Monday, May 30, 2022

Exploring Vietnam

Research Center

Market Insight



Daily report

Market Summary:

"Aviation skyrocketed"

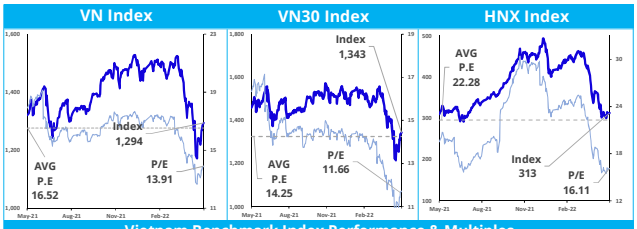
▶ Vietnam stock market had the first session of the week in green with the return of large cap stocks and strong demand from foreign investors.

▶ At the end, he VN-Index gained 8.47 points, equivalent to 0.66% to close at 1293.92 points. Market liquidity reached 16,469 billion, equivalent to 587 million shares traded. Foreign investors were net buyers of 1,137 billion, focusing mainly on FUETFVND.

▶VHM (+1.15%), VJC (+4.33%), and VCB (+0.78%) were the three tickers that contributed the most to the green color of the market. On the contrary, BCM (-0.68%), VNM (-0.68%), and MWG (-1.02%) were the three tickers that lost the most points of the market.

▶ The logistics - warehousing sector had an impressive breakthrough with stocks such as: VJC, HVN. The number of tourists to Vietnam increased by 1274%, contributing to the high flying of airline stocks.

▶From a technical perspective, the VN Index is close to the important resistance level of 1300 points. The MACD continues to uptrend and widens the gap with Signal. Macro-economic data in May continued to show a strong recovery of the economy. Industrial production index rose 10.4%, retail sales increased 22.6%, far exceeding forecasts. Meanwhile, the inflation rate remained under control at 2.86%.



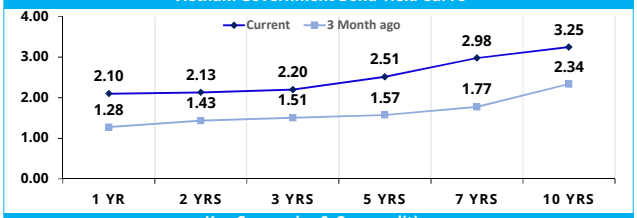
Vietnam Benchmark Index Performance & Multiples

Index	Price	%1D	%1M	%1Yr.	PER	PBR	Mkt Cap
VN-Index	1,294	0.7	-5.3	-2.0	13.9	2.2	5,097,971
VN30 Index	1,343	0.5	-5.3	-7.9	11.7	2.3	3,507,528
VN Midcap	1,695	0.8	-9.1	28.3	11.4	1.3	330,858
VN Smallcap	1,695	0.8	-9.1	28.3	11.4	1.3	330,858
HNX Index	313	0.5	-14.5	0.7	16.1	1.8	320,639
UpCom	96	0.4	-8.2	11.1	15.4	1.7	1,262,984

Vietnam Sector Performance

Sector	%1D	%1M	%YTD	%1 YR.	PER	PBR	Mkt Cap
Oil & Gas	1.6	-6.9	-18.0	0.9	23.4	2.6	66,362
Technology	-0.3	5.1	12.2	37.9	23.6	4.3	117,393
Utilities	0.4	2.6	6.0	31.2	20.3	2.6	312,081
Consumer Services	1.2	-4.6	1.6	35.3	n.a	4.8	269,353
Consumer Goods	0.0	-3.9	-11.7	3.6	18.6	3.1	622,502
Financials	0.6	-12.0	-25.3	43.5	11.8	2.0	196,021
Industrials	2.7	-4.3	-11.9	30.9	17.8	1.7	266,087
Banks	0.9	-6.4	-12.5	-7.0	11.3	2.0	1,572,552
Real Estate	0.8	-2.7	-13.7	0.3	20.8	2.6	1,243,626
Basic Materials	0.1	-14.4	-19.8	-5.6	7.3	1.9	429,357
Health Care	-0.6	-6.4	-10.5	6.3	16.9	2.3	34,034

