

# Xin Chao Vietnam

## Market performance

	5 Jul	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,411.13	(0.6)	2.7	13.8	27.8
Turnover (VND bn)	27,398				
VN30 (pt, % chg.)	1,557.41	0.2	3.3	24.1	45.4

## Major indicators

	5 Jul	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.)	0.73	(0.2)	(0.2)	0.0	(0.1)
VND/USD (% chg.)	22,988	0.0	0.3	0.4	0.5
VND/JPY (% chg.)	20,727	(0.1)	1.7	1.0	7.9
VND/EUR (% chg.)	27,273	0.2	2.7	0.0	4.4
VND/CNY (% chg.)	3,557	(0.1)	1.2	(1.2)	(0.5)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.44	0.0	(0.1)	(0.2)	0.5
WTI (USD/bbl, % chg.)	76.41	1.7	9.8	28.8	57.5
Gold (USD/oz, % chg.)	77.24	0.1	7.4	23.1	49.1

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
CTG	83.0	STB	(237.1)
IJC	22.9	VPB	(138.1)
PLX	14.3	TCB	(107.8)
SSB	14.2	CMX	(38.7)
BID	10.9	VIC	(30.0)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
STB	91.0	CTG	(105.7)
VCB	80.6	HPG	(88.1)
VHM	76.3	NVL	(62.5)
MSN	45.1	SSI	(58.3)
GAS	44.5	VPB	(42.2)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Retailing	6.0	Health Care	(4.3)
Telecommunication	4.6	Utilities	(3.7)
Technology	3.9	Energy	(1.8)
Banks	0.9	F&B	(1.6)
Software & Services	0.8	Real Estate	(1.5)

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** High selling pressure
- **Vietnam:** Trade turnover remains high

### Macro & Strategy

- **Fundflow 28 Jun – 02 Jul:** The stable money flow

### Event Calendar

## 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	19.6	3.2	12.8	16.2
2021F	304,264	177,159	18.9	16.5	2.7	11.4	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)	6.6
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

#### High selling pressure

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The Vietnam stock market reversed to go down due to investors' fear about the COVID-19 spread in Ho Chi Minh city.

At the close, the VNIndex lost 0.64% to close at 1,411 pts.

Energy was the worst sector driven by GAS (-4.8%), PVT (-3.8%), PVD (-3.1%), PVS (-3.9%), POW (-2.5%), BSR (-4.3%), PLX (-1.6%), and OIL (-5.3%).

Moreover, selling pressure pushed Real Estate down, namely VIC (-2.1%), VRE (-6.9%), NVL (-3.4%), NLG (-1.4%), DXG (-3.8%), TCH (-2.5%), KDH (-2.1%), and SCR (-5.5%).

In addition, some constituents of the VN30Index slid more than 2% such as REE (-3.4%), SBT (-2.4%), SSI (-2.4%), HPG (-2.1%), and MSN (-2.0%).

In contrast, TCB (+6.8%), MWG (+6.2%), TPB (+4.1%), and STB (+3.5%) closed in green territory.

Despite the contraction, the short-term uptrend is still intact thanks to bottom fishing at low prices, making the intraday loss narrow. Therefore, traders can hold long positions and focus on leading stocks.

### Breaking news

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#### ▶ Vietnam: Trade turnover remains high

June witnessed that the trade value kept staying at a high value relative to the low base in the same period last year. However, the recovery made a slowdown this month. In detail, export and import values posted USD26.50bn and USD27.50bn, growing by 17.28% YoY and 33.48% YoY in this period, respectively. A high turnover of goods and services internationally traded outside this period confirms the trade activity was still on the recovery path as the demand from our major trading partners, including the U.S., EU, South Korea, Japan, and China, generally keep higher than 2020. In the first half of 2021, export and import values impressively grew by 28.40% YoY and 36.10% YoY, posting USD157.63bn and USD159.10bn, respectively. Besides, the trade balance recorded a deficit of USD1.00bn this month, marking the 3-month streak of the low export turnover relative to import turnover. (GSO, KIS)

## Macro & strategy

### Fundflow 28 Jun – 02 Jul

#### The stable money flow

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#### ▶ Vietnam foreign flow

Relating to foreign activity, market demand surged. Net buy value was USD142mn, a 10-month high.

