Thursday, May 26, 2022

Exploring Vietnam

Research Center

Market Insight



Daily report

Market Summary:

"Tug of war"

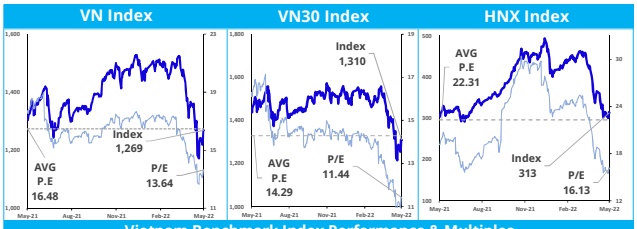
▶ Vietnam stock market just had a cautious session after an exciting session yesterday. VN Index had 18 ceiling tickers and 5 floor tickers.

▶ At the end, the VN-Index corrected in last minutes, increasing 0.14 points, equivalent to 0.01% increase, closing at 1268.57 points. Market liquidity reached VND13,766 billion, equivalent to 542 million shares traded. Foreign investors net sold VND 278.5 billion, focusing mainly on HPG.

▶ VHM (+0.9%), HPG (+0.6%), PLX (+0.38%) were the three tickers that contributed the most to the green color of the market. On the contrary, MSN (-0.67%), VPB (-0.5%), and NVL (-0.44%) 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 hit MA20 resistance and got reversed in the afternoon session. The MACD indicator still maintains bullish momentum. Meanwhile, the liquidity in the market decreased compared to the previous session with the trading value fairly touching the average of 20 sessions.



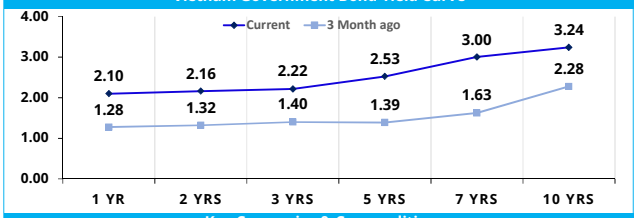
Vietnam Benchmark Index Performance & Multiples

Index	Price	%1D	%1M	%1Yr.	PER	PBR	Mkt Cap
VN-Index	1,269	0.0	-5.4	-3.7	13.6	2.1	5,030,440
VN30 Index	1,310	-0.1	-6.3	-10.0	11.4	2.2	3,458,989
VN Midcap	1,667	0.7	-5.2	26.6	11.2	1.3	325,331
VN Smallcap	1,667	0.7	-5.2	26.6	11.2	1.3	325,331
HNX Index	313	-0.5	-9.2	2.8	16.1	1.8	321,910
UpCom	95	0.2	-6.1	14.3	15.2	1.7	1,260,705

Vietnam Sector Performance

Sector	%1D	%1M	%YTD	%1 YR.	PER	PBR	Mkt Cap
Financials	1.0	-11.5	-26.0	1.4	11.7	1.9	194,134
Oil & Gas	2.2	-7.6	-19.6	-15.8	22.9	2.6	65,131
Consumer Goods	-0.5	-4.8	-13.1	1.5	18.3	3.1	612,601
Industrials	2.0	-2.5	-14.2	28.9	17.3	1.6	259,182
Basic Materials	0.3	-11.7	-20.4	-5.7	7.2	1.9	426,423
Utilities	-0.6	-0.8	3.7	28.4	19.9	2.6	305,395
Real Estate	0.2	-1.6	-14.9	-1.7	20.5	2.6	1,225,333
Health Care	0.3	-6.0	-10.7	6.6	16.8	2.3	33,922
Consumer Services	0.1	-7.9	-3.3	27.7	n.a	4.6	256,327
Banks	-0.3	-6.9	-14.4	-7.9	11.1	1.9	1,538,468
Technology	0.7	1.7	7.0	30.9	22.5	4.1	111,966

