

# Xin Chao Vietnam

## Market performance

|                      | 17 Oct   | 1D    | 1M     | 3M     | YTD    |
|----------------------|----------|-------|--------|--------|--------|
| VNIndex (pt, % chg.) | 1,051.58 | (1.0) | (14.8) | (10.8) | (29.8) |
| Turnover (VND bn)    | 9,543    |       |        |        |        |
| VN30 (pt, % chg.)    | 1,047.20 | (1.3) | (16.4) | (14.2) | (31.8) |

## Major indicators

|                               | 17 Oct      | 1D    | 1W    | 1M     | YTD   |
|-------------------------------|-------------|-------|-------|--------|-------|
| 1-yr gov't bonds (% bp chg.)  | 4.65        | 0.1   | 1.7   | 2.8    | 4.1   |
| 3-yr gov't bonds (% bp chg.)  | 4.67        | 0.1   | 1.5   | 2.4    | 4.0   |
| VND/USD (% chg.)              | 24,271      | (0.6) | (2.5) | (3.4)  | (6.0) |
| VND/JPY (% chg.)              | 16,327      | (0.7) | 1.0   | 4.1    | 21.3  |
| VND/EUR (% chg.)              | 23,722      | (1.1) | (0.3) | 0.4    | 9.1   |
| VND/CNY (% chg.)              | 3,371       | (0.5) | 0.1   | 3.1    | 6.5   |
|                               | Prev. close | 1D    | 1W    | 1M     | YTD   |
| 10-yr US Treasury (% bp chg.) | 3.94        | (0.1) | 0.5   | 1.0    | 2.4   |
| WTI (USD/bbl, % chg.)         | 85.74       | 0.2   | 0.7   | (12.1) | 14.0  |
| Gold (USD/oz, % chg.)         | 91.85       | 0.2   | 0.5   | (9.2)  | 18.1  |

## Domestic institutions net buy / sell

| Net buy | (VND bn) | Net sell | (VND bn) |
|---------|----------|----------|----------|
| FRT     | 42.7     | TCB      | (104.4)  |
| HPG     | 21.2     | MBB      | (63.2)   |
| HCM     | 14.8     | MSN      | (31.1)   |
| VCB     | 11.2     | VPB      | (29.7)   |
| HSG     | 10.8     | VNM      | (21.7)   |

## Foreign net buy / sell

| Net buy | (VND bn) | Net sell | (VND bn) |
|---------|----------|----------|----------|
| VNM     | 75.6     | VND      | (33.1)   |
| DGC     | 54.6     | VHM      | (30.9)   |
| SSI     | 43.6     | NVL      | (22.2)   |
| SHB     | 26.1     | E1VFN30  | (17.1)   |
| FRT     | 19.4     | HSG      | (11.8)   |

## Daily performance by sector

| Top five sectors       | % chg. | Bottom five sectors | % chg. |
|------------------------|--------|---------------------|--------|
| Commercial Services    | 4.4    | Telecommunication   | (3.2)  |
| Automobiles            | 1.9    | Real Estate         | (3.1)  |
| Diversified Financials | 1.3    | Health Care         | (1.3)  |
| Utilities              | 1.1    | Retailing           | (1.2)  |
| Capital Goods          | 1.0    | Banks               | (1.1)  |

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Evening Star Pattern

### Macro & Strategy

- **Fundflow:** Inflow surges

### 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  | 49.2       | 10.3 | 1.7 | 9.5       | 16.2 |
| 2021 | 304,264  | 177,159  | 18.7       | 8.6  | 1.4 | 8.5       | 16.4 |

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    | 5.9    | 5.7    | 1.7    |
| China GDP (% yoy)      | 7.9    | 4.9    | 2.9    | 4.3    | 8.1    | 8.1    | 3.3    |

Source: KIS, Bloomberg

## Market commentary & News

### Market commentary

#### Evening Star Pattern

**Hieu Tran**  
hieu.ttm@kisvn.vn

The stock market resumed its downtrend yesterday due to profit-taking after three consecutive gaining sessions.

At the close, the VNIndex lost 0.97% to close at 1,051 pts. Meanwhile, trading volume was 452 million shares/VND9,543bn, down 22%/ 24% respectively, from the previous week's average.

Foreign investors continued to net buy with a net value of VND235bn on HSX. They purchased VNM, DGC, and SSI the most, with net values of VND75bn, VND54bn, and VND43bn, respectively.

Real Estate was the market leader driven by CEO (-3.73%), DXG (-4.24%), KDH (-3.40%), NLG (-1.31%), NVL (-1.32%), VHM (-4.62%), VRE (-1.19%), and VIC (-6.20%).

Besides, selling pressure pushed Banking down, namely HDB (-2.94%), MBB (-1.69%), MSB (-1.28%), TCB (-2.33%), VCB (-2.64%), VIB (-1.49%), and VPB (-1.24%).

Some constituents of the VN30Index slid more than 1% such as PLX (-2.37%), SAB (-1.75%), MWG (-1.67%), and HPG (-1.03%).

In contrast, cash flowed into Energy thanks to BSR (+1.50%), GAS (+1.55%), NT2 (+2.64%), POW (+3.24%), PVD (+6.97%), PVS (+3.43%), and PVT (+2.12%).

The VNIndex shows the Evening Star Pattern, the reversed pattern of Japanese candlesticks. That confirms the downtrend in the short term. Therefore, traders should stay on the sideline and wait for the next signals.

