

Xin Chao Vietnam

Market performance

	15 Oct	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,392.70	0.1	3.5	7.6	26.2
Turnover (VND bn)	21,822				
VN30 (pt, % chg.)	1,504.84	0.1	4.2	5.2	40.5

Major indicators

	15 Oct	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.51	(0.0)	0.1	(0.0)	0.1
3-yr gov't bonds (% bp chg.)	0.87	0.0	0.1	0.1	0.0
VND/USD (% chg.)	22,762	0.0	(0.0)	1.1	1.5
VND/JPY (% chg.)	19,971	0.5	4.2	4.9	12.0
VND/EUR (% chg.)	26,425	0.0	1.8	2.9	7.7
VND/CNY (% chg.)	3,537	(0.1)	0.0	0.7	0.1
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.54	0.0	0.2	0.2	0.6
WTI (USD/bbl, % chg.)	82.07	0.9	13.0	14.5	69.1
Gold (USD/oz, % chg.)	84.77	0.9	12.3	15.4	63.6

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
SSB	128.8	GAB	(105.4)
VPB	85.9	FLC	(77.5)
HPG	36.3	DPM	(70.8)
MWG	32.8	GEX	(56.4)
BVH	30.2	VSC	(43.9)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HSG	94.4	PAN	(107.1)
VHM	58.2	KBC	(97.6)
VNM	51.7	SHB	(42.0)
DIG	43.2	MSN	(39.7)
DPM	39.8	SBT	(37.6)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Technology	1.3	Telecommunication	(1.1)
Media & Entertainment	0.8	Transportation	(1.1)
Materials	0.7	Retailing	(0.7)
Consumer Durables	0.6	Health Care	(0.7)
Utilities	0.4	Energy	(0.5)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** The cautious at the 1,400-pts threshold
- **Vietnam:** IMF to lower Vietnam economic growth to 3.8% in 2021

Macro & Strategy

- **Chart of the day:** Bullish market?

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	16.1	2.6	13.3	16.5
2021F	304,264	177,159	18.7	13.5	2.3	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)	5.8
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

The cautious at the 1,400-pts threshold

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The stock market reversed to go up, but the selling pressure appeared at the afternoon session.

At the close, the VNIndex gained 0.06% to close at 1,392 pts. Meanwhile, the trading volume was 750 million shares or VND21,822bn.

Foreign investors reversed to net buy with a net value of VND84bn on HSX. They purchased HSG, VHM, and VNM the most with net values of VND94bn, VND58bn, and VND51bn, respectively.

Energy was the market leader driven by BSR (+1.32%), GAS (+0.63%), NT2 (+0.23%), PVD (+0.20%), and VSH (+3.90%).

Cash flowed into Brokerage and Material, namely HPG (+0.88%), HSG (+2.68%), NKG (+5.27%), BSI (+0.64%), BVS (+3.03%), SHS (+0.26%), VCI (+0.65%), VDS (+4.23%), and VND (+0.39%).

Moreover, some constituents of the VN30Index jumped more than 1%, such as TPB (+2.96%), SAB (+1.75%), STB (+1.70%), and VPB (+1.49%).

In contrast, Real Estate closed in red territory, driven by DXG (-0.23%), FLC (-2.44%), KBC (-1.09%), NVL (-0.29%), PDR (-1.83%), VCG (-0.25%), VHM (-0.25%), and VRE (-0.65%).

CTR (-0.23%) announced revenue and NPAT were VND1,924.2bn (+23.8% YoY) and VND112bn (+26.1% YoY), bringing 9M21 revenue of VND5,476.3bn (+29.3% yoy) and 9M21 NPAT of VND306bn (+44% yoy)

QNS (-0.38%) released its 3Q21 revenue at VND2,100bn (+15% YoY) and NPAT at VND398bn (+42% YoY). In 9M21, its revenue and NPAT were VND5,800bn (+14% YoY) and VND1,000bn (+24% YoY).

In the short term, market sentiment has become cautious 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 1,380 pts. Therefore, the traders should increase their long position and focus on leading stocks.

