



# MACRO & MARKET M11

**Overcoming short-term  
difficulties, working toward  
long-term target**



## MACRO ECONOMY NOVEMBER.2020

- 01 Manufacturing recovered, service sector differentiated between regions
- 02 Business condition maintained positive momentum
- 03 Production recovery slowed down in short-term
- 04 Natural disasters hindered disbursement of budget capital
- 05 Export and import recovery trend
- 06 Inflation slows down due to low oil price and pork price in comparison to 2019
- 07 Interbank transactions increased in November
- 08 USD value plummeted in November

## MARKET NOVEMBER.2020

- 09 December 2020 forecast
- 10 P/E of VN-INDEX holding the 15th Asia
- 11 Raw materials industry increased outperform the market
- 12 Marketcap reached 5.8 million billion VND
- 13 Foreign investors sell in November
- 14 Domestic traders makes positive operations in November
- 15 Value of enterprise bond issue recovery, rejecting the market needs
- 16 Factors affecting the market in December.2020
- 17 Investment strategy for December.2020

## APPENDIX



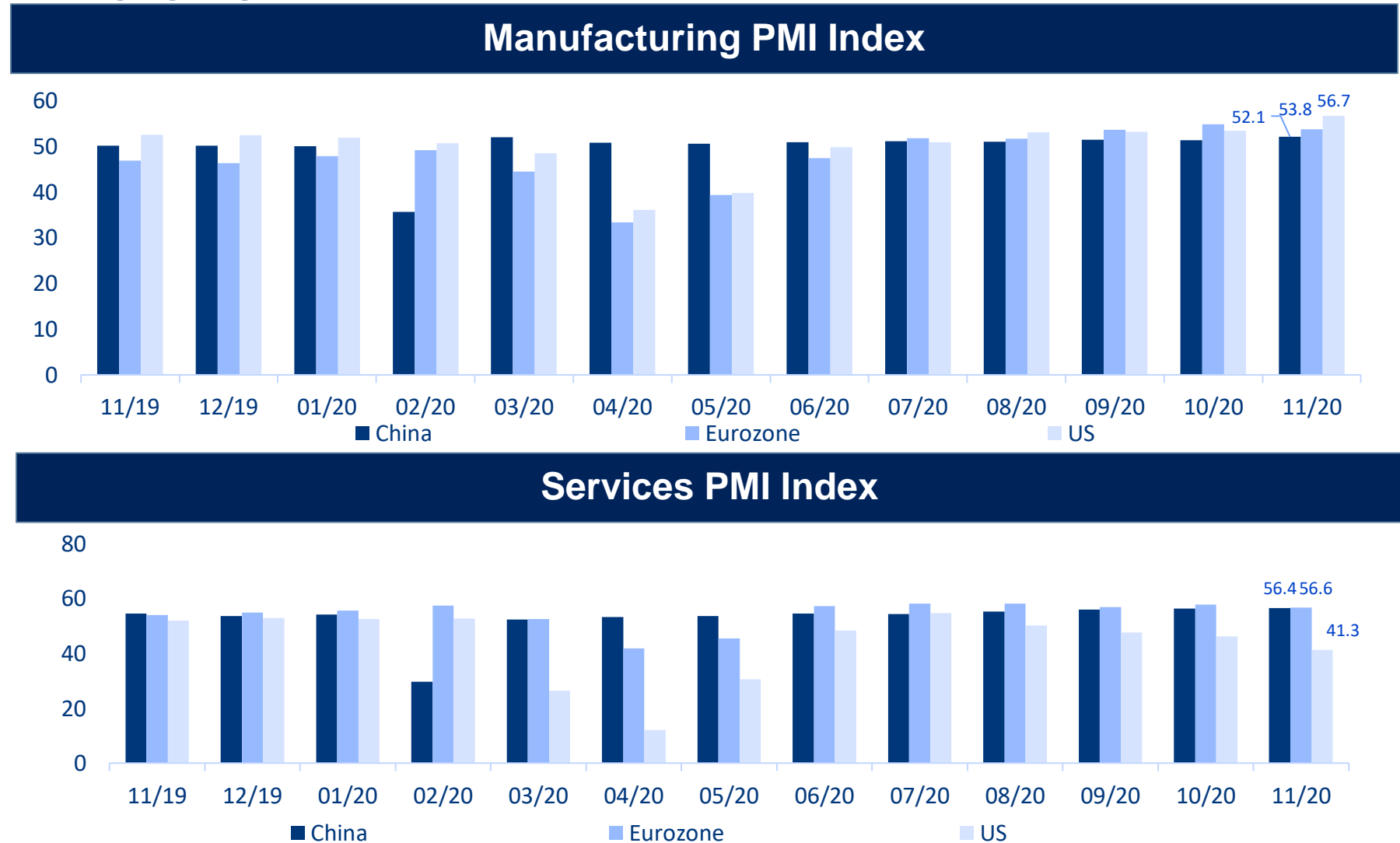
## MACRO NOVEMBER

**Inflation remained low,  
creating basis for further  
loosening of policy rates**



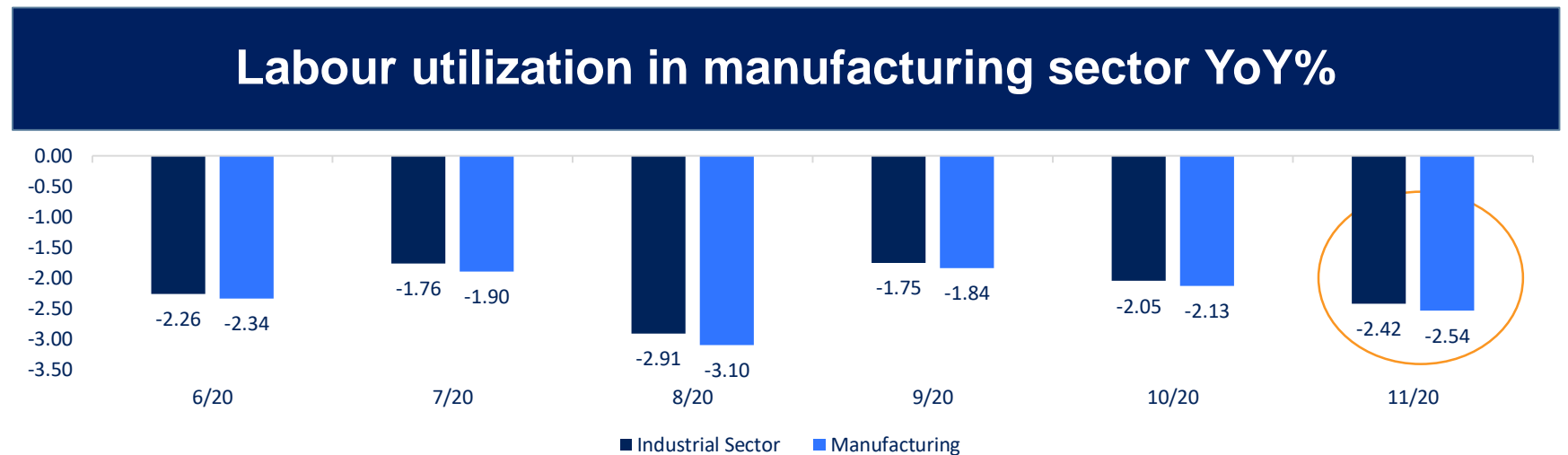
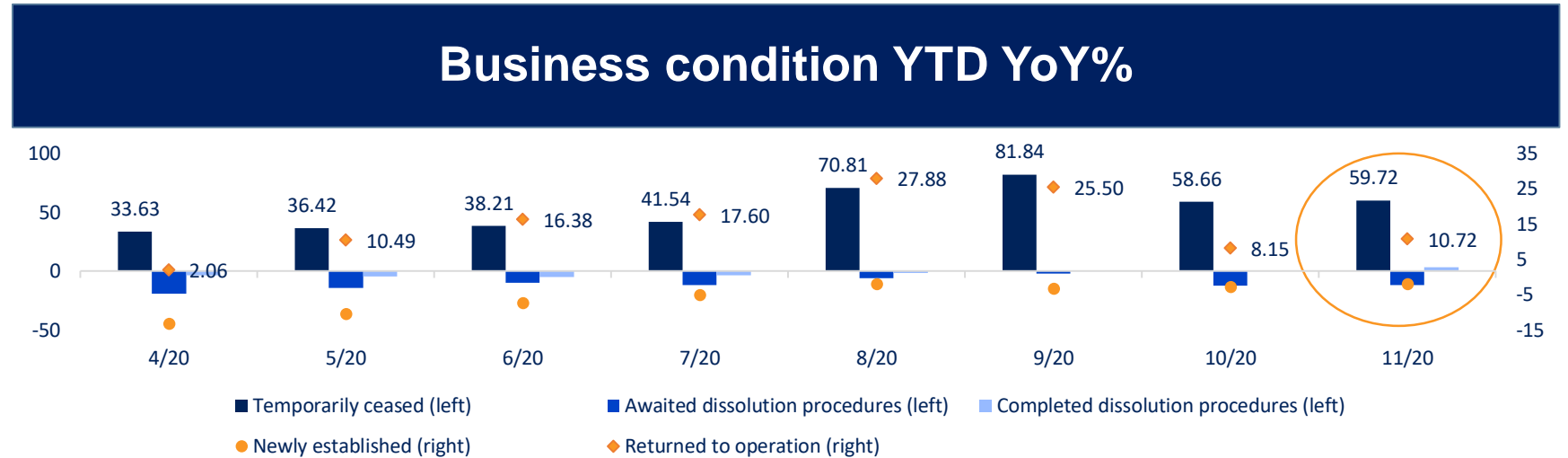
# MACRO: MANUFACTURING RECOVERED, SERVICE SECTOR WITNESSED DIFFERENTIATION BETWEEN REGIONS

- ❖ Manufacturing PMI: The United States, China continued to recover while Eurozone declined due to economic blockade.
- ❖ Service PMI: China maintained its recovery trend while the US and Eurozone witnessed the decline due to a recurrence of the COVID-19 epidemic.
- ❖ Global economic growth declined slightly compared to November due to the COVID-19 epidemic. The PMI of December for Europe and the United States is likely to hold at current levels as the vaccine will be officially used for public usage by the end of 2020.



Source: Bloomberg, BSC Research

## MACRO: BUSINESS CONDITION MAINTAINED POSSITIVE MOMENTUM

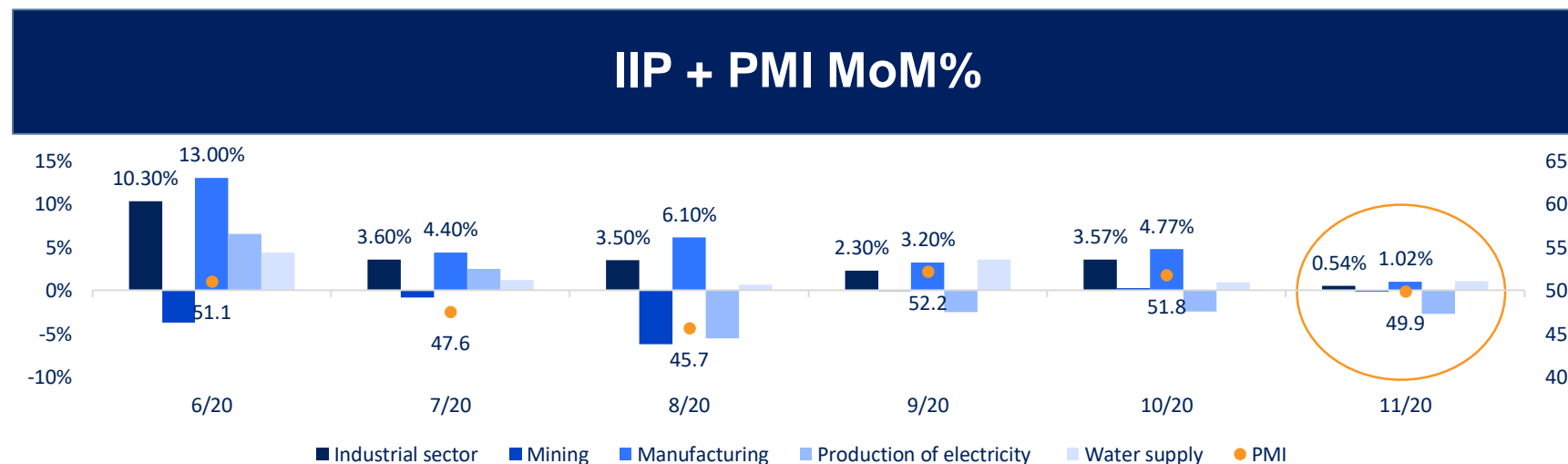
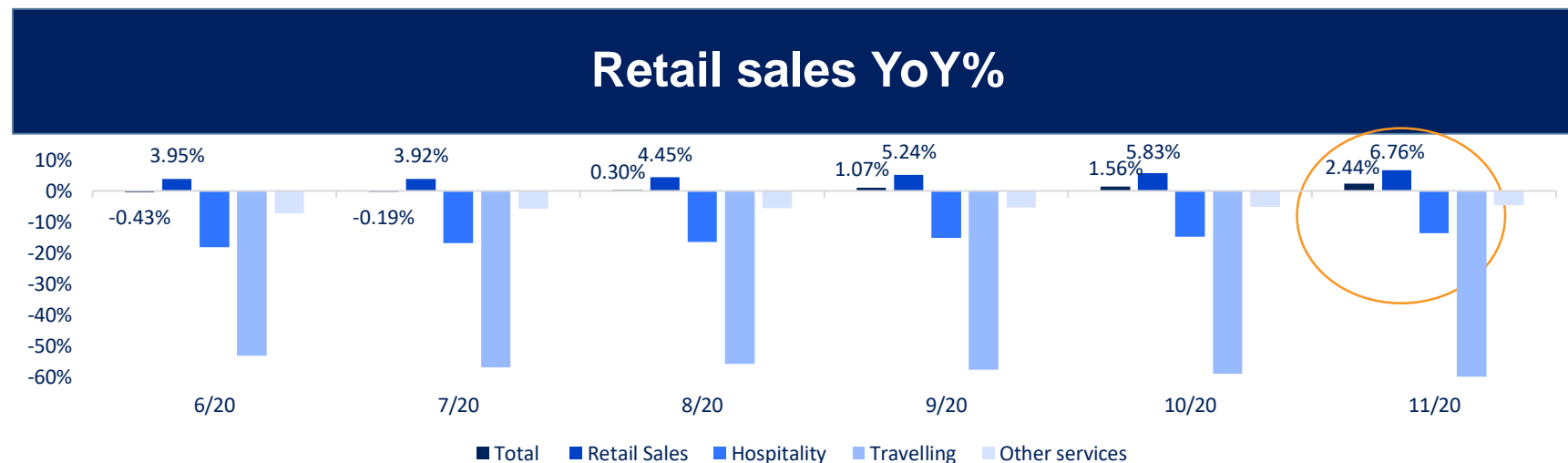


