



# MACRO MARKET JANUARY

**Opportunities and challenges in  
COVID-19 third wave**



## MACROECONOMICS IN 1/2021

- 01 Manufacturing recovered, service industry slightly declined
- 02 Diseases have negative effects in the short term
- 03 Retail industry recovered
- 04 Public investment is expected to be a turning point in the Covid-19 pandemic
- 05 Import and export grew strongly in January
- 06 Negative growth inflation
- 07 Liquidity in interbank transactions maintained increased movement
- 08 The value of the dollar increased in January

## MARKET IN 1/2021

- 09 Forecast for February 2021
- 10 P / E of VNIndex fell to 17th position in Asia
- 11 7/11 level I industries decline in January
- 12 Market capitalization of 3 exchanges fell to VND 4.96 million VND
- 13 Foreign investors reduced their net selling in January
- 14 Foreign investors actively traded derivatives in January
- 15 Value of corporate bond issue decreased
- 16 Factors affecting the market in February
- 17 Investment strategy in February 2021

## Appendix

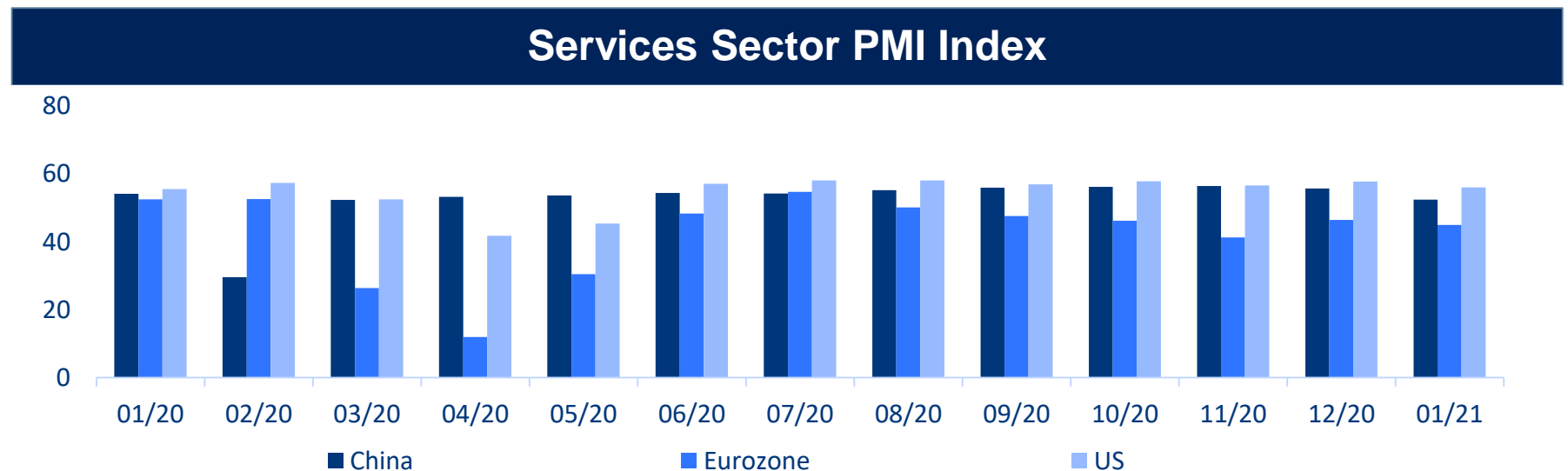
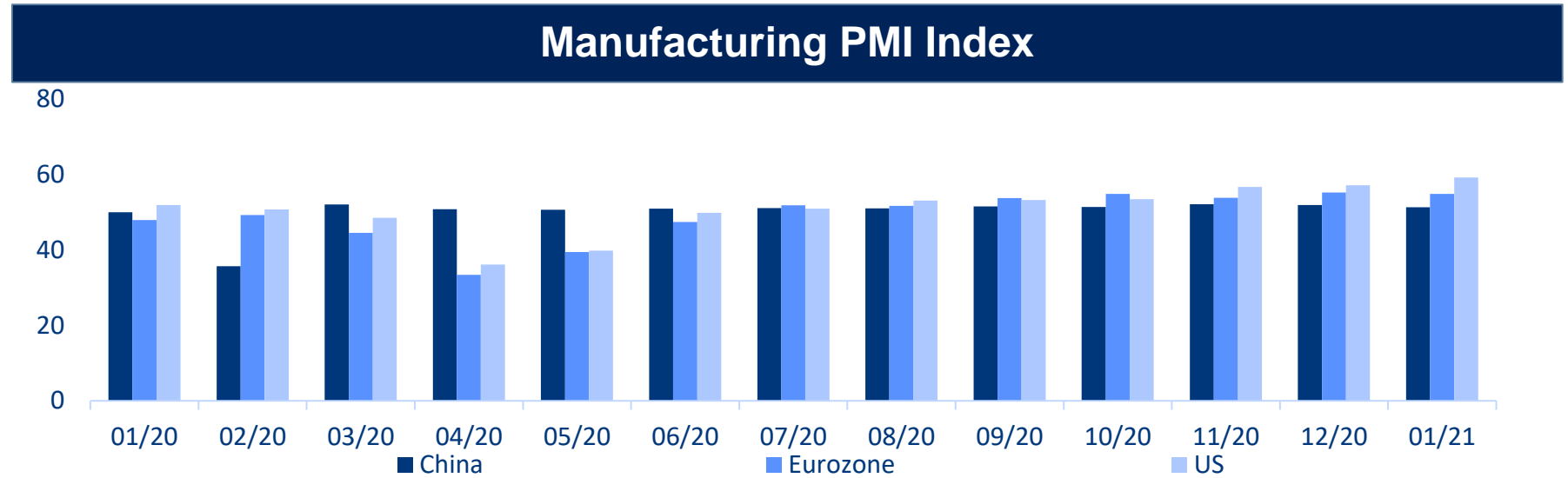


# MACRO JANUARY COVID-19 third wave



- ❖ **Manufacturing PMI Index:** US, EU and China continued to have positive growth.
- ❖ **Service PMI:** All 3 economies experienced a slight decline due to the 3rd wave COVID-19 epidemic outbreak with a new strain from the UK.
- ❖ **Global economic growth** is still being contributed mainly from the group of manufacturing and processing industries. The service sector in Q1/2021 is expected to continue to be negatively affected by the COVID-19 recurrence.
- ❖ By the end of 2020, the impact of the COVID-19 epidemic has caused these countries achieve the lowest economic growth rate in the last three years (appendix). The economic growth rate of 2021 will depend on the control of COVID-19 and progress of vaccine delivery in key economies.

## MACRO: MANUFACTURING INDUSTRY RECOVERED, SERVICES INDUSTRY DISCOVERED

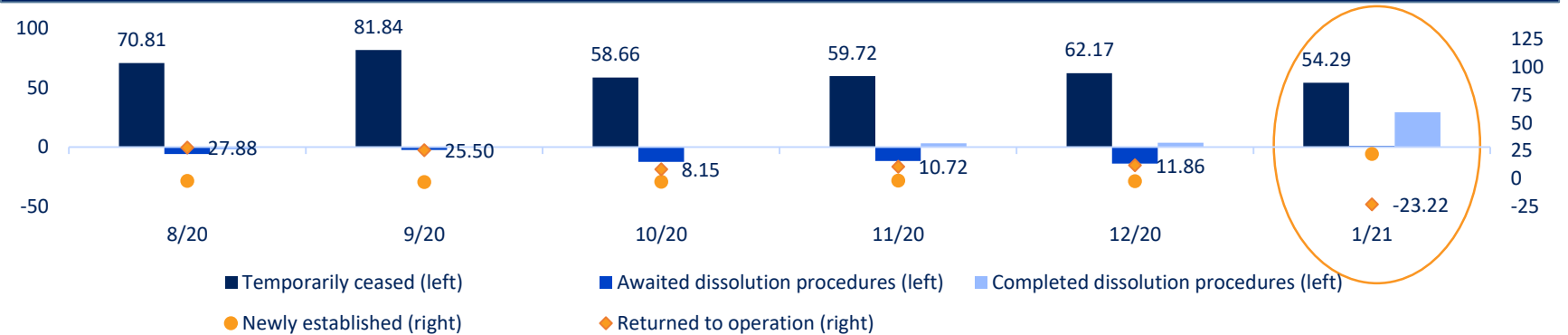


Source: Bloomberg, BSC Research

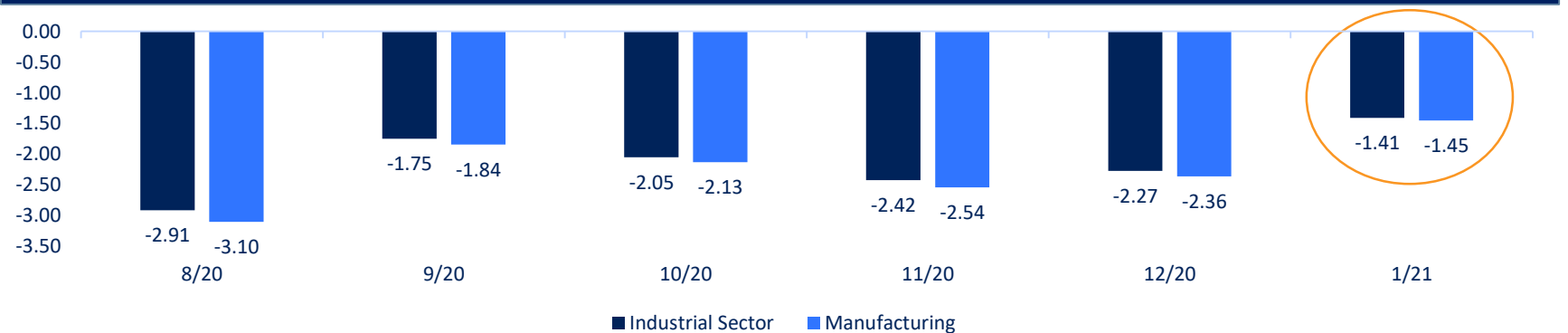
- ❖ The outbreak of disease once again has a negative impact on Vietnam's economic recovery prospects in 2021. However, pre-controlled the epidemic, in 2020, demonstrate effective epidemic control capacity. Diseases have the potential to have a negative impact in the short term, contributing to speeding up the restructuring process in the long term.
- ❖ The number of businesses stopping business increased + 54.3% (industry + 45.7%, services + 57.7%). At the same time, the number of businesses returning to operation increased by 10.72% (industry + 7.41%, services + 12.41%). Labor situation decreased -2.42% (processing, manufacturing - 2.54%).
- ❖ GDP is likely to increase by 6.31-7.00% with the baseline scenario (refer to report link), 5.94% if the disease becomes negative.

