Wednesday, May 25, 2022

Exploring Vietnam

Research Center

Market Insight



Daily report

Market Summary:

"Liquidity flourishes "

▶ Vietnam stock market had a positive session with the breakthrough of many industry groups. Notably, VN Index has 48 stocks that hit the ceiling with liquidity increasing again after a long time of decline.

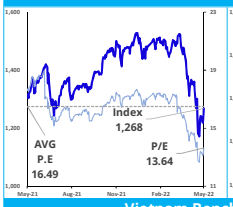
▶ At the end, the VN-Index increased by 35.05, equivalent to 2.84% to close at 1268.43 points. The market's liquidity reached 16,574 billion, equivalent to 655 million shares traded. Foreign investors net bought 5.99 billion, focusing mainly on DCM.

▶ VPB (+5.00%), VCB (+1.85%), FPT (+6.92%) were the three tickers that contributed the most to the green color of the market. On the contrary,PDN (-6.29%), PDR (-0.75%), HPG (-1.29%) were the three tickers that lost the most points of the market.

▶ Most of the industry groups were in green in today's session. The seafood and information technology sectors stood out the most with many stocks hitting the ceiling such as: VHC, ANV, FPT...

▶ From a technical perspective, the VN Index has surpassed the resistance area of 1250 points with bullish marubozu candle. The MACD continues to uptrend and widens the gap with Signal. Meanwhile, the liquidity in the market improved compared to the previous session when the trading value surpassed the average of 20 sessions.

VN Index



VN30 Index



HNX Index



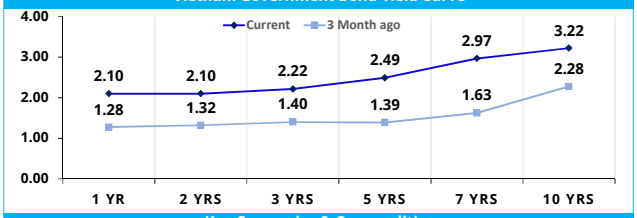
Vietnam Benchmark Index Performance & Multiples

Index	Price	%1D	%1M	%1Yr.	PER	PBR	Mkt Cap
VN-Index	1,268	2.8	-3.2	-3.1	13.6	2.1	4,891,360
VN30 Index	1,311	3.0	-4.1	-9.2	11.4	2.2	3,372,490
VN Midcap	1,655	3.5	-3.5	25.2	11.1	1.3	314,844
VN Smallcap	1,655	3.5	-3.5	25.2	11.1	1.3	314,844
HNX Index	315	2.9	-6.7	4.4	16.2	1.9	313,371
UpCom	95	1.8	-4.8	14.3	15.1	1.7	1,239,847

Vietnam Sector Performance

Sector	%1D	%1M	%YTD	%1 YR.	PER	PBR	Mkt Cap
Oil & Gas	4.1	-6.8	-21.3	0.8	22.4	2.5	63,720
Technology	6.6	2.0	6.3	31.9	22.4	4.1	111,205
Utilities	2.7	3.7	4.4	27.7	20.0	2.6	307,337
Basic Materials	2.2	-9.8	-20.6	-5.5	7.2	1.9	425,182
Financials	4.0	-9.0	-26.7	42.9	11.6	1.9	192,219
Consumer Goods	2.8	-2.1	-12.7	2.8	18.4	3.1	615,580
Industrials	5.7	-1.2	-14.9	27.7	17.2	1.6	256,911
Banks	3.3	-4.9	-14.1	-6.1	11.1	1.9	1,543,705
Consumer Services	3.0	-6.7	-3.4	27.1	n.a	4.6	256,066
Real Estate	1.7	0.8	-15.1	-2.0	20.5	2.5	1,222,473
Health Care	1.3	-3.7	-11.0	6.8	16.7	2.3	33,813

