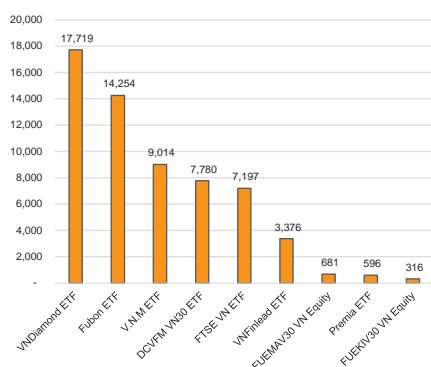


**Market strategy**

31 Aug 2022

**Figure 1: NAV of ETFs on Vietnam market as at 30 Aug 2022 (Unit: VNDbn)**



Sources: Bloomberg, VNDIRECT RESEARCH

**ETF MONITOR**

**Time for foreign ETFs to review**

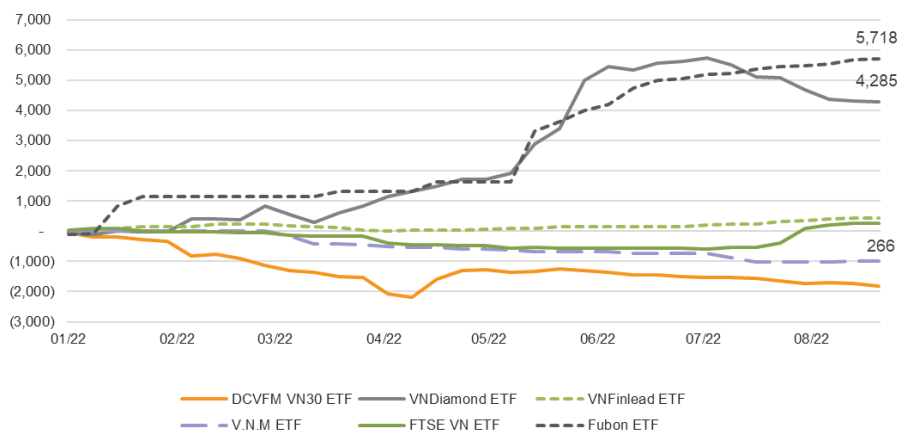
- FTSE will announce their portfolio review for FTSE VN Index (FTSE VN ETF) and FTSE VN30 Index (Fubon ETF) on 02 Sep 2022.
- Market Vector also announce new portfolio for MVIS VN Index in 8 Sep 2022, which will affect V.N.M ETF rebalance process in this review.
- For FTSE VN30 Index, SSB and DGC likely to be in; while HDB and HSG might be out. SHB may be included to FTSE VN Index in this review.
- For MVIS VN Index, SAB and THD are likely to be removed.

**Fubon ETF leads inflow capital among ETFs on VN market in 8M22**

The Fubon ETF (track on the FTSE VN30 Index) still maintained its inflow capital momentum in Jul – Aug 22, while the VNDiamond ETF was withdrawn during the same period, to become the leading ETF in Vietnam with net inflows capital of VND5,718bn in 8M22. Fubon ETF maintains the 2nd net assets value among ETFs investing in Vietnam with value of VND14,254bn (only behind ETF VNDiamond).

Meanwhile, the FTSE VN ETF reversed in capital flow from mid Jul to Aug 22 to reach an inflow of 8M22 with a value of VND286bn. V.N.M ETF is still maintained its net withdrawal momentum with 8M22 outflow of VND983bn.

**Figure 2: Fund flow of highlighted ETFs in Vietnam in 8M22 (Unit: VNDbn)**



SOURCES: VNDIRECT RESEARCH, Bloomberg

**FTSE's Indexes: SSB and DGC likely to replace HDB and HSG in Vietnam 30 Index; SHB may be included to FTSE VN Index in this review.**

New FTSE's indexes basket, including the FTSE Vietnam Index and FTSE VN30 Index will be announced on 02 Sep 2022, which will come into effect on 19 Sep 2022.