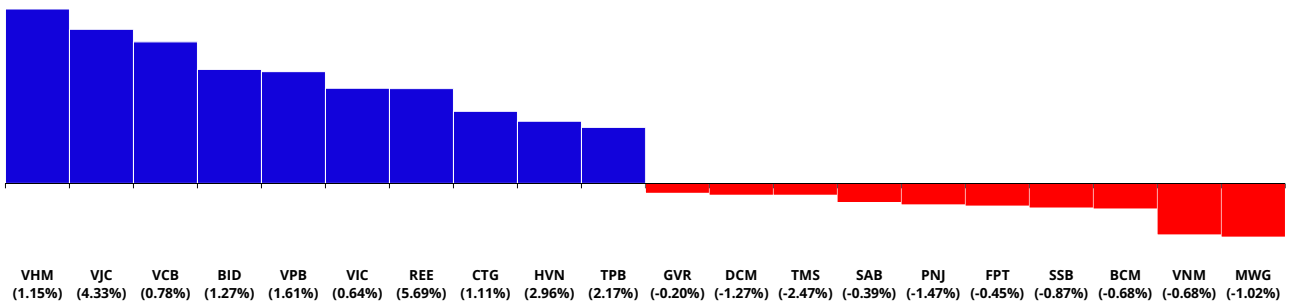
Vietnam Government Bond Yield Curve



Key Currencies & Commodities

Term	Price	%1D	%1W	%1M	%3M	%YTD	%1Yr.
Dollar index	102	-0.1	-0.5	-1.4	5.0	6.1	12.8
USD/JPY	127	0.2	-0.4	-2.2	10.7	10.7	16.2
USD/CNY	7	-0.5	0.2	0.8	5.6	4.8	4.6
KRW/USD	1,239	-1.4	-2.0	-2.1	3.0	4.2	11.6
EUR/USD	1	-0.1	-0.5	-2.2	4.4	5.9	13.8
USD/VND	23,183	-0.1	0.1	0.9	1.6	1.6	0.6
WTI	116	0.9	5.3	10.9	21.3	54.4	75.1
Gasoline	403	0.4	6.2	16.2	44.2	81.0	88.5
Natural gas	9	0.9	0.7	21.5	100.0	136.1	194.9
Coal	371	1.2	-11.2	13.6	55.3	118.5	251.2
Gold	1,857	0.1	0.2	-0.3	-2.7	1.5	-2.6
China HRC	4,833	0.5	-1.3	-5.7	-2.5	1.8	-11.4

Contributors to VN Index



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Stock Feeds

Companies News

1)GIL, Textile and Garment (Household products made from cloth): 1Q 2022 PAT was VND 107 bn (+51% YoY). The strong results came mainly from better product mix (more contribution rate of products of higher profit margin) and demand recovery from export markets. GIL plans capacity growth of 10% yearly and investment in regions with low labour costs. The company has also expanded into development of industrial zone, which is in high demand given FDI movement into Vietnam. We are concerned about sales concentration at 2 main customers: Amazon and IKEA, which can be lessened by partnership with domestic retailers. The demand for GIL's products is increasingly higher as these products are environment and user friendly (vs products made from plastics and metal...) Investment in industrial zone is also the strategy to diversify profit sources and have more production initiative (GIL's current business is labour intensive). Although there are many ideas of automation, we think that the automation can be applied in just some stages of production with simplicity and repetition. Therefore, export markets still need GIL's products as labour costs in Vietnam are much lower. Investors can buy at current prices with attractive valuation: trailing P/E at 8.1x. Balance sheet was strong with net cash of VND 427 bn as of the end 1Q/2022.