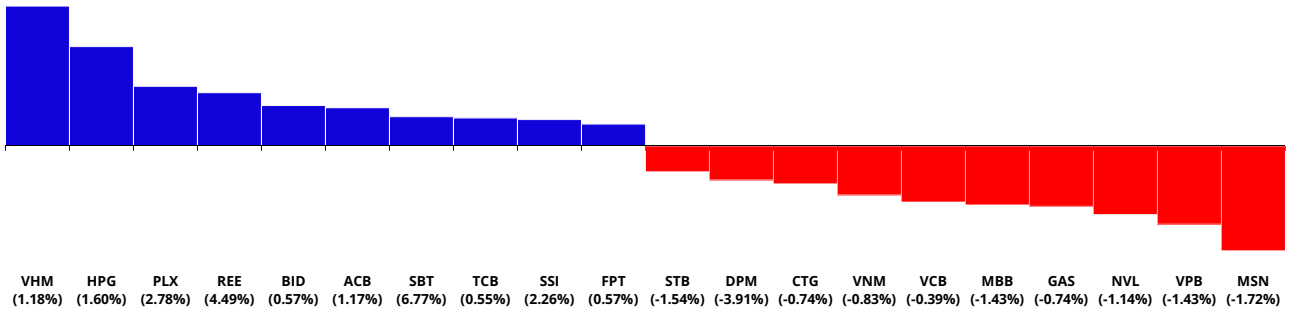
Vietnam Government Bond Yield Curve



Key Currencies & Commodities

Term	Price	%1D	%1W	%1M	%3M	%YTD	%1Yr.
Dollar index	102	-0.1	-0.7	-0.3	5.6	6.6	13.3
USD/JPY	127	-0.5	-0.9	-0.5	10.1	10.1	16.0
USD/CNY	7	0.6	0.3	2.7	6.7	5.9	5.4
KRW/USD	1,268	0.2	-0.8	1.3	5.4	6.6	13.5
EUR/USD	1	0.0	-0.9	-0.4	5.0	6.4	14.1
USD/VND	23,205	0.0	0.2	1.0	1.7	1.7	0.7
WTI	111	0.8	-0.9	9.3	21.4	47.8	67.9
Gasoline	384	0.2	0.2	15.0	40.8	72.4	78.7
Natural gas	9	2.1	10.3	33.7	104.9	145.6	207.0
Coal	405	-0.8	-1.8	23.1	69.6	138.6	285.4
Gold	1,848	-0.3	0.3	-3.0	-3.2	1.0	-2.6
China HRC	4,790	-0.5	-1.3	-6.2	-3.0	0.9	-11.3

Contributors to VN Index



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Stock Feeds

Companies News

1) FMC, Fisheries: In the first quarter, Sao Ta Food Joint Stock Company achieved VND 1,328 billion in net revenue, up 37%; after-tax profit of parent company shareholders is 41 billion, up 36.6% YoY. The company explained that the increase in profit thanks to increased sales, raw material stockpiling and signing contracts that anticipate fluctuations in freight rates. Regarding the the company outlook, Vietnam is recovering well, processing and exporting shrimp and shrimp farming are all going smoothly, the second quarter business results will exceed profit by at least 20% YoY. The company just announced that April's overall sales reached $ 18.9 million (~VND 435 billion), up 10% YoY. Accumulating 4 months, sales reached $ 77.6 million (~ VND 1,785 billion), up 30% YoY. Sao Ta disclosed that in April, there is no sudden change in activity. However, the company's activities will clearly improve from May, when the agricultural products segment and shrimp business reach harvest time, thus the output is expected to increase.

2) NTP, Plastic: NTP plans to issue more than 11.77 million shares to existing shareholders, rate 10%. The total value of issuance at par value is more than VND 117.7 billion. Funds issued from investment and development funds on NTP's audited financial statements for 2021 as of December 31, 2021 (more than VND 1,034.56 billion). After the successful issuance, the charter capital of NTP will be increased to VND 1,295.7 billion.

Regarding business results, in the first quarter of 2022, NTP recorded net revenue of VND 1,085 billion, slight increase over the same period; net profit reached VND 149 billion, up 15%.
The main reason is that during the period, NTP recorded revenue from financial activities of more than VND 12 billion, 3.3 times higher than the same period last year. In addition, the joint venture company has a profit of VND 32 billion. In 2022, NTP sets a target of revenue of VND 5,175 billion and pre-tax profit of VND 465 billion. Thus, at the end of the first quarter, the Company completed 21% of the revenue target and 37% of the year's profit target.

