

# Xin Chao Vietnam

## Market performance

	25 Aug	1D	1M	3M	YTD
VNIndex (pt, % chg.)	874.12	0.6	5.4	1.8	(9.0)
Turnover (VND bn)	7,036				
VN30 (pt, % chg.)	815.18	0.7	5.6	1.0	(7.3)

## Major indicators

	25 Aug	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.60	(0.0)	(0.1)	(0.7)	(0.8)
3-yr gov't bonds (% bp chg.)	1.22	0.1	(0.0)	(0.5)	(0.4)
VND/USD (% chg.)	23,176	0.0	0.0	0.5	(0.0)
VND/JPY (% chg.)	21,791	0.3	0.9	(0.7)	(2.1)
VND/EUR (% chg.)	27,385	0.2	(0.9)	(7.2)	(5.1)
VND/CNY (% chg.)	3,353	(0.1)	(1.2)	(2.6)	(0.7)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.68	0.0	0.1	0.0	(1.2)
WTI (USD/bbl, % chg.)	42.59	(0.1)	3.1	28.1	(30.2)
Gold (USD/oz, % chg.)	45.34	0.5	4.6	27.6	(31.3)

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	93.4	GTN	(43.9)
MBB	79.7	EIB	(29.4)
FPT	71.2	E1VFN30	(26.3)
HPG	63.0	GMD	(19.2)
SBT	53.0	GEX	(13.9)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
E1VFN30	22.5	VHM	(164.2)
FUEVFN30	6.7	VNM	(68.0)
KSB	5.2	HPG	(57.3)
STB	5.0	VCB	(46.6)
DXG	4.6	MSN	(29.7)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Health Care	7.0	Software & Services	(2.6)
Household Products	4.8	Others	(1.2)
Retailing	3.7	Consumer Services	(0.8)
Energy	3.3	Materials	(0.6)
Automobiles	2.4	Commercial Services	(0.1)

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Third gaining session in a row
- **World:** Global PMI grows at the fastest pace since January

### 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	(6.4)	13.8	2.0	10.4	14.4
2021F	275,785	142,326	11.2	12.4	1.8	9.0	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)	(32.9)	20.1	6.1	2.2	(5.0)	3.7
China GDP (% yoy)	(6.8)	3.2	5.2	6.1	6.1	2.0	8.0

Source: KIS, Bloomberg

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## Market commentary & News

### Market commentary

#### Third gaining session in a row

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Vietnam stock markets continued to go up, the third recovery session in a row as the U.S. financial market reached a new high.

At the close, the VNIndex gained 0.63% to close at 874.1 pts. Meanwhile, trading volume increased to 382 million shares or VND7,036bn.

Foreign investors continued to sell with a net value of VND455bn on HSX. They sold VHM, VNM, and HPG the most with net values of VND164bn, VND68bn, and VND57bn, respectively.

Retailers were the market leaders, namely MWG (+4.1%) and PNJ (+1.8%), because investors expected that the business results would improve after the COVID-19 pandemic.

Besides, cash flowed into Real Estate stocks due to KDH (+2.9%), DXG (+6.8%), TCH (+2.9%), and VIC (+2.2%).

Some constituents of VN30 jumped more than 1% such as CTG (+1.2%), GAS (+1.1%), MBB (+1.4%), PLX (+3.9%), REE (+2.5%), SAB (+1.9%), SBT (+3.1%), and TCB (+1.6%).

In contrast, BID (-0.3%), HPG (-1.0%), NVL (-0.1%), POW (-0.9%), STB (-0.4%), VHM (-0.5%), VJC (-0.5%), and VPB (-0.8%) closed in red territory.

Base on the recovery, the short-term uptrend is confirmed again. The target is a zone 910-930 pts due to the breakout of the downward channel. Therefore, traders should increase their long position and focus on leading stocks.

### Breaking news

- World: Global PMI grows at the fastest pace since January

According to the leading source of information IHS Markit, the worldwide benchmark PMI in June indicates a remarkable improvement of global economic growth, largely attributable to rebounding economic activities globally. Specifically, the JPMorgan Global PMI increased for a third consecutive month in July, up to 50.8 index points from 47.8 in June. This is the first time that the benchmark entered into the upward trajectory since the pandemic spreading globally in February. Most notably, France, the United Kingdom, Russia, and Germany saw the most improvement in the economic output in July in descending order. (IHS Markit)

## New listing & Public offerings

### ► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
9/16/2020	VICOSA	Vinacomin Shipping Agency JSC	25.0	52,255	182,200	-
9/14/2020		Vinh Son JSC	1,150.0	4,588,500	201,042	Whole lot sale
9/11/2020	IBD	Binh Duong General Printing JSC	90.0	4,514,300	12,600	Local investors only
9/11/2020	TQMC	Tuyen Quang Minerals JSC	25.0	1,275,000	33,000	Whole lot sale
9/10/2020	AFX	An Giang Agriculture and Foods Import-Export JSC	350.0	17,850,000	18,900	Whole lot sale; Local investors only
9/9/2020		Vinh Long Real Estate JSC	26.5	1,937,770	30,600	Whole lot sale
9/4/2020	TEL	Telecommunication Project Construction Development JSC	50.0	2,450,000	21,801	-
9/1/2020	CC4	Investment and Construction JSC nO.4	160.0	4,137,500	16,100	Local investors only
8/31/2020	HDLB	Hai Duong livestock genetics one member Co., Ltd	37.8	2,414,700	13,800	IPO

- **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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