

Xin Chao Vietnam

Market performance

	25 Jan	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,166.05	(0.1)	7.5	21.3	5.6
Turnover (VND bn)	15,463				
VN30 (pt, % chg.)	1,154.29	(0.2)	9.7	24.1	7.8

Major indicators

	25 Jan	1D	1W	1M	YTD
1-yr govt bonds (% bp chg.)	0.56	0.1	0.0	0.0	0.1
3-yr govt bonds (% bp chg.)	0.70	(0.2)	(0.2)	(0.3)	(0.2)
VND/USD (% chg.)	23,071	0.0	0.3	0.5	0.1
VND/JPY (% chg.)	22,225	0.1	0.6	(0.6)	0.6
VND/EUR (% chg.)	28,164	(0.0)	0.1	(2.5)	1.1
VND/CNY (% chg.)	3,560	(0.0)	(0.7)	(3.1)	(0.6)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.08	(0.0)	0.2	0.2	0.2
WTI (USD/bbl, % chg.)	52.64	0.7	9.1	32.1	8.5
Gold (USD/oz, % chg.)	55.76	0.6	8.7	33.5	7.6

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
MWG	27.5	HPG	(331.3)
MBB	25.7	FUESSVFL	(211.5)
HSG	15.9	TCB	(129.7)
REE	15.5	DIG	(97.7)
TPB	13.5	STB	(88.2)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FUESSVFL	211.4	HPG	(123.3)
FUEVFNVD	35.1	VNM	(116.0)
E1VFN30	32.8	VGC	(96.5)
KBC	28.1	GAS	(62.2)
DXG	27.0	FCN	(44.4)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Media & Entertainment	6.9	Technology	(1.9)
Telecommunication	6.8	Utilities	(1.3)
Automobiles	4.8	Banks	(1.3)
Retailing	3.5	Pharmaceuticals	(1.2)
Consumer Durables	3.2	Energy	(1.1)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Real Estate in the spotlight
- **U.S.:** Private sector is booming at the start of 2021

Macro & Strategy

- **Fundflow 18 - 22 Jan:** The drop of inflow

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	7.3	16.6	2.7	11.6	16.1
2021F	304,264	177,159	18.9	13.9	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	4.2	2.2	(3.5)	4.1
China GDP (% yoy)	(6.8)	3.2	4.9	6.1	6.1	2.1	8.3

Source: KIS, Bloomberg

Market commentary & News

Market commentary

Real Estate in the spotlight

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The Vietnam stock market reversed to go down, but Real Estate outperformed the benchmark index, namely VHM (+0.2%), VRE (+2.4%), NVL (+1.3%), NLG (+3.7%), SCR (+2.2%), and KDH (+4.6%). Notably, DXG, ROS, and FLC limited up.

At the close, the VNIndex almost unchanged to close at 1,166 pts. Meanwhile, trading volume decreased to 676 million shares or VND15,462bn.

Foreign investors continued to sell with a net value of VND258bn on HSX. They sold HPG, VNM, and VGC the most with a net value of VND123bn, VND115bn, and VND96bn, respectively.

Selling pressure pushed Energy down, namely GAS (-2.2%), PVT (-4.6%), PVD (-2.3%), PVS (-1.0%), POW (-1.4%), BSR (-3.4%), PLX (-0.7%), and OIL (-4.2%).

Moreover, Banking closed in the red territory due to EIB (-2.4%), STB (-3.0%), VPB (-1.6%), MBB (-1.6%), ACB (-1.9%), TCB (-1.4%), HDB (-1.7%), BID (-1.4%), VCB (-0.5%), and CTG (-2.1%).

In contrast, cash flowed into some constituents of the VN30Index such as MSN (+4.0%), MWG (+3.8%), and PNJ (+3.6%), rising more than 1%.

HPG increased slightly by 0.1% after it posted revenue of VND91,279bn (+41% YoY) and net income of VND13,506bn (+80% YoY) in 2020.

In the short term, the downside risk is still intact due to the high selling pressure at the 1,200-pts threshold of the VNIndex. Thus, traders should reduce long positions and wait for the next signals.

Breaking news

- ▶ U.S.: Private sector is booming at the start of 2021

According to the latest estimates from the IHS Markit, early survey data signaled that the business conditions in the private sector continued to improve further, in which expansions in the manufacturing and services sectors both accelerated. Accordingly, the Flash U.S. Composite Output Index recorded at 58 index point, far above 55.3 in December. More specifically, the Flash Manufacturing PMI saw the strongest upturn since August 2014 to 59.1 in January from 57.1 in December, while the Flash Services Business Activity PMI also rose to 57.5 from 54.8 in the prior month. (IHS Markit)

Macro & strategy

Fundflow 18-22 Jan

The drop of inflow

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- ▶ Vietnam foreign flow

Last week, selling activities slowed down. Net sell value recorded at USD23mn.

Breaking down by sectors, selling pressure kept focusing on Materials and Financials. Net sell value recorded at USD52mn and USD15mn. Foreign selling activities were mainly absorbed by HPG, VND, SHB, and SSI, fading the sharp buying activities on VCI and LPB. Utilities and Energy also ended up to be net sold due to the high divestment away from GAS and PVT. On the contrary, Real Estate continued to attract the most foreign demand across the market thanks to large buy orders on NVL and VIC. Besides, foreign buying activities also focused on Consumer Staples and Industrials, driven by VJC, MSN, and SBT.

- ▶ South East Asia ETF flow

SEA experienced the first week of outflow after two months of inflow. Net outflow recorded at USD5mn. To be specific, the outflow was mainly driven by the negative flow of money across Indonesia and Thailand. In contrast, Vietnam and Singapore continued to attract the flow of money whilst Malaysia and Philippines recorded no money inflow/outflow last week.

Vietnam has maintained its role as a leader of SEA despite the drop in money inflow. Net inflow recorded at USD7mn, down 65% WoW. Of which, VFMVN Diamond ETF and X FTSE Vietnam led the flow of money which attracted the total of USD6.3mn.

New listing & Public offerings

► New listing

(VND bn, share, VND)

Date of listing	Ticker	Company	Exchange	Charter	Listed Shares	Reference price
2/2/2021	SVD	Vu Dang Investment & Trading JSC	HSX	129.0	12,900,000	12,300
1/28/2021	OCB	Orient Commercial JSB	HSX	10,959.1	1,095,906,343	22,900
1/27/2021	L40	40 Investment and Construction JSC	HNX	36.0	3,600,000	14,000

► 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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