Source: Fiinpro, GSO, BSC Research

- ❖ Recovery in consumption continued to be supported by retail sector when demand for personal consumption increased toward the end of the year + 6.76%. In contrast, service sector remained weak, showing long-term impact of Covid-19.

- ❖ Epidemic has turned negative in key partner nations, together with domestic natural disasters that have a negative impact on industrial production. Index of industrial production + 0.54% (Manufacturing + 1.02%). PMI fell to 49.9 points in November. However, the development of Covid-19 vaccine is favorable information, which might help to accelerate recovery process in coming months.

## MACRO: PRODUCTION RECOVERY SLOWED DOWN IN SHORT-TERM



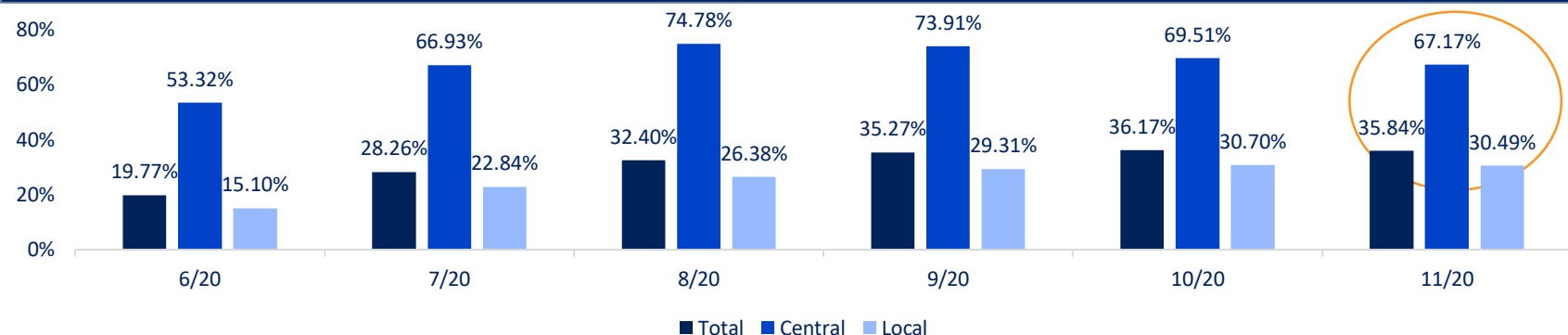
Source: Fiinpro, BSC Research

❖ **Natural disasters in central region impacted disbursement in November.** However, on average, disbursement remained positive + 34.00% (equivalent to 79.32% of the plan). The budget disbursement is estimated at 431,813 billion VND (equal to 80.63% of the assigned capital). Along with 95,953 billion VND from previous periods, disbursement of budget capital is estimated at 527,766 billion VND (equal to 98.54% of assigned capital).

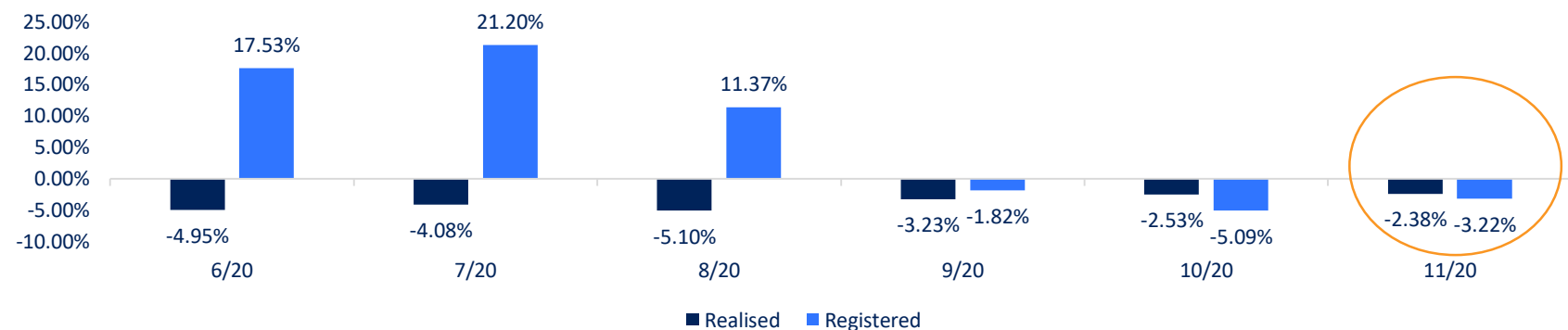
❖ Accumulated from the beginning of 2020, realized FDI decreased -2.38%, continuing positive recovery momentum. Registered FDI decreased by -3.22%, due to the difficulty of inspection for investment.

## MACRO: NATURAL DISASTERS HINDERED DISBURSEMENT OF BUDGET CAPITAL

### Public investment capital disbursement YTD YoY%



### FDI YTD YoY%

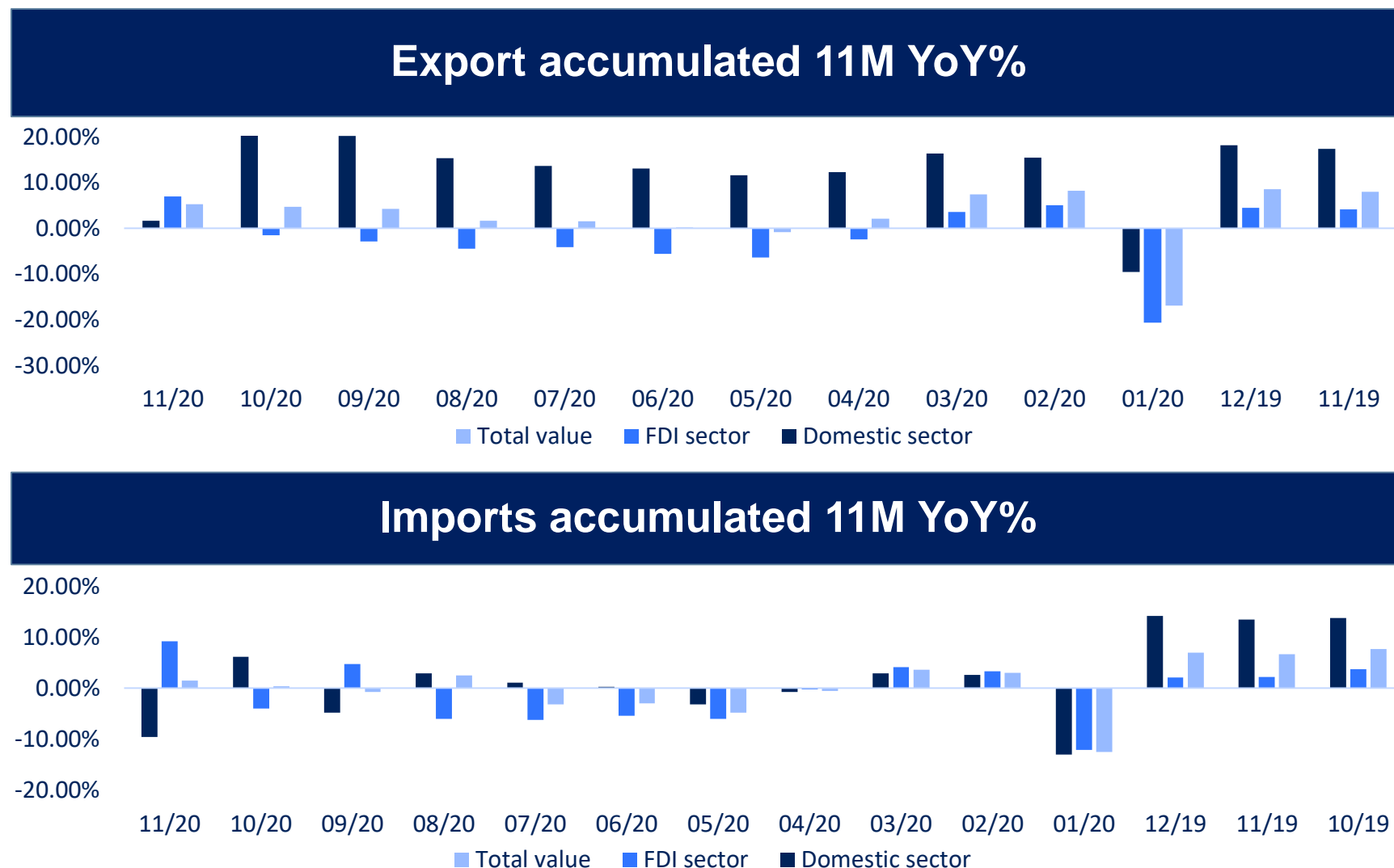


Source: Fiinpro, BSC Research



- ❖ Cumulative recovery in ten months, exports increased by + 5.3%, mainly contributed by FDI enterprises. Imports have rebounded by + 1.6%, following the recovery of the Chinese and US economies.
- ❖ The main drive of the recovery trend in import and export turnover came from computers, electronic products and machinery, equipment, tools and spare parts.
- ❖ The export situation in November declined as the European market was affected by an economic blockade and the number of cases increased sharply in the United States.
- ❖ **BSC estimates that exports can increase by + 5.4% YoY while imports will increase + 1.8% YoY by 2020.**

## MACRO:EXPORT AND IMPORT EXPORT RECOVER TREND



Source: GSO, BSC Research



# EXPORT AND IMPORT PERFORMANCE: EXPORTS INCREASED COMPARE TO THAT OF OCTOBER, IMPORTS GROWTH POSITIVELY

Export	%	09/19	10/19	11/19	12/19	01/20	02/20	03/20	04/20	05/20	06/20	07/20	08/20	09/20	10/20	11/20
Total Value (Month)	100%	10.57%	7.55%	4.81%	7.43%	-17.00%	49.97%	5.93%	-13.98%	-12.41%	5.31%	8.24%	7.02%	16.29%	12.49%	8.81%
Phone types and accessories	20%	6.80%	9.94%	-5.73%	-0.71%	-18.07%	40.70%	-1.28%	-35.57%	-21.11%	-3.49%	7.33%	-9.55%	-4.04%	3.48%	4.48%
Computers, electronic products and components	15%	32.00%	24.13%	28.96%	50.27%	12.63%	54.90%	30.56%	17.90%	16.32%	32.85%	33.77%	17.63%	28.27%	20.68%	16.22%
Textile products	10%	5.36%	-1.66%	1.68%	7.33%	-25.01%	70.76%	-7.70%	-31.31%	-31.70%	-9.66%	-7.77%	-12.02%	1.34%	-4.69%	-22.54%
Other machinery, equipment, tools and spare parts	10%	19.22%	17.02%	22.59%	27.57%	-8.93%	74.67%	32.41%	23.39%	14.57%	35.26%	49.04%	64.27%	74.21%	71.01%	55.11%
Others	5%	14.91%	8.81%	6.06%	22.60%	-16.99%	43.24%	9.74%	9.81%	10.46%	43.97%	36.69%	16.38%	30.58%	26.04%	22.03%
Import	%	09/19	10/19	11/19	12/19	01/20	02/20	03/20	04/20	05/20	06/20	07/20	08/20	09/20	10/20	11/20
Total Import value	100%	11.5%	2.8%	-1.2%	9.1%	-12.5%	26.6%	4.7%	-11.8%	-21.6%	6.2%	-3.7%	1.2%	11.3%	8.7%	13.4%
Computers, electronic products and components	20%	33.5%	14.1%	11.8%	19.5%	7.2%	33.2%	14.6%	-4.1%	0.9%	34.4%	18.8%	21.7%	33.9%	39.9%	39.6%
Other machinery, equipment, tools and spare parts	14%	6.5%	4.0%	3.3%	18.0%	-17.3%	15.2%	-0.3%	-0.9%	-21.3%	5.1%	-0.7%	0.2%	16.2%	4.7%	5.8%
Phone types and accessories	6%	23.6%	7.6%	9.0%	12.9%	-11.3%	51.7%	16.7%	2.0%	-13.5%	12.5%	9.4%	14.6%	23.2%	18.0%	-0.4%
Fabrics of all kinds	5%	-2.8%	-9.8%	-29.5%	-14.1%	-1.6%	41.3%	23.6%	-23.1%	-28.0%	8.2%	-17.3%	-6.4%	12.8%	28.3%	66.3%
Others	5%	1.3%	5.8%	2.1%	8.9%	-26.6%	12.7%	-1.3%	-23.5%	-32.2%	-9.5%	-12.2%	-8.7%	-3.3%	-9.5%	-6.4%

