

Xin Chao Vietnam

Market performance

	3 Jan	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,043.90	3.7	(3.3)	(3.2)	3.7
Turnover (VND bn)	9,244				
VN30 (pt, % chg.)	1,047.25	4.2	(4.2)	(4.6)	4.2

Major indicators

	3 Jan	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	4.59	0.0	(0.1)	0.2	0.0
3-yr gov't bonds (% bp chg.)	4.63	(0.0)	(0.1)	0.2	(0.0)
VND/USD (% chg.)	23,543	0.0	2.0	1.5	0.4
VND/JPY (% chg.)	17,969	0.3	(1.3)	(8.1)	(0.4)
VND/EUR (% chg.)	24,817	(0.2)	1.9	(4.8)	1.7
VND/CNY (% chg.)	3,405	0.1	1.4	(1.3)	0.6
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	3.75	0.0	0.3	0.1	(0.1)
WTI (USD/bbl, % chg.)	77.10	0.2	(3.6)	(10.9)	(3.9)
Gold (USD/oz, % chg.)	82.10	(4.4)	(4.1)	(7.6)	(4.4)

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HAH	33.9	FIR	(45.5)
HPG	33.7	EIB	(37.2)
FPT	31.0	MSN	(30.2)
TCB	22.2	CVT	(15.7)
STB	18.2	VHM	(14.4)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
HPG	66.2	DPM	(40.7)
VNM	45.1	VHC	(31.8)
MSN	36.5	STB	(29.1)
VIC	27.8	DGC	(26.7)
VHM	24.7	PTB	(19.6)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Diversified Financials	6.1	Telecommunication	(0.3)
Technology	6.0	Consumer Durables	0.3
Materials	5.1	Consumer Services	0.3
Capital Goods	4.9	Health Care	0.5
Others	4.8	Household Products	1.1

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** A breakout?

Macro & Strategy

- **Fundflow:** The stable flow of money gives sign for the market bottom
- **Covered warrant:** Trading activity kept slowing down

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	11.2	1.8	9.6	16.2
2021	304,264	177,159	18.7	9.5	1.6	8.6	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	1.9
China GDP (% yoy)	7.9	4.9	2.9	4.3	8.4	8.1	3.0

Source: KIS, Bloomberg

Market commentary & News

Market commentary

A breakout?

The stock market went up yesterday thanks to high demand on large-cap stocks after GSO announced the positive macro indicators last week.

At the close, the VNIndex gained 3.66% to close at 1,043 pts. Meanwhile, trading volume was 528 million shares/VND9,243bn, up 2.8%/ 0.8% respectively, from the previous week's average.

Foreign investors continued to net buy with a net value of VND241bn on HSX. They purchased HPG, VNM, and MSN the most, with net values of VND66bn, VND45bn, and VND36bn, respectively.

Real Estate was the market leader driven by HDG (+4.14%), KBC (+2.07%), KDH (+5.66%), NLG (+3.06%), NVL (+4.64%), VHM (+2.92%), and VIC (+5.58%). Notably, CEO, DIG, DXG, LDG, PDR, SCR, and VRE were up by the daily limit.

Cash flowed into Brokerage and Energy namely HCM (+7.00%), SSI (+6.78%), VCI (+6.88%), VND (+6.67%), BSR (+6.82%), PLX (+3.94%), POW (+3.76%), PVD (+3.92%), and PVS (+4.67%).

Some constituents of the VN30Index jumped more than 5% such as HPG (+6.94%), BID (+6.74%), TCB (+6.19%), GVR (+5.80%), and MBB (+5.26%).

Based on the strong recovery, the downside risk is reduced in the short term as the index crossed up the 20-period moving average. However, the selling pressure at a high level is still intact. Therefore, traders should wait for more bullish signals before opening long positions.

Macro & strategy

Fundflow

The stable flow of money gives sign for the market bottom

▶ Vietnam foreign flow

Foreign demand has come back to high level. Net buy value was USD100mn, up 65% WoW.

Particularly, foreign demand was mainly absorbed by Financials, Consumer Staples, and Materials, focusing on STB, VND, VCB, DGC, MSN, VNM, and HPG. Besides, Energy also ended up to be net bought thanks to large buy orders on PVD.

▶ South East Asia ETF flow

Last week, the flow of money across SEA remained positive as well as inflow surged. Net inflow was USD60mn, a monthly high. The significant increase of money inflow was mainly driven by the strong demand across Vietnam's major ETFs as well as the slowdown in divestment across other countries. Notably, money outflow across Singapore and Thailand has disappeared.

The flow of money across Vietnam has remained positive at high level for 3 consecutive months. Last week, net inflow was USD56mn. The inflow was mainly driven by the strong demand on VanEck and Fubon. Vietnam has attracted the high level of positive flow of money for 3 consecutive months as well as the flow of money was mainly driven by the demand across major ETFs which are the signals of stable flow of money. Thus, we expect that the flow of money across Vietnam would remain positive in upcoming weeks.

Covered warrant

Trading activity kept slowing down

► Market overview

Last week, trading volume continually dropped across the covered warrant market. Besides, trading value also depreciated, recording at VND41bn, down 7% WoW. With trading value by underlying asset, covered warrants which have STB as the underlying asset kept attracting the most of trading interest, followed by HPG and VRE. By tickers, CSTB2215 (-16.9%) kept attracting the most trading interest, followed by CHPG2225 (-11.6%) and CSTB2223 (-19.1%).

► Foreign trading activity

With foreign trading activity, supply overwhelmed demand and the market ended up to be net sold, net sell value was VND1.3bn. By underlying asset, covered warrants which have STB as the underlying asset absorbed the highest trading value from foreigners, accounting for 52% of foreign trading value, followed by HPG and VNM.

By tickers, CVRE2218 (11.4%) and CKDH2209 (0%) attracted most of foreign demand whilst large sell orders were placed on CSTB2215 (-16.9%), CHPG2224 (-21.6%), and CVNM2209 (-17.7%).

Event Calendar

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value (VND bn)
04/01/2023	05/02/2023	BIG	UPCOM	Extraordinary General Meeting		
04/01/2023	16/01/2023	ND2	UPCOM	Cash Dividend (VND1,000/share)	10.00%	1,000
04/01/2023		NDW	UPCOM	Record date for ballot		
04/01/2023	16/01/2023	QNS	UPCOM	Cash Dividend (VND1,000/share)	10.00%	1,000
05/01/2023	17/02/2023	FOX	UPCOM	Cash Dividend (VND1,000/share)	10.00%	1,000
05/01/2023		HU1	HOSE	Record date for ballot		
05/01/2023		SHG	UPCOM	Annual General Meeting		
06/01/2023	30/01/2023	PNJ	HOSE	Cash Dividend (VND600/share)	6.00%	600

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- Hold: Expected total return will be between -5% and 15%
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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.
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