

Xin Chao Vietnam

Market performance

	7 Jun	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,291.35	0.1	(2.9)	(13.9)	(13.8)
Turnover (VND bn)	17,811				
VN30 (pt, % chg.)	1,324.37	(0.2)	(3.6)	(12.2)	(13.8)

Major indicators

	7 Jun	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	1.84	0.0	0.1	0.8	1.3
3-yr gov't bonds (% bp chg.)	2.24	0.1	0.1	0.9	1.6
VND/USD (% chg.)	23,195	0.0	(1.0)	(1.5)	(1.6)
VND/JPY (% chg.)	17,476	1.6	0.1	13.6	13.3
VND/EUR (% chg.)	24,771	0.4	(2.3)	(0.1)	4.5
VND/CNY (% chg.)	3,479	0.4	(1.2)	3.9	3.2
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	3.02	(0.0)	(0.1)	1.2	1.5
WTI (USD/bbl, % chg.)	118.15	(0.3)	7.6	(1.0)	57.1
Gold (USD/oz, % chg.)	119.10	(0.3)	6.0	(3.3)	53.1

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FPT	31.9	FUEVFNVD	(316.8)
MWG	28.2	SHB	(71.8)
VNM	27.1	DXG	(51.9)
VIC	25.7	DPM	(49.7)
TDM	22.5	KBC	(38.8)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FUEVFNVD	315.7	DCM	(66.3)
PNJ	57.8	GAS	(53.7)
MSN	55.7	DXG	(50.1)
HPG	31.7	VHM	(47.6)
VCB	30.2	REE	(42.8)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Insurance	4.3	Diversified Financials	(1.7)
Energy	4.1	Real Estate	(0.7)
Health Care	2.8	Consumer Services	(0.6)
Consumer Durables	2.4	Retailing	(0.6)
Software & Services	2.1	Others	(0.6)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Bottom fishing at a low price
- **Vietnam:** The Ministry of Finance is reconsidering its proposal to apply a 5% export tax on fertilizers
- **Vietnam:** The State Bank of Vietnam presents a plan to increase charter capital for 4 state-owned banks

Macro & Strategy

- **Covered warrant:** FPT, MWG, and HPG are top 3 underlying assets

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	38.3	13.5	2.2	11.4	16.3
2021F	304,264	177,159	19.0	11.3	1.9	10.2	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

	2Q21	3Q21	4Q21	1Q22F	2020	2021	2022F
GDP (% yoy)	6.6	(6.0)	5.2	6.0	2.9	2.6	7.5
Trade balance (USD bn)	(3.8)	(1.0)	5.4	1.5	19.9	4.0	6.0
CPI (% yoy, avg.)	2.7	2.5	1.9	2.5	3.2	1.8	3.5
Discount rate (% EoP)	2.5	2.5	2.5	2.5	2.5	2.5	2.5
VND/USD (avg.)	23,043	22,878	22,787	22,900	23,252	22,936	23,200
US GDP (% qoq)	6.6	2.0	6.9	1.1	5.7	5.7	2.6
China GDP (% yoy)	7.9	4.9	2.9	4.3	8.1	8.1	4.5

Source: KIS, Bloomberg

Market commentary & News

Market commentary

Bottom fishing at a low price

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The stock market maintained its uptrend thanks to the high demand on large-cap stocks.

At the close, the VNIndex gained 0.10% to close at 1,291 pts. Meanwhile, trading volume was 637 million shares/VND17,810bn, up 20%/14% respectively, from the previous week's average.

Foreign investors resumed to net buy with a net value of VND159bn on HSX. They bought FUEVFNVD, PNJ, and MSN the most, with net values of VND315bn, VND57bn, and VND55bn, respectively.

Energy was still the market leader thanks to BSR (+5.67%), PLX (+4.01%), POW (+6.88%), PVC (+3.17%), PVD (+3.98%), and PVT (+6.41%).

Some constituents of the VN30Index jumped more than 1%, such as BVH (+3.70%), PNJ (+2.40%), FPT (+2.30%), and VCB (+1.63%).

In contrast, Real Estate underperformed the benchmark index, namely CEO (-2.49%), DXG (-6.88%), KBC (-1.71%), KDH (-0.62%), NLG (-4.41%), NVL (-0.39%), VHM (-1.15%), VIC (-0.64%), and PDR (-1.49%).

The VNIndex maintains its uptrend in the short term because of (1) closing above the 20-period moving average, and (2) stable volume (3) high demand on low price. Therefore, traders may open long positions, and avoid buying on margin.