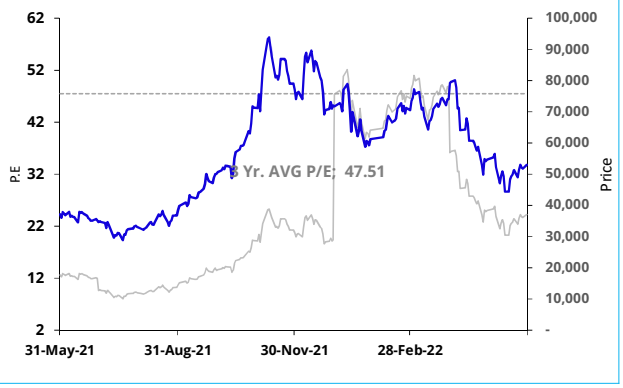
2)GAS, Utilities: On May 26, Vietnam Gas Corporation (HOSE: GAS) met with the International Investor Group to discuss the possibility of cooperation in the development of refrigeration applications from recycling LNG gas and hydrogen production research from LNG and biomass fuel. The Investor Group has the participation of Korea Gas Corporation (KOGAS), CUIYC Singapore Company, The National Oil and Gas Company of Thailand PTT and Atrium Foundation.
The Investor Group expressed its wish to cooperate with PV GAS in making use of cold heat to recycle gas from LNG with Smart Cold Chain technology in the storage and distribution of agricultural products - seafood, as well as in data centers, cold storage ...
Representative of PV GAS, Deputy General Director Pham Van Phong said that PV GAS is always ready to exchange more necessary information with the Investor Group to jointly explore and develop cooperation opportunities in the above projects.
Before that, on May 25, 2022, the General Director of Societe Generale Southeast Asia and Singapore also came to work with PV GAS.
At the meeting, Mr. Hoang Van Quang, General Director of PV GAS introduced planned projects and capital needs to be implemented in the coming time such as Block B - O Mon Pipeline Project, Construction Lift Project LNG storage capacity of 1 million tons at Thi Vai, LNG Son My Warehouse Project ...

3GDT, Wood - 1Q2022 business results of company Duc Thanh Wood Processing JSC: Despite being a low season of the year, GDT's 1Q22 net revenue was VND 108.2bil (+8% QoQ), with 32.4% GPM (1Q21 33.2%). EBT had an increase of 13.3% growth compared to that in the same period last year, reaching VND 25.4bil, equivalent to the margin of 23.5% (1Q21 22.4%). The company respectively completed 21.6% (of VND 500bil target revenue) and 21.5% (of VND 117.9bil target EBT) of the 2022 initial business plan.
The exciting result of profitability margins shows a sign of sustainable recovery of GDT quickly after the Covid-19 epidemic compared to the trailing 3 quarters. Contributions come from: (i) GDT has raised selling prices for export orders since 4Q21 (Japan, Korea, USA, EU countries) and for the domestic market since the beginning of 2022; (ii) GDT applies advanced technology to production, increasing

Stock of the day

IDICO Corporation - JSC - IDC

IDC, Industrial Park Real Estate: Idico Corp. plans a revenue of VND3,347 billion, up 72% YoY; pre-tax profit of VND 2,333 billion, up 83% YoY and dividend rate maintained at 40% for 2022. In the first quarter, Idico reported a 60% increase in net revenue to VND 1,674 billion; pre-tax profit of VND 356 billion, 3.3 times higher and fulfilling 15% of the year plan; parent company's profit after tax reached VND 255 billion, 4.8 times higher than the same period last year. IDC explained the increase in profit thanks to the recognition of revenue from contracts in the Phu My 2 IP and Phu My 2 expansion projects worth VND 227.5 billion. Notably, the resolution of the Board of Directors to implement the plan to issue shares to pay dividends for 2021 at the rate of 10%. Accordingly, the company will issue 30 million shares, charter capital will increase from 3,000 billion VND to 3,300 billion VND this year. Besides, the large land bank available for lease of Huu Thanh Industrial Park (395 ha) in Duc Hoa, Long An is a catalyst for the company's upcoming revenue and profit prospects.



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Cashflow Trend

Cash Flow Trend Among Sector

Cash flow continued to clearly differentiate among industry groups. The media industry has a strong increase in transaction value of nearly 60%. On the other hand, the basic resource group's liquidity decreased by more than 30%.

