

Xin Chao Vietnam

Market performance

	17 Nov	1D	1M	3M	YTD
VNIndex (pt, % chg.)	968.90	1.9	2.7	14.0	0.8
Turnover (VND bn)	7,809				
VN30 (pt, % chg.)	934.65	2.0	3.7	18.1	6.3

Major indicators

	17 Nov	1D	1W	1M	YTD
1-yr govt bonds (% bp chg.)	0.50	0.0	(0.1)	(0.2)	(0.9)
3-yr govt bonds (% bp chg.)	0.94	0.2	(0.1)	(0.4)	(0.7)
VND/USD (% chg.)	23,180	(0.0)	(0.0)	(0.1)	(0.0)
VND/JPY (% chg.)	22,227	(0.3)	(1.1)	(1.7)	(4.1)
VND/EUR (% chg.)	27,490	(0.1)	(1.1)	0.0	(5.5)
VND/CNY (% chg.)	3,537	(0.5)	(2.0)	(5.5)	(5.9)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.89	(0.0)	0.1	0.2	(1.0)
WTI (USD/bbl, % chg.)	41.26	(0.2)	0.9	(3.8)	(32.4)
Gold (USD/oz, % chg.)	43.77	(0.1)	2.0	(3.5)	(33.7)

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
SHP	15.0	CVT	(88.4)
HPG	14.0	VNM	(23.5)
VPB	11.7	GEX	(21.2)
PVD	11.7	MSN	(20.8)
TDC	11.3	VIC	(19.8)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
MBB	58.4	HDB	(144.2)
VHM	48.6	PVD	(39.1)
VCB	22.6	VPB	(27.4)
GAS	19.1	SAB	(25.5)
PNJ	16.8	CTG	(22.6)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Others	4.1	Health Care	(0.5)
Utilities	2.8	Media & Entertainment	(0.4)
Consumer Durables	2.7	Software & Services	(0.1)
Materials	2.7		
Real Estate	2.5		

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Oil and Gas in the spotlight
- **Vietnam:** OPEC+ organization sees weaker global oil demand by 2021

Macro & strategy

- **Fundflow 09 - 13 Nov:** Inflow comes back to normal level

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	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	14.0	2.2	9.8	15.4
2021F	293,650	165,232	14.1	12.2	1.9	8.6	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	3Q20	4Q20F	2019	2020F	2021F
GDP (% yoy)	3.8	0.4	2.6	5.0	7.0	4.3	5.9
Trade balance (USD bn)	1.7	0.6	7.4	5.1	10.4	7.9	1.8
CPI (% yoy, avg.)	5.6	2.8	3.2	3.5	2.8	3.8	3.5
Discount rate (% EoP)	3.5	3.0	3.0	3.0	4.0	3.0	3.0
VND/USD (avg.)	23,264	23,206	23,188	23,197	23,231	23,214	23,206
US GDP (% qoq)	(4.8)	(31.7)	32.6	4.0	2.2	(3.6)	3.8
China GDP (% yoy)	(6.8)	3.2	4.9	5.7	6.1	2.0	8.0

Source: KIS, Bloomberg

Market commentary & News

Market commentary

Oil and Gas in the spotlight

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Vietnam stock markets reversed to go up thanks to Oil and Gas stocks, namely GAS (+4.1%), PVD (+5.6%), PVS (+5.4%), and BSR (+5.8%). The operation of the Sao Vang and Dai Nguyet field was the main driving force supporting this stock group's gain.

At the close, the VNIndex jumped 1.9% to close at 968.9 pts. Meanwhile, trading volume decreased to 381 million shares or VND7,808bn.

Foreign investors resumed selling with a net value of VND117bn on HSX. They sold HDB, PVD, and VPB the most with net values of VND144bn, VND39n, and VND27bn, respectively.

Moreover, cash flowed into Banking and Real Estate thanks to BID (+1.0%), VCB (+2.1%), CTG (+1.9%), VPB (+3.5%), MBB (+2.6%), ACB (+3.8%), TCB (+2.0%), VIC (+3.9%), VHM (+2.2%), and DXG (+5.3%).

