

Xin Chao Vietnam

Market performance

	16 Jul	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,299.31	0.4	(5.7)	3.1	17.7
Turnover (VND bn)	15,180				
VN30 (pt, % chg.)	1,438.05	0.5	(2.9)	10.1	34.3

Major indicators

	16 Jul	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.53	0.0	(0.0)	0.0	0.1
3-yr gov't bonds (% bp chg.)	0.89	0.1	(0.0)	(0.1)	0.0
VND/USD (% chg.)	23,010	0.0	(0.0)	0.2	0.4
VND/JPY (% chg.)	20,875	0.3	(0.6)	1.5	7.1
VND/EUR (% chg.)	27,155	0.2	2.5	1.7	4.8
VND/CNY (% chg.)	3,556	0.1	0.9	(0.5)	(0.5)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.32	0.0	(0.3)	(0.3)	0.4
WTI (USD/bbl, % chg.)	71.74	0.1	(0.6)	13.6	47.9
Gold (USD/oz, % chg.)	73.48	0.0	(1.2)	10.0	41.9

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
PLX	16.9	MSB	(141.0)
ACB	16.0	STB	(95.5)
DGC	11.4	FLC	(76.5)
NLG	9.0	TCB	(48.4)
LPB	8.9	VIC	(46.5)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
NVL	96.7	CTG	(64.3)
VIC	83.9	HSG	(56.8)
MSN	58.7	VCB	(38.8)
VNM	44.8	VHM	(34.8)
FUEVFVND	40.5	VCI	(34.8)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Software & Services	1.6	Technology	(1.7)
Automobiles	1.5	Diversified Financials	(1.5)
F&B	1.4	Health Care	(1.4)
Commercial Services	1.2	Telecommunication	(0.9)
Materials	1.2	Pharmaceuticals	(0.3)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Resume uptrend
- **Vietnam:** Vietnam State Treasury announces government bond issuance plan for 3Q21

Macro & Strategy

- **Chart of the day:** Correction is needed

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	16.3	17.4	2.8	12.1	16.0
2021F	304,264	177,159	19.4	14.6	2.4	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

Resume uptrend

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Vietnam stock market maintained its uptrend thanks to high demand on large-cap stocks.

At the close, the VNIndex gained 0.42% to close at 1,299 pts. Meanwhile, the trading volume was 458 million shares or VND15,180bn.

Foreigners continued to net buy VND69bn on HSX. They purchased NVL, VIC, and MSN the most with net values of VND96bn, VND83bn, and VND58bn, respectively.

Real Estate was the market leader driven by VIC (+3.73%), PDR (+3.44%), NVL (+0.58%), NLG (+1.36%), KDH (+1.65%), HDG (+2.44%), and DIG (+3.05%).

Moreover, some constituents of the VN30Index jumped more than 1%, such as MSN (+4.78%), FPT (+1.64%), SBT (+1.60%), and REE (+1.37%).

In contrast, Brokerages, namely SSI (-1.68%), VND (-0.73%), HCM (-0.83%), BVS (-2.52%), and MBS (-1.67%) closed in red territory.

Despite the second recovery in a row, the downside risk is still intact in the short term due to the selling signal of a rising wedge pattern. Notably, the market sentiment has become cautious as the volatility increases. Therefore, traders should be careful and reduce the position.

Breaking news

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- ▶ Vietnam: Vietnam State Treasury announces government bond issuance plan for 3Q21

According to the document released yesterday, Vietnam State Treasury (VST) plans for about VND120tn government bond issuance in this quarter from 5-year to 30-year tenors, higher than 1Q21 and 2Q21 plans, which is VND100tn for each. Government bonds with 10-year and 15-year maturity account for 75% of total issuance plan, by VND40tn and VND50tn, respectively. 5-year G-bond is expected to be issued about VND10tn, following by VND8tn for 7-year G-bonds, VND7tn for 30-year G-bonds, and VND5tn for 20-year G-bonds, respectively. (Vietnam State Treasury)

Macro & strategy

Chart of the day

Correction is needed

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- ▶ Market performance

The downward correction has occurred on VNIndex, confirming the short-term downtrend. The medium-term uptrend has turned from active to dormant.

- ▶ Chart: 1,200 pts zone is the long-term demand zone

The VNIndex has experienced the sharp downward swing and kept closing below MA20 and MA50, implying the short-term downtrend.

Besides, MA20 has started to slope downward, implying the increase of short-term bearish momentum.

