

Xin Chao Vietnam

Market performance

	24 Dec	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,477.03	1.4	(0.8)	9.3	33.8
Turnover (VND bn)	25,333				
VN30 (pt, % chg.)	1,506.67	2.0	(3.7)	3.2	40.7

Major indicators

	24 Dec	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	0.52	0.1	0.0	(0.0)	0.1
3-yr gov't bonds (% bp chg.)	0.68	(0.1)	0.0	(0.0)	(0.2)
VND/USD (% chg.)	22,921	0.1	(1.0)	(0.7)	0.8
VND/JPY (% chg.)	20,041	0.1	(1.9)	2.8	11.6
VND/EUR (% chg.)	25,990	0.0	(2.2)	2.6	9.5
VND/CNY (% chg.)	3,599	0.1	(1.4)	(2.2)	(1.7)
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	1.49	0.0	(0.1)	0.0	0.6
WTI (USD/bbl, % chg.)	73.79	1.4	(6.0)	0.7	52.1
Gold (USD/oz, % chg.)	76.01	(1.1)	(7.6)	(2.7)	46.7

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
SSI	136.3	HPG	(126.5)
ACB	104.7	EIB	(88.8)
MSN	95.1	VIC	(70.6)
TCB	91.1	REE	(51.7)
SSB	76.1	APH	(47.1)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VHM	107.8	HPG	(142.0)
VRE	53.8	MSN	(72.3)
VIC	53.8	GAS	(29.1)
NLG	30.9	FUEVFVND	(17.3)
VNM	29.3	BID	(13.8)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Banks	3.6	Telecommunication	(7.0)
Technology	2.9	Health Care	(2.7)
Insurance	1.5	Pharmaceuticals	(2.6)
Diversified Financials	1.2	Media & Entertainment	(1.9)
Retailing	1.1	Utilities	(0.6)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Banking stocks jump
- **Vietnam:** The value of the tax reduction and exemption package could be up to VND60tn

Macro & Strategy

- **Chart of the day:** High volatility

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	34.8	15.8	2.6	13.5	16.3
2021F	304,264	177,159	19.1	13.3	2.2	12.1	16.5

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)	5.6
China GDP (% yoy)	5.8	18.3	7.9	4.9	6.0	2.2	8.0

Source: KIS, Bloomberg

Market commentary & News

Market commentary

Banking stocks jump

Hieu Tran
hieu.tm@kisvn.vn

Cash flowed into Banking tickers in the afternoon, which pushed the stock market sharply up last Friday.

At the close, the VNIndex gained by 1.38% to close at 1,477 pts. Meanwhile, the trading volume was 864 million shares or VND25,332bn.

Foreign investors reversed to net buy with a net value of VND20bn on HSX. They bought VHM, VRE, VIC the most with net values of VND107bn, VND53bn, and VND53bn, respectively.

Cash flowed into Banking thanks to ACB (+1.54%), BID (+1.45%), CTG (+2.17%), MBB (+3.11%), MSB (+2.85%), NVB (+2.10%), STB (+2.92%), TCB (+3.27%), VCB (+2.61%), and VPB (+5.71%). Notably, EIB, HDB, SHB, and TPB limited up.

Brokerage and Energy outperformed the benchmark index, namely HCM (+1.38%), VCI (+1.70%), VDS (+1.52%), VND (+1.40%), BSR (+2.22%), PVC (+2.50%), and PVD (+1.23%).

Some constituents of the VN30Index jumped more than 2%, such as NVL (+3.01%), HPG (+2.45%), and BVH (+2.00%).

In contrast, POW (-6.76%), KDH (-1.35%), PDR (-0.32%), and VCG (-0.74%) closed in red territory.

Despite the sharp recovery, the short-term downside risk is still intact. Therefore, traders should stay on the lineside and wait for a signal. If they want to trade for the short-term position, they should wait for a breakout for 1,500-pts before opening their long positions.

Breaking news

Tuan Doan
tuan.doan@kisvn.vn

- ▶ Vietnam: The value of the tax reduction and exemption package could be up to VND60tn.

According to Mr. Ho Duc Phoc, MoF's leader, the stimulus package of tax reduction and exemption under the economic stimulus program could be up to VND60tn, roughly tripling the amount of previous support approved and conducted by the National Assembly. The stimulus package is proposed to support affected enterprises and enhance domestic consumption by reducing corporate income tax, VAT tax, and household income tax. (tuoitre.vn)

Macro & strategy

Chart of the day

High volatility

Hieu Tran
Hieu.tm@kisvn.vn

- ▶ Market performance

The VNIndex appeared a sharp contraction and rebound in two last tradings. Hence, the index closed almost unchanged last week.

- ▶ Chart: High volatility

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. Moreover, the long-term target price for the symmetry triangle pattern is 1,530-1,550 pts.

In the short term, the volatility of the VNIndex increased due to two last sessions. The trading volume rose, showing the cash flow into the market. However, signals loses consensus. Therefore, a new trend does not confirm.

The area of 1,450 pts has turned around to act as the important short-term support. On the upside, the 1,550-pts area is expected to be the weekly resistance.

→ The volatility of the VNIndex has increased in the short term. In addition, signals lose consensus. Hence, the index needs a breakout for a new trend.

► Technical strategy: Stay on the lineside

In this situation, traders should stay on the lineside. They should open long positions in the short term if the VNIndex breakout the 1,500-pts threshold. However, the contraction is the opportunity to accumulate stocks for long-term positions at significant supports.