Some constituents of VN30Index surged more than 2%, such as HPG (+3.4%), MWG (+2.1%), PNJ (+2.6%), and SSI (+3.1%).

In contrast, DHG (-0.1%), PPC (-0.2%), and VSH (-4.8%) closed in red territory.

Despite the sharp recovery, the volatility increases at a high level, implying the risk. Thus, traders should be cautious and wait for more signals.

Breaking news

- ▶ Vietnam: OPEC+ organization sees weaker global oil demand by 2021

The resurgence of COVID-19 in most of the regions recently has dragged down the outlook for global oil demand in the coming year. According to the information from a Reuters source, the OPEC organization and its allies revised the projection of the global oil demand in 2021 to a more severe situation. More specifically, oil demand is expected to grow by 6.2mn barrels per day, down by 0.3mn barrels per day from the previous assessment. (OPEC, Reuters)

Macro & strategy

Fundflow 09 - 13 Nov

Inflow comes back to normal level

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- ▶ Vietnam foreign flow

Last week, selling activities slowed down. Net sell value recorded at USD66mn, down 21% WoW.

Breaking down by sectors, selling pressure focused on Consumer Staples, Financials, and Materials. Net sell value recorded at USD33mn, USD31mn, and USD13mn, respectively. Particularly, foreign selling activities mainly focused on MSN, VNM, CTG, SSI, MBB, and HPG, fading the sharp buying activities on KDC, BVH, VCB, HSG, and DPM. Besides, Utilities also experienced the outflow due to high selling pressure on POW. On the contrary, Industrials and Real Estate attracted the most foreign demand across the market thanks to large buy orders on VJC, VRE, and VHM. Health Care also ended up to be net bought owing to IMP.

- ▶ South East Asia ETF flow

Money inflow across SEA came back to the normal level with net inflow recorded at USD19mn. To be specific, the flow of money to major countries such as Indonesia, Malaysia, and Singapore slowed down whilst Thailand maintained the high level of inflow. However, Philippines experienced the outflow last week.

Inflow across Vietnam also followed the trend of SEA. Net inflow recorded at USD1mn, four times lower than the previous week.

Of which, X FTSE Vietnam and VFMVN Diamond ETF were the main contributors which attracted the total of USD1.5mn last week.

New listing & Public offerings

► New listing

(VND bn, share, VND)

Date of listing	Ticker	Company	Exchange	Charter	Listed Shares	Reference price
12/1/2020	GMA	Viet Nam Enteco Corporation	HNX	60.0	6,000,000	11,600

► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
12/10/2020	VTK	Viettel Consultant and Design JSC	41.6	630,748	27,500	-
12/7/2020	CTR	Viettel Construction JSC	704.1	7,746,801	46,600	-
12/4/2020		Thanh Hoa Industrial Zone Infrastructure Investment JSC	25.0	1,143,633	39,900	Local investors only
12/3/2020	AFX	An Giang Agriculture and Foods Import-Export JSC	350.0	17,850,000	18,900	Whole lot sale; Local investors only
12/2/2020		Phat Tai JSC	18.1	50,000	27,210	Whole lot sale
11/30/2020	ITJ	Becamex Infrastructure Development JSC	1,371.0	80,000,000	12,500	-
11/27/2020	IDC	IDICO Corporation	3,000.0	108,000,000	26,930	Local investors only
11/26/2020		Chau Duc Construction and Urban Development JSC	17.4	1,152,000	29,750	Whole lot sale; Local investors only
11/25/2020	CC1	Construction Corporation Number 1 JSC	1,100.0	44,583,500	23,030	-
11/24/2020	ITS	Vinacomin – Investment, Trading and Service JSC	2,649.8	4,536,000	17,500	-
11/23/2020		Vinh Long Public Works JSC	35.4	1,569,728	40,800	-

- **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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