

Xin Chao Vietnam

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Bullish trend?

Macro & Strategy

- **Fundflow:** Inflow remains in Vietnam
- **Covered warrant:** Domestic and foreign activity slow down

Event Calendar

	9 Oct	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,137.36	0.8	(8.4)	(1.0)	12.9
Turnover (VND bn)	13,746				
VN30 (pt, % chg.)	1,150.37	0.9	(7.9)	0.6	14.4

Major indicators

	9 Oct	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	1.82	0.0	(0.0)	(0.4)	(2.8)
3-yr gov't bonds (% bp chg.)	2.07	0.1	0.1	(0.2)	(2.6)
VND/USD (% chg.)	24,393	(0.1)	(1.4)	(3.0)	(3.1)
VND/JPY (% chg.)	16,445	(0.6)	0.0	1.0	8.8
VND/EUR (% chg.)	25,788	(0.4)	0.1	0.5	(2.1)
VND/CNY (% chg.)	3,345	(0.1)	(1.3)	(2.3)	2.4
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	4.64	(0.2)	0.4	0.6	0.8
WTI (USD/bbl, % chg.)	86.08	(0.3)	(1.6)	17.9	7.3
Gold (USD/oz, % chg.)	87.89	(0.3)	(3.0)	13.1	2.3

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FUEVFNVD	151.9	FPT	(68.1)
STB	30.5	ACB	(31.4)
MWG	25.4	TCB	(29.4)
POW	22.1	VCB	(22.6)
VND	14.1	DGC	(20.6)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
NVL	14.3	FUEVFNVD	(151.9)
HPG	6.7	VIC	(87.7)
KDH	6.3	POW	(69.8)
DCM	5.4	FRT	(32.5)
NT2	4.8	BWE	(28.9)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Others	3.3	Telecommunication	(1.4)
Software & Services	3.0	Commercial Services	(1.4)
Utilities	2.2	Consumer Durables	(0.8)
Energy	2.1	Insurance	(0.3)
F&B	2.1	Diversified Financials	(0.0)

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	60.8	11.3	1.9	9.7	16.3
2021	304,264	177,159	18.4	9.6	1.6	8.6	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

Vietnam indicators

	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

Bullish trend?

The stock market has seen an increase, marking its second successive growth session even amidst the tensions in the Middle East stemming from the conflict between Israel and Palestine.

At the close, the VNIndex rose by 0.78% to close at 1,137 pts while the VN30Index also gained 0.93% to 1,150 pts.

Energy was still the leading market driven by BSR (+5.10%), GAS (+2.85%), OIL (+5.00%), PVB (+3.68%), PVD (+2.71%), and PVS (+3.80%).

Brokerage tickers outperformed the benchmark index, such as BSI (+5.13%), FTS (+2.19%), HCM (+2.18%), VCI (+3.85%), VDS (+2.33%), and VND (+3.35%).

On the other side, VIC (-1.63%), VRE (-1.46%), SAB (-1.1%), and VCB (-0.94%) closed in red territory.

Despite the second consecutive growth session, the downside risk is still intact as the VNIndex maintains 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 remains in Vietnam

- ▶ Vietnam foreign flow

Selling pressure and buying volume were nearly balance, net sell value was flat, recorded at USD15mn.

Specifically, foreign buying activity kept spreading to Materials, Industrials, and Real Estate sector due to large buy orders on DGC, GEX, IDC, VRE, and DXG. In contrast, selling pressure focused on Cons Staple, Energy, and Financials due to the strong divestment on MSN, CTG, VCI, and VPB.

- ▶ South East Asia ETF flow

Outflow remained across SEA, net outflow was USD21mn. Accordingly, selling pressure has paused across major ETFs of Vietnam. However, others major countries such as Singapore, Thailand, and Indonesia were strongly divested.

Outflow was paused across Vietnam's ETFs. Net inflow was USD7mn. Specifically, the inflow/outflow activity on VFMVN30 ETF, SSIAM VNFIN Lead, and VFMVN Diamond were not significant. The inflow of Vietnam during last week totally contributed by the demand on Fubon FTSE Vietnam. 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

Domestic and foreign activity slow down

- ▶ Market overview

The domestic CW market slowed down due to the negative impact from the underlying market. Accordingly, the trading volume was 222 million warrants, down 32% WoW. With trading value by an underlying asset, covered warrants that STB and HPG as the underlying asset attracted the most trading interest, recording nearly 39% of total trading volume. Besides, trading interest

also remained on other CWs with different underlying assets such as MWG, VPB, and VRE. Due to the active correction phase, the CW market is likely to keep slowing down in the upcoming week.

► Foreign trading activity

Trading activity from foreign investor turned flat, net sell value was VND0.9bn. By underlying asset, covered warrants which have PDR as the underlying asset absorbed the highest trading value from foreigners, accounting for 36% of foreign trading volume, followed by HPG and STB.

The covered warrant market has slowed down in trading volume from both domestic and foreign investors. Besides, the underlying market is currently in a correction phase phase, which is likely to have an impact both domestic and foreign trading activity in the upcoming period.

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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- 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.

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