Base on data until 25/08/2022, we estimate SSB and DGC will be included into FTSE VN30 index in this review as SSB and DGC meet all FTSE VN30's criteria, which the market capitalization of SSB and DGC ranked 11th and 18th, reaching VND62,101bn and VND35,008bn, respectively.

On the other hand, HDB and HSG likely to be excluded from FTSE VN30 as:

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- HDB failed the screening test, specifically failing to meet the requirement that the headroom must be higher than 10% for constituents.
- As SSB and DGC got advantage to be include in FTSE VN30, HSG with the smallest capitalization in Top 40 will be excluded from the FTSE VN30 basket.

ETFs tracks on FTSE's indexes, with a net asset value of VND14,254bn (Fubon ETF) and VND7,191bn (FTSE VN ETF), will rebalance its portfolio on the previous trading date (16 Sep 2022).

We estimate Fubon will buy about 25.0m SSB shares and 3.5m DGC shares, equivalent to about VND811.2bn and VND343.0bn, respectively. Meanwhile, Fubon will sell about 4.7m HSG shares and 9.3m HDB shares, equivalent to about VND103.7bn and VND246.9bn, respectively.

**Figure 3: New FTSE VN30 portfolio and ETFs adjustment based on our estimation (data as at 25 Aug 2022)**

# Stock	Current weight (%)	Current value (VNDbn)	Current shares	New weight (%)	New value (VNDbn)	New shares	Net weight change (%)	Net buy/sell value (VNDbn)	Net buy/sell shares	Average daily trading value in Aug 22 (VNDbn)	Estimated transaction days
1 SSB	-	-	-	5.7%	811.2	25,037,553	5.7%	811.2	25,037,553	197.3	4.1
2 STB	2.2%	313.1	12,204,700	5.5%	775.7	30,242,732	3.3%	462.7	18,038,032	306.5	1.5
3 SHB	0.6%	91.8	5,755,500	3.8%	540.0	33,854,019	3.2%	448.2	28,098,519	340.0	1.3
4 DGC	-	-	-	2.4%	343.0	3,485,546	2.4%	343.0	3,485,546	226.5	1.5
5 HPG	7.5%	1,067.8	44,771,867	8.9%	1,261.1	52,877,629	1.4%	193.3	8,105,762	809.8	0.2
6 VJC	3.0%	432.7	3,506,100	3.9%	548.3	4,443,356	0.8%	115.7	937,256	134.7	0.9
7 HCM	0.4%	59.3	2,091,300	0.7%	105.6	3,726,214	0.3%	46.3	1,634,914	242.7	0.2
