

Xin Chao Vietnam

Market performance

	19 Jul	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,243.51	(4.3)	(9.7)	(1.4)	12.7
Turnover (VND bn)	21,606				
VN30 (pt, % chg.)	1,374.15	(4.4)	(7.2)	5.2	28.3

Major indicators

	19 Jul	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.52	(0.0)	(0.0)	0.0	0.1
3-yr gov't bonds (% bp chg.)	0.89	(0.0)	0.1	(0.0)	0.0
VND/USD (% chg.)	23,014	(0.0)	0.0	0.3	0.4
VND/JPY (% chg.)	20,971	(0.3)	(0.3)	1.7	6.6
VND/EUR (% chg.)	27,095	0.3	1.1	2.0	5.1
VND/CNY (% chg.)	3,548	0.2	0.3	(0.1)	(0.3)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.25	(0.0)	(0.2)	(0.4)	0.3
WTI (USD/bbl, % chg.)	69.69	(3.0)	(2.7)	10.0	43.6
Gold (USD/oz, % chg.)	71.57	(2.7)	(2.6)	6.7	38.2

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FUEVFNVD	198.8	IJC	(41.6)
VPB	147.3	E1VFN30	(34.0)
SGT	94.9	SSB	(19.6)
OCB	68.1	HDG	(15.3)
STB	59.0	FLC	(14.5)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
STB	126.2	FUEVFNVD	(201.9)
VNM	121.8	KDH	(142.4)
NVL	49.2	HPG	(71.4)
DXG	43.3	MSN	(43.3)
VHM	36.1	HCM	(29.3)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Health Care	6.9	Telecommunication	(7.0)
Household Products	3.2	Diversified Financials	(6.7)
Pharmaceuticals	1.2	Retailing	(6.5)
		Others	(6.3)
		Banks	(6.0)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** A Third crash session
- **World:** Oil production to ramp up under OPEC+ deal

Macro & Strategy

- **Fundflow 12 – 16 Jul:** Money inflow across Vietnam skyrockets

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	16.6	2.7	11.8	16.0
2021F	304,264	177,159	19.4	13.9	2.3	10.5	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

A Third crash session

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Vietnam stock market tumbled yesterday due to investors' fear after the number of COVID-19 cases in Ho Chi Minh city were over 30,000 cases.

At the close, the VNIndex slid 4.29% to close at 1,243 pts. Meanwhile, the trading volume was 719 million shares or VND21,605bn.

Foreigners reversed to net sell VND99bn on HSX. They sold FUEVFVND, KDH, and HPG the most with net values of VND201bn, VND142bn, and VND71bn, respectively.

Banking was the worst sector driven by ACB (-4.32%), BID (-6.71%), EIB (-3.89%), HDB (-4.63%), MBB (-6.70%), NVB (-9.09%), SHB (-8.90%), and VCB (-5.37%). Notably, CTG, TCB, TPB, and VPB limited down.

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, Brokerages and Material underperformed benchmark index such as HPG (-5.24%), HSG (-6.76%), NKG (-6.86%), BSI (-6.60%), BVS (-7.75%), FTS (-6.97%), HCM (-6.90%), MBS (-9.83%), SHS (-8.77%), SSI (-6.63%), VCI (-6.91%), and VND (-7.58%),

Moreover, some constituents of the VN30Index fell more than 5%, such as MWG (-6.90%) TCH (-5.99%), BVH (-5.88%), and SBT (-5.26%).

The market sentiment has become pessimistic because of the third crash. The downside risk is rose as the sale-off. Therefore, traders should be careful and reduce the position.

Breaking news

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- ▶ World: Oil production to ramp up under OPEC+ deal

Over the last weekend, a conflict among the United Arab Emirates (UAE) and other OPEC+ members has been resolve, avoiding the risk of sending the global oil market into turmoil once in April 2020. Both sides agreed to strike a final deal, as expected earlier, of increasing 400,000 barrels a day by each month from August to end-2021 and extending the current production cut to end-2020 from April 2022 previously. (OPEC, Bloomberg)

Macro & strategy

Fundflow 12 – 16 Jul

Money inflow across Vietnam skyrockets

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- ▶ Vietnam foreign flow

Relating to foreign activity, market demand stayed at high level. Net buy value was USD100mn.

Foreign demand kept spreading to major sectors, such as Materials, Financials, and Real Estate. Particularly, HPG, SSI, STB, MSB, VHM, NVL, and KDH attracted the most foreign demand, fading the sharp selling pressure on DHC, VPB, VCB, VCI, VIC, and PDR. Consumer Staples was also positively impacted by the stable foreign buying activity, mainly driven by MSN. Besides, Industrials continued to be net bought thanks to large buy orders on GEX.

- ▶ South East Asia ETF flow

SEA kept recording the positive flow of money, but the money inflow was only contributed by the massive flow of Vietnam. Net

inflow was USD80mn. To be specific, the high level of money inflow was only contributed by Vietnam. However, SEA's main driver – Singapore kept experiencing the outflow for 4 consecutive weeks whilst other countries recorded no inflow/outflow activity. The divergence of money inflow has signaled the unstable flow of money across SEA.

Last week, money inflow across Vietnam skyrocketed. Net inflow was USD93mn, a 3-month high. Particularly, the money inflow was continued to drive by the strong demand on Fubon FTSE Vietnam ETF (USD86mn) whilst money inflow has started to slow down across other major ETFs. Notably, the massive inflow across Vietnam has been driven by Fubon alone which means the flow of money across Vietnam is not defined as the strong and stable inflow.

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

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value
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

- **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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