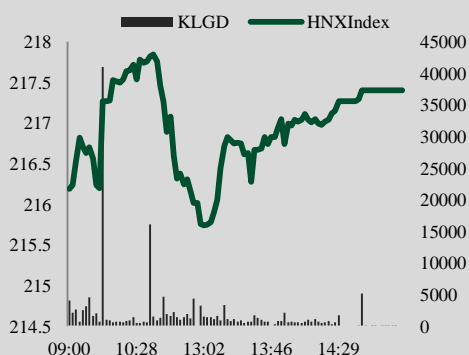
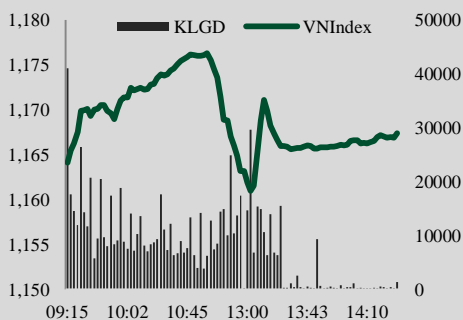


WEEKLY STRATEGY REPORT

11/01 – 15/01/2021

Market statistics	HSX	HNX
Index	1,167.69	217.40
+/-	+5.78%	+7.03%
Volume (mil. shares)	3,710.20	773.26
Value (bil. VND)	83,695.20	11,273.75

Derivatives	Change	
VN30F1M	1,176.60	+92.70
VN30F2M	1,179.00	+97.00
VN30F1Q	1,180.70	+98.20
VN30F2Q	1,178.10	+96.00



INVESTMENT STRATEGY

VN Index recorded the first exciting week of the new year 2021 and this was the 10th consecutive week of gaining. The index just surpassed 1,150 points when, at the same time it also maintained above 1,100 points despite experiencing some strong fluctuations during the session. Specifically, the rapid increase in demand right from the first session of the week (January 04th) made VN Index easily surpassed 1,120 points. However, profit-taking pressure increased again on Tuesday and Friday (January 05th – 06th), causing the index to return to around the reference level in the session. However, the cash flow continued flowing strongly into the market in the second half of the afternoon session and supported the index positively so the index kept going up with two strong gaining sessions on Thursday and Friday (07th – 08th of January), and at the end of the week, it definitely surpassed 1,160 points. Liquidity this week increased sharply from the previous week in terms of both value and volume, but mainly because the market closed on last Friday (January 01st, 2021). Closing the week, VN Index reached 1,167.69 points (+5.78%), while HNX Index stopped at 217.40 points (+7.03%).

Investors' sentiment in general is in a state of quite excitement in the context that VN Index has surpassed 1,100 points and is still strongly approaching the historic peak of around 1,200 points, reflected in matched volume still kept increasing from session to session compared to the end of 2020. However, the fact that the technical indicators are gradually entering the overbought zone may cause short-term profit-taking pressure on the market. increase in the next sessions and partly cause the upward momentum to cool down next week. We believe that short-term investors can consider taking profit part of stocks that have achieved expected returns to preserve results, and switch to holding mid-cap stocks that have not increased strongly in the last week. Meanwhile, long-term investors can still hold their current portfolio and can even take advantage of intraday downside corrections to continue accumulating target stocks with good growth potential and a healthy financial foundation in 2021.

	Recommendations
Short term	Consider taking profit part of stocks that have achieved expected returns to preserve results, and switch to holding mid-cap stocks that have not increased strongly in the last week
Medium to long term.	Can still hold the current portfolio and can even take advantage of intraday downside corrections to continue accumulating target stocks with good growth potential and a healthy financial foundation in 2021.