Sectors	% Liqidity Change	Today	5 days AVG	20 days Trend
Media	59.8	22	14	
Travel & Leisure	34.4	190	141	
Oil & Gas	23.1	298	242	
Utilities	8.6	322	297	
Industrial Goods & Services	7.3	936	872	
Technology	4.3	325	312	
Banks	1.7	2,019	1,986	
Personal & Household Goods	0.2	274	274	
Real Estate	-1.1	2,433	2,461	
Construction & Materials	-4.8	739	776	
Insurance	-5.4	127	135	
Health Care	-8.1	23	26	
Food & Beverage	-9.5	1,127	1,245	
Retail	-9.7	402	445	
Financial Services	-15.3	1,336	1,577	
Automobiles & Parts	-20.6	91	115	
Basic Resources	-30.9	1,102	1,595	

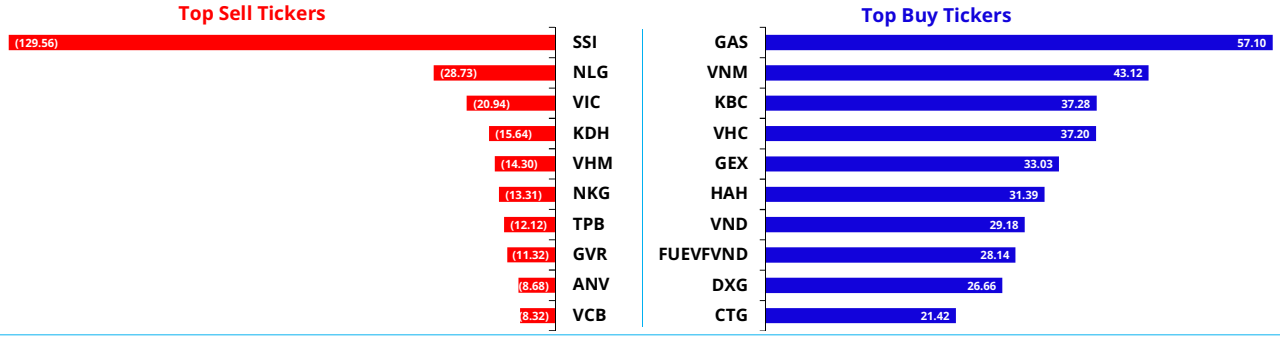
Top 15 tickers in trading value

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Turnover Change	Turnover (VND bn)	
HAH	Hai An Transport	Industrial Goods & Services	83,200	1.5	14.8	71.8	69.0	241.5	
PVD	PetroVietNam Drilling & Well	Oil & Gas	22,200	0.5	7.0	-10.2	51.0	242.8	
TPB	Tien Phong Bank	Banks	33,000	2.2	10.0	-19.6	65.7	176.6	
VJC	Vietjet Air	Travel & Leisure	132,500	4.3	6.0	3.3	69.7	151.1	
VPB	VPBank	Banks	31,600	1.6	7.8	-11.7	18.6	370.9	
KDC	KIDO Group	Food & Beverage	58,400	7.0	16.1	8.1	54.7	135.9	
PDR	Phat Dat Real Estate	Real Estate	55,300	1.8	4.3	-20.8	36.5	162.9	
VCB	Vietcombank	Banks	78,000	0.8	4.8	-1.0	64.3	104.2	
VND	VNDIRECT	Financial Services	24,950	2.0	7.1	-25.0	15.1	266.2	
DXG	Dat xanh real estate	Real Estate	28,200	3.3	11.5	-19.4	16.1	249.9	
HQC	Hoang Quan Real Estate	Real Estate	6,070	6.9	8.6	-31.0	54.8	94.4	
SSB	SeABank	Banks	34,300	-0.9	-0.6	-19.1	32.3	90.0	
APH	An Phat Holdings	Industrial Goods & Services	16,350	-0.6	13.5	-45.0	41.5	68.4	
VSH	Vinh Son - Song Hinh Hydropower	Utilities	34,950	3.7	12.7	21.8	458.9	23.8	
PC1	Power Construction No. 1	Construction & Materials	36,850	3.5	13.0	-6.4	52.1	56.5	

