

Xin Chao Vietnam

Market performance

	1 Sep	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,334.65	0.2	1.6	(0.5)	20.9
Turnover (VND bn)	24,119				
VN30 (pt, % chg.)	1,426.94	(0.1)	(1.5)	(3.5)	33.3

Major indicators

	1 Sep	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.47	(0.0)	(0.0)	(0.0)	0.0
3-yr gov't bonds (% bp chg.)	0.82	(0.0)	(0.1)	0.1	(0.0)
VND/USD (% chg.)	22,770	0.1	0.8	1.2	1.4
VND/JPY (% chg.)	20,655	0.6	1.3	1.9	8.3
VND/EUR (% chg.)	26,880	0.3	1.5	4.8	5.9
VND/CNY (% chg.)	3,523	0.2	0.8	2.5	0.5
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.32	0.0	0.1	(0.3)	0.4
WTI (USD/bbl, % chg.)	68.66	0.2	(7.2)	1.4	41.5
Gold (USD/oz, % chg.)	71.77	0.2	(6.0)	2.2	38.6

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FUEVFNVD	212.2	VHM	(996.3)
APH	158.2	VPB	(84.1)
HPG	119.3	CTG	(81.9)
MSN	84.9	TCB	(69.8)
SSI	27.6	HAH	(61.4)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
CTG	217.5	MSN	(287.6)
GVR	76.0	VHM	(287.5)
VRE	48.1	FUEVFNVD	(215.9)
MBB	42.5	KBC	(74.9)
VCB	34.3	VNM	(57.9)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Media & Entertainment	4.2	Pharmaceuticals	(2.2)
Health Care	3.5	Technology	(1.6)
Automobiles	3.0	Telecommunication	(0.9)
Energy	1.9	Consumer Services	(0.7)
Materials	1.3	Insurance	(0.6)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Cautious before the holiday
- **Vietnam:** A side-effect of COVID-19 restriction measures on Vietnam manufacturing sector

Macro & Strategy

- **Chart of the day:** Need more confirmation signals

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	17.2	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

Cautious before the holiday

Hieu Tran
hieu.ttm@kisvn.vn

The Vietnam stock market maintained its uptrend despite negative macroeconomic indicators from GSO in August 2021.

At the close, the VNIndex gained 0.24% to close at 1,334 pts. Meanwhile, the trading volume was 703 million shares or VND24,119bn.

Foreign investors continued to net sell with a net value of VND617bn on HSX. They sold MSN, VHM, and FUEVFNND the most with net values of VND287bn, VND287bn, and VND215bn, respectively.

Energy was still the market leader thanks to NT2 (+6.55%), PLX (+2.21%), POW (+5.06%), PVS (+0.77%), and VSH (+6.88%).

Besides, Consumer Staples and Real Estate outperformed the benchmark index driven by FRT (+2.67%), ANV (+2.23%), PAN (+2.17%), VHC (+0.91%), VNM (+0.80%), NVL (+0.29%), VHM (+0.56%), and VRE (+2.20%).

In addition, some constituents of the VN30Index jumped more than 2%, such as GVR (+3.48%) and VRE (+2.20%).

In contrast, PDR (-2.50%), MSN (-1.26%), HDB (-1.16%), and KDH (-1.13%) closed in red territory.

Selling pressure pushed Banking down, namely EIB (-1.18%), HDB (-1.16%), NVB (-1.38%), SHB (-2.18%), STB (-0.55%), TCB (-0.41%), and VPB (-0.16%).

Despite the fourth gaining session, the VNIndex has not yet confirmed the uptrend. Until the VNIndex closes above the 50-period Moving average or 1,340-pts threshold, traders should be careful and stay on the sidelines.

