

# Xin Chao Vietnam

## Market performance

	2 Jun	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,340.78	0.2	8.2	13.0	21.5
Turnover (VND bn)	25,596				
VN30 (pt, % chg.)	1,478.85	(0.3)	12.7	23.8	38.1

## Major indicators

	2 Jun	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.49	(0.0)	(0.0)	0.0	0.1
3-yr gov't bonds (% bp chg.)	0.75	(0.0)	(0.0)	(0.2)	(0.1)
VND/USD (% chg.)	23,047	(0.0)	0.0	(0.1)	0.2
VND/JPY (% chg.)	20,987	0.3	0.7	2.8	6.5
VND/EUR (% chg.)	28,069	0.4	(0.4)	(1.3)	1.4
VND/CNY (% chg.)	3,610	0.0	(1.4)	(1.5)	(2.0)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.60	(0.0)	(0.0)	0.2	0.7
WTI (USD/bbl, % chg.)	68.28	0.8	7.4	14.3	40.7
Gold (USD/oz, % chg.)	70.92	1.0	5.5	13.1	36.9

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HPG	84.0	PLX	(150.4)
TCB	74.1	VCB	(132.2)
VIC	67.1	HVN	(50.5)
STB	46.8	BID	(37.4)
VNM	43.2	ACB	(27.9)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VCB	93.6	HPG	(956.5)
BWE	41.2	VIC	(179.3)
OCB	39.2	NVL	(73.5)
VIX	27.9	VNM	(59.5)
NKG	24.3	STB	(48.8)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Diversified Financials	3.4	Software & Services	(1.7)
Utilities	3.1	Materials	(1.5)
Transportation	2.4	Technology	(1.2)
Commercial Services	2.1	F&B	(0.4)
Automobiles	1.8	Real Estate	(0.3)

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Trading congestion and excessive liquidity
- **Vietnam:** Total seafood export value increases sharply
- **Vietnam:** 36 companies allowed to import vaccines
- **Vietnam:** More than 114,000 new opening account in May 2021

### 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	9.7	19.2	3.1	12.2	16.1
2021F	304,264	177,159	19.0	16.2	2.6	11.0	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)	6.6
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

#### Trading congestion and excessive liquidity

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The Vietnam stock market continued to go up, despite the trading congestion and excessive liquidity on HSX. Whereby some securities companies did not allow for canceling/adjusting orders yesterday.

At the close, the VNIndex gained 0.22% to close at 1,340 pts. Meanwhile, the trading volume was 788 million shares or VND25,595bn.

Foreigners continued to net sell VND1,213bn on HSX. They sold HPG, VIC, and NVL the most with net values of VND956bn, VND179bn, and VND73bn, respectively.

Based on the high trading volume and value, Brokerages was the market leader thanks to SSI (+5.3%), VND (+9.9%), HCM (+3.6%), VCI (+2.7%), FTS (+3.6%), and BVS (+3.7%).

Moreover, Energy, namely GAS (+4.4%), PVT (+0.5%), PVD (+0.9%), PVS (+3.8%), BSR (+4.0%), PLX (+0.9%), OIL (+2.9%), and NT2 (+1.1%), outperformed the benchmark index because of the high level of global oil price.

TCH (+1.6%) announced that the firm sold 9.7 million treasury shares with an average selling price of VND23.042 per share equivalent to the total value of VND224bn.

HVN limited up after it announced the sale of 11 Airbus A321 CEO aircraft by auction, these aircraft manufactured in 2004, 2007 and 2008. The sale of these aircraft is part of the plan to replace the aircraft over 12 age of HVN gradually.

Some constituents of the VN30Index jumped more than 1%, such as NVL (+2.7%), VCB (+2.2%), MWG (+1.7%), PDR (+1.7%), TCH (+1.6%), SBT (+1.5%), and VPB (+1.3%).

In contrast, HPG (-2.7%), VIC (-2.1%), VRE (-2.0%), REE (-1.8%), and FPT (-1.8%) closed in red territory.

Based on high demand on large-cap stocks and optimistic market sentiment, the short-term uptrend is still intact. Hence, traders can hold their long position and focus on leading stocks.

### Breaking news

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#### ► Vietnam: Total seafood export value increases sharply

According to Vietnam Association of Seafood Exporters and Producers (VASEP), Vietnam recorded total USD789.78mn of seafood export value (+24% YoY) in May 2021 and total USD3.27bn of seafood export value (+14% YoY) in 5M21. In which,

- The shrimp exports USD134mn (+25% YoY) in May 2021 and USD1.34bn (+14% YoY) in 5M21 thanks to 1) the increase of shrimp consumption in the U.S. market since the good control of pandemic and 2) the advantage to raise the market share in order to replace the shortage of the supply source from India.
- The pangasius exports USD134mn (+26% YoY) in May 2021 and USD623.72mn (+12% YoY) in 5M21 thanks to 1) the spike of pangasius consumption in the number of the market including Russia with total export value of USD11mn (+119% YoY) in 4M21; Mexico with the total export value of USD20mn, +35% YoY in 4M21 and 2) the recovering in the major export market including China market as recorded total export value of USD44.4mn (+28% YoY) in 1Q21 and US market with total export value of USD72mn (+16% YoY) in 1Q21.

**Breaking news****Hieu Tran**  
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- ▶ Vietnam: 36 companies allowed to import vaccines

On June 1, the Ministry of Health announced 36 units eligible to do business, import vaccines and provide vaccine preservation services. Whereby there are 36 enterprises and units capable of importing vaccines, including the Covid-19 vaccine. However, the problem still depends on accessing the vaccine supply from the manufacturer. Vimedimex Medi - Pharma Joint Stock Company (VMD: HoSE), Ben Tre Pharmaceutical JSC (DBT: HoSE) are two listed companies on this list. (cafef and KIS Vietnam)

- ▶ Vietnam: More than 114,000 new opening account in May 2021

based on the data of VSD, in May 2021, investors open 114,107 accounts, including 113,543 accounts of local retailers, 131 accounts of local institutions, 423 accounts of foreign retailers, and 10 accounts of foreign institutions. (VSD)

## 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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