

March Rebalancings

FTSE Vietnam & MVIS estimated changes

March 1, 2021

PDR, DXG and HSG likely to be added in the FTSE Vietnam Index

All constituents met all inclusion requirements during the current review. The number of constituents comprising the FTSE Vietnam index may increase to 22 constituents after Phat Dat Real Estate (PDR), Dat Xanh Group (DXG) and Hoa Sen Group (HSG) met all inclusion requirements. Changes to the FTSE Vietnam Index take effect on Monday, March 22 or after the close of business on Friday, March 19.

MVIS Vietnam Index likely to remain unchanged in the March rebalancing

All constituents met all inclusion requirements during the current review. The number of constituents comprising the MVIS Vietnam index may remain unchanged. In case the number of constituents increases, the most likely candidate is Saigon Hanoi Bank (SHB). Changes to the MVIS Vietnam Index take effect on Monday, March 22 or after the close of business on Friday, March 19.

Estimated flow impact for March:

Buys – VIC, VNM, PDR, DXG, HSG

Sells – MSN, VRE, VHM, NVL, PLX

FTSE will announce quarterly changes to the FTSE Vietnam index on March 5 and the MVIS Vietnam index will publish changes on March 12. We estimate the impact to individual stocks from the March balancing based on the AUM of ETFs benchmarked against both indices. Currently, the AUM of the FTSE Vietnam ETF index sits at USD401 million and the VanEck Vectors Vietnam ETF sits at USD475 million. Stocks benefitting from additional buying include: VIC, VNM, PDR, DXG, HSG. Stocks coming under selling pressure include: MSN, VRE, VHM, NVL, PLX.

Table 1. FTSE Vietnam Index – Estimated component stocks & trading flow for March rebalancing, March 2021
 (% , USDmn, shares, trading days)

	Ticker	Additions/ deletions	Current weighting (%)	New weighting (%)	Change in weighting (%)	Estimated flow (USDmn)	Estimated shares (shares)	Number of trading days
1	MSN		8.9%	5.6%	-3.31%	-13.3	(3,352,709)	2.63
2	VRE		6.9%	4.5%	-2.36%	-9.5	(6,429,180)	1.49
3	VIC		13.6%	15.0%	1.40%	5.6	1,191,325	1.47
4	VJC		4.0%	5.3%	1.35%	5.4	912,233	1.43
5	VHM		15.8%	12.6%	-3.24%	-13.0	(2,923,222)	1.28
6	PLX		2.0%	1.2%	-0.86%	-3.4	(1,343,561)	0.87
7	STB		1.9%	4.7%	2.89%	11.6	14,212,754	0.85
8	PDR	Added	0.0%	1.5%	1.51%	6.1	2,175,894	0.72
9	VNM		12.7%	15.0%	2.31%	9.3	2,017,319	0.69
10	DXG	Added	0.0%	1.6%	1.55%	6.2	6,064,580	0.67
11	VCB		5.4%	6.0%	0.64%	2.6	600,625	0.65
12	NVL		5.4%	4.4%	-0.94%	-3.8	(1,086,050)	0.61
13	SBT		1.1%	0.8%	-0.29%	-1.2	(1,217,142)	0.42
14	HSG	Added	0.0%	1.4%	1.44%	5.8	4,894,343	0.41
15	KBC		1.5%	1.9%	0.40%	1.6	938,234	0.29
16	POW		1.1%	0.9%	-0.22%	-0.9	(1,571,706)	0.22
17	SSI		2.7%	1.8%	-0.90%	-3.6	(2,423,447)	0.20
18	GEX		0.9%	1.1%	0.17%	0.7	700,915	0.17
19	APH		0.8%	0.7%	-0.13%	-0.5	(170,567)	0.12
20	HPG		13.8%	12.5%	-1.31%	-5.2	(2,617,854)	0.09
21	PVD		0.9%	0.7%	-0.11%	-0.4	(430,567)	0.04
22	TCH		0.7%	0.7%	-0.01%	0.0	(48,161)	0.01

Note: Preliminary estimates based on closing share prices on February 26, 2021.