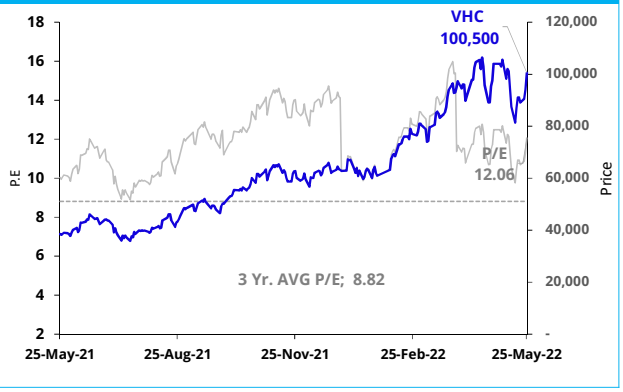
3) VSC, Ports - 1Q2022 business results of Vietnam Container Shipping JSC: Net revenue was reported at VND 469.3bil (+7.8% QoQ), with 34.6% GPM (1Q21 reached 27.3%). Noticeably, EBT was enhanced by 46% QoQ, reaching VND 129.4bil, equivalent to 27.6% profit margin (1Q21 20.4%). 3%-decrease in COGS, plus the increasing in the financial income driven from the bank deposit, these were the main factors led to the abrupt increase of VSC's 1Q22 EBT. According to its 2022 initial business plan, VSC completed 25% of target revenue (VND 1,900bil), and 26% of target EBT (VND 500bil).

After some changes on corporate management, VSC has showed its ambition on expanding its business, with many new projects including two deep-sea ports in Cat Hai (Hai Phong) and Lien Chieu (Da Nang). Furthermore, in September 2021, VSC successfully acquired 36% stake of VIMC Dinh Vu port (Vinalines Dinh Vu port) - a container port having capacity of 500,000 TEUs/year, located in the downstream of Cam River (Hai Phong), which will be into operation from Q3/2022. This is a perfect location for large tonnage ships arrivals, in line with the trend of consolidating shipping lines, to solve the contemporary issues of supply chain disruptions.

Stock of the day

Vinh Hoan JSC - VHC

4 months revenue was VND 4,924 bn (+88% YoY). In April, export sales to US market were VND 983 bn (+240% YoY). VHC is the leading seafood company with initiative in raw fish supplies (70%). This year, the company benefits from recovery of the main markets in USA and Europe. Although VHC may have profit instability given fluctuation of raw fish prices, the trend is growing. Investors can buy the shares when there is stock price decrease. We think that VHC can sell their products in domestic market by partnership with retailers, which saves transportation costs and decreases dependence on export markets.
As of the end 1Q, VHC had net debt of VND 1,374 bn (net debt/equity of 0.2x). The shares are trading at trailing P/E of 12.2x. Valuation at current price has reflected fundamentals.



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Cashflow Trend

Cash Flow Trend Among Sector

Cash flow in the market in today's trading session decreased compared to the previous session. Automotive, spare parts and financial services attracted the cash flow stream most, with transaction value increased by over 20%. Today's trading session also recorded the liquidity of the whole market reaching the average volume of 20 sessions.

Sectors	% Liqidity Change	Today	5 days AVG	20 days Trend
Automobiles & Parts	27.7	145	113	
Financial Services	20.0	1,942	1,618	
Industrial Goods & Services	15.6	876	758	
Health Care	12.2	29	26	
Oil & Gas	8.7	245	226	
Food & Beverage	2.5	1,095	1,068	
Retail	2.5	371	362	
Chemicals	-0.6	1,004	1,010	
Real Estate	-0.7	2,449	2,466	
Personal & Household Goods	-1.8	188	191	
Construction & Materials	-3.2	768	794	
Insurance	-3.3	130	135	
Technology	-7.1	199	214	
Utilities	-8.1	256	278	
Media	-10.0	8	9	
Banks	-10.8	1,692	1,898	
Travel & Leisure	-11.9	100	113	

