

Xin Chao Vietnam

WHAT'S NEW TODAY

Market commentary & News

- **Market commentary:** Intraday divergence

Macro & Strategy

- **Chart of the day:** Wait for the breakout signal

Event Calendar

	13 Oct	1D	1M	3M	YTD
VNIndex (pt, % chg.)	1,154.73	0.3	(6.8)	(0.9)	14.7
Turnover (VND bn)	13,922				
VN30 (pt, % chg.)	1,166.66	0.1	(6.5)	0.9	16.1

Major indicators

	13 Oct	1D	1W	1M	YTD
1-yr gov't bonds (% bp chg.)	1.86	0.0	(0.1)	(0.2)	(2.7)
3-yr gov't bonds (% bp chg.)	2.10	0.0	0.0	(0.0)	(2.5)
VND/USD (% chg.)	24,455	(0.0)	(1.2)	(3.2)	(3.4)
VND/JPY (% chg.)	16,343	0.3	0.3	4.5	9.5
VND/EUR (% chg.)	25,741	0.8	0.7	2.7	(2.0)
VND/CNY (% chg.)	3,347	0.1	(0.8)	(1.2)	2.4
	Prev. close	1D	1W	1M	YTD
10-yr US Treasury (% bp chg.)	4.62	(0.1)	0.4	0.9	0.7
WTI (USD/bbl, % chg.)	86.13	3.9	(2.7)	12.0	7.3
Gold (USD/oz, % chg.)	89.20	3.7	(2.9)	9.6	3.8

Domestic institutions net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
FUEVFNVD	84.7	FPT	(39.3)
MWG	57.1	VIX	(36.3)
E1VFN30	25.5	HPG	(31.2)
FRT	14.0	TCB	(28.3)
MBB	12.0	KDH	(22.9)

Foreign net buy / sell

Net buy	(VND bn)	Net sell	(VND bn)
DGC	52.5	HPG	(134.3)
KDH	27.4	MWG	(123.3)
SSI	24.8	FUEVFNVD	(88.8)
VCB	22.1	FPT	(59.5)
PDR	20.6	VPB	(50.4)

Daily performance by sector

Top five sectors	% chg.	Bottom five sectors	% chg.
Transportation	2.6	Others	(2.9)
Consumer Durables	2.0	Materials	(0.7)
Automobiles	0.9	Pharmaceuticals	(0.6)
Media & Entertainment	0.8	Telecommunication	(0.4)
Energy	0.7	Software & Services	(0.3)

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	11.5	1.9	9.8	16.3
2021	304,264	177,159	18.4	9.7	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

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

Intraday divergence

Selling pressure appeared again during the session, however, demand also intensified in the afternoon, helping the stock market to out of a deep loss day. Besides, the liquidity was still at a low level, indicating inflow almost remained on the sidelines and investors' sentiment was quite cautious.

Besides, the U.S. Sep inflation rate held steady at 3.7% YoY while Core CPI also rose 4.1% YoY. This figure still remained significantly above the Fed's target inflation rate of 2%, suggesting that there is a high probability that the Fed will be able to maintain high-interest rates for a longer period.

At the close, the VNIndex rose by 0.27% to close at 1,154 pts while the VN30Index also gained 0.10% to 1,166 pts. Meanwhile, trading volume reached 578 million shares/VND13,922bn, up 1%/ 2% respectively, from the average of the last five sessions.

Foreign investors were still net sellers, with more than VND275bn, focusing on HPG, MWG, and FUEVFNVD with net values of VND134bn, VND123bn, and VND88bn, respectively. In contrast, net buying concentrated on DGC, KDH, and SSI with VND52bn, VND27bn, and VND24bn, respectively.

Banking was the leading market driven by BID (+0.83%), VCB (+0.70%), HDB (+0.57%), MBB (+0.54%), VPB (+0.46%), TPB (+0.29%), and SSB (+0.20%).

Consumer Staples and Retail had a good situation among MWG (+2.27%), SAB (+1.74%), FRT (+1.46%), MCH (+1.44%), DBC (+1.32%), HAG (+1.22%), VHC (+0.49%), and VNM (+0.40%).

Oil & Gas tickers still outperformed the benchmark index, such as PVC (+2.79%), PVS (+2.31%), PVB (+2.01%), PVD (+1.61%), and BSR (+1.44%). In addition, the stock market also recorded VJC (+6.24%), GVR (+2.64%), FTS (+2.16%), DGC (+1.43%), and NKG (+1.23%) also close at prices higher than the reference price.