## MACRO: EPIDEMICS HAVE SHORT\_TERM NEGATIVE IMPACTS

### Corporate registration YTD YoY%



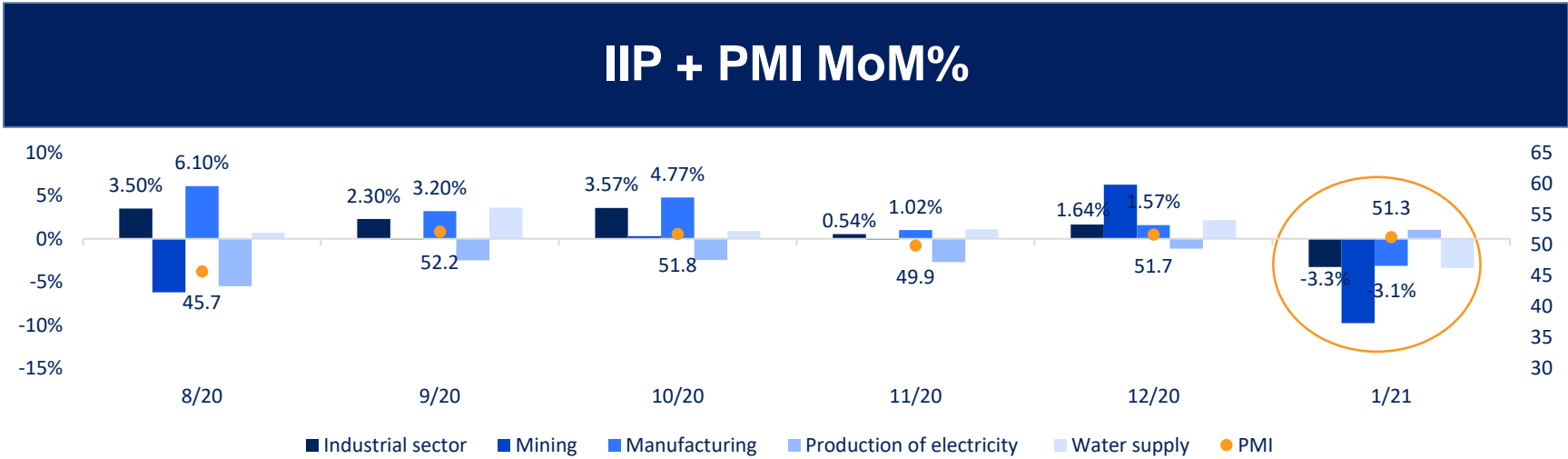
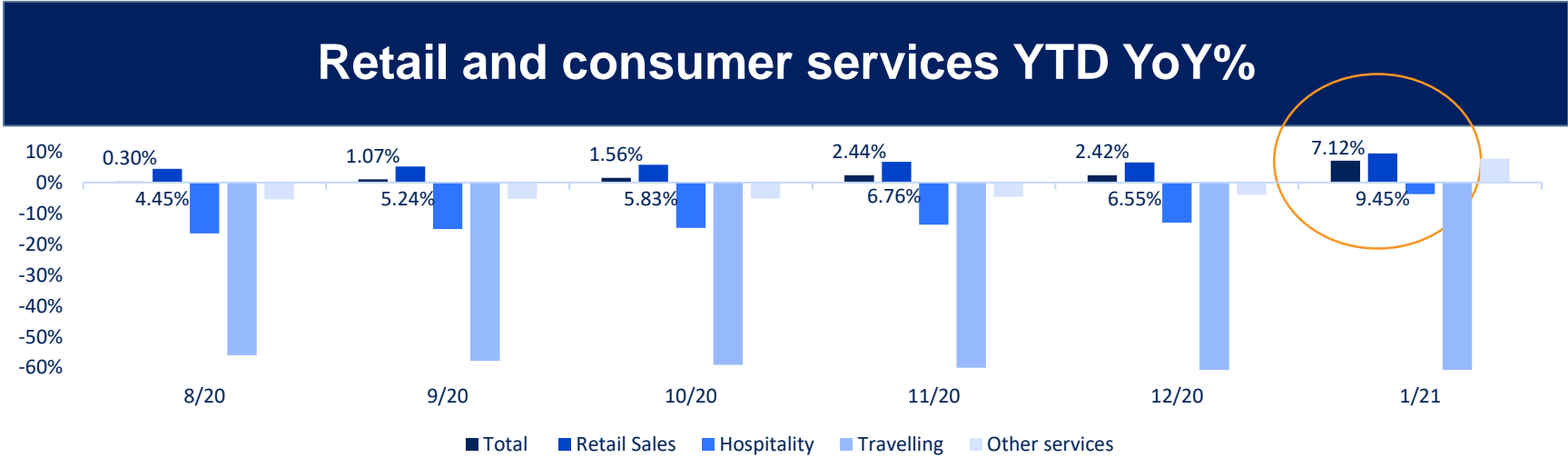
### Industry employment situation YoY%



Source: Fiinpro, GSO, BSC Research

- ❖ Disease breaks out at the end of the month, minimizing the impact on consumption activities. Trade and service continued to show positive recovery and maintained growth of +9.4% and 7.8%, respectively.
- ❖ The Covid-19 vaccine is widely distributed in partner areas. However, the new strain of Covid-19 which spreads rapidly continues to negatively impact production and consumption demand in the short term. Scarcity of input materials and containers could disrupt supply chains in the short term. Production index -3.3% (Processing and manufacturing -3.1%). PMI decreased slightly to 51.3 points in January.

# MACRO: RETAIL INDUSTRY RECOVERED



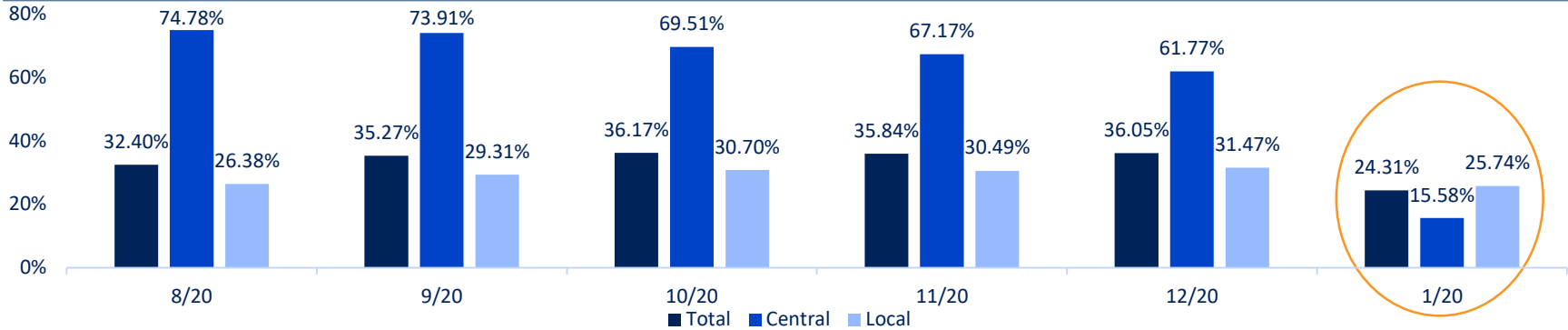
Source: Fiinpro, BSC Research

❖ In the first month of 2021, disbursement stopped at a moderate level + 24.3% (equivalent to 5.1% of the plan in 2021). However, when the disease is back, the state budget disbursement is expected to remain at a high level, estimated at VND 487,376 billion (equal to 102.1% of the estimate of 2021). The fiscal policy orientation is likely to continue in an loosened state until 2021.

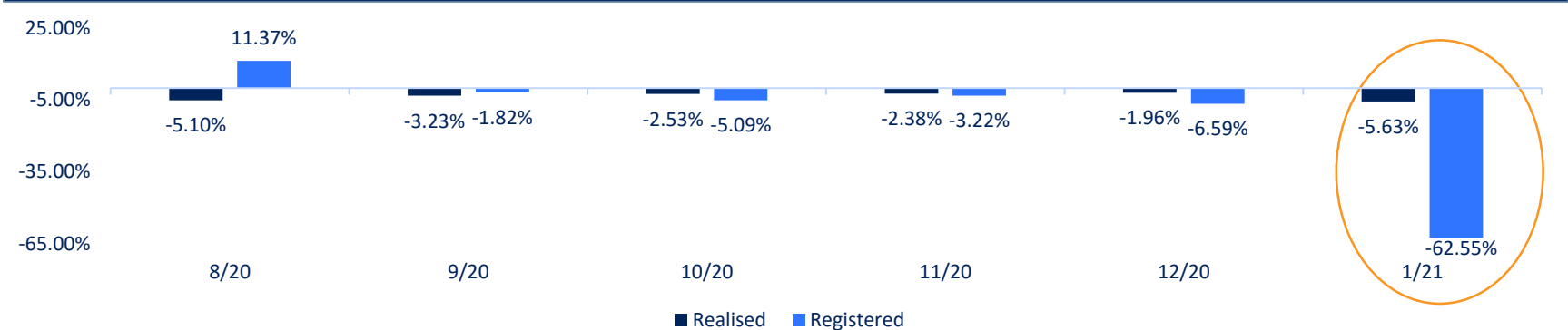
❖ As of the end of January, realized FDI was estimated to decrease -5.6%. Registered FDI decreased -62.5%, due to the absence of billion USD projects such as the liquefied gas power plant in Bac Lieu. Positive adjusted capital + 41.4%. If the disease is effectively controlled, FDI could reach \$ 22.9 billion (+ 8.54%) in 2021.

# MACRO: PUBLIC INVESTMENT IS EXPECTED TO BE A TURNING POINT IN THE COVID-19 PANDEMIC

Disbursement of state budget capital YTD YoY%



FDI YTD YoY%

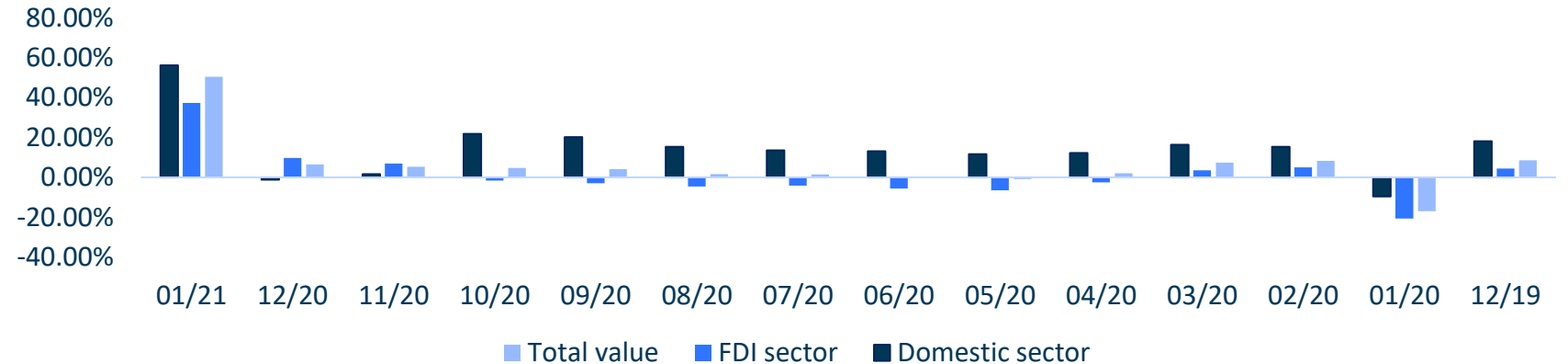


Source: Fiinpro, BSC Research

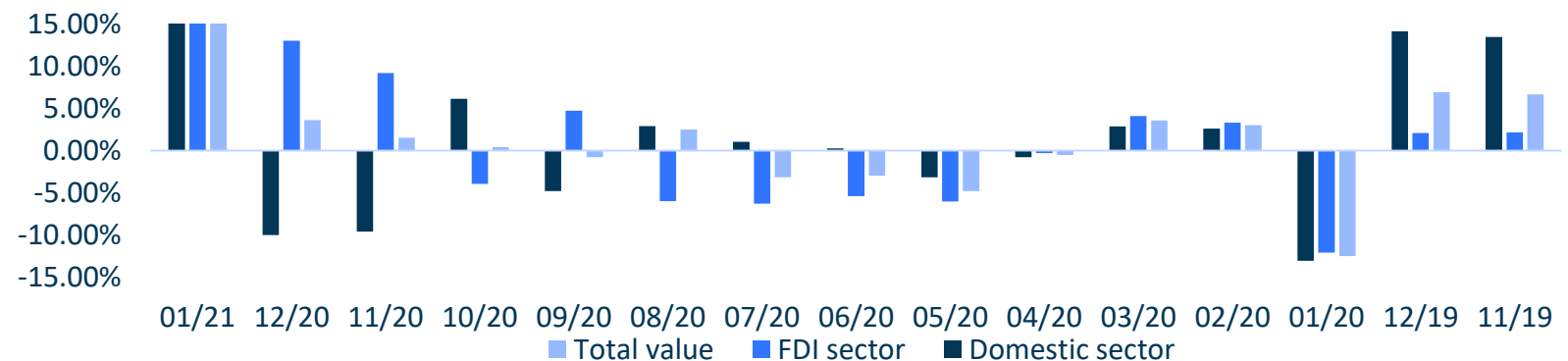
- ❖ Accumulated in January, exports increased by + 50.5% compared with the same period in 2019 while imports grew by 41.0% YoY. Strong growth results compared to the same period last year due to last year's Tet holiday fell in January.
- ❖ Import and export growth was mainly due to computers, electronic products and Machinery, equipment, tools and spare parts.
- ❖ Import and export in February will decrease sharply compared with the same period last year due to the influence of the Chinese New Year. The situation of import and export in Q1 could be negatively affected by the 3rd COVID-19 epidemic. If the government succeeds in controlling COVID-19, BSC estimates that exports could increase + 8.7% YoY while import increases by + 9.1% YoY in 2021.