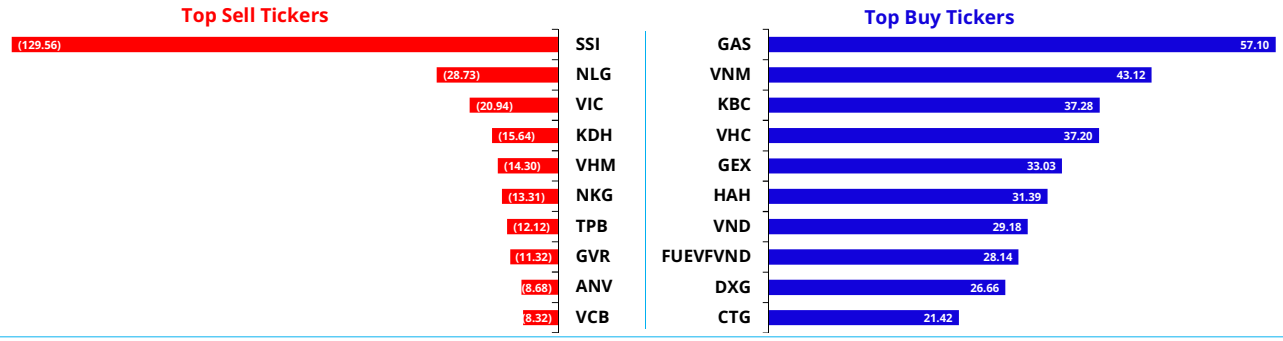
Top 15 tickers in trading value

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Turnover Change	Turnover (VND bn)	
SSI	SSI Securities Corp.	Financial Services	29,450	2.3	3.3	-43.1	49.7	860.7	
REE	Refrigeration Electrical Engineering	Industrial Goods & Services	83,800	4.5	9.5	39.5	93.6	136.8	
NVL	Novaland	Real Estate	78,000	-1.1	0.0	-14.3	33.9	253.9	
ORS	Tien Phong Securities	Food & Beverage	17,850	6.9	9.5	-31.6	417.8	77.1	
SBT	Thanh Thanh Cong - Bien Hoa Sugar	Food & Beverage	17,350	6.8	7.4	-33.0	224.3	89.4	
VPG	Viet Phat Import Export Trading Investment	Basic Resources	46,300	0.2	-1.1	-20.6	209.7	60.8	
APH	An Phat Holdings	Industrial Goods & Services	16,450	6.8	15.8	-44.7	101.5	78.1	
VIX	VIX Securities	Financial Services	13,000	1.6	2.8	-48.7	38.3	134.9	
DBC	DABACO	Food & Beverage	25,300	7.0	10.2	-30.7	214.4	51.4	
HCM	Ho Chi Minh Securities	Financial Services	24,450	1.9	4.7	-46.3	30.4	150.4	
TCH	Hoang Huy Investment Financial Services	Automobiles & Parts	13,900	2.6	7.3	-45.3	61.5	89.2	
TSC	Can Tho Techno-Agricultural	Chemicals	10,150	6.6	8.9	-29.6	146.3	55.2	
VCI	Viet Capital Securities	Financial Services	39,200	0.5	5.1	-46.2	15.3	213.6	
PLX	Petrolimex	Oil & Gas	42,550	2.8	5.1	-21.1	53.4	70.3	
GIL	Binh Thanh Im-export	Personal & Household Goods	69,900	4.0	11.7	9.2	82.2	53.6	

