

Xin Chao Vietnam

Market performance

	17 Jun	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,359.92	0.3	8.0	14.7	23.2
Turnover (VND bn)	22,294				
VN30 (pt, % chg.)	1,461.91	(0.3)	6.6	22.5	36.5

Major indicators

	17 Jun	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.52	(0.0)	(0.0)	0.1	0.1
3-yr gov't bonds (% bp chg.)	0.91	(0.0)	(0.0)	0.2	0.1
VND/USD (% chg.)	22,984	0.1	0.3	0.4	0.5
VND/JPY (% chg.)	20,758	(0.1)	1.6	2.1	7.7
VND/EUR (% chg.)	27,421	1.5	2.3	0.2	3.8
VND/CNY (% chg.)	3,573	0.5	0.2	(0.7)	(1.0)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.56	(0.0)	(0.1)	(0.1)	0.6
WTI (USD/bbl, % chg.)	72.15	0.0	8.9	11.7	48.7
Gold (USD/oz, % chg.)	74.38	(0.0)	7.1	9.4	43.6

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FLC	97.2	VCB	(149.0)
VPB	77.7	SBT	(121.1)
GVR	39.8	VIC	(95.9)
VRE	36.5	HPG	(66.5)
BID	34.0	VNM	(55.5)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VCB	216.5	HPG	(160.3)
VNM	63.4	CTG	(155.7)
VRE	55.0	MBB	(145.8)
VHM	43.1	HSG	(39.7)
SSI	40.5	NVL	(32.6)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Health Care	2.6	Real Estate	(0.8)
Automobiles	2.3	Household Products	(0.7)
Insurance	2.2	Software & Services	(0.6)
Materials	2.1	F&B	(0.6)
Utilities	1.8	Media & Entertainment	(0.4)

WHAT'S NEW TODAY

Market commentary & News

- Market commentary:** Intraday rebound
- U.S.:** Fed to signal a more hawkish monetary stance towards a booming in economic growth

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	12.4	18.6	3.0	12.4	16.2
2021F	304,264	177,159	18.9	15.7	2.6	11.1	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

Intraday rebound

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The Vietnam stock market rebounded yesterday thanks to the bottom fishing of investors.

At the close, the VNIndex gained 0.25% to close at 1,359 pts. Meanwhile, the trading volume was 760 million shares or VND22,294bn in value.

Foreigners continued to net sell VND113bn on HSX. They sold HPG, CTG, and MBB the most with net values of VND160bn, VND155bn, and VND145bn, respectively.

Energy was the market leader driven by GAS (+2.2%), PVT (+1.0%), PVD (+3.1%), PVS (+2.4%), POW (+2.9%), BSR (+0.5%), PLX (+1.3%), and OIL (+1.4%). Among these, POW announced its revenue of VND12,749bn (-2% YoY) due to the power output of 1.5 billion kWh (-25% YoY) in the first five months.

Moreover, cash flowed into some financial stocks, namely SSI (+2.2%), VND (+2.8%), BVH (+2.8%), STB (+0.7%), MBB (+3.1%), ACB (+0.6%), and BID (+1.3%).

In addition, some constituents of the VN30Index jumped more than 1%, such as REE (+5.4%), POW (+2.9%), and MWG (+1.5%).

In contrast, VIC (-1.8%), TCH (-1.3%), NVL (-1.3%), VPB (-1.2%), and MSN (-1.2%) closed in red territory.

Despite the recovery, the selling pressure is still intact at high prices. Therefore, the traders should be careful and wait for more signals.

Breaking news

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► U.S.: Fed to signal a more hawkish monetary stance towards a booming in economic growth

According to the release from the 2-day FOMC meeting yesterday, the U.S. is expected to see a faster-than-anticipated economic growth towards the end of this year, as the real economic growth is forecast to 7% YoY from its prior forecast of just 6.5% in mid-March. As the economy become hotter, combining with bottlenecks, hiring difficulties, and other constraints, Fed saw the inflation outlook to be significantly higher from short-term to long-term than in the prior forecast. 2021 PCE inflation measure rose to 3.4% from just 2.4% in the prior projection, while 2021 core PCE inflation (excluding volatile commodities) also rose strongly to 3.0% from 2.2% in the prior March. The inflation projections for 2022 and 2033 were also adjusted higher by 0.1%. As a result, 13 over 18 FOMC's members expected at least one interest-rate hike by the end of 2023, in which 11 of them saw at least two interest-rate hikes by 2023-end, compared to just 7 and 6 members projecting such those projections in March. Furthermore, Fed's Chair Powell also said Fed's authority plans to begin a discussion about tapering with the current bond purchase programs (U.S. Treasury debt securities and agency mortgage-backed securities) without hinting at a specific date. (U.S. Federal Reserve, Bloomberg, KIS)

New listing & Public offerings

► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
7/12/2021	-	Viet Thanh Plastic Manufacturing & Trading JSC	150.0	5,000,000	11,000	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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