	5.2	6.0	2.9	2.6	7.5
Trade balance (USD bn)	(3.8)	(1.0)	5.4	1.5	19.9	4.0	6.0
CPI (% yoy, avg.)	2.7	2.5	1.9	2.5	3.2	1.8	3.5
Discount rate (% EoP)	2.5	2.5	2.5	2.5	2.5	2.5	2.5
VND/USD (avg.)	23,043	22,878	22,787	22,900	23,252	22,936	23,200
US GDP (% qoq)	6.6	2.0	6.9	1.1	5.7	5.7	1.6
China GDP (% yoy)	7.9	4.9	2.9	4.3	8.1	8.1	3.5

Source: KIS, Bloomberg

Market commentary & News

Market commentary

Breakdown?

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The stock market tumbled yesterday after SBV announced to increase the USD/VND exchange rate selling price by 300 bps to 23,700

At the close, the VNIndex lost 2.68% to close at 1,243 pts. Meanwhile, trading volume was 809 million shares/VND20,300bn, up 36%/ 29% respectively, from the previous week's average.

Foreign investors continued to net sell with a net value of VND448bn on HSX. They sold VND, HPG, and STB the most, with net values of VND75bn, VND52bn, and VND50bn, respectively.

Energy was the worst sector driven by BSR (-5.84%), GAS (-3.86%), PLX (-3.61%), POW (-2.10%), PVD (-6.84%), and PVS (-8.54%).

Besides, selling pressure pushed Finance down, namely BID (-5.62%), CTG (-3.19%), HDB (-2.25%), MBB (-2.75%), VPB (-3.50%), VCB (-3.26%), HCM (-6.46%), SSI (-5.05%), and BVH (-4.23%).

Some constituents of the VN30Index slid more than 1% such as VJC (-4.85%) and MWG (-3.02%).

The VNIndex shows the breakdown because the index closes below the 1,250-pts threshold with high volume. That means a bearish signal, implying a short-term downtrend. Therefore, traders should reduce long positions and wait for next signals.

Macro & strategy

ETF review

FTSE removes KDH and SBT

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The FTSE Vietnam Index will remove KDH and SBT and not add any ticker in the 3Q22. Based on data as of 07 Sep 2022, we expect that FTSE Vietnam ETF will sell HPG, VRE, and STB the most with 7.3 million shares, 6.2 million shares and 4.1 million shares. On the buy-side, VND, VNM, and NVL will be bought heavily with 6.6 million shares, 3.9 million shares, and 3.7 million shares.

The new weights will be effective on 16 Sep 2022.

Expected weight of FTSE Vietnam ETF (FTSE ETF)

(VND, VND bn, %, shares)

No	Ticker	Price	Current weighting	New weighting	%p change	Volume change
1	DGC	94,300	2.65	2.53	(0.12)	(91,349)
2	DIG	36,500	1.45	2.06	0.61	1,201,799
3	DPM	51,200	1.20	1.32	0.12	168,344
4	DXG	24,650	1.14	0.62	(0.52)	(1,517,350)
5	GEX	23,800	1.51	1.59	0.08	229,811
6	HPG	23,000	9.73	7.39	(2.34)	(7,337,860)
7	HSG	21,500	0.70	0.88	0.18	612,789
8	KBC	31,550	1.70	1.52	(0.18)	(401,958)
9	MSN	112,000	10.63	6.22	(4.41)	(2,840,481)
10	NVL	83,800	7.81	12.11	4.30	3,705,701
11	PDR	53,800	2.62	2.80	0.18	235,248
12	PLX	40,000	1.17	0.27	(0.90)	(1,615,316)
13	POW	14,000	0.97	1.58	0.61	3,163,794
14	PVD	19,750	0.79	0.88	0.09	341,155
15	SSI	22,550	3.70	4.32	0.62	1,980,941
16	STB	24,350	2.03	0.63	(1.40)	(4,146,126)

17	TCH	11,500	0.57	0.73	0.16	993,137
18	VCB	80,000	4.48	4.80	0.32	287,957
19	VCG	22,500	0.79	0.85	0.06	190,301
20	VCI	37,800	1.60	2.17	0.57	1,090,633
21	VHM	59,500	11.59	13.51	1.92	2,325,553
22	VIC	62,500	11.29	11.42	0.13	148,050
23	VJC	113,900	2.82	1.65	(1.17)	(742,111)
24	VND	20,000	1.85	3.70	1.85	6,666,234
25	VNM	75,700	8.16	12.30	4.14	3,950,173
26	VRE	27,650	4.53	2.14	(2.39)	(6,236,521)
27	KDH	35,300	1.74	-	(1.74)	(3,478,082)
28	SBT	17,550	0.75	-	(0.75)	(3,010,306)

Source: Bloomberg, Fiinpro, KIS

Note: Data as of 07 Sep 2022

Event Calendar

► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
09/09/2022	PTI	Post – Telecommunication Joint Stock Insurance Corporation	804.0	1,046,930	69,000	Auction of contributed equity

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value (VND bn)
08/09/2022		CHC	UPCOM	Record date for ballot		
08/09/2022		KKC	HNX	Extraordinary General Meeting		
08/09/2022	22/09/2022	KTW	UPCOM	Cash Dividend (VND368/share)	3.68%	368
09/09/2022		TIN	UPCOM	Extraordinary General Meeting		
09/09/2022	12/10/2022	TVH	UPCOM	Cash Dividend (VND3,327/share)	33.27%	3,327

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- BUY: Expected total return will be 15% or more
- Hold: Expected total return will be between -5% and 15%
- Sell: Expected total return will be -5% or less
- KIS Vietnam Securities Corp. does not offer target prices for stocks with Hold or Sell ratings.

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- Overweight: Recommend increasing the sector's weighting in the portfolio compared to its respective weighting in the VNIndex based on market capitalization.
- Neutral: Recommend maintaining the sector's weighting in the portfolio in line with its respective weighting in the VNIndex based on market capitalization.
- Underweight: Recommend reducing the sector's weighting in the portfolio compared to its respective weighting in the VNIndex based on market capitalization.

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