

# Xin Chao Vietnam

## Market performance

	11 Sep	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,223.63	(1.4)	(0.7)	9.6	21.5
Turnover (VND bn)	28,958				
VN30 (pt, % chg.)	1,230.71	(1.5)	(0.8)	10.9	22.4

## Major indicators

	11 Sep	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	1.80	(0.0)	(0.1)	(0.7)	(2.8)
3-yr gov't bonds (% bp chg.)	1.92	(0.1)	(0.1)	(0.6)	(2.7)
VND/USD (% chg.)	24,074	(0.1)	(1.0)	(2.5)	(1.8)
VND/JPY (% chg.)	16,414	0.2	0.1	2.5	9.0
VND/EUR (% chg.)	25,859	(0.2)	0.7	(2.1)	(2.4)
VND/CNY (% chg.)	3,303	(0.1)	(0.6)	(0.4)	3.7
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	4.29	0.0	0.1	0.6	0.4
WTI (USD/bbl, % chg.)	87.28	(0.0)	4.9	30.0	8.7
Gold (USD/oz, % chg.)	90.58	(0.1)	4.3	26.1	5.4

## Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VJC	88.8	VHM	(532.1)
FUESSVFL	69.6	VIX	(100.2)
DGC	25.6	VCB	(73.7)
SSI	22.9	FPT	(59.8)
VCG	17.1	MWG	(46.7)

## Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
VCB	53.2	HPG	(210.4)
DGC	51.0	SSI	(164.3)
PDR	27.5	VHM	(125.9)
VGC	18.8	KBC	(92.9)
MWG	12.5	FUESSVFL	(70.7)

## Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Energy	0.9	Capital Goods	(3.1)
Telecommunication	0.3	Others	(2.6)
Household Products	0.2	Media & Entertainment	(2.4)
Technology	0.2	Retailing	(2.4)
Health Care	(0.1)	Pharmaceuticals	(2.0)

## WHAT'S NEW TODAY

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### 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	58.0	12.3	2.0	10.5	16.3
2021	304,264	177,159	18.5	10.4	1.7	9.4	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

	3Q22	4Q22	1Q23	2Q23	2020	2021	2022
Real GDP Growth (% yoy)	13.7	5.9	3.2	4.1	2.9	2.6	8.0
Trade balance (USD bn)	5.8	4.4	4.1	7.4	19.9	4.0	11.2
CPI (% yoy, avg.)	3.3	4.4	4.2	2.4	3.2	1.8	3.2
Credit growth (%)	10.5	12.9	1.6	3.4	12.2	13.0	12.9
VND/USD (avg.)	23,712	23,633	23,471	23,583	23,126	22,790	23,650
US GDP (% qoq)	3.2	2.9	2.0	2.4	(3.4)	5.6	2.1
China GDP (% yoy)	3.9	2.9	4.5	6.3	2.2	8.0	3.0

Source: KIS, Bloomberg

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## Market commentary & News

### Market commentary

#### Profit-taking in the afternoon

Profit-taking sentiment in the afternoon pushed the stock market to fall sharply at the end. Furthermore, the liquidity also intensified suddenly during the session, indicating investors' cautious sentiment. Notably, Joe Biden - U.S. President visited Vietnam, following the invitation of Nguyen Phu Trong - General Secretary on the 10th Sep to further strengthen cooperation between the two countries. Besides, the Ministry of Industry and Trade adjusted domestic retail gasoline prices during the adjustment period. In particular, The RON95 gasoline and E5RON92 gasoline prices were almost unchanged while Diesel, Kerosene, and Mazut prices kept going up in the period.

At the close, the VNIndex lost 1.44% to 1,223 pts while the VN30Index also decreased by 1.48% to close at 1,230 pts. Meanwhile, trading volume reached 1,214 million shares/ VND28,958bn, up 18%/ 19% respectively, from the average of the last five sessions.

Foreign investors reversed to net selling with more than VND1000bn, focusing on HPG, SSI, and VHM with net values of VND210bn, VND164bn, and VND125bn, respectively. In contrast, net buying concentrated on VCB, DGC, and PDR with VND53bn, VND50bn, and VND27bn, respectively.

