

Xin Chao Vietnam

Market performance

	11 Mar	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,181.73	1.0	6.0	13.0	7.1
Turnover (VND bn)	14,937				
VN30 (pt, % chg.)	1,188.71	1.4	5.2	17.9	11.0

Major indicators

	11 Mar	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.48	(0.1)	(0.0)	(0.0)	0.1
3-yr gov't bonds (% bp chg.)	0.72	0.0	(0.2)	(0.2)	(0.1)
VND/USD (% chg.)	23,051	0.0	(0.3)	0.3	0.2
VND/JPY (% chg.)	21,247	0.1	3.3	4.6	5.2
VND/EUR (% chg.)	27,576	(0.6)	1.0	2.0	3.2
VND/CNY (% chg.)	3,552	(0.3)	0.2	(0.6)	(0.4)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.49	(0.0)	0.3	0.6	0.6
WTI (USD/bbl, % chg.)	65.54	1.7	12.5	40.7	35.1
Gold (USD/oz, % chg.)	68.98	1.6	12.8	38.0	33.2

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VPB	42.7	FUEVFNVD	(119.2)
TCB	37.1	PLX	(102.8)
VNM	35.7	NLG	(33.7)
DBD	33.3	FPT	(20.7)
HPG	25.9	DIG	(19.3)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FUEVFNVD	120.0	VNM	(117.4)
MBB	33.4	HPG	(43.6)
KBC	22.8	VCB	(40.4)
PDR	17.9	MSN	(39.3)
SSI	12.7	VHM	(36.5)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	3.1	Technology	(1.3)
Diversified Financials	2.6	Consumer Services	(0.8)
Banks	1.8	Energy	(0.2)
Automobiles	1.7	Transportation	(0.2)
Materials	1.5		

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Banking makes gains
- **Vietnam:** Primary bond market freezes during Tet holiday

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	16.7	2.7	11.4	16.1
2021F	304,264	177,159	18.9	14.0	2.3	10.2	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

Banking makes gains

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The Vietnam stock market maintained its uptrend thanks to optimistic market sentiment yesterday.

At the close, the VNIndex gained 1.00% to close at 1,181 pts. Meanwhile, trading volume was 611 million shares or VND14,936bn.

Foreign investors continued to sell with a net value of VND268bn for the fifteenth consecutive net selling session on HSX. They sold VNM, HPG, and VCB the most with a net value of VND117bn, VND43bn, and VND40bn, respectively.

Banking was the market leader namely CTG (+1.7%), BID (+3.1%), HDB (+1.1%), TCB (+2.2%), MBB (+1.1%), STB (+3.2%), and VPB (+4.2%).

Cash flowed into Energy because of PVD (+1.3%), PVS (+2.5%), GAS (+0.8%), POW (+1.1%), BSR (+7.0%), OIL (+2.7%), and NT2 (+2.0%). Of which, POW expected revenue of VND2,082bn (-23% YoY) in Feb and accumulated revenue in 2 months of VND4,607bn (-4% YoY).

Moreover, some constituents of VN30Index soared more than 1% such as PDR (+3.9%) SSI (+2.6%), HPG (+1.8%), VNM (+1.7%), BVH (+1.5%), MWG (+1.5%), and REE (+1.1%). Among which, REE has planed to VND6,933bn of revenue and VND1,769bn of net income in 2021. The plan will be posted to the Annual General Meeting on March 30.

In contrast, selling pressure pushed a few key tickers down such as VIC (-0.1%), PLX (-0.4%), KDH (-0.5%), DXG (-0.6%), and HVN (-0.3%).

Despite the second gaining session, the downside risk is still intact because 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

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► Vietnam: Primary bond market freezes during Tet holiday

During February with a long Tet holiday, the Vietnam State Treasury (VST) offered just VND18tn G-bonds, a 10-month low and down by 30.77% MoM, throughout 11 auctions. With a lack of bidding sessions, the bidding activity also declined significantly by 45.69% MoM to VND42.32tn, while only VND3.52tn G-bonds was successfully issued, down by 85.04% MoM. The absorption rate recorded the lowest level since April, at just 20%. Ongoing developments in the fixed-income markets and rising inflation are supporting a reversal of G-bond yields from current record lows. From our perspective, the yield curve would continue moving upward, and the long-term yields (greater than 10-year maturity) would see stronger upward pressure in March. (HNX, 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.

- **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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