Top 10 tickers in Trading volume

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Volume Change	Volume (x1000)	
TIP	Tinnghia Industrial Park	Real Estate	28,850	6.9	7.6	-31.9	8.8	28.85	
ORS	Tien Phong Securities	Food & Beverage	17,850	6.9	9.5	-31.6	10.6	17.85	
PSH	Nam Song Hau Trading Investing Petroleum	Retail	15,450	6.9	8.4	-32.1	9.4	15.45	
SBT	Thanh Thanh Cong - Bien Hoa Sugar	Food & Beverage	17,350	6.8	7.4	-33.0	7.9	17.35	
NAF	Nafoods Group	Food & Beverage	15,150	6.7	6.3	-37.7	6.9	15.15	
TTA	TRUONG THANH DECONIN	Construction & Materials	14,150	4.4	5.6	-14.2	6.0	14.15	
TNT	TNT Corporation	Basic Resources	11,150	6.7	2.3	-41.3	4.4	11.15	
EVF	EVN Finance	Industrial Goods & Services	11,750	3.5	2.6	1.3	3.5	11.75	
VPG	Viet Phat Import Export Trading Investment	Basic Resources	46,300	0.2	-1.1	-20.6	-0.4	46.30	
AMD	FLC Stone	Real Estate	3,560	-6.8	-9.9	-56.6	-8.9	3.56	

Foreign Investor Trading Activities

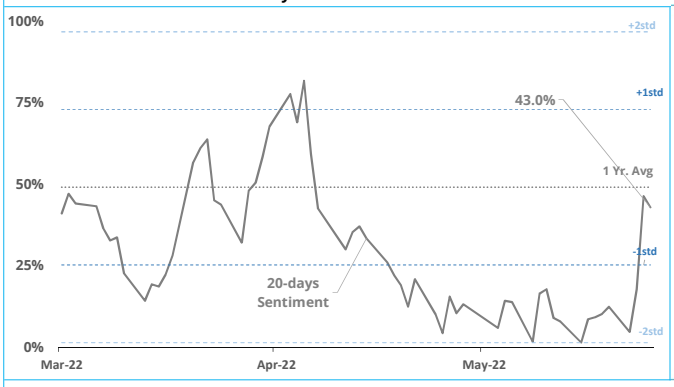


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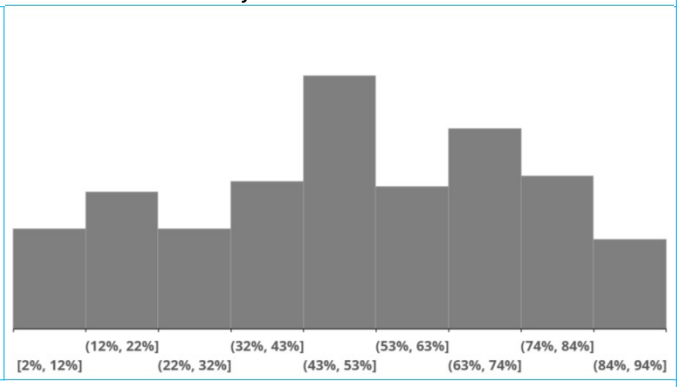
Market Sentiment

20 days Market Sentiment (short-term)

Historical 20 - days sentiment line 's movement



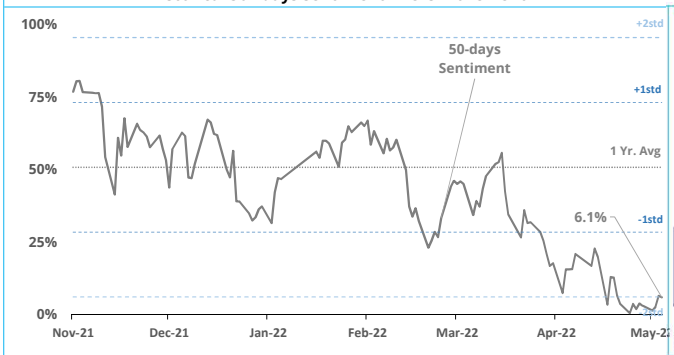
20 - days sentiment score distribution



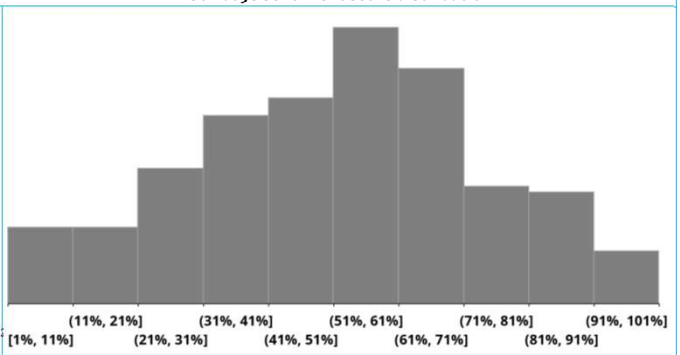
According to 20 days time horizon, total market cap of tickers having price above MA20 line accounts for 43.04% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 37.45% - Comment: Market sentiment is negative

