

Xin Chao Vietnam

Market performance

	18 May	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,252.68	(0.5)	1.1	6.7	13.5
Turnover (VND bn)	20,513				
VN30 (pt, % chg.)	1,378.59	0.5	8.0	16.0	28.7

Major indicators

	18 May	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.53	(0.0)	(0.0)	0.0	0.1
3-yr gov't bonds (% bp chg.)	0.96	0.0	(0.0)	0.0	0.1
VND/USD (% chg.)	23,044	0.0	0.1	(0.1)	0.2
VND/JPY (% chg.)	21,146	(0.2)	0.9	3.0	5.7
VND/EUR (% chg.)	28,154	(0.4)	(1.9)	(1.4)	1.1
VND/CNY (% chg.)	3,586	(0.2)	(1.2)	(1.1)	(1.3)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.65	(0.0)	0.1	0.4	0.7
WTI (USD/bbl, % chg.)	66.74	0.7	5.7	10.3	37.6
Gold (USD/oz, % chg.)	70.02	0.8	4.9	9.5	35.2

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HPG	50.0	VPB	(151.6)
PLX	42.1	SSB	(74.3)
MSN	41.6	TPB	(65.5)
MWG	21.0	MBB	(57.0)
GAS	16.7	ROS	(36.3)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
STB	34.9	VPB	(136.2)
DHC	26.6	VIC	(125.4)
HSG	24.1	VNM	(88.0)
LPB	14.4	PLX	(64.5)
GMD	11.9	VCB	(62.0)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	5.3	Consumer Services	(1.7)
Technology	4.1	Automobiles	(1.3)
Software & Services	1.4	Real Estate	(1.3)
Materials	0.7	Health Care	(1.1)
Energy	0.5	Others	(1.1)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Short-term downtrend?
- **Vietnam:** 4 industrial parks in Bac Giang close down to cope with the current outbreak

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	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)	6.5
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 downtrend?

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The Vietnam stock market maintained its downtrend after Ho Chi Minh city recorded one new case of COVID-19 in the community.

At the close, the VNIndex lost 0.48% to close at 1,252 pts. Meanwhile, trading volume was 662 million shares or VND20,513bn.

Foreigners continued to net sell VND657bn on HSX. They sold VPB, VIC, and VNM the most with net values of VND136bn, VND125bn, and VND88bn, respectively.

Real Estate was the worst sector driven by VIC (-2.4%), VHM (-1.9%), VRE (-2.3%), NLG (-1.0%), DXG (-3.3%), ROS (-6.5%), SCR (-2.5%), TCH (-3.1%), and KDH (-1.4%).

Some constituents of VN30Index slid more than 1% such as BID (-2.2%), HDB (-1.8%), TPB (-1.5%), VCB (-1.5%), POW (-1.2%), and BVH (-1.4%).

In contrast, STB (+5.2%), NVL (+3.0%), HPG (+2.4%), and VPB (+2.1%) closed in green territory.

Alibaba Group and Baring Private Equity Asia invested USD400mn in CrownX, a subsidiary of MSN. Accordingly, they would own 5.5% of CrownX. Besides, MSN (+0.9%) will increase the limit ratio of foreign ownership to 100% from 49%.

The net selling pressure of foreigners still pushes market sentiment cautious in the short term. Hence, traders should be careful and wait for the next signal.

Breaking news

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- ▶ Vietnam: 4 industrial parks in Bac Giang close down to cope with the current outbreak

According to the official announcement, the Chairman of Bac Giang Provincial People's Committee has decided to suspend the operations of 4 industrial parks, including Van Trung, Quang Chau, Dinh Tram, and Song Khe - Noi Hoang, and isolate Viet Yen district and 3 communes of Yen Dung district in order to control the worsening COVID-19 outbreak situation from 18th May 2021 until further notice. The suspension would likely last around 1 or 2 weeks, said Chairmain Le Anh Duong in the online conference from 17th May. As of 17th May, there are about 411 COVID-19 cases reported in Bac Giang with more than 6,000 F1 cases in isolation facilities and 30,000 F2 cases being self-isolated at home. (Bac Giang online portal, tuoitre.vn)

New listing & Public offerings

▶ New listing

(VND bn, share, VND)

Date of Listing	Ticker	Company	Exchange	Listed Value	Listed Shares	Reference Price
5/19/2021	LYF	Luong Yen Food JSC	UPCoM	0.0	300	16,800
5/19/2021	SCV	Vietnam Salt JSC	UPCoM	12.8	1,279,392	23,500

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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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