## Macro & strategy

### Fundflow

#### Inflow surges

**Dang Le**  
Dang.lh@kisvn.vn

##### ▶ Vietnam foreign flow

Foreign demand ticked up. Net buy value was USD120mn, the highest figure since July 2021.

Particularly, foreign demand spread to Consumer Staples, Materials, and Financials, focusing on DGC, VNM, MSN, HPG, DPM, DCM, SSI, and CTG. Besides, Real Estate also turned around to be net bought thanks to large buy orders on NLG.

##### ▶ South East Asia ETF flow

Last week, inflow across SEA increased significantly. Net inflow was USD78mn, a 6-month high. The strong inflow was mainly driven by the surge of demand across Indonesia's major ETFs. Besides, positive flow of money in Vietnam also increased as well as there was no outflow across other major countries.

Inflow remained at Vietnam. Net inflow was USD12mn. The positive flow of money was mainly driven by the strong demand on VanEck and Fubon. 3Q22, the flow of money was negative, outflow was USD8.8mn whilst there was the massive demand in 2Q22 which had the inflow of USD351mn. However, 9M22, the flow of money is still positive and it could be concluded that the flow of money of Vietnam is still stable and there is no sign of weakness.

## Event Calendar

### ► Public offerings

(VND bn, share, VND)

| Date of auction | Ticker | Company  | Charter | Offered Shares | Min Bid         | Note                          |
|-----------------|--------|--|---------|----------------|-----------------|-------------------------------|
| 21/10/2022      | -      | Tan Cang Construction One Member Limited Liability Company | 90.0    | 3,279,800      | 15,322          | Auction of contributed equity |
| 19/10/2022      | -      | Vietnam Property and Infrastructure JSC                    | 410.0   | 19,528,409     | 390,569,000,000 | Whole lot sale                |
| 18/10/2022      | -      | Electronic Machine JSC                                     | 72.9    | 6,146,200      | 137,089,000,000 | Whole lot sale                |

### ► Event calendar

| Ex-right date | Exercise day | Ticker | Exchange | Right                          | Rate    | Value (VND bn) |
|---------------|--------------|--------|----------|--------------------------------|---------|----------------|
| 18/10/2022    | 16/11/2022   | LHG    | HOSE     | Extraordinary General Meeting  |         |                |
| 18/10/2022    |              | PMJ    | UPCOM    | Extraordinary General Meeting  |         |                |
| 18/10/2022    |              | THW    | UPCOM    | Record date for ballot         |         |                |
| 19/10/2022    | 18/11/2022   | BSI    | HOSE     | Extraordinary General Meeting  |         |                |
| 19/10/2022    | 19/10/2022   | CKG    | HOSE     | Stock dividend                 | 10.00%  |                |
| 19/10/2022    | 18/11/2022   | FT1    | UPCOM    | Extraordinary General Meeting  |         |                |
| 19/10/2022    | 19/10/2022   | HHV    | HOSE     | Right issue                    | 100.00% |                |
| 19/10/2022    | 19/10/2022   | NAB    | UPCOM    | Bonus share                    | 10.21%  |                |
| 19/10/2022    | 19/10/2022   | NAB    | UPCOM    | Stock dividend                 | 18.74%  |                |
| 19/10/2022    | 15/11/2022   | TA3    | UPCOM    | Cash Dividend (VND186/share)   | 1.86%   | 186            |
| 19/10/2022    | 26/10/2022   | VIB    | HOSE     | Record date for ballot         |         |                |
| 20/10/2022    | 21/11/2022   | DS3    | HNX      | Extraordinary General Meeting  |         |                |
| 20/10/2022    | 20/10/2022   | MPC    | UPCOM    | Bonus share                    | 100.00% |                |
| 20/10/2022    | 23/12/2022   | MPC    | UPCOM    | Cash Dividend (VND2,300/share) | 23.00%  | 2,300          |
| 20/10/2022    |              | VSC    | HOSE     | Record date for ballot         |         |                |
| 21/10/2022    |              | CKV    | HNX      | Extraordinary General Meeting  |         |                |
| 21/10/2022    |              | DAG    | HOSE     | Extraordinary General Meeting  |         |                |
| 21/10/2022    | 31/10/2022   | HGM    | HNX      | Cash Dividend (VND2,500/share) | 25.00%  | 2,500          |
| 21/10/2022    |              | LAW    | UPCOM    | Extraordinary General Meeting  |         |                |
| 21/10/2022    | 22/11/2022   | LGM    | UPCOM    | Extraordinary General Meeting  |         |                |
| 21/10/2022    |              | PXT    | UPCOM    | Extraordinary General Meeting  |         |                |
| 21/10/2022    | 10/11/2022   | SHA    | HOSE     | Cash Dividend (VND500/share)   | 5.00%   | 500            |
| 21/10/2022    | 18/11/2022   | ST8    | HOSE     | Extraordinary General Meeting  |         |                |
| 21/10/2022    | 18/11/2022   | TKC    | HNX      | Record date for ballot         |         |                |
| 21/10/2022    | 04/11/2022   | VNL    | HOSE     | Cash Dividend (VND700/share)   | 7.00%   | 700            |

|            |            |     |       |                                   |        |       |
|------------|------------|-----|-------|-----------------------------------|--------|-------|
| 21/10/2022 | 22/11/2022 | VPD | HOSE  | Cash Dividend<br>(VND1,000/share) | 10.00% | 1,000 |
| 21/10/2022 |            | XHC | UPCOM | Record date for<br>ballot         |        |       |

- **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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