

Xin Chao Vietnam

Market performance

	9 Sep	1D	1M	3M	YTD
VNIndex (pt, % chg.)	889.32	(0.1)	5.7	(1.1)	(7.5)
Turnover (VND bn)	5,927				
VN30 (pt, % chg.)	824.42	(0.4)	5.4	(1.5)	(6.2)

Major indicators

	9 Sep	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.64	0.0	(0.1)	(0.4)	(0.8)
3-yr gov't bonds (% bp chg.)	1.22	0.0	(0.1)	(0.4)	(0.5)
VND/USD (% chg.)	23,180	(0.0)	(0.0)	0.3	(0.0)
VND/JPY (% chg.)	21,861	(0.0)	0.0	(1.5)	(2.5)
VND/EUR (% chg.)	27,320	0.3	(0.1)	(3.7)	(4.9)
VND/CNY (% chg.)	3,385	(0.0)	(1.7)	(3.1)	(1.7)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.68	(0.0)	0.1	(0.1)	(1.2)
WTI (USD/bbl, % chg.)	37.45	1.9	(9.1)	(3.8)	(38.7)
Gold (USD/oz, % chg.)	40.33	1.4	(9.2)	(2.1)	(38.9)

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
GAB	96.6	VGC	(80.2)
VPI	44.0	HNG	(69.2)
SBT	27.4	E1VFN30	(33.7)
FUESSVFL	24.0	PLX	(25.8)
HCM	8.0	TCB	(23.4)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
E1VFN30	33.6	HPG	(112.5)
PLX	25.9	VNM	(33.7)
VRE	25.7	VHM	(25.2)
FUEVFVND	12.3	FUESSVFL	(24.1)
SMB	6.3	VCB	(19.1)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	6.6	Pharmaceuticals	(1.1)
Automobiles	2.0	Insurance	(1.0)
Others	1.7	Consumer Services	(0.9)
Household Products	1.5	Energy	(0.6)
Health Care	1.1	Banks	(0.5)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Close almost unchanged
- **U.S.:** The manufacturing sector expands at the fastest pace since January 2019

New listing & Public offerings

KIS market view

	OP	NP	EPS growth	PE	PB	EV/EBITDA	ROE
	(VND bn)	(VND bn)	(% yoy)	(x)	(x)	(x)	(%)
2018	191,785	119,519	29.6	14.8	2.6	13.6	17.8
2019	238,659	144,922	24.3	13.4	2.3	11.0	17.4
2020F	261,642	146,123	0.7	13.0	2.0	9.1	15.3
2021F	293,650	165,232	14.3	11.3	1.7	8.0	15.3

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)	(32.3)	21.2	6.1	2.2	(5.0)	3.7
China GDP (% yoy)	(6.8)	3.2	5.0	6.1	6.1	2.0	8.0

Source: KIS, Bloomberg

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Market commentary & News

Market commentary

Close almost unchanged

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Although sell-off on U.S. financial market, Vietnam stock markets recorded intraday rebound thanks to high demand on some large-cap stock, namely MSN (+0.3%), MWG (+0.3%), REE (+1.2%), SSI (+0.3%), STB (+0.4%), and VRE (+0.3%).

At the close, the VNIndex closed almost unchanged at 889.3 pts. Meanwhile, trading volume increased to 308 million shares or VND5,927bn.

Foreign investors continued to sell with a net value of VND168bn on HSX. They sold HPG, VNM, and VHM the most with net values of VND112bn, VND33bn, and VND25bn, respectively.

Brokerages and Construction tickers were the market leaders due to SSI (+0.3%), HCM (+0.5%), CTD (+0.3%), and HBC (+0.8%).

In contrast, selling pressure pushed Banking down such as CTG (-1.0%), VCB (-0.4%), BID (-0.1%), HDB (-1.0%), TCB (-1.4%), EIB (-1.8%), and MBB (-0.3%).

Based on the contraction, the downside risk is still intact in the short term. Notably, the 900-pts threshold is significant resistance. Thus, investors should be careful and wait for the next signal to define the trend.

Breaking news

- ▶ U.S.: The manufacturing sector expands at the fastest pace since January 2019

Although the economic recovery of the U.S. economy is slowing down in recent months, August data shows some positive signs for the largest economy amid the COVID-19 crisis. According to the latest report from IHS Markit, the U.S. manufacturing sector saw the largest expansion since January 2019 as the U.S. Manufacturing PMI index posted 53.1 in August, down slightly from the flash estimate of 53.6. The main factors for the solid improvement in the manufacturing sector were remarkable increases in new domestic and export orders, accompanied by a sharp increase in output. This is reflecting the demand conditions strengthened in the month amid some warning signals in the market. (IHS Markit)

New listing & Public offerings

▶ Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
9/28/2020	TBD	Dong Anh Electrical Equipment Corporation - JSC	282.6	13,131,632	153,100	Whole lot sale
9/17/2020		Phat Tai JSC	18.1	50,000	27,210	Whole lot sale
9/16/2020	VICOSA	Vinacomin Shipping Agency JSC	25.0	52,255	182,200	-
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

- **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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