

# Xin Chao Vietnam

## Market performance

	6 Aug	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,341.45	(0.3)	(0.4)	8.0	21.5
Turnover (VND bn)	22,316				
VN30 (pt, % chg.)	1,476.79	(0.7)	(1.2)	10.1	37.9

## Major indicators

	6 Aug	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.48	0.0	(0.0)	(0.1)	0.1
3-yr gov't bonds (% bp chg.)	0.84	(0.0)	(0.0)	(0.1)	(0.0)
VND/USD (% chg.)	22,934	0.1	0.3	0.6	0.7
VND/JPY (% chg.)	20,808	0.6	(0.1)	1.6	7.5
VND/EUR (% chg.)	26,967	0.8	1.0	3.0	5.6
VND/CNY (% chg.)	3,538	0.4	0.6	0.8	0.0
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.30	0.1	(0.1)	(0.3)	0.4
WTI (USD/bbl, % chg.)	66.98	(1.9)	(10.2)	3.2	38.0
Gold (USD/oz, % chg.)	69.40	(1.8)	(8.1)	1.6	34.0

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FPT	78.8	VHM	(401.4)
HPG	73.6	IJC	(80.5)
GEX	48.6	ACB	(26.0)
MWG	28.4	DXG	(25.7)
PNJ	12.4	TCB	(25.1)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
SSI	116.6	VNM	(81.0)
STB	100.2	GAS	(61.7)
HPG	70.6	VRE	(50.0)
DXG	27.9	VIC	(33.7)
MBB	21.9	DIG	(30.2)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	3.2	Health Care	(2.3)
Media & Entertainment	2.3	Diversified Financials	(1.4)
Transportation	0.9	Banks	(1.1)
Commercial Services	0.8	Utilities	(0.9)
Real Estate	0.6	Materials	(0.8)

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Consolidation
- **U.S.:** Growth in the U.S. services sector slowed down to a 5-month low

### Macro & Strategy

- **Chart of the day:** Bullish market

### 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	16.4	17.6	2.8	12.7	16.0
2021F	304,264	177,159	19.3	14.8	2.4	11.3	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	2Q21	2019	2020	2021F
GDP (% yoy)	2.6	4.5	4.5	6.6	7.0	2.9	6.4
Trade balance (USD bn)	10.7	3.3	2.8	(4.3)	10.4	19.8	1.8
CPI (% yoy, avg.)	3.2	1.4	0.3	2.6	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	(3.4)	(3.5)	6.5
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

#### Consolidation

**Hieu Tran**  
hieu.ttm@kisvn.vn

Vietnam stock market reversed to go down due to profit-taking after the ninth gaining session.

At the close, the VNIndex lost 0.30% to close at 1,341 pts. Meanwhile, the trading volume was 718 million shares or VND22,719bn.

Foreign investors continued to net buy with a net value of VND33bn on HSX. They purchased SSI, STB, and HPG the most with net values of VND116bn, VND100bn, and VND70bn, respectively.

Banking was the worst sector due to ACB (-1.25%), EIB (-2.18%), HDB (-1.41%), MBB (-1.17%), STB (-2.42%), TCB (-1.33%), TPB (-1.11%), VCB (-1.31%), and VPB (-1.94%).

Besides, selling pressure pushed Brokerage down because of BSI (-1.76%), BVS (-2.36%), HCM (-2.38%), MBS (-2.86%), SHS (-3.20%), SSI (-1.91%), and VCI (-2.51%).

In contrast, cash flowed into Real Estate, namely DIG (+4.68%), DXG (+1.99%), FLC (+1.31%), HDG (+1.60%), KDH (+0.98%), SCR (+0.94%), TDH (+6.94%), and VHM (+1.97%).

Despite the contraction, the VNIndex still confirms the uptrend as the index closes above the 1,300-pts threshold. Therefore, traders should hold long positions with a small proportion, focusing on leading stocks such as Banking and Brokerages.

### Breaking news

**Tuan Doan**  
tuan.doan@kisvn.vn

- ▶ U.S.: Growth in the U.S. services sector slowed down to a 5-month low

According to the latest update from IHS Markit, the U.S. services sector saw the softest expansion since February, although the overall growth was marked, driven by solid upturns in services output and client demand. More specifically, the U.S. Services PMI Business Activity index posted 59.9 in July compared to 64.6 in June, which is a 5-month low. From the demand side, expansion in total new orders in the services sector was reported solid but eased to a four-month low. (IHS Markit)

## Macro & strategy

### Chart of the day

#### Bullish market

**Hieu Tran**  
hieu.ttm@kisvn.vn

- ▶ Market performance

The VNIndex resumed its uptrend last week with nine consecutive gaining sessions.

- ▶ Chart: Bullish market

The uptrend is still intact in the long term as the VNIndex closes above long-term moving averages such as the MA100 and the MA200. Moreover, trend lines (red lines in Figure 1) are upward, implying the big trend.

Stock markets form the short-term uptrend as the VNIndex crosses moving averages (such as MA10, MA20, and MA50) going up. Meanwhile, the index closes the 1,300-pts threshold, which is the significant resistance, and Momentum indicators rise and break out their signal line. That implies the buying signal.

The trading volume and value were at a low level, showing the cautious market sentiment. However, that does not impact the current uptrend.

The 1,250-pts area has turned around to act as the important short-term support. On the upside, the 1,350 - 1,380 pts area is

expected to be the weekly resistance.

→ The VNIndex confirms the bullish market thanks to the index closes above the 1,300-pts threshold.

▶ Technical strategy: Hold long position

In this situation, traders should open short-term speculative positions with a small proportion. The contraction is the opportunity to accumulate stocks at low prices.

## Event Calendar

### ▶ Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
25/08/2021	BVB	Viet Capital Commercial JSB	3,670.9	8,261,611	22,800	-

### ▶ Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value
09/08/2021	09/09/2021	CQN	UPCOM	Cash Dividend	10%	1,000
09/08/2021		DTE	UPCOM	Annual General Meeting		
09/08/2021	30/08/2021	EIC	UPCOM	Cash Dividend	10%	1,000
09/08/2021	31/08/2021	ND2	UPCOM	Cash Dividend	20%	2,000
09/08/2021	20/08/2021	NJC	UPCOM	Cash Dividend	15%	1,500
09/08/2021	10/09/2021	T12	UPCOM	Annual General Meeting		
09/08/2021	25/08/2021	VPD	HOSE	Cash Dividend	2%	200
10/08/2021	10/08/2021	BAB	HNX	Share Issue	6%	
10/08/2021	10/08/2021	CEN	UPCOM	Share Issue	200%	
10/08/2021		EVS	HNX	Extraordinary General Meeting		
10/08/2021	31/08/2021	SBH	UPCOM	Cash Dividend	20%	2,000
11/08/2021		SJD	HOSE	Annual General Meeting		
11/08/2021		TNT	HOSE	Extraordinary General Meeting		
11/08/2021	23/08/2021	XDH	UPCOM	Cash Dividend	10%	1,000
12/08/2021	27/08/2021	PAC	HOSE	Cash Dividend	5%	500
13/08/2021		DXD	UPCOM	Extraordinary General Meeting		
13/08/2021	01/09/2021	HDA	HNX	Cash Dividend	5%	500
13/08/2021	09/09/2021	RIC	HOSE	Extraordinary General Meeting		
13/08/2021		VC2	HNX	Extraordinary General Meeting		

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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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