

Xin Chao Vietnam

Market performance

	10 Sep	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,345.31	0.1	(1.3)	1.6	21.9
Turnover (VND bn)	19,104				
VN30 (pt, % chg.)	1,448.33	0.1	(3.1)	(0.2)	35.3

Major indicators

	10 Sep	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.55	0.0	0.0	0.0	0.1
3-yr gov't bonds (% bp chg.)	0.68	0.0	(0.0)	(0.2)	(0.2)
VND/USD (% chg.)	22,763	(0.0)	0.7	0.9	1.5
VND/JPY (% chg.)	20,704	0.0	0.1	1.4	8.0
VND/EUR (% chg.)	26,933	(0.0)	(0.2)	3.7	5.7
VND/CNY (% chg.)	3,535	(0.3)	(0.1)	1.6	0.1
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.32	0.0	(0.0)	(0.1)	0.4
WTI (USD/bbl, % chg.)	69.32	1.7	1.5	(1.4)	42.9
Gold (USD/oz, % chg.)	72.70	1.7	2.9	0.2	40.3

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VPI	143.7	VHM	(312.9)
FUEVFNVD	37.3	VPB	(74.8)
TPB	21.8	SSB	(40.0)
DIG	14.2	VIC	(22.7)
DHC	12.3	FPT	(15.4)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
CTG	65.3	VHM	(562.6)
PNJ	48.0	DPM	(60.4)
HPG	42.7	VNM	(55.0)
VND	41.4	VIC	(44.5)
VCI	31.6	KBC	(41.4)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Technology	6.6	Health Care	(4.3)
Consumer Durables	2.8	Materials	(0.7)
Media & Entertainment	2.1	Pharmaceuticals	(0.4)
Consumer Services	1.9	Household Products	(0.3)
Insurance	1.8	Energy	(0.3)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Divergence
- **Vietnam:** Bond yields to enter a new low territory

Macro & Strategy

- **Chart of the day:** Range bound
- **ETF Review:** VanEck Vectors Vietnam ETF adds nine Vietnam tickers

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	16.9	17.4	2.8	12.8	16.0
2021F	304,264	177,159	19.3	14.5	2.4	11.4	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)	6.1
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

Divergence

Hieu Tran
hieu.ttm@kisvn.vn

The stock market maintained its uptrend. However, the stocks were divergent due to selling pressure in the afternoon session.

At the close, the VNIndex gained 0.10% to close at 1,345 pts. Meanwhile, the trading volume was 571 million shares or VND19,104bn.

Foreign investors continued to net sell with a net value of VND750bn on HSX. They sold VHM, DPM, and VNM the most with net values of VND562bn, VND60bn, and VND54bn, respectively.

Consumer Staples was the market leader driven by FMC (+4.00%), MPC (+4.79%), PAN (+2.57%), PNJ (+3.87%), SAB (+1.75%), VHC (+2.97%), and VNM (+1.53%).

Moreover, cash flowed into Real Estate, namely HDG (+0.37%), KDH (+0.12%), LDG (+0.31%), NVL (+0.10%), VRE (+2.00%), and TDH (+6.15%).

In contrast, some constituents of the VN30Index closed in red territory, such as GRV (-1.63%), HPG (-0.77%), SSI (-0.34%), and PLX (-0.20%).

Selling pressure pushed Banking down, namely ACB (-0.46%), BID (-0.38%), CTG (-0.31%), HDB (-1.89%), MBB (-0.70%), SHB (-0.38%), STB (-0.55%), TPB (-1.06%), and VCB (-0.10%).

Based on the second gaining session, the uptrend still is intact in the short term. Hence, traders should hold long positions and focus on the leading sector.

