

Xin Chao Vietnam

Market performance

	5 Apr	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,236.05	0.9	5.8	9.1	12.0
Turnover (VND bn)	16,537				
VN30 (pt, % chg.)	1,249.90	1.0	6.5	13.2	16.7

Major indicators

	5 Apr	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.46	(0.0)	(0.0)	0.0	0.0
3-yr gov't bonds (% bp chg.)	0.69	(0.2)	(0.2)	(0.2)	(0.2)
VND/USD (% chg.)	23,076	(0.0)	(0.2)	0.1	0.1
VND/JPY (% chg.)	20,861	(0.1)	1.9	7.7	7.2
VND/EUR (% chg.)	27,190	(0.4)	1.8	4.1	4.7
VND/CNY (% chg.)	3,514	(0.0)	0.9	1.7	0.7
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.71	(0.0)	0.1	0.8	0.8
WTI (USD/bbl, % chg.)	60.17	(2.1)	(9.0)	20.5	24.0
Gold (USD/oz, % chg.)	63.46	(2.2)	(8.5)	18.4	22.5

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VGC	56.8	HNG	(99.7)
VIC	35.2	E1VFN30	(87.1)
VCB	29.7	MBB	(63.1)
CTG	28.0	NVL	(38.0)
TCB	23.3	PLX	(32.7)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
MSN	127.2	CTG	(178.9)
E1VFN30	85.2	MBB	(49.4)
VHM	77.5	BID	(38.0)
HPG	76.5	BVH	(29.1)
STB	48.3	VIC	(24.5)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Banks	2.3	Media & Entertainment	(2.7)
Real Estate	1.2	Insurance	(1.6)
Diversified Financials	1.0	Energy	(1.0)
Consumer Services	0.6	Automobiles	(0.7)
Health Care	0.6	Utilities	(0.4)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** VCB makes gains
- **Vietnam:** Banks can delay provisioning on restructured debts in three years

Macro & Strategy

- **Fundflow 29 Mar - 02 Apr:** The all-time high is broken

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	17.4	2.8	11.6	16.1
2021F	304,264	177,159	18.9	14.7	2.4	10.4	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

VCB makes gains

Hieu Tran
hieu.ttm@kisvn.vn

The Vietnam stock market maintained its uptrend after SBV issued circular 03 on amendment of Cir.01 regarding restructuring COVID-19 impacted loans.

At the close, the VNIndex increased by 0.95% to close at 1,236 pts. Meanwhile, trading volume was 670 million shares or VND16,536bn.

Foreign investors continued to buy with a net value of VND135bn. They purchased MSN, E1VFN30, and VHM the most with net values of VND127bn, VND85bn, and VND77bn, respectively.

Based on circular 03 of SBV, Banking was the market leader thanks to VCB (+4.3%), CTG (+1.7%), BID (+1.2%), HDB (+1.5%), MBB (+2.7%), STB (+2.4%), and EIB (+6.9%).

VND limited up in the first session listed on the HNX, it moved to reduce the trading overload issues on HSX.

PC1 (+0.4%) targeted a VND8,003bn (+20% YoY) revenue and a VND513bn net income (-11%YoY) in 2021. Besides, dividend yield would be at 15%.

Vinhomes (+1.0%) has been granted for two giant townships last week, among are Green Ha Long City in Quang Ninh province and Dai An in Hung Yen province.

Moreover, some constituents of the VN30Index jumped more than 2% such as PDR (+5.3%), NVL (+4.3%), and SSI (+2.4%).

In contrast, KDH (-1.9%), BVH (-1.8%), PLX (-1.1%), and SBT (-1.0%) closed in red territory.

GAS (-1.0%) expected revenue of VND17,845bn (+5% YoY) and net income of VND2,234bn (-5% YoY). Besides, the firm is also implementing several projects such as the 1 million tons LNG storage project in Thi Vai, the project of expanding and increasing the capacity of LNG storage, and the project of LNG Thi Vai - Phu My gas pipeline...

The long-term uptrend is confirmed as the breakout of the rectangle pattern. That implies the short-term target price of 1,250 pts. Therefore, traders should increase their long position and focus on leading stocks such as Banking and Real Estate.

Breaking news

Tuan Doan
tuan.doan@kisvn.vn

- ▶ Vietnam: Banks can delay provisioning on restructured debts in three years

SBV issued circular 03 on amendment of Cir.01 regarding to restructuring COVID-19 impacted loans. From which, SBV allows banks making restructuring on loans that have (1) disbursement date before June 10, 2020, (2) principal and/or interest payment falling into Jan 23, 2020 – Dec 31, 2021. Whereby, SBV allows banks to carry restructure until Dec 31, 2021 with the maximum tenor of 12 months. Banks can delay provisioning on restructured debts in three years. However, banks must make least 30% provision as of 2021-end, 60% as of 2022-end and 100% as of 2023-end. SBV also requires banks to classify all of its loan book (including COVID-19 restructured debts) and provisioning as normal norm since Jan 01, 2024. (SBV)

Macro & strategy

Fundflow 29 Mar - 02 Apr

Money flies to Vietnam's ETFs

Dang Le
dang.lh@kisvn.vn

- ▶ Vietnam foreign flow

Last week, massive foreign demand entered the market. Net buy value was USD4mn.

