

Xin Chao Vietnam

Market performance

	14 Oct	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,391.85	(0.0)	3.9	8.7	26.1
Turnover (VND bn)	21,927				
VN30 (pt, % chg.)	1,503.38	(0.1)	4.5	6.6	40.4

Major indicators

	14 Oct	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.)	0.87	0.2	0.2	(0.1)	0.0
VND/USD (% chg.)	22,762	0.0	0.0	1.1	1.5
VND/JPY (% chg.)	20,068	0.1	3.4	3.8	11.4
VND/EUR (% chg.)	26,423	(0.5)	1.7	2.8	7.7
VND/CNY (% chg.)	3,537	0.1	(0.1)	0.5	0.0
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.53	(0.0)	0.2	0.2	0.6
WTI (USD/bbl, % chg.)	81.44	1.2	15.6	11.4	67.8
Gold (USD/oz, % chg.)	84.28	1.3	14.5	12.7	62.7

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
SSB	113.6	VND	(261.0)
HPG	110.6	SSI	(185.7)
PVT	62.9	NVL	(79.8)
TCB	49.9	VSC	(69.5)
TPB	41.2	VHM	(64.8)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
STB	31.2	HPG	(168.2)
VRE	26.4	VND	(148.3)
DHC	23.3	PAN	(134.8)
HSG	23.2	SSI	(120.9)
TNH	23.1	KBC	(92.9)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Media & Entertainment	2.5	Technology	(1.0)
Health Care	1.6	Pharmaceuticals	(0.6)
Automobiles	1.3	Household Products	(0.5)
Capital Goods	1.0	Software & Services	(0.4)
Consumer Durables	0.9	Real Estate	(0.4)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Stocks are divergent
- **China:** Producer price index to increase at the fastest pace since 1995

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	29.4	16.0	2.6	13.3	16.5
2021F	304,264	177,159	18.7	13.5	2.2	11.9	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	8.2

Source: KIS, Bloomberg

Market commentary & News

Market commentary

Stocks are divergent

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The stock market recorded high volatility as the tickers were divergent yesterday.

At the close, the VNIndex closed almost unchanged at 1,391 pts. Meanwhile, the trading volume was 704 million shares or VND21,927bn.

Foreign investors continued to net sell with a net value of VND642bn on HSX. They sold HPG, VND, and PAN the most with net values of VND168bn, VND148bn, and VND134bn, respectively.

Brokerage was the market leader driven by BSI (+1.63%), BVS (+1.23%), FTS (+2.62%), HCM (+0.66%), MBS (+1.52%), SHS (+0.80%), VCI (+1.14%), and VDS (+1.85%).

Besides, cash flowed into Real Estate and Energy, namely BSR (+1.34%), PVB (+1.79%), PVC (+0.79%), PVD (+0.81%), VSH (+0.68%), CEO (+3.70%), FLC (+1.65%), NLG (+4.94%), PDR (+2.65%), and VRE (+0.99%).

POW (+0.00%) posted its operational Sep headlines as volume and revenue reached 403mn KWh (-65% YoY) and VND869bn (-48% YoY). In 9M21, volume recorded 12.2bn KWh (-19% YoY), prompting revenue to VND20.7tn (-5% YoY).

In contrast, selling pressure pushed Banking down due to ACB (-0.92%), BID (-0.88%), CTG (-0.33%), MBB (-0.35%), SHB (-3.33%), TPB (-0.24%), and VCB (-0.31%).

SHB (-3.33%) announced its prelim 9M21 results with VND5,055bn PBT (+94% YoY), completing 86% of the company full-year estimate. Besides, ROA and ROE were 1.5% and 25.6% as of end-Sep.

Market sentiment has become cautious in the last three sessions as the VNIndex retests the 1,400-pts threshold. However, the uptrend is still intact in the short term, thanks to the breakout signal at the 1,380 pts. Therefore, the traders should increase their long position and focus on leading stocks.

Breaking news

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- China: Producer price index to increase at the fastest pace since 1995

According to the latest update from China's National Bureau of Statistics, the factory-gate prices, which is also known as producer price index, climbed at the fastest pace in 26 years, up by 10.7% from a year earlier, driven by coal & other commodity prices surging recently. However, China's consumer price index just recorded 0.7% increase compare to the same period last year, which means that producers have yet to pass on higher input costs to customers. As to be the world largest exporter, the record-pace increasing in China's PPI would add more pressure on global inflation conditions in upcoming months. (China's National Bureau of Statistics, Bloomberg)

Event Calendar

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value
15/10/2021	15/11/2021	DRH	HOSE	Extraordinary General Meeting		
15/10/2021		VKC	HNX	Extraordinary General Meeting		

- **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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