

Xin Chao Vietnam

Market performance

	26 Aug	1D	1M	3M	YTD
VNIndex (pt, % chg.)	873.47	(0.1)	5.3	0.5	(9.1)
Turnover (VND bn)	6,131				
VN30 (pt, % chg.)	812.36	(0.3)	5.2	(0.3)	(7.6)

Major indicators

	26 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.)	23,175	0.0	0.0	0.6	(0.0)
VND/JPY (% chg.)	21,806	(0.1)	0.8	(0.6)	(2.2)
VND/EUR (% chg.)	27,458	(0.3)	(1.2)	(7.4)	(5.4)
VND/CNY (% chg.)	3,363	(0.4)	(1.5)	(2.8)	(1.1)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.71	0.0	0.1	0.0	(1.2)
WTI (USD/bbl, % chg.)	43.38	0.1	5.1	26.3	(29.0)
Gold (USD/oz, % chg.)	45.95	0.2	6.0	27.0	(30.4)

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HPG	25.6	GEX	(70.2)
VCB	17.1	GMD	(18.8)
SFI	16.6	FUEVFNVD	(15.8)
TCB	15.4	STB	(12.3)
APH	11.8	HNG	(11.3)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VIC	17.2	HPG	(164.9)
FUEVFNVD	13.2	VNM	(92.9)
SAB	8.7	VCB	(41.1)
PLX	7.1	VHM	(39.3)
VRE	6.3	HDG	(16.9)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	3.8	Technology	(0.9)
Health Care	3.3	Consumer Services	(0.9)
Software & Services	3.3	Materials	(0.4)
Energy	2.2	Banks	(0.4)
Others	1.4	Retailing	(0.4)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Close in red territory
- **U.S.:** Consumer confidence drops to a 6-year low

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	1.7	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

Close in red territory

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After the third recovery session in a row, Vietnam stock markets reversed to go down as selling pressure on large-cap stocks such as FPT (-0.9%), HPG (-1.4%), PNJ (-1.1%), REE (-1.0%), TCB (-0.9%), and SAB (-1.2%).

At the close, the VNIndex closed almost unchanged at 873.4 pts. Meanwhile, trading volume decreased to 343 million shares or VND6,130bn.

Foreign investors continued to sell with a net value of VND360bn on HSX. They sold HPG, VNM, and VCB the most with net values of VND164bn, VND92bn, and VND41bn, respectively.

Profit-taking pushed Banking stocks down namely VCB (-0.5%), BID (-0.4%), TCB (-0.9%), MBB (-0.8%), and VPB (-0.4%).

In contrast, HDB (+0.1%), SSI (+0.3%), TCH (+1.4%), VJC (+1.1%), and VRE (+0.9%) closed in green territory.

Because of the sharp rebound of the oil price, the cash flowed into Energy tickers, such as PVT (+2.8%), PVD (+6.5%), PVS (+4.0%), POW (+0.5%), BSR (+3.0%), and PLX (+2.0%).

Despite the contraction, the short-term uptrend is still intact. 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

- ▶ U.S.: Consumer confidence drops to a 6-year low

As a previously additional insurance benefit from CARES Act expired by July's end and was replaced by smaller financial aid from the federal government, the U.S. consumers are becoming pessimistic about their job prospects and future income, which in turn have caused consumers cautious about their expenditure plan and eventually leads to deterioration in the overall business conditions amid the pandemic spread more severely. According to the latest update released by the Conference Board, the U.S. consumer confidence hit a 6-year low of just 84.8 index point since 2014, indicating that economic recovery will be not likely going smoothly in the near future. (The Conference Board, Bloomberg)

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

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- 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.

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- 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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