

# Xin Chao Vietnam

## Market performance

	6 Jul	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,354.79	(4.0)	(0.3)	9.0	22.7
Turnover (VND bn)	28,443				
VN30 (pt, % chg.)	1,488.42	(4.4)	0.3	18.3	39.0

## Major indicators

	6 Jul	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.50	(0.0)	(0.0)	0.0	0.1
3-yr gov't bonds (% bp chg.)	0.89	0.2	(0.0)	0.2	0.0
VND/USD (% chg.)	23,010	0.0	0.2	0.4	0.4
VND/JPY (% chg.)	20,837	(0.2)	1.1	0.9	7.3
VND/EUR (% chg.)	27,196	0.2	3.0	0.9	4.7
VND/CNY (% chg.)	3,559	(0.1)	1.1	(0.8)	(0.6)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.36	0.0	(0.2)	(0.3)	0.4
WTI (USD/bbl, % chg.)	73.56	0.3	6.3	23.1	51.6
Gold (USD/oz, % chg.)	74.68	0.2	4.5	18.2	44.2

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
CTG	122.2	STB	(146.1)
SSI	62.1	HPG	(54.2)
KDH	40.7	BVH	(45.9)
KBC	38.1	DXG	(39.8)
VNM	36.6	LPB	(22.5)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	88.0	HPG	(116.0)
VCB	75.9	VPB	(92.0)
MBB	62.4	VNM	(39.6)
MSN	54.4	CTG	(25.6)
HDB	28.3	E1VFN30	(23.5)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	6.9	Technology	(6.9)
		Diversified Financials	(6.6)
		Retailing	(6.3)
		Software & Services	(6.0)
		Materials	(5.9)

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Crash?
- **Vietnam:** FDI goes into distress under uncertain conditions

### 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	14.2	18.8	3.0	12.2	16.0
2021F	304,264	177,159	19.6	15.7	2.6	10.9	16.3

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

#### Crash?

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The Vietnam stock market tumbled yesterday due to investor's fear about the COVID-19 spread in Ho Chi Minh city and Southern Vietnam.

At the close, the VNIndex lost 3.99% to close at 1,354 pts. Meanwhile, the trading volume was 793 million shares or VND28,443bn.

Foreigners resumed to net buy VND46bn on HSX. They purchased VHM, VCB, and MBB the most with net values of VND87bn, VND75bn, and VND62bn, respectively.

Banking was the worst sector driven by CTG (-6.9%), BID (-5.7%), HDB (-6.4%), TCB (-6.9%), ACB (-5.1%), MBB (-7.0%), STB (-6.9%), EIB (-3.9%), and VPB (-2.3%).

Moreover, selling pressure pushed Real Estate and Brokerages down, namely SSI (-6.9%), HCM (-7.0%), VND (-9.9%), VHM (-6.9%), VIC (-2.6%), TCH (-3.3%), and DXG (-7.0%).

In addition, some constituents of the VN30Index slid more than 6% such as MWG (-6.9%), GAS (-6.7%), SBT (-6.3%), HPG (-6.3%), FPT (-6.1%).

Based on the pessimistic market sentiment, the short-term uptrend may be reversed if the VNIndex closes below the 1,400-pts threshold tomorrow. Therefore, traders should be careful and wait for the next signal. If the selling signal is confirmed, the traders should reduce the position.

### Breaking news

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#### ► Vietnam: FDI goes into distress under uncertain conditions

The latest update for FDI in the second quarter of 2021 raised concerns about FDI weakness in a short-term horizon as foreign investors tend to put investment plans on hold under uncertain and unfavorable investment conditions. The root causes are from strict international flight restrictions, which are recently reinforced at a greater level under the complicated and widespread outbreak. Not only do they face many difficulties in entering Vietnam, but the foreign investors may also re-consider their investment plans as Vietnam's economy is to be vulnerable under the COVID-19 new delta variant's attack. As a result, 2Q21's total foreign-registered capital plunged 27.8% relative to 2Q20 or 49.25% from the first quarter, posting USD5.14bn. By contrast, disbursed FDI reached the second-highest since 2020, at USD5.14bn in 2Q21. (MPI, KIS)

## 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
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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