## MACRO: IMPORT AND EXPORT GREW STRONGLY IN JANUARY

### Exports in 1 month 2021 YoY%



### Imports in 1 month 2021 YoY%



Source: GSO, BSC Research

# EXPORT AND EXPORT PERFORMANCE: IMPORT AND EXPORT GROWTH FROM 3 MAIN GOODS GROUPS

Export	%	12/19	01/20	02/20	03/20	04/20	05/20	06/20	07/20	08/20	09/20	10/20	11/20	12/20	01/21
Total Value (Month)	100%	7.43%	-17.00%	49.97%	5.93%	-13.98%	-12.41%	5.31%	8.24%	7.02%	16.29%	12.49%	8.81%	22.57%	51.17%
Phone types and accessories	20%	-0.71%	-18.07%	40.70%	-1.28%	-35.57%	-21.11%	-3.49%	7.33%	-9.55%	-4.04%	3.48%	4.48%	61.35%	115.18%
Computers, electronic products and components	15%	50.27%	12.63%	54.90%	30.56%	17.90%	16.32%	32.85%	33.77%	17.63%	28.27%	20.68%	16.22%	21.48%	50.19%
Textile products	10%	7.33%	-25.01%	70.76%	-7.70%	-31.31%	-31.70%	-9.66%	-7.77%	-12.02%	1.34%	-4.69%	-22.54%	-4.74%	5.25%
Other machinery, equipment, tools and spare parts	10%	27.57%	-8.93%	74.67%	32.41%	23.39%	14.57%	35.26%	49.04%	64.27%	74.21%	71.01%	55.11%	80.20%	115.44%
Others	5%	22.60%	-16.99%	43.24%	9.74%	9.81%	10.46%	43.97%	36.69%	16.38%	30.58%	26.04%	22.03%	13.97%	51.07%
Import	%	12/19	01/20	02/20	03/20	04/20	05/20	06/20	07/20	08/20	09/20	10/20	11/20	12/20	01/21
Total Import value	100%	9.08%	-12.51%	26.61%	4.71%	-11.77%	-21.64%	6.25%	-3.66%	1.19%	11.29%	8.70%	13.41%	25.12%	42.47%
Computers, electronic products and components	20%	19.50%	7.23%	33.18%	14.56%	-4.07%	0.94%	34.42%	18.80%	21.69%	33.91%	39.88%	39.57%	48.43%	29.95%
Other machinery, equipment, tools and spare parts	14%	17.99%	-17.29%	15.18%	-0.26%	-0.87%	-21.31%	5.08%	-0.73%	0.22%	16.17%	4.73%	5.81%	13.97%	45.26%
Phone types and accessories	6%	-14.15%	-1.63%	41.30%	23.59%	-23.13%	-27.99%	8.18%	-17.34%	-6.41%	12.77%	28.26%	66.27%	23.84%	128.36%
Fabrics of all kinds	5%	8.87%	-26.55%	12.67%	-1.30%	-23.45%	-32.21%	-9.48%	-12.19%	-8.69%	-3.26%	-9.45%	-6.41%	66.49%	35.2%
Others	5%	12.89%	-11.31%	51.71%	16.70%	1.97%	-13.50%	12.50%	9.36%	14.61%	23.25%	18.03%	-0.40%	7.08%	45.03%

Source: FiinPro, BSC Research

❖ CPI in January 2020 decreased by -0.97% YoY, mainly due to the decline of both food and transportation groups compared with the same period last year:

✓ The price of pork fluctuates at 80,000 VND / kg.

✓ Oil prices fluctuate around 54-55 USD / barrel.

❖ CPI in the first quarter of 2021 is estimated to increase from 0.5% -0.8% YoY at the end of March 2021 based on assumptions :

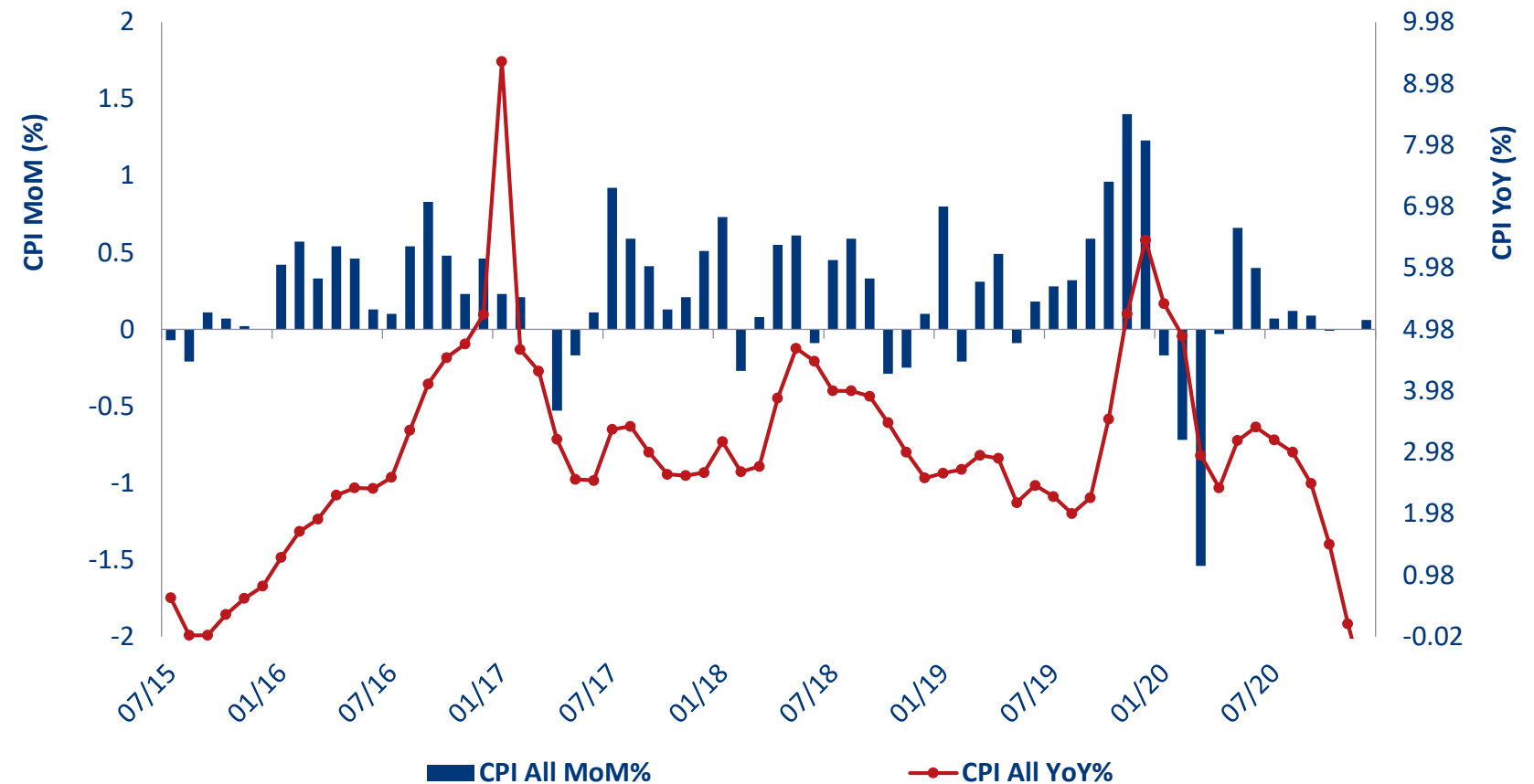
✓ (1) The price of pork fluctuates at 65,000-70,000 VND / kg.

✓ (2) Brent oil price fluctuated in the range of 50-55 USD / barrel in the first quarter.

❖ The decline in pork prices in Q1 2021 will be offset by the rebound in Brent oil prices.

