Shinhan Securities

MARKET RADAR

RESEARCH CENTER

Wednesday, 23 March 2022

BASIC INDICES

(unit: %)	Price	1D	1M	3M	YTD	1Yr.
VNINDEX	1,502.34	-0.10	-0.08	1.7	0.3	
VN30	1,505.59	-0.52	-1.75	0.1	-2.0	
HNXINDEX	462.10	0.16	6.37	2.0	-2.5	
HNX30	851.33	0.27	9.68	10.1	6.0	
UpCom	116.58	-0.19	3.16	10.1	3.5	

MARKET LIQUIDITY

(VNDbn, mn shares)

	Price	1D	1M	3M	YTD	1Yr.
Turnover	28,038	0.0	-1.2	-15.8	1,111.1	
Volume	861	0.0	3.4	-12.7	513.2	

KEY RATES

(% p.a, bps)

	Price	1D	1M	3M	YTD	1Yr.
O/N	2.025	7.50	-39.5	118.1	58.2	
VN 10Y	2.521	-1.40	24.7	35.1	16.2	
CN 10Y	2.827	-0.30	-1.1	-0.4	5.5	
IND 10Y	6.717	-1.20	22.7	35.9	35.6	
TH 10Y	2.339	0.43	9.2	24.1	23.6	
US T10	2.366	-0.68	22.0	63.0	56.7	

CURENCIES & COMMODITIES

	Price	1D	1M	3M	YTD	1Yr.
Dollar Index	98.59	0.10	2.67	2.61	3.05	
USD/VND	22,878	0.03	0.29	-0.25	-0.23	
EUR/USD	1.10	-0.15	-2.75	-2.76	-3.14	
USD/JPY	120.93	0.11	5.08	5.99	-4.84	
USD/CNY	6.37	0.08	0.71	0.02	-0.24	
USD/KRW	1,213.90	-0.39	1.79	1.82	-2.06	
WTI	110.11	0.0	19.2	51.3	46.5	
Coal	328.90	0.0	39.2	94.0	93.9	
Gold	1,926.98	0.3	1.5	6.8	5.3	
Iron ore	149.68	0.0	4.5	33.0	-10.6	
China HRC	5,181	-0.1	3.7	7.6	9.1	
Corn	756	0.3	12.0	25.4	27.3	
BDI	2,546	0.0	18.5	14.2	14.8	

Market Trends: Cooling down a bit

- The market had a bright signal at the beginning of the day, continuing the upside momentum of the past few days. However, the selling pressure lately made VN Index fall below the reference line.
- At the end of the session, VN-Index lost 1.44 points, equivalent to 0.10%, and closed at 1,502.34. Total market liquidity reached 28,038 billion dong, equivalent to 1,651 shares traded. Foreign investors continued to be net buyers of 1,027.4 billion dong, focusing mainly on DGC.
- GVR (+2.16%), DGC (+6.42%), SAB (+2.27%) were the top three maintained the green vibe today. On the contrary, GAS (-2.35%), VHM (-1.03%), VIC (-0.97%) were the three tickers that restrained the market's gain.
- Plastics, chemicals and seafood processing are the two groups with the best gainers today such as GVR, DPM, DGC, VHC, ANV, etc.
- Technically, the VN-Index today continued to struggle around the resistance level of 1,500 and retested the old peak of 1,510-1,535 in January 2022. The fact that VN-Index is above the short and medium-term MA lines, so the upcoming uptrend is quite solid.
- Liquidity was maintained compared to the previous session, showing that domestic and foreign investors have regained confidence in the market. If the cash flow returns as well as investor sentiment improves, VN-Index is likely to conquer the nearest resistance area of 1,510-1,520.

Featuring events/news

- Song Hong Corporation is on the verge of losing hundreds of billions of dong
- Sacombank has an improvement on bad debt handling

NEWS & COMMENTS

Construction

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1) Song Hong Corporation is on the verge of losing hundreds of billions of dong

According to the semi-annual reviewed financial statements for 2021, Song Hong Corporation (Ticker: SHG) has 7 investments in subsidiaries, 13 investments in associates and 7 investments in other subsidiaries. Among 27 investments with original investment value of 284 billion dong, SHG has to make provision up to 219 billion dong (equivalent to 77% of investment historical value).

In addition, according to the auditor's opinion, Song Hong Corporation and its subsidiaries have not yet made a record of reconciliation of payables as of June 30. 2021 with the amount of 118.4 billion VND and 356.3 billion VND respectively. At the same time, at the time of making financial statements, the Corporation has not made provision for doubtful receivables.

Banking

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2) Sacombank has an improvement on bad debt handling

From a bank with good financial capacity and stable development, after merging with Phuong Nam Bank, Sacombank faced nearly VND 97,000 billion of bad debts and outstanding assets, accounting for 30% of total assets. After 5 years, Sacombank has a very positive bad debt handling speed. The bank has recovered nearly 72,000 billion dong of bad debts and outstanding assets, of which about 60,000 billion dong are items under the scheme, reaching nearly 70% of the overall plan.

By the end of 2021, Sacombank reached more than VND 4,400 billion, up 32% compared to the previous year, exceeding 10% of the whole year plan. NPLs at the end of the year improved compared to the beginning of the year from 1.7% to 1.47%. The bank's total bad debt by the end of the year was only VND5,721 billion.

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