

Xin Chao Vietnam

Market performance

	7 Oct	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,365.99	0.2	1.8	(1.6)	23.7
Turnover (VND bn)	19,710				
VN30 (pt, % chg.)	1,462.74	0.1	1.3	(4.9)	36.6

Major indicators

	7 Oct	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.54	0.0	0.0	0.1	0.1
3-yr gov't bonds (% bp chg.)	0.69	(0.2)	0.1	(0.2)	(0.2)
VND/USD (% chg.)	22,761	0.0	0.0	1.1	1.5
VND/JPY (% chg.)	20,420	0.1	1.1	1.7	9.5
VND/EUR (% chg.)	26,311	(0.2)	2.7	3.4	8.2
VND/CNY (% chg.)	3,532	0.0	(0.4)	0.8	0.2
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.52	0.0	0.1	0.2	0.6
WTI (USD/bbl, % chg.)	76.30	(1.5)	11.6	5.7	57.3
Gold (USD/oz, % chg.)	80.30	(1.0)	12.0	9.4	55.0

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
GEX	74.2	HPG	(101.0)
SSB	65.8	KBC	(50.9)
ACB	42.8	STB	(49.7)
FUEVFNVD	27.6	VPB	(39.9)
MWG	26.4	TCB	(35.9)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VRE	37.4	HPG	(225.9)
DHC	35.3	SBT	(120.2)
KBC	27.6	PAN	(87.7)
POW	26.7	CTG	(54.6)
VCI	18.0	NLG	(35.6)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Commercial Services	3.7	Utilities	(1.8)
Others	1.6	Household Products	(0.9)
Diversified Financials	1.5	Technology	(0.8)
Insurance	1.3	Health Care	(0.5)
Capital Goods	1.1	Retailing	(0.1)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Need breakout
- **Vietnam:** Retail sales to grow by 3% - 4% by end-2021
- **Vietnam:** Local investors open 114,810 accounts in September

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	29.3	15.8	2.6	13.1	16.5
2021F	304,264	177,159	18.7	13.3	2.2	11.8	16.6

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

Need breakout

Hieu Tran
hieu.ttm@kisvn.vn

The stock market recorded the fourth gaining session in a row; however, the tickers were divergent.

At the close, the VNIndex gained 0.23% to close at 1,365 pts. Meanwhile, the trading volume was 674 million shares or VND19,710bn.

Foreign investors continued to net sell with a net value of VND578bn on HSX. They sold HPG, SBT, and PAN the most with net values of VND225bn, VND120bn, and VND87bn, respectively.

Banking was the market leader thanks to CTG (+0.17%), MBB (+0.55%), SHB (+2.48%), VCB (+1.26%), and VPB (+4.09%).

Cash flowed into Brokerage thanks to BSI (+5.86%), BVS (+0.61%), FTS (+5.17%), MBS (+1.23%), SHS (+1.64%), SSI (+1.88%), VCI (+1.68%), and VND (+0.79%).

Moreover, some constituents of the VN30Index jumped more than 1%, such as BVH (+1.48%) and PDR (+1.30%).

In contrast, PNJ (-1.12%), HPG (-0.89%), NVL (-0.86%), TPB (-0.71%), BID (-0.63%), and HDB (-0.62%) closed in red territory. Of which, TPB announced its prelim 3Q21 with a VND1.4tn PBT (+39% YoY), bringing the 9M21 PBT to VND4.4tn. Besides, credit growth was 15% and NPL was 1.02% as of the end of September.

Energy fell namely GAS (-2.20%), OIL (-2.63%), POW (-1.56%), PVC (-2.31%), PVB (-2.92%), PVD (-1.25%), PVS (-1.39%), and VSH (-1.79%) after Russia President Putin talk about stabilizing the current European gas crisis ahead of the winter. Under a proposal from the biggest regional gas supplier Russia, it would be a potential increase of gas supply to fill the shortage.

The VNIndex still retests the Sep peak at 1,365 pts. However, the index should need a breakout to confirm an uptrend. Until the confirmation signal, traders should be careful and stay on the sidelines.

Breaking news

Tuan Doan
tuan.doan@kisvn.vn

► Vietnam: Retail sales to grow by 3% - 4% by end-2021

According to September macroeconomic update from GSO, the retail sales recorded a modest increase after posting the 2021-low in the previous month when the government eased restrictions for some activities and allowed more traditional markets to re-operate. However, total revenue from all retailing activities remained much lower than the pre-outbreak level. According to GSO's estimates, the retail sales in this month 2021 was VND308.80tn, increasing by 4.94% MoM or decreasing by 28.38% YoY. Recently, Vietnam's Ministry of Industry and Trade gave out a promising forecast that the retail sales would reach a growth of 3% - 4% by end-2021 thanks to pent-up demand in the re-opening phase. (Ministry of Industry and Trade, GSO, KIS)

► Vietnam: Local investors open 114,810 accounts in September

In September, there were 114,962 new accounts, slightly decreased (-4.8% MoM). The number of new local accounts is 114,810; the number of new foreign individual accounts is 121, only half of the previous month, while new foreign institutional accounts jumped 83% to 31. (VSD)

Event Calendar

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value
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

- **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..