

# Xin Chao Vietnam

## Market performance

	30 Dec	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,097.54	(0.2)	9.4	21.2	14.2
Turnover (VND bn)	13,470				
VN30 (pt, % chg.)	1,059.16	0.1	9.7	23.4	20.5

## Major indicators

	30 Dec	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.43	(0.1)	(0.1)	(0.1)	(1.0)
3-yr gov't bonds (% bp chg.)	0.84	(0.0)	(0.1)	0.0	(0.8)
VND/USD (% chg.)	23,093	0.1	0.2	0.4	0.3
VND/JPY (% chg.)	22,379	(0.2)	(0.9)	(1.7)	(4.7)
VND/EUR (% chg.)	28,389	(0.3)	(2.4)	(4.0)	(8.5)
VND/CNY (% chg.)	3,539	0.0	(0.6)	(3.5)	(6.0)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.95	0.0	0.1	0.3	(1.0)
WTI (USD/bbl, % chg.)	48.37	0.8	6.7	20.3	(20.8)
Gold (USD/oz, % chg.)	51.48	0.8	8.2	25.7	(22.0)

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
DBD	94.0	MBB	(90.5)
CTD	40.1	STB	(81.9)
TDP	32.0	FUEVFNVD	(33.0)
HPG	17.9	MSB	(23.4)
MHC	16.3	HNG	(18.5)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FUEVFNVD	35.3	HPG	(223.4)
VCI	30.2	MBB	(50.4)
VRE	18.6	VNM	(45.0)
VHM	14.6	KBC	(35.6)
VCB	12.4	VHC	(32.8)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Technology	7.0	Others	(2.7)
Consumer Durables	1.5	Insurance	(2.5)
Consumer Services	1.1	Health Care	(1.4)
Automobiles	0.5	Materials	(0.9)
Real Estate	0.4	Software & Services	(0.8)

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Selling pressure at the 1,100-pts threshold
- **Vietnam:** Production ramps up for the year-end season

### 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	29.7	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	7.2	15.6	2.5	10.9	16.1
2021F	304,264	177,159	18.9	13.1	2.1	9.8	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 at the 1,100-pts threshold

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Vietnam stock market reversed to go down due to selling pressure at the 1,100-pts threshold.

At the close, the VNIndex lost 0.18% to close at 1,097 pts. Meanwhile, trading volume recorded to 676 million shares or VND13,469bn.

Foreign investors continued to sell with a net value of VND280bn on HSX. They sold HPG, MBB, and VNM the most with a net value of VND223bn, VND50bn, and VND44bn, respectively.

Selling pressure pushed financial stocks down, namely VCB (-1.3%), BID (-0.6%), HDB (-0.2%), MBB (-0.2%), BVH (-3.0%), VND (-1.3%), HCM (-1.9%), and SSI (-0.6%).

Moreover, some constituents of VN30Index such as NVL (-1.7%) and HPG (-1.3%) slid more than 1%.

In contrast, cash flowed into some large-cap stocks thanks to EIB (+6.9%), ROS (+2.9%), PNJ (+2.4%), VIC (+1.9%), REE (+1.3%), and CTG (+0.6%).

Despite the contraction, the bullish market is dominant in the short term as the VNIndex closes above significant moving averages. Therefore, traders should hold their long position and focus on leading stocks.

### Breaking news

#### ► Vietnam: Production ramps up for the year-end season

After slowing down in November, based on revised data, the industrial production again climbed nearly to its all-time high recorded in October, even under pressure from a slump in the electronics industry. As of December end, IIP increased by 1.68% MoM and 9.52% YoY. Most notably, expansion in the manufacturing sector continued further, reaching the second-highest level and increasing 13.13% YoY. Meanwhile, with a noticeable recovery in the extraction of crude oil and natural gas, production in the mining sector reached a 4-month high, although still plunging 10.41% YoY. Besides, electricity production & distribution and water supply expanded at a modest pace by 2.12% YoY and 7.95% YoY, respectively. (GSO, KIS)

## New listing & Public offerings

### ► New listing

(VND bn, share, VND)

Date of listing	Ticker	Company	Exchange	Charter	Listed Shares	Reference price
1/6/2021	TNH	Thai Nguyen International Hospital JSC	HSX	415.0	41,500,000	25,000
12/31/2020	BKG	BKG VietNam Investment JSC	HSX	320.0	32,000,000	11,000
12/31/2020	DTE	Dai Truong Thanh Holdings Energy Investment JSC	UPCoM	507.3	50,725,887	11,200

### ► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
1/27/2021	BCE	Binh Duong Construction & Civil Engineering JSC	300.0	5,000,000	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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