

# Xin Chao Vietnam

## Market performance

	27 Oct	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,423.02	2.3	6.3	11.4	28.9
Turnover (VND bn)	28,152				
VN30 (pt, % chg.)	1,516.46	2.3	4.5	7.7	41.6

## Major indicators

	27 Oct	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.50	(0.0)	(0.0)	(0.0)	0.1
3-yr gov't bonds (% bp chg.)	0.67	0.0	(0.2)	(0.2)	(0.2)
VND/USD (% chg.)	22,759	(0.0)	0.0	1.1	1.5
VND/JPY (% chg.)	20,009	(0.3)	2.5	4.3	11.8
VND/EUR (% chg.)	26,409	(0.1)	0.7	2.8	7.8
VND/CNY (% chg.)	3,560	0.2	(1.0)	(0.2)	(0.6)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.59	(0.0)	0.1	0.4	0.7
WTI (USD/bbl, % chg.)	83.64	(1.2)	10.9	16.7	72.4
Gold (USD/oz, % chg.)	85.48	(1.1)	7.5	14.8	65.0

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HPG	289.1	NBB	(103.2)
TCB	197.7	DCM	(70.9)
VIC	167.0	KSB	(39.0)
VHM	165.5	LPB	(38.8)
MSN	156.0	NLG	(28.8)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HPG	259.4	NLG	(178.3)
KBC	210.5	PAN	(105.7)
STB	141.3	VRE	(55.8)
GAS	104.7	DPM	(49.7)
MSN	96.8	DIG	(15.8)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Utilities	5.1	Media & Entertainment	(1.6)
Technology	3.7		
Retailing	3.4		
Diversified Financials	3.3		
Telecommunication	3.3		

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Confirm small rectangle pattern

### 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	16.3	2.7	13.6	16.5
2021F	304,264	177,159	18.7	13.7	2.3	12.2	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	8.1

Source: KIS, Bloomberg

## Market commentary & News

### Market commentary

#### Confirm small rectangle pattern

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The stock market jumped yesterday thanks to a plan of government for supporting economic programs after the COVID-19 epidemic.

At the close, the VNIndex gained 2.26% to close at 1,423 pts. Meanwhile, the trading volume was 905 million shares or VND28,152bn.

Foreign investors reversed to net buy with a net value of VND1,027bn on HSX. They purchased HPG, KBC, and STB the most with net values of VND259bn, VND210bn, and VND141bn, respectively.

Real Estate was the market leader thanks to DIG (+6.70%), DXG (+5.16%), KBC (+6.90%), KDH (+4.23%), LDG (+3.43%), NLG (+3.29%), VHM (+2.92%), VIC (+3.04%), and VRE (+1.96%). Among these, in 3Q21, KBC realized a VND325bn revenue (+61% YoY) but a VND68.4Bbn PBT loss, vs a VND21bn loss in 3Q20, prompting the 9M21 revenue and net profit to VND3,076bn (+3 times YoY) and VND737bn (+7.6 times YoY).

Besides, Banking and Brokerage outperformed the benchmark index thanks to HCM (+3.39%), SSI (+4.12%), VND (+4.49%), CTG (+4.01%), STB (+3.52%), VCB (+2.23%), MBB (+1.61%), and VPB (+2.43%). Of which, MBB released its 3Q21 prelim results with some worthy headlines as TOI inched up 29.9% YoY to VND8.7tn fueled by the NII's solid growth of 26.1% YoY to VND6.5tn on the back of a 13% YTD credit growth. Besides, NFI reached VND2.2tn thanks to the ballooning trading income from security (up 161% YoY to VND408bn). OPEX edged up slightly by 6% YoY to VND3tn, but the credit cost skyrocketed by 101% YoY to VND1,778bn. As the result, PBT recorded VND389bn (+29% YoY).

Moreover, cash flowed into Energy, namely GAS (+6.94%), OIL (+3.33%), PVC (+4.10%), PVS (+6.27%). Notably, BSR (+6.47%) posted 3Q21 revenue of VND17,679bn (+94.3% YoY) and NPAT of VND471bn (+188.9% YoY), bringing 9M21 revenue of VND66,588bn (+63% YoY) and NPAT of VND3,998bn.

Some constituents of the VN30Index jumped more than 3%, such as MSN (+5.16%), PNJ (+3.66%), and MWG (+3.13%).

The VNIndex breaks out the 1,400-pts threshold or the upper line of the small rectangle pattern, showing the short-term uptrend. That implies the target price is 1,470-1,500-pts. Therefore, the traders should hold their long position and focus on leading stocks.

## 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
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	

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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.

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- 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.
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