

# Xin Chao Vietnam

## Market performance

	6 Oct	1D	1M	3M	YTD
VNIndex (pt, % chg.)	915.67	0.1	1.6	6.3	(4.7)
Turnover (VND bn)	8,205				
VN30 (pt, % chg.)	871.37	0.4	3.7	8.5	(0.9)

## Major indicators

	6 Oct	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.51	(0.0)	(0.0)	(0.3)	(0.9)
3-yr gov't bonds (% bp chg.)	0.73	(0.3)	(0.3)	(0.8)	(0.9)
VND/USD (% chg.)	23,206	(0.0)	(0.1)	(0.0)	(0.1)
VND/JPY (% chg.)	21,978	(0.2)	(0.8)	(1.7)	(3.0)
VND/EUR (% chg.)	27,366	(0.5)	0.4	(4.5)	(5.1)
VND/CNY (% chg.)	3,417	(0.1)	(0.7)	(3.3)	(2.6)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.76	(0.0)	0.0	0.1	(1.2)
WTI (USD/bbl, % chg.)	39.61	1.0	(0.4)	(2.5)	(35.1)
Gold (USD/oz, % chg.)	41.71	1.0	(2.2)	(3.2)	(36.8)

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HPG	73.8	MBB	(26.9)
FLC	49.0	FPT	(20.3)
NHH	27.5	DIG	(14.8)
BMP	22.5	VIC	(14.2)
E1VFN30	19.8	VNM	(14.1)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HPG	96.9	VNM	(105.5)
DXG	16.7	CTG	(37.4)
MBB	13.5	VIC	(30.4)
FUEVFVND	12.3	BID	(24.8)
VCB	9.7	E1VFN30	(22.9)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	2.6	Others	(1.1)
Materials	1.9	Transportation	(0.7)
Retailing	1.3	Media & Entertainment	(0.4)
Household Products	1.2	Real Estate	(0.4)
Automobiles	1.1	Utilities	(0.1)

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Midcap Real Estate in the spotlight
- **Vietnam:** Primary G-bond market is booming in September

### 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	3.0	13.2	2.0	9.3	15.4
2021F	293,650	165,232	14.1	11.6	1.8	8.1	15.4

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)	25.3	5.0	2.2	(4.3)	3.7
China GDP (% yoy)	(6.8)	3.2	5.1	6.0	6.1	2.1	8.0

Source: KIS, Bloomberg

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## Market commentary & News

### Market commentary

#### Midcap Real Estate in the spotlight

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Vietnam stock markets continued to go up thanks to cash flowed into Midcap Real Estate such as VRE (+0.4%), DXG (+4.1%), ROS (+5.9%), FLC (+6.6%), TCH (+2.1%), and KDH (+0.8%).

At the close, the VNIndex gained 0.11% to close at 915.6 pts. Meanwhile, trading volume increased to 496 million shares or VND8,205bn.

Foreign investors resumed selling with a net value of VND96bn on HSX. They sold HPG, DXG and MBB the most with net values of VND96bn, VND16bn, and VND13bn, respectively.

Material tickers outperformed the benchmark index, namely HSG (+1.9%) and HPG (+3.3%), as investors expected that the business results in 2H20 keep rising.

Besides, some constituents of VN30 jumped more than 1% such as EIB (+1.1%), MSN (+3.5%), MWG (+1.1%), STB (+3.6%).

In contrast, selling pressure pushed a few key tickers down as VIC (-1.6%), CTG (-1.0%), POW (-1.3%), and SBT (-1.2%).

In the short term, the uptrend of the VNIndex is still intact as the index closes above the 900-pts threshold. Therefore, investors may be held their long position and focus on leading tickers.

### Breaking news

- ▶ Vietnam: Primary G-bond market is booming in September

In the primary G-bond market, demand for G-bonds was reaching a high record in the month mainly thanks to excess liquidity in the banking system. According to the latest data from Ha Noi Stock Exchange, there was VND61.25tn of G-bonds was being offered during September, more than double from its August's level, while the bidding value set an all-time-high of more than VND214tn. As a result, VND60.14tn of G-bonds was successfully issued, and the absorption rate was at 98.19%. (HNX)

## New listing & Public offerings

### ▶ New listing

(VND bn, share, VND)

Date of listing	Ticker	Company	Exchange	Charter	Listed Shares	Reference price
10/9/2020	NAB	Nam A Commercial JSB	UPCoM	3,890.1	389,005,328	13,500

### ▶ Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
10/26/2020	EVF	EVN Finance JSC	2,649.8	2,650,000	17,411	-
10/26/2020	XLAG	An Giang Construction One Member Co., Ltd	287.2	7,722,638	45,400	IPO
10/21/2020		Vinh Son JSC	1,150.0	4,588,500	201,042	Whole lot sale
10/16/2020		Mua Xuan Agriculture Center	29.8	700,938	10,000	IPO
10/9/2020	AGFERRY	An Giang Ferry One Member Company Limited	167.5	5,291,520	16,720	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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