

# Xin Chao Vietnam

## WHAT'S NEW TODAY

### Market commentary & News

- **Market commentary:** Still low liquidity

### Macro & Strategy

- **Fundflow:** Inflow comes back to Vietnam
- **Covered warrant:** Trading activities drop

### Event Calendar

	2 Oct	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,155.25	0.1	(5.6)	2.6	14.7
Turnover (VND bn)	11,477				
VN30 (pt, % chg.)	1,167.13	0.1	(5.5)	3.9	16.1

### Major indicators

	2 Oct	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	1.87	(0.0)	(0.0)	(0.3)	(2.7)
3-yr gov't bonds (% bp chg.)	1.93	(0.1)	(0.1)	(0.3)	(2.7)
VND/USD (% chg.)	24,333	0.1	(1.0)	(2.6)	(2.9)
VND/JPY (% chg.)	16,236	0.2	1.5	0.9	10.2
VND/EUR (% chg.)	25,467	0.7	2.0	1.2	(0.9)
VND/CNY (% chg.)	3,332	0.1	(0.5)	(2.2)	2.8
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	4.68	0.0	0.5	0.8	0.8
WTI (USD/bbl, % chg.)	88.28	(0.6)	3.2	26.5	10.0
Gold (USD/oz, % chg.)	90.17	(0.6)	1.8	20.8	5.0

### Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
CTG	22.4	VIX	(117.1)
HCM	21.5	DXG	(48.3)
MSB	16.6	EIB	(37.5)
DCM	11.2	MSN	(34.7)
DGC	11.1	FPT	(29.7)

### Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
SSI	84.0	VPB	(33.7)
DXG	50.1	VIC	(22.7)
DGC	44.3	VCI	(17.6)
VRE	40.7	GMD	(16.1)
VNM	28.5	FUEVFVND	(12.5)

### Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Others	6.4	Consumer Durables	(1.0)
Pharmaceuticals	2.4	Utilities	(0.9)
Health Care	1.7	Banks	(0.5)
Real Estate	1.4	Transportation	(0.4)
Media & Entertainment	1.3	Commercial Services	(0.4)

### 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	60.7	11.6	1.9	9.8	16.3
2021	304,264	177,159	18.4	9.8	1.6	8.8	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

#### Still low liquidity

The stock market remained less vibrant as the VNIndex still increased slightly with low liquidity. This indicated that although investors' sentiment had become less fearful, however, still quite cautious toward the market.

Besides, the Ministry of Industry and Trade adjusted domestic retail gasoline prices during the adjustment period. Specifically, the RON95 gasoline price decreased strongly by VND1,206/liter while the E5RON92 gasoline price also fell by VND995/liter. Moreover, other oil products were also cheaper from VND15/liter to VND395/liter than in the previous period.

At the close, the VNIndex rose by 0.10% to close at 1,155 pts while the VN30Index was almost unchanged at 1,167 pts. Meanwhile, trading volume reached 485 million shares/VND11,477bn, down 39%/ 38% respectively, from the average of the last five sessions.

Foreign investors reversed to net buying, with more than VND178bn, focusing on SSI, DXG, and DGC with net values of VND84bn, VND50bn, and VND44bn, respectively. In contrast, net selling concentrated on VPB, VIC, and VCI with VND33bn, VND22bn, and VND17bn, respectively.

Real Estate was the leading market driven by VRE (+2.87%), PDR (+1.46%), IDC (+0.86%), DXG (+0.79%), KBC (+0.62%), VHM (+0.55%), HDG (+0.18%), and VIC (+0.11%).

Consumer Staples had a good situation among VHC (+2.66%), VNM (+1.89%), MSN (+1.44%), SBT (+1.37%), SAB (+0.69%), and MCH (+0.13%).

Brokerage tickers moved in opposite movements with HCM (+1.80%), VIX (+1.59%), VCI (+1.33%), SHS (+1.16%), SSI (+0.94%), VND (+0.48%), and VDS (+0.32%) gain while MBS (-3.51%), BSI (-3.17%), CTS (-2.08%), and FTS (-1.95%) lost at the end.

In addition, the market also recorded GVR (+4.62%), DHG (+1.45%), POW (+1.29%), FRT (+1.12%), PVD (+0.78%), STB (+0.65%), VPB (+0.46%), FPT (+0.43%), BVH (+0.24%), DGC (+0.21%), and PNJ (+0.13%) close in the red territory.

On the other side, Banking was the worst sector due to TCB (-1.49%), HDB (-1.44%), VCB (-1.14%), BID (-0.90%), SHB (-0.45%), and CTG (-0.33%).

Additionally, GAS (-1.54%), NVL (-1.46%), MWG (-1.33%), QNS (-1.01%), BSR (-0.92%), NLG (-0.86%), KDH (-0.46%), HPG (-0.38%), SSH (-0.16%), and BCM (-0.14%) also lost at the end.

Selling pressure decreased strongly in the recent sessions but demand is still weak, causing the stock market to close around the reference point with liquidity remaining at a low level. This means investors' sentiment is still quite cautious. Besides, the downside risk is still intact due to the VNIndex maintaining to end below the 50-period moving average. Therefore, investors should reduce a portion of stocks in their portfolio to the safety threshold and wait for the next signal.

## Macro & Strategy

### Fundflow

#### Inflow comes back to Vietnam

##### ▶ Vietnam foreign flow

Foreign investors turned around to be net bought. The net buy value was USD45mn.

