

# Xin Chao Vietnam

## Market performance

	10 Mar	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,170.08	0.7	4.9	13.5	6.0
Turnover (VND bn)	17,769				
VN30 (pt, % chg.)	1,172.26	0.8	3.8	17.9	9.5

## Major indicators

	10 Mar	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.55	0.0	0.0	0.0	0.1
3-yr gov't bonds (% bp chg.)	0.68	(0.3)	(0.2)	(0.2)	(0.2)
VND/USD (% chg.)	23,053	0.0	(0.3)	0.3	0.2
VND/JPY (% chg.)	21,205	0.2	3.6	4.7	5.4
VND/EUR (% chg.)	27,423	0.1	1.6	2.0	3.8
VND/CNY (% chg.)	3,542	(0.0)	0.4	(0.2)	(0.1)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.55	0.0	0.4	0.6	0.6
WTI (USD/bbl, % chg.)	64.17	0.2	9.4	37.2	32.3
Gold (USD/oz, % chg.)	67.55	0.0	9.9	34.4	30.4

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
STB	277.7	PLX	(133.1)
IJC	97.1	FPT	(69.3)
HPG	33.4	BBC	(48.1)
MWG	19.5	NLG	(35.1)
HDG	18.9	MBB	(19.0)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	91.4	VNM	(185.5)
MBB	58.0	CTG	(84.9)
PLX	57.1	HPG	(80.4)
DXG	40.1	BID	(47.2)
PDR	15.8	POW	(43.3)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	2.6	Media & Entertainment	(2.5)
Software & Services	2.0	Energy	(1.4)
Retailing	1.8	Utilities	(1.1)
Household Products	1.5	Consumer Services	(0.7)
Insurance	1.4		

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Rebound
- **Vietnam:** IIP expansionary to face sustainability test

### 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	16.5	2.6	11.3	16.1
2021F	304,264	177,159	18.9	13.9	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

#### Rebound

**Hieu Tran**  
hieu.ttm@kisvn.vn

The Vietnam stock market reversed to go up thanks to high demand on Real Estate stocks.

At the close, the VNIndex gained 0.70% to close at 1,170 pts. Meanwhile, trading volume was 702 million shares or VND17,769bn.

Foreign investors continued to sell with a net value of VND473bn for the fourteenth consecutive net selling session on HSX. They sold VNM, CTG, and HPG the most with a net value of VND185bn, VND84bn, and VND80bn, respectively.

Real Estate was the market leader because of VIC (+1.6%), VHM (+1.7%), DXG (+3.0%), FLC (+1.4%), SCR (+1.7%), TCH (+1.6%), KDH (+2.9%), and PDR (+0.9%). Among which, PDR and DXG will be added on the FTSE Vietnam index in 2Q21, the new weight will be effective on 22 Mar 2021.

Moreover, some constituents of VN30Index soared more than 1%, namely MBB (+2.4%), MWG (+1.9%), FPT (+1.7%), and BVH (+1.2%).

In contrast, selling pressure pushed a few key tickers down such as REE (-0.2%), HPG (-0.5%), PLX (-1.4%), and GAS (-1.8%).

Despite the recovery, the downside risk is still intact in the short term as the VNIndex reaches the 1,200-pts threshold. Therefore, traders should be careful and wait for the next signal to confirm the current trend.

### Breaking news

**Tuan Doan**  
tuan.doan@kisvn.vn

#### ► Vietnam: IIP expansionary to face sustainability test

A sharp decline in February raised concerns about the sustainability of industrial growth in the future. According to the latest estimates from GSO, as of February-end, IIP plunged by 21.13% MoM and 7.18% YoY, which dragged the production level near to a level seen in April (when a half-month nationwide lockdown took place). Some major industries received a warning call when the decreasing pace strongly outpaced the whole sector. The result in March would show a clearer picture. From our estimates, the IIP would recover about 19% - 21% MoM or about 4.5% - 6.5% YoY in March. (GSO, KIS)

## 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

### ► 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.

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- 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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