Real Estate tickers moved in opposite movements with PDR (+6.98%), KDH (+6.84%), IDC (+2.94%), NLG (+2.96%), KBC (+2.78%), DXG (+2.51%), NVL (+0.67%), and VRE (+0.55%) gain while VHM (-1.37%), BCM (-1.33%), VIC (-0.86%), DIG (-0.42%), and SSH (-0.16%) lost in the session.

On the other side, Brokerage was down across the board, typically VDS (-1.89%), MBS (-1.29%), VIX (-1.26%), CTS (-0.72%), HCM (-0.32%), BSI (-0.24%), VND (-0.23%), SSI (-0.15%), and VCI (-0.12%).

Additionally, CTG (-1.01%), TCB (-0.92%), QNS (-0.80%), DHG (-0.58%), MSN (-0.55%), POW (-0.44%), GAS (-0.23%), and HPG (-0.19%) also closed in the red territory.

The stock market has a high volatility session as demand in the afternoon pushes the VNIndex to increase slightly again at the end. However, the downside risk is still present due to the VNIndex maintains to end below the 50-period moving average. Therefore, investors should stand aside and observe the next movements of the market.

Macro & Strategy

Chart of the day

Wait for the breakout signal

► Market performance

Demand force prevailed for the majority of the previous week, aiding the stock market recoveries after four consecutive weeks of declines.

► Chart: Wait for the breakout signal

The medium-term uptrend is still intact as the VNIndex remains to close above the 200-period moving average and the important support level of the 1,100-pts threshold.

In the short term, the VNIndex consistently gained during the week and approached a strong resistance level of 1,150-1,160 points. Notably, this was the Aug bottom zone and aligned with the 20-period moving average. However, the VNIndex encountered difficulties in breaching this zone at the end of the past week, indicating selling pressure was still present and quite significant.

Moreover, the liquidity maintained at a low level, showing inflow almost remained on the sidelines and investors' sentiment was quite cautious. Therefore, it's highly likely that this index may still need more consolidation time before a big rebound. The 1,100-pts is an important support level. In addition, the 1,156-1,160 points zone shows the next resistance zone.

→ The stock market has shown signs of recovery during the week, showing positive signals. However, this index encounters difficulties as approaches the resistance zone of 1,150-1,160 points, indicating selling pressure around the above zone is quite significant. Therefore, investors should stand aside and wait for the breakout signal to open again long positions.

► Technical strategy: Stand aside and wait for the next signal

In this case, investors should stand aside and wait for the next signal. The next time, if the VNIndex surpasses the resistance zone of 1,150-1,160 points, investors can open again exploratory long positions and focus on leading stocks.

Event Calendar

► Event calendar

Ex-right date	Exercise day	Ticker	Exchange	Right	Rate	Value (VND bn)
16/10/2023	08/11/2023	DS3	HNX	Extraordinary General Meeting		
16/10/2023	27/10/2023	SHP	HOSE	Cash Dividend (VND1500/share)	15.00%	1,500
16/10/2023	25/10/2023	DGW	HOSE	Cash Dividend (VND1000/share)	10.00%	1,000
17/10/2023	31/10/2023	VHF	UPCOM	Cash Dividend (VND297/share)	2.97%	297
17/10/2023	27/10/2023	PPC	HOSE	Cash Dividend (VND400/share)	4.00%	400
17/10/2023	27/10/2023	LAW	UPCOM	Cash Dividend (VND607/share)	6.07%	607
17/10/2023		LAW	UPCOM	Extraordinary General Meeting		
18/10/2023	31/10/2023	AVC	UPCOM	Cash Dividend (VND2470/share)	24.70%	2,470
18/10/2023	30/10/2023	BWS	UPCOM	Cash Dividend (VND900/share)	9.00%	900
19/10/2023	30/10/2023	PNT	UPCOM	Cash Dividend (VND300/share)	3.00%	300
19/10/2023		PCH		Extraordinary General Meeting		
20/10/2023	16/11/2023	ECI	HNX	Extraordinary General Meeting		
20/10/2023	27/10/2023	PNJ	HOSE	Cash Dividend (VND800/share)	8.00%	800
20/10/2023	25/10/2023	UNI	HNX	Record date for ballot		
20/10/2023		TCI	UPCOM	Record date for ballot		

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

- **Guide to KIS Vietnam Securities Corp. sector ratings for the next 12 months**

- 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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