

Xin Chao Vietnam

Market performance

	9 Apr	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,231.66	(0.3)	6.0	5.5	11.6
Turnover (VND bn)	17,511				
VN30 (pt, % chg.)	1,253.26	0.1	7.8	9.2	17.0

Major indicators

	9 Apr	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.53	0.1	0.1	0.0	0.1
3-yr gov't bonds (% bp chg.)	0.97	0.3	0.3	0.1	0.1
VND/USD (% chg.)	23,073	0.1	(0.1)	(0.0)	0.1
VND/JPY (% chg.)	21,032	0.4	1.0	5.1	6.3
VND/EUR (% chg.)	27,429	(0.1)	0.0	2.8	3.8
VND/CNY (% chg.)	3,519	0.2	0.7	1.1	0.6
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.67	0.0	0.1	0.6	0.8
WTI (USD/bbl, % chg.)	59.53	(0.1)	(7.0)	14.0	22.7
Gold (USD/oz, % chg.)	63.04	(0.3)	(6.6)	12.6	21.7

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
CTG	38.9	HNG	(234.2)
IJC	35.3	HPG	(73.5)
PAN	23.8	VPB	(72.9)
HSG	16.1	STB	(47.2)
DCM	13.0	FPT	(39.6)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	2,183.2	CTG	(73.0)
VRE	93.6	BID	(48.8)
HPG	66.3	KDH	(20.4)
STB	39.7	CII	(19.8)
MSN	33.5	VCB	(18.6)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Software & Services	3.0	Media & Entertainment	(4.3)
Consumer Durables	1.0	Health Care	(2.0)
Commercial Services	0.5	Consumer Services	(0.8)
Others	0.5	Banks	(0.8)
Diversified Financials	0.4	Transportation	(0.6)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** New rectangle pattern
- **Vietnam:** Retail sales rebounds

Macro & Strategy

- **Chart of the day:** Small rectangle pattern

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	7.3	17.2	2.8	11.5	16.1
2021F	304,264	177,159	18.9	14.5	2.4	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)	5.8
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

New rectangle pattern

Hieu Tran
hieu.ttm@kisvn.vn

The Vietnam stock market maintained its downward trend due to high profit-taking last Friday.

At the close, the VNIndex lost 0.26% to close at 1,231 pts. Meanwhile, trading volume was 708 million shares or VND17,551bn.

Foreign investors reversed to buy with a net value of VND2,333bn. They purchased VHM, VRE, and HPG the most with net values of VND2,183bn, VND93bn, and VND66bn, respectively.

Banking was the worst sector because of CTG (-0.2%), VCB (-2.5%), BID (-1.1%), HDB (-0.2%), EIB (-1.5%) and TCB (-0.8%).

PVS (-0.8%) planned a VND10tn revenue (-53% YoY) and VND560bn net income (-21% YoY) in 2021 while it targeted cash dividend yield of 7%.

IDC (-2.5%) targeted revenue of VND5,661bn (+3% YoY) and net income of VND990bn (+34% YoY). Moreover, the firm will offer 150 million shares with a selling price of VND15,000 per share to invest in two new industrial parks.

In contrast, cash flowed into some Real Estate tickers, namely NVL (+1.4%), NLG (+0.1%), ROS (+7.0%), FLC (+1.7%), SCR (+4.4%), TCH (+1.5%), and KDH (+1.4%).

In the short term, the index forms a small new rectangle pattern, which is a continuation pattern. If the pattern is confirmed, the next target price will be 1,350 pts. Therefore, traders should hold their long position and focus on leading stocks such as Banking and Real Estate.

Breaking news

Tuan Doan
tuan.doan@kisvn.vn

► Vietnam: Retail sales rebounds

March witnessed a rebound in retail sales drove by the improvements in the retail sector and accommodation and catering (A&C). According to GSO's estimates, the retail sales in March 2021 made a rebound as its growth rate posted 9.18% YoY, much better compared to the reduction at 0.91% YoY in the previous month. The acceleration of the retail sector was the main reason for the move of the total retail sales. The retailing activity rose by 8.53% YoY, nearly tripling the previous growth rate, to post VND322.79tn this month. Besides, after recording a reduction in February, the growth rate of A&C activities posted 13.56% YoY this month, indicating that its revenue exceeds the level in the same period in 2020. (GSO, KIS)

Macro & strategy

Chart of the day

Small rectangle pattern

Hieu Tran
Hieu.ttm@kisvn.vn

► Market performance

The VNIndex continued to go up last week, but the profit-taking made the market move in a tight range.

► Chart: Small Rectangle pattern

In the long term, the uptrend is confirmed again as the index breaks out the highest peak in Apr 2018. Besides, the index closes above the MA50 and MA100, which are sloping upward.

In the short term, the index has almost reached the target price of the rectangle pattern, which formed in Mar 2021. Therefore, the market sentiment has become cautious in last week.

However, a short-term rectangle pattern appears last week. That is the continuation pattern with a range of 1,230 pts to 1,250

pts. If the index breaks out the upper line (1,250 pts), the next target price will be 1,350 pts.

1,200 pts level will be the strong weekly support. On the upside, 1,250 pts level keeps acting as the supply zone, followed by 1,300 pts (if a valid breakout occurs).

→ The bullish market is dominant in the short term. If the VNIndex closes above the 1,250-pts threshold, the continuation pattern will form.

► Technical strategy: Hold long position

As mentioned above, the uptrend maintains in the short and long term. Moreover, the next target may be 1,350 pts. In this case, investors should hold the current positions and focus on leading stocks such as Banking and Real Estate.

New listing & Public offerings

► New listing

(VND bn, share, VND)

Date of listing	Ticker	Company	Exchange	Charter	Listed Shares	Reference price
4/12/2021	SCG	SCG Construction JSC	UPCoM	500.0	50,000,000	20,600

► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
5/4/2021	AAA	An Phat Bioplastics JSC	2,217.6	75,000,000	14,000	-
4/19/2021	KHG	Khai Hoan Land Real Estate JSC	1,600.0	16,000,000	10,000	IPO; Local investors only
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	

- **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..