Real Estate was the worst sector due to NVL (-6.82%), DXG (-6.19%), DIG (-5.44%), NLG (-4.83%), KDH (-3.87%), KBC (-3.67%), PDR (-3.52%), IDC (-3.41%), HDG (-3.15%), VRE (-3.04%), TCH (-3.01%), VHM (-2.78%), BCM (-2.20%), and SSH (-0.31%).

Banking had a bad situation among SHB (-3.15%), STB (-2.77%), TCB (-2.26%), VIB (-1.94%), MBB (-1.83%), SSB (-1.82%), ACB (-1.76%), HDB (-1.44%), CTG (-1.24%), VCB (-1.12%), and BID (-1.06%).

Selling pressure pushed Consumer Staples and Retail shares down, such as VHC (-3.52%), MSN (-2.69%), QNS (-1.98%), MWG (-1.80%), FRT (-1.16%), MCH (-1.11%), VNM (-0.62%), and PNJ (-0.48%).

Steel tickers underperformed the benchmark index, such as NKG (-3.89%), HSG (-3.18%), and HPG (-2.61%). Besides, Brokerage shares almost closed in the red territory, including DSC (-3.17%), FTS (-2.62%), VIX (-2.53%), VND (-1.06%), SSI (-0.74%), and HCM (-0.15%).

Despite the increase in world oil prices, Oil & Gas tickers decreased significantly during the session, like PVS (-3.24%), PVC (-2.60%), PVD (-1.70%), POW (-1.17%), BSR (-0.95%), OIL (-0.92%), and GAS (-0.78%).

In addition, the market also recorded GVR (-4.19%), VJC (-2.37%), DHG (-1.72%), DGC (-1.62%), BVH (-0.33%), and FPT (-0.20%) loss at the end.

On the other side, SAB (+4.30%) was the rarely notable bright spot in the day. Besides, cash flowed also into OCB (+2.82%), VCI (+1.28%), PLX (+1.14%), KDC (+1.08%), VPB (+0.46%), DCM (+0.30%), and DGW (+0.17%).

The stock market losses strongly during the session due to profit-taking activities vibrancy again in the afternoon. Furthermore, the liquidity suddenly rises, indicating investors' caution sentiment as the VNIndex approaches the important resistance zone of 1,240-1,250 pts. However, the uptrend is still intact when this index closes above the 20-period moving average. Therefore, investors should stand aside and observe the next movements of the market.

## Macro & Strategy

### Fundflow

#### Massive outflow in August

- ▶ Vietnam foreign flow

Foreign investors have increased the selling pressure. The net sell value was USD53mn.

Specifically, selling pressure focused on Materials and Real Estate due to the strong divestment on HPG, VIC, KBC, and KDH. In contrast, foreign buying activity spread to the Financials and Cons Discretionary sector due to large buy orders on VPB, TPB, HDB, and MWG.

- ▶ South East Asia ETF flow

Outflow remained high across SEA and tend to intensify in the previous week, recorded at USD77mn. Accordingly, Vietnam's major ETFs remained divested strongly in the last week. Besides, Indonesia and Malaysia also experienced the strong divestment whilst Thailand and Singapore recorded no significant inflow/outflow.

Outflow was active at Vietnam, recorded at USD34mn, the 6th week of being divested. Specifically, selling activities focused mainly on FUBON FTSE VIETNAM ETF (USD21mn) and VFMVN Diamond ETF (USD10mn). Although the selling pressure on Fubon Vietnam and VFMVN Diamond were dramatic in Aug 2023, but the outflow is just nearly 12% of the total inflow on these two ETFs in 2022. Therefore, the overall picture is still positive. However, massive outflow in 6 consecutive weeks has raised the red flag for the unstable flow of money in Vietnam. In this case, we expect that the flow of money across Vietnam could continue to be unstable in upcoming period and outflow could continue to be active.

### Covered warrant

#### The vibrant again of the CW market

- ▶ Market overview

The domestic CW market was vibrant again as the liquidity reversed to increase after the 3-week consecutive decrease. Accordingly, the trading volume reached 234 million warrants/ VND333.5bn, up 13%/ 25% respectively, from the previous week. With trading value by an underlying asset, covered warrants that STB and HPG as the underlying asset attracted the most trading interest, recording nearly 38% of total trading volume, increased by 7% compared to the previous week. Besides, the spread level had decreased, however, trading interest still maintains on the other CWs with different underlying assets such as VHM, MWG, VPB, and VRE. The next time, the uptrend of the underlying market is expected to create positive impacts on the CW market.