MARKET NEWS

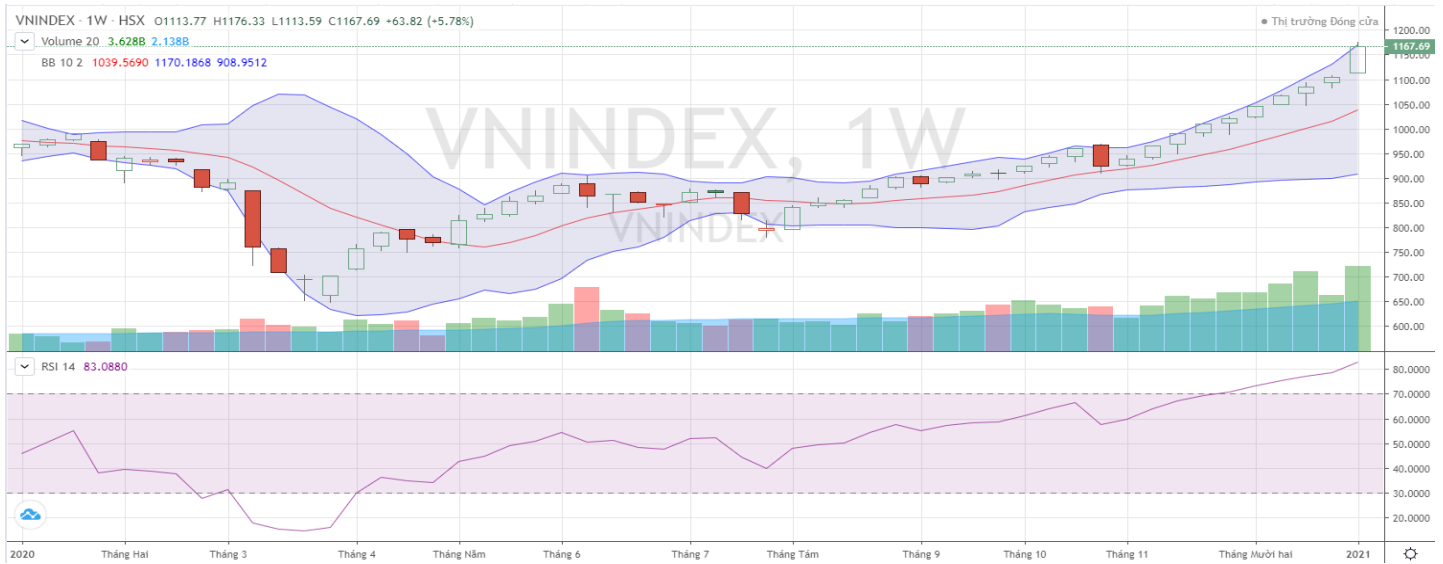
- ✓ **More than VND 2.3 million billions was granted loans with preferential interest rates.** Credit institutions have rescheduled their repayment terms for about 270,000 customers affected by Covid-19 with a loan balance of nearly VND 335,000 billion. More than 600,000 customers are exempted, reduced, and reduced interest rates with outstanding loans of over 1 million billion.
- ✓ **The US economy faces the risk of a slowdown in the first quarter.** The president of the Philadelphia Fed branch Patrick Harker said that at the national level, the economy grew modestly in Q4. 2020 before slowing down or even shrinking in the first quarter.
- ✓ **Won in Georgia, the Democrats control both the Senate and the House of Representatives.** The two Democrats, Jon Ossoff and Raphael Warnock, beat Republican rivals in Georgia to win two seats in the US Senate, thereby helping Democrats control the Senate.

REPORTS RECENTLY RELEASED BY VCBS

- ✓ [Outlook for the Steel sector 2021](#)
- ✓ [Outlook for the Sugar sector 2021](#)
- ✓ [Update report DRC 18.12.2020](#): Recommendation **BUY**, target price of VND 28,289 per share
- ✓ [Update report BSR 18.12.2020](#): Recommendation **BUY**, target price of VND 10,100 per share
- ✓ [Update report MBB 16.12.2020](#): Recommendation **BUY**, target price of VND 24.660/share.
- ✓ [Outlook report 2021](#)
- ✓ [Outlook for the Banking sector 2021](#)
- ✓ [Thematic Report on the impact of VAT Law on Vietnam's Fertilizer sector.](#)

