

Xin Chao Vietnam

Market performance

	3 Feb	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,111.29	3.3	0.7	18.8	0.7
Turnover (VND bn)	15,887				
VN30 (pt, % chg.)	1,117.98	3.5	4.4	23.9	4.4

Major indicators

	3 Feb	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.52	(0.0)	0.1	(0.0)	0.1
3-yr gov't bonds (% bp chg.)	0.93	0.2	0.1	(0.1)	0.1
VND/USD (% chg.)	23,107	(0.3)	(0.1)	0.3	(0.0)
VND/JPY (% chg.)	21,989	(0.2)	1.7	0.9	1.7
VND/EUR (% chg.)	27,876	0.2	1.6	(3.1)	2.1
VND/CNY (% chg.)	3,576	(0.3)	(0.1)	(2.9)	(1.0)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.12	0.0	0.2	0.2	0.2
WTI (USD/bbl, % chg.)	55.16	0.7	13.7	46.5	13.7
Gold (USD/oz, % chg.)	58.01	1.0	12.0	46.1	12.0

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
MWG	111.1	FUEVFNVD	(414.1)
VPB	86.8	HPG	(78.6)
VIC	78.9	VHM	(50.7)
TPB	71.3	POW	(37.4)
TCB	66.7	DXG	(30.9)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
MSN	425.7	POW	(65.4)
FUEVFNVD	413.1	HSG	(49.3)
VIC	396.6	CTG	(48.4)
HPG	155.2	HCM	(47.3)
VHM	153.8	STB	(39.5)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	6.7	Retailing	(0.0)
Insurance	6.6		
Diversified Financials	6.2		
Software & Services	5.7		
Materials	4.7		

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Cash flowed into Energy stocks
- **Vietnam:** FDI to be put on hold amid the outbreak

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	16.0	2.6	11.2	16.1
2021F	304,264	177,159	18.9	13.4	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	4.2	(3.5)	(3.5)	4.1
China GDP (% yoy)	(6.8)	3.2	4.9	5.4	6.1	2.3	8.4

Source: KIS, Bloomberg

Market commentary & News

Market commentary

Cash flowed into Energy stocks

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The Vietnam stock market maintained a bullish market yesterday thanks to the optimistic market sentiment. Although the number of COVID-19 infections in the community has been increasing, the government has controlled the epidemic.

At the close, the VNIndex soared by 3.32% to close at 1,111 pts. Meanwhile, trading volume increased to 703 million shares or VND15,886bn.

Foreign investors continued to buy with a net value of VND1,163bn on HSX. They purchased MSN, FUEVFNVD, and VIC the most with a net value of VND425bn, VND413bn, and VND396bn, respectively.

Due to the strong uptrend of the global oil price, Energy was the market leader, namely PLX (+1.6%), OIL (+12.8%), GAS (+4.6%), and PVT (+6.5%). Notably, POW, BSR, PVS, and PVD limited up.

Moreover, cash flowed into Financial tickers such as SSI (+6.8%), HCM (+6.6%), BVH (+6.9%), VPB (+6.9%), MBB (+3.9%), STB (+5.0%), HDB (+3.4%), BID (+5.1%), VCB (+2.5%), and CTG (+2.9%). Vietnam interbank market recorded the liquidity squeeze with 1) significant rise in interbank rates at all tenors, 2) OMO actives again after seven months, and 3) Vietnam Sate Treasury offer 1-month deposit to the system.

Some constituents of the VN30Index outperformed the benchmark index because of SBT (+7.0%), TCH (+6.9%), FPT (+6.1%), MSN (+5.8%), PDR (+5.7%), HPG (+3.7%), KDH (+3.6%), and VRE (+3.6%).

In contrast, MWG (-0.4%), ROS (-7.0%), and FIT (-3.6%) closed in red territory.

The VNIndex surges sharply two sessions in a row, however, the 1,200-pts threshold is the significant resistance in the long term. Thus, the downside risk is intact. Traders should be careful and wait for the next signals.

Breaking news

- ▶ Vietnam: FDI to be put on hold amid the outbreak

According to the latest update from the Ministry of Planning and Investment, the newly registered FDI recorded USD1.32bn in January, which is the second-largest amount since January 2020, while the raising capital for existing projects posted USD0.47bn. On the contrary, the amount for share purchase was down to its 3-year low at just USD0.22bn. As a result, the total registered FDI was dragged down to a 4-month low of USD2.02bn, down by 62.16% YoY. In the month, FDI registered in the manufacturing sector accounted for more than three-fourths of the total registration amount, at USD1.54bn and 76.36% of the total. The real estate sector ranked second place with USD0.18bn or about 8.87% of the total. FDI in other sectors, including the retail, electricity, and professional, etc., remained insignificant. (MPI, 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

- **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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