- ▶ Foreign trading activity

The foreign selling pressure was intensified, however, demand remained at a high level, helping the market record net buying at VND4.5bn in the previous week. By underlying asset, covered warrants which have HPG as the underlying asset absorbed the highest trading value from foreigners, accounting for 19% of foreign trading volume, followed by PDR and STB.

Although selling pressure came back again, demand still maintained at a high level and trading interest remained to spread to all cover. Moreover, the positivity of the underlying market is also expected to cause positive impacts to the warrant market in the next time.

## Macro & Strategy

### ETF Review

#### Foreign ETFs sell HPG and SHB the most

The FTSE Russell announced that the FTSE Vietnam Index will add VIX, but not remove any tickers in this review. Moreover, the MarketVector Vietnam Local Index will not add or exclude any tickers.

We expect foreign ETFs to sell HPG and SHB the most with net values of 18.9 million shares and 6.1 million shares. On the buy-side, VIX, VND, and VHM will be expected to buy heavily with 15.3 million shares, 9.5 million shares, and 6.3 million shares, respectively. The new weights will be effective on 17 Sep 2023.

Number of shares expected to buy from FTSE Vietnam ETF and VanEck Vectors Vietnam ETF (% , shares)

No	Ticker	FTSE Vietnam ETF			VanEck Vectors Vietnam ETF			Total volume change
		Current weighting	New weighting	Volume change	Current weighting	New weighting	Volume change	
1	BVH	-	-	-	0.97	0.93	(134,253)	(134,253)
2	DCM	-	-	-	0.94	0.86	(396,358)	(396,358)
3	DGC	2.80	2.57	(241,388)	2.62	2.54	(130,016)	(371,403)
4	DIG	1.43	1.66	758,567	1.73	1.63	(566,841)	191,725
5	DPM	1.26	1.22	(112,775)	1.15	1.09	(212,922)	(325,697)
6	DXG	1.13	0.89	(1,017,012)	0.94	0.86	(556,809)	(1,573,821)
7	EIB	1.84	2.10	997,660	1.73	2.06	2,054,531	3,052,192
8	GEX	1.78	1.78	(7,251)	1.82	1.70	(747,820)	(755,072)
9	HAG	-	-	-	0.86	0.82	(671,077)	(671,077)
10	HDG	-	-	-	0.59	0.55	(225,817)	(225,817)
11	HNG	-	-	-	0.49	0.46	(995,116)	(995,116)
12	HPG	13.35	8.24	(17,115,687)	6.83	6.50	(1,835,484)	(18,951,170)
13	HSG	1.08	0.79	(1,276,411)	1.01	0.77	(1,705,902)	(2,982,313)
14	HUT	-	-	-	1.03	1.00	(153,609)	(153,609)
15	IDC	-	-	-	1.37	1.28	(274,123)	(274,123)
16	KBC	2.17	1.60	(1,541,192)	1.79	1.56	(1,037,447)	(2,578,640)
17	KDC	-	-	-	1.06	1.23	411,048	411,048
18	KDH	-	-	-	0.74	0.60	(589,295)	(589,295)
19	MSN	8.54	4.74	(4,480,382)	4.48	4.73	492,478	(3,987,904)
20	NVL	-	-	-	4.13	4.03	(789,576)	(789,576)
21	PDR	-	-	-	1.73	1.62	(667,146)	(667,146)
22	POW	0.98	1.60	4,643,670	1.32	1.28	(475,088)	4,168,581
23	PVD	1.17	0.87	(1,102,446)	0.87	0.85	(103,508)	(1,205,954)
24	PVS	-	-	-	1.09	1.07	(89,450)	(89,450)
25	SAB	-	-	-	2.26	2.15	(110,581)	(110,581)
26	SBT	-	-	-	1.03	0.98	(448,688)	(448,688)
27	SHB	2.25	2.27	183,691	2.72	2.22	(6,314,477)	(6,130,786)
28	SHS	-	-	-	1.44	1.24	(1,685,397)	(1,685,397)
29	SSI	6.44	6.06	(1,100,996)	6.11	5.50	(2,863,956)	(3,964,952)
30	TCH	-	-	-	0.93	0.90	(383,242)	(383,242)
31	VCB	8.31	6.95	(1,462,018)	5.40	6.00	1,055,731	(406,288)
32	VCG	1.09	1.38	969,285	1.41	1.37	(202,854)	766,431
33	VCI	2.25	3.06	1,666,431	2.87	2.89	68,671	1,735,102
34	VHC	-	-	-	1.61	1.51	(188,913)	(188,913)
35	VHM	11.51	12.52	1,807,903	6.46	8.00	4,534,115	6,342,018
36	VIC	11.85	14.41	4,172,980	7.40	8.00	1,609,322	5,782,302
37	VIX	-	2.64	12,870,009	2.38	2.69	2,468,470	15,338,479
38	VJC	2.68	1.44	(1,180,205)	1.44	1.39	(84,043)	(1,264,248)
39	VND	2.30	4.60	9,381,833	4.48	4.50	120,638	9,502,472
40	VNM	9.43	14.25	5,806,050	6.99	7.00	18,684	5,824,733
41	VPI	-	-	-	1.21	1.17	(128,074)	(128,074)
42	VRE	4.35	2.34	(6,545,614)	2.36	2.46	557,003	(5,988,611)

