

Xin Chao Vietnam

Market performance

	04 May	1D	1M	3M	YTD
VNIndex (pt, % chg.)	769.11	0.25	10.49	(22.43)	(19.97)
Turnover (VND bn)	4,191.09				
VN30 (pt, % chg.)	715.33	(0.06)	11.38	(21.31)	(18.63)

Major indicators

	04 May	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	1.88	0.05	(0.13)	0.78	0.45
3-yr gov't bonds (% bp chg.)	2.18	0.11	(0.17)	0.61	0.51
VND/USD (% chg.)	23,309	0.71	1.41	(0.59)	(0.58)
VND/JPY (% chg.)	22,007	(0.32)	(0.39)	(3.41)	(3.10)
VND/EUR (% chg.)	25,417	(0.01)	3.23	1.02	2.20
VND/CNY (% chg.)	3,312	(0.01)	0.52	1.25	0.50
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.59	(0.02)	(0.09)	(0.99)	(1.33)
WTI (USD/bbl, % chg.)	14.18	14.91	(34.08)	(73.41)	(76.78)
Gold (USD/oz, % chg.)	21.34	4.30	(14.40)	(64.32)	(67.67)

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
Eximbank	108.73	Vietjet Air	(17.95)
VietinBank	55.33	Hoa Phat Group	(16.56)
Vietcombank	51.60	VPBank	(13.78)
Sea and Air Freight International	15.68	FPT Corp	(13.21)
Vinhomes	15.21	Techcombank	(12.52)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
Vinhomes	22.78	Viglacera Corporation	(283.26)
Vietjet Air	19.94	Vinamilk	(75.64)
Novaland	16.56	Vietcombank	(59.98)
VietinBank	16.29	Vincom Retail	(26.07)
Dong Hai Bentre	15.79	Kinh Bac Urban Development	(17.72)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
NullGroup	3.05	Telecommunication Services	(4.65)
Automobiles & Components	2.38	Food, Beverage & Tobacco	(1.82)
Transportation	2.31	Pharmaceuticals, Biotechnology & Life Sciences	(0.57)
Energy	1.67	Diversified Financials	(0.45)
Consumer Services	1.67	Media & Entertainment	(0.35)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** The effect of ETFs
- **Vietnam CPI:** CPI decreases due to traffic index reduction
- **MWG:** BHX segment experiences the skyrocket growth
- **VIC:** Revenue and profit decrease sharply

New listing & Public offerings

KIS market view

	OP (VND bn)	NP (VND bn)	EPS growth (% yoy)	PE (x)	PB (x)	EV/EBITDA (x)	ROE (x)
2018	186,396	115,391	35.3	14.7	2.7	14.0	18.2
2019	231,781	139,009	23.3	13.3	2.4	11.1	17.7
2020F	239,645	133,501	(6.3)	11.5	1.7	8.6	14.7
2021F	294,159	164,644	24.9	9.2	1.5	6.2	15.8

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 macro forecast

	2Q19	3Q19	4Q19	1Q20	2019	2020F	2021F
GDP (% yoy)	6.7	7.3	7.0	3.8	7.0	5.9	7.4
Current account (% of GDP)	n.a	n.a	n.a	n.a	4.0	1.8	2.1
CPI (% yoy)	2.1	2.0	5.2	4.9	5.2	4.0	3.5
Refinancing rate (% EoP)	6.25	6.00	6.00	5.00	6.00	5.85	5.75
VND/USD (avg.)	23,306	23,213	23,195	23,240	23,236	24,000	23,200
US GDP (% yoy, annualized)	2.0	2.1	2.1	1.0	2.3	-3.5	3.8
China GDP (% yoy)	6.2	6.0	6.0	-6.8	6.1	3.0	6.5

Source: Bloomberg

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Market commentary & News

Market commentary

The effect of ETFs

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Vietnam stock market resumed its uptrend in the last Friday. However, review activity of ETFs such as VFMVN30 ETF, SSIAM VNX50 ETF, and SSIAM VNFIN LEAD ETF affected the intraday trend of the market at the ATC session.

At the close, the VNIndex gained 0.25% to close at 769.1 pts. Trading volume increased to 250 million shares or VND4,191bn.

Foreign investors continued to sell with a net value of VND493bn on HSX. VGC, VNM, and VCB were sold the most with net values of VND283bn, VND75bn, and VND60bn, respectively.

Banking was the market leader driven by VCB (+1.5%), BID (+1.3%), HDB (+0.5%), TCB (+0.6%), ACB (+1.0%), MBB (+0.9%), and STB (+1.3%). Notable, CTG surged by 5.0% as the ETFs fund bought sharply.

In addition, MWG soared by 1.0% as its revenue and net income in 1Q20 reached at VND29,363bn (+17% YoY) and VND1,132bn (+9% YoY).

Moreover, cash flowed into Energy because of GAS (+1.0%), PVT (+1.8%), PVD (+4.5%), PVS (+2.7%), PLX (+1.5%), BSR (+3.4%), and POW (+2.4%).

In contrast, Food, Beverage & Tobacco industry closed in red territory, namely SAB (-4.1%), VNM (-1.5%), and MSN (-1.5%) thanks to the take profit.

The market has moved in the tight range before the long holiday. Therefore, traders should stay on the sidelines and wait for confirmation signals of a trend.

News

- ▶ Vietnam CPI: CPI decreases due to traffic index reduction.

Consumer Price Index (CPI) decreased by 1.54% MoM in 4M2020, marking the third consecutive declining month. Amid the COVID19 pandemic, the plunges in traffic and housing and construction materials (HCM) indices were primary reasons to push CPI down deeper. Specifically, the traffic index plunged by 13.86% MoM, dragging the overall monthly change down by 130 basis points (bps) while the HCM index declined by 2.33% MoM, subtracting 37bps. Foodstuff and eating outside indices witnessed slight recoveries by increasing by 0.62% and 0.05% compared to last month, respectively. (GSO)

- ▶ MWG: BHX segment experiences the skyrocket growth

In 1Q20, Mobile World Investment (HOSE: MWG) recorded a revenue growth of 17% YoY to VND29,353bn, gross profit increased by 40% YoY to VND6,160bn. The online segment contributes 7% of revenue with VND2,019bn. Notably, BHX and DMX increased by 178% and 13% YoY, respectively. (MWG)

- ▶ VIC: Revenue and profit decrease sharply

In 1Q20, Vingroup (HOSE: VIC) recorded a 30% YoY decrease in net revenue to VND15,368bn, profit after tax recorded at VND505bn, down 50% YoY. (Vingroup)

New listing & Public offerings

Public offerings

Date of auction	Ticker	Company	Charter capital (VND bn)	Offered shares	Min Bid (VND)	Note
05/04/2020	PTHTPQ	Phu Quoc Investment Development Infrastructure Corporation	21	280,000	14,300	-

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

■ Guide to KIS Vietnam Securities Corp. sector ratings for the next 12 months

- 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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