Breaking news

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- ▶ Vietnam: The Ministry of Finance is reconsidering its proposal to apply a 5% export tax on fertilizers

The Ministry of Finance said that, in the face of mixed feedback on the proposal to unify the 5% export tax rate for fertilizers, regardless of the percentage of mineral resources in products, the Ministry will study, and collect opinions of the Vietnam Fertilizer Association as well as ministries, branches and localities to submit to the Government an appropriate plan on export tax rates for fertilizers. (vneconomy.vn)

Breaking news

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- ▶ Vietnam: The State Bank of Vietnam presents a plan to increase charter capital for 4 state-owned banks

The State Bank of Vietnam (SBV) has just sent a report to the National Assembly deputies on a number of issues related to the group of issues questioned at the 3rd session of the 15th National Assembly. Including the implementation of the National Assembly's resolution on restructuring credit institutions and handling weak commercial banks.

Specifically, the State Bank continues to closely direct and supervise credit institutions in the implementation of the approved restructuring plan; monitor and supervise the handling of bad debts as well as control the credit quality of each credit institution to promptly handle difficulties in the implementation process. (vietnambiz)

Macro & strategy

Covered warrant

FPT, MWG, and HPG are top 3 underlying assets

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- ▶ Market overview

Last week, trading activity slowed down across the covered warrant market. Particularly, trading volume decreased slightly, recorded at 144mn shares, approximately VND92bn. With trading value by underlying asset, covered warrants which have FPT as the underlying asset continued to attract the most trading activity, followed by MWG and HPG. By tickers, CFPT2203 (9.4%) recorded the highest trading value for four consecutive weeks, followed by CFPT2201 (7.7%) and CMWG2202 (43.6%).

► Foreign trading activity

Relating to foreign trading activity, the market kept ending up to be net with the increase in selling activity. Net sell value was VND1.2bn. By underlying asset, covered warrants which have NVL as the underlying asset absorbed the highest trading value from foreigners, followed by VJC and MSN.

By tickers, CMSN2203, CVRE2203 (-7.7%), and CVHM2205 attracted most of foreign demand whilst large sell orders were placed on CFPT2202 (12.3%), CVRE2207 (-14.5%), and CNVL2204 (-13%).

Event Calendar

► Public offerings

(VND bn, share, VND)

Date of auction	Ticker	Company	Charter	Offered Shares	Min Bid	Note
08/06/2022	-	Thai Nguyen Industrial Zone Infrastructure Development JSC	140.8	13,919,957	316,213,000,000	Whole lot sale

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value
08/06/2022		BLW	UPCOM	Annual General Meeting		
08/06/2022	29/06/2022	DTH	UPCOM	Cash Dividend (VND400/share)	4.00%	400
08/06/2022	30/06/2022	GTA	HOSE	Cash Dividend (VND850/share)	8.50%	850
08/06/2022	14/06/2022	KHG	HOSE	Record date for ballot		
08/06/2022	29/06/2022	MVC	UPCOM	Cash Dividend (VND570/share)	5.70%	570
08/06/2022	30/06/2022	WCS	HNX	Cash Dividend (VND2,000/share)	20.00%	2,000
09/06/2022		BGT	UPCOM	Annual General Meeting		
09/06/2022	30/06/2022	BRS	UPCOM	Cash Dividend (VND1,400/share)	14.00%	1,400
09/06/2022	09/06/2022	DBD	HOSE	Stock dividend	30.00%	
09/06/2022	09/06/2022	DC4	HOSE	Share Issue	5.00%	
09/06/2022	30/06/2022	DVP	HOSE	Cash Dividend (VND3,500/share)	35.00%	3,500
09/06/2022	30/06/2022	EIC	UPCOM	Annual General Meeting		
09/06/2022	20/06/2022	GDW	HNX	Cash Dividend (VND1,000/share)	10.00%	1,000
09/06/2022		HGW	UPCOM	Record date for ballot		
09/06/2022	22/06/2022	HNF	UPCOM	Annual General Meeting		
09/06/2022		PGS	HNX	Record date for ballot		
09/06/2022	12/07/2022	PGS	HNX	Cash Dividend (VND1,500/share)	15.00%	1,500
09/06/2022	30/06/2022	PRO	UPCOM	Annual General Meeting		
09/06/2022	06/07/2022	THT	HNX	Cash Dividend (VND1,200/share)	12.00%	1,200
09/06/2022	30/06/2022	TMW	UPCOM	Cash Dividend (VND800/share)	8.00%	800
09/06/2022	27/06/2022	TRA	HOSE	Cash Dividend (VND1,000/share)	10.00%	1,000
10/06/2022		ACM	HNX	Annual General Meeting		
10/06/2022		BCG	HOSE	Record date for ballot		
10/06/2022		CMD	UPCOM	Annual General Meeting		
10/06/2022		COM	HOSE	Record date for ballot		
10/06/2022	30/06/2022	FOC	UPCOM	Cash Dividend (VND8,000/share)	80.00%	8,000

10/06/2022		TBH	UPCOM	Annual General Meeting
10/06/2022	12/07/2022	DL1	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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