

Xin Chao Vietnam

Market performance

	31 Aug	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,331.47	0.3	1.6	0.3	20.6
Turnover (VND bn)	22,742				
VN30 (pt, % chg.)	1,428.66	(0.2)	(1.3)	(3.1)	33.4

Major indicators

	31 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.)	0.83	(0.0)	(0.1)	(0.1)	(0.0)
VND/USD (% chg.)	22,784	0.1	0.8	1.2	1.4
VND/JPY (% chg.)	20,745	(0.1)	0.9	1.4	7.8
VND/EUR (% chg.)	26,952	(0.2)	1.3	4.2	5.6
VND/CNY (% chg.)	3,526	(0.1)	0.7	2.6	0.4
	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.)	68.52	(1.0)	(7.3)	3.3	41.2
Gold (USD/oz, % chg.)	72.86	(0.7)	(4.5)	5.1	40.7

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	370.6	APH	(194.6)
FUEVFNVD	106.8	DIG	(100.7)
SSI	72.7	MBB	(66.6)
VNM	35.2	GEX	(57.0)
CTG	26.3	VPB	(46.0)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
CTG	55.9	MSN	(258.3)
PDR	42.2	VHM	(113.9)
DGC	38.4	VNM	(49.8)
DCM	28.8	KBC	(38.1)
HSG	26.4	HCM	(24.6)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Health Care	4.2	Diversified Financials	(1.0)
Telecommunication	3.9	Transportation	(0.9)
Insurance	3.0	Banks	(0.8)
Materials	1.7	Commercial Services	(0.6)
Technology	1.6	Consumer Durables	(0.6)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Need breakout to confirm bullish market
- **Vietnam:** The retail sales reduced further as the government tighten restrictions

Macro & Strategy

- **ETF review:** Foreign ETFs add VCI, KDC and DGC

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	16.8	17.1	2.7	12.6	16.0
2021F	304,264	177,159	19.3	14.4	2.3	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)	6.2
China GDP (% yoy)	(6.8)	3.2	4.9	5.8	2.3	2.3	8.4

Source: KIS, Bloomberg

Market commentary & News

Market commentary

Need breakout to confirm bullish market

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The Vietnam stock market maintained its uptrend thanks to high demand on Energy and Consumer Staples.

At the close, the VNIndex gained 0.25% to close at 1,331 pts. Meanwhile, the trading volume was 721 million shares or 22,741VNDbn.

Foreign investors continued to net sell with a net value of VND190bn on HSX. They sold MSN, VHM, and VNM the most with net values of VND258bn, VND113bn, and VND49bn, respectively.

Energy was still the market leader thanks to GAS (+2.17%), OIL (+2.38%), PLX (+0.30%), PVB (+0.72%), PVC (+3.23%), PVD (+3.46%), and PVS (+2.78%).

Besides, cash flowed into Consumer Staples and Material CMX (+4.18%), IDI (+1.93%), MSN (+1.81%), MWG (+0.36%), PAN (+2.17%), SAB (+1.90%), HPG (+1.23%), and HSG (+0.50%).

In addition, some constituents of the VN30Index jumped more than 2%, such as BVH (+3.64%), GVR (+3.06%), and PDR (+2.81%).

In contrast, VJC (-0.32%), PNJ (-0.46%), VHM (-0.47%), POW (-0.84%), and SSI (-0.96%) closed in red territory.

Selling pressure pushed Banking down, namely HDB (-2.81%), STB (-1.97%), MBB (-1.76%), TPB (-1.59%), CTG (-1.55%), TCB (-1.42%), and BID (-1.27%).

Despite the second bullish session, the VNIndex has not yet confirmed the uptrend. Until the VNIndex closes above the 50-period Moving average, traders should be careful and stay on the sidelines.

Breaking news

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- ▶ Vietnam: The retail sales reduced further as the government tighten restrictions

In August, the retail sales tumbled as the government generally tightened the restrictions to deal with the widespread transmission in the southern epicenters, including Hochiminh city, the country's economic center. According to GSO's estimates, the retail sales in August 2021 continued declining strongly to the 2021-low of VND279.84tn, decreasing by 10.50% MoM or 33.70% YoY. This reduction focused on the decrease in retailing activities in southern areas, such as Hochiminh city and Binh Duong province, where Directive No. 16 generally limited the community mobility. (GSO, KIS)

Macro & strategy

ETF review

Foreign ETFs add VCI, KDC and DGC

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Based on data of 31 Aug, we expect that FTSE Vietnam ETF will add VCI and not exclude any ticker in the 4Q21. Besides, VanEck Vectors Vietnam ETF will not remove Vietnam stock but add KDC and DGC in this quarterly review.

