

Xin Chao Vietnam

Market performance

	24 Mar	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,161.81	(1.8)	(0.0)	8.8	5.2
Turnover (VND bn)	17,433				
VN30 (pt, % chg.)	1,165.61	(1.8)	(0.1)	12.7	8.9

Major indicators

	24 Mar	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.53	(0.0)	0.0	0.0	0.1
3-yr gov't bonds (% bp chg.)	0.96	(0.0)	0.2	0.0	0.1
VND/USD (% chg.)	23,080	(0.0)	0.1	0.2	0.1
VND/JPY (% chg.)	21,242	0.0	2.8	5.1	5.3
VND/EUR (% chg.)	27,298	0.5	2.9	3.6	4.3
VND/CNY (% chg.)	3,540	0.0	1.1	0.1	(0.0)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.62	0.0	0.2	0.7	0.7
WTI (USD/bbl, % chg.)	59.47	3.0	(5.9)	23.3	22.6
Gold (USD/oz, % chg.)	62.55	2.9	(6.7)	22.0	20.8

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
STB	869.2	VCG	(249.4)
KBC	176.2	GAS	(177.7)
VGC	130.3	HNG	(116.0)
PLX	104.0	GEX	(73.8)
HPG	103.2	SSB	(41.6)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
GAS	163.7	KBC	(159.9)
CII	23.1	POW	(81.4)
FUEVFVND	15.6	HPG	(55.2)
GVR	14.4	CTG	(54.4)
DBC	13.1	VNM	(51.2)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Consumer Durables	0.7	Diversified Financials	(4.2)
		Health Care	(3.9)
		Automobiles	(3.7)
		Insurance	(3.7)
		Household Products	(3.5)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Second loss session
- **Japan:** Downturn in Japan's private sector continues in March

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	11.1	16.1
2021F	304,264	177,159	18.9	13.8	2.3	10.0	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)	5.7
China GDP (% yoy)	(6.8)	3.2	4.9	5.8	2.3	2.3	8.5

Source: KIS, Bloomberg

Market commentary & News

Market commentary

Second loss session

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The Vietnam stock market maintained its downtrend amid the reduction of the global financial market.

At the close, the VNIndex slid 1.83% to close at 1,161 pts. Meanwhile, trading volume was 732 million shares or VND17,433bn.

Foreign investors continued to sell with a net value of VND381bn for the twenty-fourth consecutive net selling session on HSX. They sold KBC, POW, and HPG the most with a net value of VND159bn, VND81bn, and VND55bn, respectively.

Banking was the worst sectors because of CTG (-3.7%), VCB (-1.1%), BID (-3.5%), HDB (-3.8%), TCB (-2.8%), ACB (-1.7%), MBB (-2.6%), STB (-2.1%), and EIB (-2.6%).

At 2021 AGM, the Board of Directors of VIB (-1.6%) submitted the 2021 plan to increase total assets to VND307,015bn (+26% YoY). Besides, profit before tax target, total credit balance target, and capital mobilization expected to reach VND7,510bn (+29% YoY), VND224,800bn (+31% YoY), and VND234,790bn (+31.2% YoY), respectively. Notably, the NPL ratio has been below 3%.

Moreover, profit-taking pushed Energy down namely GAS (-1.9%), PVD (-5.4%), PVS (-3.0%), POW (-4.1%), BSR (-1.2%), and PLX (-1.6%). Among these, PLX finished selling 25 million treasury shares with an average selling price of VND57,057 per share, equivalent to the received amount of VND1,426bn.

29 out of 30 constituents of VN30Index closed in red territory. Of which, some stocks tumbled more than 3% such as TCH (-3.3%), BVH (-3.6%), and SSI (-4.9%)

In contrast, TCH (+6.9%), FLC (+6.6%), CEO (+3.3%), and FRT (+2.1%) outperformed the benchmark index.

VIC (+1.3%) would look for approval to issue around USD500mn bond at USD200,000 par in 5 years with semi-annual interest payment, pending the coupon rate information.

Based on the second contraction session, the market sentiment has become cautious in the short term. If the VNIndex breaks down the 1,150-pts threshold, the rectangle pattern will be confirmed. In this case, the 1,100-pts zone is the target price in the short term. Therefore, traders should be careful and wait for the confirmation signals.

Breaking news

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► Japan: Downturn in Japan's private sector continues in March

According to the latest estimates from the IHS Markit, early survey data signaled that the business conditions in the private sector in March continued to deteriorate for 14 months straight. Accordingly, the au Jibun Bank Flash Japan Composite PMI recorded 48.3 index point, down slightly from 48.2 in February. More specifically, the Flash PMI Business Activity for the services sector posted 46.5 compared to 46.3 in the prior month, while the Flash Manufacturing PMI increased to 52.0, declining modestly from 52.4 in February. (IHS Markit)

New listing & Public offerings

► 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.

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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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