Top 10 tickers in Trading volume

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Volume Change	Volume (x1000)	
AGG	An Gia Real Estate	Real Estate	39,900	4.2	5.6	1.4	4.8	39.90	
CMG	CMC Corporation	Technology	60,800	0.0	5.7	10.5	3.0	60.80	
NTL	Tu Liem Urban Development	Real Estate	28,300	3.3	7.8	-32.1	5.2	28.30	
LGL	Long Giang Investment	Real Estate	7,270	4.5	22.4	-44.1	13.3	7.27	
YEG	Yeah1 Group	Media	17,350	6.8	5.2	-32.0	5.1	17.35	
HAP	Hapaco Group	Basic Resources	8,980	6.9	12.3	-36.8	10.2	8.98	
MHC	MHC JSC	Industrial Goods & Services	8,510	4.5	13.6	-43.6	8.4	8.51	
PTC	Post and Telecom Construction	Construction & Materials	15,700	6.8	0.0	-27.2	4.4	15.70	
IBC	APAX Holdings	Financial Services	20,100	0.0	-0.2	-1.5	0.1	20.10	
TDH	Thu Duc House	Real Estate	8,030	-0.9	1.0	-39.6	-1.0	8.03	

Foreign Investor Trading Activities

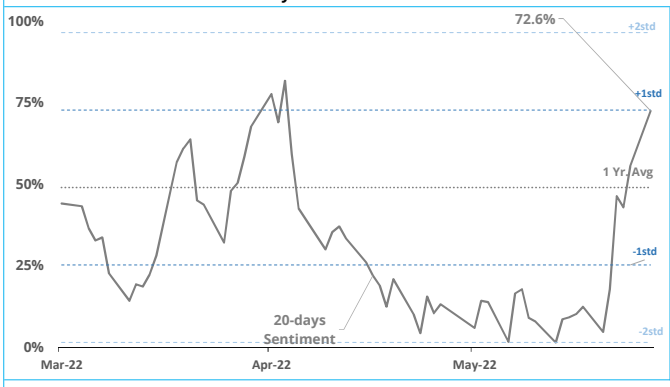


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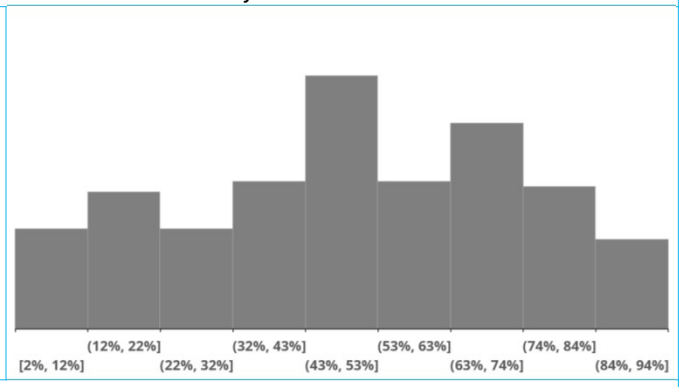
Market Sentiment

20 days Market Sentiment (short-term)