## MACRO: NEGATIVE GROWTH INFLATION

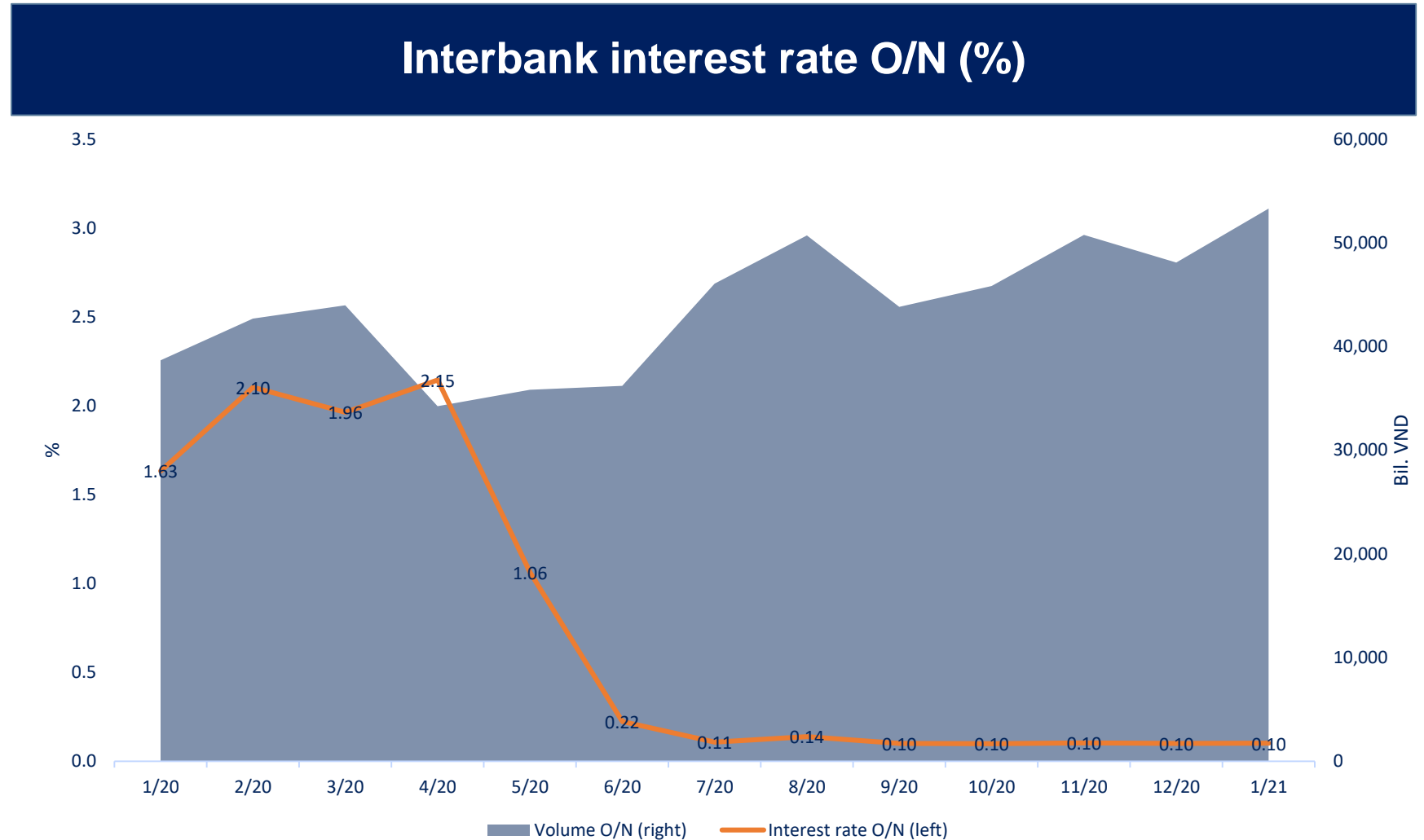
### Inflation



Source: Bloomberg, BSC Research

## MACRO: LIQUIDITY IN INTERBANK TRANSACTIONS MAINTAINED INCREASED MOVEMENT

- ❖ Interbank interest rate O / N remained low around 0.10%. At the same time, trading volume increased during the month, averaging 53.3 trillion dong / session. This shows that, both credit supply and demand are likely to increase during the month, as spending increases gradually during the Lunar New Year.
- ❖ CPI dropped -1.0% YoY in January. In the context that consumer demand is likely to decline due to disease impacts, and the fact that CPI remains at a high level in early 2020, the State Bank will likely cut the executive rate one more time in the first quarter of 2021.

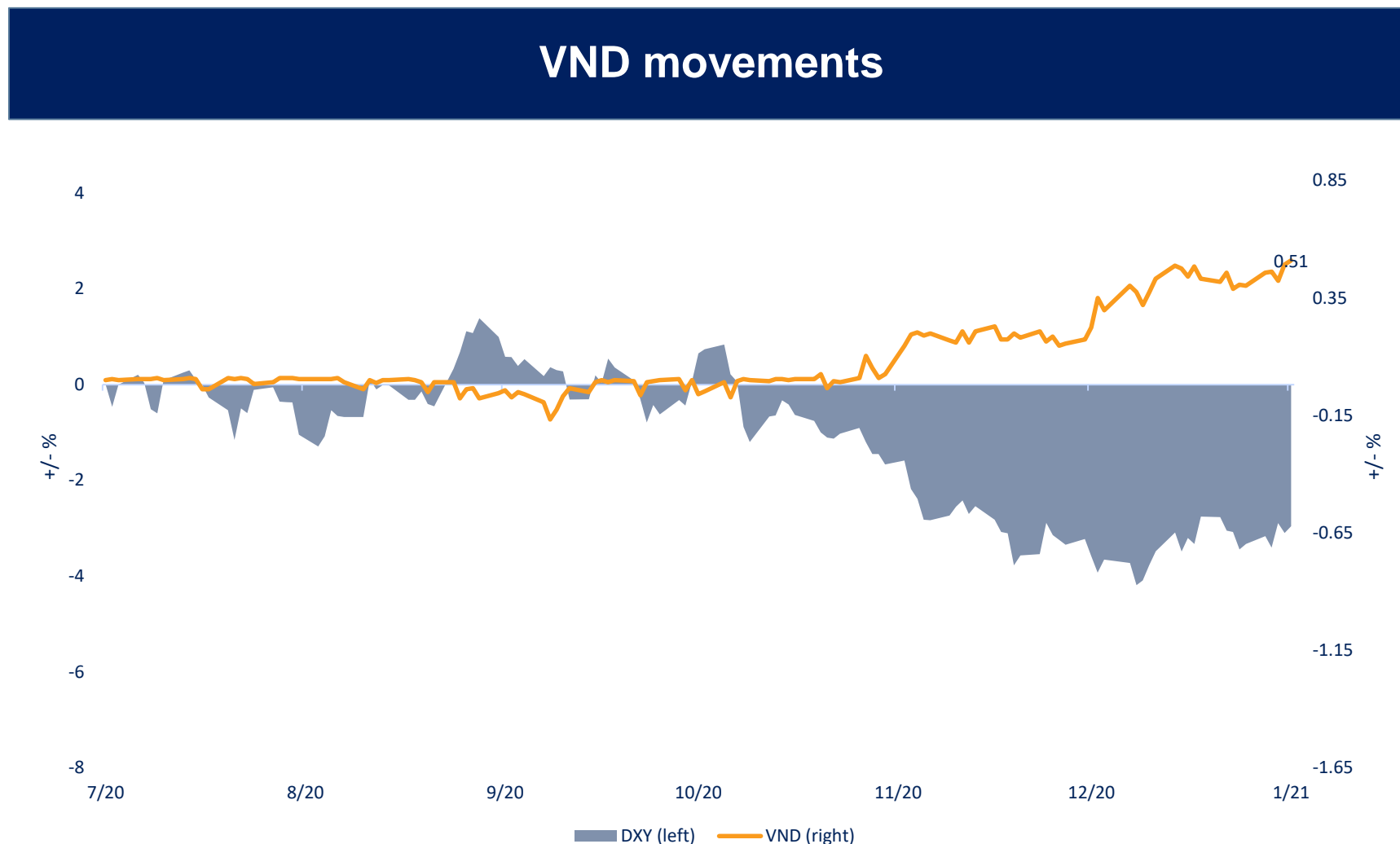


Source: Bloomberg, BSC Research

## MACRO: THE VALUE OF THE DOLLAR INCREASED IN JANUARY

❖ DXY Index recovers, mainly by: (1) unpredictable epidemic situation in other key countries, (2) Major volatility in U.S. stocks contributes to increased demand for sheltered assets, (3) Joe Biden's \$ 1.9 trillion aid package could not be passed shortly .

❖ At the same time, while the export status is maintained, the SBV's adjustment of the purchase price to USD continues to contribute to the increased movement of VND in January.



Source: Bloomberg, BSC Research

# MACRO OVERVIEW

	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	12/20	1/21
<b>Retail Sales + Customer Services</b>	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%	2.62%	6.42%
<b>Retail Sales</b>	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%	6.78%	8.65%
<b>Hospitality</b>	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%	-12.97%	-4.13%
<b>Travelling</b>	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%	-59.50%	-62.18%
<b>Other services</b>	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%	-4.03%	7.31%
<b>Index of Industrial Production</b>	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%	9.20%	9.52%	22.16%
<b>Mining</b>	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%	6.24%	-10.41%	-6.22%
<b>Manufacturing</b>	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%	0.119	13.13%	27.15%
<b>Electricity production</b>	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%	5.30%	2.12%	16.27%
<b>Water supply</b>	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%	5.30%	7.95%	8.40%
<b>PMI</b>	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	51.7	51.3
<b>Export</b>	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%	5.30%	6.50%	50.53%
<b>Import</b>	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%	1.50%	3.60%	41.00%
<b>State budget disbursement</b>	6.39%	4.52%	7.44%	10.13%	8.24%	7.95%	9.66%	10.30%	11.26%	12.30%	12.66%	11.86%	11.47%	3.93%	4.30%	3.48%	3.58%	3.81%	3.00%	3.08%	4.42%	4.93%	5.16%	5.55%	3.65%	22.17%	17.04%	13.98%	16.83%	19.77%	28.26%	32.40%	35.27%	36.17%	35.84%	34.45%	24.53%
<b>FDI realised</b>	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%	-1.96%	4.14%
<b>FDI registered</b>	-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%	-6.59%	-62.55%
<b>CPI core YoY</b>	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%	0.19%	-0.97%
<b>CPI YoY</b>	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%	0.99%	0.49%
<b>Credit growth YTD difference</b>	-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%	-3.88%	-2.54%	-3.51%	
<b>Total means of payment YTD difference</b>	-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%		-1.23%	-1.95%	
<b>Interest O/N</b>	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	1.96	2.15	1.06	0.22	0.11	0.14	0.10	0.10	0.10	0.10	0.10

Source: Bloomberg, BSC Research

# Correction techniques for more motivation

# MARKET: FORECAST FOR FEBRUARY 2021

## SCENARIO 1

VN-Index recovered and rebounded to above 1,100 points and aims to conquer the 1,130 level. The world markets continue to go up thanks to the positive influence from information on testing and vaccine distribution in many countries. Domestically, the third wave of Covid-19 was quickly controlled, supporting market sentiment. The probability of this scenario happening is quite high.

## SCENARIO 2

VN-Index continued to maintain an adjustment state and fell to around 920 points if the world market turned to a short-term downtrend and foreign net withdrawal increased again. Along with that, if the epidemic is not able to control stable will make investor psychology remain in a pessimistic state. This scenario is underestimated scenario 1.