Breaking news

Tuan Doan
tuan.doan@kisvn.vn

► Vietnam: Bond yields to enter a new low territory

Current developments of the yield curve are closely linked to increasingly abundant liquidity conditions in the banking system. This is driving G-bond yields to new record lows in both primary and secondary markets. More specifically, in the primary markets, G-bond yields for all tenors found their new record lows in August, in which 5-year yield dropped below 1% for the first time, and 10-year yield reached close to just 2%. Meanwhile, medium-term 5-year and 7-year yields were down by 14.5 bps and 7 bps from July to 0.92% and 1.25%. Long-term yields, including 10-year, 15-year, 20-year, and 30-year also dropped by 7 bps, 13.5 bps, 6.5 bps, and 5.5 bps to 2.09%, 2.30%, 2.85%, and 3.00%, respectively. We believe that a new period of “cheaper money”, or lower G-bond yield levels, has just started, and it would likely be continuing for a while, possibly several months, before reversing. As long as credit activity remains subdued and the economy is dealing with stagnation, G-bond yields will continue to dive deeper into the new low-yield territory. (HNX, KIS)

Macro & strategy

Chart of the day

Range bound

Dang Le
dang.lh@kisvn.vn

► Market performance

VNIndex has continued to follow the rigid movement, forming the short-term support zone at 1,300 pts area and there is no signal for the upcoming market swing.

► Chart: 1,200 pts zone is the long-term demand zone

Bollinger bands are narrowing as well as major MAs are turning flat, signaling the long duration of the consolidation phase.

1,380-1,400 pts zone sets the strong supply area for the upward resumption phase in this week whilst 1,300 pts area is the weekly demand zone.

Notably, higher low was formed which means the breakout at 1,400 pts zone is needed to confirm the upward resumption phase.

The long-term uptrend is not faded when MA50 and MA200 are upward sloping.

→ The VNIndex is expected to retest 1,380-1,400 pts zone this week.

► Technical strategy: Hold the position

The long-term uptrend is active but breakout at 1,400 pts zone is needed in order to validate the upward resumption phase. In this case, investors should continue to hold the current positions on leading stocks and wait for more accurate signals. On the contrary, positions should be closed by half if the 1,300 pts area is pierced.

ETF review

VanEck Vectors Vietnam ETF adds nine Vietnam tickers

Hieu Tran
hieu.ttm@kisvn.vn

In the 4Q21 review, FTSE Vietnam Index will add VCI and KDH and not exclude any ticker. Meanwhile, VanEck Vectors Vietnam ETF will not remove Vietnam stock but add nine Vietnam tickers, namely THD, SAB, DGC, KDC, DIG, VND, DPM, PVS, and SHS.

Based on data as of 10 Sep 2021, we expect that foreign ETFs will sell VRE, POW, and SSI the most with 8.8 million, 5.4 million and 5.0 million shares. On the buy-side, STB, KDH, and DIG will be bought heavily with 9.4 million, 4.5 million, and 3.2 million shares.

The new weight will be effective on 20 Sep 2021.

