

Xin Chao Vietnam

Market performance

	3 Mar	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,186.95	0.0	6.8	16.4	7.5
Turnover (VND bn)	15,297				
VN30 (pt, % chg.)	1,195.60	0.1	6.9	21.3	11.7

Major indicators

	3 Mar	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.51	0.0	(0.0)	(0.0)	0.1
3-yr gov't bonds (% bp chg.)	0.92	0.0	(0.0)	0.2	0.1
VND/USD (% chg.)	23,024	0.0	0.4	0.5	0.3
VND/JPY (% chg.)	21,540	0.2	1.8	3.4	3.8
VND/EUR (% chg.)	27,851	(0.6)	0.1	0.6	2.2
VND/CNY (% chg.)	3,561	(0.1)	0.1	(0.8)	(0.6)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.44	0.0	0.3	0.5	0.5
WTI (USD/bbl, % chg.)	60.67	1.5	8.9	32.9	25.0
Gold (USD/oz, % chg.)	63.72	1.6	9.0	30.8	23.0

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
TCB	42.2	PLX	(111.4)
FLC	37.6	TDM	(52.5)
BBC	26.1	SSI	(42.8)
GAS	24.8	DIG	(30.7)
VIC	24.6	DBC	(21.3)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
PLX	136.2	CTG	(150.1)
VRE	64.6	VNM	(105.0)
DCM	21.6	VIC	(63.8)
VJC	15.4	VHM	(61.7)
HPG	14.8	VCB	(52.7)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Household Products	5.7	Telecommunication	(3.8)
Health Care	4.5	Technology	(1.2)
Consumer Services	2.1	Insurance	(0.7)
Commercial Services	1.5	Media & Entertainment	(0.5)
Consumer Durables	1.0	Transportation	(0.5)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** The VNIndex closes almost unchanged
- **Vietnam:** Tet hinders trade's acceleration

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	16.9	2.7	11.6	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	2020	2021F
GDP (% yoy)	3.8	0.4	2.6	4.5	7.0	2.9	5.9
Trade balance (USD bn)	3.8	1.9	10.7	2.5	10.4	19.0	1.8
CPI (% yoy, avg.)	4.9	3.2	3.0	0.2	5.2	3.2	2.4
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	23,252	23,231	23,252	23,219
US GDP (% qoq)	(4.8)	(31.7)	33.1	4.0	(3.5)	(3.5)	4.9
China GDP (% yoy)	(6.8)	3.2	4.9	5.8	2.3	2.3	8.4

Source: KIS, Bloomberg

Market commentary & News

Market commentary

The VNIndex closes almost unchanged

Hieu Tran
hieu.ttm@kisvn.vn

The Vietnam stock market was bullish yesterday, but the selling pressure appeared on some key tickers when the VNIndex reached the 1,200-pts threshold.

At the close, the VNIndex closed almost unchanged at 1,186 pts. Meanwhile, trading volume was 631 million shares or VND15,297bn.

Foreign investors continued to sell with a net value of VND470bn for the ninth consecutive net selling session on HSX. They sold CTG, VNM, and VIC the most with a net value of VND150bn, VND104bn, and VND63bn, respectively.

Cash flowed into Real Estate such as VRE (+2.3%), NVL (+2.6%), NLG (+0.8%), DXG (+0.9%), ROS (+3.5%), and TCH (+1.1%). Notably, FLC and SCR limited up.

Besides, Material, namely HSG (+0.7%), HPG (+0.2%), and NKG (+6.0%), outperformed the benchmark index.

Moreover, some constituents of the VN30Index rose more than 1% thanks to VPB (+2.1%) and CTG (+1.6%).

In contrast, VHM (-1.3%), VIC (-1.2%), VCB (-0.9%), STB (-0.8%), and POW (-0.8%) closed in red territory.

The VNIndex moves in a tight range, implying the cautious market sentiment. Besides, the 1,200-pts threshold is the strong resistance; hence the selling pressure may appear on large-cap stocks in the short term. Traders should be careful and wait for the breakout signal to confirm the uptrend.

Breaking news

Tuan Doan
tuan.doan@kisvn.vn

► Vietnam: Tet hinders trade's acceleration

February witnessed a slowdown in trade activity, which mainly resulted from the Tet seasonality. According to GSO, import and export activities became less bright this period as their growth rates were much lower than the previous month. Specifically, import value posted USD20.08bn, growing by 10.53% YoY, which equals one-fourth of rate in January, while export even recorded a contraction as declining by 4.70% YoY to posting USD20.00bn. After adjusting for Tet-seasonality, export and import growth rates were 27.06% YoY and 47.25% YoY, respectively. The trade balance recorded a deficit of USD0.80bn this month. (GSO, VN Customs, KIS)

- **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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