8 VND	2.1%	295.6	12,878,000	2.4%	335.6	14,621,580	0.3%	40.0	1,743,580	533.9	0.1
9 VCB	4.7%	660.7	8,057,919	4.9%	692.8	8,448,418	0.2%	32.0	390,499	103.3	0.3
10 KDH	1.9%	274.0	7,173,190	2.1%	299.0	7,827,184	0.2%	25.0	653,994	36.6	0.7
11 DIG	1.6%	223.9	5,596,976	1.7%	243.8	6,094,284	0.1%	19.9	497,308	322.1	0.1
12 BVH	0.5%	71.5	1,254,400	0.5%	68.5	1,201,471	0.0%	-3.0	-52,929	65.0	0.0
13 KBC	2.0%	282.0	7,459,066	1.9%	273.0	7,221,885	-0.1%	-9.0	-237,181	272.9	0.0
14 POW	1.0%	142.9	10,137,100	0.9%	131.9	9,356,423	-0.1%	-11.0	-780,677	180.6	0.1
15 SBT	0.8%	114.8	6,208,000	0.6%	86.0	4,647,885	-0.2%	-28.9	-1,560,115	46.6	0.6
16 GEX	1.6%	229.6	9,003,521	1.4%	200.2	7,851,482	-0.2%	-29.4	-1,152,039	257.9	0.1
17 VHM	9.4%	1,333.3	21,857,880	9.2%	1,303.3	21,365,080	-0.2%	-30.1	-492,800	194.2	0.2
18 DPM	1.2%	171.9	3,363,800	1.0%	136.3	2,667,256	-0.3%	-35.6	-696,544	112.2	0.3
19 VCG	0.8%	115.6	5,102,461	0.5%	73.5	3,243,534	-0.3%	-42.1	-1,858,927	106.6	0.4
20 VCI	1.7%	242.7	6,312,750	1.3%	184.2	4,790,032	-0.4%	-58.5	-1,522,718	273.4	0.2
21 SAB	2.0%	285.5	1,522,700	1.6%	222.9	1,188,688	-0.4%	-62.6	-334,012	41.3	1.5
22 PLX	1.3%	184.0	4,192,400	0.6%	88.0	2,003,800	-0.7%	-96.1	-2,188,600	66.3	1.4
23 HSG	0.7%	103.7	4,733,400	-	-	-	-0.7%	-103.7	-4,733,400	253.7	0.4
24 NVL	8.3%	1,184.1	14,163,912	7.5%	1,058.3	12,658,992	-0.9%	-125.8	-1,504,920	409.2	0.3
25 PDR	2.8%	402.7	7,102,611	1.8%	256.2	4,518,322	-1.0%	-146.5	-2,584,289	157.1	0.9
26 SSI	4.2%	590.5	23,156,100	3.0%	427.2	16,753,823	-1.2%	-163.3	-6,402,277	524.1	0.3
27 VNM	8.6%	1,215.8	15,607,800	7.1%	1,001.9	12,861,820	-1.5%	-213.9	-2,745,980	230.5	0.9
28 HDB	1.7%	246.9	9,336,400	-	-	-	-1.7%	-246.9	-9,336,400	164.1	1.5
29 VRE	4.9%	701.6	24,028,500	3.1%	439.3	15,044,746	-1.8%	-262.3	-8,983,754	56.4	4.7
30 VGC	2.3%	321.0	4,665,500	0.4%	56.5	821,047	-1.9%	-264.5	-3,844,453	83.5	3.2
31 VIC	9.6%	1,361.0	20,652,049	7.5%	1,060.2	16,088,733	-2.1%	-300.7	-4,563,316	86.3	3.5
32 MSN	10.9%	1,541.0	13,661,000	8.3%	1,171.7	10,387,099	-2.6%	-369.3	-3,273,901	125.0	3.0

