

Xin Chao Vietnam

Market performance

	16 Jun	1D	1M	3M	YTD
VNIndex (pt, % chg.)	856.13	2.8	3.5	14.5	(10.9)
Turnover (VND bn)	5,441				
VN30 (pt, % chg.)	798.82	2.6	3.2	14.4	(9.1)

Major indicators

	16 Jun	1D	1W	1M	YTD
1-yr govt bonds (% bp chg.)	1.01	0.1	(0.6)	(0.5)	(0.4)
3-yr govt bonds (% bp chg.)	1.59	0.1	(0.3)	(0.1)	(0.1)
VND/USD (% chg.)	23,219	0.0	0.5	0.0	(0.2)
VND/JPY (% chg.)	21,623	0.0	0.6	1.4	(1.4)
VND/EUR (% chg.)	26,301	(0.6)	(3.9)	(1.1)	(1.2)
VND/CNY (% chg.)	3,280	(0.2)	0.1	1.3	1.5
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.74	0.0	0.1	0.0	(1.2)
WTI (USD/bbl, % chg.)	37.69	1.5	28.1	31.3	(38.3)
Gold (USD/oz, % chg.)	40.44	1.8	24.4	34.6	(38.7)

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FLC	23.9	PDN	(186.5)
HPG	20.7	PLX	(33.0)
VPB	13.8	TNI	(19.8)
MWG	8.7	VHM	(18.8)
SJF	6.7	BCG	(11.0)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	42.7	VCB	(31.3)
HPG	24.0	STB	(22.5)
SSI	16.6	VJC	(16.8)
DXG	15.7	GAS	(10.9)
VRE	10.4	HDB	(10.9)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Health Care	7.0	Software & Services	0.3
Real Estate	5.2	Telecommunication	0.4
Diversified Financials	4.1	Consumer Services	0.8
Insurance	3.9	Commercial Services	0.8
Others	2.7	Capital Goods	0.8

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Member of Vingroup in the spotlight
- **Vietnam:** Domestic petroleum prices continue to surge in mid-June
- **VHM:** Massive buy orders
- **VHM:** Issuing bond

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	35.2	14.7	2.7	14.0	18.2
2019	231,781	139,038	23.9	13.3	2.3	11.0	17.7
2020F	238,766	129,763	(9.0)	13.7	2.0	9.9	14.3
2021F	275,785	142,326	11.0	12.4	1.7	8.6	14.1

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)	(35.0)	19.9	8.8	2.3	(5.7)	4.0
China GDP (% yoy)	(6.8)	1.2	5.0	5.7	6.1	1.8	8.0

Note: * Data compiled by Bloomberg

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Market commentary & News

Market commentary

Member of Vingroup in the spotlight

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Vietnam stock markets rebounded yesterday thanks to the high demand on three members of Vingroup, namely VIC (+4.9%), VHM (+7.0%), and VRE (+7.0%). Particularly, a consortium led by KKR, including Temasek, invested VND15,100bn to buy more than 200 million VHM shares, or 6% stake on Monday.

At the close, the VNIndex jumped 2.84% to close at 856.1 pts. Meanwhile, trading volume recorded to 404 million shares or VND5,440bn.

Foreign investors continued to buy with a net value of VND56bn on HSX. They purchase VHM, HPG, and SSI the most with net values of VND42bn, VND24bn, and VND16bn, respectively.

Cash flowed into Financial industry driven by CTG (+4.3%), VCB (+2.1%), BID (+2.0%), TCB (+2.5%), ACB (+2.1%), MBB (+2.4%), BVH (+4.2%), SSI (+5.2%), and HCM (+4.5%).

Moreover, some constituents of the VN30Index surged more than 3%, such as HPG (+3.1%), ROS (+4.0%), and VNM (+4.4%).

In contrast, VJC dropped by 1.1% after its plane had a problem at Tan Son Nhat airport.

Besides, EIB (-1.6%), STB (-1.2%), and HBC (-4.9%) closed in red territory.

Despite the rebound, the downside risk is intact in the short term. Therefore, investors should consider reducing the long positions and wait for the next signals.

Breaking news

► Vietnam: Domestic petroleum prices continue to surge in mid-June

Following a recent surge in global crude oil prices, on Friday last week, the Ministry of Industry and Trade announced the latest adjustment for the domestic gasoline prices. Accordingly, the two most widely-used E5RON92 and RON95-III gasoline were adjusted upward than in the previous level, the third straight upward adjustments since the global oil crisis, due to a sharp rebound in global crude oil prices recently. In particular, the E5RON92 price rose by 7.98% compared to its previous level, selling at VND13,390 per liter, while the RON95-III also jumped up by 7.28%, selling at VND14,080 per liter. As a result, it will put massive upward pressure on the traffic price in June. (Ministry of Industry and Trade)

► VHM: Massive buy orders

A group of investors led by KKR, including Temasek, spent USD650mn, equivalent to VND15,100bn to buy 6% of Vinhomes (HSX: VHM) shares of VHM via put-through method last Monday. (ndh.vn)

► VHM: Issuing bond

According to Hanoi Stock Exchange, Vinhomes (HSX: VHM) has issued 53 lots of bonds with a total value of VND6,530bn. Particularly, all bonds are non-convertible, not accompanied by warrants, and have collaterals. (ndh.vn)

New listing & Public offerings

► New listing

Date of listing	Ticker	Company	Exchange	Charter	Listed Shares	Reference price
6/24/2020	PSH	Nam Song Hau Trading Investing Petroleum JSC	HSX	1,262.0	126,196,780	16,000
6/18/2020	DTP	Ha Noi CPC1 Pharmaceutical JSC	UPCoM	121.7	12,171,782	23,000
6/17/2020	PVX	Petro Vietnam Construction JS Corp.	UPCoM	4,000.0	400,000,000	1,000

► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
7/6/2020	DSINVEST	Dong Son Infrastructure Investment JSC	100.0	1,500,000	15,713	Whole lot sale; Local investors only
6/26/2020	GCB	Petec Binh Dinh JSC	40.4	1,274,064	30,810	Whole lot sale; Local investors only
6/22/2020	APH	An Phat Holdings JSC	1,423.8	4,300,000	25,000	-
6/18/2020	HND	Hai Phong Thermal Power JSC	5,000.0	45,000,000	26,000	Whole lot sale

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- 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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