

Xin Chao Vietnam

Market performance

	20 May	1D	1M	3M	YTD
VNIndex (pt, % chg.)	852.91	0.8	7.3	(9.1)	(11.2)
Turnover (VND bn)	4,438				
VN30 (pt, % chg.)	803.32	0.5	9.1	(7.8)	(8.6)

Major indicators

	20 May	1D	1W	1M	YTD
1-yr govt bonds (% bp chg.)	1.44	(0.1)	(0.6)	(0.2)	0.0
3-yr govt bonds (% bp chg.)	1.84	(0.1)	(0.5)	(0.1)	0.2
VND/USD (% chg.)	23,278	0.1	0.7	(0.2)	(0.5)
VND/JPY (% chg.)	21,624	0.1	0.8	(4.2)	(1.4)
VND/EUR (% chg.)	25,464	(0.0)	0.0	(1.5)	2.0
VND/CNY (% chg.)	3,277	0.2	1.2	1.0	1.6
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.69	0.0	0.1	(0.8)	(1.2)
WTI (USD/bbl, % chg.)	32.10	0.4	185.3	(40.3)	(47.4)
Gold (USD/oz, % chg.)	35.04	1.1	37.0	(40.9)	(46.9)

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FPT	18.0	FUEVFNVD	(79.6)
MWG	15.7	VNM	(19.2)
DPM	12.2	D2D	(7.9)
MBB	10.6	TCM	(4.9)
HPG	9.7	GVR	(4.2)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	95.4	HPG	(39.7)
FUEVFNVD	77.8	DPM	(23.9)
VNM	52.1	VJC	(13.1)
VCB	24.2	BFC	(13.0)
PLX	17.2	E1VFN30	(12.6)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Household Products	4.2	Telecommunication	(6.6)
Others	3.9	Diversified Financials	(1.2)
Real Estate	2.3	Software & Services	(1.0)
Media & Entertainment	2.3	Technology	(0.7)
Insurance	1.5	Pharmaceuticals	(0.7)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** VHM leads market gains
- **ADB:** Asian Development Bank warns about a severe economic loss caused by the COVID-19 pandemic
- **PNJ:** Net loss

New listing & Public offerings

KIS market view

	OP (VND bn)	NP (VND bn)	EPS growth (% yoy)	PE (x)	PB (x)	EV/EBITDA (x)	ROE (%)
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)	13.2	1.9	9.8	14.7
2021F	294,159	164,644	24.9	10.6	1.7	7.1	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

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 (USD bn)	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)	6.3	6.0	6.0	5.0	6.0	5.9	5.8
VND/USD (avg.)	23,306	23,213	23,195	23,240	23,236	24,000	23,200
US GDP (% qoq)	(4.8)	(34.0)	15.2	8.0	2.3	(5.7)	4.0
China GDP (% yoy)	(6.8)	1.1	5.0	6.0	6.1	1.8	8.0

Note: * Data compiled by Bloomberg

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Market commentary & News

Market commentary

VHM leads market gains

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Despite the contraction of the global financial markets, Vietnam stock market continued to go up, the three consecutive gaining sessions.

At the close, the VNIndex gained 0.83% to close at 852.9 pts. Meanwhile, trading volume recorded to 265 million shares or VND4,438bn.

Foreign investors reversed to buy with a net value of VND113bn on HSX. were purchased the most FUEVFVND, VNM, and VCB with net values of VND77bn, VND52bn, and VND24bn, respectively.

VHM (+5.3%) and VRE (+6.6%), members of Vingroup, were the most index contributors after the Board of Directors of VHM has proposed revenue and profit plan in 2020 of VND97,000billion (+88% YoY) and VND31,000bn (+27% YoY) in the next annual general meeting.

Cash flowed into Construction and Consumer Staples stocks namely CTD (+2.5%), HBC (+0.6%), VNM (+1.2%), MSN (+1.3%), and SAB (+0.3%).

In contrast, few constituents of the VN30Index fell more than 1% such as TCB (-1.1%), VJC (-1.0%), and VPB (-1.6%).

The VNIndex has confirmed the short-term uptrend as the market sentiment has become optimistic. The significant resistance is 900 pts. Therefore, traders can increase long positions and focus on leading stocks.

Breaking news

- ▶ ADB: Asian Development Bank warns about a severe economic loss caused by the COVID-19 pandemic

According to the latest update of the Asian Development Outlook 2020, by using its Global Trade Analysis Project model, the bank has built up two scenarios for the estimates of the potential economic loss due to the novel pandemic, depending on the length of the pandemic containment. For the less severe scenario, the global economic loss could reach USD5.8tn if the containment lasted for 3 months, while the number could go up to USD8.8tn under a 6-month containment scenario, excluding the impact of policy measures. Adding the fiscal stimulus and monetary easing from central banks and governments around the world, the economic impact could be softened by somewhat 30%-40%, reducing the global economic impact to about USD4.5-5.4tn (4.5%-5.9% of the global GDP). (Asian Development Bank)

- ▶ PNJ: Net loss

Phu Nhuan Jewelry (HOSE: PNJ) recorded net sales of VND501bn (-47% yoy) and net loss of VND89bn (-268% yoy) in April 2020. Breaking down by segment, retail sales dropped by 62% yoy as well as gold bar sales soared 42% yoy. However, the business performance in the second half of April showed the positive signal of market recovery and PNJ' additional market share capture. (PNJ)

New listing & Public offerings

► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
6/12/2020	PTT	Indochina Petroleum Transportation JSC	100.0	1,000,000	31,931	Whole lot sale; local investors only
6/9/2020	HLENNV	Ha Long Urban Environment Company	25.7	2,208,105	18,079	
6/8/2020	BTU	Ben Tre Urban Project JSC	36.0	864,000	14,630	

- **Guide to KIS Vietnam Securities Corp. stock ratings based on 12-month forward performance**

- 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.

- **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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