

Xin Chao Vietnam

Market performance

	28 Jul	1D	1M	3M	YTD
VNIndex (pt, % chg.)	813.36	3.6	(4.5)	6.0	(15.4)
Turnover (VND bn)	4,913				
VN30 (pt, % chg.)	756.17	3.6	(4.9)	5.6	(14.0)

Major indicators

	28 Jul	1D	1W	1M	YTD
1-yr govt bonds (% bp chg.)	0.63	(0.0)	(0.1)	(1.2)	(0.8)
3-yr govt bonds (% bp chg.)	1.25	(0.0)	(0.1)	(0.8)	(0.4)
VND/USD (% chg.)	23,180	(0.0)	0.1	0.6	(0.0)
VND/JPY (% chg.)	22,009	(0.1)	(2.0)	(0.3)	(3.1)
VND/EUR (% chg.)	27,310	(0.6)	(4.6)	(6.9)	(4.9)
VND/CNY (% chg.)	3,310	0.1	(1.0)	0.0	0.5
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.61	(0.0)	(0.0)	(0.0)	(1.3)
WTI (USD/bbl, % chg.)	41.46	(0.3)	7.7	236.0	(32.1)
Gold (USD/oz, % chg.)	43.45	0.1	5.9	112.4	(34.2)

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
E1VFN30	8.4	HPG	(29.4)
KBC	4.0	VHM	(24.7)
REE	3.8	VNM	(20.6)
KDH	3.8	HDB	(19.0)
CII	3.6	VCB	(16.6)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	47.1	VJC	(12.6)
HPG	23.8	VRE	(11.7)
VNM	20.4	HSG	(6.7)
POW	19.4	NLG	(5.3)
MBB	15.1	MSN	(5.2)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Household Products	6.9		
Media & Entertainment	6.8		
Software & Services	5.9		
Diversified Financials	5.0		
Utilities	5.0		

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** VHM limits up
- **The U.S.:** Republicans unveil the next coronavirus stimulus package

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)	13.2	1.9	9.8	14.3
2021F	275,785	142,326	11.0	11.9	1.7	8.5	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)	(32.8)	18.0	6.5	2.3	(5.5)	3.9
China GDP (% yoy)	(6.8)	2.0	5.2	6.0	6.1	2.0	8.0

Source: KIS, Bloomberg

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Market commentary & News

Market commentary

VHM limits up

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Vietnam stock markets rebounded sharply yesterday thanks to bottom fishing on large-cap stocks. Notably, SSI and VHM limited up.

At the close, the VNIndex jumped by 3.59% to close at 813.3 pts. Meanwhile, trading volume decreased to 320 million shares or VND4,912bn.

Foreign investors maintained to buy with a net value of VND216bn on HSX. They purchased VHM, HPG and VNM the most with net values of VND47bn, VND23bn, and VND20bn, respectively.

29 out of 30 constituents of VN30Index closed in green territory, of whom, BID (+6.4%), MBB (+6.1%), and VNM (+6.2%) rose more than 6%.

Because domestic gasoline price increased, Energy stocks, namely GAS (+5.9%), PVT (+6.9%), PVD (+4.0%), PVS (+4.6%), POW (+5.8%), and BSR (+5.1%), outperformed the benchmark index.

Moreover, cash flowed into some mid- and small-cap as HCM, FLC, HSG, BMP, AMV, and IMP limited up.

The downside risk is still intact in the short term due to the high volatility of investor sentiment. Besides, the VNIndex crosses down the lower line of the downward channel with a runaway gap, implying the short-term downtrend. Therefore, traders should be careful and stay on the sidelines.

Breaking news

- The U.S.: Republicans unveil the next coronavirus stimulus package

As the current USD1.7tn package is getting close to expiring at some crucial items, including the additional unemployment benefits, U.S. policymakers from two parties are in negotiation for the next stimulus package. On Monday, the Republicans have disclosed some details about the new bill, in which it can be up to USD1tn and focuses on getting children back to school, employees back to work, and providing an extra USD200 to state unemployment benefits. This new bill is hoped to blow a tailwind to global financial markets. (Reuters)

New listing & Public offerings

► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
8/20/2020	BMF	Dong Nai Building Material and Fuel JSC	41.6	443,500	28,600	-
8/7/2020	FPT	FPT Corporation	7,839.9	46,019,295	49,400	Whole lot sale; Local investors only

- **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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