

Xin Chao Vietnam

Market performance

	13 Jan	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,186.05	(0.5)	13.4	27.6	7.4
Turnover (VND bn)	18,194				
VN30 (pt, % chg.)	1,164.57	(0.4)	15.5	32.6	8.8

Major indicators

	13 Jan	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.50	0.0	0.0	(0.0)	0.1
3-yr gov't bonds (% bp chg.)	0.89	(0.0)	0.0	(0.1)	0.0
VND/USD (% chg.)	23,065	0.0	0.4	0.5	0.1
VND/JPY (% chg.)	22,203	0.1	0.1	(1.1)	0.7
VND/EUR (% chg.)	28,240	(0.4)	(0.7)	(3.1)	0.8
VND/CNY (% chg.)	3,565	0.1	(1.0)	(3.7)	(0.7)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.12	(0.0)	0.2	0.4	0.2
WTI (USD/bbl, % chg.)	53.40	0.4	14.7	32.8	10.1
Gold (USD/oz, % chg.)	56.71	0.2	13.5	33.6	9.5

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FPT	72.4	FUEVFNVD	(183.5)
MSN	61.0	GVR	(95.7)
HPG	31.4	E1VFN30	(89.3)
DXG	28.2	EIB	(41.4)
MBB	19.1	KBC	(31.0)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
NVL	207.8	HPG	(291.9)
FUEVFNVD	171.3	VND	(88.8)
E1VFN30	85.5	SSI	(75.7)
VRE	53.3	VSC	(58.4)
HDB	39.4	CTG	(56.0)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	6.9	Real Estate	(1.9)
Others	5.1	Consumer Services	(1.5)
Health Care	3.0	Diversified Financials	(1.3)
Insurance	2.8	Household Products	(1.2)
Pharmaceuticals	1.8	Utilities	(1.0)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Consolidation of the uptrend?
- **Vietnam:** Demand for long-term G-bonds increased markedly

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	2.1	8.2

Source: KIS, Bloomberg

Market commentary & News

Market commentary

Consolidation of the uptrend?

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After the eighth consecutive gaining session, the Vietnam stock market reversed to go down as the VNIndex retested the 1,200-pts threshold, the highest peak in 2018.

At the close, the VNIndex lost 0.52% to close at 1,186 pts. Meanwhile, trading volume increased to 819 million shares or VND18,193bn.

Foreign investors continued to sell with a net value of VND276bn on HSX. They sold HPG, SSI, and VND the most with a net value of VND291bn, VND88bn, and VND75bn, respectively.

Real Estate was the worst sector due to VIC (-2.9%), VHM (-2.4%), VRE (-1.4%), NLG (-2.9%), FLC (-2.2%), SCR (-3.4%), TCH (-3.4%), and KDH (-1.5%).

Besides, selling pressure pushed down Energy such as GAS (-0.6%), PVT (-1.6%), PVD (-1.9%), PVS (-1.9%), POW (-2.7%), PLX (-0.5%), and OIL (-2.3%).

In contrast, cash flowed into some constituents of the VN30Index, namely ROS (+7.0%), EIB (+6.4%), VPB (+2.3%), FPT (+1.1%), and SAB (+0.8%), outperforming the broad market.

Despite the contraction, the short-term uptrend is still intact thanks to the optimistic market sentiment. Therefore, traders should hold their long position and focus on leading stocks.

Breaking news

- ▶ Vietnam: Demand for long-term G-bonds increased markedly

In December, during 25 bidding sessions, the Vietnam State Treasury (VST) offered a total of VND63.33tn, increasing by 11.59% MoM to a 3-month high. The total amount registered in those auctions was also at a 3-month high of VND161.45tn, up by 16.70% MoM. Finally, about VND52.99tn was successfully issued with an absorption rate of 83.68%, which were also at the highest since October. Noticeably, there was no offer for 5-year and 7-year G-bonds recorded in the month. Besides, G-bond yields continued to decrease markedly in the primary market, in which the 10-year, 15-year, 20-year, and 30-year yields dropped by 16.5 bps, 18.5 bps, 10 bps, and 8.5 bps to 2.35%, 2.56%, 2.94%, and 3.16%, respectively. (HNX, KIS)

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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