Breaking news

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- ▶ Vietnam: IMF to lower Vietnam economic growth to 3.8% in 2021

Being severely affected by a prolonged lockdown to deal with the fourth wave of COVID-19, Vietnam's economy has just experienced the worst quarter as 3Q21 GDP growth hit a record low of -6.17% YoY. IMF was among the latest names that decided to downgrade Vietnam's economic growth in its latest World Economic Update released a few days ago. Accordingly, 2021 Vietnam GDP growth is downgraded to just 3.8% on a year-over-year basis, significantly lower than its previous estimate of 6.5% year-over-year growth in April. (IMF)

Macro & strategy

Chart of the day

Bullish market?

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- ▶ Market performance

The VNIndex recorded the second gaining week in a row after breaking out the Aug peak at 1,380 pts.

- ▶ Chart: Bullish market?

The uptrend is still intact in the long term as the index closes above long-term moving averages such as the MA100 and the MA200, which go up. Meanwhile, trend lines (red lines in Figure 1) are upward, implying the big trend.

Based on the breakout session last Monday, the VNIndex confirms the uptrend. Besides, the short-term moving average supports the current trend. However, the index reaches the significant resistance at 1,400-pts as it moves in a tight range of 1,390 pts to 1,400 pts. That shows the flag pattern or the continuation pattern. If the index closes above the 1,400 pts, the target price may be 1,480 pts.

The area of 1,360-1,380 pts has turned around to act as the important short-term support. On the upside, the 1,400-pts area is expected to be the weekly resistance.

→ The VNIndex confirms the short-term uptrend, and the target price may be 1,480 pts.

► Technical strategy: Hold long position

In this situation, traders should increase their long position and focus on leading sector because of the flag pattern. However, 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
12/11/2021		Minh Hung Quang Tri JSC	160.0	500,000	11,000	Local investors only
12/11/2021	PHC	Phuc Hung Holdings Construction JSC	257.0	10,000,000	12,000	-

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value
18/10/2021	29/10/2021	E29	UPCOM	Cash Dividend	3%	300
18/10/2021	19/11/2021	GTS	UPCOM	Extraordinary General Meeting		
18/10/2021	03/11/2021	SGC	HNX	Cash Dividend	10%	1,000
19/10/2021		DGT	UPCOM	Extraordinary General Meeting		
19/10/2021		I10	UPCOM	Extraordinary General Meeting		
19/10/2021	16/11/2021	MCT	UPCOM	Annual General Meeting		
19/10/2021		THS	HNX	Extraordinary General Meeting		
20/10/2021	02/11/2021	AGE	UPCOM	Cash Dividend	2%	200
20/10/2021		AGM	HOSE	Extraordinary General Meeting		
20/10/2021	23/11/2021	DFC	UPCOM	Extraordinary General Meeting		
20/10/2021	20/10/2021	LCG	HOSE	Share Issue	8%	
20/10/2021	20/10/2021	LCG	HOSE	Share Issue	43%	
20/10/2021	29/10/2021	MLS	UPCOM	Cash Dividend	27%	2,710
20/10/2021		PMJ	UPCOM	Annual General Meeting		
20/10/2021	20/10/2021	VC7	HNX	Share Issue	100%	
20/10/2021	18/11/2021	VSC	HOSE	Cash Dividend	5%	500
21/10/2021	25/11/2021	CE1	UPCOM	Annual General Meeting		
21/10/2021	18/11/2021	HNE	UPCOM	Cash Dividend	1%	61
21/10/2021	11/11/2021	ISH	UPCOM	Cash Dividend	12%	1,200
21/10/2021	21/10/2021	NRC	HNX	Share Issue	5%	
21/10/2021		SID	UPCOM	Annual General Meeting		

21/10/2021	12/11/2021	SPS	UPCOM	Cash Dividend	15%	1,500
21/10/2021	05/11/2021	TNC	HOSE	Cash Dividend	20%	2,000
22/10/2021	08/11/2021	ATB	UPCOM	Annual General Meeting		
22/10/2021	18/11/2021	BXH	HNX	Cash Dividend	8%	800
22/10/2021	30/12/2021	CCL	HOSE	Cash Dividend	10%	1,000
22/10/2021	23/11/2021	CEG	UPCOM	Annual General Meeting		
22/10/2021	19/11/2021	TGG	HOSE	Extraordinary General Meeting		
22/10/2021	18/11/2021	VLA	HNX	Cash Dividend	5%	500
22/10/2021		VSA	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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