Specifically, foreign buying activity spread to the Industrials, Real Estate, and Materials sector due to large buy orders on GEX, VCG, HUT, PDR, and HPG. In contrast, selling pressure kept focusing on Financials due to the strong divestment on SSI, VCB, and FTS.

##### ▶ South East Asia ETF flow

Outflow remained across SEA, but the divestment pressure has slowed down, net outflow was USD16mn. Accordingly, selling

pressure has paused across major ETFs of Vietnam. Besides, Singapore has continued to attract demand via ETFs whilst Thailand, Indonesia, and Philippines experienced the strong outflow.

Outflow was paused across Vietnam's ETFs. Net inflow was USD2mn. Specifically, the inflow/outflow activity on VFMVN30 ETF, SSIAM VNFN Lead, and VFMVN Diamond were not significant. Although the selling pressure on Fubon Vietnam and VFMVN Diamond were dramatic in Aug and early Sep 2023, but the outflow is just nearly 12% of the total inflow on these two ETFs in 2022. The main contributors for the solid inflow of 1Q23 were Fubon FTSE Vietnam, VFMVN Diamond ETF, VanEck Vietnam, and X FTSE Vietnam Swap ETF. However, at the end of 3Q23, Fubon FTSE Vietnam and VFMVN Diamond ETF experienced the net outflow of USD15mn and USD69mn, respectively. However, the inflow of VanEck Vietnam and X FTSE Vietnam Swap ETF still remained in the market. In this case, we expect that the inflow across Vietnam could decrease in upcoming quarters due to the diminish of demand on foreign ETFs, but the net flow would be flat cause the outflow on ETFs could be covered by the inflow from others.

## Covered warrant

### Trading activities drop

#### ► Market overview

The domestic CW market still showed positive signals during the last week, however, liquidity recorded fell slightly. Accordingly, the trading volume reached 268 million warrants/ VND248bn, up 4%/ 38% 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 36% of total trading volume. Besides, trading interest also spreads to other CWs with different underlying assets such as VHM, MWG, VPB, and VRE. The next time, the CW market is likely to "cool down" as the underlying market has confirmed a short-term consolidation phase.

#### ► Foreign trading activity

The foreign selling pressure still maintained and intensified in the previous week, recorded at VND4.4bn 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 32% of foreign trading volume, followed by PDR and STB.

Selling pressure increased significantly and was spread evenly across most warrants with different underlying assets. On the other hand, the underlying market is currently in a consolidation phase, which is likely to have an impact on the CW market.

## Event Calendar

### ► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value (VND bn)
03/10/2023	06/11/2023	VIP	HOSE	Extraordinary General Meeting		
03/10/2023	20/10/2023	PPS	HNX	Cash Dividend (VND990/share)	9.90%	990
03/10/2023	19/10/2023	UDJ	UPCOM	Cash Dividend (VND1300/share)	13.00%	1,300
03/10/2023	16/10/2023	NAV	HOSE	Cash Dividend (VND800/share)	8.00%	800
03/10/2023	13/10/2023	VTB	HOSE	Cash Dividend (VND300/share)	3.00%	300
03/10/2023	13/10/2023	VTB	HOSE	Cash Dividend (VND500/share)	5.00%	500
03/10/2023	11/10/2023	QHW	UPCOM	Cash Dividend (VND1200/share)	12.00%	1,200
03/10/2023	03/10/2023	KDH	HOSE	Share Issue	10.00%	
03/10/2023	03/10/2023	DXP	HNX	Share Issue	10.00%	
03/10/2023		HNB	UPCOM	Record date for ballot		

04/10/2023	26/10/2023	ITS	UPCOM	Cash Dividend (VND100/share)	1.00%	100
04/10/2023	25/10/2023	DTP	UPCOM	Cash Dividend (VND300/share)	3.00%	300
04/10/2023	20/10/2023	AGR	HOSE	Cash Dividend (VND600/share)	6.00%	600
04/10/2023	20/10/2023	KSV	UPCOM	Cash Dividend (VND1200/share)	12.00%	1,200
04/10/2023	18/10/2023	WTC	UPCOM	Extraordinary General Meeting		
04/10/2023	16/10/2023	SAS	UPCOM	Cash Dividend (VND800/share)	8.00%	800
04/10/2023	12/10/2023	SPD	UPCOM	Record date for ballot		
04/10/2023	04/10/2023	TMS	HOSE	Share Issue	30.00%	
04/10/2023		AGM	HOSE	Extraordinary General Meeting		
04/10/2023		MAC	HNX	Extraordinary General Meeting		
05/10/2023	18/11/2023	NVB	HNX	Extraordinary General Meeting		
05/10/2023	04/11/2023	CMK	UPCOM	Extraordinary General Meeting		
05/10/2023	20/10/2023	IMP	HOSE	Cash Dividend (VND1000/share)	10.00%	1,000
05/10/2023	17/10/2023	LNC	UPCOM	Cash Dividend (VND40/share)	0.40%	40
05/10/2023	05/10/2023	IMP	HOSE	Share Issue	5.00%	
05/10/2023		TTG	UPCOM	Extraordinary General Meeting		
06/10/2023	20/10/2023	SZE	UPCOM	Cash Dividend (VND800/share)	8.00%	800
06/10/2023	17/10/2023	NWT	UPCOM	Cash Dividend (VND600/share)	6.00%	600

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