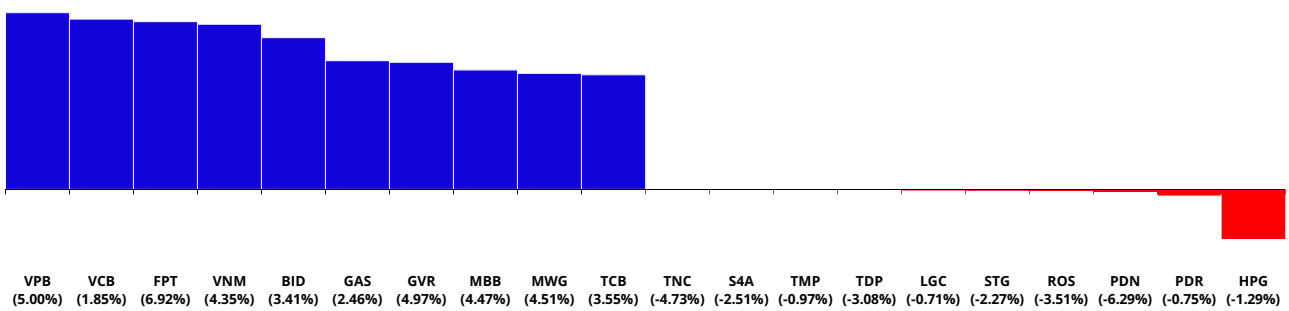
Vietnam Government Bond Yield Curve



Key Currencies & Commodities

Term	Price	%1D	%1W	%1M	%3M	%YTD	%1Yr.
Dollar index	102	0.2	-1.7	0.3	5.7	6.7	13.9
USD/JPY	127	0.2	-0.9	-0.8	10.0	10.4	16.8
USD/CNY	7	0.2	-1.3	1.7	5.6	4.9	4.0
KRW/USD	1,265	-0.1	-0.2	1.2	5.2	6.4	12.7
EUR/USD	1	0.6	-2.0	0.3	5.6	6.5	14.8
USD/VND	23,199	0.0	0.3	1.0	1.6	1.6	0.6
WTI	111	1.0	1.1	12.5	21.0	47.4	67.8
Gasoline	386	1.2	3.7	19.1	41.4	73.1	82.2
Natural gas	9	0.4	5.6	32.5	97.6	136.8	203.3
Coal	408	-1.9	-1.4	24.7	70.4	140.6	295.2
Gold	1,858	-0.5	2.3	-2.1	-1.7	1.5	-2.2
China HRC	4,815	-0.9	-2.4	-6.2	-2.5	1.4	-11.5

Contributors to VN Index



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Stock Feeds

Companies News

1) PPH, Textile: Phong Phu plans to pay a dividend of 20% in 2022. By the end of 2021, PPH's revenue is over VND 2,072 billion, reaching 93.4% of the plan, of which total revenue of the parent company reached more than VND 1,376 billion, reaching 109.3% of the plan; pre-tax profit reached VND 381.7 billion dong, reaching 127.7 percent of the plan, total profit before tax was VND 261.6 billion, reaching 104.6% of the plan.

In 2022, the corporation sets a target of revenue of 2,260 billion VND, parent corporation's revenue of 1,700 billion VND; profit before tax is VND 380 billion, dividend is 18-20%. Total assets of PPH as of December 31, 2021 is 3,000 VND billion, down 3.2% compared to the beginning of the year, in which short-term assets decreased from VND 1,154 billion from VND 1,944 billion to VND 1,900 billion. Liabilities decreased from VND 1,633 billion to VND 1,430 billion, equivalent to a decrease of 12.4% compared to the beginning of the year, of which short-term debt decreased from VND 733 billion to VND 588 billion, equivalent to a decrease of 19.8 %; long-term debt decreased from 900 billion VND to 842 billion VND, equivalent to a decrease of 6%. The enterprise's equity increased from VND 1,465 billion to VND 1,570 billion; undistributed profit after tax increased from 310 to 375 billion, equivalent to an increase of 21%.

2) TRA, Pharmaceuticals - 1Q2022 business results of company Traphaco JSC: Net revenue was VND 623bil (+32.3% QoQ), with 52.4% GPM (1Q21 reached 56.2%). Noticeably, EAT growth rate was 60% compared to that in the same period last year, reaching VND 88.6bil, equivalent to 14.2% profit margin (1Q21 11.7%). The company completed 26.6% (of VND 2,345bil target revenue) and 31% (of VND 286bil target profit after tax) of the 2022 initial business plan. TRA took advantage of market opportunities in the first quarter, deployed many products and managed the costs well. Traphaco's CEO shared that in the first 3 months of the year, the Covid-19 epidemic was still complicated and widespread. The demand for medicine for cough prevention and cure increased, TRA soon noticed that and quickly supplied it. The CEO assessed the positive results not only in the first quarter but also for the next quarters thanks to the organizational restructuring to enhance and optimize the company's resources.