Source: Fiinpro, BSC Research

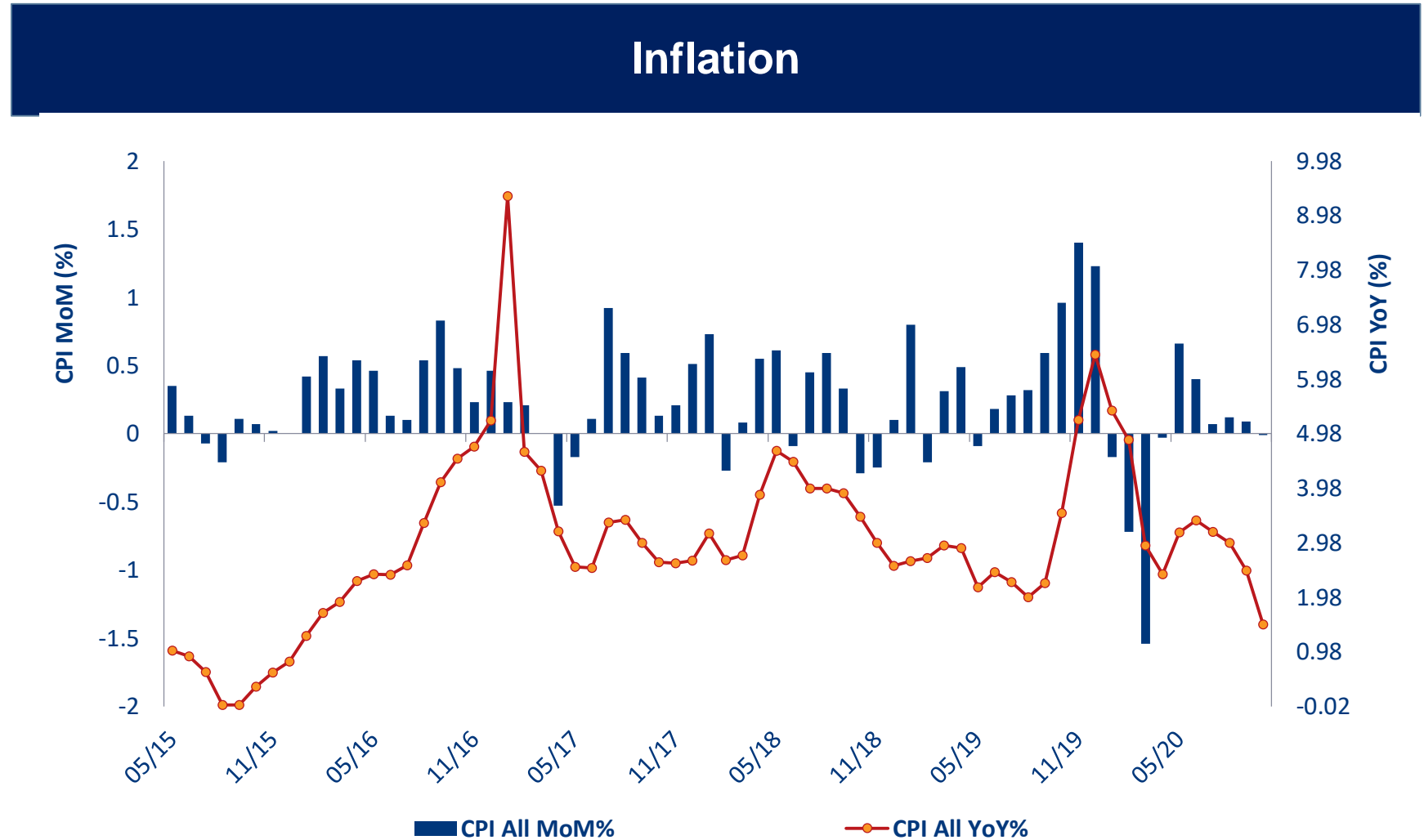
❖ **CPI in November 2020 only increased by 1.48% YoY, mainly due to the weakening uptrend in food and decreasing trend in transportation:**

- ✓ Pork fluctuated in the range 60,000 - 70,000 VND/kg.
- ✓ Oil prices fluctuated around 45 USD/barrel.

❖ **CPI is estimated to increase from 0.28%-0.39% at the end of December 2020, equivalent to average CPI of 3.25%-3.26%.** Based on the following assumptions:

- ✓ (1) The pork price fluctuated in the range 70,000 - 75,000 VND / kg.
- ✓ (2) The prices of other foods sector goods usually increase at the end of the year.
- ✓ (3) Brent oil price fluctuated in the range of 45-50 USD/barrel in the fourth quarter.

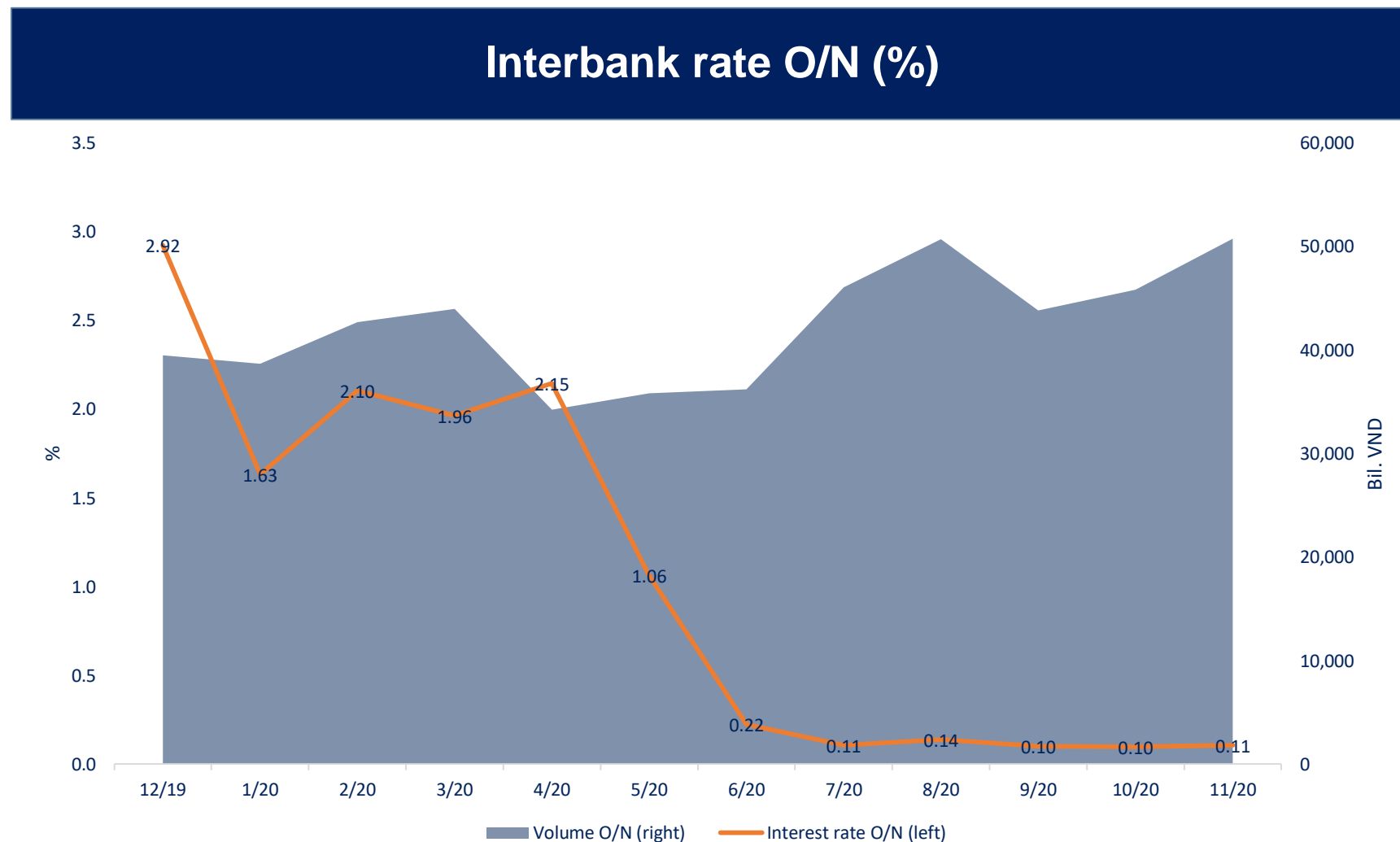
## MACRO: INFLATION SLOWS DOWN DUE TO LOW OIL PRICE AND PORK PRICE IN COMPARISON TO 2019



Source: Bloomberg, BSC Research

- ❖ Interbank interest rates O/N remained at around 0.10%. At the same time, trading volume increased during the month, averaging 50.75 trillion VND/session. **This showed that, both supply and demand of credit were likely to increase in the month, in the context of increasing spending demand in the last months of the year.**
- ❖ Credit growth increased 7.26% YTD as of 17/11, and is expected to achieve 10% YTD by end of 2020
- ❖ Given inflation maintained at low level (+ 1.48% YoY in November), **SBV might cut 0.25-0.5% on refinancing rate from now to the end of the year, in the context of inflation rate continues to remain low in the last month of 2020 and early 2021.**

