

Market strategy

ETF Monitor

Tailwinds from new foreign ETFs inflows

- Together with the capital raising of Fubon ETF and the change in Vietnam portion of V.N.M ETF, we expect foreign inflows of c.VND6,100bn in the next couple of weeks.
- Based on our estimate, HPG, VCB, VNM might be among top buy, while STB and PLX are likely in top sell by foreign ETFs in Mar 2023 review.

New inflows from Fubon's capital raising and VanEck's index change

Fubon FTSE Vietnam, the second largest ETFs in term of net asset value, has successfully increased its capital by NT\$5bn (~VND3,800bn) which might flow into Vietnam stock market during this Mar. Additionally, VanEck Vietnam ETF (V.N.M ETF) will change the tracked index from MVIS Vietnam Index (80% are Vietnam stocks) to MVIS Vietnam Local index (100% are VN stocks) from 17 Mar 2023 onward. Thus, V.N.M ETF might inject about VND2,300bn into Vietnam stock market (~ 20% its current NAV). All in, we estimate inflows of c.VND6,100bn coming to Vietnam stock market in the next couple of weeks, which will end the net-sell activities of foreigners.

ETFs review in Mar 2023: HPG, VCB and VNM might be among top buy

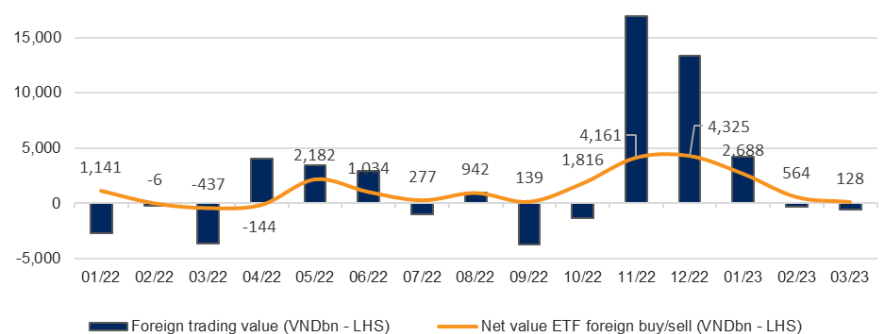
FTSE Vietnam Index announced the review result on 3 Mar 2023 which be effective on 17 Mar 2023. Accordingly, SHB and EIB will be added to the index while STB, PLX, PDR and TCH were excluded. The rebalancing process will be applied from 06 Mar 2023 to 17 Mar 2023.

MVIS Vietnam Local index (V.N.M ETF) will announce the review result on 10 Mar 2023, effective on 17 Mar 2023. We estimate STB will be removed in this review period as it failed the requirements of foreign ownership, while DCM and DXG will be added based on the portfolio structure of MVIS Vietnam Local index.

Altogether, we estimate three foreign ETFs will strongly buy HPG (~VND624bn), VCB (~VND547bn) and VNM (~VND476bn) during the trading week 13-17 Mar 2023, before effective date of new basket of these ETFs. On the other hand, STB will be sold strongly with a value of VND153bn after being removed from these ETFs as STB failed the foreign ownership criteria, following by PLX with a value of VND39bn.

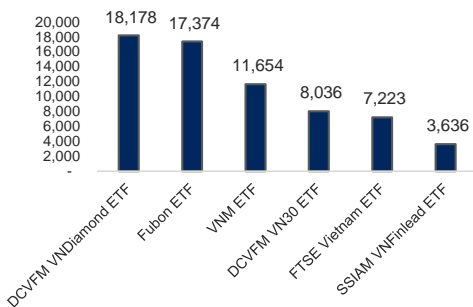
Based on the last 10 trading days data, top stocks that will experience the longest trading days of foreign ETFs in this review include: SAB (15.6 days); VJC (9.5 days) and VCB (7.9 days).

Figure 2: Net foreign trading value and ETF foreign inflow/outflow from Jan 22 – Mar 23



Sources: VNDIRECT RESEARCH, Bloomberg

Figure 1: Net assets value (VNDbn) of large ETFs invested in Vietnam (data as at 06/03/2023)



Sources: VNDIRECT RESEARCH, Bloomberg

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Figure 3: Fubon ETF, V.N.M ETF and FTSE Vietnam ETF adjustment in Mar 23 review based on our estimation (data as at 06 Mar 2023)

