

# Xin Chao Vietnam

## Market performance

	21 May	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,283.93	0.4	2.8	10.5	16.3
Turnover (VND bn)	23,295				
VN30 (pt, % chg.)	1,425.04	0.0	9.5	22.1	33.1

## Major indicators

	21 May	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.55	(0.0)	0.0	0.0	0.1
3-yr gov't bonds (% bp chg.)	0.93	(0.1)	0.2	0.0	0.1
VND/USD (% chg.)	23,052	(0.0)	0.1	(0.1)	0.2
VND/JPY (% chg.)	21,152	0.0	0.8	3.2	5.7
VND/EUR (% chg.)	28,073	0.1	(1.0)	(0.5)	1.4
VND/CNY (% chg.)	3,583	(0.0)	(0.8)	(0.6)	(1.2)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.62	(0.0)	0.1	0.2	0.7
WTI (USD/bbl, % chg.)	63.78	0.3	2.6	0.9	31.5
Gold (USD/oz, % chg.)	66.65	0.3	0.8	(0.6)	28.7

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HPG	46.7	HDG	(149.5)
FPT	37.2	KBC	(50.1)
LPB	24.6	TCB	(42.7)
FLC	23.5	MWG	(32.1)
PDR	21.1	STB	(31.1)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	77.3	HPG	(203.7)
KDH	42.5	VIC	(104.7)
MSN	33.3	STB	(55.9)
MBB	27.8	HSG	(50.8)
OCB	27.6	VRE	(35.6)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Commercial Services	4.9	Telecommunication	(5.9)
Energy	4.8	Technology	(3.5)
Media & Entertainment	2.8	Retailing	(2.6)
Consumer Durables	2.4	Software & Services	(1.7)
Transportation	1.4	Household Products	(0.3)

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Upward resumption phase
- **Euro:** Eurozone private sector recovers strongly thanks to surging demand

### Macro & Strategy

- **Chart of the day:** Retest highest peak

### 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	7.4	18.6	3.0	12.0	16.1
2021F	304,264	177,159	18.9	15.6	2.6	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

	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

#### Upward resumption phase

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The Vietnam stock market resumed its uptrend thanks to the high demand on large-cap stocks.

At the close, the VNIndex gained 0.5% to close at 1,284 pts with the stable trading volume.

Foreigners continued to net sell VND295bn on HSX. They sold HPG, VIC, and STB the most with net values of VND203bn, VND105bn, and VND56bn, respectively.

Bullish momentum kept spreading to Banking, driven by BID (+6.9%), VPB (+1.5%), TCB (+1.2%), and MBB (+0.4%). However, HDB (-0.3%), CTG (-1.3%), STB (-1.9%), and VCB (-2.2%) faded its peer sector.

Real Estate was on the spotlight, recording as the strongest sector on Friday, thanks to high demand on PDR (+3.1%), VRE (+2.9%), KDH (+2.5%), and VHM (+1.9%).

Among top 5 index weight tickers, only VPB (+1.5%), VNM (+1.4%), and TCB (+1.2%) positively impacted the index whilst VIC (-0.3%) and HPG (-1.5%) faded the benchmark and became index laggard.

In the short term, the VNIndex is having the tendency to retest the highest peak, which is the strong resistance. However, there is signal for early breakout and the Index is expected to break this range this week. If the index closes above the threshold, traders can increase their long position and force on leading stocks.

### Breaking news

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- ▶ Euro: Eurozone private sector recovers strongly thanks to surging demand

According to the latest update from IHS Markit, business conditions in the Eurozone private sector were improving at a sharply faster pace in May, driven by recovering demand accelerating at the fastest pace in 15 years. More specifically, the Flash Eurozone PMI Composite Index recorded up to 56.9 point from 53.8 point in April, which is the highest level in 39 months. By sectors, the services sector recovered at a sharply fast pace as the Flash Services PMI index posted a 35-month high of 55.1 point, while the manufacturing sector slowed down just slightly, down to 62.8 point from 62.9 in April, respectively. (IHS Markit)

## Macro & strategy

### Chart of the day

#### There is no place for the bear

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- ▶ Market performance

The VNIndex is havint the tendency to retest the highest peak in Apr 2021 thanks to high demand on large-cap stocks.

- ▶ Chart: There are signals for the breakout

In the long term, the uptrend is still active as the VNIndex maintains to closes above the MA50 and MA100. Besides, major long-term MAs are sloping upward, implying the healthy uptrend.

Notably, there are subsequent bullish candles with above average volume, the first signal for the range breakout.

The broken 1,200-pts level has turned around to act as the most important short-term support. On the upside, the 1,300-pts area is expected to be the weekly resistance. The 1,250 pts zone will act as the important benchmark for the breakout.

→ The VNIndex will break the range and the next bullish leg will be formed this week.

- ▶ Technical strategy: Hold the positions

As mentioned above, there is the early signal for the breakout as well as we are still in the healthy uptrend. Therefore, investors should continue to hold leading stocks and should not decrease the proportion of those candidates.

## New listing & Public offerings

### ▶ Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
6/17/2021	-	Vinacomin – Pilot Company Limited	20.2	404,400	15,550	IPO

- **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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