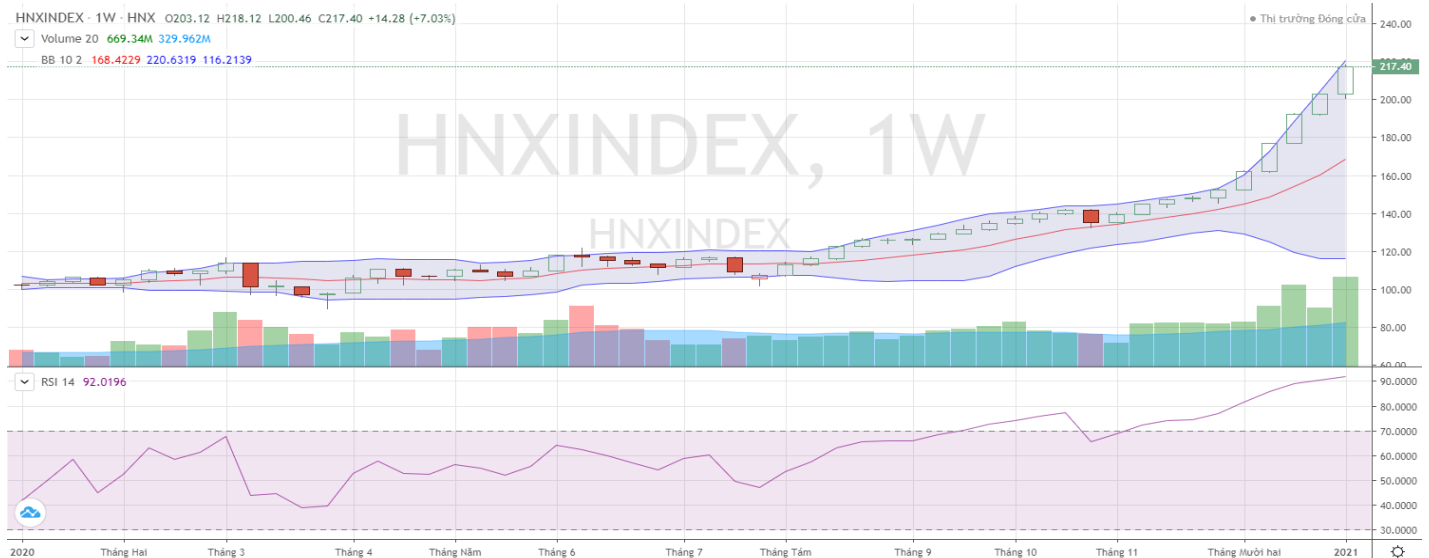
WEEKLY TECHNICAL VIEW

VN Index



VN Index (weekly chart) continued to record another bullish hollow candlestick with strong gains and surpassing 1,150 points. The liquidity this week also rebounded strongly compared to the previous week, but it was due to the last week of January 01st holiday and only traded for four sessions. The RSI is still continuing to go deeper into the overbought zone. The upward trend is still the mainstay but there are signs that short-term profit-taking pressure has started to increase significantly as the index got closer and closer to its historic peak of around 1,200 points. Accordingly, the index is likely to record stronger fluctuations next week around 1,180 - 1,200 points if the uptrend continues, and doesn't exclude the possibility that there will be downward corrections to test the support level around 1,150 points and 1,100 points. Nearest support level: 1,150 points.

HNX Index



HNX Index (weekly chart) continued to record another bullish hollow candlestick with strong gains and surpassing 1,150 points. The liquidity this week also rebounded strongly compared to the previous week, but it was due to the last week of January 01st holiday and only traded for four sessions. The RSI is still continuing to go deeper into the overbought zone. The upward trend is still the mainstay but there are signs that short-term profit-taking pressure has started to increase significantly as the index got closer and closer to its historic peak of around 1,200 points. Accordingly, the index is likely to record stronger fluctuations next week around 1,180 - 1,200 points if the uptrend continues, and doesn't exclude the possibility that there will be downward corrections to test the support level around 200 points. Nearest support level: 200 points.

EXPERT'S VIEW

OUTLOOK FOR THE BANKING SECTOR 2021

- 2020 highlights:
 - ✔ Credit growth rate in 2020 will be slower than that in previous years, mainly due to lower credit demand of individual customers. However, with signs of positive growth in retail credit demand, VCBS expects an improvement in credit growth in 2021 at 12%.
 - ✔ The decrease in deposit interest rates helped banks' cost of capital to fall sharply while lending interest rates decreased at a slower rate, causing net profit margin of NIM to increase in Q3.2020.
 - ✔ Many banks did not record the increase in restructured loans in Q3.2020. In addition, yields recorded on the lending portfolio were differentiated and strongly recovered among banks with good asset quality. The main reason comes from the fact that a part of customers who restructured according to Circular 01 had cash flow and returned to paying interest after the interest payment period was extended at Q2.2020.
- Forecast for 2021:
 - ✔ With the pressure on lending rates from the regulators, VCBS expects the banking sector's net profit margin to remain at the same level as 2020 in 2021. Thus, banks will record revenues. Net interest income growth. The private bank group has higher interest income growth due to higher credit growth.
 - ✔ Banks will be under increased pressure of bad debt when Circular 01 expires. However, with signs of recovery of restructured loans, the increase in bad debt coming from this customer group is expected to be 0.5 - 1% of total outstanding loans and there will be a strong differentiation among banks. depending on the quality of the property. In addition, banks that made strong provisioning in 2020 for potential bad loans in the future will be under less pressure to increase provisioning in 2021.
 - ✔ The banking industry has gone through a period of nearly 10 years of active restructuring, helping to improve asset quality. In addition, the health of the economy has remained positive and the governance efficiency in banks has also been much better than before. We believe that this is the core factor that helps banks have good prospects in the long term. VCBS forecasts that the banking system's profit will continue to grow in 2021.

