Tuesday, June 7, 2022

Exploring Vietnam

Research Center

Market Insight

Daily report

Market Summary:

"Unexpected reversal"

▶ The stock market had an unexpected session when VN Index opened a gap down at the beginning with strong selling pressure throughout the morning. However, the green color returned to the market at the end of the ATC session

▶ At the end, the VN-Index gained 1.34 points, equivalent to 0.1% and closed at 1291.35 points. Market liquidity reached 17,834 billion, equivalent to 670 million shares traded. Foreign investors net bought 157 billion, focusing mainly on FUEVFVND

▶ VCB (+1.63), FPT (+2.30%), DGC (+5.76%) were the three tickers that contributed the most to the green color of the market. On the contrary, VIC (-0.64%), BID(-1.75%), VHM(-1.15%) were the three tickers that lost the most points of the market.

▶ Insurance and seafood are two prominent sectors in today's session with many stocks hitting the ceiling price such as: MIG, BMI, CMX.

▶ From a technical perspective, the VN Index has successfully filled the gap down with a bullish hammer candle after hitting the MA20 support level. The MACD continued to maintain its upward momentum, along with the market's liquidity improved with the previous session when the trading value surpassed the 20-day average. If the cash flow in the market continues to increase, the VN Index can completely conquer the resistance of 1,300 points in the near future.

VN Index



VN30 Index



HNX Index



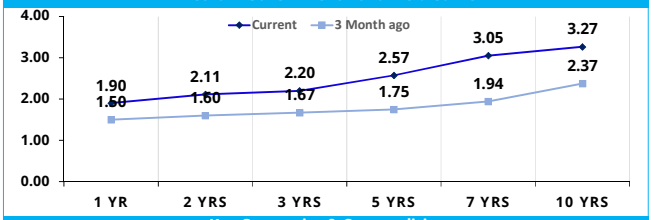
Vietnam Benchmark Index Performance & Multiples

Index	Price	%1D	%1M	%1Yr.	PER	PBR	Mkt Cap
VN-Index	1,291	0.1	-2.9	-5.0	13.9	2.2	5,116,319
VN30 Index	1,324	-0.2	-3.6	-10.8	11.6	2.2	3,537,976
VN Midcap	1,660	0.1	-6.1	21.9	11.0	1.4	325,802
VN Smallcap	1,660	0.1	-6.1	21.9	11.0	1.4	325,802
HNX Index	304	-0.9	-11.4	-4.5	15.7	1.8	314,623
UpCom	94	-0.2	-8.0	5.2	15.0	1.7	1,264,052

Vietnam Sector Performance

Sector	%1D	%1M	%YTD	%1 YR.	PER	PBR	Mkt Cap
Utilities	1.1	14.6	21.8	1.4	23.4	3.0	358,667
Technology	1.9	12.8	15.2	40.8	24.3	4.5	120,554
Health Care	0.6	-5.8	-11.6	4.1	16.6	2.3	33,616
Consumer Goods	1.0	0.4	-9.2	9.2	19.1	3.2	640,288
Industrials	2.4	-1.9	-11.9	27.9	17.8	1.7	266,125
Consumer Services	-0.5	-1.3	1.9	37.7	n.a	4.8	270,118
Oil & Gas	4.0	5.0	-12.1	-12.2	25.1	2.8	71,212
Real Estate	-0.7	-4.6	-16.4	-5.2	20.2	2.5	1,204,483
Basic Materials	0.1	-9.0	-19.3	-10.7	7.3	1.9	432,488
Financials	0.0	-7.5	-27.2	29.3	11.5	1.9	191,074
Banks	-0.3	-5.3	-14.8	-12.7	11.0	1.9	1,530,780