50 days Market Sentiment (Mid-term)

Historical 50 - days sentiment line 's movement



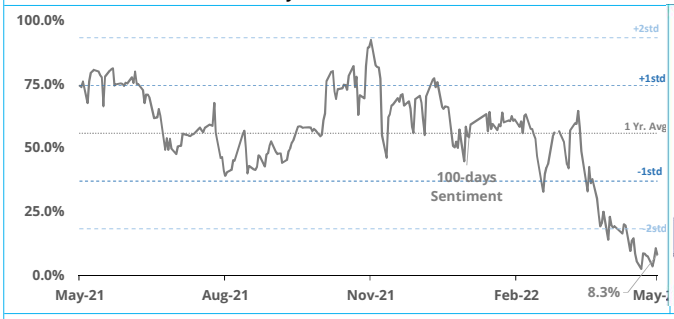
50 - days sentiment score distribution



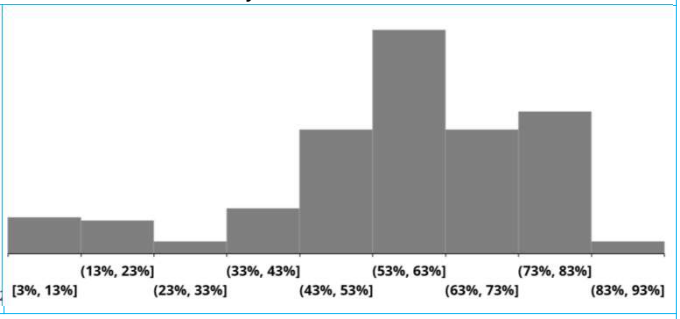
According to 50 days time horizon, total market cap of tickers having price above MA50 line accounts for 6.07% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 3.59% - Comment: Market sentiment is over negative

100 days Market Sentiment (Mid-term)

Historical 100 - days sentiment line 's movement



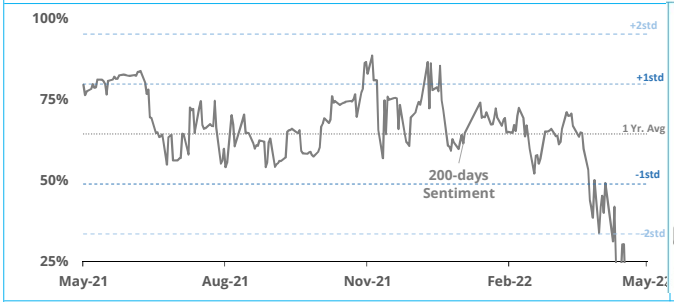
100 - days sentiment score distribution



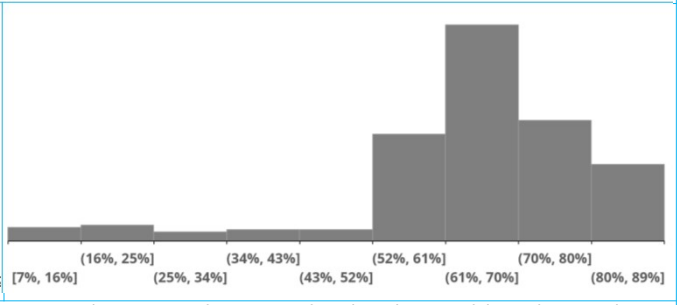
According to 100 days time horizon, total market cap of tickers having price above MA100 line accounts for 8.34% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 3.21% - Comment: Market sentiment is over negative

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 18.79% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 3.19% - Comment: Market sentiment is over negative

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