

Xin Chao Vietnam

Market performance

	15 Sep	1D	1M	3M	YTD
VNIndex (pt, % chg.)	896.26	0.2	5.4	7.7	(6.7)
Turnover (VND bn)	6,544				
VN30 (pt, % chg.)	833.33	0.1	5.2	7.0	(5.2)

Major indicators

	15 Sep	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.59	0.0	(0.1)	(0.3)	(0.8)
3-yr gov't bonds (% bp chg.)	1.14	0.0	(0.0)	(0.4)	(0.5)
VND/USD (% chg.)	23,177	(0.0)	(0.1)	0.2	(0.0)
VND/JPY (% chg.)	21,916	(0.0)	(0.3)	(1.3)	(2.7)
VND/EUR (% chg.)	27,529	(0.2)	(0.1)	(5.1)	(5.6)
VND/CNY (% chg.)	3,422	(0.6)	(2.3)	(4.3)	(2.7)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.68	0.0	(0.0)	(0.0)	(1.2)
WTI (USD/bbl, % chg.)	37.91	1.7	(9.8)	2.1	(37.9)
Gold (USD/oz, % chg.)	40.25	1.6	(10.2)	1.3	(39.0)

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VGC	116.5	STB	(42.3)
VNM	33.4	GEX	(33.8)
VCB	31.3	E1VFN30	(29.8)
VIC	24.3	HPG	(23.3)
POW	22.6	VPB	(14.3)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VIC	32.6	VHM	(195.4)
E1VFN30	27.9	VNM	(44.3)
NLG	17.2	HDB	(25.1)
VRE	16.0	GAS	(24.3)
PHR	11.4	VCB	(24.1)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	6.9	Insurance	(0.9)
Health Care	2.0	Commercial Services	(0.7)
Technology	1.5	Transportation	(0.5)
Automobiles	1.4	Household Products	(0.5)
Utilities	1.0	Media & Entertainment	(0.4)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Key large-cap stocks surge
- **Vietnam:** Export activity continues to accelerate in August

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	11.4	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)	(31.7)	24.8	5.0	2.2	(4.5)	3.7
China GDP (% yoy)	(6.8)	3.2	5.2	6.0	6.1	2.1	8.0

Source: KIS, Bloomberg

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Market commentary & News

Market commentary

Key large-cap stocks surge

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Vietnam stock markets maintained its uptrend thanks to high demand on large-cap stocks such as VIC (+2.0%), VRE (+1.0%), and GAS (+1.3%).

At the close, the VNIndex gained 0.19% to close at 896.2 pts. Meanwhile, trading volume increased to 369 million shares or VND6,544bn.

Foreign investors resumed selling with a net value of VND360bn on HSX. They sold VHM, VNM, and HDB the most with net values of VND195bn, VND44bn, and VND25bn, respectively.

Cash flowed into Material stocks, namely HSG (+2.4%), HPG (+0.4%), and NKG (+0.4%).

Moreover, some constituents of the VN30Index such as BID (+0.6%), FPT (+1.4%), KDH (+0.4%), POW (+1.5%), ROS (+0.4%), SSI (+0.3%), STB (+2.6%), and VNM (+0.4%), outperformed the benchmark index.

In contrast, EIB (-1.1%), HDB (-1.1%), BVH (-1.1%), HBC (-1.0%), and HVN (-1.0%) fell more than 1%.

In the short term, the 900-pts threshold is a significant resistance. The VNIndex needs to break out this resistance to confirm the uptrend. Therefore, investors should be careful and wait for the next signal to define the trend.

Breaking news

- ▶ Vietnam: Export activity continues to accelerate in August

According to the latest trade data in August from Vietnam Customs, the export continued to grow markedly to USD27.70bn, increasing by 11.38% mom or 7.02% YoY. Besides, the import also increased but at a slower pace to USD22.72bn, up by 2.81% mom or 1.19% YoY. Export of a group of telephones, mobile phones, computers & electronic parts accounted for a major part of this impressive growth as contributing more than 40% month-over-month increase in the export growth. As a result, the trade balance jumped by nearly USD5bn in August, accumulatively reaching USD13.66bn year-to-date. (VN Customs)

New listing & Public offerings

▶ New listing

(VND bn, share, VND)

Date of listing	Ticker	Company	Exchange	Charter	Listed Shares	Reference price
9/18/2020	TTA	Truong Thanh Deconin., JSC	HSX	1,350.0	135,000,000	18,000

▶ Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
10/9/2020	AGFERRY	An Giang Ferry One Member Company Limited	167.5	5,291,520	16,720	IPO
10/6/2020	BWE	Binh Duong Water Environment JSC	1,500.0	37,500,000	25,500	-
9/28/2020	TBD	Dong Anh Electrical Equipment Corporation - JSC	282.6	13,131,632	153,100	Whole lot sale
9/25/2020		Saigon Machinery Spare Parts JSC	190.2	482,856	16,700	Whole lot sale

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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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