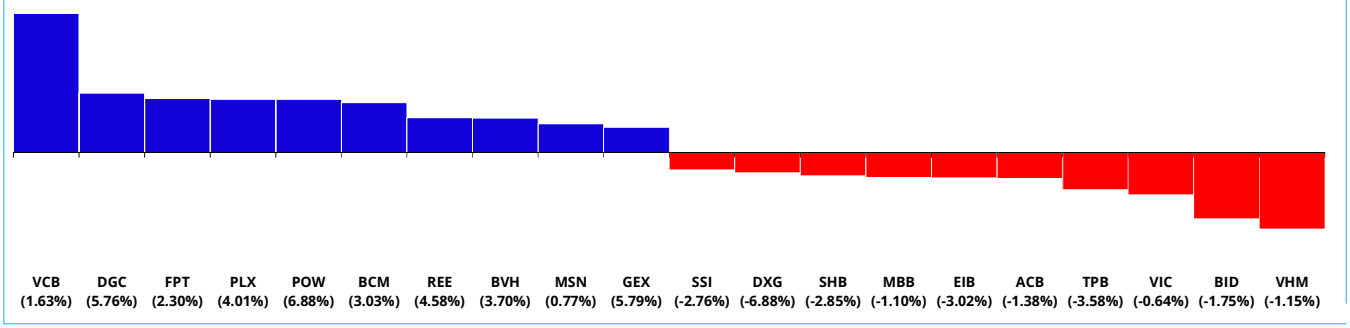
Vietnam Government Bond Yield Curve



Key Currencies & Commodities

Term	Price	%1D	%1W	%1M	%3M	%YTD	%1Yr.
Dollar index	103	0.2	0.9	-1.0	3.4	7.3	14.1
USD/JPY	133	0.6	3.1	1.8	15.0	15.3	21.4
USD/CNY	7	0.3	0.0	-0.8	5.6	5.0	4.3
KRW/USD	1,257	1.2	1.6	-1.3	2.5	5.8	13.0
EUR/USD	1	0.2	0.5	-1.1	1.6	6.5	14.1
USD/VND	23,195	0.0	0.0	1.1	1.5	1.6	0.7
WTI	119	0.1	3.5	8.1	-0.6	57.8	71.4
Gasoline	417	-0.5	2.2	10.9	16.7	87.1	90.2
Natural gas	9	0.5	15.1	16.5	93.9	151.3	205.3
Coal	408	-1.7	-4.4	7.5	-3.5	140.6	235.5
Gold	1,847	0.3	0.5	-0.4	-7.6	1.0	-2.7
China HRC	4,890	-0.1	0.9	-5.0	-7.4	3.0	-11.4

Contributors to VN Index



Shinhan Securities

Stock Feeds

Companies News

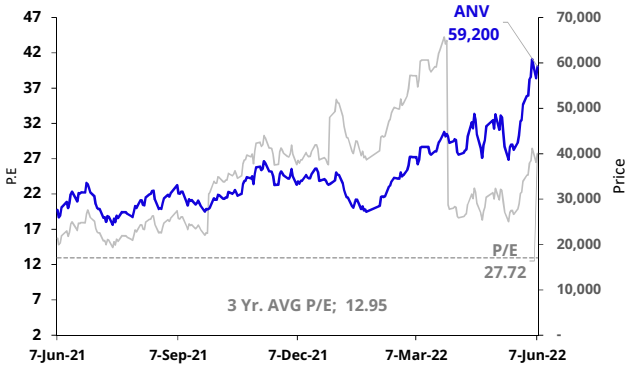
1) HPG, Steel producer: Hoa Phat Group has just said that crude steel production in May reached 780,000 tons, up 16% over the same period in 2021. Total sales of billet, construction steel and hot rolled coil (HRC) reached 660,000 tons, up 10%. Sales of construction steel alone reached 393,000 tons, up 32% from the previous month and up 21% over the same period last year. With HRC, the output in May reached over 200,000 tons, down 10% compared to the same period in 2021. The market for HRC downstream products such as steel pipes and galvanized steel is still slow, leading to low consumption of hot rolled steel coil materials than the same period and April 2022. In the first 5 months of the year, Hoa Phat Group has produced 3.6 million tons of crude steel, up 10% over the same period. Sales volume of billet, construction steel and HRC reached 3.4 million tons, up 5%. On June 20, Hoa Phat will close the list of shareholders to pay 5% cash dividend and 30% stock dividend. Cash will be paid on July 6, shares will be issued around June - August, after being approved by the SSC.

2) SFI, Transportation - 1Q2022 business results of company Sea & Air Freight International: Net revenue was VND 490.5bil (+26.8% QoQ), with 13.1% GPM (1Q21 reached 12.35%), NPAT was more than 3 times compared to that in the same period last year, reaching VND 61.75bil, equivalent to 12.6% profit margin (1Q21 5%). The company respectively completed 27.25% target revenue (of VND 1,800bil) and 41.67% target NPATMI (of VND 150bil) of the 2022 initial business plan.
SFI's revenue in 1Q/2022 grew by double digits thanks to the increase in the number of shipping orders along with the adjustment and rise in international freight rates fee. Opex remained the same. SFI still maintained its unlevered financial structure, so the financial expenses were mainly provision for devaluation of the company's investments. Noticeably, SFI recorded VND 41bil of financial income in 1Q/2022, nearly 70 times higher than that QoQ (1Q/2021 recorded nearly VND 590mil). Previously, SFI exercised its right to buy VSC shares at premium price of 10,000 VND/share. In March, SFI recorded a gain of VND 40bil from the sale of 1.4mil VSC shares (Vietnam Container JSC), reducing its ownership from 6% to 4.54%. Currently, SFI is no longer a major shareholder of VSC.

