

Xin Chao Vietnam

Market performance

	4 Oct	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,339.54	0.3	0.4	(5.7)	21.3
Turnover (VND bn)	22,714				
VN30 (pt, % chg.)	1,443.61	0.1	1.2	(7.1)	34.8

Major indicators

	4 Oct	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.52	(0.0)	0.1	0.0	0.1
3-yr gov't bonds (% bp chg.)	0.68	(0.0)	(0.1)	(0.2)	(0.2)
VND/USD (% chg.)	22,759	(0.0)	0.1	1.0	1.5
VND/JPY (% chg.)	20,466	0.1	1.3	1.3	9.3
VND/EUR (% chg.)	26,448	(0.2)	2.2	3.3	7.6
VND/CNY (% chg.)	3,532	(0.0)	(0.2)	0.7	0.2
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.49	0.0	0.2	0.1	0.6
WTI (USD/bbl, % chg.)	75.94	0.1	9.6	1.0	56.5
Gold (USD/oz, % chg.)	79.43	0.2	9.4	4.3	53.3

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HPG	163.4	FIT	(68.6)
FMC	77.0	VCG	(60.8)
SSI	63.5	GAS	(40.1)
VPB	62.9	PPC	(34.2)
MWG	62.8	KOS	(30.0)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
GAS	80.3	CTG	(139.6)
VHM	53.1	HPG	(128.1)
DHC	45.8	STB	(37.4)
DCM	26.9	DGC	(28.8)
PLX	18.4	VRE	(22.3)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Energy	3.0	Health Care	(2.8)
Automobiles	2.8	Technology	(2.4)
Materials	2.8	Diversified Financials	(2.1)
Insurance	2.4	Banks	(1.5)
Transportation	2.3	Consumer Services	(0.7)

WHAT'S NEW TODAY

Market commentary & News

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- **Vietnam:** Manufacturing to deteriorate further by end-3Q21

Macro & Strategy

- **Fundflow 27 Sep – 01 Oct:** Outflow spreads to SEA's major countries

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	24.0	16.2	2.7	13.0	16.5
2021F	304,264	177,159	19.0	13.6	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)	33.1	4.0	4.2	6.6	2.3	(3.4)	5.9
China GDP (% yoy)	4.9	5.8	18.3	7.9	6.0	2.3	8.3

Source: KIS, Bloomberg

Market commentary & News

Market commentary

Energy makes market gains

Hieu Tran
hieu.ttm@kisvn.vn

The stock market increased slightly yesterday thanks to the high demand on Energy.

At the close, the VNIndex gained 0.35% to close at 1,339 pts. Meanwhile, the trading volume was 719 million shares or VND22,714bn.

Foreign investors continued to net sell with a net value of VND342bn on HSX. They sold CTG, HPG, and STB the most with net values of VND139bn, VND128bn, and VND37bn, respectively.

Energy was the market leader driven by GAS (+0.48%), OIL (+5.59%), PLX (+3.66%), POW (+3.69%), PVB (+6.83%), and PVC (+4.17%). Notably, NT2 and VSH limited up.

Besides, cash flowed into Real Estate and Material, namely HPG (+3.93%), HSG (+4.06%), NKG (+6.70%), DXG (+1.06%), HDG (+3.36%), NLG (+0.73%), PDR (+1.55%), and VHM (+1.30%).

Moreover, some constituents of the VN30Index jumped more than 2%, such as GVR (+2.77%), BVH (+2.76%), and VJC (+2.33%).

In contrast, selling pressure pushed Banking down due to ACB (-1.59%), CTG (-3.53%), EIB (-3.28%), HDB (-3.02%), MBB (-1.28%), NVB (-6.21%), STB (-1.62%), TCB (-1.33%), TPB (-1.41%), VCB (-1.36%), and VPB (-1.41%). Investors expected their 3Q21 business results fell sharply because of the impact of COVID-19 epidemic.

In the short term, the VNIndex moves in a tight range of 1,320 pts to 1,360 pts. Therefore, the index needs a breakout or breakdown to confirm a trend (an uptrend or downtrend). Until the confirmation signal, traders should be careful and stay on the sidelines.

