

Xin Chao Vietnam

Market performance

	8 Mar	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,168.27	(0.0)	7.9	13.5	5.8
Turnover (VND bn)	15,298				
VN30 (pt, % chg.)	1,170.00	(0.3)	7.1	17.8	9.3

Major indicators

	8 Mar	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.50	0.0	0.0	(0.1)	0.1
3-yr gov't bonds (% bp chg.)	0.95	0.3	0.3	0.0	0.1
VND/USD (% chg.)	23,046	(0.0)	(0.3)	0.4	0.2
VND/JPY (% chg.)	21,227	0.1	2.8	4.6	5.3
VND/EUR (% chg.)	27,366	0.3	1.0	2.4	4.0
VND/CNY (% chg.)	3,530	0.4	0.9	0.3	0.2
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.61	0.0	0.4	0.7	0.7
WTI (USD/bbl, % chg.)	66.31	0.3	14.4	45.4	36.7
Gold (USD/oz, % chg.)	69.52	0.2	14.8	42.3	34.2

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VIC	59.8	PLX	(108.2)
GAS	51.9	HPG	(46.1)
E1VFN30	38.9	VNM	(29.4)
TDM	26.3	FCN	(22.1)
OCB	19.0	VHM	(20.4)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
PLX	62.0	POW	(213.0)
VRE	26.5	VNM	(203.9)
FUEFVND	14.8	HPG	(171.2)
DPM	12.9	VIC	(99.9)
KBC	11.5	VCB	(92.6)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Health Care	3.3	Consumer Services	(1.3)
Utilities	2.7	Household Products	(1.0)
Automobiles	1.8	Retailing	(0.9)
Diversified Financials	1.5	Transportation	(0.9)
Telecommunication	1.3	F&B	(0.7)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** VNIndex moves in a tight range
- **Vietnam:** CPI grows at eight-year high

Macro & Strategy

- **Fundflow 01 – 05 Mar:** Strong divestment across SEA

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	16.4	2.6	11.3	16.1
2021F	304,264	177,159	18.9	13.8	2.3	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	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)	5.5
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

VNIndex moves in a tight range

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The Vietnam stock market moved in a tight range, but the profit-taking on large-cap stock pushed the market down yesterday.

At the close, the VNIndex closed almost unchanged at 1,168 pts. Meanwhile, trading volume was 633 million shares or VND15,298bn.

Foreign investors continued to sell with a net value of VND1,249bn for the twelfth consecutive net selling session on HSX. They sold POW, VNM, and HPG the most with a net value of VND213bn, VND203bn, and VND171bn, respectively.

Some constituents of VN30Index fell more than 1% such as KDH (-1.1%), MWG (-1.1%), VPB (-1.1%), VCB (-1.2%), VHM (-1.2%), and MSN (-2.0%).

In contrast, Energy was the leader sector because of GAS (+2.7%), PVT (+1.4%), PVD (+1.8%), PVS (+1.2%), POW (+5.2%), BSR (+3.1%), PLX (+0.7%), and OIL (+5.4%). An attack on Saudi Arabia's refinery drove Brent oil prices to move above USD70 per barrel.

Besides, cash flowed into Material and Brokerages, namely HSG (+3.2%), HPG (+0.7%), NKG (+6.9%), SSI (+0.3%), HCM (+1.9%), and VND (+4.4%).

The downside risk is intact in the short term due to selling pressure on Banking tickers. Besides, the 1,200-pts threshold is the strong resistance. Therefore, traders should be careful and wait for the next signal to confirm the current trend.

Breaking news

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▶ Vietnam: CPI grows at eight-year high

According to GSO's publication, the Consumer Price Index (CPI) experienced a significant increase compared to the previous month due to increases in food and foodstuff (F&Fs) and traffic, and housing and construction materials (HCM) prices. CPI in February 2021 surged by 1.52% MoM, marking the highest monthly rate in eight years. Regarding sectoral contributions, F&Fs, traffic, and HCM rose by 1.61% MoM, 1.55% MoM, and 4.00% MoM, much higher than those in the previous month and were determinants pushing CPI up. In total, such three items contributed a 1.35 percentage point to the monthly change of the overall price index. The Lunar new year was the reason for the hike in F&Fs, while the recent upturn in crude oil prices sustained the upward momentum in traffic price. (GSO, KIS)

Macro & strategy

Fundflow 01 – 05 Mar

Strong divestment across SEA

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▶ Vietnam foreign flow

Last week, foreign supply continued to surge. Net sell value recorded USD135mn, up 10% WoW.

Breaking down by sectors, Financials, Consumer Staples, and Real Estate continued to be sold the most. Particularly, the selling pressure mainly focused on CTG, VCB, MBB, VNM, VIC, VHM, and KDH, fading the sharp demand on KBC, NVB, and DGC. Besides, Utilities and Materials also experienced the sharp selling activities due to large sell orders on POW and HPG. On the contrary, Energy attracted the most demand across the market, driven by massive demand on PLX.

▶ South East Asia ETF flow

SEA kept experiencing the outflow. Net outflow was USD74mn, a 1-year high. To be specific, the surge of outflow was mainly

driven by the negative flow of money across Malaysia, Thailand, Singapore, and Indonesia. Particularly, money outflow across Malaysia hit the 1-year high. Notably, the outflow of money also spread among SEA major countries which indicated the convergence of money outflow.

Vietnam recorded no inflow/outflow activities last week. Of which, VFMVN30 ETF kept leading the outflow which recorded the strong divestment (USD4.5mn). However, the money outflow has been recovered by the positive flow of money across VFMVN Diamond and SSIAM VNFIN Lead.

New listing & Public offerings

► New listing

(VND bn, share, VND)

Date of listing	Ticker	Company	Exchange	Charter	Listed Shares	Reference price
3/24/2021	AAT	Tien Son Thanh Hoa JSC	HSX	348.0	34,800,000	10,600
3/24/2021	SSB	Southeast Asia Commercial JSB	HSX	12,087.4	1,208,744,208	16,800
3/10/2021	VCA	VNSTEEL - VICASA JSC	HSX	151.9	15,187,322	13,100

► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
4/5/2021		Newspaper Nghe An Printing Co., Ltd	34.5	3,355,370	12,000	IPO

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- 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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