

Xin Chao Vietnam

Market performance

	24 Dec	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,067.52	(1.1)	6.8	17.5	11.1
Turnover (VND bn)	14,181				
VN30 (pt, % chg.)	1,033.95	(1.1)	7.6	21.0	17.6

Major indicators

	24 Dec	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.53	0.0	0.0	(0.0)	(0.9)
3-yr gov't bonds (% bp chg.)	0.91	0.0	(0.1)	(0.1)	(0.8)
VND/USD (% chg.)	23,133	0.0	0.1	0.2	0.2
VND/JPY (% chg.)	22,324	(0.0)	(0.7)	(1.6)	(4.5)
VND/EUR (% chg.)	28,272	(0.3)	(2.9)	(4.1)	(8.1)
VND/CNY (% chg.)	3,542	(0.2)	(0.9)	(4.2)	(6.1)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.92	0.0	0.0	0.3	(1.0)
WTI (USD/bbl, % chg.)	48.23	0.2	7.4	19.6	(21.0)
Gold (USD/oz, % chg.)	51.29	0.2	7.2	22.3	(22.3)

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
TCB	82.0	HNG	(47.5)
HPG	72.0	SBT	(30.2)
VNM	56.9	MSB	(29.4)
MBB	47.2	HSG	(15.3)
VIC	43.2	FUEFVND	(12.7)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VCI	50.7	VNM	(60.3)
VHM	30.6	HPG	(32.4)
MBB	29.1	SSI	(27.2)
VRE	23.2	HCM	(21.3)
APH	21.6	BID	(19.6)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Health Care	4.7	Commercial Services	(2.7)
		Telecommunication	(2.7)
		Technology	(2.3)
		Banks	(1.5)
		Capital Goods	(1.4)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Selling pressure
- **Vietnam:** Credit growth accelerates in the two last months of 2020

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	29.7	15.2	2.7	13.6	17.7
2019	238,659	144,922	24.2	13.8	2.4	11.0	17.4
2020F	270,014	151,973	7.1	15.3	2.5	10.7	16.1
2021F	304,264	177,159	18.9	12.9	2.1	9.6	16.4

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)	33.1	4.6	2.2	(3.5)	3.9
China GDP (% yoy)	(6.8)	3.2	4.9	6.0	6.1	2.0	8.2

Source: KIS, Bloomberg

Market commentary & News

Market commentary

Selling pressure

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Vietnam stock market maintained its downtrend because of the sell-off on key tickers.

At the close, the VNIndex lost by 1.05% to close at 1,067 pts. Meanwhile, trading volume recorded to 757 million shares or VND14,181bn.

Foreign investors continued to sell with a net value of VND70bn on HSX. They sold VNM, HPG, and SSI the most with a net value of VND60bn, VND32bn, and VND27bn, respectively.

Selling pressure pushed Banking and Real Estate down, namely CTG (-1.6%), BID (-2.4%), HDB (-3.3%), TCB (-2.6%), ACB (-2.8%), EIB (-2.6%), VPB (-1.6%), STB (-1.2%), VHM (-1.3%), VRE (-2.1%), NVL (-1.5%), KDH (-1.7%), and TCH (-1.7%).

Based on the reduction of global oil price, Energy underperformed the benchmark index due to PVT (-2.3%), PVD (-1.4%), POW (-2.4%), BSR (-2.1%), OIL (-2.8%), and NT2(-3.2%).

Some constituents of VN30Index such as MWG (-1.2%), PNJ (-1.4%), REE (-1.6%), SBT (-3.3%), and SSI (-1.6%) slid more than 1%.

In contrast, VJC (+0.3%), SAB (+0.5%), CTD (+0.1%), and KBC (+7.0%) closed in green territory.

Despite the second contraction, the short-term uptrend is still intact as the VNIndex closes above significant thresholds. Therefore, traders should hold their long position and focus on leading stocks.

Breaking news

- ▶ Vietnam: Credit growth accelerates in the two last months of 2020

Although the lending activity remained sluggish most of the time in 2020 under COVID-19 unfavorable business conditions, November and December see it booming as the economic activity is normalizing faster than anticipated under a well-controlled pandemic situation. According to SBV, as of 21st December 2020, the total credit is rocketing by 10.14% year-to-date or 11.62% compared to the same period in 2020. The credit growth is expected to reach 11% YTD by the year end, said SBV Deputy Governor Dao Minh Tu. (SBV)

New listing & Public offerings

▶ Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
1/7/2021	HATIFA	Hatifa., JSC	35.0	1,260,000	16,100	Whole lot sale
12/31/2020		Bong Sen Guest House	93.0	5,899,200	10,000	-
12/30/2020		Binh Thuan - Transportation Works JSC	20.7	1,905,177	20,600	Whole lot sale
12/29/2020	BENOVAS	Benovas Oncology JSC	100.0	2,900,000	11,300	Whole lot sale
12/25/2020	SHG	Song Hong Corporation	270.0	13,241,200	10,000	-

- **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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