Breaking down by sectors, Financials and Consumer Staples continued to be sold the most. Particularly, the selling pressure mainly focused on VNM, CTG, VCB, and VCI, fading the sharp demand on MSN, STB, and SHB. On the contrary, foreign demand has continued to be absorbed by Real Estate sector thanks to massive demand on VIC and NVL. Industrials and Utilities also attracted high buying activity, driven by GEX, CII, and PMG. Furthermore, Materials has turned around to be net bought, mainly contributed by high buying activity on HPG.

► South East Asia ETF flow

SEA kept experiencing the divestment. Net outflow was USD5mn. To be specific, the outflow was maintained due to the strong divestment across Singapore as well as the outflow has come back to Malaysia. Most notably, the outflow across major countries has partially recovered by the massive inflow of Vietnam.

Money inflow across Vietnam reached the 2-month high (USD17m). Particularly, the increase in inflow was mainly driven by the positive flow of money across VFMVN30 ETF, which was divested for 5 consecutive weeks. Moreover, money also flew to VFMVN Diamond and X FTSE Vietnam with the total inflow of USD10mn.

New listing & Public offerings

► **New listing**

(VND bn, share, VND)

Date of listing	Ticker	Company	Exchange	Charter	Listed Shares	Reference price
4/8/2021	LPT	Lap Phuong Thanh Production And Trading JSC	UPCoM	80.0	8,000,000	10,600

► **Public offerings**

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
4/19/2021	KHG	Khai Hoan Land Real Estate JSC	1,600.0	16,000,000	10,000	
4/12/2021		VietNam National Salt Company Limited	43.7	1,279,392	21,300	IPO; Local investors only
4/12/2021		Luong Yen Food Company Limited	35.4	1,671,308	16,800	

- **Guide to KIS Vietnam Securities Corp. stock ratings based on 12-month forward performance**

- 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.

- **Analyst Certification**

I/We, as the research analyst/analysts who prepared this report, do hereby certify that the views expressed in this research report accurately reflect my/our personal views about the subject securities and issuers discussed in this report. I/We do hereby also certify that no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this research report.

Global Disclaimer

- **General**

This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of KIS Vietnam Securities Corp., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of KIS Vietnam Securities Corp..

This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. KIS Vietnam Securities Corp. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. KIS Vietnam Securities Corp., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or KIS Vietnam Securities Corp. The final investment decision is based on the client's judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.

- **Country-specific disclaimer**

United States: This report is distributed in the U.S. by Korea Investment & Securities America, Inc., a member of FINRA/SIPC, and is only intended for major U.S. institutional investors as defined in Rule 15a-6(a)(2) under the U.S. Securities Exchange Act of 1934. All U.S. persons that receive this document by their acceptance thereof represent and warrant that they are a major U.S. institutional investor and have not received this report under any express or implied understanding that they will direct commission income to Korea Investment & Securities, Co., Ltd. or its affiliates. Pursuant to Rule 15a-6(a)(3), any U.S. recipient of this document wishing to effect a transaction in any securities discussed herein should contact and place orders with Korea Investment & Securities America, Inc., which accepts responsibility for the contents of this report in the U.S. The securities described in this report may not have been registered under the U.S. Securities Act of 1933, as amended, and, in such case, may not be offered or sold in the U.S. or to U.S. person absent registration or an applicable exemption from the registration requirement.

United Kingdom: This report is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA"). To the extent that this report does constitute such an invitation or inducement, it is directed only at (i) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) of the United Kingdom (the "Financial Promotion Order"); (ii) persons who fall within Articles 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order; and (iii) any other persons to whom this report can, for the purposes of section 21 of FSMA, otherwise lawfully be made (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons. Persons who are not relevant persons must not act or rely on this report.

Hong Kong: This research report and marketing materials may be distributed in Hong Kong to institutional clients by Korea Investment & Securities Asia Limited (KISA), a Hong Kong representative subsidiary of Korea Investment & Securities Co., Ltd., and may not otherwise be distributed to any other party. KISA provides equity sales service to institutional clients in Hong Kong for Korean securities under its sole discretion, and is thus solely responsible for provision of the aforementioned equity selling activities in Hong Kong. All requests by and correspondence with Hong Kong investors involving securities discussed in this report and marketing materials must be effected through KISA, which is registered with The Securities & Futures Commission (SFC) of Hong Kong. Korea Investment & Securities Co., Ltd. is not a registered financial institution under Hong Kong's SFC.

Singapore: This report is provided pursuant to the financial advisory licensing exemption under Regulation 27(1)(e) of the Financial Advisers Regulation of Singapore and accordingly may only be provided to persons in Singapore who are "institutional investors" as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This report is intended only for the person to whom Korea Investment & Securities Co., Ltd. has provided this report and such person may not send, forward or transmit in any way this report or any copy of this report to any other person. Please contact Korea Investment & Securities Singapore Pte Ltd in respect of any matters arising from, or in connection with, the analysis or report (Contact Number: 65 6501 5600).

Copyright © 2021 KIS Vietnam Securities Corp.. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of KIS Vietnam Securities Corp..