

# Xin Chao Vietnam

## Market performance

	17 Sep	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,352.64	0.5	1.7	(1.8)	22.5
Turnover (VND bn)	25,770				
VN30 (pt, % chg.)	1,455.59	0.5	0.4	(1.7)	35.9

## Major indicators

	17 Sep	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.52	(0.0)	(0.0)	(0.0)	0.1
3-yr gov't bonds (% bp chg.)	0.78	0.0	0.1	(0.1)	(0.1)
VND/USD (% chg.)	22,769	(0.0)	0.3	0.9	1.4
VND/JPY (% chg.)	20,704	0.2	0.6	0.6	8.0
VND/EUR (% chg.)	26,821	(0.2)	0.2	2.2	6.1
VND/CNY (% chg.)	3,529	(0.1)	(0.2)	0.9	0.3
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.34	(0.0)	0.1	(0.2)	0.4
WTI (USD/bbl, % chg.)	72.23	(0.5)	8.5	1.7	48.9
Gold (USD/oz, % chg.)	75.39	(0.4)	9.2	3.2	45.5

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FUEVFNVD	261.4	SCR	(55.2)
TPB	152.3	IJC	(50.6)
MSN	90.5	KDH	(25.0)
VJC	69.7	VHM	(20.0)
PAC	43.5	REE	(18.7)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	193.5	FUEVFNVD	(261.4)
DIG	71.9	VIC	(260.9)
VND	61.4	SSI	(173.2)
DGC	35.0	NVL	(127.0)
KDC	34.6	VRE	(124.6)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Technology	4.8	Telecommunication	(1.8)
Commercial Services	2.2	Insurance	(1.1)
Diversified Financials	2.2	Health Care	(0.7)
Pharmaceuticals	1.5	F&B	(0.5)
Capital Goods	1.4	Utilities	(0.5)

## WHAT'S NEW TODAY

### Market commentary & News

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- **China:** Apply to join the Trans-Pacific Partnership trade pact
- **Vietnam:** Congress passes a resolution draft on fiscal support during the COVID-19 pandemic

### Macro & Strategy

- **Chart of the day:** Confirm uptrend in short term

### 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	23.6	16.5	2.7	13.0	16.5
2021F	304,264	177,159	19.0	13.9	2.3	11.6	16.7

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)	5.9
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

#### A new high

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The stock market maintained its uptrend as Ho Chi Minh City and Hanoi had loosened social distancing to support the economy.

At the close, the VNIndex gained 0.50% to closed at 1,352 pts. Meanwhile, the trading volume was 824 million shares or VND25,770bn.

Foreign investors continued to net sell with a net value of VND1,693bn on HSX. They sold FUEVFNVD, VIC, and SSI the most with net values of VND261bn, VND260bn, and VND173bn, respectively.

Banking was the market leader thanks to ACB (+0.96%), BID (+1.52%), CTG (+0.47%), EIB (+3.17%), HDB (+1.39%), SHB (+2.68%), TCB (+1.32%), TPB (+5.56%), and VPB (+3.08%).

Cash flowed into Brokerage and Material, namely HPG (+0.97%), NKG (+3.32%), HCM (+2.87%), MBS (+2.62%), SSI (+1.18%), VCI (+1.11%), and VND (+3.04%).

Some constituents of the VN30Index jumped more than 1%, such as VHM (+1.37%) and FPT (+1.06%).

In contrast, selling pressure pushed Real Estate down, namely KBC (-1.05%), KDH (-1.64%), PDR (-2.20%), VIC (-1.14%), and VRE (-2.67%). Among these, Vinpearl, a subsidiary of VIC, issued a USD425mn exchangeable bond of VIC at a 3.25% coupon in 5 years.

Based on the gaining session, the VNIndex confirms the short-term uptrend. Hence, traders should hold long positions and focus on the leading sector.

