

Xin Chao Vietnam

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Red Bear returns but has weakened

Event Calendar

	5 Oct	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,113.89	(1.3)	(9.8)	(1.8)	10.6
Turnover (VND bn)	13,004				
VN30 (pt, % chg.)	1,124.48	(1.2)	(9.7)	(0.5)	11.9

Major indicators

	5 Oct	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	1.77	(0.1)	(0.1)	(0.3)	(2.8)
3-yr gov't bonds (% bp chg.)	1.99	(0.1)	(0.0)	(0.3)	(2.6)
VND/USD (% chg.)	24,400	0.1	(1.4)	(2.7)	(3.1)
VND/JPY (% chg.)	16,383	0.1	(0.2)	0.5	9.2
VND/EUR (% chg.)	25,648	(0.0)	0.8	0.6	(1.6)
VND/CNY (% chg.)	3,343	0.1	(1.5)	(1.9)	2.5
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	4.72	(0.0)	0.5	0.8	0.8
WTI (USD/bbl, % chg.)	83.00	(1.4)	(4.3)	15.6	3.4
Gold (USD/oz, % chg.)	84.68	(1.3)	(6.0)	10.5	(1.4)

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FRT	27.8	MWG	(61.1)
GMD	23.8	FPT	(61.0)
GEX	15.3	MBB	(30.9)
HCM	14.9	TCB	(24.8)
E1VFN30	11.6	VCB	(22.1)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VRE	8.9	VNM	(44.8)
PTB	7.9	CTG	(40.3)
DCM	7.2	MWG	(40.0)
IJC	6.9	VIC	(34.7)
HT1	2.9	SSI	(26.0)

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	60.8	11.1	1.8	9.4	16.3
2021	304,264	177,159	18.4	9.4	1.6	8.4	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

Vietnam indicators

	3Q22	4Q22	1Q23	2Q23	2020	2021	2022
Real GDP Growth (% yoy)	13.7	5.9	3.2	4.1	2.9	2.6	8.0
Trade balance (USD bn)	5.8	4.4	4.1	7.4	19.9	4.0	11.2
CPI (% yoy, avg.)	3.3	4.4	4.2	2.4	3.2	1.8	3.2
Credit growth (%)	10.5	12.9	1.6	3.4	12.2	13.0	12.9
VND/USD (avg.)	23,712	23,633	23,471	23,583	23,126	22,790	23,650
US GDP (% qoq)	3.2	2.9	2.0	2.4	(3.4)	5.6	2.1
China GDP (% yoy)	3.9	2.9	4.5	6.3	2.2	8.0	3.0

Source: KIS, Bloomberg

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Others	2.4	Consumer Durables	(3.6)
Consumer Services	0.5	Energy	(3.3)
Diversified Financials	0.3	F&B	(2.7)
Household Products	0.0	Telecommunication	(2.4)
Pharmaceuticals	(0.0)	Banks	(1.5)

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Market commentary & News

Market commentary

Red Bear returns but has weakened

The stock market decreased strongly during the session, however, liquidity still recorded at a low level. That showed that selling pressure returned but was weaker and inflow stayed out. Notably, world oil prices suddenly fell strongly by more than 5% in the recent day, after increasing continuously since Jul/23. This had created negative impacts on Oil and Gas shares during the session.

At the close, the VNIndex lost 1.31% to 1,113 pts while the VN30Index also decreased by 1.23% to close at 1,124 pts. Meanwhile, trading volume reached 565 million shares/ VND13,004bn, down 13%/ 16% respectively, from the average of the last five sessions.

Foreign investors reversed to net selling, with more than VND733bn, focusing on VNM, CTG, and MWG with net values of VND44bn, VND40bn, and VND40bn, respectively. In contrast, net buying concentrated on VRE, PTB, and DCM with VND8bn, VND7bn, and VND7bn, respectively.

Banking was the worst sector due to CTG (-2.77%), BID (-2.12%), VIB (-2.12%), VCB (-2.09%), SHB (-1.41%), TCB (-1.40%), STB (-0.99%), VPB (-0.95%), HDB (-0.88%), MBB (-0.55%), and TPB (-0.30%).

Real Estate had a bad situation among DIG (-6.84%), DXG (-6.74%), NVL (-5.48%), PDR (-3.42%), NLG (-3.31%), KDH (-2.07%), VIC (-1.08%), VRE (-0.74%), SSH (-0.16%), BCM (-0.14%), and VHM (-0.11%).

Selling pressure pushed Consumer Staples and Retail tickers down, such as MWG (-4.47%), VNM (-2.28%), DGW (-1.08%), MSN (-0.95%), FRT (-0.84%), SAB (-0.71%), and KDC (-0.16%). Besides, Brokerage was down across the board, typically VIX (-6.27%), VCI (-5.01%), VND (-3.93%), BSI (-3.80%), MBS (-3.69%), FTS (-2.84%), HCM (-2.36%), SHS (-1.78%), VDS (-1.02%), and SSI (-0.31%).

The heavy decline by more than 5% of world oil prices caused negative impacts on Oil & Gas shares, like PLX (-5.10%), BSR (-3.90%), POW (-3.11%), PVS (-2.15%), OIL (-1.96%), GAS (-1.86%), PVB (-1.59%), and PVC (-1.21%). Moreover, Steel shares almost closed in the red territory, such as HSG (-3.93%), NKG (-3.12%), and HPG (-1.39%).

In addition, the market also recorded DGC (-1.59%), DPM (-1.78%), VJC (-1.34%), FPT (-0.97%), DCM (-0.57%), and BVH (-0.36%) loss at the end.

On the other side, PVD (+1.57%), IDC (+1.77%), KBC (+0.65%), QNS (+0.63%), VHC (+0.37%), PNJ (+0.26%), and SSB (+0.20%) were the rare bright spot in the loss day.

Selling pressure comes back in the afternoon, causing the stock market to have a deep loss session and approach the important support zone of 1,080-1,100 pts. However, the liquidity is still at a low level, indicating selling pressure has decreased significantly, compared to previous deep decline sessions. The downside risk is intact due to the VNIndex maintain end below the 50-period moving average. Therefore, investors should reduce a portion of stocks in their portfolio to the safety threshold and wait for the next signal.

Event Calendar

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value (VND bn)
06/10/2023	20/10/2023	SZE	UPCOM	Cash Dividend (VND800/share)	8.00%	800
06/10/2023	17/10/2023	NWT	UPCOM	Cash Dividend (VND600/share)	6.00%	600

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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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