Besides oriental medicine, which is the main segment that makes its brand, TRA is also focusing on the non-traditional fields. These are new, more modern products in addition to existing products. TRA reported that the OTC pharmacy channel is accounting for 35% (65% is the ETC hospital channel). The oriental medicine segment recorded a growth of more than 20%, the non-oriental medicine segment was even higher. Therefore, the opportunity for non-oriental products on the ETC channel is still very large, and the OTC channel also has the potential to grow. The company also plans to expand products such as cosmetics and functional foods.

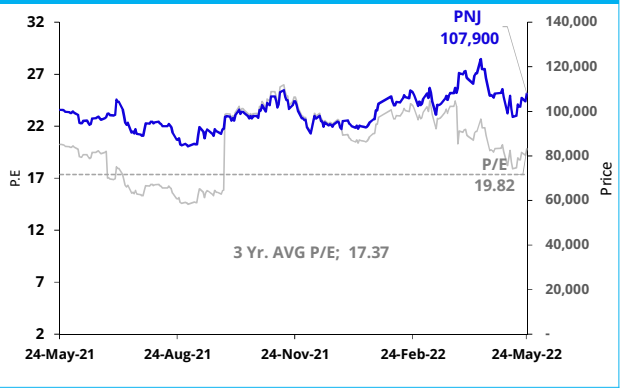
3) HPG, Construction & material: In the 2022 annual shareholder meeting, Mr. Tran Dinh Long, Chairman of Hoa Phat Group shared: with existing resources, the enterprise can produce 8.5 million tons of steel, ranking first in Vietnam as well as in the Southeast Asia but current factories have reached the limit, output can only grow by about 3%. The Hoa Phat is building Dung Quat 2 factory with a capacity of 6.5 million tons of HRC bringing the total output to about 14-15 million tons of steel products per year. After Dung Quat 2, the company is studying to build Dung Quat 3 with a capacity of 6 million tons/year, which may be not located in Dung Quat. Thus, Hoa Phat's total capacity will increase to 21 million tons, equivalent to Vietnam's current steel consumption demand. Thus, if Dung Quat 3 factory is completed, the revenue and profit scale of Hoa Phat can reach more than 2 times of the current figure.

Stock of the day

Phu Nhuan Jewelry JSC - PNJ

4 months sales were VND 12,912 bn (+43% YoY) and Profit after tax VND 866 bn (+45% YoY), realising 66% of the full year plan. The growth was driven by jewelry retail (+45% YoY) with online revenue increase of 152% YoY. Gross margin was 17.8%, lower than the level of 4 months 2021 at 18.4% due to more contribution from gold bar with lower profitability. The company had 343 independent stores at the end April and plans to open about 50 stores every year when the business environment is favourable. Although PNJ has highest market share in gold jewelry, there is still room to increase sales given strong growth of the industry. With rising of household income, jewelry has become favourite purchase selections, especially with young people. Vietnamese also buy jewelry for reserve of the wealth.

As of the end 1Q, PNJ had net cash of VND 620 bn due to better working capital management with the application of software in business management. The shares are trading at 21.1x trailling P/E. Investors can buy when there is share price adjustment. Current valuation is priced in.



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Cashflow Trend

Cash Flow Trend Among Sector

Liquidity of all sectors improved in today's session. The group of information technology and personal & household goods attracted the strongest cash flow, transaction value increased by over 100%. Today's trading session also recorded the market liquidity exceeding the 20-day average for the first time after 7 consecutive sessions of decline

