

Xin Chao Vietnam

Market performance

	24 Oct	1D	1M	3M	YTD
VNIndex (pt, % chg.)	986.15	(3.3)	(18.0)	(17.0)	(34.2)
Turnover (VND bn)	12,066				
VN30 (pt, % chg.)	973.88	(3.6)	(19.9)	(20.3)	(36.6)

Major indicators

	24 Oct	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	4.63	0.0	1.2	2.6	4.1
3-yr gov't bonds (% bp chg.)	4.63	(0.0)	1.0	2.2	4.0
VND/USD (% chg.)	24,844	(0.0)	(4.5)	(5.8)	(8.1)
VND/JPY (% chg.)	16,684	(0.2)	(1.3)	2.8	18.7
VND/EUR (% chg.)	24,591	(0.8)	(7.0)	(2.6)	5.3
VND/CNY (% chg.)	3,421	0.0	(3.1)	1.3	5.0
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	4.21	(0.0)	0.5	1.4	2.7
WTI (USD/bbl, % chg.)	84.83	0.3	7.7	(12.3)	12.8
Gold (USD/oz, % chg.)	93.47	0.2	8.5	(11.1)	20.2

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
MWG	72.4	TCB	(94.6)
GAS	35.3	STB	(67.3)
DGW	23.4	MBB	(59.4)
VNM	18.5	HPG	(33.7)
POW	16.2	VPB	(33.2)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FRT	38.7	STB	(41.0)
MSN	31.3	SAB	(25.6)
DCM	27.6	VND	(23.0)
VNM	23.9	HPG	(22.8)
HAG	19.8	NVL	(21.3)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Utilities	(0.5)	Technology	(7.0)
Household Products	(0.6)	Health Care	(6.9)
Insurance	(0.6)	Telecommunication	(6.8)
Commercial Services	(0.7)	Energy	(6.8)
Pharmaceuticals	(1.5)	Diversified Financials	(6.4)

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Close below 1,000-pts threshold

Macro & Strategy

- **Fundflow:** Inflow remained at Vietnam

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	49.7	9.6	1.6	8.8	16.2
2021	304,264	177,159	18.7	8.1	1.3	7.9	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

Close below 1,000-pts threshold

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The stock market resumed to tumble yesterday due to sell off on Energy stocks.

At the close, the VNIndex lost 3.30% to close at 986 pts. Meanwhile, trading volume was 610 million shares/VND12,066bn, up 28%/ 18% respectively, from the previous week's average.

Foreign investors reversed to net buy with a net value of VND74bn on HSX. They purchased FRT, MSN, and DCM the most, with net values of VND38bn, VND31bn, and VND27bn, respectively.

Energy was the worst sector due to BSR (-12.76%), OIL (-9.00%), POW (-4.08%), and PVS (-5.91%). Notably, PLX, PVB, PVC, PVD, and PVT were down by the daily limit.

Brokerage and Real Estate underperformed the benchmark index namely HCM (-6.99%), SSI (-6.79%), VCI (-6.96%), VND (-6.82%), DXG (-6.71%), KDH (-6.92%), NLG (-6.91%), VHM (-6.99%), and VRE (-6.87%).

Some constituents of the VN30Index slid more than 6% such as TCB (-6.99%), MWG (-6.99%), GVR (-6.95%), BID (-6.90%), STB (-6.90%), and SAB (-6.22%).

Based on the second sharp contraction, the market confirms the downtrend again in the short term. Besides, the VNIndex closes below the 1,000-pts threshold, showing a pessimistic sentiment. Therefore, traders should stay on the sideline and wait for the next signals.

Macro & strategy

Fundflow

Inflow remained at Vietnam

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▶ Vietnam foreign flow

Foreign outflow was significantly covered by their demand. Net buy value was USD1mn.

Particularly, foreign selling activity was mainly absorbed by Materials and Real Estate focusing on HPG, VHM, NVL, DXG, KDH and VIC. On the other hand, foreign demand kept flowing to Consumer Staples, Financials and Materials, focusing on VNM, MSN, VCB, CTG, DPM and DCM.

▶ South East Asia ETF flow

Last week, inflow across SEA slowed down. Net inflow was USD27mn, plunged 65% compared to the previous week. The inflow was mainly driven by the surge of demand across Vietnam and Indonesia's major ETFs whilst there was no outflow across other major countries.

Inflow remained at Vietnam. Net inflow was USD18mn. The positive flow of money in last week was mainly driven by the strong demand on VanEck and Diamond. 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, the flow of money is still positive since it remained ticked up in 3 consecutive weeks 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
26/10/2022	GCB	Petec Binh Dinh Joint Stock Company	40.4	1,274,064	33,138,404,640	Whole lot sale

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value (VND bn)
25/10/2022		CMN	UPCOM	Record date for ballot		
25/10/2022	25/10/2022	CT3	UPCOM	Share Issue	10.00%	
25/10/2022	25/11/2022	CT3	UPCOM	Cash Dividend (VND300/share)	3.00%	300
25/10/2022	04/11/2022	IDP	UPCOM	Cash Dividend (VND1500/share)	15.00%	1,500
25/10/2022	08/11/2022	NBP	HNX	Cash Dividend (VND1500/share)	15.00%	1,500
25/10/2022	25/10/2022	SCR	HOSE	Share Issue	8.00%	
25/10/2022		SGP	UPCOM	Record date for ballot		
26/10/2022	07/11/2022	AVC	UPCOM	Cash Dividend (VND3000/share)	30.00%	3,000
26/10/2022	01/12/2022	BMP	HOSE	Cash Dividend (VND3100/share)	31.00%	3,100
26/10/2022	24/11/2022	TMP	HOSE	Extraordinary General Meeting		
26/10/2022	15/11/2022	TMX	HNX	Cash Dividend (VND600/share)	6.00%	600
27/10/2022	30/11/2022	CAP	HNX	Annual General Meeting		
27/10/2022	25/11/2022	HTN	HOSE	Cash Dividend (VND1200/share)	12.00%	1,200
27/10/2022	25/11/2022	NAS	UPCOM	Extraordinary General Meeting		
27/10/2022	27/10/2022	PCT	HNX	Share Issue	20.00%	
27/10/2022	25/11/2022	PIV	UPCOM	Extraordinary General Meeting		
27/10/2022		TJC	HNX	Extraordinary General Meeting		
27/10/2022	14/11/2022	TLP	UPCOM	Cash Dividend (VND339/share)	3.39%	339
28/10/2022		APH	HOSE	Extraordinary General Meeting		
28/10/2022		HIG	UPCOM	Extraordinary General Meeting		
28/10/2022	22/11/2022	PNJ	HOSE	Cash Dividend (VND800/share)	8.00%	800
28/10/2022	01/12/2022	SBD	UPCOM	Extraordinary General Meeting		

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- BUY: Expected total return will be 15% or more
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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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