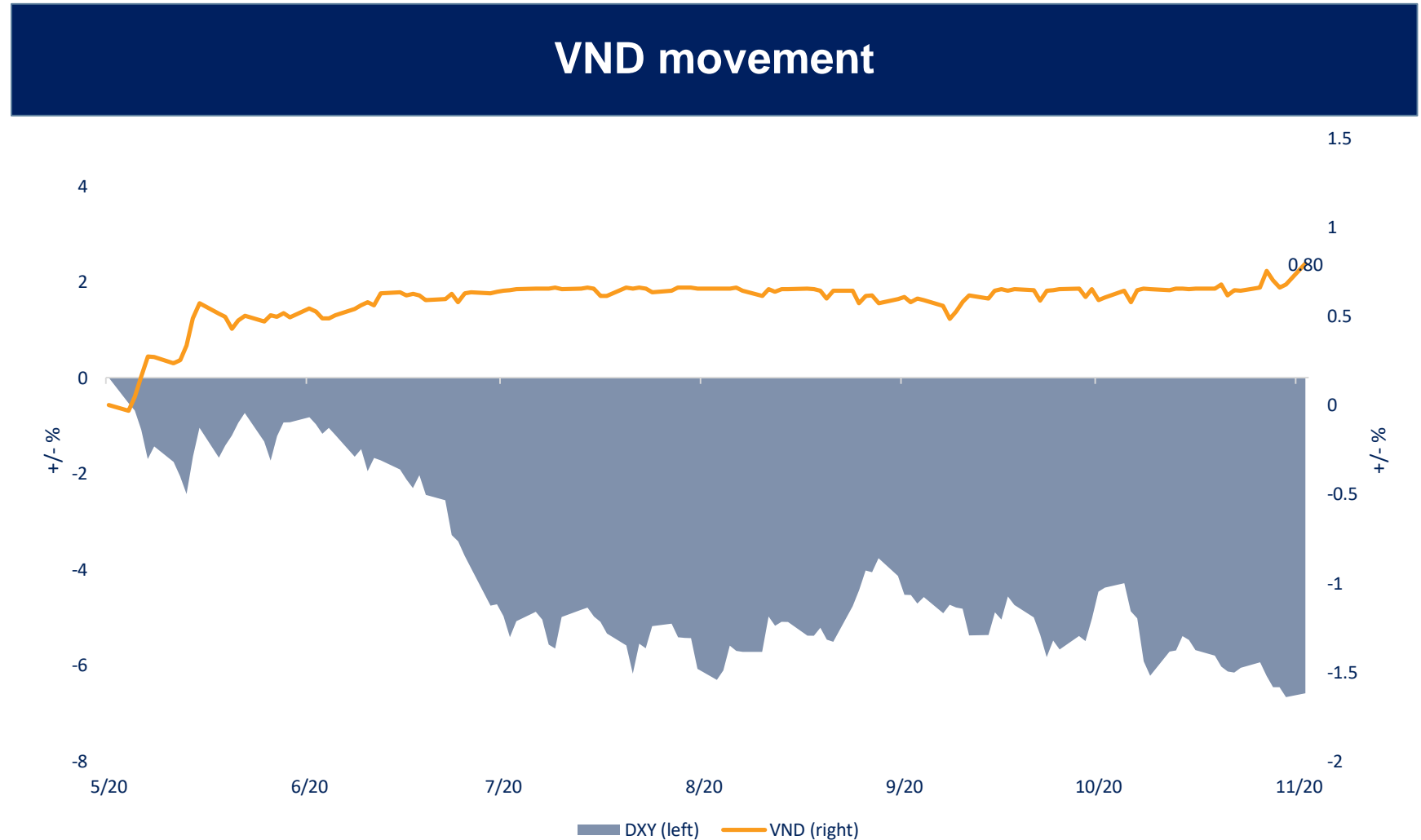
## MACRO: INTERBANK TRANSACTIONS INCREASED IN NOVEMBER



Source: Bloomberg, BSC Research

## MACRO: USD VALUE PLUMMETED IN NOVEMBER

- ❖ DXY Index decreased for most of the time in November. **The fact that Joe Biden get elected bringing expectation of increasing public spending in the medium and long term, partly affecting downward adjustment. Along with that, the negative development of epidemic increased expectations for support package to be successfully negotiated after the election.**
- ❖ At the same time, while state of trade surplus was maintained, FDI performance was improved, SBV's adjustment to reduce the buying price of USD partly affected the increase in VND value toward the end of November.



Source: Bloomberg, BSC Research



# MACRECONOMIC OVERVIEW

	11/17	12/17	1/18	2/18	3/18	4/18	5/18	6/18	7/18	8/18	9/18	10/18	11/18	12/18	1/19	2/19	3/19	4/19	5/19	6/19	7/19	8/19	9/19	10/19	11/19	12/19	1/20	2/20	3/20	4/20	5/20	6/20	7/20	8/20	9/20	10/20	11/20
<b>Retail Sales + Customer Services</b>	10.70%	10.86%	9.50%	10.10%	9.90%	9.80%	10.10%	10.70%	11.10%	11.20%	11.30%	11.40%	11.50%	11.70%	12.20%	12.20%	12.00%	11.90%	11.60%	11.50%	11.60%	11.50%	11.60%	11.80%	11.80%	11.80%	10.20%	8.30%	4.70%	-4.30%	-3.90%	-0.80%	-0.40%	-0.02%	0.70%	1.27%	2.03%
<b>Retail Sales</b>	10.80%	10.89%	8.30%	10.00%	10.50%	10.80%	11.00%	11.30%	11.70%	11.70%	12.00%	12.20%	12.30%	12.40%	13.10%	14.40%	13.40%	13.20%	12.70%	12.50%	12.50%	12.50%	12.60%	12.80%	12.70%	12.70%	10.70%	9.80%	7.70%	0.40%	1.20%	3.40%	3.60%	4.00%	4.80%	5.44%	6.22%
<b>Hospitality</b>	11.20%	11.85%	14.70%	10.20%	9.00%	9.40%	8.90%	9.60%	9.10%	9.10%	8.40%	8.30%	8.60%	9.10%	11.50%	5.70%	9.20%	9.20%	9.20%	9.80%	10.00%	9.80%	9.60%	9.60%	9.60%	9.80%	6.80%	1.70%	-9.60%	-23.60%	-25.80%	-18.10%	-16.60%	-16.40%	-15.00%	-14.70%	-13.72%
<b>Travelling</b>	16.20%	10.41%	39.30%	38.40%	30.30%	26.10%	23.00%	19.50%	17.70%	17.60%	16.90%	15.60%	14.70%	14.10%	7.90%	7.80%	12.80%	13.10%	12.40%	13.30%	12.50%	12.10%	12.00%	11.90%	12.20%	12.10%	7.40%	1.10%	-27.80%	-45.20%	-54.10%	-53.20%	-55.40%	-54.40%	-56.30%	-57.66%	-58.60%
<b>Other services</b>	9.60%	9.72%	9.90%	8.50%	5.00%	3.20%	4.60%	7.30%	9.00%	9.50%	9.70%	9.30%	9.80%	9.80%	7.40%	4.90%	5.10%	5.70%	6.10%	6.30%	6.70%	7.00%	7.30%	7.70%	8.10%	8.50%	10.70%	5.20%	1.50%	-13.20%	-11.80%	-7.40%	-5.90%	-5.70%	-5.60%	-5.40%	-4.76%
<b>Index of Industrial Production</b>	17.20%	11.20%	20.90%	8.00%	8.70%	9.40%	7.10%	12.30%	14.30%	13.40%	9.10%	7.70%	9.60%	11.40%	7.90%	10.30%	9.10%	9.34%	10.00%	9.60%	9.70%	10.50%	10.20%	9.20%	5.40%	6.20%	-5.50%	23.70%	5.40%	-10.50%	-3.10%	7.00%	1.10%	-0.60%	3.80%	5.40%	5.40%
<b>Mining</b>	-4.10%	-10.00%	10.50%	-1.80%	-3.60%	-5.00%	-7.60%	-3.60%	2.80%	2.40%	-2.70%	-9.50%	0.20%	-3.20%	-6.70%	-5.00%	0.40%	1.96%	-1.50%	4.00%	4.40%	14.40%	-6.60%	-0.20%	-5.30%	2.10%	-12.90%	9.20%	-9.50%	-10.70%	-13.00%	-8.90%	-7.90%	-5.10%	-5.70%	-14.54%	-14.54%
<b>Manufacturing</b>	24.30%	17.80%	23.80%	10.70%	11.10%	12.30%	9.10%	15.50%	16.60%	16.00%	11.20%	10.10%	11.00%	13.70%	10.10%	12.80%	10.30%	10.53%	11.60%	10.60%	10.40%	10.30%	12.30%	10.80%	6.50%	7.00%	-4.80%	26.40%	7.30%	-11.30%	-2.40%	10.30%	2.10%	-0.10%	4.60%	8.30%	0.083
<b>Electricity production</b>	13.00%	9.00%	15.40%	3.00%	8.30%	9.60%	11.20%	10.00%	12.20%	6.70%	5.10%	8.90%	9.20%	11.70%	8.80%	10.90%	9.80%	9.39%	11.00%	8.60%	10.50%	10.30%	10.60%	8.10%	7.50%	3.30%	-3.50%	22.50%	7.30%	-6.90%	2.00%	1.70%	2.70%	-0.70%	5.50%	0.98%	0.98%
<b>Water supply</b>	10.00%	15.70%	6.80%	1.00%	8.10%	2.60%	8.20%	8.00%	7.60%	7.10%	8.40%	9.50%	4.50%	5.60%	9.40%	7.20%	11.00%	6.77%	8.40%	6.00%	7.40%	7.60%	8.90%	6.90%	6.30%	6.20%	1.60%	8.30%	9.50%	2.00%	2.30%	2.10%	4.50%	2.20%	5.30%	9.91%	9.91%
<b>PMI</b>	51.4	52.5	53.4	53.5	51.6	52.7	53.9	55.7	54.9	53.7	51.5	53.9	56.5	53.8	51.9	51.2	51.9	52.5	52.0	52.5	52.6	51.4	50.5	50.0	51.0	50.8	50.6	49.0	41.9	32.7	42.7	51.1	47.6	45.7	52.2	51.8	49.9
<b>Export</b>	22.10%	21.82%	41.62%	26.15%	22.01%	18.97%	18.13%	16.99%	16.66%	17.32%	16.29%	15.21%	14.50%	13.19%	9.18%	4.65%	8.38%	7.42%	7.20%	7.31%	8.16%	8.13%	8.46%	8.31%	8.01%	8.50%	-17.00%	8.21%	7.43%	2.05%	-0.90%	0.21%	1.46%	2.37%	4.07%	4.78%	5.36%
<b>Import</b>	22.23%	21.85%	53.10%	20.47%	13.33%	10.05%	11.39%	10.50%	11.74%	13.13%	12.44%	12.38%	12.15%	11.12%	6.09%	6.39%	8.66%	11.53%	10.80%	9.13%	9.21%	7.94%	8.29%	7.69%	6.66%	6.92%	-12.51%	3.01%	3.56%	-0.51%	-4.81%	-2.99%	-3.18%	-2.44%	-0.78%	0.35%	1.64%
<b>FDI realised</b>	11.89%	10.76%	23.53%	9.68%	7.18%	6.25%	9.76%	8.42%	8.84%	9.22%	6.00%	6.34%	3.13%	9.14%	47.62%	51.76%	6.19%	11.76%	8.15%	8.72%	7.11%	6.31%	7.32%	7.35%	6.79%	6.70%	3.23%	-5.04%	-6.55%	-9.65%	-8.22%	-4.95%	-4.08%	-5.10%	-3.23%	-2.53%	-2.38%
<b>FDI registered</b>	53.53%	41.75%	-36.80%	-24.99%	-42.96%	-37.26%	-30.84%	-4.40%	-3.47%	-4.01%	-7.72%	-8.48%	-16.56%	-13.88%	27.34%	57.76%	30.89%	28.57%	27.09%	-36.26%	-35.56%	-31.20%	-19.86%	-15.15%	-11.38%	-11.83%	318.66%	70.98%	28.85%	32.17%	19.90%	17.53%	21.20%	11.37%	-1.82%	-5.09%	-3.22%
<b>CPI core YoY</b>	1.28%	1.29%	1.18%	1.47%	1.38%	1.33%	1.37%	1.37%	1.41%	1.54%	1.61%	1.67%	1.72%	1.70%	1.83%	1.82%	1.84%	1.88%	1.90%	1.96%	2.04%	1.95%	1.96%	1.99%	2.18%	2.78%	3.25%	2.94%	2.95%	2.71%	2.54%	2.45%	2.31%	2.16%	1.97%	1.88%	1.61%
<b>CPI YoY</b>	2.62%	2.60%	2.65%	3.15%	2.66%	2.75%	3.86%	4.67%	4.46%	3.98%	3.98%	3.89%	3.46%	2.98%	2.56%	2.64%	2.70%	2.93%	2.88%	2.16%	2.44%	2.26%	1.98%	2.24%	3.52%	5.23%	6.43%	5.40%	4.87%	2.93%	2.40%	3.17%	3.39%	3.18%	2.98%	2.47%	1.48%
<b>Credit growth YTD difference</b>	0.78%	-0.01%	-0.84%	-0.40%	-0.87%	-0.53%	-0.58%	-1.15%	-1.48%	-1.82%	-1.88%	-2.56%	-3.41%	-4.35%	0.94%	-0.30%	-0.37%	-0.67%	-0.44%	-0.50%	-0.62%	-0.82%	-0.93%	-1.13%	-1.30%	-0.24%	-1.80%	-0.90%	-1.82%	-3.05%	-3.78%	-3.71%	-3.43%	-3.34%	-3.32%		
<b>Total means of payment YTD difference</b>	-2.31%	-1.48%	-1.30%	0.77%	0.52%	1.83%	2.12%	1.50%	0.31%	-0.44%	-1.51%	-1.07%	-2.89%	-4.46%	1.73%	-0.76%	-1.12%	-2.09%	-1.53%	-1.28%	-0.89%	-0.49%	0.42%	0.24%	0.93%	2.34%	-1.26%	-0.85%	-1.17%	-1.68%	-2.01%	-1.96%	-1.46%	-0.98%	-0.83%		
<b>Interest O/N</b>	0.91	0.81	1.58	2.04	0.77	1.01	1.36	1.09	1.83	3.65	2.99	3.24	4.50	4.40	4.20	4.08	3.51	3.71	3.02	3.06	2.88	2.98	2.56	1.72	2.40	2.92	1.63	2.10	1.97	2.15	1.06	0.22	0.11	0.14	0.10	0.10	0.11

Source: Bloomberg, BSC Research

## MARKET NOVEMBER

**The uptrend extends, the ability to adjust to create a December background**



# MARKET: NOVEMBER 2020 FORECAST

## SCENARIO 1

VN-Index maintained its main position above the threshold of 1,000 points and aimed to conquer the 1,050 threshold. The world markets continue to go up thanks to the positive influence from information about vaccine trials in many countries. The probability of this scenario is not high.

## SCENARIO 2

VN-Index corrects and creates a price base around 970 points if the world market turns to a short-term downtrend and the net withdrawal of foreign investors becomes more negative. This scenario is assessed to be more likely to happen.