Sectors	% Liqidity Change	Today	5 days AVG	20 days Trend
Technology	105.1	421	205	
Personal & Household Goods	98.2	343	173	
Basic Resources	45.5	2,051	1,410	
Industrial Goods & Services	45.3	1,066	734	
Media	45.2	13	9	
Health Care	43.1	33	23	
Automobiles & Parts	38.3	139	100	
Retail	31.3	455	346	
Insurance	30.5	173	132	
Construction & Materials	29.9	996	767	
Utilities	29.8	383	295	
Oil & Gas	28.9	293	227	
Food & Beverage	24.1	1,276	1,028	
Banks	21.8	2,395	1,966	
Travel & Leisure	17.5	138	117	
Real Estate	16.1	2,832	2,440	
Financial Services	6.6	1,616	1,516	

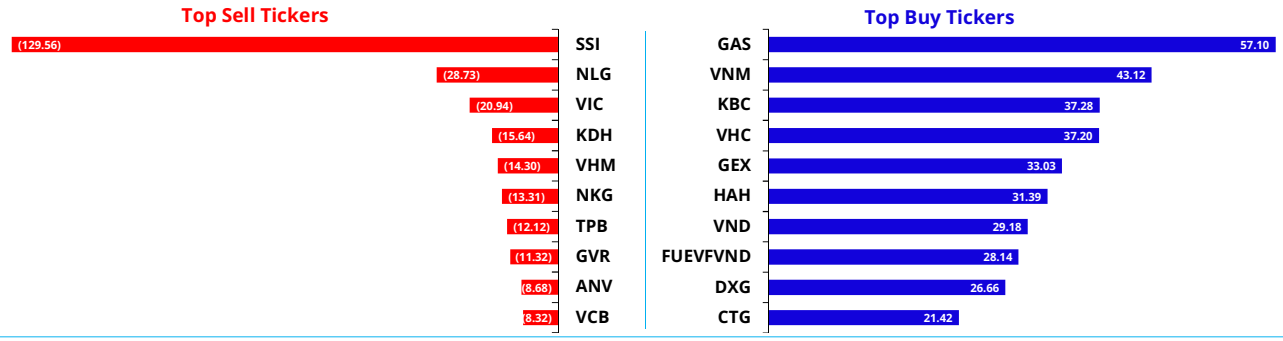
Top 15 tickers in trading value

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Turnover Change	Turnover (VND bn)	
HPG	Hoa Phat Group	Basic Resources	34,450	-1.3	-9.8	-25.8	95.2	1343.7	
FPT	FPT Corp	Technology	105,000	6.9	7.5	12.9	166.4	387.7	
PNJ	Phu Nhuan Jewelry	Personal & Household Goods	115,400	7.0	13.0	20.0	280.5	192.4	
MBB	MBBank	Banks	28,050	4.5	5.3	-2.9	77.6	301.5	
VPB	VPBank	Banks	31,500	5.0	1.8	-12.0	39.8	396.6	
MWG	Mobile World Investment	Retail	139,000	4.5	4.1	2.3	101.4	213.6	
BCG	Bamboo Capital	Financial Services	21,850	6.6	13.2	-8.6	100.5	212.1	
GMD	Gemadept	Industrial Goods & Services	54,500	6.0	6.4	15.2	108.1	201.4	
GEX	Gelex Group JSC	Industrial Goods & Services	23,200	6.9	5.9	-42.9	40.6	359.2	
KDC	KIDO Group	Food & Beverage	54,600	2.6	8.8	1.1	174.0	149.8	
PVD	PetroVietNam Drilling & Well	Oil & Gas	22,000	6.8	16.7	-11.0	63.7	242.7	
NKG	Nam Kim Steel	Basic Resources	29,750	4.9	2.6	-23.2	40.4	276.7	
VCI	Viet Capital Securities	Financial Services	39,000	6.1	9.9	-46.4	43.8	236.7	
ITA	Tan Tao Industrial Park	Real Estate	12,050	6.6	8.6	-27.4	104.0	132.2	
DCM	PetroVietnam Camau Fertilizer	Chemicals	36,450	6.9	22.1	-0.7	31.1	267.8	

