

# Xin Chao Vietnam

## Market performance

	28 May	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,320.46	1.3	7.4	13.0	19.6
Turnover (VND bn)	24,426				
VN30 (pt, % chg.)	1,458.78	1.5	12.7	24.3	36.2

## Major indicators

	28 May	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.54	0.0	0.1	0.1	0.1
3-yr gov't bonds (% bp chg.)	0.96	0.0	0.2	0.1	0.1
VND/USD (% chg.)	23,049	0.0	(0.0)	(0.1)	0.2
VND/JPY (% chg.)	20,980	(0.0)	1.1	2.8	6.6
VND/EUR (% chg.)	28,096	0.1	(0.9)	(1.3)	1.3
VND/CNY (% chg.)	3,621	(0.3)	(1.8)	(1.7)	(2.3)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.61	0.0	0.0	0.2	0.7
WTI (USD/bbl, % chg.)	67.10	0.4	5.1	9.1	38.3
Gold (USD/oz, % chg.)	69.63	0.2	3.5	5.3	34.4

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
TPB	57.3	PLX	(146.2)
TIX	49.1	HNG	(105.8)
VPB	47.6	LPB	(45.6)
CTG	38.7	TCO	(44.7)
VNM	38.4	TSC	(38.8)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
PLX	148.3	HPG	(356.9)
MSN	57.2	LPB	(83.2)
SSI	54.8	NVL	(59.2)
STB	51.6	NKG	(16.4)
VNM	43.2	VIC	(14.5)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Diversified Financials	3.8	Technology	(4.5)
Others	3.3	Telecommunication	(2.9)
Banks	2.6	Insurance	(0.9)
Energy	2.1	Automobiles	(0.4)
Utilities	1.7	Transportation	(0.2)

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** STB limits up
- **Euro:** Eurozone private sector recovers strongly thanks to surging demand

### Macro & Strategy

- **Chart of the day:** Confirm the uptrend

### New listing & Public offerings

## KIS market view

	OP (VND bn)	NP (VND bn)	EPS growth (% yoy)	PE (x)	PB (x)	EV/EBITDA (x)	ROE (%)
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	19.2	3.1	12.2	16.1
2021F	304,264	177,159	18.9	16.2	2.6	10.9	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

#### STB limits up

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The Vietnam stock market resumed its uptrend thanks to high demand on Banking tickers.

At the close, the VNIndex gained 1.30% to close at 1,320 pts. Meanwhile, the trading volume was 748 million shares or VND24,426bn.

Foreigners continued to net buy VND16bn on HSX. They purchased PLX, MSN, and SSI the most with net values of VND148bn, VND57bn, and VND54bn, respectively.

Banking was the leader sector driven by CTG (+2.0%), VCB (+0.9%), BID (+3.9%), HDB (+2.7%), TCB (+3.1%), ACB (+1.8%), MBB (+3.3%), VPB (+1.9%), EIB (+4.1%). Notably, STB limited up.

Some constituents of the VN30Index jumped more than 2%, such as SSI (+5.6%), SBT (+3.1%), and GAS (+2.4%).

In contrast, BVH (+1.1%), VJC (+0.9%), NVL (+0.8%), VRE (+0.7%), and PNJ (+0.6%) closed in red territory.

In the short term, the uptrend is still intact because of optimistic market sentiment. In addition, the VNIndex closes above the 1,300-pts threshold. Hence, traders can hold their long position and focus on leading stocks.

### Breaking news

**Tuan Doan**  
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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

#### Confirm the uptrend

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- ▶ Market performance

The VNIndex resumed its uptrend thanks to high demand on large-cap stocks.

- ▶ Chart: Confirm the uptrend

In the long term, the uptrend is still active as the VNIndex breaks out the highest peak, the 1,280-pts threshold. In addition, major long-term MAs (such as the MA50 and MA100) are sloping upward, implying a healthy uptrend.

In the short term, the VNIndex forms the continuous triangle pattern as the index closes above the 1,280-pts threshold. That implies the next target of the pattern could reach the 1,560-pts zone.

The broken 1,200-pts level has turned around to act as the most important short-term support. On the upside, the 1,350-pts area is expected to be the weekly resistance.

→ The VNIndex forms the uptrend in the long and short term as the index closes above the 1,300 pts.

- Technical strategy: Hold the positions

As mentioned above, the uptrend in the long and short term is still intact. Therefore, investors should continue to hold leading stocks and should not decrease the proportion of those candidates.

## New listing & Public offerings

### ► New listing

(VND bn, share, VND)

Date of Listing	Ticker	Company	Exchange	Listed Value	Listed Shares	Reference Price
6/2/2021	MPT	Truong Tien Group JSC	UPCoM	171.1	17,107,164	2,300
5/31/2021	NGC	Ngo Quyen Processing Export JSC	UPCoM	23.0	2,299,854	7,400

### ► 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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