

Xin Chao Vietnam

Market performance

	6 Jan	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,143.21	0.9	11.9	24.8	3.6
Turnover (VND bn)	17,404				
VN30 (pt, % chg.)	1,113.72	0.9	13.1	27.8	4.0

Major indicators

	6 Jan	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.49	0.0	0.0	(0.0)	0.1
3-yr gov't bonds (% bp chg.)	0.88	0.0	0.0	0.2	0.0
VND/USD (% chg.)	23,093	0.0	0.2	0.5	0.0
VND/JPY (% chg.)	22,451	0.1	(1.0)	(2.1)	(0.4)
VND/EUR (% chg.)	28,464	(0.4)	(1.4)	(3.9)	0.0
VND/CNY (% chg.)	3,577	(0.1)	(1.0)	(4.5)	(1.1)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.03	0.1	0.1	0.3	0.1
WTI (USD/bbl, % chg.)	50.33	0.8	8.8	23.8	3.7
Gold (USD/oz, % chg.)	54.33	1.4	10.3	27.4	4.9

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
GEX	80.1	MBB	(101.4)
NVL	50.2	VNM	(70.5)
MSN	24.4	VHC	(57.3)
HT1	9.4	VHM	(39.2)
CII	8.3	VIC	(37.2)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
CTG	109.2	BSI	(37.8)
VCB	61.7	KBC	(34.1)
HDB	52.4	VHC	(27.9)
HPG	49.8	VND	(26.6)
VRE	46.1	BMP	(21.0)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	6.9	Others	(1.4)
Banks	3.4	Software & Services	(0.6)
Commercial Services	1.4	F&B	(0.6)
Insurance	0.8	Household Products	(0.5)
Materials	0.6	Transportation	(0.5)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** CTG limits up
- **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	16.4	2.6	11.2	16.1
2021F	304,264	177,159	18.9	13.8	2.3	10.1	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	8.3

Source: KIS, Bloomberg

Market commentary & News

Market commentary

CTG limits up

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Vietnam stock market maintained its uptrend amid the bullish market of the global market.

At the close, the VNIndex gained 0.94% to close at 1,143 pts. Meanwhile, trading volume increased to 742 million shares or VND17,404bn.

Foreign investors continued to buy with a net value of VND230bn on HSX. They purchased CTG, VCB, and HDB the most with a net value of VND109bn, VND61bn, and VND52bn, respectively.

Banking was the market leader thanks to EIB (+5.1%), STB (+1.7%), ACB (+1.9%), HDB (+3.6%), BID (+1.9%), and VCB (+5.7%). Notably, CTG limited up after Mr. Le Duc Tho, Chairman of VietinBank, said that the profit before tax posted VND16,450bn in 2020.

Moreover, some constituents of the VN30Index, namely TCH (+3.7%), NVL (+2.6%), KDH (+2.0%), and HPG (+1.1%), jumped more than 1%.

In contrast, POW (-2.1%), ROS (-2.0%), MSN (-1.1%), VNM (-0.9%), VJC (-0.9%), and VHM (-0.8%) closed in red territory.

After the fourth consecutive gaining session, the market sentiment is still optimistic in the short term. That confirms the bullish market. 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. The operation of Sao Vang – Dai Nguyet gas field in late-November were boosting the production of crude oil and natural gas to several-month highs, in which the former increased by 7.8% MoM to a 9-month high and the latter even rose by 15.0% MoM to a 3-month high. Also thanks to a significant increase in domestic petroleum prices recently, the petroleum production continued increasing by 2.9% MoM to a 7-month high. As a result, the production of the mining sector jumped by 6.26% MoM to a 5-month high, although still plunging by 10.4% YoY. (GSO, KIS)

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

► 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	-

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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.

- **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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