

Xin Chao Vietnam

Market performance

	10 May	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,259.58	1.4	2.3	13.0	14.1
Turnover (VND bn)	22,739				
VN30 (pt, % chg.)	1,370.66	2.2	9.4	21.4	28.0

Major indicators

	10 May	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.54	0.1	0.1	0.0	0.1
3-yr gov't bonds (% bp chg.)	0.98	0.1	0.3	0.1	0.1
VND/USD (% chg.)	23,060	0.0	0.0	(0.4)	0.2
VND/JPY (% chg.)	21,201	0.2	(0.6)	3.6	5.5
VND/EUR (% chg.)	28,044	(0.8)	(2.2)	(0.7)	1.5
VND/CNY (% chg.)	3,597	(0.3)	(2.1)	(1.1)	(1.6)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.58	0.0	(0.1)	0.5	0.7
WTI (USD/bbl, % chg.)	65.23	0.5	10.0	11.2	34.4
Gold (USD/oz, % chg.)	68.69	0.6	9.1	11.7	32.6

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VPB	69.5	TPB	(125.4)
MWG	41.5	TCB	(106.3)
E1VFN30	39.2	HPG	(78.3)
KBC	36.1	AMD	(67.5)
MBB	14.0	FPT	(53.2)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	133.4	CTG	(314.1)
MSB	109.8	KBC	(61.6)
HPG	70.0	VCB	(42.7)
VRE	64.0	KDH	(33.8)
MBB	56.2	E1VFN30	(33.0)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Diversified Financials	4.9	Media & Entertainment	(2.3)
Energy	4.5	Others	(2.2)
F&B	3.9	Consumer Services	(1.6)
Software & Services	3.1	Retailing	(1.5)
Insurance	3.1	Consumer Durables	(1.2)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** VNM and MSN limit up
- **Vietnam:** The retail sales back to the pre-pandemic scale

Macro & Strategy

- **Fundflow 04 - 07 May:** Outflow ticks up across SEA

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	18.0	2.9	11.7	16.1
2021F	304,264	177,159	18.9	15.1	2.5	10.5	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

	3Q20	4Q20	1Q21	2Q21F	2019	2020	2021F
GDP (% yoy)	2.6	4.5	4.5	4.5	7.0	2.9	6.4
Trade balance (USD bn)	10.7	3.3	2.8	3.7	10.4	19.8	1.8
CPI (% yoy, avg.)	3.2	1.4	0.3	2.8	5.2	3.2	2.4
Discount rate (% EoP)	3.0	3.0	3.0	3.0	4.0	3.0	3.0
VND/USD (avg.)	23,179	23,159	23,054	23,252	23,231	23,252	23,174
US GDP (% qoq)	(4.8)	(31.7)	33.1	4.0	(3.5)	(3.5)	6.3
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

VNM and MSN limit up

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The Vietnam stock market rebounded yesterday thanks to high demand on VNM and MSN. In April 2021, 110,655 securities trading accounts were opened, including 110,510 individual investors and 145 institutional investors.

At the close, the VNIndex gained 1.43% to close at 1,259 pts. Meanwhile, trading volume was 739 million shares or VND22,738bn.

Foreigners reversed to net buy VND88bn on HSX. They purchased VHM, MSB, and HPG the most with net values of VND133bn, VND109bn, and VND69bn, respectively.

Cash flowed into Banking, namely CTG (+2.3%), VCB (+1.1%), BID (+1.8%), HDB (+2.7%), TCB (+2.2%), ACB (+2.8%), TPB (+6.9%), and MBB (+5.1%).

Some constituents of VN30Index jumped more than 3% such as SSI (+6.1%), HPG (+3.6%), BVH (+3.5%), and FPT (+3.4%).

PLX (+5.1%) announced that it would sell 25 million treasury shares via order matching. Accordingly, the firm expects VND1,250bn to flow in.

VIC (+0.4%) announced that VinSmart would stop developing TVs and mobile phones to switch to the development of smart features on vehicles and homes.

In contrast, NVL (-5.4%), PNJ (-2.0%), SBT (-1.6%), and PDR (-1.4%) closed in green territory.

The market sentiment has become optimistic as the high demand on the large-cap stock. However, the downside risk is still intact due to high volatility and the lost consensus of technical indicators. Therefore, the uptrend may reverse. Traders should be careful and wait for the next signal.

Breaking news

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► Vietnam: The retail sales back to the pre-pandemic scale

April witnessed a sizeable growth rate in retail sales mainly attributed to the low base of the spending in the same period in 2020. This performance shows more evidence for the ongoing recovery path this year. According to GSO's estimates, the retail sales in April 2021 made an acceleration as its growth rate posted 30.92%YoY, excessively tripling the March rate. The impressive growth this month brought the total value of retail sales back to its pre-pandemic level. The accommodation and catering (A&C) and traveling surged, mainly driving the total retail sales to accelerate. More specifically, revenues of the A&C and traveling businesses rose by 92.39% and sixteen-fold compared to the same period last year to post VND41.49tn and VND0.9tn this month, respectively. Besides, the retail sector rose by 24.39% YoY, posting VND324.21tn and contributed considerably to the overall growth. (GSO, KIS)

Macro & strategy

Fundflow 04 - 07 May

Outflow ticks up across SEA

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► Vietnam foreign flow

Last week, foreign selling activity surged. Net sell value was USD126mn, a 2-month high.

Foreign selling pressure spread to all major sectors. Particularly, Financials, Materials, and Consumer Staples were sold the most, mainly focus on VPB, VCI, MSB, HPG, and VNM, fading the shape demand on STB, MBB, OCB, HSG, DHC, and NKG.

Besides, Real Estate has turned around to be divested due to large sell orders on KBC and VRE while NVL kept ending up to be net bought.

► South East Asia ETF flow

SEA experienced the outflow when the leader-Vietnam has lost its role. Net outflow was USD64mn, a 2-month high. To be specific, the surge of outflow mainly driven by the strong divestment across major countries, such as Vietnam, Thailand, Singapore, and Indonesia. Notably, outflow across Thailand recorded at the highest level among SEA (USD24mn) and reaching a 6-month high.

Money outflow across Vietnam ticked up, net outflow was USD13mn, a yearly high. Particularly, the surged in money outflow was mainly contributed by the slowdown of money inflow across Fubon FTSE Vietnam ETF and VFMVN Diamond ETF as well as the divestment across X FTSE Vietnam and VFMVN30 ETF.

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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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