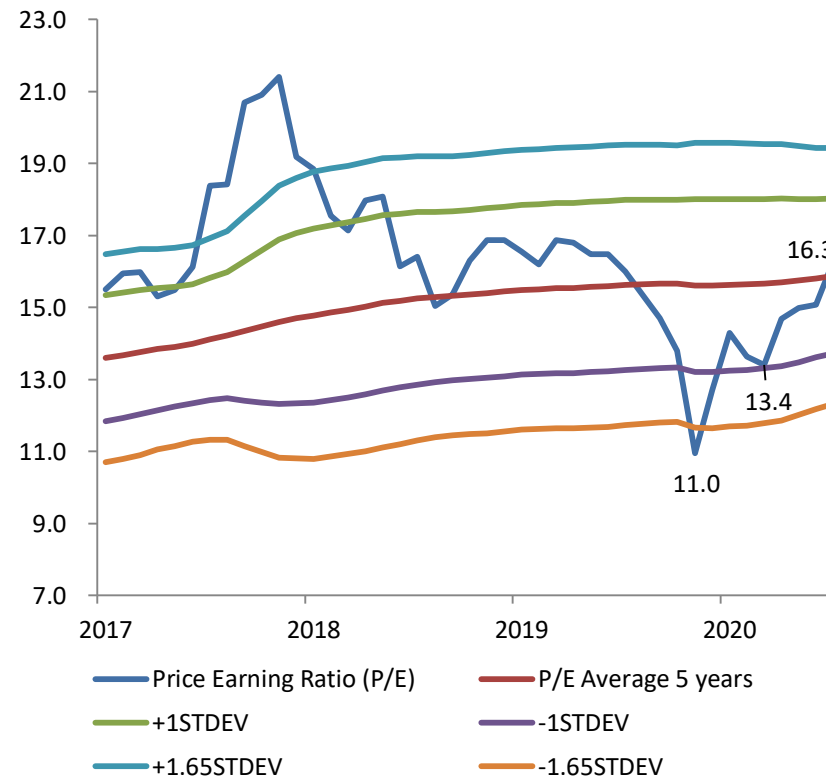


Source: FireAnt, BSC Research

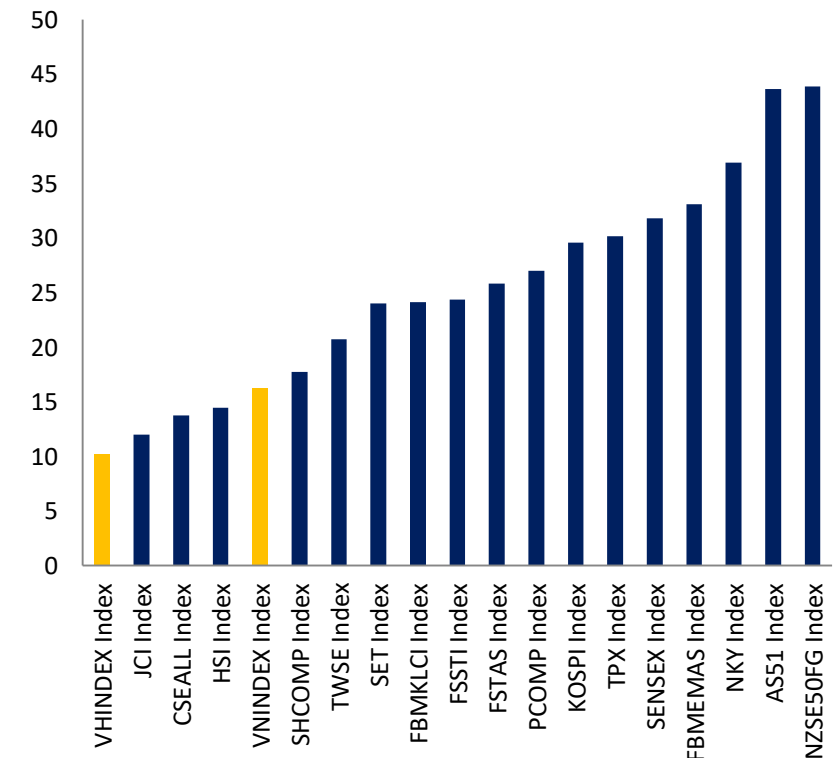
## MARKET: P/E OF VN-INDEX HOLDING ASIA'S 15TH POSITION

- ❖ The VNIndex rose 8.39% while the HNXIndex rose 9.13% in November.
- ❖ P/E at the end of November was at 16.3, up sharply from 15.1 in October, 2.5% higher than the 5-year average P/E (15.9x), though still quite low compared to Asia.
- ❖ P/E VN-Index is expected to decline to 16 in December.

### P/E ratio VNindex



### Vietnam P/E compared to region

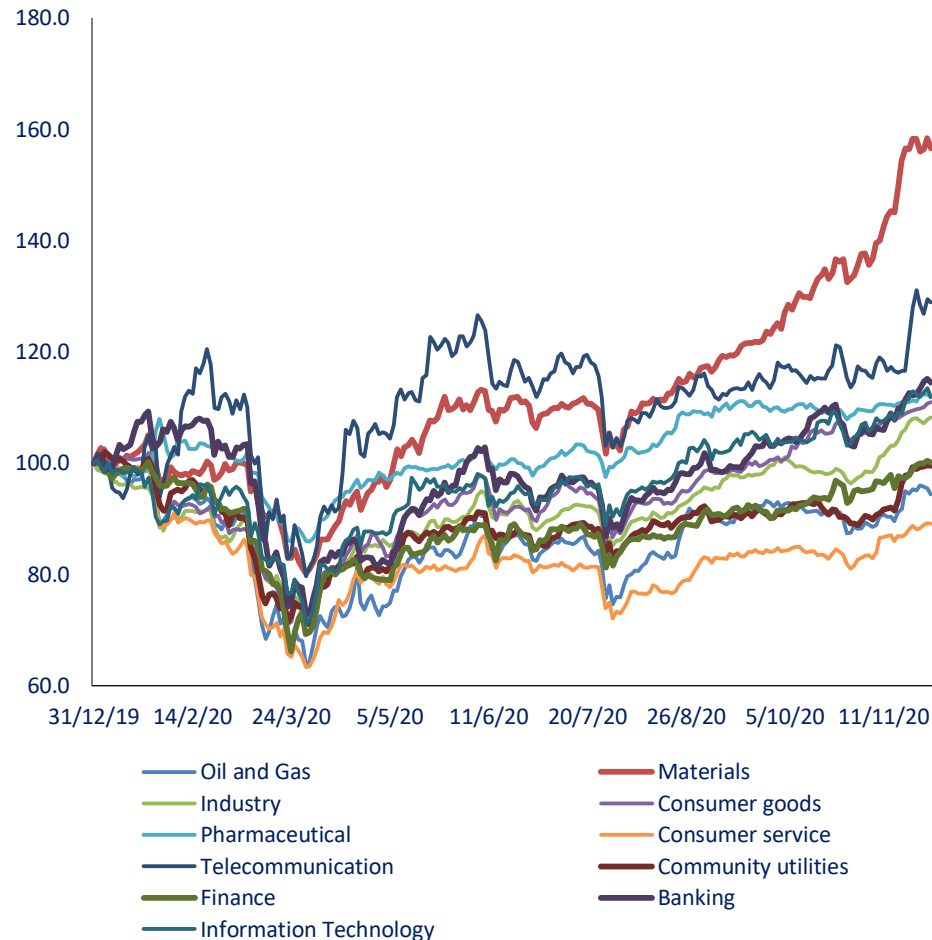


Source: Bloomberg, BSC Research



# MARKET: RAW MATERIALS INDUSTRY INCREASED OUTPERFORM THE MARKET

## INDUSTRY DEVELOPMENT

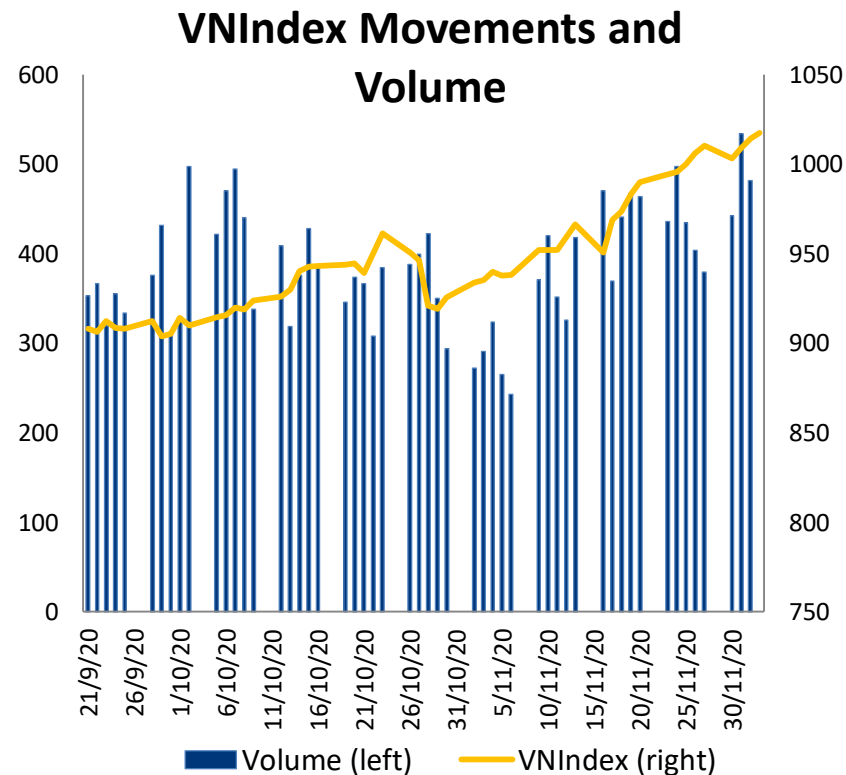


Industry	Change	P/E	± %	P/B	± %
Oil and Gas	-5.6%	-	-100.0%	1.21	-3.7%
Materials	56.6%	17.22	34.8%	1.51	44.9%
Industry	8.1%	16.60	19.2%	1.80	-0.2%
Consumer goods	9.8%	19.46	5.8%	3.07	8.1%
Pharmaceutical	11.8%	13.97	0.9%	1.94	-3.1%
Consumer service	-10.9%	-	-100.0%	3.12	-1.1%
Telecommunication	28.9%	29.62	-22.8%	2.92	11.5%
Community utilities	-0.5%	14.89	11.0%	1.87	-8.5%
Finance	0.0%	17.82	-12.3%	2.32	-10.1%
Banking	14.5%	11.64	-1.6%	1.75	-7.2%
Information Technology	11.8%	13.40	5.5%	2.13	1.9%

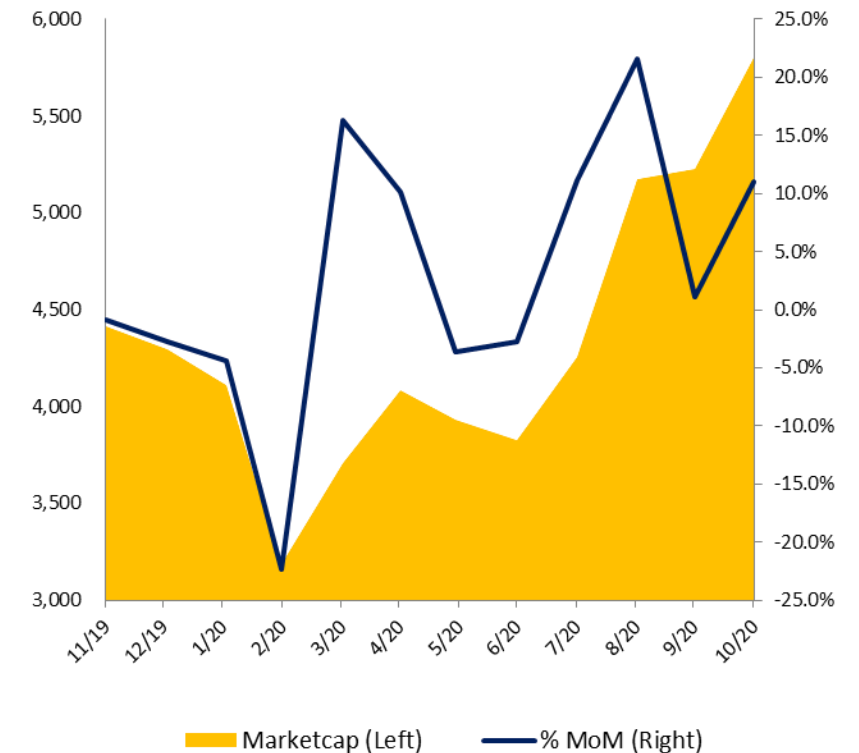
## MARKET: MARKETCAP REACHED 5.8 MIL. BIL. VND

