

# Xin Chao Vietnam

## Market performance

	5 Jan	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,132.55	1.1	10.9	23.8	2.6
Turnover (VND bn)	15,940				
VN30 (pt, % chg.)	1,104.30	1.1	12.2	27.3	3.1

## Major indicators

	5 Jan	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.47	(0.0)	0.0	(0.1)	0.0
3-yr gov't bonds (% bp chg.)	0.87	(0.0)	0.0	(0.1)	0.0
VND/USD (% chg.)	23,098	(0.1)	0.1	0.4	0.0
VND/JPY (% chg.)	22,458	(0.4)	(1.0)	(2.3)	(0.4)
VND/EUR (% chg.)	28,342	(0.1)	(1.0)	(4.0)	0.4
VND/CNY (% chg.)	3,573	(0.1)	(0.9)	(4.4)	(1.0)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	0.93	0.0	(0.0)	0.1	0.0
WTI (USD/bbl, % chg.)	48.00	0.8	3.8	22.4	(1.1)
Gold (USD/oz, % chg.)	51.41	0.6	4.4	24.5	(0.8)

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
DIG	281.1	MBB	(323.6)
NVL	62.2	HNG	(132.7)
EIB	38.9	SBT	(33.4)
VPB	38.5	VHM	(23.1)
HPG	12.9	FPT	(21.9)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VRE	167.8	VND	(60.4)
VHM	78.8	BSI	(56.7)
MBB	72.6	CTG	(47.9)
NVL	66.7	KBC	(31.0)
VNM	54.3	PVD	(17.7)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	7.0	Technology	(2.8)
Software & Services	3.8	Health Care	(1.2)
Commercial Services	2.9	Media & Entertainment	(0.9)
Real Estate	2.3	Automobiles	(0.8)
Capital Goods	1.8	Consumer Services	(0.6)

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Members of Vingroup in the spotlight
- **Vietnam:** CPI modestly increases

### 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	16.2	2.6	11.3	16.1
2021F	304,264	177,159	18.9	13.6	2.2	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	8.2

Source: KIS, Bloomberg

## Market commentary & News

### Market commentary

#### Members of Vingroup in the spotlight

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Despite the contraction of the U.S. financial market, Vietnam stock market maintained its uptrend thanks to members of Vingroup such as VIC (+1.6%), VHM (+3.9%), and VRE (+5.2%).

At the close, the VNIndex jumped 1.08% to close at 1,132 pts. Meanwhile, trading volume recorded to 725 million shares or VND15,940bn.

Foreign investors reversed to buy with a net value of VND518bn on HSX. They purchased VRE, VHM, and MBB the most with a net value of VND167bn, VND78bn, and VND72bn, respectively.

Some Banking stocks, such as MBB (+5.0%), ACB (+2.4%), and HDB (+2.7%), outperformed the benchmark index.

Moreover, some constituents of VN30Index, namely FPT (+4.2%), VNM (+2.3%), SBT (+1.9%), GAS (+1.4%), and MWG (+1.1%), surged more than 2%.

In contrast, ROS (-2.0%), VJC (-0.8%), BID (-0.7%), PNJ (-0.5%), and CTG (-0.3%) closed in red territory.

The market sentiment has become optimistic in the short term as the VNIndex closes above 1,100-pt threshold. That confirms the bullish market. Therefore, traders should hold their long position and focus on leading stocks.

### Breaking news

#### ▶ Vietnam: CPI modestly increases

According to GSO's release, the Consumer Price Index (CPI) witnessed a modest increase compared to the previous month due to opposition between food and foodstuff (F&Fs) and traffic moves. After a short halt in November, CPI returned to its recent upward momentum by rising by 0.10% MoM. The opposition between the upward pressure from F&Fs and downward pressure from traffic mainly contributed to the overall increase this period. More specifically, while F&Fs turned into a reduction of 0.41% MoM from a slight increase in November, the traffic sub-index made a significant rebound, after a 3-month declining streak, by soaring by 2.45% MoM. (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
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	-

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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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