Breaking news

Tuan Doan
tuan.doan@kisvn.vn

- ▶ Vietnam: A side-effect of COVID-19 restriction measures on Vietnam manufacturing sector

The health of the manufacturing sector has been put into concern amid the fourth and largest COVID-19 wave this time, as current safety requirements in the production process have been considered inoperable. In the latest update, Vietnam Manufacturing PMI fell to the second-lowest level on record, at 40.2 point from 45.1 in the previous month, with most production metrics falling into deep contraction, except for "price". Several indicators pointed out a partial disruption in the supply chain for the current time. Suppliers' delivery times lengthen to a new record with shortages of raw materials being reported to worsen the situation. On the other side, demand-indicator new orders, including new export orders, also fell to a 16-month low since April last year. All pointed out to a result that manufacturing output fell at the second-fastest pace on record. (IHS Markit)

Macro & strategy

Chart of the day

Need more confirmation signals

Hieu Tran
hieu.ttm@kisvn.vn

- ▶ Market performance

The VNIndex reversed to go up thanks to the high demand on large-cap stocks.

- ▶ Chart: Need more confirmation signals

In the short term, the VNIndex forms the bottom at the 1,300-pts area because of the breakout for the upper line of the small rectangle. However, the uptrend has not yet been confirmed as the index still closes below the 50-period moving average. In addition, the trading volume is still at a low level. Therefore, the VNIndex needs more signals such as breakout for the 50-period moving average to confirm the bullish market.

In the medium and long term, the uptrend is still intact as the index 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.

The 1,300-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 needs a breakout to confirm the bullish market.

► Technical strategy: Wait for bullish signals

In this situation, traders should wait for confirmation signals to increase the long position. Besides, the long-term uptrend is still intact. Hence, the contraction is the opportunity to accumulate stocks for long-term positions at significant supports such as the 1,250-pts threshold.

Event Calendar

► New listing

(VND bn, share, VND)

Date of listing	Ticker	Company	Exchange	Listed Value	Listed Shares	Reference Price
08/09/2021	BCA	B.C.H JSC	UPCoM	190.0	19,000,000	11,000
08/09/2021	TOS	Tan Cang Offshore Services JSC	UPCoM	265.0	26,500,000	32,000

► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
27/09/2021	BVB	Viet Capital Commercial JSB	3,670.9	8,261,611	22,800	-
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
06/09/2021	04/10/2021	CCV	UPCOM	Annual General Meeting		
06/09/2021	06/09/2021	HPX	HOSE	Share Issue	15%	
06/09/2021	01/10/2021	OPC	HOSE	Extraordinary General Meeting		
06/09/2021	06/09/2021	SRF	HOSE	Share Issue	10%	
07/09/2021	08/10/2021	DNC	HNX	Cash Dividend	10%	1,000
07/09/2021		IDP	UPCOM	Extraordinary General Meeting		
07/09/2021	07/09/2021	SIP	UPCOM	Share Issue	15%	
07/09/2021	07/09/2021	VIX	HOSE	Share Issue	100%	
07/09/2021	07/09/2021	VIX	HOSE	Share Issue	15%	
07/09/2021	30/09/2021	VNM	HOSE	Cash Dividend	15%	1,500
08/09/2021	06/10/2021	APG	HOSE	Extraordinary General Meeting		
08/09/2021	08/09/2021	GKM	HNX	Share Issue	50%	
08/09/2021	08/09/2021	SSI	HOSE	Share Issue	17%	
08/09/2021	08/09/2021	SSI	HOSE	Share Issue	33%	
08/09/2021	30/09/2021	TDB	UPCOM	Cash Dividend	10%	1,000

09/09/2021	24/09/2021	GIC	HNX	Cash Dividend	5%	500
09/09/2021	12/10/2021	IDC	HNX	Extraordinary General Meeting		
09/09/2021		NQT	UPCOM	Annual General Meeting		
09/09/2021	24/09/2021	TBC	HOSE	Cash Dividend	15%	1,500
09/09/2021	29/09/2021	VIH	UPCOM	Cash Dividend	10%	1,000
09/09/2021		VVN	UPCOM	Annual General Meeting		
10/09/2021	30/09/2021	SZL	HOSE	Cash Dividend	30%	3,000

- **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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