

Xin Chao Vietnam

Market performance

	14 Jan	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,187.40	0.1	11.6	26.3	7.6
Turnover (VND bn)	16,912				
VN30 (pt, % chg.)	1,168.99	0.4	14.1	31.0	9.2

Major indicators

	14 Jan	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.51	0.0	0.0	(0.1)	0.1
3-yr gov't bonds (% bp chg.)	0.89	(0.0)	(0.0)	(0.2)	0.0
VND/USD (% chg.)	23,066	(0.0)	0.4	0.5	0.1
VND/JPY (% chg.)	22,178	0.1	0.2	(0.7)	0.8
VND/EUR (% chg.)	28,144	0.3	(0.3)	(3.2)	1.2
VND/CNY (% chg.)	3,568	(0.1)	(1.1)	(3.3)	(0.8)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.11	0.0	0.2	0.4	0.2
WTI (USD/bbl, % chg.)	52.87	(0.1)	12.5	28.8	9.0
Gold (USD/oz, % chg.)	55.97	(0.2)	11.3	29.2	8.1

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HPG	44.1	KBC	(395.2)
MWG	42.0	VIC	(326.6)
FPT	28.3	GVR	(83.0)
STB	23.9	FUEVFNVD	(53.5)
MBB	19.9	E1VFN30	(32.3)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VIC	623.5	HPG	(210.5)
KBC	361.3	VNM	(118.4)
NVL	120.9	VCI	(77.7)
VRE	100.3	VND	(29.8)
FUEVFNVD	45.1	CTG	(23.7)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	6.9	Technology	(2.6)
Diversified Financials	4.5	Energy	(1.0)
Others	2.4	F&B	(0.7)
Retailing	1.2	Utilities	(0.6)
Consumer Services	1.1	Insurance	(0.6)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Volatility level increases
- **Vietnam:** G-bond trading surges to record high

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	11.7	16.1
2021F	304,264	177,159	18.9	14.2	2.3	10.4	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

Volatility level increases

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After the eighth consecutive gaining session, the bullish momentum is faded and uncertainty sentiment steps in as the VNIndex retested the 1,200-pts threshold, the all-time high.

At the close, the VNIndex was added 0.1% to close at 1,187 pts. Meanwhile, trading volume has maintained at the high level.

Massive foreign demand was absorbed with a net buy value of VND950bn on HSX. They bought VIC, KBC, and NVL the most with a net value of VND625bn, VND360bn, and VND120bn, respectively.

Financials sector led the benchmark thanks to SSI (+5.5%), STB (+3.1%), VPB (+3.1%), TCB (+1.7%), and MBB (+1.5%) whilst HDB (-0.2%) and VCB (-0.9%) faded its peer sector.

The VN30 index was added 0.4% to close at 1,169 pts. Among top 5 index weight tickers, only VPB (+3.1%) and TCB (+1.7%) positively impacted the index whilst HPG (-0.6%), VNM (-1.2%), and VIC (-0.6%) dragged the benchmark down.

Volatility level is increased and price shock will likely to occurs as the all-time high is tested. However, the market has already entered the long-term bull and there is no place for the bear. Therefore, traders should hold their long positions and focus on leading stocks.

Breaking news

- ▶ Vietnam: G-bond trading surges to record high

Trading value in the secondary market reached a record high of VND211.9tn in December, up by 30.4% from the previous month, in which long-term bonds (with maturities greater than 10 years) saw the most increase compared to other tenors. Particularly, 10-year and 15-year G-bonds accounted for 35.82% (VND75.9tn) and 26.01% (VND55.1tn) of the total amount. Mid-term bonds, including 3-year, 5-year, and 7-year G-bonds, made up 1.96% (VND4.2tn), 9.84% (VND20.9tn), and 6.34% (VND13.4tn), respectively. Trading amounts of G-bonds with 1-year and 2-year remaining maturities composed of just 1.09% (VND2.3tn) and 1.51% (VND3.2tn). (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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