

# Xin Chao Vietnam

## Market performance

	27 Aug	1D	1M	3M	YTD
VNIndex (pt, % chg.)	874.71	0.1	11.4	2.0	(9.0)
Turnover (VND bn)	5,742				
VN30 (pt, % chg.)	814.55	0.3	11.6	1.6	(7.3)

## Major indicators

	27 Aug	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.62	0.0	(0.1)	(0.6)	(0.8)
3-yr gov't bonds (% bp chg.)	1.23	0.0	(0.0)	(0.5)	(0.4)
VND/USD (% chg.)	23,176	(0.0)	0.0	0.6	(0.0)
VND/JPY (% chg.)	21,853	0.0	0.6	(0.9)	(2.4)
VND/EUR (% chg.)	27,476	(0.1)	(1.2)	(6.9)	(5.5)
VND/CNY (% chg.)	3,366	(0.1)	(1.6)	(3.3)	(1.1)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.67	(0.0)	0.1	(0.0)	(1.2)
WTI (USD/bbl, % chg.)	43.27	(0.3)	4.0	31.9	(29.1)
Gold (USD/oz, % chg.)	45.65	0.0	5.2	31.4	(30.8)

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
GEX	32.7	FUEVFNVD	(120.9)
APH	26.7	GTN	(49.5)
FPT	17.9	PLX	(26.3)
MWG	14.1	GMD	(23.3)
VPB	10.9	HNG	(17.7)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FUEVFNVD	120.1	VHM	(122.0)
PLX	49.1	VSC	(74.9)
VIC	29.4	VNM	(37.6)
NLG	22.5	HPG	(25.5)
BVH	4.0	NVL	(21.8)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Software & Services	6.9	Health Care	(2.3)
Others	3.6	Household Products	(0.7)
Technology	2.8	Utilities	(0.5)
Energy	2.4	Pharmaceuticals	(0.4)
Retailing	1.6	Transportation	(0.4)

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Cautious Rebound
- **Korea:** Bank of Korea remains the policy rate amid the resurgence of COVID-19 pandemic

### 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)	13.7	2.0	10.3	14.4
2021F	275,785	142,326	11.2	12.4	1.7	8.9	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

#### Cautious Rebound

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Vietnam stock markets reversed to close in green territory thanks to some large-cap stocks such as FPT (+3.0%), MWG (+1.8%), PLX (+2.7%), REE (+0.8%), and STB (+0.8%).

At the close, the VNIndex gained 0.14% to close at 874.7 pts. Meanwhile, trading volume decreased to 314 million shares or VND5,742bn.

Foreign investors continued to sell with a net value of VND234bn on HSX. They sold VHM, VSC, VNM the most with net values of VND122bn, VND74bn, and VND37bn, respectively.

Brokerages and Materials were the market leaders due to SSI (+0.3%), HCM (+0.8%), HSG (+0.4%), and HPG (+0.4%).

In contrast, Aviation stocks such as HVN (-0.4%) and VJC (-1.0%) fell because of the impact of COVID-19. Besides, the high oil price will push their cost to increase.

In the short term, the uptrend is still intact as the VNIndex closes above the upper line of the downward channel. 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

- ▶ Korea: Bank of Korea remains the policy rate amid the resurgence of COVID-19 pandemic

South Korea's economic recovery has become gloomier as the new outbreak has posed significant uncertainties for the economy. According to the latest meeting of the Board of the Bank of Korea, the monetary policymaker decided to hold the Base rate, a 7-day repo rate, unchanged at 0.5%. Besides, based on the current macroeconomic data, the BOK also raised concerns about the future economic growth as currently there are signs that the recovery has been slowed down. The central bank also slashed its projection for the full-year 2020 economic growth to -1.3%, remarkably lower than the previous projection of -0.2% in May. (Bank of Korea)

## 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.

- **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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