

# Xin Chao Vietnam

## Market performance

	16 Dec	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,476.61	0.1	0.7	9.7	33.8
Turnover (VND bn)	26,846				
VN30 (pt, % chg.)	1,510.17	(0.6)	(0.5)	4.2	41.0

## Major indicators

	16 Dec	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.)	0.61	(0.0)	(0.2)	(0.1)	(0.2)
VND/USD (% chg.)	23,042	0.0	(1.7)	(1.2)	0.2
VND/JPY (% chg.)	20,187	0.4	(1.8)	2.8	10.8
VND/EUR (% chg.)	26,050	(0.3)	(1.2)	2.8	9.3
VND/CNY (% chg.)	3,618	0.1	(2.0)	(2.6)	(2.2)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.44	(0.0)	(0.2)	0.1	0.5
WTI (USD/bbl, % chg.)	71.69	1.2	(11.2)	(1.3)	47.8
Gold (USD/oz, % chg.)	74.70	1.1	(9.4)	(1.3)	44.2

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FUEVFNVD	56.7	SSI	(203.4)
DBD	37.0	STB	(130.5)
DHM	20.5	GAB	(94.2)
DPM	18.3	VIC	(91.7)
GEG	18.0	EIB	(66.6)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VIC	83.0	VPB	(316.4)
STB	63.9	TCH	(63.5)
VNM	62.9	FUEVFNVD	(51.6)
HPG	60.7	DXG	(51.5)
VRE	29.7	NLG	(30.5)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Capital Goods	3.1	Pharmaceuticals	(2.0)
Media & Entertainment	2.9	Diversified Financials	(1.6)
Others	1.8	Health Care	(1.5)
Consumer Services	1.5	Retailing	(1.5)
Utilities	1.4	Transportation	(1.2)

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Selling pressure on large-cap stocks
- **U.S.:** Federal Reserve to accelerate tightening monetary easing from January 2022

### 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	29.6	16.4	2.7	13.5	16.5
2021F	304,264	177,159	18.7	13.8	2.3	12.1	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

	4Q20	1Q21	2Q21	3Q21	2019	2020	2021F
GDP (% yoy)	4.5	4.7	6.6	(6.2)	7.0	2.9	3.8
Trade balance (USD bn)	3.3	2.8	(3.8)	(1.0)	10.4	19.8	1.3
CPI (% yoy, avg.)	1.4	0.3	2.7	2.5	2.8	3.2	2.1
Discount rate (% EoP)	4.0	4.0	4.0	4.0	6.0	4.0	4.0
VND/USD (avg.)	23,098	23,076	23,019	23,252	22,761	23,098	22,660
US GDP (% qoq)	4.0	4.2	6.6	2.0	2.3	(3.4)	5.5
China GDP (% yoy)	5.8	18.3	7.9	4.9	6.0	2.3	8.0

Source: KIS, Bloomberg

## Market commentary & News

### Market commentary

#### Selling pressure on large-cap stocks

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The stock market was still divergent yesterday, but the selling pressure pushed large-cap stocks down.

At the close, the VNIndex closed almost unchanged at 1,476 pts. Meanwhile, the trading volume was 907 million shares or VND26,846bn.

Foreign investors continued to net sell with a net value of VND157bn on HSX. They sold VPB, TCH, and FUEVFNVD the most with net values of VND316bn, VND63bn, and VND51bn, respectively.

Energy was the market leaders thanks to BSR (+2.79%), GAS (+0.92%), NT2 (+1.96%), OIL (+1.23%), PLX (+0.55%), PVD (+1.08%), and POW (+6.83%).

Cash flowed into Real Estate, namely CEO (+9.71%), DXG (+6.47%), HDG (+1.62%), KBC (+1.62%), NLG (+6.72%), and PDR (+3.94%). Notably, DIG, FLC, ITA, and LDG limited up.

In contrast, Brokerage closed in red territory driven by HCM (-1.58%), SSI (-1.55%), VCI (-1.86%), and VND (-2.53%).

Some constituents of the VN30Index slid more than 1%, such as VPB (-2.74%), PNJ (-2.40%), MWG (-1.69%), TPB (-1.54%), ACB (-1.20%), and HDB (-1.16%).

In the short term, the market sentiment has become cautious as the volatility increases. Besides, the 1,500-pts zone is the strong resistance for the VNIndex. Therefore, traders should wait for a breakout for 1,500-pts before opening their long positions.

### Breaking news

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- U.S.: Federal Reserve to accelerate tightening monetary easing from January 2022

After a 2-day FOMC meeting ended Thursday, U.S. Federal Reserve decided to accelerate the tapering pace from 2022 under its projection of higher inflation outlook and improved unemployment conditions. According to the new plan, Fed would reduce purchasing pace of U.S. Treasury notes and bonds by USD20bn a month and agency mortgage-backed securities (agency MBS) by USD10bn a month from mid-January 2022, which means the ongoing bond purchasing program would come to an end by March 2022, earlier than the previous plan until June 2022. Besides, FOMC members also projected interest rates hike sooner than September's projection, in which the majority of FOMC's participants expected the fed funds rate to be in 0.5% - 1% in 2022. (U.S. Federal Reserve)

## Event Calendar

### ► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
31/12/2021	LAS	Lam Thao Fertilizers & Chemicals JSC	1,128.6	21,235,000	27,100	-
30/12/2021	HEJ	Vietnam Hydraulic Engineering Consultants Corp-JSC	44.0	2,156,000	40,300	Whole lot sale
17/12/2021	PTI	Post & Telecommunication Joint Stock Insurance Corp.	804.0	18,225,648	47,310	-

### ► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value
17/12/2021	18/01/2022	API	HNX	Annual General Meeting		
17/12/2021	01/04/2022	BRR	UPCOM	Cash Dividend	5%	450

17/12/2021	14/01/2022	DRC	HOSE	Cash Dividend	5%	500
17/12/2021	12/01/2022	GMX	HNX	Cash Dividend	6%	600
17/12/2021	13/01/2022	TMG	UPCOM	Extraordinary General Meeting		
17/12/2021	30/12/2021	TMG	UPCOM	Cash Dividend	23%	2,300
17/12/2021	14/01/2022	TNS	UPCOM	Extraordinary General Meeting		
17/12/2021	29/12/2021	VCI	HOSE	Cash Dividend	12%	1,200

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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.
- 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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