Top 10 tickers in Trading volume

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Volume Change	Volume (x1000)	
PNJ	Phu Nhuan Jewelry	Personal & Household Goods	115,400	7.0	13.0	20.0	10.2	115.40	
FPT	FPT Corp	Technology	105,000	6.9	7.5	12.9	7.5	105.00	
KDC	KIDO Group	Food & Beverage	54,600	2.6	8.8	1.1	8.2	54.60	
FMC	Sao Ta Foods	Food & Beverage	59,200	6.9	6.9	13.8	6.8	59.20	
TCL	Tan Cang Logistics	Industrial Goods & Services	35,750	5.5	6.7	-10.6	6.6	35.75	
ORS	Tien Phong Securities	Food & Beverage	16,700	6.7	1.5	-36.0	3.5	16.70	
FIT	F.I.T Group	Financial Services	9,420	6.9	4.6	-37.0	5.9	9.42	
LSS	Lam Son Sugar	Food & Beverage	10,450	6.6	2.5	-33.0	4.1	10.45	
VNE	Vietnam Electricity Construction	Construction & Materials	11,000	0.5	-0.5	-28.8	-0.1	11.00	
SVD	Vu Dang Investment & Trading	Personal & Household Goods	6,970	0.1	-3.5	-31.7	-1.6	6.97	

Foreign Investor Trading Activities

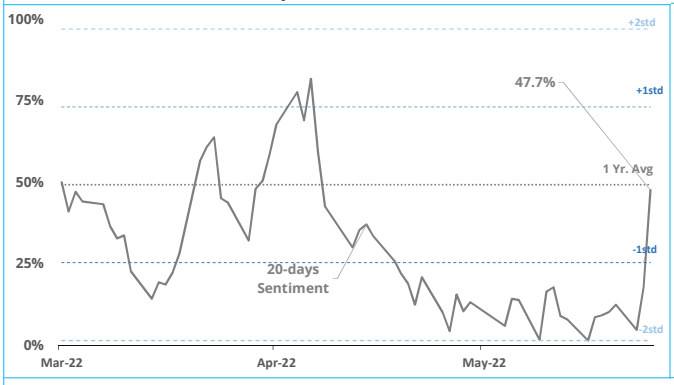


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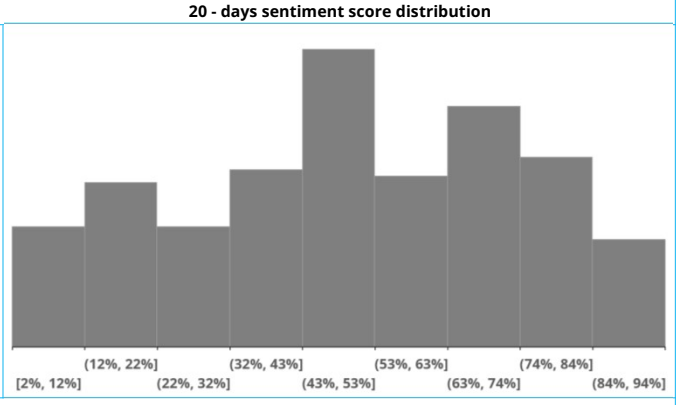
Market Sentiment

20 days Market Sentiment (short-term)

Historical 20 - days sentiment line 's movement



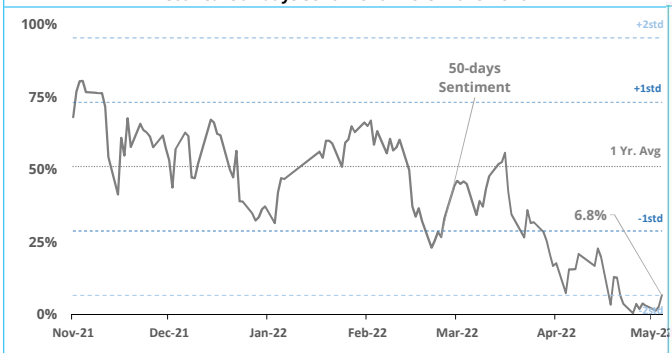
20 - days sentiment score distribution



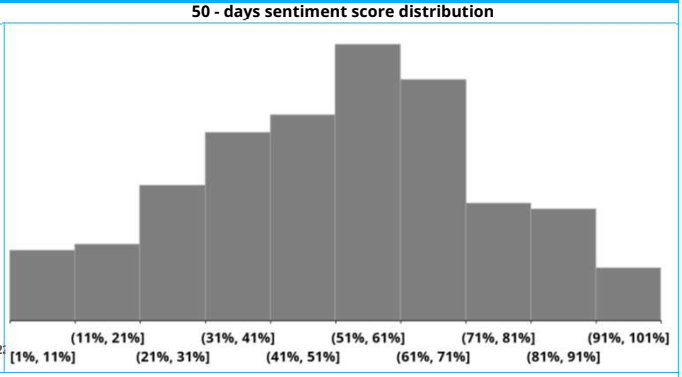
According to 20 days time horizon, total market cap of tickers having price above MA20 line accounts for 47.75% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 47.01% - Comment: Market sentiment is neutral

