

# Xin Chao Vietnam

## Market performance

	13 May	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,261.99	(0.6)	1.1	13.2	14.3
Turnover (VND bn)	21,294				
VN30 (pt, % chg.)	1,370.18	(0.7)	7.3	21.3	28.0

## Major indicators

	13 May	1D	1W	1M	YTD
1-yr govt bonds (% bp chg.)	0.40	(0.1)	(0.1)	(0.1)	(0.0)
3-yr govt bonds (% bp chg.)	0.91	0.2	0.2	(0.0)	0.1
VND/USD (% chg.)	23,051	0.0	0.1	(0.2)	0.2
VND/JPY (% chg.)	21,028	(0.0)	0.6	3.8	6.3
VND/EUR (% chg.)	27,816	0.6	(1.3)	0.3	2.3
VND/CNY (% chg.)	3,570	0.0	(1.2)	(0.3)	(0.9)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.70	0.0	0.1	0.5	0.8
WTI (USD/bbl, % chg.)	64.34	(2.6)	6.9	8.2	32.6
Gold (USD/oz, % chg.)	67.63	(2.4)	6.2	8.3	30.6

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
CTG	136.4	MBB	(59.4)
VJC	53.4	TPB	(49.6)
MWG	38.1	HPG	(37.5)
ROS	36.5	STB	(25.7)
FUESSVFL	17.4	SSB	(21.4)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HCM	33.9	CTG	(395.5)
VNM	25.8	HPG	(231.0)
VHM	15.0	NVL	(129.8)
VPB	11.7	VJC	(82.0)
PVT	8.0	MBB	(62.5)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Health Care	1.8	Others	(2.8)
Energy	0.8	Technology	(2.1)
Diversified Financials	0.4	Transportation	(1.6)
Retailing	0.4	Pharmaceuticals	(1.6)
Banks	0.3	Materials	(1.5)

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Short-term consolidation phase
- **Vietnam:** Export-import data are revised to be higher in April
- **USA:** U.S. consumer prices accelerated at the fastest since 2009

## 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	11.6	16.1
2021F	304,264	177,159	18.9	15.1	2.5	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

	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

#### Short-term consolidation phase

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The VNIndex moved in the tight range on the previous trading day with low average volume, implying the uncertainty at 1,280 pts area.

At the close, the VNIndex downed 0.6% to close at 1,262 pts.

Foreigners continued to net sell VND1,200bn on HSX. They sold CTG, HPG, and NVL the most with net values of VND395bn, VND231bn, and VND130bn, respectively.

Cash flow has started to diverge among major tickers of leading sectors. Particularly, CTG (+3.3%), VPB (+1.7%), and HDB (+0.3%) led the Index whilst TCB (-2.5%), TPB (-1.4%), and MBB (-0.8%) faded its sector peer.

Besides, cash flow has also diverged among Energy sector. PLX (+1.3%) attracted the demand but PVD (-1.9%) and PVS (-2.3%) closed in red.

Among top 5 index weight tickers (VN30 Index), only VPB (+1.7%) positively impacted the index whilst VNM (-1.4%), HPG (-1.9%), VIC (-2.5%), and TCB (-2.5%) dragged the benchmark down.

In the short term, the 1,280-pts threshold is significant resistance as well as the consolidation phase is active. The uptrend turns to dormant and the next market leg is unclear. Therefore, traders should be careful and wait for the next signal.

### Breaking news

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#### ▶ Vietnam: Export-import data are revised to be higher in April

According to the latest trade data update from Vietnam Customs from Wednesday, both export and import values in April were revised to be modestly higher than GSO's estimates. More specifically, export value was revised to USD26.6b from its previous estimate of USD25.5bn, surging by 51.0% compared to the same period last year. Meanwhile, import value also rose to USD27.8bn from GSO's estimate of USD27.0bn, up by 50.0% n/n. As a result, the trade balance recorded a deficit of USD1.2bn in the month. (VN Customs, GSO, KIS)

#### ▶ USA: U.S. consumer prices accelerated at the fastest since 2009

According to the U.S. Bureau of Labor Statistics, the headline consumer price index (CPI) rose at the fastest since 2009 under surging commodities prices globally. Particularly, CPI increased by 0.8% compared to the price level in March, topping economists' forecast of just a 0.2% increase. The increasing pace of U.S. core inflation, after excluding volatile components like foods and energy prices, also hit the highest since 1982, at a 0.9% month-over-month gain. The annual CPI figure also surged by 4.2% compared to the pandemic-caused low base in 2020, which is also a record high since 2008, while the annual increase of the core inflation peaked at its 16-year high, at 3%. Global investors are recently concerned about the increased probability that the ultra-easing monetary environment may reverse sooner than expected under surging inflation conditions. (U.S. Bureau of Labor Statistics)

PPI (MoM): 0.6%

PPI (YoY): 6.2%

Besides, The US's Import Prices which will be released on Friday evening, will also be an important indicator of the US prices in the future.

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- Hold: Expected total return will be between -5% and 15%
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- 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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