Foreign demand was mainly absorbed by Real Estate and Consumer Staples. Particularly, NVL, VHM, KDH, MSN, and VNM attracted the most foreign demand, fading the sharp selling pressure on VIC and HDC. Besides, Utilities also positively impacted by the surge of demand, mainly driven by GAS. On the contrary, selling activity kept focusing on Financials and Materials due to the strong divestment on VPB, CTG, MSB, DPM, and HPG.

#### ▶ South East Asia ETF flow

The positive flow of money maintained across SEA. Net inflow was USD3mn. To be specific, the maintenance of money inflow was mainly driven by the positive flow of money across Vietnam. However, SEA's main driver – Singapore kept experiencing the outflow with the net of USD12mn, two times higher than the previous week.

Last week, money inflow ticked up across Vietnam. Net inflow was USD21mn. Particularly, the money inflow was mainly driven by the strong demand on VFMVN30 ETF (USD11.6mn) and VFMVN Diamond (USD5.8mn). Importantly, the flow of money has started to spread among major ETFs and no longer focused on the specific ETF like the previous week. This event turns on the green light for the staple money flow across Vietnam as well as inflow is expected to maintain in this week.

## Event Calendar

### ► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
7/22/2021	BVB	Viet Capital Commercial JSB	3,670.9	8,261,611	22,800	-
7/12/2021	-	Viet Thanh Plastic Manufacturing & Trading	150.0	5,000,000	11,000	IPO

### ► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value
06/07/2021	29/07/2021	MLC	UPCOM	Cash Dividend	15%	1,539
06/07/2021	21/07/2021	VW3	UPCOM	Cash Dividend	6%	600
06/07/2021	21/07/2021	TAP	UPCOM	Cash Dividend	11%	1,073
06/07/2021	06/07/2021	KSB	HOSE	Share Issue	10%	
06/07/2021		PPH	UPCOM	Extraordinary General Meeting		
07/07/2021	27/07/2021	CAN	HNX	Cash Dividend	18%	1,800
07/07/2021	27/07/2021	DCM	HOSE	Cash Dividend	8%	800
07/07/2021	23/07/2021	MTH	UPCOM	Cash Dividend	10%	1,000
07/07/2021	07/07/2021	CTG	HOSE	Share Issue	29%	
07/07/2021		HKC	UPCOM	Annual General Meeting		
08/07/2021	09/08/2021	PCN	UPCOM	Annual General Meeting		
08/07/2021	30/07/2021	CPC	HNX	Cash Dividend	8%	800
08/07/2021	21/07/2021	MCF	HNX	Cash Dividend	7%	700
08/07/2021	19/07/2021	SKN	UPCOM	Cash Dividend	3%	320
08/07/2021	08/07/2021	VDS	HOSE	Share Issue	5%	
08/07/2021	08/07/2021	AAV	HNX	Share Issue	15%	
08/07/2021		LPB	HOSE	Extraordinary General Meeting		
08/07/2021		ILB	HOSE	Annual General Meeting		
09/07/2021	11/08/2021	NCP	UPCOM	Extraordinary General Meeting		
09/07/2021	10/08/2021	DTK	HNX	Extraordinary General Meeting		
09/07/2021	05/08/2021	KSQ	HNX	Extraordinary General Meeting		
09/07/2021	28/07/2021	HVT	HNX	Cash Dividend	5%	500
09/07/2021	22/07/2021	HLC	HNX	Cash Dividend	6%	600
09/07/2021	09/07/2021	DC4	HOSE	Share Issue	5%	

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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.

- **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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