Historical 20 - days sentiment line 's movement



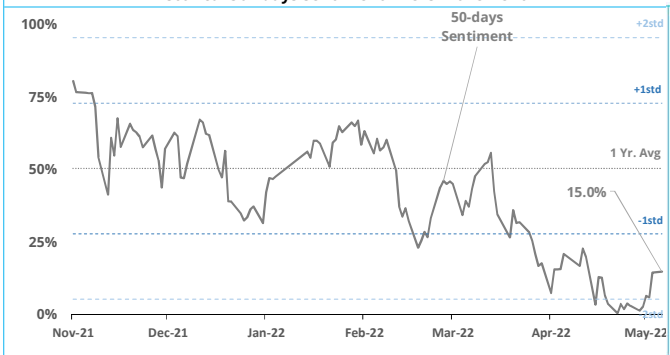
20 - days sentiment score distribution



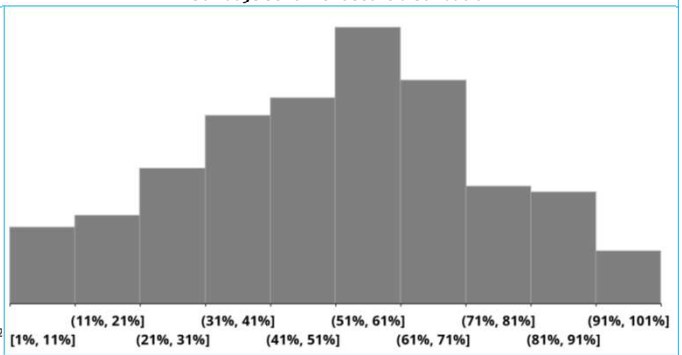
According to 20 days time horizon, total market cap of tickers having price above MA20 line accounts for 72.63% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 80.88% - Comment: Market sentiment is positive

50 days Market Sentiment (Mid-term)

Historical 50 - days sentiment line 's movement



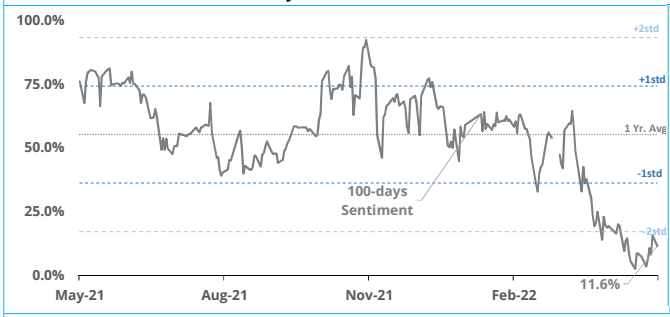
50 - days sentiment score distribution



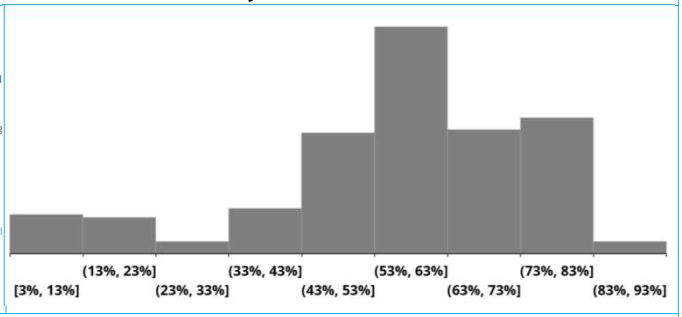
According to 50 days time horizon, total market cap of tickers having price above MA50 line accounts for 14.98% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 6.77% - Comment: Market sentiment is over negative

100 days Market Sentiment (Mid-term)

Historical 100 - days sentiment line 's movement



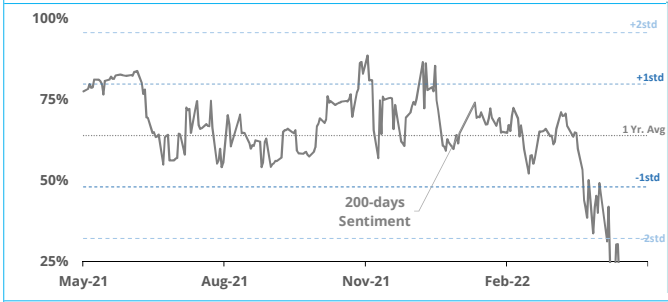
100 - days sentiment score distribution



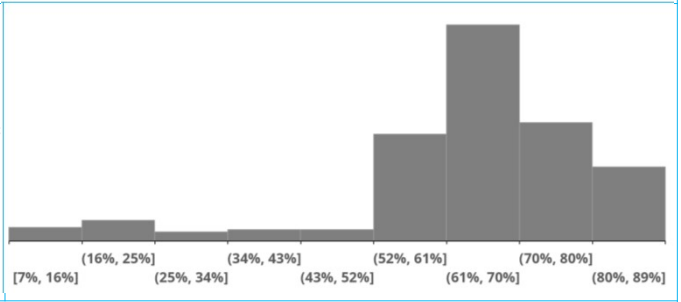
According to 100 days time horizon, total market cap of tickers having price above MA100 line accounts for 11.64% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 5.62% - Comment: Market sentiment is over negative

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 20.71% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 5.18% - Comment: Market sentiment is over negative

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