Breaking news

Tuan Doan
tuan.doan@kisvn.vn

► Vietnam: Manufacturing to deteriorate further by end-3Q21

According to the VN Manufacturing PMI survey from IHS Markit for September, domestic manufacturers continued to face great challenges in operation during a time of hard lockdown. Strict restrictions forced the manufacturers to scale down operations, resulting in a record-pace decreasing in staffing levels and a reduction in purchasing activity, which ultimately leads to a surge in backlogs of works. On the other side, supply chain disruption continued to intensify to an unprecedented extent, causing a shortage of raw materials and accelerating input costs. Additionally, delivery times were lengthening at a record pace for the third consecutive month. From the demand side, the survey also signaled that new orders, including export orders, fell sharply at the fastest pace since the first lockdown in April last year. All those headwinds leads to a fourth consecutive month reduction in manufacturing output, and a downward momentum in September was reported as “considerable”. (IHS Markit)

Macro & strategy

Fundflow 27 Sep – 01 Oct

Outflow spreads to SEA's major countries

Dang Le
dang.lh@kisvn.vn

► Vietnam foreign flow

Foreign selling activity kept overwhelming. Net sell value was USD45mn.

Financials has turned around to be net sold, mainly contributed by sharp selling pressure on VCB, HDB, and VND. Besides, foreign selling pressure continued to focus on Real Estate and Materials. Particularly, VIC, NVL, and HPG were sold the most, fading the solid demand across VHM, DXG, HSG, and PTB. In contrast, foreign demand surged across Consumer Staples, mainly driven by large buy orders on VNM and VHC.

► South East Asia ETF flow

Outflow has increased among SEA countries, net outflow was USD44mn, up 30% WoW. The outflow has started to spread to major countries. Particularly, Malaysia and Philippines experienced the surge in outflow as well as Singapore recorded the outflow after 4 consecutive weeks of inflow.

Money outflow across Vietnam has slowed down, recording at USD15mn, 2 times lower than the previous week. The outflow continued to be contributed by the divestment across X FTSE Vietnam and VFMVN30 ETF. Nevertheless, outflow across VFMVN Diamond ETF dropped significantly which was the main driver for the slowdown of outflow.

Event Calendar

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value
05/10/2021	03/11/2021	API	HNX	Extraordinary General Meeting		
05/10/2021	29/10/2021	API	HNX	Cash Dividend	3%	300
05/10/2021	02/11/2021	BII	HNX	Extraordinary General Meeting		
05/10/2021	29/10/2021	BPC	HNX	Cash Dividend	8%	800
05/10/2021	29/10/2021	DNN	UPCOM	Extraordinary General Meeting		
05/10/2021	04/11/2021	DUS	UPCOM	Annual General Meeting		
05/10/2021	03/11/2021	DVN	UPCOM	Cash Dividend	4%	400
05/10/2021		ILA	UPCOM	Extraordinary General Meeting		
05/10/2021		ITQ	HNX	Extraordinary General Meeting		
05/10/2021	04/11/2021	TDG	HOSE	Extraordinary General Meeting		
05/10/2021	14/10/2021	TKA	UPCOM	Cash Dividend	12%	1,200
06/10/2021	22/10/2021	DAS	UPCOM	Cash Dividend	4%	400
06/10/2021		MTC	UPCOM	Extraordinary General Meeting		
06/10/2021	06/10/2021	TV4	HNX	Share Issue	12%	
06/10/2021	02/11/2021	X20	HNX	Extraordinary General Meeting		
07/10/2021	08/11/2021	ANV	HOSE	Extraordinary General Meeting		
07/10/2021	07/10/2021	GKM	HNX	Share Issue	10%	
07/10/2021	25/10/2021	MCP	HOSE	Cash Dividend	8%	785
07/10/2021	07/10/2021	MSB	HOSE	Share Issue	30%	
07/10/2021	20/10/2021	SRC	HOSE	Cash Dividend	10%	1,000
07/10/2021	16/11/2021	TTB	HOSE	Annual General Meeting		
07/10/2021	04/11/2021	TVB	HOSE	Extraordinary General Meeting		
07/10/2021	05/11/2021	TVC	HNX	Extraordinary General Meeting		
08/10/2021		BNW	UPCOM	Extraordinary General Meeting		
08/10/2021	08/10/2021	DNA	UPCOM	Share Issue	5%	
08/10/2021	08/11/2021	HAX	HOSE	Extraordinary General Meeting		
08/10/2021		HII	HOSE	Extraordinary General Meeting		
08/10/2021	08/11/2021	PCT	HNX	Extraordinary General Meeting		
08/10/2021	25/10/2021	SGN	HOSE	Cash Dividend	10%	1,000
08/10/2021	26/10/2021	VMS	HNX	Cash Dividend	12%	1,200

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- 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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