Number of shares expected to buy from FTSE Vietnam ETF and VanEck Vectors Vietnam ETF

(%, shares)

No	Ticker	FTSE			VNM			Total volume change
		Current weighting	New weighting	Volume change	Current weighting	New weighting	Volume change	
1	APH	1.07	1.28	387,599	1.38	1.00	(897,773)	(510,174)
2	BVH	-	-	-	1.32	0.64	(1,508,478)	(1,508,478)
3	GEX	1.37	1.36	(32,234)	0.79	1.06	1,419,503	1,387,269
4	HNG	-	-	-	0.76	0.53	(4,002,936)	(4,002,936)
5	HPG	13.61	9.65	(8,019,960)	5.36	5.00	(919,179)	(8,939,139)
6	HSG	1.30	1.44	355,581	1.54	1.12	(1,310,428)	(954,846)
7	KBC	1.28	1.17	(251,949)	1.10	0.91	(548,387)	(800,336)
8	MSN	10.56	11.88	974,883	8.10	5.50	(2,424,288)	(1,449,405)
9	NVL	7.77	8.61	805,756	5.90	4.50	(1,687,999)	(882,243)
10	PDR	3.07	3.09	25,694	2.74	2.58	(234,445)	(208,751)
11	PLX	1.42	-	(3,873,509)	-	-	-	(3,873,509)
12	POW	0.85	2.46	13,580,509	1.09	0.84	(2,703,737)	10,876,772
13	PVD	0.55	0.67	639,705	-	-	-	639,705
14	SBT	0.96	0.68	(1,227,249)	1.33	0.73	(3,314,898)	(4,542,147)
15	SSI	4.37	4.14	(375,289)	4.19	3.23	(1,961,685)	(2,336,974)
16	STB	2.27	1.39	(3,208,377)	1.85	1.09	(3,520,717)	(6,729,094)
17	TCH	0.53	0.59	330,101	0.57	0.46	(686,846)	(356,745)
18	VCB	4.38	4.61	228,372	4.89	3.59	(1,642,358)	(1,413,986)
19	VCI	-	2.92	4,843,685	2.56	2.11	(936,099)	3,907,586
20	VHM	15.58	12.84	(2,569,599)	7.09	8.00	1,076,575	(1,493,023)
21	VIC	11.87	15.00	3,321,683	7.17	8.00	1,110,282	4,431,965
22	VJC	3.11	1.58	(1,205,432)	1.47	1.23	(234,285)	(1,439,717)
23	VNM	9.52	12.03	2,865,052	7.89	7.00	(1,281,809)	1,583,243
24	VRE	4.56	2.31	(8,214,399)	2.36	1.80	(2,559,426)	(10,773,825)
25	DGC	-	-	-	-	1.25	1,333,517	1,333,517
26	KDC	-	-	-	-	1.03	2,167,174	2,167,174

Source: Bloomberg, Fiinpro, KIS

Note: Data as of 31 Aug 2021

Event Calendar

► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
24/09/2021	TEG	Truong Thanh Energy and Real Estate JSC	323.8	10,000,000	10,000	-
21/09/2021		Vinh Son JSC	1,150.0	4,588,500	201,044	Whole lot sale; Local investors only

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value
01/09/2021	28/10/2021	AAA	HOSE	Cash Dividend	5%	500
01/09/2021	01/09/2021	AAA	HOSE	Share Issue	10%	
01/09/2021	24/09/2021	ACC	HOSE	Cash Dividend	5%	500
01/09/2021	24/09/2021	BDW	UPCOM	Cash Dividend	6%	600
01/09/2021	01/09/2021	C47	HOSE	Share Issue	10%	
01/09/2021	01/09/2021	C47	HOSE	Share Issue	5%	
01/09/2021	08/10/2021	GH3	UPCOM	Cash Dividend	4%	400
01/09/2021	04/10/2021	PGD	HOSE	Cash Dividend	20%	2,000

- **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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