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	-
31/12/2021	TVW	Tra Vinh Water Supply JSC	146.0	2,677,248	19,940	-
30/12/2021	HEJ	Vietnam Hydraulic Engineering Consultants Corp-JSC	44.0	2,156,000	40,300	Whole lot sale
28/12/2021	AGM	An Giang Import - Export Company	182.0	5,126,550	36,586	Whole lot sale; Local investors only

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value
27/12/2021	28/02/2022	ECI	HNX	Cash Dividend	16%	1,600
27/12/2021		ELC	HOSE	Extraordinary General Meeting		
27/12/2021	27/12/2021	QNT	UPCOM	Share Issue	200%	
28/12/2021	26/01/2022	DSN	HOSE	Cash Dividend	15%	1,500
28/12/2021	24/01/2022	IVS	HNX	Extraordinary General Meeting		
28/12/2021	07/01/2022	MDF	UPCOM	Cash Dividend	5%	450
28/12/2021	20/05/2022	MH3	UPCOM	Cash Dividend	20%	2,000
28/12/2021	28/12/2021	RAL	HOSE	Share Issue	91%	
28/12/2021	07/01/2022	RAL	HOSE	Cash Dividend	25%	2,500
29/12/2021	11/01/2022	DGC	HOSE	Cash Dividend	10%	1,000
29/12/2021	14/01/2022	HMH	HNX	Cash Dividend	10%	1,000
29/12/2021	20/01/2022	NTH	HNX	Cash Dividend	7%	700
29/12/2021	18/01/2022	QHD	HNX	Cash Dividend	20%	2,000
30/12/2021	25/01/2022	PAI	UPCOM	Cash Dividend	6%	600
30/12/2021	28/01/2022	SHS	HNX	Extraordinary General Meeting		
30/12/2021	26/04/2022	TDM	HOSE	Cash Dividend	12%	1,200
31/12/2021	17/01/2022	BCF	HNX	Cash Dividend	5%	500
31/12/2021	21/04/2022	BWE	HOSE	Cash Dividend	12%	1,200
31/12/2021	14/01/2022	DHN	UPCOM	Cash Dividend	8%	800
31/12/2021	14/01/2022	DHN	UPCOM	Cash Dividend	4%	400
31/12/2021	10/02/2022	LPT	UPCOM	Extraordinary General Meeting		
31/12/2021	28/01/2022	NSC	HOSE	Cash Dividend	20%	2,000

- **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.

- **Analyst Certification**

I/We, as the research analyst/analysts who prepared this report, do hereby certify that the views expressed in this research report accurately reflect my/our personal views about the subject securities and issuers discussed in this report. I/We do hereby also certify that no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this research report.

Global Disclaimer

- **General**

This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of KIS Vietnam Securities Corp., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of KIS Vietnam Securities Corp..

This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. KIS Vietnam Securities Corp. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. KIS Vietnam Securities Corp., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or KIS Vietnam Securities Corp. The final investment decision is based on the client's judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.

- **Country-specific disclaimer**

United States: This report is distributed in the U.S. by Korea Investment & Securities America, Inc., a member of FINRA/SIPC, and is only intended for major U.S. institutional investors as defined in Rule 15a-6(a)(2) under the U.S. Securities Exchange Act of 1934. All U.S. persons that receive this document by their acceptance thereof represent and warrant that they are a major U.S. institutional investor and have not received this report under any express or implied understanding that they will direct commission income to Korea Investment & Securities, Co., Ltd. or its affiliates. Pursuant to Rule 15a-6(a)(3), any U.S. recipient of this document wishing to effect a transaction in any securities discussed herein should contact and place orders with Korea Investment & Securities America, Inc., which accepts responsibility for the contents of this report in the U.S. The securities described in this report may not have been registered under the U.S. Securities Act of 1933, as amended, and, in such case, may not be offered or sold in the U.S. or to U.S. person absent registration or an applicable exemption from the registration requirement.

United Kingdom: This report is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA"). To the extent that this report does constitute such an invitation or inducement, it is directed only at (i) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) of the United Kingdom (the "Financial Promotion Order"); (ii) persons who fall within Articles 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order; and (iii) any other persons to whom this report can, for the purposes of section 21 of FSMA, otherwise lawfully be made (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons. Persons who are not relevant persons must not act or rely on this report.

Hong Kong: This research report and marketing materials may be distributed in Hong Kong to institutional clients by Korea Investment & Securities Asia Limited (KISA), a Hong Kong representative subsidiary of Korea Investment & Securities Co., Ltd., and may not otherwise be distributed to any other party. KISA provides equity sales service to institutional clients in Hong Kong for Korean securities under its sole discretion, and is thus solely responsible for provision of the aforementioned equity selling activities in Hong Kong. All requests by and correspondence with Hong Kong investors involving securities discussed in this report and marketing materials must be effected through KISA, which is registered with The Securities & Futures Commission (SFC) of Hong Kong. Korea Investment & Securities Co., Ltd. is not a registered financial institution under Hong Kong's SFC.

Singapore: This report is provided pursuant to the financial advisory licensing exemption under Regulation 27(1)(e) of the Financial Advisers Regulation of Singapore and accordingly may only be provided to persons in Singapore who are "institutional investors" as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This report is intended only for the person to whom Korea Investment & Securities Co., Ltd. has provided this report and such person may not send, forward or transmit in any way this report or any copy of this report to any other person. Please contact Korea Investment & Securities Singapore Pte Ltd in respect of any matters arising from, or in connection with, the analysis or report (Contact Number: 65 6501 5600).

Copyright © 2021 KIS Vietnam Securities Corp.. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of KIS Vietnam Securities Corp..