Sources: VNDIRECT RESEARCH, Bloomberg

For FTSE Index rebalancing, SHB will likely to be included into the index and it will not remove any stocks in this review.

We estimate FTSE VN ETF will buy about 1.0m/0.5m shares of SHB/STB, equivalent to VND162bn/VND136bn in this review, while sell about 308,375/230,663 shares of VHM/VIC, or VND184bn/VND150bn, respectively.

**Figure 4: New FTSE ETF portfolio based on our estimation (data as of 25 Aug, 2022)**

Stock	Current weight	New weight	Net buy/sell value (VNDb)	Net buy/sell volume	ADTV (VNDbn)	Estimated transaction days	Comment
SHB	0.00%	1.98%	162.0	1,035,144	148.3	1.1	ADD
STB	1.89%	3.55%	135.8	534,646	338.0	0.4	
VND	1.64%	2.52%	72.0	318,584	409.0	0.2	
DXG	0.90%	1.68%	63.8	225,044	220.8	0.3	
NVL	7.31%	7.89%	47.4	57,177	192.7	0.2	
DIG	1.20%	1.77%	46.6	117,677	357.5	0.1	
VCB	4.18%	4.71%	43.4	52,927	75.5	0.6	
HSG	0.56%	1.04%	39.3	184,075	174.7	0.2	
KBC	1.70%	2.09%	31.9	85,638	165.4	0.2	
KDH	1.76%	2.15%	31.9	84,503	32.2	1.0	
GEX	1.26%	1.59%	27.0	105,675	215.1	0.1	
VCI	1.18%	1.42%	19.6	51,242	191.8	0.1	
VNM	7.75%	7.93%	14.7	18,919	152.8	0.1	
PVD	0.60%	0.72%	9.8	46,009	151.3	0.1	
SSI	3.14%	3.21%	5.7	22,574	443.4	0.0	
TCH	0.54%	0.59%	4.1	33,884	49.9	0.1	
POW	0.96%	1.00%	3.3	23,488	217.5	0.0	
VJC	3.19%	3.21%	1.6	1,296	78.0	0.0	
VCG	0.65%	0.54%	(9.0)	(39,735)	80.5	0.1	
DPM	1.16%	1.03%	(10.6)	(22,176)	197.0	0.1	
SBT	0.75%	0.62%	(10.6)	(59,053)	37.4	0.3	
HPG	9.61%	9.17%	(36.0)	(153,191)	637.1	0.1	
PLX	1.18%	0.68%	(40.9)	(93,379)	43.6	0.9	
DGC	3.21%	2.58%	(51.5)	(54,268)	246.6	0.2	
PDR	2.56%	1.85%	(58.1)	(103,014)	103.3	0.6	
VRE	4.70%	3.66%	(85.1)	(297,552)	50.9	1.7	
MSN	10.77%	9.25%	(124.3)	(111,081)	90.5	1.4	
VIC	13.38%	11.55%	(149.7)	(230,663)	109.8	1.4	
VHM	12.27%	10.02%	(184.1)	(308,375)	166.8	1.1	

\*ADTV = Average daily trading value

Sources: VNDIRECT Research, Bloomberg

### MVIS Vietnam Index (V.N.M ETF): SAB and THD may be excluded in this review

New MVIS indexes basket, which V.N.M ETF tracks on will be announced its new basket 08/09/2022 and will come into effect on 19/09/2022.

Base on data until 25/08/2022, we estimate that SAB and THD will be excluded out of V.N.M ETF in this rebalancing period since they did not meet the liquidity requirements of the index.

We expect the country weight of Vietnam to stay 82% of the index with the total number of Vietnam's stocks is 41.

We estimate V.N.M ETF will buy about 4.0m/0.9m shares of SHB/KDH, equivalent to VND63bn/VND33bn in this review while sold about 0.9m/0.2m shares of THD/SAB, or VND49bn/VND39bn, in this rebalancing period.