50 days Market Sentiment (Mid-term)

Historical 50 - days sentiment line 's movement



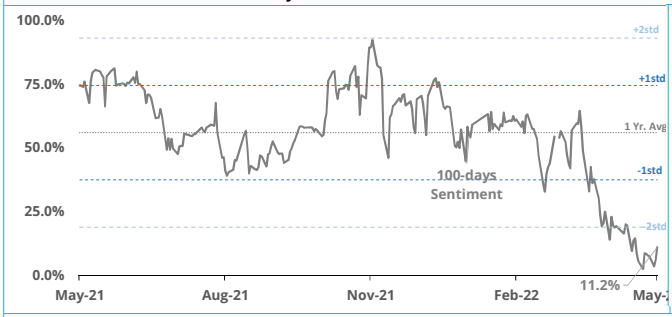
50 - days sentiment score distribution



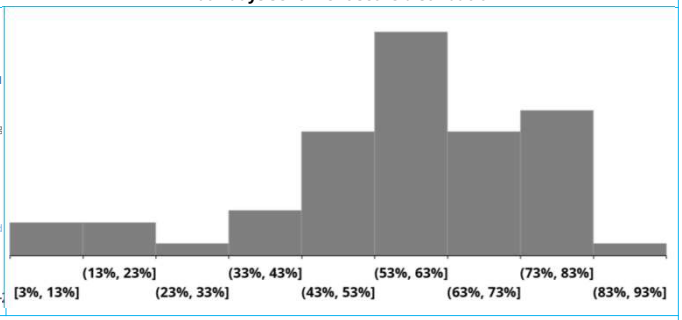
According to 50 days time horizon, total market cap of tickers having price above MA50 line accounts for 6.80% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 3.59% - Comment: Market sentiment is over negative

100 days Market Sentiment (Mid-term)

Historical 100 - days sentiment line 's movement



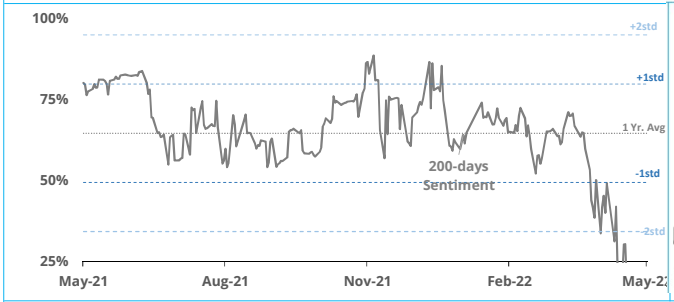
100 - days sentiment score distribution



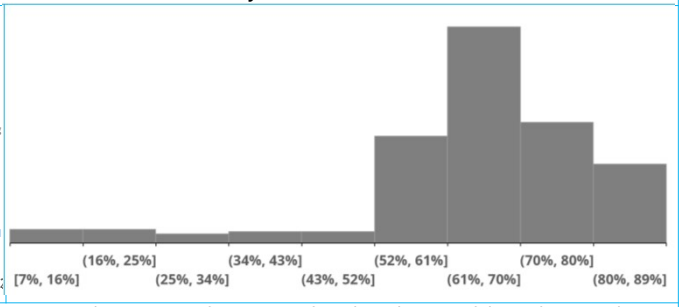
According to 100 days time horizon, total market cap of tickers having price above MA100 line accounts for 11.17% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 4.82% - Comment: Market sentiment is over negative

200 days Market Sentiment (Long - Term)

Historical 200 - days sentiment line 's movement



100 - days sentiment score distribution



According to 200 days time horizon, total market cap of tickers having price above MA200 line accounts for 19.43% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 3.59% - Comment: Market sentiment is over negative

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