Source: FTSE, Bloomberg & KB Securities Vietnam

Table 2. MVIS Vietnam Index – Estimated Vietnam component stocks & trading flow for March rebalancing, March 2021
(%, USDmn, shares, trading days)

	Ticker	Additions/ deletions	Current weighting (%)	New weighting (%)	Change in weighting (%)	Estimated flow (USDmn)	Estimated shares (shares)	Number of trading days
1	VCB		6.2%	5.5%	-0.69%	-3.3	(764,021)	0.82
2	VJC		2.9%	2.4%	-0.53%	-2.5	(426,315)	0.66
3	VRE		4.9%	4.2%	-0.69%	-3.3	(2,236,414)	0.52
4	NVL		7.1%	6.5%	-0.62%	-3.0	(855,946)	0.47
5	POW		2.0%	2.4%	0.36%	1.7	3,106,460	0.43
6	VHM		7.8%	7.0%	-0.83%	-3.9	(884,609)	0.38
7	VIC		7.7%	8.0%	0.30%	1.4	305,494	0.37
8	VNM		7.2%	8.0%	0.85%	4.0	881,228	0.30
9	SBT		1.9%	2.1%	0.17%	0.8	829,933	0.29
10	TCH		1.2%	1.0%	-0.16%	-0.8	(806,447)	0.16
11	BVH		2.0%	2.0%	0.03%	0.1	55,341	0.11
12	GEX		1.3%	1.2%	-0.06%	-0.3	(297,084)	0.07
13	MSN		4.9%	5.0%	0.05%	0.3	64,367	0.05
14	SSI		3.6%	3.5%	-0.09%	-0.4	(273,281)	0.02
15	HPG		6.1%	6.0%	-0.10%	-0.5	(226,402)	0.01

Note: Preliminary estimates based on closing share prices on February 26, 2021.

Source: MVIS, Bloomberg & KB Securities Vietnam

KB SECURITIES VIETNAM RESEARCH

Head of Research – Nguyen Xuan Binh

binhnx@kbsec.com.vn

Macro/Strategy

Head of Macro & Strategy – Tran Duc Anh

anhhd@kbsec.com.vn

Macro Analyst – Thai Thi Viet Trinh

trinhhtt@kbsec.com.vn

Market Strategist – Le Anh Tung

tungla@kbsec.com.vn

Equity analyst – Tran Thi Phuong Anh

anhhttp@kbsec.com.vn

Equity (Hanoi)

Head of Equity Research (Hanoi) – Duong Duc Hieu

hieudd@kbsec.com.vn

Information Technology & Logistics Analyst – Nguyen Anh Tung

tungna@kbsec.com.vn

Property Analyst – Pham Hoang Bao Nga

ngaphb@kbsec.com.vn

Power & Construction Material Analyst – Nguyen Ngoc Hieu

hieunn@kbsec.com.vn

Equity (Ho Chi Minh)

Head of International Research (Ho Chi Minh) – Harrison Kim

harrison.kim@kbf.com

Consumer & Retailing Analyst – Dao Phuc Phuong Dung

dungdpp@kbsec.com.vn

Oil & Gas & Fisheries Analyst – Nguyen Thanh Danh

danhnt@kbsec.com.vn

KB SECURITIES VIETNAM (KBSV)

Head Office:

Levels G, 2 & 7, Sky City Tower, 88 Lang Ha Street, Dong Da District, Hanoi, Vietnam
Tel: (+84) 24 7303 5333 – Fax: (+84) 24 3776 5928

Hanoi Branch:

Level 1, VP Building, 5 Dien Bien Phu, Ba Dinh District, Hanoi, Vietnam
Tel: (+84) 24 7305 3335 – Fax: (+84) 24 3822 3131

Ho Chi Minh Branch:

Level 2, TNR Tower Nguyen Cong Tru, 180-192 Nguyen Cong Tru Street, District 1, HCMC, Vietnam
Tel: (+84) 28 7303 5333 – Fax: (+84) 28 3914 1969

Saigon Branch:

Level 1, Saigon Trade Center, 37 Ton Duc Thang, Ben Nghe Ward, District 1, HCMC, Vietnam
Tel: (+84) 28 7306 3338 – Fax: (+84) 28 3910 1611

CONTACT INFORMATION

Institutional Client Center: (+84) 28 7303 5333 – Ext: 2656
Private Customer Care Center: (+84) 24 7303 5333 – Ext: 2276
Email: ccc@kbsec.com.vn
Website: www.kbsec.com.vn

Investment ratings & definitions

Investment Ratings for Stocks

(based on expectations for absolute price gains over the next 6 months)

Buy:	Hold:	Sell:
+15% or more	+15% to -15%	-15% or more

Investment Ratings for Sectors

(based on expectations for absolute price gains over the next 6 months)

Positive:	Neutral:	Negative:
Outperform the market	Perform in line with the market	Underperform the market

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