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	1.02	0.86	(326,398)	1.32	0.87	(1,138,725)	(1,465,123)
2	BVH	-	-	-	1.31	0.66	(1,477,842)	(1,477,842)
3	GEX	1.48	1.71	896,336	0.86	0.92	307,553	1,203,889
4	HNG	-	-	-	0.72	0.45	(4,932,574)	(4,932,574)
5	HPG	14.40	15.00	1,164,290	5.69	6.00	765,392	1,929,682
6	HSG	1.46	2.16	1,550,007	1.74	1.02	(2,045,649)	(495,641)
7	KBC	1.38	1.74	826,493	1.19	0.80	(1,152,833)	(326,340)
8	MSN	10.35	6.59	(2,887,886)	7.98	6.50	(1,447,597)	(4,335,483)
9	NVL	7.65	6.54	(1,074,064)	5.84	5.50	(418,512)	(1,492,576)
10	PDR	2.94	1.97	(1,181,524)	2.64	1.96	(1,046,358)	(2,227,882)
11	PLX	1.44	1.02	(823,442)	-	-	-	(823,442)
12	POW	0.85	0.70	(1,274,783)	1.10	0.70	(4,178,232)	(5,453,015)
13	PVD	0.53	0.47	(327,242)	-	-	-	(327,242)
14	SBT	0.94	0.58	(1,639,757)	1.28	0.79	(2,826,260)	(4,466,016)
15	SSI	4.59	3.17	(3,233,520)	3.92	3.28	(1,860,617)	(5,094,137)
16	STB	2.21	5.98	13,849,506	1.81	0.87	(4,400,202)	9,449,304
17	TCH	0.51	0.49	(144,042)	0.53	0.38	(1,094,971)	(1,239,013)
18	VCB	4.34	4.97	632,399	4.88	4.66	(282,065)	350,335
19	VCI	-	1.83	2,859,382	2.66	1.75	(1,807,084)	1,052,298
20	VHM	15.58	11.05	(4,211,664)	7.12	8.00	1,040,887	(3,170,778)
21	VIC	11.43	12.79	1,492,282	6.94	8.00	1,476,265	2,968,547
22	VJC	3.13	4.31	912,076	1.49	1.02	(459,889)	452,188
23	VNM	9.21	11.10	2,178,026	7.67	7.00	(984,891)	1,193,135

24	VRE	4.57	3.12	(5,161,206)	2.37	1.55	(3,714,383)	(8,875,589)
25	THD	-	-	-	-	4.50	2,611,556	2,611,556
26	SAB	-	-	-	-	1.21	1,017,412	1,017,412
27	DGC	-	-	-	-	1.03	1,111,513	1,111,513
28	KDC	-	-	-	-	0.98	2,089,328	2,089,328
29	DIG	-	-	-	-	0.86	3,258,371	3,258,371
30	VND	-	-	-	-	0.82	1,949,136	1,949,136
31	DPM	-	-	-	-	0.67	2,416,931	2,416,931
32	PVS	-	-	-	-	0.64	3,178,918	3,178,918
33	SHS	-	-	-	-	0.44	1,384,578	1,384,578
34	KDH	-	1.86	4,585,951	-	-	-	4,585,951

Source: Bloomberg, Fiinpro, KIS
Note: Data as of 10 Sep 2021

Event Calendar

► New listing

(VND bn, share, VND)

Date of listing	Ticker	Company	Exchange	Listed Value	Listed Shares	Reference Price
14/09/2021	SGI	Saigon3 Group Investment Development	UPCoM	754.6	75,464,700	30,000

► 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
13/09/2021	01/10/2021	HTC	HNX	Cash Dividend	3%	300
14/09/2021	14/09/2021	C4G	UPCOM	Share Issue	6%	
14/09/2021	14/09/2021	CRE	HOSE	Share Issue	95%	
14/09/2021	14/09/2021	CRE	HOSE	Share Issue	10%	
14/09/2021	28/09/2021	CTT	HNX	Cash Dividend	10%	1,000
14/09/2021	24/09/2021	DCG	UPCOM	Cash Dividend	10%	1,000
14/09/2021	24/09/2021	HDW	UPCOM	Cash Dividend	7%	740
14/09/2021	30/09/2021	HMS	UPCOM	Cash Dividend	15%	1,500
14/09/2021	30/09/2021	NTC	UPCOM	Cash Dividend	60%	6,000
14/09/2021	08/10/2021	PVI	HNX	Cash Dividend	29%	2,850
14/09/2021	15/10/2021	VGW	UPCOM	Extraordinary General Meeting		
14/09/2021	06/10/2021	VGW	UPCOM	Cash Dividend	4%	390
14/09/2021	25/10/2021	XLV	UPCOM	Cash Dividend	8%	800
15/09/2021		HAF	UPCOM	Annual General Meeting		
15/09/2021	01/10/2021	VHM	HOSE	Cash Dividend	15%	1,500
15/09/2021	15/09/2021	VHM	HOSE	Share Issue	30%	

