

Xin Chao Vietnam

Market performance

	25 Oct	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,385.40	(0.3)	2.5	8.9	25.5
Turnover (VND bn)	26,910				
VN30 (pt, % chg.)	1,476.97	(0.8)	1.2	5.2	37.9

Major indicators

	25 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.)	0.68	(0.0)	(0.0)	(0.2)	(0.2)
VND/USD (% chg.)	22,755	0.0	0.0	1.1	1.5
VND/JPY (% chg.)	19,987	0.2	2.6	4.4	11.9
VND/EUR (% chg.)	26,411	0.2	0.9	2.7	7.8
VND/CNY (% chg.)	3,563	0.1	(1.1)	(0.4)	(0.7)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.64	0.0	0.2	0.4	0.7
WTI (USD/bbl, % chg.)	83.68	(0.1)	13.1	16.4	72.5
Gold (USD/oz, % chg.)	85.93	(0.1)	10.0	15.3	65.9

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VJC	456.3	HPG	(97.7)
VHM	119.3	SSI	(90.6)
TCB	69.4	NKG	(73.5)
TPB	64.9	DCM	(48.2)
TDH	30.1	TVB	(40.0)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
CTG	40.7	VJC	(418.1)
VHC	30.1	HPG	(141.2)
GAS	25.4	NLG	(116.4)
GVR	19.2	VHM	(70.5)
DHC	18.2	KBC	(63.8)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Insurance	6.5	Diversified Financials	(2.5)
Media & Entertainment	2.9	Software & Services	(1.3)
Energy	1.8	Commercial Services	(1.1)
Others	1.6	Materials	(1.1)
Health Care	0.9	Telecommunication	(1.0)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Insurance in the spotlight
- **U.S.:** Economic growth gains pace thanks to a recovery in the services sector

Macro & Strategy

- **Fundflow 18 – 22 Oct:** Inflow comes back to SEA

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
2020	270,014	151,973	29.4	15.8	2.6	13.2	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)	5.7
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

Insurance in the spotlight

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The stock market suddenly dropped at the ATC session because of selling pressure on large-cap stocks.

At the close, the VNIndex lost 0.28% to close at 1,385 pts. Meanwhile, the trading volume was 871 million shares or VND26,909bn.

Foreign investors continued to net sell with a net value of VND1,190bn on HSX. They sold VJC, HPG, and NLG the most with net values of VND418bn, VND141bn, and VND116bn, respectively.

Insurance was the market leader driven by BVH (+6.97%), BMI (+6.97%), VNR (+10.00%), PTI (+5.13%), PVI (+7.06%), and PRE (+4.76%). According to the official dispatch of the Ministry of Finance, the State Capital Investment Corporation (SCIC) was proposed to divest from BVH, BMI, and NTP before December 20th, 2021. SCIC currently holds 2.98% of BVH (22.15 million shares), 50.7% of BMI (55.44 million shares) and 37% of NTP (43.7 million shares).

Besides, cash flowed into Energy, namely BSR (+0.43%), NT2 (+1.51%), OIL (+0.68%), PLX (+2.27%), POW (+1.24%), PVB (+2.92%), PVC (+2.52%), and PVS (+1.40%).

Some constituents of the VN30Index jumped more than 1%, such as GVR (+2.61%) and KDH (+2.31%).

In contrast, selling pressure pushed Banking down, ACB (-1.11%), EIB (-1.07%), MBB (-1.08%), NVB (-1.06%), SHB (-2.36%), STB (-2.29%), TCB (-2.68%), and TPB (-2.78%).

The VNIndex retests the lower line of the small rectangle pattern. The short-term uptrend is still intact as the index closes above the significant moving averages. Therefore, the traders should hold their long position and focus on leading stocks.

Breaking news

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- ▶ U.S.: Economic growth gains pace thanks to a recovery in the services sector

A several-month slowdown in the U.S. economy ends in October thanks to a marked recovery in the services sector, although the manufacturing sector continues to be under pressure from global bottlenecks. According to the flash update for U.S. private economy from IHS Markit, the Flash U.S. Composite Output Index, which measures business conditions in U.S. private economy, continued to expand in October with its pace accelerating for the first time since April this year, at 57.3 compared to 55.0 in the previous month. The faster growth in the U.S. economy was mainly driven by an acceleration in the services sector, as the Flash U.S. Services Business Activity rose to 58.2 from 54.9 in September, a 3-month high. Besides, a slowdown in the manufacturing sector continued amid the global bottlenecks growing with the Flash U.S. Manufacturing PMI down from 60.7 in September to 59.2 in October. (PMI Markit)

Macro & strategy

Fundflow 18 – 22 Oct

Inflow comes back to SEA

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- ▶ Vietnam foreign flow

Foreign selling activity remained at high level. Net sell value was USD160mn.

Selling pressure kept spreading to major sectors. Particularly, Real Estate, Materials, and Financials continued to be sold the most, selling activity focused on NLG, VHM, NVL, HPG, SSI, and VCB, fading the solid demand on PDR and DCM. On the contrary, Consumer Staples has turned around to be net bought thanks to large buy orders on VNM and VHC.

► South East Asia ETF flow

Inflow ticked up across SEA. Net inflow was USD27mn. The positive flow of money has spread to major countries. Particularly, inflow increased strongly across Indonesia, Malaysia, and Thailand whilst Singapore kept experiencing the outflow.

Vietnam attracted the flow of money after experiencing 6 consecutive weeks of outflow. The net inflow was USD6mn. The positive flow of money was contributed by the surge of foreign demand across VFMVN30 ETF and SSIAM VNFIN Lead ETF. Notably, inflow has come back to VFMVN Diamond ETF after 2 months of outflow. However, Fubon FTSE Vietnam and VanEck Vietnam ETF were divested last week.

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	-
08/11/2021	VOC	Vietnam Vegetable Oils Industry Corp.	1,218.0	44,211,900	28,400	Whole lot sale

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value
26/10/2021	12/11/2021	BBS	HNX	Cash Dividend	7%	700
26/10/2021	29/11/2021	LLM	UPCOM	Cash Dividend	2%	200
26/10/2021	23/11/2021	LTG	UPCOM	Cash Dividend	15%	1,500
26/10/2021	26/10/2021	VAV	UPCOM	Share Issue	100%	
27/10/2021	02/12/2021	BSD	UPCOM	Extraordinary General Meeting		
27/10/2021	10/11/2021	CMP	UPCOM	Cash Dividend	2%	233
27/10/2021		PPI	UPCOM	Annual General Meeting		
28/10/2021	18/11/2021	ICN	UPCOM	Cash Dividend	20%	2,000
28/10/2021	29/11/2021	SHP	HOSE	Annual General Meeting		
28/10/2021	29/11/2021	SHP	HOSE	Cash Dividend	5%	500
28/10/2021	25/11/2021	SSN	UPCOM	Annual General Meeting		
28/10/2021	30/11/2021	USC	UPCOM	Extraordinary General Meeting		
29/10/2021	29/10/2021	FHS	UPCOM	Share Issue	40%	
29/10/2021	23/11/2021	L61	HNX	Extraordinary General Meeting		
29/10/2021		SVC	HOSE	Extraordinary General Meeting		
29/10/2021	27/11/2021	TCO	HOSE	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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