

Xin Chao Vietnam

Market performance

| | 18 Mar | 1D | 1M | 3M | YTD |
|----------------------|----------|-----|-----|------|------|
| VNIndex (pt, % chg.) | 1,200.94 | 1.3 | 2.3 | 12.5 | 8.8 |
| Turnover (VND bn) | 15,184 | | | | |
| VN30 (pt, % chg.) | 1,211.54 | 1.5 | 2.0 | 16.9 | 13.1 |

Major indicators

| | 18 Mar | 1D | 1W | 1M | YTD |
|-------------------------------|-------------|-------|-------|-------|-------|
| 1-yr gov't bonds (% bp chg.) | 0.54 | 0.1 | 0.0 | 0.0 | 0.1 |
| 3-yr gov't bonds (% bp chg.) | 0.98 | 0.2 | 0.1 | 0.3 | 0.1 |
| VND/USD (% chg.) | 23,064 | 0.0 | (0.2) | 0.3 | 0.1 |
| VND/JPY (% chg.) | 21,149 | 0.2 | 3.0 | 5.8 | 5.7 |
| VND/EUR (% chg.) | 27,542 | (0.2) | 0.8 | 2.9 | 3.4 |
| VND/CNY (% chg.) | 3,546 | 0.0 | 0.0 | (0.3) | (0.2) |
| | Prev. close | 1D | 1W | 1M | YTD |
| 10-yr US Treasury (% bp chg.) | 1.72 | 0.1 | 0.4 | 0.8 | 0.8 |
| WTI (USD/bbl, % chg.) | 64.23 | (0.6) | 6.1 | 30.8 | 32.4 |
| Gold (USD/oz, % chg.) | 67.67 | (0.5) | 5.9 | 29.5 | 30.6 |

Domestic institutions net buy / sell

| Net buy | (VND bn) | Net sell | (VND bn) |
|---------|----------|----------|----------|
| E1VFN30 | 295.5 | HNG | (119.0) |
| VNM | 56.5 | KBC | (50.0) |
| TCB | 47.8 | PLX | (49.5) |
| VIC | 44.9 | FUEVFN30 | (46.8) |
| DRC | 37.4 | PAN | (36.3) |

Foreign net buy / sell

| Net buy | (VND bn) | Net sell | (VND bn) |
|----------|----------|----------|----------|
| PLX | 140.3 | CTG | (159.2) |
| FUEVFN30 | 46.5 | MSB | (112.3) |
| ACB | 40.9 | VNM | (91.7) |
| GVR | 23.7 | HPG | (53.6) |
| VND | 16.9 | VHM | (28.2) |

Daily performance by sector

| Top five sectors | % chg. | Bottom five sectors | % chg. |
|------------------------|--------|---------------------|--------|
| Banks | 2.2 | Technology | (2.8) |
| Automobiles | 2.2 | Household Products | (1.3) |
| Diversified Financials | 2.1 | Utilities | (0.9) |
| Insurance | 1.7 | Health Care | (0.5) |
| Transportation | 1.5 | Energy | (0.3) |

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Approach the highest top
- **Vietnam:** Moody's affirms Vietnam's Ba3 rating with a positive outlook

Macro & Strategy

- **ETF Review:** Foreigners' ETFs buy PDR, VNM, KBC, and GEX the most

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 | 17.0 | 2.7 | 11.5 | 16.1 |
| 2021F | 304,264 | 177,159 | 18.9 | 14.3 | 2.3 | 10.3 | 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) | 5.6 |
| 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

Approach the highest top

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The Vietnam stock market maintained its uptrend yesterday after FOMC meeting. Accordingly, the Fed decided to keep interest rates close to 0% and maintained the asset purchase program.

At the close, the VNIndex gained 1.25% to close at 1,200 pts, approaching the highest peak in 2018. Meanwhile, trading volume was 612 million shares or VND15,184bn.

Foreign investors continued to sell with a net value of VND348bn for the twentieth consecutive net selling session on HSX. They sold CTG, MSB, and VNM the most with a net value of VND159bn, VND112bn, and VND91bn, respectively.

Banking was the market leader thanks to CTG (+2.4%), VCB (+2.0%), BID (+3.9%), TCB (+4.1%), ACB (+1.3%), VPB (+2.8%), and EIB (+3.8%).

Besides, KBC (+0.5%), PDR (+1.2%), and DXG (+2.9%) will be added in portfolios of foreigners ETF in 2Q21.

Moreover, some constituents of VN30Index jumped more than 2% such as KDH (+2.2%), SSI (+2.1%), and VNM (+2.0%).

In contrast, selling pressure pushed Energy down, namely GAS (-1.1%), PVD (-1.2%), PVS (-1.6%), POW (-0.7%), PLX (-0.2%), and NT2 (-1.1%).

Despite the sharp recovery, the VNIndex has not broken out the 1,200-pts threshold. Therefore, the downside risk is still intact. Until then, traders should be careful and wait for the breakout to confirm the bullish market.

Breaking news

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- ▶ Vietnam: Moody's affirms Vietnam's Ba3 rating with a positive outlook

According to the latest announcement from Moody's Investor Services, the credit rating for the Vietnam long-term issuer and senior unsecured ratings remains unchanged with the outlook upgraded from negative to positive yesterday. The drivers of the change to the positive outlook include improving fiscal strength and solid economic recovery throughout the pandemic. Furthermore, Moody's also commented that Vietnam may benefit from global shifts in production, trade, and consumption, which play an important part in the economic growth in the future. (Moody's Investor Services)

Macro & strategy

ETF Review

Foreigners' ETFs buy PDR, VNM, KBC, and GEX the most

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In the 2Q21 review, FTSE Vietnam Index will add PDR and DXG and not remove a ticker, while VanEck Vectors Vietnam ETF (VNM ETF) will add KBC and not exclude Vietnam stocks in this quarterly review.

Based on data as of 15 Mar 2021, we expect that foreign ETFs will sell HPG and VRE the most with 13.4 million and 12.6 million shares. On the buy-side, PDR, VNM, KBC, and GEX will be bought heavily with 4.3 million, 3.8 million, 3.6 million, and 3.6 million shares.

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 |
|-----------------|--------|---------------------------------------|---------|----------------|---------|---------------------------|
| 4/12/2021 | | VietNam National Salt Company Limited | 43.7 | 1,279,392 | 21,300 | |
| 4/12/2021 | | Luong Yen Food Company Limited | 35.4 | 1,671,308 | 16,800 | IPO; Local investors only |
| 4/5/2021 | | Newspaper Nghe An Printing Co., Ltd | 34.5 | 3,355,370 | 12,000 | |

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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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