16/09/2021	30/09/2021	GDT	HOSE	Cash Dividend	20%	2,000
17/09/2021	29/10/2021	BTP	HOSE	Cash Dividend	11%	1,100
17/09/2021	20/10/2021	DIH	HNX	Cash Dividend	1%	100
17/09/2021	20/10/2021	DNW	UPCOM	Cash Dividend	10%	1,000
17/09/2021	01/11/2021	PVP	UPCOM	Cash Dividend	10%	1,000
17/09/2021	19/10/2021	SMA	HOSE	Extraordinary General Meeting		
17/09/2021	15/10/2021	SMT	HNX	Extraordinary General Meeting		
17/09/2021	11/10/2021	SZC	HOSE	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.

- **Analyst Certification**

I/We, as the research analyst/analysts who prepared this report, do hereby certify that the views expressed in this research report accurately reflect my/our personal views about the subject securities and issuers discussed in this report. I/We do hereby also certify that no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this research report.

Global Disclaimer

- **General**

This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of KIS Vietnam Securities Corp., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of KIS Vietnam Securities Corp..

This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. KIS Vietnam Securities Corp. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. KIS Vietnam Securities Corp., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or KIS Vietnam Securities Corp. The final investment decision is based on the client's judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.

- **Country-specific disclaimer**

United States: This report is distributed in the U.S. by Korea Investment & Securities America, Inc., a member of FINRA/SIPC, and is only intended for major U.S. institutional investors as defined in Rule 15a-6(a)(2) under the U.S. Securities Exchange Act of 1934. All U.S. persons that receive this document by their acceptance thereof represent and warrant that they are a major U.S. institutional investor and have not received this report under any express or implied understanding that they will direct commission income to Korea Investment & Securities, Co., Ltd. or its affiliates. Pursuant to Rule 15a-6(a)(3), any U.S. recipient of this document wishing to effect a transaction in any securities discussed herein should contact and place orders with Korea Investment & Securities America, Inc., which accepts responsibility for the contents of this report in the U.S. The securities described in this report may not have been registered under the U.S. Securities Act of 1933, as amended, and, in such case, may not be offered or sold in the U.S. or to U.S. person absent registration or an applicable exemption from the registration requirement.

United Kingdom: This report is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA"). To the extent that this report does constitute such an invitation or inducement, it is directed only at (i) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) of the United Kingdom (the "Financial Promotion Order"); (ii) persons who fall within Articles 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order; and (iii) any other persons to whom this report can, for the purposes of section 21 of FSMA, otherwise lawfully be made (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons. Persons who are not relevant persons must not act or rely on this report.

Hong Kong: This research report and marketing materials may be distributed in Hong Kong to institutional clients by Korea Investment & Securities Asia Limited (KISA), a Hong Kong representative subsidiary of Korea Investment & Securities Co., Ltd., and may not otherwise be distributed to any other party. KISA provides equity sales service to institutional clients in Hong Kong for Korean securities under its sole discretion, and is thus solely responsible for provision of the aforementioned equity selling activities in Hong Kong. All requests by and correspondence with Hong Kong investors involving securities discussed in this report and marketing materials must be effected through KISA, which is registered with The Securities & Futures Commission (SFC) of Hong Kong. Korea Investment & Securities Co., Ltd. is not a registered financial institution under Hong Kong's SFC.

Singapore: This report is provided pursuant to the financial advisory licensing exemption under Regulation 27(1)(e) of the Financial Advisers Regulation of Singapore and accordingly may only be provided to persons in Singapore who are "institutional investors" as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This report is intended only for the person to whom Korea Investment & Securities Co., Ltd. has provided this report and such person may not send, forward or transmit in any way this report or any copy of this report to any other person. Please contact Korea Investment & Securities Singapore Pte Ltd in respect of any matters arising from, or in connection with, the analysis or report (Contact Number: 65 6501 5600).

Copyright © 2021 KIS Vietnam Securities Corp.. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of KIS Vietnam Securities Corp..