### Breaking news

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#### ► China: Apply to join the Trans-Pacific Partnership trade pact

According to the latest announcement from China's Ministry of Commerce, China formally applied to join the "Comprehensive and Progressive Agreement for Trans-Pacific Partnership", which is commonly known as CPTPP. China's application has been sent to New Zealand's Ministry of Commerce, which is the depositary nation for the CPTPP. For the present, the United Kingdom and China are the two countries that sent formal applications to the trade pact, while Taiwan and Thailand also show their interests in joining in the future. (Bloomberg)

#### ► Vietnam: Congress passes a resolution draft on fiscal support during the COVID-19 pandemic

On Friday 16th September, Vietnam's Congress unanimously passed on a resolution draft about a number of support to households and businesses affected by the current pandemic. Accordingly, Congress agreed on a 30% reduction in corporate income tax in 2021 for businesses with 2021's total revenues less than VND200bn and lower than 2019's revenues. Household businesses are also able to get exemption in all tax payables in 3Q21 and 4Q21. Affected businesses and non-businesses are also in consideration to apply for this support. Furthermore, a reduction on value-added tax in 4Q21 is also agreed upon for a number of services businesses, but yet specific. Besides, businesses and organizations that occurred losses in 2020 are eligible for exemption late payment fines in 2020 – 2021. (Vietnam National Assembly)

## Macro & strategy

### Chart of the day

#### Confirm uptrend in short term

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#### ► Market performance

The VNIndex recorded the third gaining week in a row thanks to cash flowed into the Banking sector.

#### ► Chart: Confirm uptrend in short term

In the short term, the VNIndex forms a new high since the end of August 2021 with high trading volume and value, implying a bullish market. Meanwhile, the index closes above the short- and medium-term moving averages as MA10, MA20, and MA50, going up. That means the uptrend is confirmed.

In the long term, the upward trend 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 1,360-1,380 pts area is expected to be the weekly resistance.

→ The VNIndex confirms the bullish market thanks to signals of trending indicators and the breakout last Friday.

#### ► Technical strategy: Open long position

In this situation, traders should open long positions and focus on leading stocks. 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 1,300-pts threshold.

## Event Calendar

### ► 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
20/09/2021	20/10/2021	SBT	HOSE	Annual General Meeting		
20/09/2021	28/09/2021	VPG	HOSE	Cash Dividend	5%	500
21/09/2021	12/10/2021	ALT	HNX	Cash Dividend	7%	700
21/09/2021	22/10/2021	ARM	HNX	Cash Dividend	6%	550
21/09/2021	08/10/2021	LBM	HOSE	Cash Dividend	15%	1,500
21/09/2021	12/10/2021	LHC	HNX	Cash Dividend	20%	2,000
21/09/2021	21/09/2021	NAG	HNX	Share Issue	5%	
21/09/2021	21/10/2021	PPC	HOSE	Extraordinary General Meeting		
21/09/2021	22/10/2021	PPC	HOSE	Cash Dividend	13%	1,250
21/09/2021	15/10/2021	PVE	UPCOM	Extraordinary General Meeting		

21/09/2021	12/10/2021	SBH	UPCOM	Cash Dividend	30%	2,980
21/09/2021	11/10/2021	STP	HNX	Cash Dividend	8%	800
21/09/2021	22/10/2021	VCG	HOSE	Cash Dividend	12%	1,200
21/09/2021		VSF	UPCOM	Extraordinary General Meeting		
22/09/2021	20/10/2021	CTD	HOSE	Cash Dividend	10%	1,000
23/09/2021		BKG	HOSE	Extraordinary General Meeting		
23/09/2021	12/10/2021	CAT	UPCOM	Cash Dividend	10%	1,000
23/09/2021	25/10/2021	KTC	UPCOM	Cash Dividend	6%	600
23/09/2021	25/10/2021	POS	UPCOM	Cash Dividend	15%	1,500
23/09/2021	22/10/2021	SBV	HOSE	Cash Dividend	12%	1,200
23/09/2021	05/10/2021	TMP	HOSE	Cash Dividend	12%	1,230
23/09/2021	08/10/2021	TMS	HOSE	Cash Dividend	5%	500
23/09/2021	23/09/2021	TMS	HOSE	Share Issue	15%	
24/09/2021	31/03/2022	DQC	HOSE	Cash Dividend	5%	500
24/09/2021	27/10/2021	TVH	UPCOM	Cash Dividend	34%	3,434

- **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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