1,400 pts zone sets the strong supply area for the upward resumption phase whilst 1,200 pts area is the significant demand zone.

The long-term uptrend is not faded when MA50 and MA200 are upward sloping. Besides, the correction is always needed to sustain the major uptrend.

→ The VNIndex is expected to consolidate or slightly rebound this week.

▶ Technical strategy: Increasing the positions at 1,200 pts zone

As mentioned above, the long-term uptrend is confirmed but it has turned to dormant due to the short-term downward swing. In this case, investors should continue to hold the current positions and buy more if the 1,200 pts zone is retested.

Event Calendar

▶ New listing

(VND bn, share, VND)

Date of listing	Ticker	Company	Exchange	Listed Value	Listed Shares	Reference Price
7/20/2021	VAB	VietNam – Asia Commercial JSB	UPCoM	4,449.6	444,963,567	13,500
7/19/2021	KHG	Khai Hoan Land Real Estate JSC	HNX	1,748.2	174,817,547	15,000

▶ Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value
19/07/2021	30/07/2021	CKG	HOSE	Cash Dividend	9%	900
19/07/2021	15/12/2021	DC2	HNX	Cash Dividend	5%	500
19/07/2021	19/07/2021	DC2	HNX	Share Issue	10%	
19/07/2021	15/10/2021	ELC	HOSE	Cash Dividend	3%	300
19/07/2021	15/10/2021	ELC	HOSE	Cash Dividend	3%	300
19/07/2021	28/07/2021	IDP	UPCOM	Cash Dividend	50%	5,000
19/07/2021	19/07/2021	MBG	HNX	Share Issue	5%	
19/07/2021	12/08/2021	POT	HNX	Cash Dividend	5%	500
19/07/2021		SDU	HNX	Annual General Meeting		
19/07/2021	30/07/2021	SKH	UPCOM	Cash Dividend	17%	1,713
19/07/2021	04/08/2021	SVC	HOSE	Cash Dividend	10%	1,000
20/07/2021	16/08/2021	CSI	UPCOM	Extraordinary General Meeting		
20/07/2021	16/08/2021	MFS	UPCOM	Cash Dividend	25%	2,500
20/07/2021	30/07/2021	PDN	HOSE	Cash Dividend	20%	2,000
20/07/2021	19/08/2021	VPG	HOSE	Extraordinary General Meeting		
21/07/2021	29/11/2021	DS3	HNX	Cash Dividend	3%	300
21/07/2021	18/08/2021	DS3	HNX	Cash Dividend	3%	300
21/07/2021	30/07/2021	HLB	UPCOM	Cash Dividend	20%	2,000
21/07/2021	21/07/2021	ICN	UPCOM	Share Issue	25%	
21/07/2021	16/08/2021	LMH	UPCOM	Annual General Meeting		
21/07/2021	21/07/2021	LPB	HOSE	Share Issue	12%	
21/07/2021	02/08/2021	NBT	UPCOM	Cash Dividend	4%	400
22/07/2021	06/09/2021	BCM	HOSE	Cash Dividend	4%	400
22/07/2021	03/08/2021	BLT	UPCOM	Cash Dividend	34%	3,400
22/07/2021	16/08/2021	DAN	UPCOM	Cash Dividend	10%	1,000
22/07/2021	06/08/2021	DDH	UPCOM	Cash Dividend	5%	500
22/07/2021	23/08/2021	LKW	UPCOM	Cash Dividend	15%	1,500
22/07/2021	23/08/2021	TLT	UPCOM	Cash Dividend	10%	1,000

22/07/2021	14/08/2021	VLA	HNX	Annual General Meeting		
23/07/2021	30/07/2021	BRR	UPCOM	Cash Dividend	2%	200
23/07/2021	13/08/2021	CSV	HOSE	Cash Dividend	10%	1,000
23/07/2021	10/08/2021	NAU	UPCOM	Cash Dividend	1%	81
23/07/2021	05/08/2021	SIP	UPCOM	Cash Dividend	10%	1,000
23/07/2021	23/07/2021	SSB	HOSE	Share Issue	9%	
23/07/2021	11/08/2021	TN1	HOSE	Cash Dividend	5%	500
23/07/2021	23/07/2021	TN1	HOSE	Share Issue	45%	
23/07/2021	11/08/2021	VLW	UPCOM	Cash Dividend	10%	1,000

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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.

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- 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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