

Xin Chao Vietnam

Market performance

	11 Jan	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,184.89	1.5	13.3	28.2	7.3
Turnover (VND bn)	18,356				
VN30 (pt, % chg.)	1,163.40	1.4	15.3	33.0	8.7

Major indicators

	11 Jan	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.49	0.0	(0.1)	0.0	0.1
3-yr gov't bonds (% bp chg.)	0.69	(0.2)	(0.2)	0.0	(0.2)
VND/USD (% chg.)	23,063	0.0	0.2	0.5	0.2
VND/JPY (% chg.)	22,151	0.2	0.3	(0.6)	0.9
VND/EUR (% chg.)	28,189	0.5	(0.2)	(2.8)	1.0
VND/CNY (% chg.)	3,561	0.1	(0.8)	(3.5)	(0.6)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.10	(0.0)	0.2	0.3	0.2
WTI (USD/bbl, % chg.)	51.73	(1.0)	11.1	27.4	6.6
Gold (USD/oz, % chg.)	55.15	(1.5)	10.4	28.7	6.5

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VIC	414.2	FUEVFNVD	(93.1)
KBC	404.2	E1VFN30	(84.6)
VHM	77.1	SSI	(56.5)
HPG	63.5	SBT	(38.2)
DXG	47.5	BSI	(14.2)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
KBC	178.9	LPB	(211.9)
VRE	98.3	HPG	(185.0)
FUEVFNVD	94.8	VND	(123.7)
E1VFN30	87.7	VIC	(64.5)
MSB	69.4	CTG	(47.4)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Automobiles	3.9	Diversified Financials	(1.6)
Transportation	3.8	Telecommunication	(0.9)
Real Estate	3.8	Health Care	(0.6)
Technology	3.4	Banks	(0.4)
Retailing	3.4	Insurance	(0.3)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** VHM limits up
- **Vietnam:** Domestic petroleum prices jump up following a strong upturn in global energy prices

Macro & strategy

- **Fundflow 04 - 08 Jan:** Positive flow of money spreads across SEA

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	7.2	16.9	2.7	11.8	16.1
2021F	304,264	177,159	18.9	14.2	2.3	10.5	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)	4.0
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

VHM limits up

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Vietnam stock market maintained its bullish trend for the sixth consecutive gaining session.

At the close, the VNIndex gained 1.47% to close at 1,184 pts. Meanwhile, trading volume increased to 806 million shares or VND18,335bn.

Foreign investors continued to sell with a net value of VND254bn on HSX. They sold LPB, HPG, and VND the most with a net value of VND211bn, VND184bn, and VND123bn, respectively.

Real Estate was still the market leader thanks to VIC (+1.8%), VRE (+4.6%), NLG (+4.2%), DXG (+2.3%), KDH (+6.7%), and SCR (+3.2%). Notable, VHM, ROS, FLC, and TCH limited up.

Besides, Consumer Staples outperformed the broad market as VNM (+3.5%), SAB (+2.1%), and SBT (+4.8%).

Cash flowed into some constituents of the VN30Index, POW (+4.7%), VJC (+3.8%), MWG (+3.6%), STB (+3.6%), FPT (+2.2%), and PLX (+2.0%), rising more than 2%.

In contrast, SSI (-1.8%), TCB (-1.3%), VPB (-1.0%), and EIB (-1.0%) closed in red territory.

The bullish market is dominant in the short term thanks to optimistic market sentiment. Therefore, traders should hold their long position and focus on leading stocks.

Breaking news

- ▶ Vietnam: Domestic petroleum prices jump up following a strong upturn in global energy prices

Following a surge in the global energy prices recently, the Ministry of Industry and Trade announced the latest adjustment for the domestic gasoline prices yesterday. Accordingly, the E5RON92 and RON95-III prices were adjusted remarkably higher to VND15,948 and VND16,930 per liter, up by about 2.77% and 2.74% from late-December adjustment, respectively. As a result, continuing increases in gasoline prices will put tremendous upward pressure on the traffic price and the CPI as well in January. (Ministry of Industry and Trade)

Macro & strategy

Fundflow 04 - 08 Jan

Positive flow of money spreads across SEA

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- ▶ Vietnam foreign flow

Last week, selling activities slowed down. Net sell value recorded at USD16mn, two times lower than the previous week.

Breaking down by sectors, selling pressure focused on Materials, Financials, and Industrials. Net sell value recorded at USD22mn, USD16mn, and USD12mn. Particularly, foreign selling activities were mainly absorbed by HPG, SSI, VND, BSI, GVR, and FCN, fading the sharp buying activities on HDB, MSB, and VCB. Besides, Consumer Staples continued to end up to be net sold due to the massive selling activities on VHC and VNM. On the contrary, Real Estate and Utilities kept attracting the most foreign demand across the market thanks to large buy orders on VRE, NVL, VHM, and GAS.

- ▶ South East Asia ETF flow

The positive flow of money surged across SEA with net inflow recorded at USD66mn, a 2-month high. To be specific, the money inflow continued to be driven by the positive flow of money across Vietnam, Singapore, and Thailand. Others countries such as

Malaysia continued to attract money as well as Indonesia has ended the series of outflow.

Although Vietnam was the main contributor for the positive flow of money across SEA, inflow was still lower than the first week of December. Net inflow recorded at USD18mn, two times higher compared to the previous week. Of which, VFMVN Diamond ETF and VanEck Vietnam ETF led the flow of money which attracted the total of USD13mn last week.

New listing & Public offerings

► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
2/8/2021	EVNGENCO2	Power Generation Corporation 2	11,866.4	580,120,840	24,520	IPO
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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