Stock	Fubon ETF (FTSE Vietnam 30 Index)		Xtrackers FTSE Vietnam ETF (FTSE Vietnam Index)		VNM ETF (MVIS Vietnal local Index)		Total change		Average trading vol in last 10 trading days	Estimated trading days
	Value change (VNDbn)	Share change (Shares)	Value change (VNDbn)	Share change (Shares)	Value change (VNDbn)	Share change (Shares)	Value change (VNDbn)	Share change (Shares)	(Shares)	(Days)
HPG	444.2	21,772,538	214.2	10,499,502	(33.8)	(1,658,361)	624.52	30,613,679	20,046,130	1.53
VCB	335.6	3,687,382	131.3	1,442,577	80.5	884,543	547.32	6,014,502	764,980	7.86
VNM	414.5	5,526,529	114.6	1,528,350	(52.5)	(699,943)	476.62	6,354,936	1,265,990	5.02
SSI	166.7	8,890,745	(6.8)	(362,059)	161.0	8,585,964	320.90	17,114,649	12,498,890	1.37
VJC	119.6	1,241,616	124.9	1,297,101	69.6	722,614	314.07	3,261,331	344,160	9.48
VRE	180.1	6,887,919	3.9	149,194	95.3	3,644,914	279.34	10,682,027	2,302,590	4.64
VND	63.2	4,560,010	68.4	4,941,591	110.8	8,002,890	242.44	17,504,491	16,464,630	1.06
SHB	69.7	7,030,721	110.2	11,105,933	61.4	6,194,500	241.37	24,331,155	8,940,320	2.72
SAB	99.7	539,038	-	-	116.1	627,417	215.79	1,166,455	74,600	15.64
MSN	333.6	4,483,824	(163.5)	(2,197,222)	(11.7)	(156,797)	158.46	2,129,805	697,300	3.05
DGC	70.3	1,390,057	16.9	334,539	61.0	1,206,495	148.31	2,931,090	1,539,790	1.90
VCI	58.2	2,235,218	17.7	679,715	63.0	2,418,511	138.94	5,333,444	4,056,830	1.31
KBC	61.9	2,874,205	15.7	726,956	45.7	2,122,538	123.35	5,723,700	2,953,760	1.94
NVL	56.0	5,065,877	(13.5)	(1,225,450)	76.1	6,882,763	118.49	10,723,190	14,107,560	0.76
DCM	-	-	-	-	117.4	5,061,941	117.44	5,061,941	2,322,770	2.18
POW	44.7	3,589,441	14.2	1,139,665	51.8	4,163,190	110.71	8,892,295	8,591,450	1.04
HSG	-	-	58.6	3,818,956	37.1	2,417,620	95.73	6,236,575	19,196,730	0.32
SBT	53.0	3,628,046	-	-	42.7	2,922,868	95.64	6,550,914	2,031,170	3.23
KDH	70.9	2,738,826	-	-	21.9	844,937	92.82	3,583,763	1,554,240	2.31
GEX	37.7	3,253,349	8.8	758,621	35.3	3,041,164	81.82	7,053,135	8,862,150	0.80
DXG	-	-	22.5	2,085,710	57.9	5,362,394	80.44	7,448,104	12,951,780	0.58
EIB	-	-	78.0	4,273,975	-	-	78.00	4,273,975	2,688,020	1.59
BVH	26.9	561,256	-	-	44.0	916,029	70.91	1,477,285	280,420	5.27
VCG	31.0	1,563,524	7.2	363,517	32.2	1,624,066	70.31	3,551,107	6,710,390	0.53
VIC	425.2	8,083,415	(213.1)	(4,051,541)	(142.3)	(2,705,735)	69.75	1,326,139	1,487,610	0.89
DPM	50.3	1,465,285	(30.0)	(874,704)	40.4	1,179,293	60.71	1,769,874	1,720,170	1.03
DIG	28.7	2,283,488	3.5	278,684	24.8	1,974,104	56.93	4,536,276	12,472,880	0.36
PVD	-	-	17.5	809,392	38.5	1,782,269	55.98	2,591,661	4,900,100	0.53
VPI	-	-	-	-	53.0	1,026,306	52.96	1,026,306	577,480	1.78
IDC	-	-	-	-	52.7	1,365,162	52.70	1,365,162	3,009,254	0.45
VHC	-	-	-	-	51.5	913,097	51.50	913,097	355,780	2.57
PVS	-	-	-	-	38.7	1,453,366	38.66	1,453,366	7,331,072	0.20
KDC	-	-	-	-	35.2	640,505	35.23	640,505	1,167,770	0.55
HAG	-	-	-	-	29.9	4,012,549	29.93	4,012,549	7,279,190	0.55
VIX	-	-	-	-	29.2	4,329,882	29.23	4,329,882	8,179,640	0.53
HUT	-	-	-	-	26.1	1,692,283	26.06	1,692,283	1,620,979	1.04
SHS	-	-	-	-	26.0	3,131,760	25.99	3,131,760	8,856,719	0.35
HDG	-	-	-	-	22.5	750,654	22.52	750,654	735,170	1.02
HDB	22.5	1,249,322	-	-	-	-	22.49	1,249,322	2,089,990	0.60
HNG	-	-	-	-	21.0	4,960,308	21.03	4,960,308	2,204,100	2.25
HCM	17.2	740,393	-	-	-	-	17.18	740,393	5,959,170	0.12
VGC	12.7	378,892	-	-	-	-	12.66	378,892	487,490	0.78
PDR	20.1	1,797,317	(44.9)	(4,009,592)	27.9	2,491,199	3.12	278,924	4,444,250	0.06
VHM	365.9	8,690,683	(227.1)	(5,395,343)	(142.3)	(3,380,563)	(3.59)	(85,223)	2,949,860	(0.03)
TCH	-	-	(33.3)	(4,639,251)	20.7	2,888,162	(12.57)	(1,751,089)	5,926,010	(0.30)
PLX	76.9	1,977,769	(115.6)	(2,972,322)	-	-	(38.69)	(994,553)	724,770	(1.37)
STB	107.6	4,321,759	(180.1)	(7,233,994)	(80.5)	-	(153.01)	(2,912,235)	14,076,490	(0.21)

Source: VNDIRECT RESEARCH

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Stock Ratings

Definition:

Add	The stock's total return is expected to reach 15% or higher over the next 12 months.
Hold	The stock's total return is expected to be between negative 10% and positive 15% over the next 12 months.
Reduce	The stock's total return is expected to fall below negative 10% over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings

Definition:

Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

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