**Figure 5: New V.N.M ETF portfolio based on our estimation (data as of 25 Aug, 2022)**

Stock	Current weight	New weight	Net buy/sell value (VNDb)	Net buy/sell volume	ADTV (VNDbn)	Estimated transaction days	Comment
SHB	0.97%	2.69%	63.2	4,038,339	148.3	0.43	
KDH	0.45%	1.35%	33.1	876,821	32.2	1.03	
DIG	1.05%	1.76%	26.1	659,091	357.5	0.07	
HSG	0.79%	1.26%	17.3	810,304	174.7	0.10	
SSI	2.30%	2.66%	13.2	522,772	443.4	0.03	
VCB	3.41%	3.69%	10.3	125,610	75.5	0.14	
VND	1.82%	2.10%	10.3	455,752	409.0	0.03	
VCI	0.97%	1.25%	10.3	269,281	191.8	0.05	
ITA	0.41%	0.68%	9.9	1,253,165	74.7	0.13	
VRE	2.39%	2.65%	9.6	335,664	50.9	0.19	
PDR	1.34%	1.60%	9.6	170,213	103.3	0.09	
GEX	1.22%	1.48%	9.6	375,734	215.1	0.04	
POW	0.58%	0.81%	8.5	604,982	217.5	0.04	
TCH	0.47%	0.66%	7.0	578,512	49.9	0.14	
VJC	3.23%	3.38%	5.5	44,534	78.0	0.07	
SHS	0.83%	0.98%	5.5	390,071	168.2	0.03	
DPM	0.70%	0.85%	5.5	115,063	197.0	0.03	
APH	0.20%	0.35%	5.5	405,904	36.7	0.15	
DGC	2.21%	2.33%	4.4	46,365	246.6	0.02	
DXG	1.25%	1.35%	3.7	130,511	220.8	0.02	
PVS	0.57%	0.65%	2.9	103,943	261.8	0.01	
SBT	0.49%	0.57%	2.9	161,560	37.4	0.08	
HNG	0.44%	0.51%	2.6	361,111	58.9	0.04	
PVD	0.51%	0.53%	0.7	32,864	151.3	0.00	
VIX	0.55%	0.54%	(0.4)	(26,756)	91.6	0.00	
KDC	0.77%	0.75%	(0.7)	(10,448)	77.6	0.01	
VPI	0.55%	0.53%	(0.7)	(10,720)	68.6	0.01	
IDC	1.27%	1.22%	(1.8)	(26,667)	125.1	0.01	
BVH	0.48%	0.41%	(2.6)	(45,694)	72.1	0.04	
BCG	0.56%	0.45%	(4.0)	(250,000)	86.4	0.05	
HPG	6.70%	6.57%	(4.8)	(204,255)	637.1	0.01	
STB	4.25%	4.11%	(5.1)	(200,787)	338.0	0.02	
VHC	0.81%	0.67%	(5.1)	(58,153)	141.3	0.04	
VNM	5.15%	4.93%	(8.1)	(104,247)	152.8	0.05	
HDG	0.72%	0.49%	(8.5)	(153,153)	95.7	0.09	
HUT	0.86%	0.50%	(13.2)	(450,512)	111.1	0.12	
KBC	1.96%	1.58%	(14.0)	(375,839)	165.4	0.08	
VIC	6.85%	6.28%	(21.0)	(323,575)	109.8	0.19	
VHM	7.23%	6.57%	(24.3)	(407,035)	166.8	0.15	
MSN	6.24%	5.34%	(33.1)	(295,800)	90.5	0.37	
SAB	1.06%	0.00%	(39.0)	(208,556)	23.7	1.65	EXCLUDE
NVL	6.16%	5.02%	(41.9)	(505,428)	192.7	0.22	
THD	1.33%	0.00%	(48.9)	(865,487)	8.8	5.56	EXCLUDE

