

Xin Chao Vietnam

Market performance

	19 Apr	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,260.58	1.8	5.6	11.5	14.2
Turnover (VND bn)	19,323				
VN30 (pt, % chg.)	1,306.22	2.3	8.5	18.0	22.0

Major indicators

	19 Apr	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.50	(0.0)	0.0	(0.0)	0.1
3-yr gov't bonds (% bp chg.)	0.94	(0.0)	0.2	0.3	0.1
VND/USD (% chg.)	23,072	(0.0)	(0.0)	(0.0)	0.1
VND/JPY (% chg.)	21,333	(0.6)	(0.7)	4.0	4.8
VND/EUR (% chg.)	27,628	0.1	(0.2)	1.2	3.0
VND/CNY (% chg.)	3,545	(0.2)	(0.0)	0.4	(0.2)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.56	(0.0)	(0.2)	0.5	0.6
WTI (USD/bbl, % chg.)	63.08	(0.1)	2.7	19.1	30.0
Gold (USD/oz, % chg.)	66.69	(0.1)	3.3	19.3	28.7

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VIC	138.0	ROS	(54.3)
NVL	104.9	HPG	(53.7)
STB	94.6	POM	(32.9)
AMD	92.4	MSN	(29.0)
IMP	86.4	GVR	(25.8)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
MSN	105.4	VNM	(262.6)
DXG	46.2	VHM	(145.3)
STB	38.1	MBB	(85.5)
NVL	19.2	HPG	(81.1)
DHC	12.6	KDH	(74.0)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Household Products	4.0	Media & Entertainment	(1.6)
Technology	3.9	Consumer Services	(1.0)
Materials	3.8	Health Care	(0.5)
Insurance	2.6	Energy	(0.3)
Consumer Durables	2.5	Commercial Services	(0.1)

WHAT'S NEW TODAY

Market commentary & News

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Macro & Strategy

- **Fundflow 12 – 16 Apr:** Vietnam leads the flow of money across SEA
- **ETF review:** VN DIAMOND Index adds five banking tickers and TCM

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	17.6	2.8	11.9	16.1
2021F	304,264	177,159	18.9	14.8	2.4	10.7	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)	6.2
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

Optimistic market sentiment

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The Vietnam stock market rebounded sharply after the U.S. removed Vietnam from currency manipulator list.

At the close, the VNIndex jumped 1.77% to close at 1,260 pts. Meanwhile, trading volume was 779 million shares or VND19,323bn.

Foreign investors continued to sell with a net value of VND982bn. They sold VNM, VHM, and MBB the most with net values of VND262bn, VND145bn, and VND85bn, respectively.

Banking was the market leader thanks to CTG (+1.2%), VCB (+2.3%), BID (+2.4%), HDB (+2.4%), TCB (+2.8%), ACB (+1.8%), MBB (+1.0%), STB (+3.6%), VPB (+1.2%), and EIB (+3.4%).

Some constituents of the VN30Index increased more than 3% such as MSN (+7.0%), PDR (+6.9%), HPG (+5.9%), KDH (+5.4%), VHM (+3.5%), PNJ (+3.4%), and REE (+3.3%).

HCM (+2.7%) posted revenue of VND1,163bn (+160% YoY) and net income of VND322bn (+220% YoY) with margin lending debt of VND8,876bn in 1Q21. Notably, HCM sold almost their portfolio of proprietary trading for VND104bn.

In contrast, PLX (-1.8%), VNM (-0.8%), POW (-0.8%), and PLX (-0.6%) closed in green territory.

KDC (-0.2%) announced that revenue and net income reached VND2.322bn (+35% YoY) and VND135bn (+182% YoY) in 1Q21.

Based on the high demand on large-cap stocks, market sentiment has become optimistic in the short term. Therefore, traders should hold their long position and focus on leading stocks such as Banking and Real Estate.