- ❖ Capitalization continued to increase compared to the end of October
- ❖ Market movements went to the end of the mid-term uptrend and moved into correcting status
- ❖ Liquidity tended to increase also reflected the optimistic trading sentiment at the moment
- ❖ With the scenario of VN-Index reaching 970 points by the end of December, market cap is forecasted to decrease by 3% and liquidity will remain stable

### Liquidity tended to increase in November



### Marketcap increased 11% in November

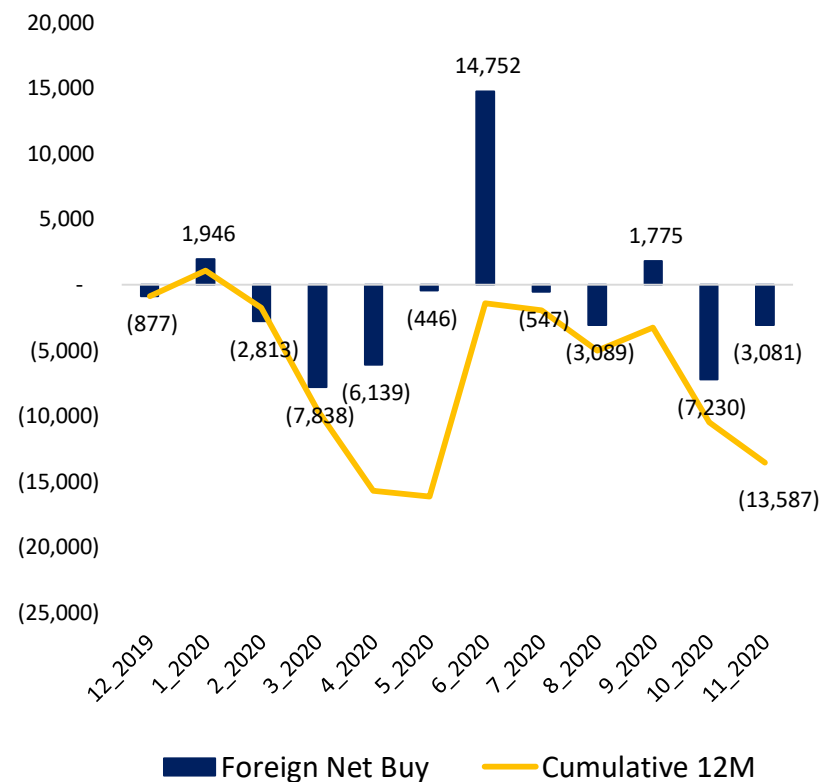


Source: FiinPro, BSC Research

## MARKET : FOREIGN INVESTORS SELL IN NOVEMBER

- ❖ Foreign investors tend to be net buyers again since the middle of the month, which partly affected positively on traders sentiment and made VN-Index maintain the uptrend.
- ❖ Generally, in November, foreign investors net sold 3,081 billion dong, in which MSN continued to be the most net sold code with the value of 1,446 billion dong.
- ❖ Diamond ETFs and E1s are still attracting foreign capital while KIM ETFs are being net withdrawn.
- ❖ The market still has a chance to welcome new cash flows when MSCI Tracking Funds increase the proportion of Vietnam in their portfolios.

### Foreigners net sold a cumulative 13,587 billion in 12M



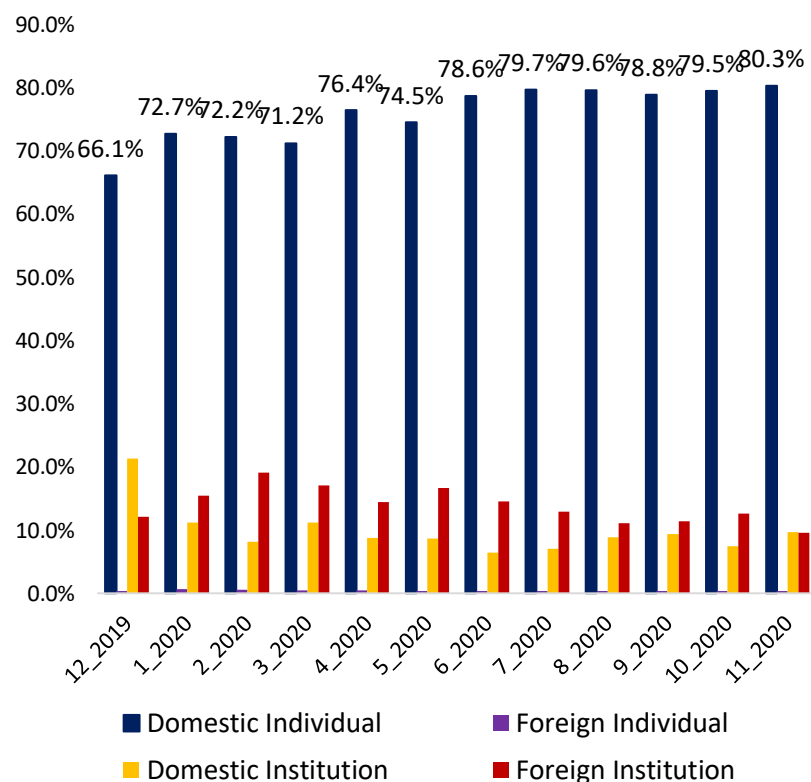
Stock	Value (Billion)	Stock	Value (Billion)
FUEVFNVD	652.65	MSN	(1,446.35)
VJC	557.26	HPG	(1,097.57)
VRE	416.11	HDB	(992.77)
VCB	278.36	CTG	(494.80)
VIC	255.19	KDH	(227.30)
HSG	122.24	POW	(162.74)
HDG	116.86	SSI	(161.53)
DPM	61.26	PLX	(160.67)
SBT	59.68	CII	(154.62)
VNM	57.15	VHM	(138.02)
Net buying and selling value of foreign investors in M11/2020			

Source: FiinPro, BSC Research

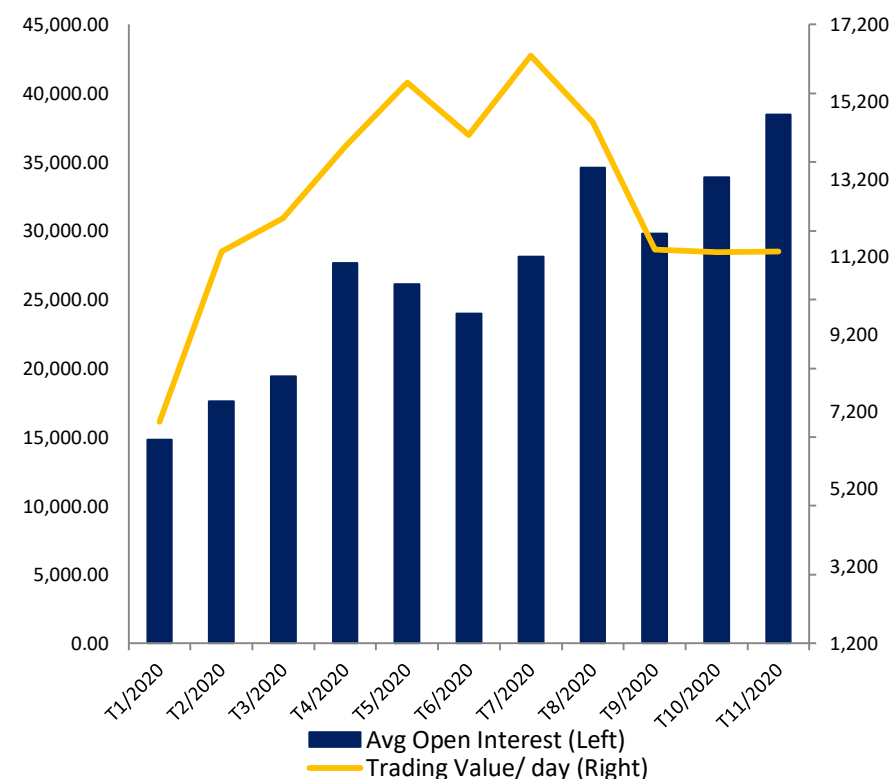
# MARKET: DOMESTIC INVESTORS ARE POSITIVE IN NOVEMBER

- ❖ Domestic investors are still increasing their trading activities.
- ❖ Individual investors in domestic transactions accounted for 80.3% of the market compared with the average level of 75.8% in 1 year.
- ❖ Selling pressure appeared in the area around 1,010 points and liquidity also increased in correcting sessions, showing that the profit taking is taking place more in the traders department.
- ❖ The number of open interest in the futures contract increased but the derivative market's trading value did not differ much from October, showing that traders are still relatively cautious.

## Domestic investors traded more than 4.5% compared to 12M avg



## The number of open interest in futures increases by 13.4% MoM



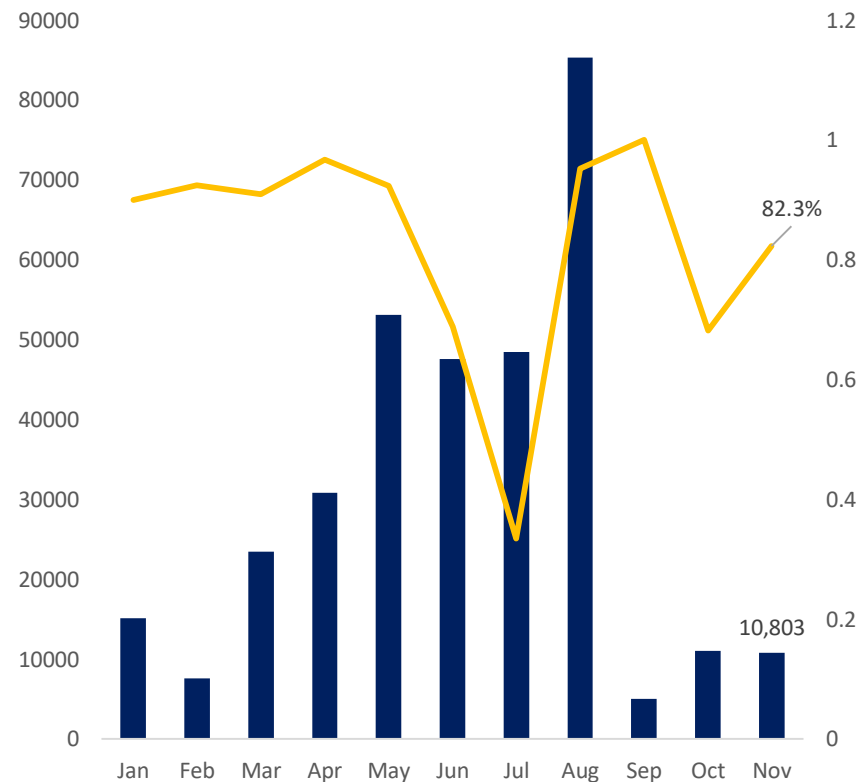
Source: FiinPro, BSC Research



## MARKET: VALUE OF ENTERPRISE BOND ISSUE RECOVERY, REJECTING THE MARKET NEEDS

- ❖ The value of corporate bond issuance reached 10,803 billion, not much different from October.
- ❖ 75 bonds were issued with the ratio of buying / offering increased to 82.3%.
- ❖ The average maturity of the bonds after increasing to 5.1 years in October fell to 4.5 years. Maturity is close to an average of 4.3 years in 11 months.
- ❖ The movement of the corporate bond market in November continued to reflect the real needs of the market.

**The bond buying / offering ratio in November increased again**



2020	Number of bonds issued	Average maturity	Issued value
January	97	4.7	15,128
February	32	3.0	7,572
March	76	5.8	23,423
April	116	4.2	30,772
May	329	3.8	53,131
June	163	3.8	47,569
July	194	4.1	48,411
August	501	3.9	85,343
September	17	3.7	5,035
October	161	5.1	10,976
November	75	4.5	10,803
Total	1,658	4.3	339,872

Source: FiinPro, BSC Research

# FACTORS AFFECTING THE MARKET DECEMBER

Events	Impact to Market
❖ Promote public investment disbursement to support growth	❖ Positive
❖ Market valuations remain at a reasonable level relative to the past and to the region	❖ Help the market to stabilize and establish reasonable price zones
❖ The ETFs announce adjustments and implement a portfolio structure	❖ Increasing market liquidity
❖ Vaccine trials are still underway in many parts of the world	❖ Positive Impact
❖ The risk of recession is high in key countries and regions of the world	❖ Medium-term negative, depending on the speed of economic recovery
❖ Psychology of international investors is stable and minimizes shelter in precious metals such as gold and silver	❖ Increase cash flow
❖ Oil prices fluctuate, along with regional conflicts in the Middle East	❖ Difficult to forecast to stabilize inflation

## INVESTING STRATEGY DECEMBER 2020

- ❖ Investors can reduce the proportion of stocks in the portfolio and wait for corrections to the support area around 970 points to buy back.
- ❖ Consider long-term holding stocks with good profit growth such as Banking, Retail, Real Estate and stocks benefiting from vaccine information such as Petroleum.
- ❖ Be cautious in stock trading decisions when the potential correcting trend dominates in December.
- ❖ Be cautious when trading derivatives, should keep the number of open positions moderate.

