Shinhan Securities

MARKET RADAR

RESEARCH CENTER

Monday, 1 November 2021

BASIC INDICES

(unit: %)	Price	1D	1M	3M	YTD	1Yr.
VNINDEX	1,438.97	-0.37	7.45	11.2	30.4	
VN30	1,516.75	-1.02	4.57	6.2	41.7	
HNXINDEX	415.54	0.83	17.29	33.6	104.6	
HNX30	668.48	1.05	18.50	35.2	106.7	
UpCom	105.95	0.54	10.43	35.2	42.3	

MARKET LIQUIDITY (VNDbn, mn shares)

	Price	1D	1M	3M	YTD	1Yr.
Turnover	33,700	0.0	81.1	90.8	1,148.7	
Volume	1,265	0.0	64.5	106.8	532.7	

KEY RATES (% p.a, bps)

	Price	1D	1M	3M	YTD	1Yr.
O/N	0.640	4.90	9.0	-10.2	55.4	
VN 10Y	2.176	-1.90	-0.7	-2.3	-40.3	
CN 10Y	2.939	-2.90	7.8	4.8	-20.0	
IND 10Y	6.077	4.30	-15.0	-20.5	21.6	
TH 10Y	1.988	0.45	8.6	28.1	51.1	
US T10	1.575	1.48	3.8	24.1	72.5	

CURENCIES & COMMODITIES

	Price	1D	1M	3M	YTD	1Yr.
Dollar Index	94.14	0.02	-0.21	2.48	4.67	
USD/VND	22,753	0.00	0.00	-0.94	-1.49	
EUR/USD	1.16	0.09	-0.26	-2.68	-5.30	
USD/JPY	114.24	0.25	2.04	4.35	10.64	
USD/CNY	6.40	-0.14	-1.15	-0.93	-2.00	
USD/KRW	1,176.55	0.69	-0.45	2.63	8.30	
WTI	84.06	0.0	12.3	14.2	73.2	
Coal	223.45	0.0	6.2	49.0	177.6	
Gold	1,786.84	0.2	3.5	-2.3	-5.9	
Iron ore	121.23	0.0	1.3	-43.2	0.9	
China HRC	5,393	-0.7	-7.0	-7.9	17.9	
Corn	568	0.0	5.4	1.8	17.4	
BDI	3,519	0.0	-32.3	9.5	157.6	

Market Trends: Liquidity heat up

- VN Index slowed down in the first trading session of the week as facing a minor correction after an impressive rally due to selling pressure of large cap tickers.
- At the close, VN Index fell to 1,438.97 equivalent with - 5.3 points or -0.37%. Market liquidity continued to explode when turnover reached VND 33,700 bn, or 1,132mn shares traded. Foreign investors turned to a net selling of more than VND 1,265 bn, the focus was on HPG (-2.45%).
- Within the VN 30 basket, selling pressure of MSN (-3.58%), HPG (-2.45%) and GAS (-2.57%) had the most negative impact on the index. Meanwhile, the gain of the top stocks that contributed to VN Index like CTG (2.22%), DIG (+6.88%) and VCI (+6.08%) could not help the index protect the score.
- Agro-forestry-fishery outperformed the others with+5.58% gains, some notable stocks included HAG (+6.69%), HNG (+4.8%).
- After winning streaks, VN-Index witnessed a strong profit-taking pressure at the resistance level of 1,450. Besides, the RSI is temporarily showed the overbought signal. Thus, the adjustment is understandable. If VN Index continues to correct, 1.420 level is the nearest support level. From a fundamental perspective, October's PMI (52.1) shows a strong recovery prospect of Vietnam's economy. Therefore, we still maintain an uptrend view for VN Index in a long-term.

Featuring events/news

- October PMI rose sharply to neutral, reaching 52.1
- PVD reported a 73% increase in Q3 profit thanks to increased rig efficiency

NEWS & COMMENTS

Macro

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1) October PMI rose sharply to neutral, reaching 52.1

According to a new report released by IHS Markit, the improved public health situation and the subsequent easing of restrictive measures helped Vietnam's manufacturing sector grow again in October output, the number of new orders and purchasing activity has rebounded, while business confidence has also increased.

The Purchasing Managers' Index (PMI) of Vietnam's manufacturing industry rebounded above the neutral threshold of 50 points in October to reach 52.1 after reaching only 40.2 points in September.

Utilities

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2) PVD reported a 73% increase in Q3 profit thanks to increased rig efficiency

PetroVietnam Drilling and Drilling Services Corporation (Ticker: PVD) recorded VND 1,011 bn in net revenue in the third quarter, down 20% over the same period. However, net profit still increased by 73% thanks to the increase in the efficiency of the jack-up rig, reaching VND 67 bn.

The unit price for renting a self-supporting jack-up rig is reduced by nearly 15%. However, due to the increase in the efficiency of the usage in the third quarter, it increased to 88% (the same period of 55%), along with the reduction of expenses, helping to increase net profit by 73% over the same period, reaching VND 67 bn. copper.

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