More details at: [Outlook for the Banking sector 2021](#)

MARKET STATISTICS

Top large-cap price movements on HSX

Ticker	Capital	Closing price	Trading volume 5-day average	% change in 1 week
VCB	388,690.36	104,800	963,900	5.86
VIC	378,155.74	111,800	1,348,700	3.52
VHM	317,109.14	96,400	2,187,200	4.78
BID	195,067.87	48,500	2,034,900	0.52
GAS	177,423.17	92,700	934,700	4.39
CTG	144,095.76	38,700	8,380,100	9.01
HPG	141,642.83	42,750	19,978,500	1.06
SAB	127,101.93	198,200	152,900	-0.60
TCB	125,125.15	35,700	16,947,900	8.18
GVR	116,000.00	29,000	6,681,900	-1.53

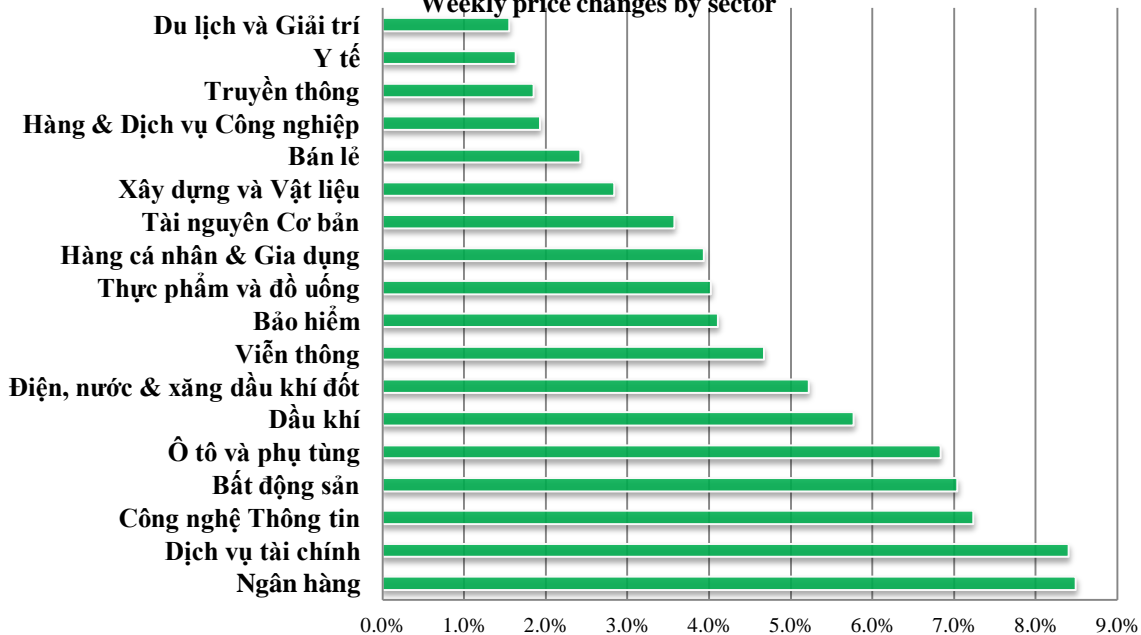
Top large-cap price movements on HNX

Ticker	Capital	Closing price	Trading volume 5-day average	% change in 1 week
SHB	33,526.94	19,100	28,629,500	11.05
VCS	13,502.40	87,000	393,100	0.23
IDC	12,270.00	40,900	5,594,900	15.21
PVS	9,798.31	20,500	10,994,000	9.04
PVI	7,398.46	33,100	87,700	1.85
VIF	6,090.00	17,400	2,640	1.16
PHP	5,656.41	17,300	37,700	7.45
SHS	5,534.06	26,700	3,892,200	1.91
NVB	4,596.88	11,300	5,389,200	3.67
NTP	4,311.34	36,600	36,400	-1.35

Foreign investors' trading activities on HSX, HNX, UpCom



Weekly price changes by sector



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