\*ADTV = Average daily trading value

Sources: Bloomberg, VNDIRECT Research

**Figure 6: Total ETFs adjustment based on our estimation (data as at 25 Aug 2022)**

	Fubon ETF		FTSE VN ETF		V.N.M ETF		Total	
	Net buy/sell value (VNDbn)	Net buy/sell shares	Net buy/sell value (VNDbn)	Net buy/sell shares	Net buy/sell value (VNDbn)	Net buy/sell shares	Net buy/sell value (VNDbn)	Net buy/sell shares
SSB	811.2	25,037,553	-	-	-	-	811.2	25,037,553
SHB	448.2	28,098,519	168.5	1,076,677	63.2	4,038,339	679.9	33,213,535
STB	462.7	18,038,032	204.5	805,118	(5.1)	(200,787)	662.1	18,642,363
DGC	343.0	3,485,546	4.1	4,320	4.4	46,365	351.5	3,536,231
HPG	193.3	8,105,762	(23.7)	(100,851)	(4.8)	(204,255)	164.8	7,800,656
VJC	115.7	937,256	12.3	9,960	5.5	44,534	133.5	991,750
VND	40.0	1,743,580	43.4	192,035	10.3	455,752	93.7	2,391,367
DIG	19.9	497,308	18.0	45,455	26.1	659,091	64.0	1,201,854
KDH	25.0	653,994	-	-	33.1	876,821	58.1	1,530,815
VCB	32.0	390,499	15.5	18,902	10.3	125,610	57.8	535,011
HCM	46.3	1,634,914	-	-	-	-	46.3	1,634,914
DXG	-	-	32.7	115,344	3.7	130,511	36.4	245,855
TCH	-	-	3.3	27,273	7.0	578,512	10.3	605,785
ITA	-	-	-	-	9.9	1,253,165	9.9	1,253,165
SHS	-	-	-	-	5.5	390,071	5.5	390,071
APH	-	-	-	-	5.5	405,904	5.5	405,904
POW	(11.0)	(780,677)	6.5	46,263	8.5	604,982	4.0	(129,432)
PVS	-	-	-	-	2.9	103,943	2.9	103,943
HNG	-	-	-	-	2.6	361,111	2.6	361,111
VIX	-	-	-	-	(0.4)	(26,756)	(0.4)	(26,756)
KDC	-	-	-	-	(0.7)	(10,448)	(0.7)	(10,448)
VPI	-	-	-	-	(0.7)	(10,720)	(0.7)	(10,720)
IDC	-	-	-	-	(1.8)	(26,667)	(1.8)	(26,667)
PVD	-	-	(4.1)	(19,249)	0.7	32,864	(3.4)	13,615
BCG	-	-	-	-	(4.0)	(250,000)	(4.0)	(250,000)
VHC	-	-	-	-	(5.1)	(58,153)	(5.1)	(58,153)
BVH	(3.0)	(52,929)	-	-	(2.6)	(45,694)	(5.6)	(98,623)
KBC	(9.0)	(237,181)	14.7	39,463	(14.0)	(375,839)	(8.3)	(573,557)
HDG	-	-	-	-	(8.5)	(153,153)	(8.5)	(153,153)
HUT	-	-	-	-	(13.2)	(450,512)	(13.2)	(450,512)
GEX	(29.4)	(1,152,039)	(0.8)	(3,131)	9.6	375,734	(20.6)	(779,436)
DPM	(35.6)	(696,544)	4.1	8,577	5.5	115,063	(26.0)	(572,904)
SBT	(28.9)	(1,560,115)	(9.0)	(50,139)	2.9	161,560	(35.0)	(1,448,694)
THD	-	-	-	-	(48.9)	(865,487)	(48.9)	(865,487)
HSG	(103.7)	(4,733,400)	31.1	145,667	17.3	810,304	(55.3)	(3,777,429)
VCG	(42.1)	(1,858,927)	(18.0)	(79,470)	-	-	(60.1)	(1,938,397)
VCI	(58.5)	(1,522,718)	(21.3)	(55,686)	10.3	269,281	(69.5)	(1,309,123)
SAB	(62.6)	(334,012)	-	-	(38.6)	(206,417)	(101.2)	(540,429)
NVL	(125.8)	(1,504,920)	54.8	66,104	(41.9)	(505,428)	(112.9)	(1,944,244)
PLX	(96.1)	(2,188,600)	(52.4)	(119,635)	-	-	(148.5)	(2,308,235)
SSI	(163.3)	(6,402,277)	(20.5)	(81,188)	13.2	522,772	(170.6)	(5,960,693)
VHM	(30.1)	(492,800)	(146.4)	(245,226)	(24.3)	(407,035)	(200.8)	(1,145,061)
PDR	(146.5)	(2,584,289)	(72.8)	(129,078)	9.6	170,213	(209.7)	(2,543,154)
VNM	(213.9)	(2,745,980)	8.2	10,553	(8.1)	(104,247)	(213.8)	(2,839,674)
HDB	(246.9)	(9,336,400)	-	-	-	-	(246.9)	(9,336,400)
VGC	(264.5)	(3,844,453)	-	-	-	-	(264.5)	(3,844,453)
VRE	(262.3)	(8,983,754)	(56.4)	(197,203)	9.6	335,664	(309.1)	(8,845,293)
VIC	(300.7)	(4,563,316)	(110.4)	(170,108)	(21.0)	(323,575)	(432.1)	(5,056,999)
MSN	(369.3)	(3,273,901)	(85.9)	(76,765)	(33.1)	(295,800)	(488.3)	(3,646,466)

Sources: VNDIRECT RESEARCH, Bloomberg

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### RECOMMENDATION FRAMEWORK

#### 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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