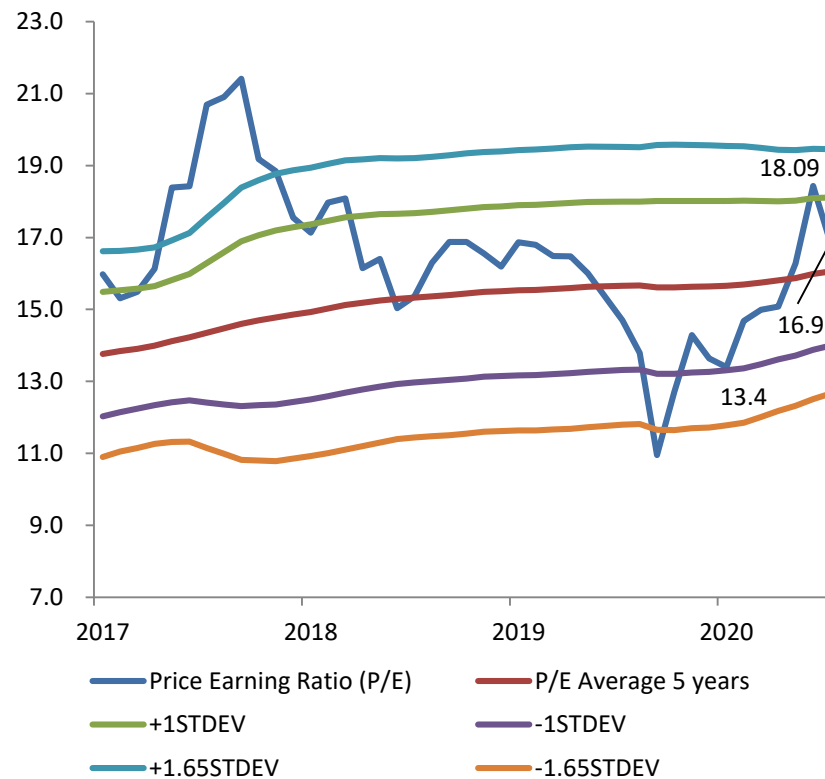


Source: FireAnt, BSC Research

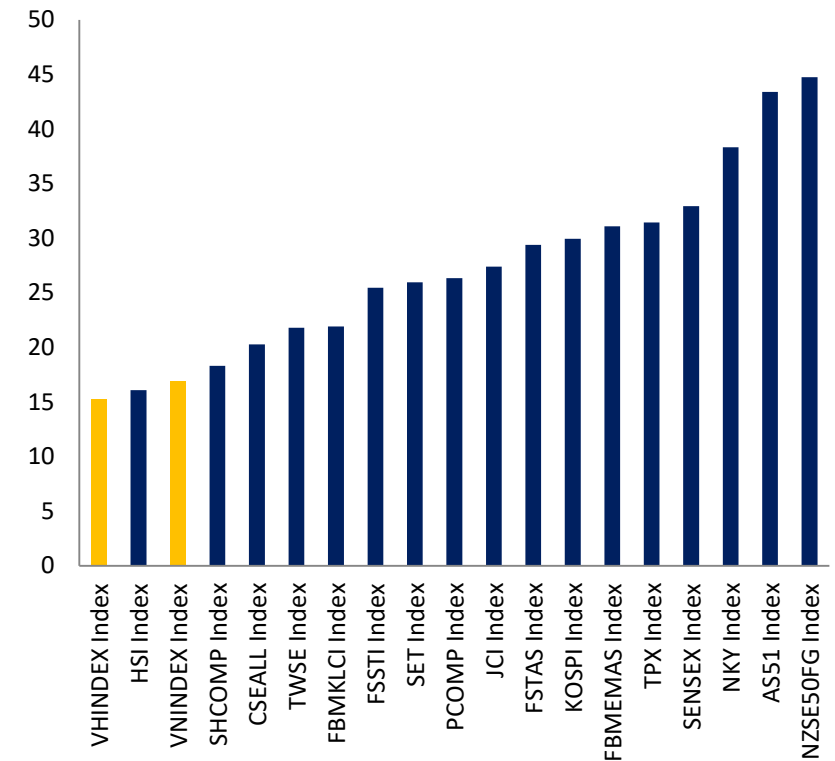
# MACRO: P/E OF VNINDEX FELL TO 17TH POSITION IN ASIA

- ❖ VN Index down 4.28% and HNX Index up 5.46% in January.
- ❖ P / E at the end of January was 16.9, down sharply from 18.09 at the end of 2020, 5.23% higher than the 5-year average P / E (16.06 times), though still quite low compared to Asia.
- ❖ P/E VN-Index is forecast to rise again to 17.6 in February.

## P/E ratio VNindex



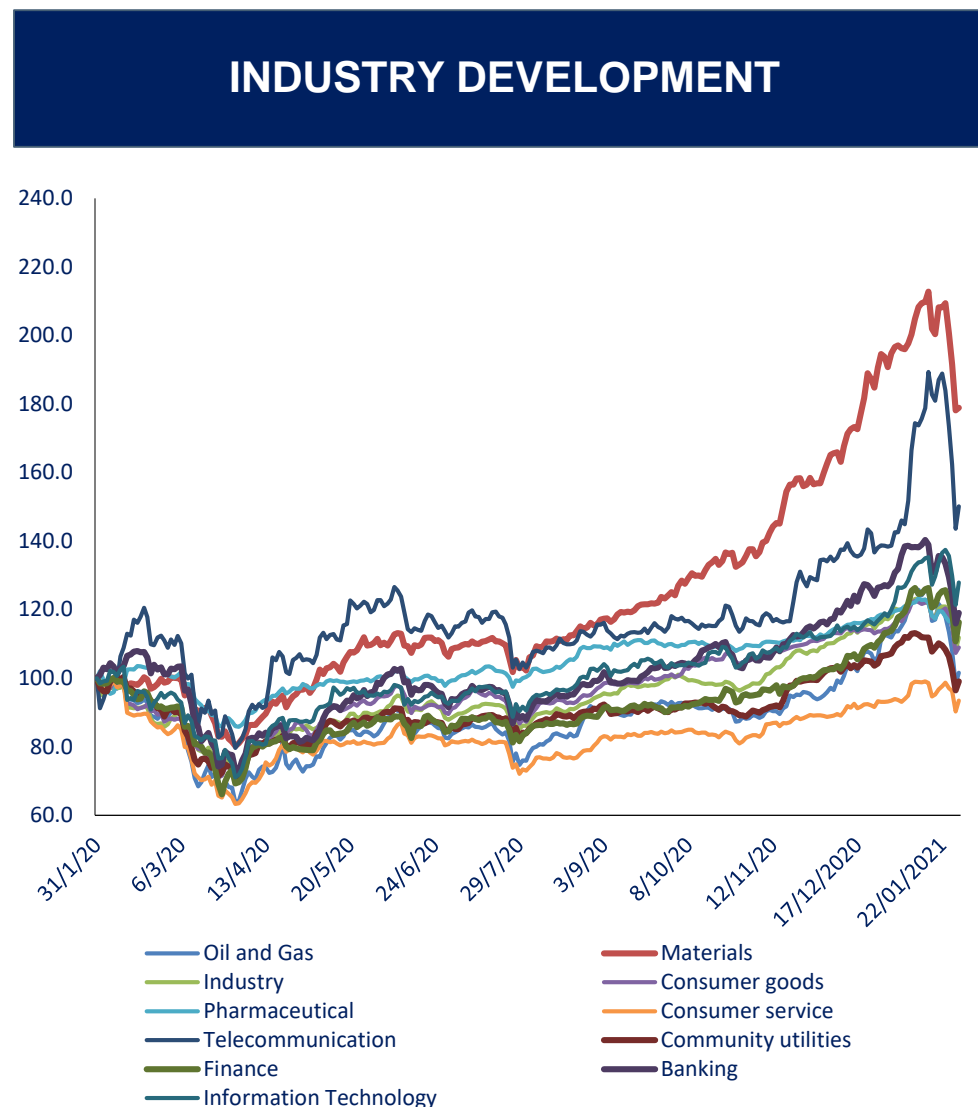
## Vietnam P/E compared to region



Source: Bloomberg, BSC Research

- ❖ Only 4 out of 11 level I sectors rose in January as the market moved into a correction.
- ❖ Telecommunication, Information Technology and Finance still had growth in January. Telecommunications industry led the market with an increase of 8.3%.
- ❖ About P/E, the majority of P/E of sectors have a decrease compared to the end of 2020. Some sectors with a slower growth rate than the profit improvement include Materials, Banking, Finance. Only the Telecommunications and Information Technology industries have price movements beyond the profit improvement level.
- ❖ The sectors with P / E below the market average include Banking, Pharmacy and Health, and Information Technology.
- ❖ Most industries have P / B lower than the beginning of the year except for Telecommunication and Information Technology.

## MACRO: 7/11 LEVEL I INDUSTRIES DECLINE IN JANUARY



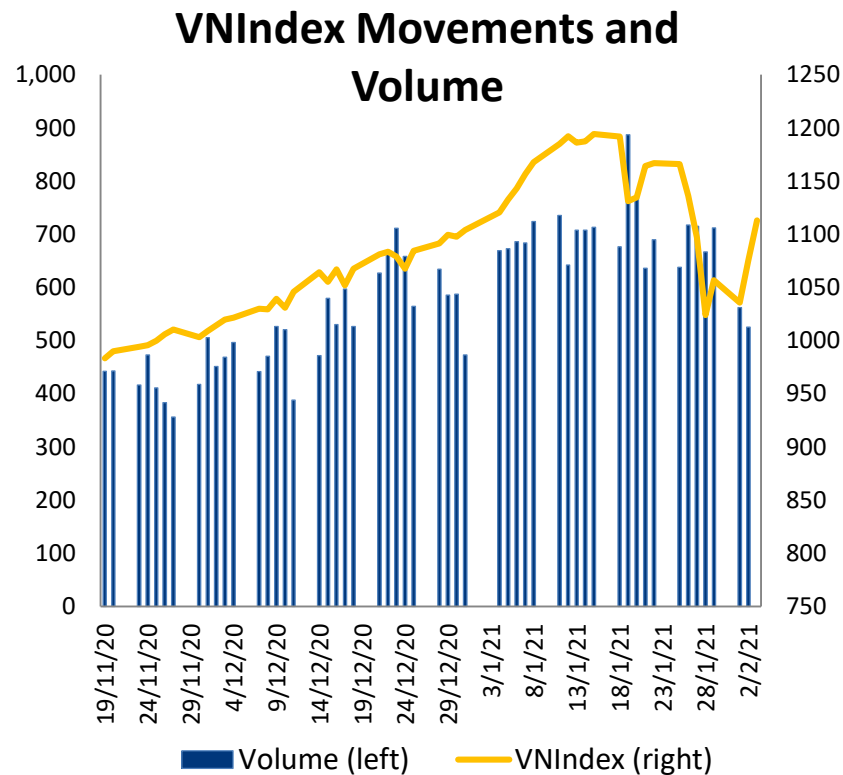
Industry	Change	P/E	± %	P/B	± %
Oil and Gas	-9.1%	-	-	1.25	-12.7%
Materials	-8.2%	18.19	-14.8%	1.71	-8.6%
Industry	-5.2%	16.90	-6.6%	1.79	-8.2%
Consumer goods	-5.2%	19.01	-7.1%	2.72	-15.7%
Pharmaceutical	-2.3%	14.69	-1.3%	1.82	-11.8%
Consumer service	0.0%	-	-	2.76	-15.8%
Telecommunication	8.3%	33.64	6.1%	3.62	15.9%
Community utilities	-7.6%	15.30	-4.4%	1.79	-11.5%
Finance	2.2%	18.33	-7.4%	2.55	-1.0%
Banking	-6.9%	11.35	-9.5%	1.76	-6.3%
Information Technology	6.6%	14.73	2.4%	2.38	3.8%

Source: FiinPro, BSC Research

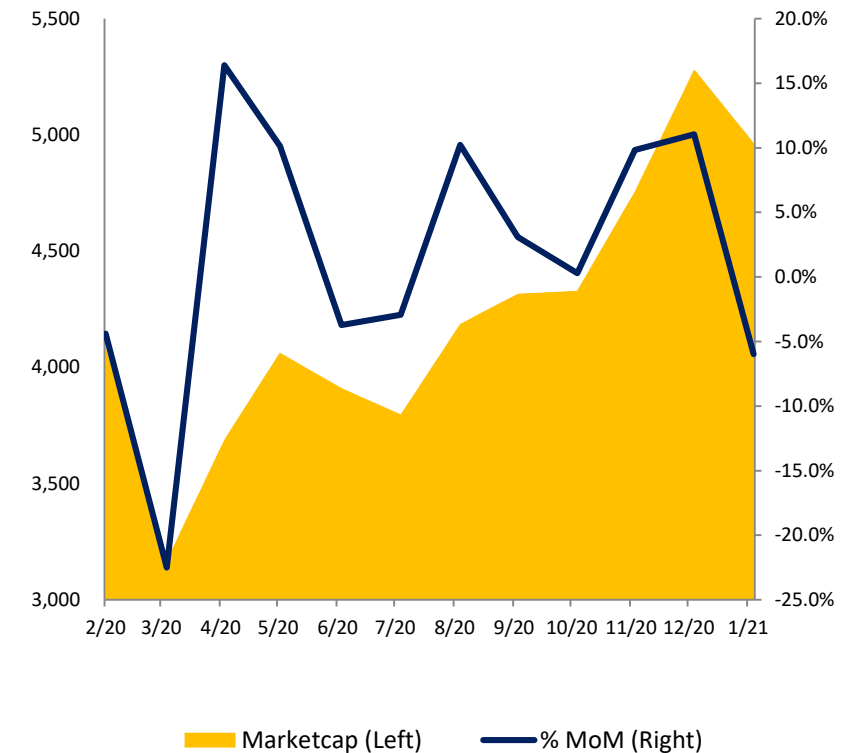
## MACRO: MARKET CAPITALIZATION OF 3 EXCHANGES FELL TO VND 4.96 MILLION

- ❖ Capitalization decreased by 6% compared to the end of 2020.
- ❖ Market movements entered the correcting period, but the mid-term uptrend is still maintained.
- ❖ Liquidity held at a high level reflects the interest of transactions in the stock market at the moment is still very large.
- ❖ With vn-index scenario reaching 1,130 points at the end of December, capitalization forecast increased by 7% and liquidity remained stable.

