

Xin Chao Vietnam

Market performance

	16 Jul	1D	1M	3M	YTD
VNIndex (pt, % chg.)	876.83	0.8	2.4	12.3	(8.8)
Turnover (VND bn)	4,249				
VN30 (pt, % chg.)	819.83	1.2	2.6	12.8	(6.7)

Major indicators

	16 Jul	1D	1W	1M	YTD
1-yr govt bonds (% bp chg.)	0.62	(0.0)	(0.4)	(1.6)	(0.8)
3-yr govt bonds (% bp chg.)	1.17	(0.0)	(0.4)	(1.2)	(0.5)
VND/USD (% chg.)	23,185	(0.1)	0.1	1.1	(0.1)
VND/JPY (% chg.)	21,661	0.0	(0.2)	0.3	(1.6)
VND/EUR (% chg.)	26,513	(0.0)	(0.8)	(2.9)	(2.0)
VND/CNY (% chg.)	3,312	0.1	(1.1)	(0.0)	0.5
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.62	(0.0)	(0.1)	(0.0)	(1.3)
WTI (USD/bbl, % chg.)	40.66	(1.3)	5.9	104.6	(33.4)
Gold (USD/oz, % chg.)	43.39	(0.9)	5.9	56.0	(34.3)

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HDB	31.9	E1VFN30	(45.1)
VNM	17.4	SMC	(30.6)
VPB	15.9	MSH	(10.6)
CTG	15.0	SSI	(4.9)
VCB	13.4	HDG	(4.2)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
E1VFN30	32.7	VCB	(25.4)
VNM	30.6	DXG	(16.2)
KDC	13.3	SAB	(11.8)
VRE	11.8	MSN	(11.6)
CTG	10.6	PAC	(11.2)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	6.3	Automobiles	(2.6)
Health Care	1.9	Household Products	(2.3)
Commercial Services	1.5	Media & Entertainment	(1.3)
Real Estate	1.4	Consumer Durables	(0.5)
Transportation	1.4	Software & Services	(0.5)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Members of Vingroup make market gains
- **China:** China's economy returns to growth after the health crisis

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)	14.2	2.0	10.5	14.3
2021F	275,785	142,326	11.0	12.8	1.8	9.1	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

KIS macro forecast

	1Q20	2Q20	3Q20F	4Q20F	2019	2020F	2021F
GDP (% yoy)	3.8	0.4	4.1	5.0	7.0	4.3	5.9
Trade balance (USD bn)	1.7	0.6	5.7	5.1	10.4	7.9	1.8
CPI (% yoy, avg.)	5.6	2.8	1.3	0.7	2.8	2.5	2.6
Discount rate (% EoP)	3.5	3.0	3.0	3.0	4.0	3.0	3.0
VND/USD (avg.)	23,264	23,335	23,300	23,317	23,231	23,304	23,296
US GDP (% qoq)	(4.8)	(33.7)	18.0	6.9	2.3	(5.6)	4.0
China GDP (% yoy)	(6.8)	1.9	5.0	6.0	6.1	1.8	8.0

Source: KIS, Bloomberg

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Market commentary & News

Market commentary

Members of Vingroup make market gains

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Vietnam stock markets maintained its uptrend as cash flowed into members of Vingroup, namely VIC (+2.8%), VHM (+0.5%), and VRE (+2.2%).

At the close, the VNIndex gained 0.80% to close at 876.8 pts. Meanwhile, trading volume recorded to 237 million shares or VND4,249bn.

Foreign investors continued to sell with a net value of VND24bn on HSX. They sold VCB, DXG, and SAB the most with net values of VND25bn, VND16bn, and VND11bn, respectively.

Consumer Staples were the market leaders because of SAB (+0.8%), VNM (+1.3%), SBT (+2.7%), and MSN (+2.3%).

A few of the VN30 Index constituents, namely EIB (+1.7%), HDB (+1.3%), HPG (+1.9%), MBB (+1.1%), POW (+1.0%), and TCB (+1.9%), jumped more than 1%.

In contrast, NLG (-1.2%), DXG (-2.2%), FLC (-1.5%), NVL (-0.8%), HBC (-1.4%), and BSR (-1.4%) closed in red territory.

The short-term uptrend is still intact thanks to the confirmation of the Falling Wedge. Therefore, investors should hold long positions and focus on leading stocks.

Breaking news

- ▶ China: China's economy returns to growth after the health crisis

The second-largest economy is only taking a quarter to get back to growth after being hit hard in 1Q20. According to the latest update from China's statistics department, the gross domestic product (GDP) in 2Q20 expanded by 3.2% YoY compared to a severe contraction of 6.8% YoY in 1Q20, beating the market expectation of just 2.4% YoY. In particular, both the industrial production and retail were better than the median estimate, in which the IIP impressively rose 4.8% YoY. (National Bureau of Statistics of China, Bloomberg)

New listing & Public offerings

▶ Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
7/23/2020		Vinh Son JSC	1,150.0	4,588,500	201,042	Whole lot sale
7/22/2020	KSE	Khanh Hoa Seafoods Exporting JSC	14.8	200	32,200	-

- **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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