Breaking news

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► Vietnam: Credit growth accelerates in the first quarter of 2021

Following a strong upward momentum in credit growth in late-2020, the first quarter of 2021 witnessed a continuing expansion in the lending activity from the banking system. According to SBV, the credit growth posted an increase of 2.93% YoY, more than double of the growth in the same period last year. The SBV also targeted 2021 credit growth to reach 12% YTD. (SBV)

Macro & strategy

Fundflow 12 – 16 Apr

Vietnam leads the flow of money across SEA

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► Vietnam foreign flow

Last week, massive foreign selling pressure came back to the market. Net sell value was USD100mn.

Selling activities spread to all major sectors. Particularly, Real Estate, Financials, and Consumer Staples were sold the most, focusing on VHM, CRE, VRE, CTG, BID, VPB, and VNM, fading the strong demand on NVL, VIC, FLC, STB, SSI, and MSN. Besides, Utilities and Materials also experienced the strong divestment due to large sell orders on GAS and HPG.

► South East Asia ETF flow

SEA turned around to be divested. Net outflow was USD13mn. To be specific, the surge in money outflow was mainly contributed by the negative flow of money across Indonesia and Malaysia. Most notably, Malaysia recorded the strong outflow (USD27), reaching the one-month high. However, the outflow across SEA has been partially recovered by the strong inflow of Vietnam

and Singapore.

Money inflow across Vietnam was USD15mn, up 25% WoW. Particularly, inflow ticked up thanks to the strong demand which is attracted by SSIAM VNFIN Lead ETF as well as VFMVN Diamond kept attracting the stable level of money inflow.

ETF Review

VN DIAMOND Index adds five banking tickers and TCM

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► VN DIAMOND Index – 2Q20

Hochiminh Stock Exchange (HSX) announces that VN DIAMOND Index removes KDH because the stock does not reach FOL criteria at less than 90%. On the other side, the index adds ACB, MSB, EIB, VIB, LPB, and TCM. The new list will be effective on 04 May 2021.

Based on data as of 19 Apr 2021, we expect the VFMVN DIAMOND ETF to buy 18.4 million ACB shares, 9.9 million EIB shares, 9.1 million LPB shares, and 7.1 million MSB shares. On the sell side, MBB, KDH, and VPB are expected to be sold heavily with net million shares of 17.2, 16.2, and 10.1.

Expected weight of VFMVN DIAMOND ETF

(VND, VND bn, %, shares)

No	Ticker	Price	Market value	Current weighting	New weighting	change	Volume change
1	ACB	33,700	72,845		6.19	6.19	18,431,356
2	CTD	68,100	5,059	1.39	1.68	0.29	422,720
3	CTG	42,500	158,245	4.77	2.99	(1.78)	(4,208,468)
4	EIB	27,100	33,318		2.67	2.67	9,900,829
5	FPT	81,500	64,313	16.27	15.02	(1.25)	(1,542,531)
6	GMD	33,800	10,187	4.47	5.74	1.27	3,771,556
7	LPB	19,400	20,848		1.77	1.77	9,163,320
8	MBB	30,500	85,362	10.08	4.84	(5.24)	(17,258,008)
9	MSB	22,350	25,859		1.59	1.59	7,125,158
10	MWG	137,400	65,324	14.65	15.06	0.41	299,792
11	NLG	34,500	9,842	2.81	4.24	1.43	4,162,804
12	PNJ	94,000	21,372	8.97	11.34	2.37	2,525,123
13	REE	52,700	16,287	3.65	4.86	1.21	2,302,100
14	TCB	41,600	145,804	10.59	8.00	(2.59)	(6,237,437)
15	TCM	118,000	7,312		2.18	2.18	1,855,313
16	TPB	28,300	29,196	3.39	1.65	(1.74)	(6,157,251)
17	VIB	52,000	57,688		2.72	2.72	5,255,345
18	VPB	49,550	121,633	12.46	7.46	(5.00)	(10,119,476)
19	KDH	33,100	18,496	5.37		(5.37)	(16,281,789)

Source: Bloomberg, Finpro, KIS

Note: Data as of 31 Mar 2021

New listing & Public offerings

► 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	-

- **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.

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