### Liquidity kept high in January



### Marketcap decreased 6% in January

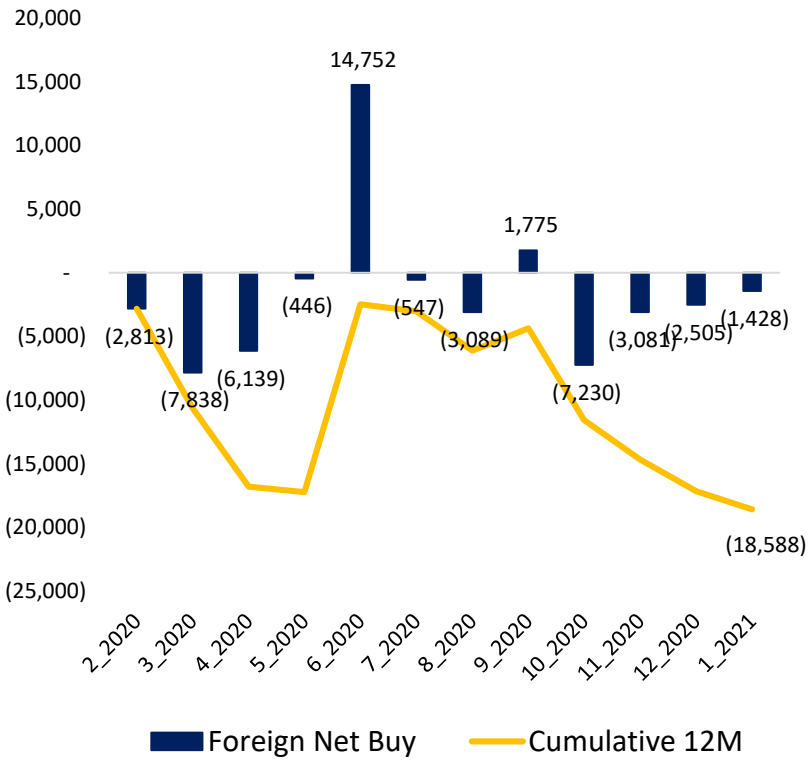


Source: FiinPro, BSC Research

- ❖ Foreign investors continued to narrow their net selling momentum, partly indicating the return of interest of international investors when the Vietnamese market grew attractively and that could positively affect traders' sentiment and caused VN-Index to maintain the uptrend.
- ❖ Generally, in January, foreign investors net sold 1,428 billion dong, of which HPG was sold the most with a value of 3,234 billion dong.
- ❖ The majority of ETFs, notably the Diamond ETF and E1 are still attracting foreign capital while the KIM ETF and Premia are being net withdrawn.

## MACRO: FOREIGN INVESTORS REDUCED THEIR NET SELLING IN JANUARY

Foreigners net sold a cumulative 18,588 billion in 12M



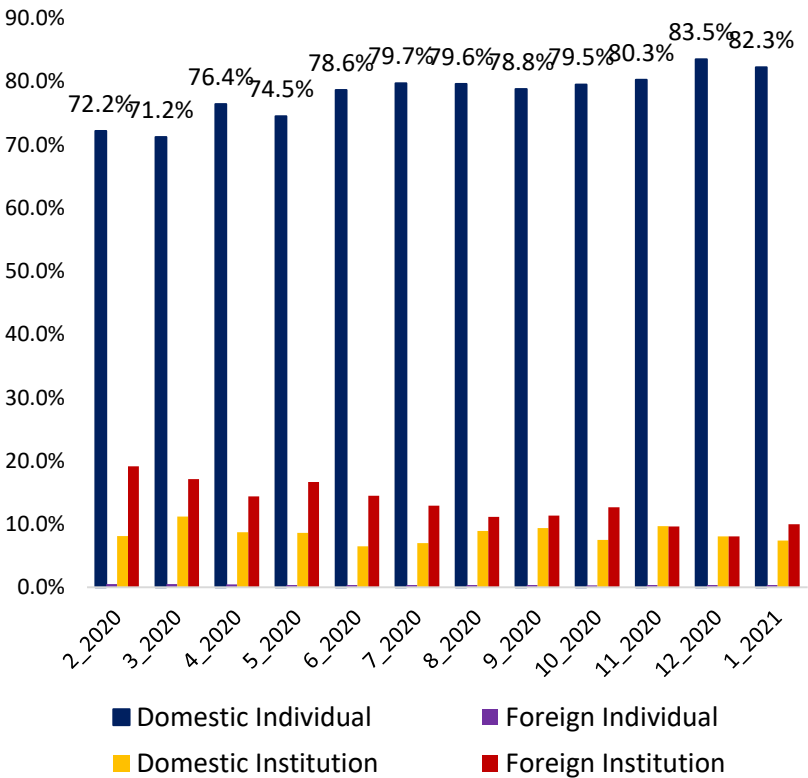
Stock	Value (Billion)	Stock	Value (Billion)
NVL	1,306.87	HPG	(3,234.58)
FUEVFNVD	1,172.84	MSN	(1,537.44)
MWG	840.63	VND	(634.46)
VRE	585.91	VNM	(450.04)
KBC	500.17	SSI	(300.35)
VIC	475.31	CTG	(294.86)
VHM	461.81	FCN	(279.87)
E1VFN30	460.89	GAS	(275.07)
FUESSVFL	355.15	PLX	(197.46)
HDB	299.08	AGG	(174.76)
Net buying and selling value of foreign investors in M1/2021			

Source: FiinPro, BSC Research

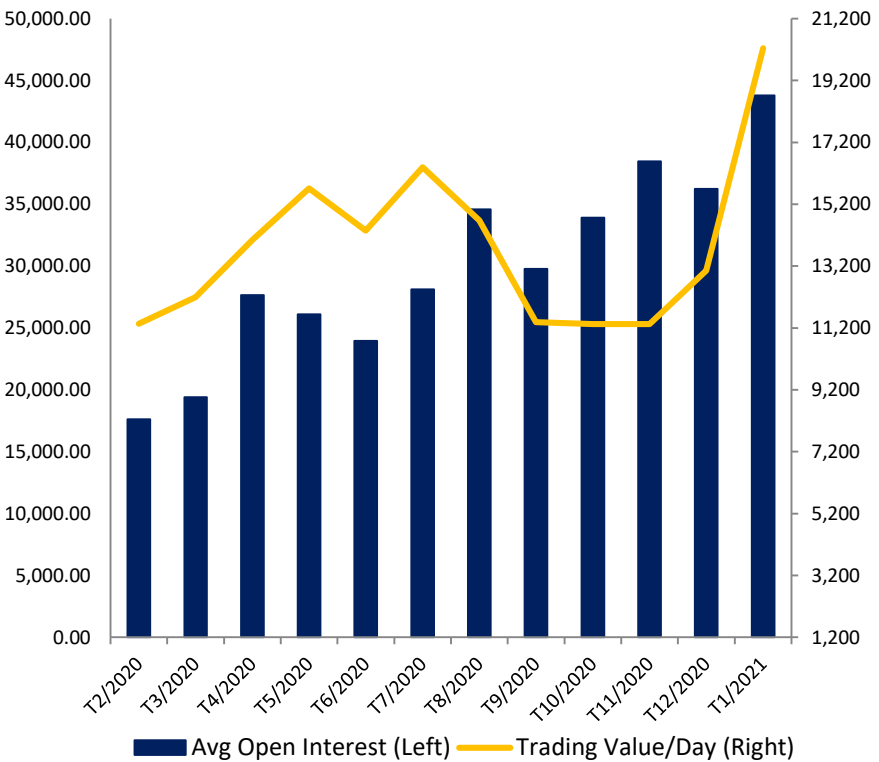
- ❖ Domestic individual investors maintained positive trading activity but decreased slightly compared to December 2020.
- ❖ Domestic individual investors accounted for 82.3% of the market compared to an average of 78.1% in a year.
- ❖ The increased number of future contracts open positions in agreement with the sharp increase in the transaction value of the derivative market compared to December 2020 shows that traders are now seeing this market as the main speculation place when The underlying market fluctuates strongly.

# MACRO: FOREIGN INVESTORS ACTIVELY TRADED DERIVATIVES IN JANUARY

Domestic investors traded more than 4.2% compared to 12M avg



The number of open interest in futures increases by 20.8% MoM

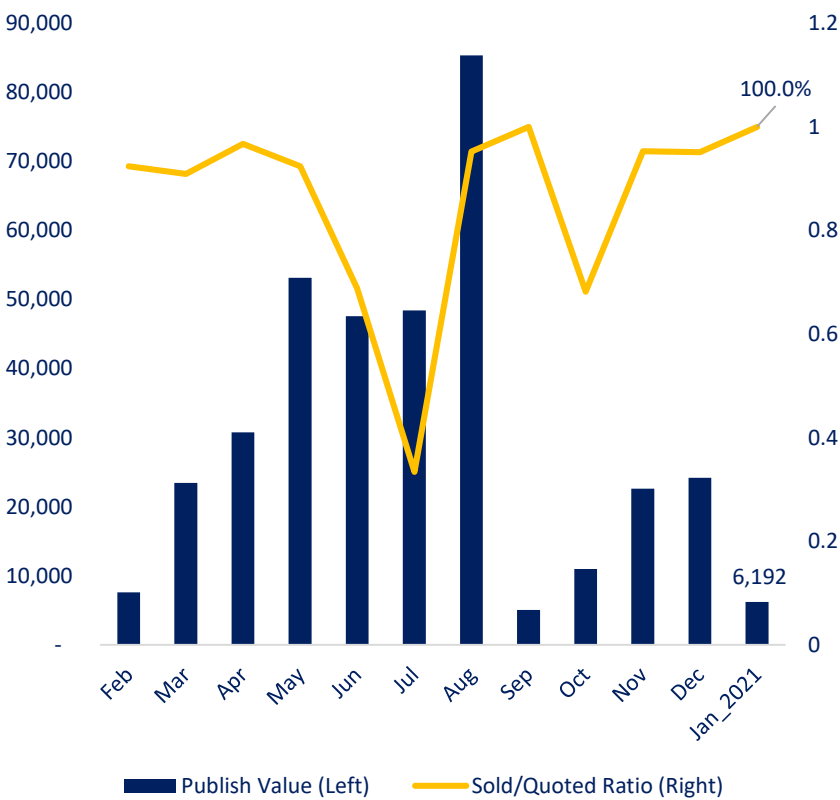


Source: FiinPro, BSC Research

- ❖ The value of corporate bond issuance reached 6,192 billion, a sharp decrease compared to December 2020.
- ❖ 11 bonds were issued and fully bought out 100%.
- ❖ The average maturity of bonds continued to decline sharply to 3.5 years. The maturity is much lower than the average of 4.2 years in 12 months.
- ❖ The development of the corporate bond market in January continued to support the movement of capital flows to the equity market but also reflected the high market demand for debt securities.