# Disclaimer

The information, statements, forecasts and projections contained herein, including any expression of opinion, are based upon sources believed to be reliable but their accuracy completeness or correctness are not guaranteed. Expressions of opinion herein were arrived at after due and careful consideration and they were based upon the best information then known to us, and in our opinion are fair and reasonable in the circumstances prevailing at the time. Expressions of opinion contained herein are subject to change without notice. This document is not, and should not be construed as, an offer or the solicitation of an offer to buy or sell any securities. BSC and other companies in the BSC and/or their officers, directors and employees may have positions and may affect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking services for these companies. This document is for private circulation only and is not for publication in the press or elsewhere. BSC accepts no liability whatsoever for any direct or consequential loss arising from any use of this or its content. The use of any information, statements forecasts and projections contained herein shall be at the sole discretion and risk of the user. No part of this material may be (i) copied, photocopied or duplicated in any form by any mean or (ii) redistributed without the prior written consent of BIDV Securities Company (BSC).

© 2019 BIDV Securities Company, All rights reserved. Unauthorized access is prohibited.

Bloomberg: RESP BSC ResearchV <GO>

**Research Department**  
**hn.ptnc@bsc.com.vn**

**For Institution Customer**  
**hn.tvdt.khtc@bsc.com.vn**

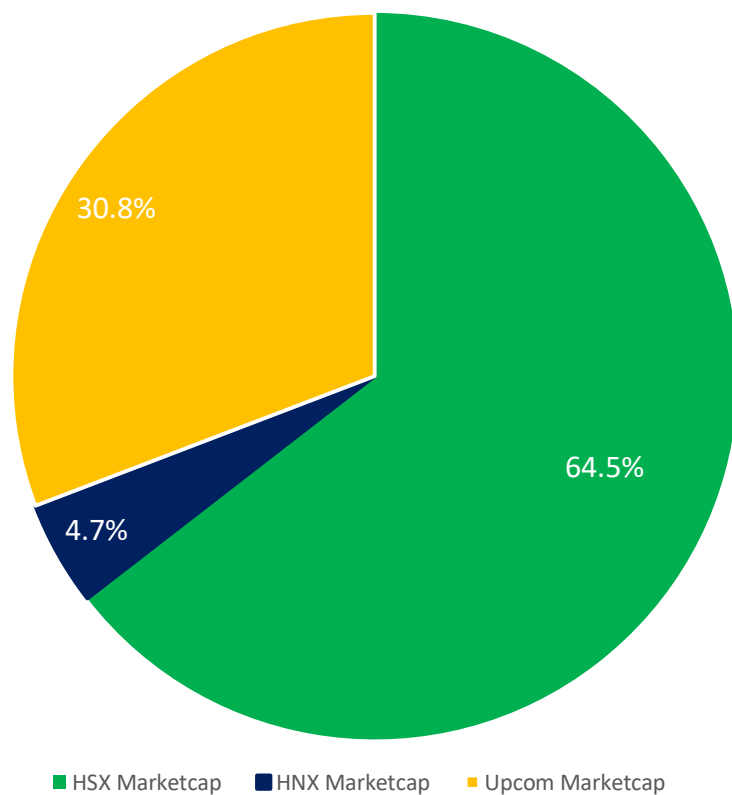
**For Individual Customer**  
**i-center@bsc.com.vn**



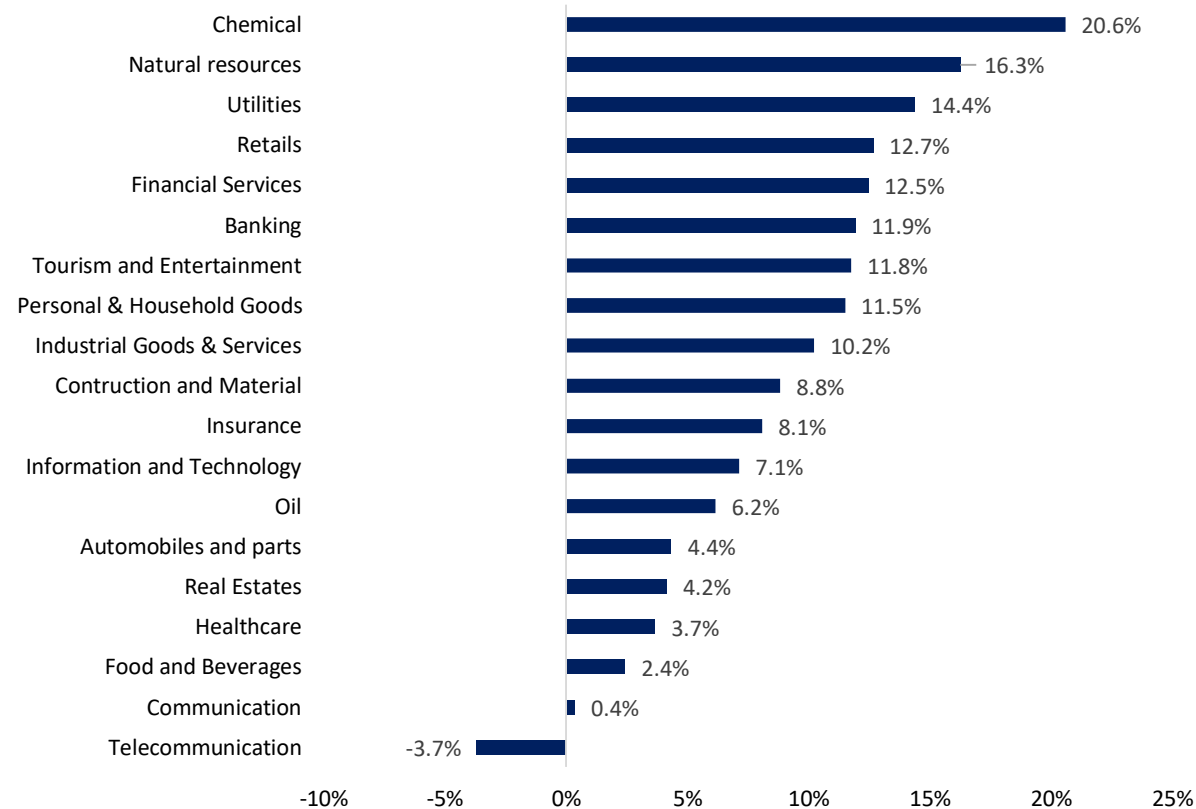


# APPENDIX

## Capitalization structure



## 18/19 sectors increased in November



# APPENDIX

## VN-Index median 1050.37 points, identified by financial institutions

No	Stock	Weight	30/11/2020	Mean	Max	Min	P/E	P/B
1	VIC	9.70%	103,900	106,767	111,000	104,300	38.72	4.05
2	VCB	9.48%	93,000	91,662	115,000	75,140	19.80	3.64
3	VHM	7.67%	82,600	101,886	113,000	93,500	11.91	3.61
4	VNM	6.34%	108,200	127,570	140,000	112,200	22.74	7.75
5	BID	4.63%	41,700	36,476	47,100	18,058	19.38	2.12
6	GAS	4.41%	83,500	79,800	82,200	73,900	17.38	3.38
7	CTG	3.49%	33,500	33,298	40,100	22,689	11.38	1.51
8	SAB	3.41%	191,500	230,875	260,000	206,500	30.21	6.17
9	HPG	3.26%	35,500	36,193	42,335	27,300	10.89	2.13
10	MSN	2.68%	82,000	71,787	95,000	51,000	39.48	4.66
11	TCB	2.33%	24,100	30,313	45,022	25,700	7.32	1.19
12	GVR	2.05%	18,600	19,500	19,500	19,500	24.18	1.63
13	VPB	1.85%	26,800	31,455	63,201	22,500	6.54	1.32
14	VRE	1.82%	28,200	33,994	40,000	28,450	27.93	2.24
15	PLX	1.80%	50,800	53,050	55,700	47,500	73.31	2.98
16	VJC	1.75%	117,500	96,600	117,800	82,200	0.00	4.32
17	NVL	1.65%	60,600	64,338	66,000	62,000	10.34	2.35
18	MBB	1.60%	20,350	24,664	46,326	18,800	6.86	1.24

No	Stock	Weight	30/11/2020	Mean	Max	Min	P/E	P/B
19	MWG	1.45%	116,000	143,970	183,400	104,900	13.62	3.45
20	FPT	1.20%	55,400	66,187	84,300	56,300	13.01	2.87
21	BCM	1.20%	43,850	40,600	40,600	40,600	0.00	2.84
22	BVH	1.13%	55,000	63,125	68,400	58,400	31.65	2.02
23	HVN	1.04%	26,700	21,491	26,472	18,600	0.00	5.47
24	STB	0.80%	14,650	13,190	18,700	4,940	11.50	0.97
25	HDB	0.78%	22,000	24,503	36,469	20,485	8.16	1.60
26	VIB	0.75%	27,600	23,511	25,700	20,833	0.00	1.95
27	POW	0.66%	10,100	13,291	17,457	11,300	14.80	0.84
28	EIB	0.59%	17,200	14,914	17,328	12,500	24.59	1.27
29	TPB	0.53%	22,300	22,037	24,145	19,643	6.21	1.43
30	PNJ	0.48%	77,900	79,307	95,700	65,000	16.77	3.54
31	BHN	0.45%	70,000	70,000			31.80	3.27
32	PDR	0.45%	41,350	40,800			13.93	3.76
33	HNG	0.45%	14,700	14,400			0.00	1.87
34	KDH	0.43%	26,750	29,300	31,500	27,000	12.82	1.91
35	REE	0.42%	48,600	49,852	62,000	44,000	10.43	1.37
	<b>VNIndex</b>	<b>82.72%</b>	<b>1,003.08</b>	<b>911.06</b>	<b>1,050.37</b>	<b>1,228.19</b>	<b>16.79</b>	<b>2.76</b>