Source: Bloomberg, Fiiipro, KIS

Note: Data as of 08 Sep 2023

## Event Calendar

### ► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value (VND bn)
12/09/2023	28/09/2023	HAD	HNX	Cash Dividend (VND1200/share)	12.00%	1,200
12/09/2023	27/09/2023	USD	UPCOM	Cash Dividend (VND435/share)	4.35%	435
12/09/2023		PID	UPCOM	Extraordinary General Meeting		
12/09/2023		POM	HOSE	Record date for ballot		
13/09/2023	17/10/2023	CTD	HOSE	Annual General Meeting		
13/09/2023	13/10/2023	HRC	HOSE	Cash Dividend (VND300/share)	3.00%	300
13/09/2023	02/10/2023	AGE	UPCOM	Cash Dividend (VND200/share)	2.00%	200
13/09/2023	27/09/2023	VNS	HOSE	Cash Dividend (VND500/share)	5.00%	500
14/09/2023	16/10/2023	BTP	HOSE	Cash Dividend (VND1200/share)	12.00%	1,200
14/09/2023	05/10/2023	PVT	HOSE	Cash Dividend (VND300/share)	3.00%	300
14/09/2023	05/10/2023	BIC	HOSE	Cash Dividend (VND1300/share)	13.00%	1,300
14/09/2023	29/09/2023	NT2	HOSE	Cash Dividend (VND1500/share)	15.00%	1,500
14/09/2023	25/09/2023	DHA	HOSE	Cash Dividend (VND3000/share)	30.00%	3,000
14/09/2023	25/09/2023	TTT	HNX	Cash Dividend (VND2000/share)	20.00%	2,000
14/09/2023	14/09/2023	CCL	HOSE	Share Issue	12.00%	
14/09/2023	14/09/2023	SAB	HOSE	Share Issue	100.00%	
14/09/2023	14/09/2023	TGP	UPCOM	Share Issue	17.00%	
14/09/2023		CBS	UPCOM	Annual General Meeting		
14/09/2023		SPH	UPCOM	Record date for ballot		
14/09/2023		HSA	UPCOM	Extraordinary General Meeting		
14/09/2023		WSB	UPCOM	Record date for ballot		
15/09/2023	12/10/2023	SDA	HNX	Record date for ballot		
15/09/2023	10/10/2023	TA3	UPCOM	Extraordinary General Meeting		
15/09/2023	03/10/2023	SRC	HOSE	Cash Dividend (VND800/share)	8.00%	800
15/09/2023	15/09/2023	SVT	HOSE	Share Issue	15.00%	
15/09/2023		SGL	UPCOM	Record date for ballot		
15/09/2023		SII	HOSE	Extraordinary General Meeting		

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