# MACRO: VALUE OF CORPORATE BOND ISSUE DECREASED

The bond buying / offering ratio in January reached 100%



Month	Number of bonds issued	Average maturity	Issued value
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
December	38	4.2	24,187
Jan - 2021	11	3.5	6,192
Total	1,634.0	4.2	366,934

Source: FiinPro, BSC Research

# FACTORS AFFECTING THE MARKET IN FEBRUARY

Event	The impact on the stock market
❖ Continued disbursement of public investment and an easing monetary policy to limit the negative effects of the Covid-19 pandemic and support growth	❖ Positive
❖ Market valuations are still at a reasonable level relative to the past and to the region	❖ Help the market to stabilize and establish reasonable price zones
❖ The development of the Covid-19 wave for the third time in Vietnam	❖ Short-term negative impacts on market sentiment
❖ The ETFs announce adjustments and implement a portfolio structure	❖ Increasing market liquidity
❖ Vaccine trials are still being carried out in many parts of the world and the distribution of vaccines to other countries is taking place initially.	❖ Positive effect
❖ <b>Psychology of international investors is stable and minimizes shelter in precious metals such as gold and silver</b>	❖ <b>Increase cash flow</b>
❖ Oil prices fluctuate, along with conflicts in the Middle East	❖ Difficult to forecast to stabilize inflation

## INVESTMENT STRATEGY IN FEBRUARY 2021

- ❖ Investors should not increase the proportion of stocks in the portfolio when the market's recovery is not clear due to many uncertain information.
- ❖ Consider long-term holding stocks with good profit growth such as Banking, Retail, Real Estate and stocks benefiting from vaccine information such as Petroleum, refer to the report at [Link](#).
- ❖ Be cautious in trading decisions and only buy when stocks move to strong support levels while selling pressure declines.
- ❖ Be cautious when trading derivatives, should keep the number of open positions moderate.

# Recommended for use

This report of Bank for Investment and Development of Vietnam Securities Joint Stock Company (BSC) provides general information and analysis of the macroeconomic situation as well as the developments of the stock market in day. This report is not intended to be provided at the request of any individual organization or individual or decision to buy, sell or hold securities. Investors should only use the information, analysis and comments of the Report as a reference source before making their own investment decisions. All information, judgments and forecasts and opinions in this report are based on reliable data sources. However, Bank for Investment and Development of Vietnam Securities Joint Stock Company (BSC) does not guarantee that these sources of information are completely accurate and does not assume any responsibility for the accuracy of such information. The information contained in this report, nor is it responsible for damages resulting from the use of all or part of the content of this report. All views and opinions expressed in this report are based on the most careful, fair and reasonable current consideration. However, these views and statements are subject to change without notice. This report is copyrighted and is the property of Bank for Investment and Development of Vietnam Securities Joint Stock Company (BSC). All acts of copying, modifying, reprinting without BSC's consent are illegal. Any content of this document is not (i) copied or duplicated in any form or method or (ii) provided without the approval of BIDV Securities Joint Stock Company. .© 2019 BIDV Securities Company, All rights reserved. Unauthorized access is prohibited.

Bloomberg: RESP BSC ResearchV <GO>

**Research and Analysis Department**  
**hn.ptnc@bsc.com.vn**  
(+84) 39352722 - Ext 108

**For Institutional Customers**  
**hn.tvdt.khtc@bsc.com.vn**  
(+84)2439264659

**For individual customers**  
**i-center@bsc.com.vn**  
(+84)2437173639



THÔNG TIN ĐĂNG KÝ

Nhập các thông tin quan trọng sau để đăng ký mở tài khoản Chứng khoán online và dùng để xác thực giao dịch của Quý khách trong tương lai:

Họ tên (\*)

Ngày sinh (\*)

CMTND/CCCD (\*)

Ngày cấp (\*)

Nơi cấp (\*)

Số điện thoại (\*)

Email (\*)

Địa chỉ liên hệ (\*)

Tỉnh/Thành phố (\*)

Quận/Huyện (\*)

Phường/Xã (\*)

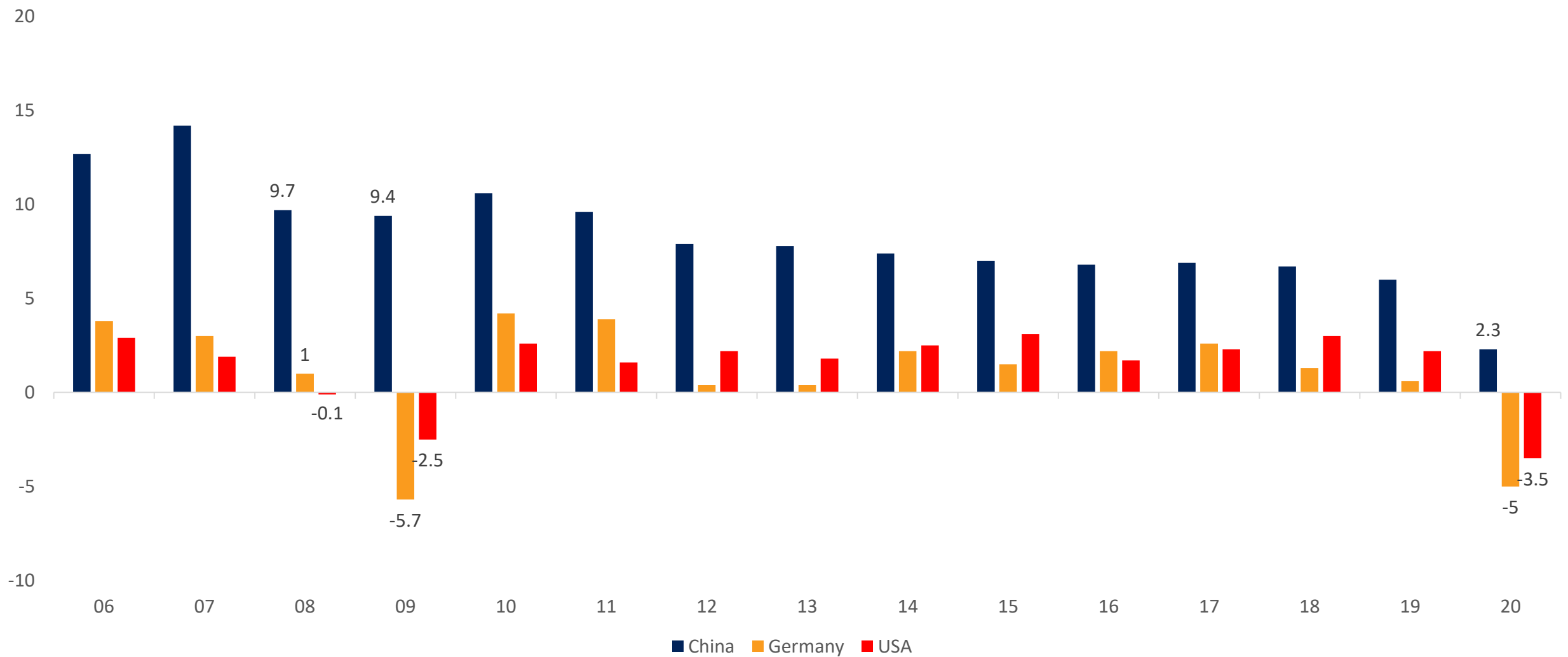
Thông tin người giới thiệu (email/số tài khoản tại BSC)

TIẾP TỤC



Customers can join the investor community by scanning the above QR code and clicking on the picture below to fill in the registration form.