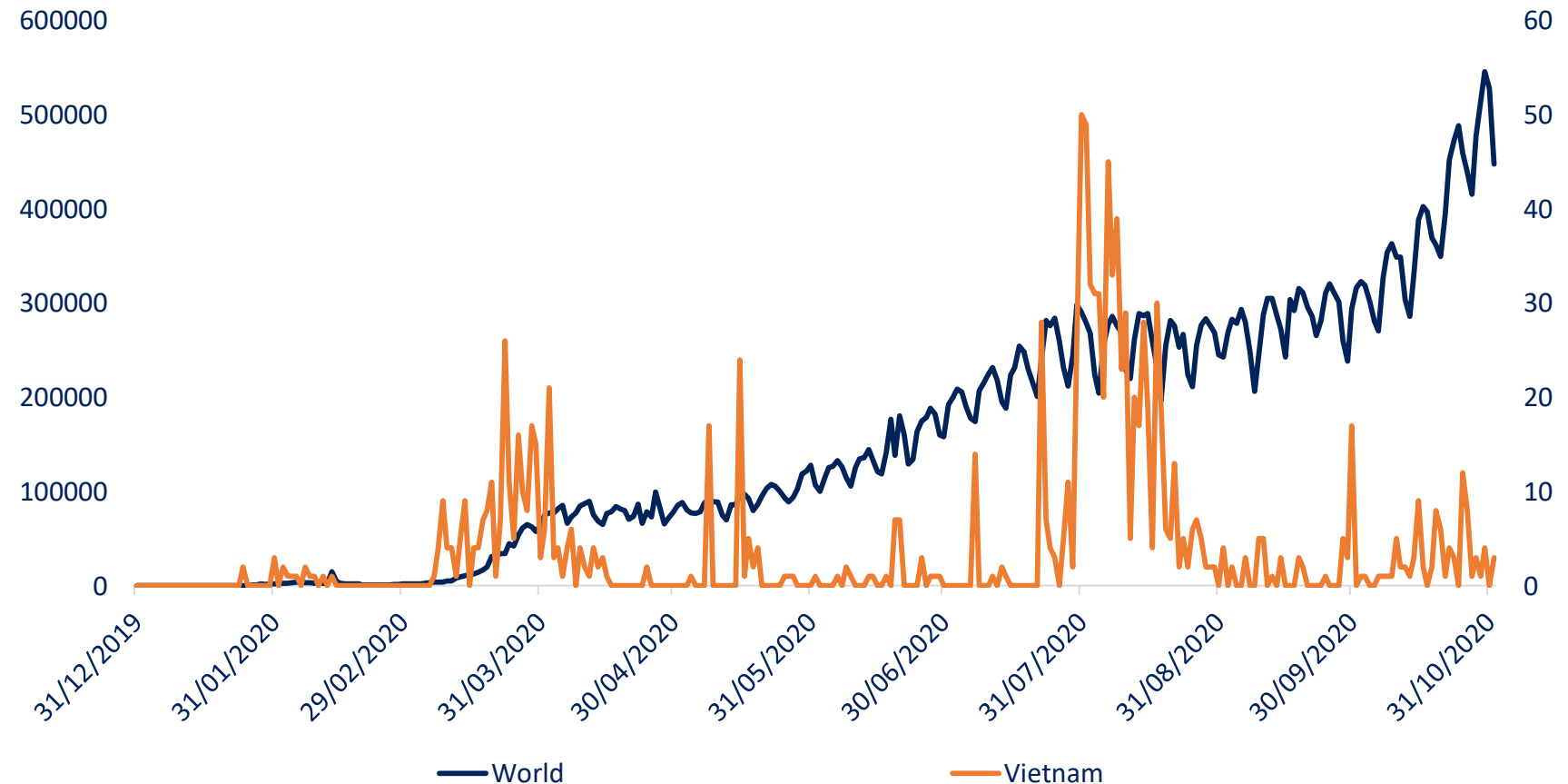
Source: Bloomberg, BSC Research

# Heatmap VNIndex performance by month

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YP (*)
2000							1.55%	13.39%	4.83%	16.68%	19.80%	22.58%	106.83%
2001	18.84%	2.69%	6.70%	19.22%	25.91%	23.75%	-15.56%	-34.34%	-11.87%	6.48%	10.85%	-18.41%	13.81%
2002	-11.83%	-7.93%	4.74%	4.16%	-0.65%	-2.44%	-2.22%	-2.99%	-4.97%	-2.48%	0.15%	3.07%	-22.12%
2003	-5.97%	-4.51%	-11.66%	4.90%	-0.20%	0.02%	-3.91%	-2.47%	-2.38%	-2.23%	20.31%	1.87%	-8.94%
2004	28.38%	21.59%	6.46%	-4.69%	-4.70%	-0.91%	-4.51%	-2.54%	0.35%	-0.26%	-1.30%	4.24%	43.34%
2005	-2.49%	0.76%	4.85%	-0.11%	-0.82%	1.05%	2.65%	0.45%	13.69%	6.25%	1.28%	-1.23%	28.51%
2006	1.57%	25.08%	28.90%	18.25%	-9.50%	-4.33%	-18.07%	16.28%	7.24%	-2.88%	23.75%	18.75%	144.48%
2007	38.52%	9.25%	-5.83%	-13.76%	17.06%	-5.25%	-11.39%	0.05%	15.25%	1.74%	-8.71%	-4.66%	23.31%
2008	-8.94%	-21.42%	-22.08%	1.07%	-20.73%	-3.55%	13.01%	19.44%	-15.28%	-24.01%	-9.31%	0.28%	-65.95%
2009	-3.93%	-18.95%	14.21%	14.59%	27.99%	8.90%	4.12%	17.14%	6.24%	1.07%	-14.14%	-1.85%	56.76%
2010	-2.59%	3.10%	0.47%	8.64%	-6.44%	-0.06%	-2.61%	-7.86%	-0.12%	-0.42%	-0.23%	7.32%	-2.04%
2011	5.35%	-9.64%	-0.05%	4.11%	-12.23%	2.65%	-6.21%	4.69%	0.68%	-1.59%	-9.53%	-7.65%	-27.46%
2012	10.36%	9.19%	4.10%	7.42%	-9.41%	-1.59%	-1.87%	-4.45%	-0.87%	-1.06%	-2.73%	9.50%	17.69%
2013	15.97%	-1.09%	3.47%	-3.37%	9.25%	-7.19%	2.23%	-3.89%	4.22%	0.97%	2.08%	-0.62%	21.97%
2014	10.28%	5.38%	0.87%	-2.29%	-2.76%	2.87%	3.10%	6.81%	-5.95%	0.34%	-5.70%	-3.70%	8.12%
2015	5.58%	2.86%	-6.99%	2.04%	1.27%	4.12%	4.72%	-9.07%	-0.37%	7.95%	-5.63%	1.02%	6.12%
2016	-5.83%	2.59%	0.33%	6.62%	3.35%	2.23%	3.16%	3.43%	1.65%	-1.45%	-1.59%	-0.03%	14.82%
2017	4.87%	1.94%	1.62%	-0.63%	2.80%	5.24%	0.91%	-0.10%	2.77%	4.08%	13.45%	3.61%	48.03%
2018	12.81%	1.01%	4.72%	-10.58%	-7.52%	-1.08%	-0.46%	3.47%	2.79%	-10.06%	1.29%	-3.67%	-9.32%
2019	2.03%	6.02%	1.58%	-0.11%	-2.02%	-1.04%	4.39%	-0.77%	1.27%	0.23%	-2.81%	-1.01%	7.67%
2020	-2.54%	-5.81%	-24.90%	16.09%	12.40%	-4.55%	-3.24%	10.43%	2.67%	2.24%	8.39%		4.38%
Average	5.52%	1.11%	0.58%	3.58%	1.15%	0.94%	-1.44%	1.29%	1.04%	0.08%	1.89%	1.47%	11.63%

## APPENDIX: COVID-19 EPIDEMIC INCREASES AGAIN IN THE WORLD WHEN EUROPE AND AMERICA ENTERING THE COLD SEASON

### Disease history of COVID-19 (number of new cases by day)



Source: WHO, BSC Research

- ❖ **WORLD:** There were 46,156,540 cases in the world on 11/01/2020. The rate of infection is strongly increasing again in the world as European countries (France, Spain, UK, Poland and the Netherlands) are facing the second outbreak of COVID-19.
- ❖ **VIETNAM:** There were 1,180 cases of COVID-19 on November 1, 2020. The COVID-19 epidemic has entered a controlled phase. All new cases are the number of foreign visitors to Vietnam.
- ❖ **COVID-19 VACCINE:** 8/24 has entered phase III testing. Sputnik V (Russia) and AZD122 (United States) vaccine will be put into use on a large scale in October and November. (Appendix 01)

# APPENDIX: COVID-19 VACCINE

Vaccine name	Nation	Producer	Phase (Participants)	Completed Phase (Participants)	Location	Time
AZD1222	United State	University of Oxford, AstraZeneca	Phase III (30,000)	Phase I-II (543)	20 loactions in United Kingdom, São Paulo	05/2020 – 08/ 2021
Unnamed*	China	Sinopharm	Phase III (45,000)	Phase I-II (320)	Jiaozuo, Abu Dhabi	07/2020 – 07/2021
Ad5-nCoV*	China		Phase III (40,000)	Phase II (508)	Wu Han, China	03/2020 – 12/2020
					Pakistan	09/2020 – 12/2021
CoronaVac	China	Sinovac, Instituto Butantan	Phase III (10,490)	Phase II (600)	2 locations in China , 12 location in Brazil	07/2020 –10/ 2021
					Bandung, Indonesia	08/2020 – 01/2021
BNT162 a1, b1, b2, c2*	Germany	BioNTech,	Phase III (30,000)[101]	Phase I-II (60)	62 location United State,Germany	04/2020 – 05/2021
mRNA-1273	United State	Moderna	Phase III (30,000)	Phase I (45)	89 location United State,	Jul/2020 – 10/2022
Gam-COVID-Vac (Sputnik V)	Russia	Gamaleya Research Institut	Phase III (40,000)	Phase I-II (76)	Moscow	08/2020 – 05/2021
					291 location in United State, Argentina, Brazil,	
Ad26.COVS.2	United State	Johnson and Johnson và Janssen	Phase III (60,000)	Phase I-II (1,045)	Chile, Colombia, Mexico, Peru, Philippines, Nam Phi and Ukraine	07/2020 – 2023
Không tên	China	United Kingdomui Zhifei Longcom Biopharmaceutical	Phase II (900)	Phase I (50)	Chong quing	06/2020 – 09/2021
CVnCoV	Germany	CureVac, CEPI	Phase II (691)	Phase I (168)	Ghent, 3 loaction in Germany	06/2020 – 08/2021
NVX-CoV2373	United State	Novavax	Phase II (131)	Phase I (131)	2 locqaqtion in Australia	05/2020 – 07/2021
INO-4800	Korea	Inovio, CEPI	Phase I-II (40)		3 locations in United State, Seoul	04/2020 – 11/2020
Không tên	China	Chinese Academy of Medical Sciences	Phase I-II (942)		Cheng Du	06/2020 – 09/ 2021
AG0301-COVID-19	Japan	Osaka University, Angas, and Takara Bio.	Phase I-II (30)		Osaka	06/2020 – 07/2021
Lunar-COV19/ARCT-021	United State	Arcturus Therapeutics	Phase I-II (92)		SiRussiapore	08/ 2020 – ?
COVID-19/aAPC	China	Shenzhen Genoimmune Medical Institute	Phase I (100)		Shen Zhen	03/2020 – 2023
LV-SMENP-DC[129]	China	Shenzhen Genoimmune Medical Institute[	Phase I (100)		Shen Zhen	03/2020 – 2023
LNP-nCoVsaRNA[130]	United Kingdom	Imperial College London	Phase I (105)		4 in the UK	06/2020 – 07/2021
GX-19	Korea	Genexine consortium, International Vaccine Institute	Phase I (40)		Seoul	6/2020 – 06/2022
SCB-2019	China	Clover Biopharmaceuticals,GSK	Phase I (150)		Perth	06/2020 – 03/2021
COVAX-19	Australia	Vaxine Pty Ltd	Phase I (40)		Adelaide	06/2020 – 07/2021
Không tên	China	Walvax Biotech	Phase I (168)		2 in China	06/2020 – 12/2021
Unnamed	Canada and Quebec	Medicago governments of Canada and Quebec)	Phase I (180)		2 in Canada	07/2020 – 04/2021
SARS-CoV-2 Sclamp	Many organizations	UQ, Syneos Health, CEPI, Seqirus	Phase I (120)		Brisbane	07/2020 – 10/2020

\*: COVID-19 Vaccine approved by EU or China

Source: BSC Research collected

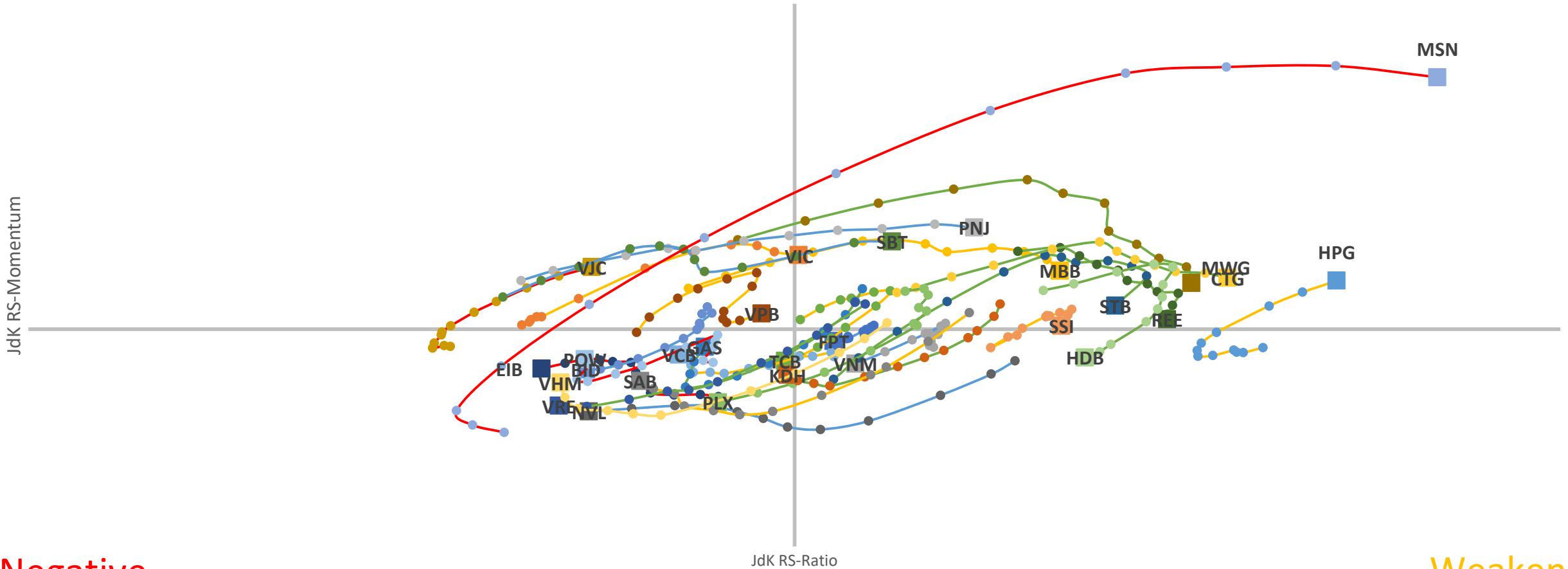


# Appendix: Market movement

Recover

Ma trận tương quan cổ phiếu thuộc VN30 vs. VN-Index

Positive



Negative

Weaken

Note: stocks in the corner:

- **Positive** → recommended in the buy list
- **Weaken** → should be on watch list for a downward correction
- **Negative** → should be on the avoid list
- **Recover** → should be on the watchlist for a boost run

Source: Bloomberg, BSC Research