

# Xin Chao Vietnam

## Market performance

	9 Aug	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,359.86	1.4	0.9	9.5	23.2
Turnover (VND bn)	22,447				
VN30 (pt, % chg.)	1,497.83	1.4	0.2	11.7	39.9

## Major indicators

	9 Aug	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.53	0.0	(0.0)	0.1	0.1
3-yr gov't bonds (% bp chg.)	0.71	(0.1)	(0.1)	(0.2)	(0.1)
VND/USD (% chg.)	22,930	0.0	0.3	0.6	0.7
VND/JPY (% chg.)	20,818	(0.0)	0.3	1.8	7.4
VND/EUR (% chg.)	26,962	0.0	1.3	4.0	5.6
VND/CNY (% chg.)	3,540	(0.1)	0.2	1.5	(0.0)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.28	(0.0)	(0.1)	(0.3)	0.4
WTI (USD/bbl, % chg.)	65.58	(4.0)	(12.0)	1.0	35.2
Gold (USD/oz, % chg.)	68.01	(3.8)	(10.0)	(0.4)	31.3

## 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	E1VFN30	(35.2)
MWG	28.4	DIG	(33.5)
PNJ	12.4	TCB	(25.1)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	359.0	VIC	(87.5)
FUEFVND	71.6	VNM	(72.8)
STB	51.5	CTG	(63.4)
SSI	48.6	NVL	(52.5)
PLX	24.4	DPM	(43.5)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Telecommunication	6.8	Household Products	(0.5)
Health Care	5.4	Pharmaceuticals	(0.5)
Diversified Financials	4.6		
Commercial Services	4.0		
Technology	3.0		

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Cash flows into Brokerage
- **China:** Growth in China's manufacturing sector slows down to a 15-month low

### Macro & Strategy

- **Fundflow 02 – 08 Aug:** Outflow ticks up

### 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	17.9	2.9	12.9	16.0
2021F	304,264	177,159	19.3	15.0	2.4	11.6	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

#### Cash flows into Brokerage

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

At the close, the VNIndex gained 1.37% to close at 1,359 pts. Meanwhile, the trading volume was 675 million shares or VND22,447bn.

Foreign investors continued to net buy with a net value of VND110bn on HSX. They purchased VHM, FUEVFNVD, and STB the most with net values of VND358bn, VND71bn, and VND51bn, respectively.

Brokerage was the market leader driven by BSI (+6.28%), BVS (+3.81%), FTS (+6.71%), HCM (+5.07%), MBS (+5.56%), SHS (+5.20%), SSI (+5.14%), VCI (+4.78%), and VND (+3.79%).

Besides, Banking and Real Estate outperformed the benchmark index thanks to ACB (+2.67%), CTG (+1.17%), HDB (+1.43%), NVB (+1.15%), STB (+1.32%), TCB (+1.35%), TPB (+1.13%), DXG (+1.52%), KBC (+2.82%), KDH (+2.29%), NLG (+1.83%), VHM (+3.07%), and VRE (+2.33%).

Moreover, some constituents of the VN30Index jumped more than 2%, such as MSN (+4.83%), REE (3.52%), and HPG (+2.69%).

In contrast, VIC (-0.18%), NVL (-1.40%), HAG (-0.92%), BSR (-1.52%), and PVD (-1.08%) closed in red territory.

The VNIndex still confirms the uptrend in the short term 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

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- ▶ China: Growth in China's manufacturing sector slows down to a 15-month low

According to the latest update from IHS Markit, China's manufacturing sector continued to report a slight expansion in July, although the rate of growth was slowing down to a 15-month low. More specifically, China's Manufacturing PMI index posted only 50.3 in July, down from 51.3 in June. A spotlight in the month was total new business as this factor saw the first decline for 14 months under pressures from increasing output prices and slower customer demand. Besides, the rate of output growth also hit the slowest in 16 months, being reported as just marginal. (IHS Markit)

## Macro & strategy

### Fundflow 02 – 08 Aug

#### Outflow ticks up

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- ▶ Vietnam foreign flow

With foreign activity, market demand kept outperforming. Net buy value was USD108mn, three times higher than the previous week.

Foreign demand focused on major sectors, such as Financials and Real Estate. Particularly, STB, SSI, MBB, and VHM attracted the most foreign demand, fading the sharp selling pressure on VIC, VRE, NVL, and CTG. Besides, Materials has turned around to be net bought thanks to large buy orders on HPG. In contrast, Industrials and Consumer Staples absorbed the most foreign selling pressure due to large sell orders on SZC, DIG, VNM, and SAB. Utilities kept experiencing the outflow due to high divestment on GAS.

## ► South East Asia ETF flow

SEA kept recording the positive flow of money, net inflow was USD8mn. However, SEA's main driver – Vietnam has experienced the outflow last week. In contrast, the money inflow across Singapore has ticked up after experiencing the outflow for 6 consecutive weeks. Besides, Thailand also recorded the positive flow of money, reaching the 3-month high.

Outflow has come back to Vietnam, recorded at USD8mn. The money outflow was mainly driven by the divestment on VFMVN Diamond and Fubon FTSE Vietnam ETF.

## 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
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		

- **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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