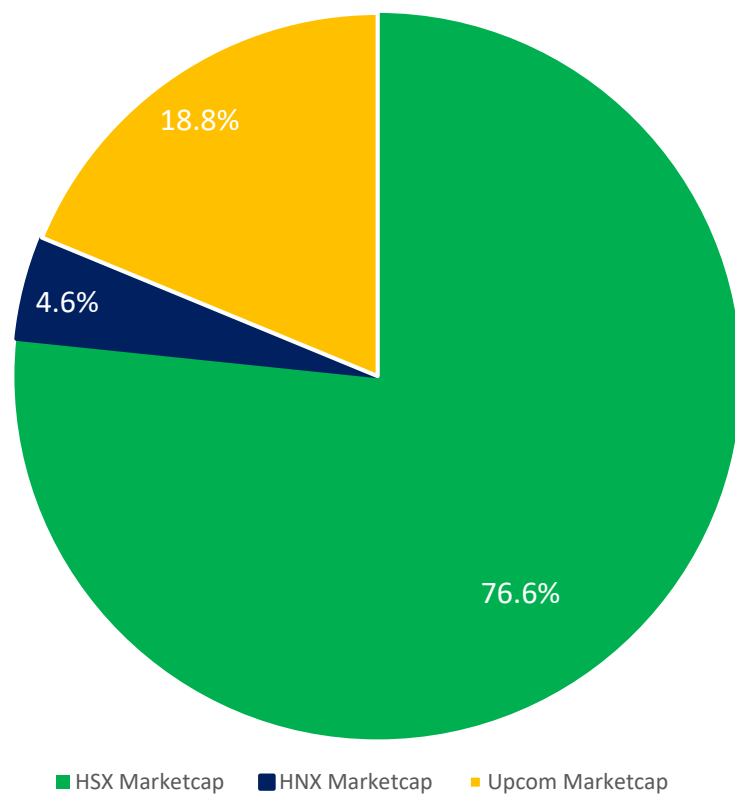
# GDP of key countries



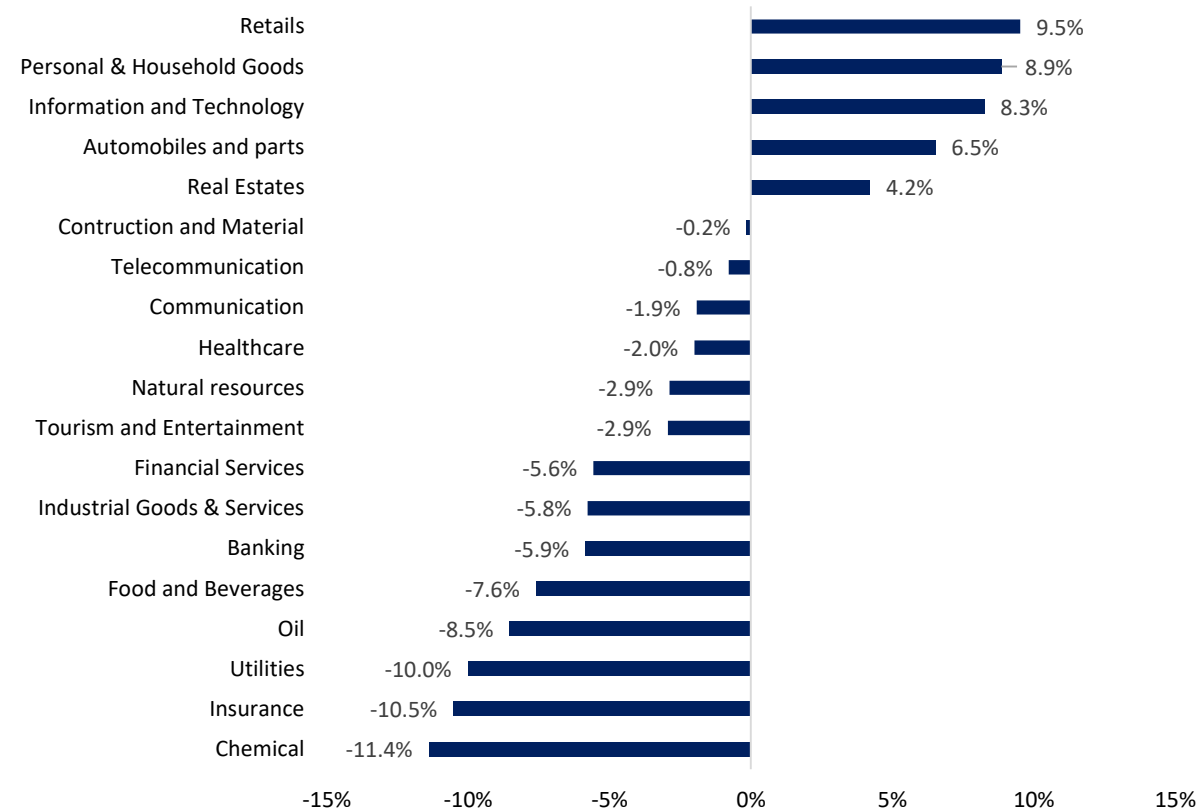
Source: Bloomberg, BSC Research

# APPENDIX

## Capitalization structure



## 5/19 sectors increased in January



# APPENDIX

## VN-Index median 1134.72 points, identified by financial institutions

No	Stock	Weight	31/01/2021	Mean	Max	Min	P/E	P/B
1	VCB	8.84%	93,000	103,573	115,000	87,600	19.02	3.55
2	VIC	8.75%	99,400	114,600	120,000	104,300	38.12	3.99
3	VHM	7.77%	93,500	105,782	118,000	93,500	10.99	3.55
4	VNM	5.51%	102,800	126,522	135,000	112,200	21.97	7.00
5	BID	4.03%	39,900	35,115	47,100	18,058	19.00	2.08
6	GAS	3.70%	76,300	86,500	96,000	81,600	16.29	3.17
7	HPG	3.29%	39,150	44,686	56,600	33,600	12.07	2.36
8	CTG	3.05%	30,500	35,098	41,100	22,689	11.06	1.47
9	TCB	2.88%	32,000	36,083	45,022	25,700	9.30	1.55
10	SAB	2.81%	161,700	225,800	260,000	205,500	24.49	5.56
11	MSN	2.55%	85,500	84,772	95,000	67,195	81.97	6.37
12	GVR	2.44%	24,400	19,500	19,500	19,500	23.07	2.08
13	NVL	2.01%	80,200	64,644	68,697	61,303	14.05	3.20
14	VPB	1.92%	30,000	38,218	63,201	26,900	7.30	1.45
15	VRE	1.87%	32,050	34,650	40,000	28,450	31.68	2.54
16	VJC	1.68%	125,800	103,875	123,000	82,200	0.00	4.65
17	MBB	1.61%	23,450	28,672	45,902	19,222	7.79	1.35
18	PLX	1.59%	49,000	59,200	66,300	55,600	72.12	2.93

No	Stock	Weight	31/01/2021	Mean	Max	Min	P/E	P/B
19	ACB	1.47%	26,800	33,005	40,376	29,950	7.59	1.65
20	MWG	1.44%	132,700	158,750	183,400	140,600	14.97	3.79
21	BCM	1.43%	56,000	40,700	40,700	40,700	0.00	3.77
22	FPT	1.25%	62,700	76,360	86,200	67,800	15.69	3.22
23	BVH	1.03%	56,500	66,375	76,000	58,400	32.58	2.08
24	HDB	0.91%	22,300	25,812	36,469	20,500	8.57	1.58
25	HVN	0.91%	25,850	22,936	26,472	19,400	0.00	5.36
26	VIB	0.87%	31,600	31,200	37,800	24,300	7.55	1.95
27	STB	0.80%	16,900	16,578	26,500	4,940	11.47	1.06
28	POW	0.70%	11,900	12,720	14,200	11,300	17.82	1.01
29	TPB	0.67%	24,950	23,617	27,400	20,000	7.27	1.57
30	OCB	0.57%	19,590	32,100	32,100	32,100	0.00	0.00
31	PDR	0.55%	55,800	54,600			18.33	4.31
32	EIB	0.53%	16,850	14,914	17,328	12,500	19.76	1.26
33	VCG	0.52%	47,100	46,800			12.62	2.58
34	MSB	0.49%	16,900	20,004	20,004	20,004	0.00	1.08
35	PNJ	0.46%	83,100	89,975	99,500	76,649	17.11	3.51
	<b>VNIndex</b>	<b>80.93%</b>	<b>1,050.23</b>	<b>1,134.72</b>	<b>1,297.20</b>	<b>972.87</b>	<b>17.47</b>	<b>2.82</b>

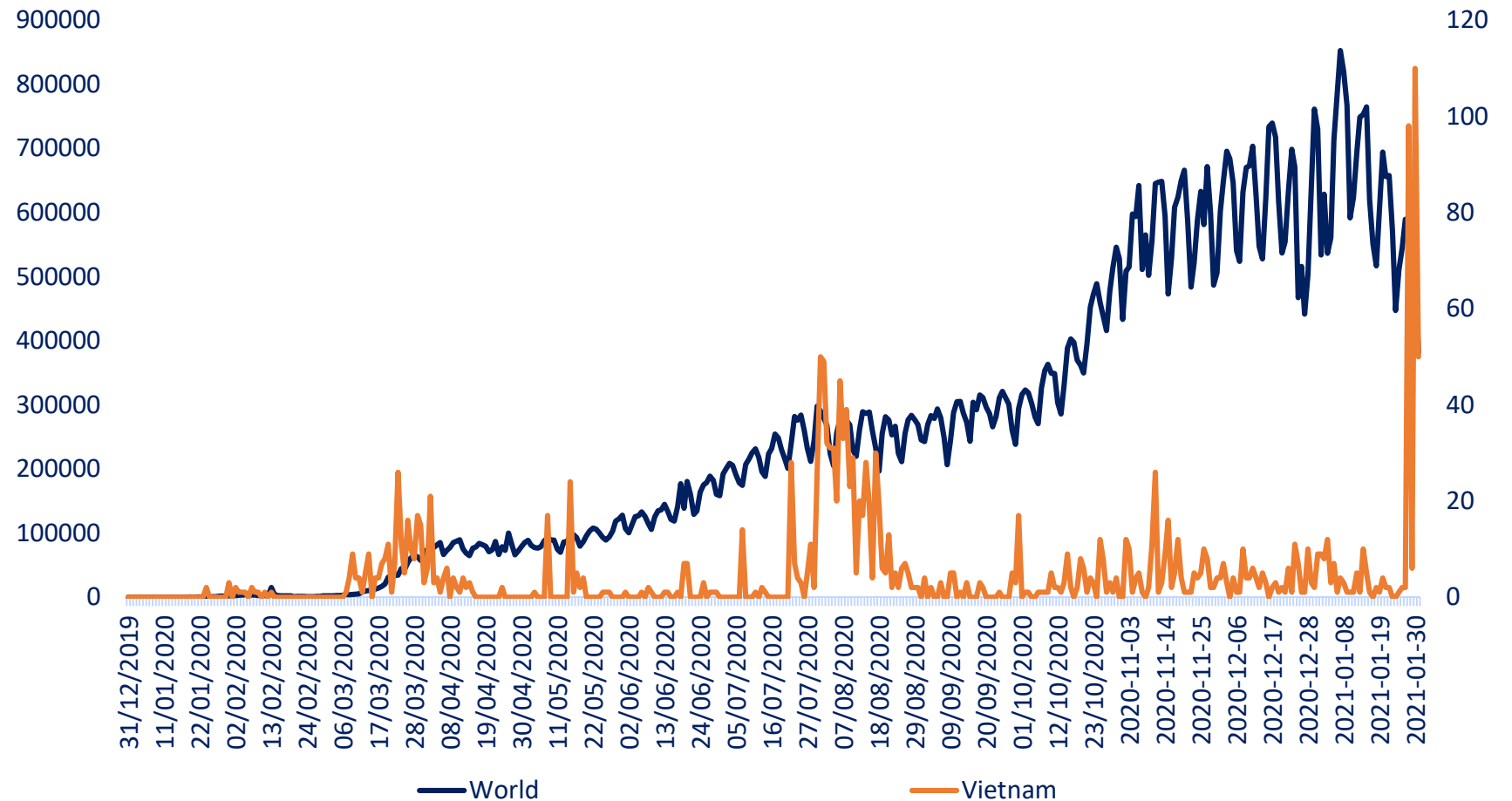
Source: Bloomberg, BSC Research

# Heatmap performance of VNIndex 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%	10.05%	14.87%
2021	-4.86%												
Average	5.03%	1.11%	0.58%	3.58%	1.15%	0.94%	-1.44%	1.29%	1.04%	0.08%	1.89%	1.47%	11.32%

## APPENDIX : THE 3RD OUTBREAK OF COVID 19 IN VIETNAM

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



Source: WHO, BSC Research

# Appendix: Situation of COVID-19 Vaccine

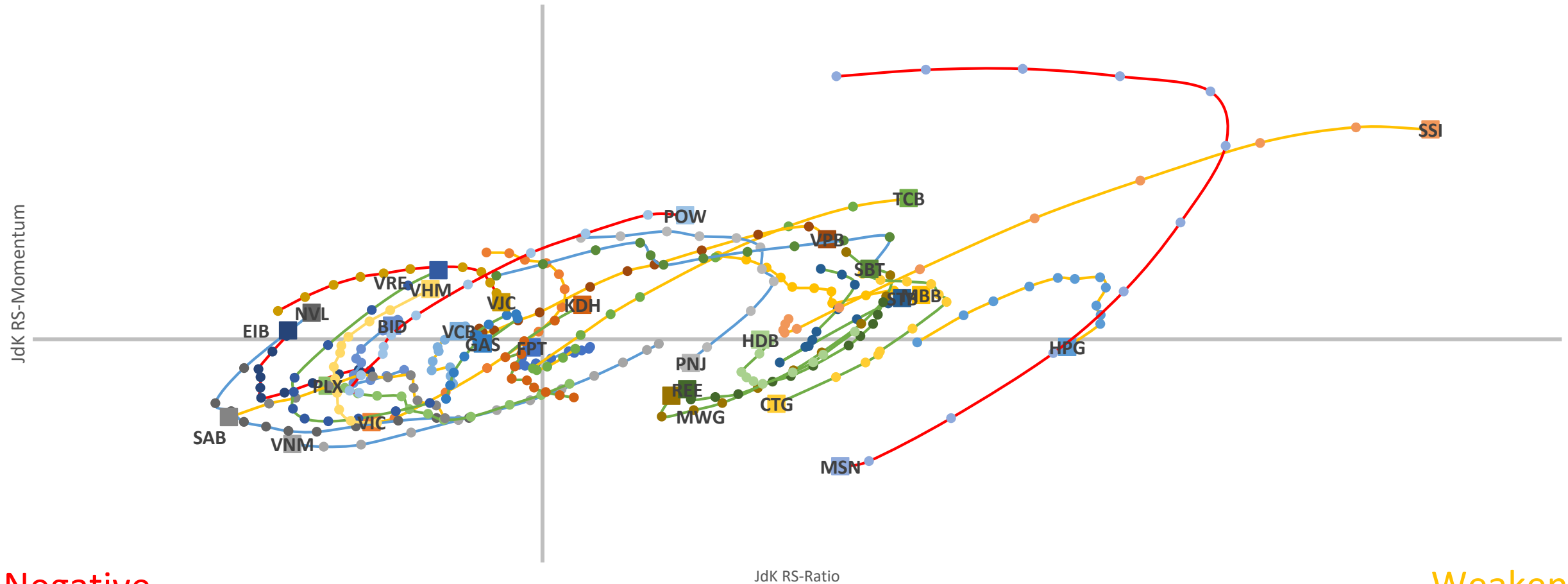
Vaccine name	Nation	Producer	Phase (Participants)	Completed Phase (Participants)	Location	Time
AZD1222	United State	University of Oxford, AstraZeneca	Phase III (30,000)	Phase I-II (543)	20 loactions in United Kingdom, São Paulo	05/2020 – 08/ 2021
Unnamed*	China	Sinopharm	Phase III (45,000)	Phase I-II (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
Ad26.COVS.S	United State	Johnson and Johnson và Janssen	Phase III (60,000)	Phase I-II (1,045)	291 location in United State, Argentina, Brazil, 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

# Appendix: Market movement

Recover

Correlation of VN30 stocks vs. VN-Index

Positive



Negative

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