

Xin Chao Vietnam

Market performance

	4 Jan	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,120.47	1.5	9.7	22.5	1.5
Turnover (VND bn)	16,030				
VN30 (pt, % chg.)	1,091.87	2.0	10.9	25.8	2.0

Major indicators

	4 Jan	1D	1W	1M	YTD
1-yr govt bonds (% bp chg.)	0.49	0.1	0.0	(0.1)	0.1
3-yr govt bonds (% bp chg.)	0.88	0.0	0.0	(0.2)	0.0
VND/USD (% chg.)	23,074	0.0	0.2	0.5	0.1
VND/JPY (% chg.)	22,372	0.0	(0.6)	(2.0)	(0.1)
VND/EUR (% chg.)	28,314	0.5	(0.7)	(3.9)	0.5
VND/CNY (% chg.)	3,571	(0.9)	(0.9)	(4.4)	(0.9)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.92	0.0	(0.0)	0.1	0.0
WTI (USD/bbl, % chg.)	47.52	(0.2)	2.7	21.2	(2.1)
Gold (USD/oz, % chg.)	51.09	(1.4)	3.7	30.1	(1.4)

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VNM	45.6	MBB	(247.1)
MSN	40.1	VHM	(143.4)
VIC	22.3	HNG	(142.2)
VPB	20.5	GEX	(112.2)
VCB	19.1	STB	(62.3)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	83.2	VNM	(83.7)
NVL	22.3	MBB	(81.9)
MSN	20.2	CTG	(76.6)
FUEVFVND	15.3	HPG	(63.4)
VCI	7.4	GVR	(36.8)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	6.8	Others	(1.2)
Diversified Financials	3.0	Technology	(0.5)
Capital Goods	2.4	Household Products	(0.2)
Banks	2.3		
Utilities	2.2		

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** A bull market cannot be stopped
- **Vietnam:** Resumed production leads the manufacturing growth

Macro & strategy

- **Fundflow 28-31 Dec:** Inflow comes back to normal level

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	16.0	2.6	11.1	16.1
2021F	304,264	177,159	18.9	13.5	2.2	9.9	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

A bull market cannot be stopped

Hieu Tran
hieu.ttm@kisvn.vn

Vietnam stock market recorded a sharp uptrend thanks to high demand on large caps stocks. On the first day, HOSE increased a trading lot to 100 shares from 10 shares.

At the close, the VNIndex jumped 1.50% to close at 1,120 pts. Meanwhile, trading volume increased to 764 million shares or VND16,249bn.

Foreign investors reversed to sell with a net value of VND364bn on HSX. They sold VNM, MBB, and CTG the most with a net value of VND83bn, VND81bn, and VND76bn, respectively.

Financial stocks were the market leaders due to SSI (+2.1%), HCM (+1.9%), VND (+2.0%), VPB (+5.2%), STB (+3.8%), MBB (+4.1%), ACB (+2.0%), TCB (+4.8%), and CTG (+2.7%).

Based on the uptrend of global oil price, the Energy, namely GAS (+2.5%), PVT (+3.9%), PVD (+6.8%), PVS (+5.6%), POW (+3.7%), BSR (+3.0%), and OIL (+3.4%), outperformed the benchmark index.

Moreover, some constituents of VN30Index, such as REE (+2.8%), VHM (+2.8%), SAB (+2.3%), and HPG (+2.1%), surged more than 2%.

The market sentiment has become optimistic in the short term, showing the bullish market. Therefore, traders should hold their long position and focus on leading stocks.

Breaking news

- ▶ Vietnam: Resumed production leads the manufacturing growth

According to the latest data from the IHS Markit, Vietnam's manufacturing sector returns to growth after a month pause caused by a number of severe storms in November. More specifically, Vietnam's manufacturing index increased to 51.7 in December from 49.9 in the prior month thanks to improvement in almost all criteria, including output, new orders, employment, purchasing activity, and manufacturers' confidence. (IHS Markit)

Macro & strategy

Fundflow 28 - 31 Dec

Inflow comes back to normal level

Dang Le
dang.lh@kisvn.vn

- ▶ Vietnam foreign flow

Last week, selling activities ticked up. Net sell value recorded at USD34mn, two times higher than the previous week.

Breaking down by sectors, selling pressure kept focusing on Consumer Staples and Materials. Net sell value recorded at USD30mn and USD9mn. Particularly, foreign selling activities were mainly absorbed by BBC, VHC, VNM, and HPG, fading the sharp buying activities on SBT and CMX. Besides, Financials turned around to be net sold due to the massive selling activities on MBB and SSI. On the contrary, Real Estate and Utilities attracted the most foreign demand across the market thanks to large buy orders on VRE, VHM, and BWE.

- ▶ South East Asia ETF flow

The positive flow of money maintained across SEA with net inflow recorded at USD16mn. To be specific, the money inflow continued to be driven by the positive flow of money across Vietnam. Others countries such as Thailand, Singapore, and Malaysia continued to attract money whilst Indonesia kept experiencing the outflow.

Although Vietnam was the main contributor for the positive flow of money across SEA, inflow has come back to normal level. Net inflow recorded at USD8mn, two times lower compared to the previous week. Of which, VFMVN Diamond ETF and X FTSE Vietnam led the flow of money which attracted the total of USD7.4mn last week.

New listing & Public offerings

► New listing

(VND bn, share, VND)

Date of listing	Ticker	Company	Exchange	Charter	Listed Shares	Reference price
1/8/2021	AIC	Vietnam National Aviation Insurance Corp.	UPCoM	800.0	80,000,000	10,400
1/7/2021	PLE	Petrolimex Engineering JSC	UPCoM	12.2	1,215,000	17,500
1/6/2021	TNH	Thai Nguyen International Hospital JSC	HSX	415.0	41,500,000	25,000

► 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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