Stock of the day

Nam Viet JSC - ANV

ANV will export pangasius to the US. The company estimates, this year will be the year that Vietnamese pangasius has a high selling price. Prohibited Russian pollock products will be a good opportunity for businesses in Western Europe and America. In August 2022, the enterprise will start exporting pangasius to the US market. The export revenue of Nam Viet Joint Stock Company (NAVICO) as of the end of April 2022, reached 44.4 million USD, up 43.7% over the same period last year. Accumulated in the first 4 months of the year, the company's revenue reached VND 1,644 billion. Profit after tax is VND 323 billion, reaching 45% of the year target. Gross profit margin improved from 19% to 32% after 4 months of business. The proportion of revenue from the domestic market accounts for the majority, reaching 32.6%, the second largest is the Thailand market, about 16.4%.



Shinhan Securities

Cashflow Trend

Cash Flow Trend Among Sector

Liquidity in the market continued to improve compared to the previous session. The insurance sector attracted the attention of cash flow when the liquidity increased by over 60%. Liquidity of the electricity, water & petroleum and gas industries continued to maintain the uptrend when the trading value exceeded 40% in the previous session.

Sectors	% Liqidity Change	Today	5 days AVG	20 days Trend
Insurance	61.9	345	213	
Health Care	54.4	47	31	
Technology	49.7	466	311	
Utilities	43.1	1,050	734	
Food & Beverage	22.3	1,729	1,414	
Chemicals	16.3	1,566	1,346	
Construction & Materials	16.3	1,048	901	
Automobiles & Parts	15.8	111	96	
Retail	13.4	632	557	
Real Estate	12.1	2,987	2,666	
Industrial Goods & Services	9.3	1,265	1,158	
Financial Services	5.1	1,394	1,327	
Personal & Household Goods	3.9	387	373	
Oil & Gas	1.1	288	285	
Banks	0.7	1,532	1,522	
Basic Resources	-6.3	1,159	1,236	
Travel & Leisure	-7.4	110	119	

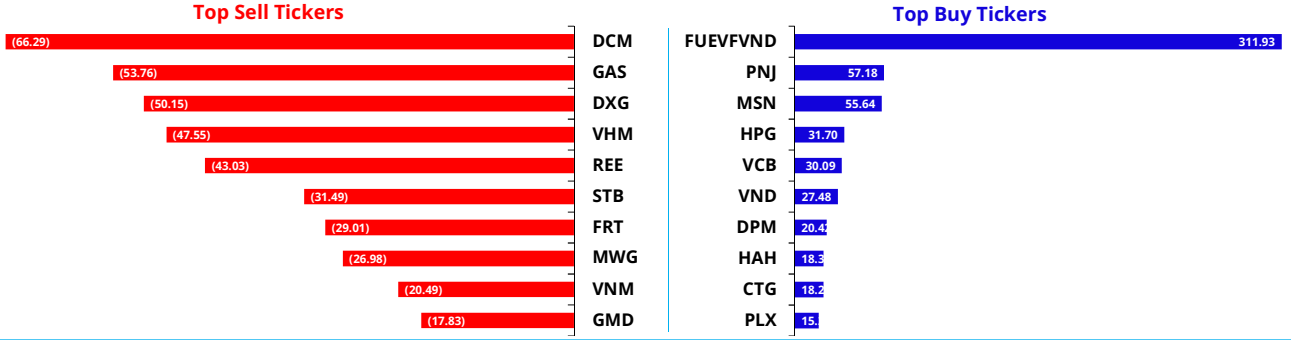
Top 15 tickers in trading value

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Turnover Change	Turnover (VND bn)	
POW	PV Power	Utilities	14,750	6.9	8.9	-15.7	213.4	554.5	
FPT	FPT Corp	Technology	115,600	2.3	5.2	24.3	85.8	437.6	
DCM	PetroVietnam Camau Fertilizer	Chemicals	42,500	-1.7	14.1	15.8	69.4	465.3	
DXG	Dat xanh real estate	Real Estate	21,650	-6.9	-21.7	-38.1	66.6	442.2	
HDG	HA DO Construction	Real Estate	53,600	7.0	4.3	-19.4	199.5	208.1	
DPM	Phu My Fertilizer	Chemicals	67,500	0.0	13.3	35.0	33.7	477.5	
REE	Refrigeration Electrical Engineering	Industrial Goods & Services	96,000	4.6	6.1	59.8	83.2	213.7	
BVH	Bao Viet Group	Insurance	56,100	3.7	6.7	0.2	124.8	174.0	
PAN	The PAN Group	Food & Beverage	24,350	6.8	6.6	-36.8	290.5	115.3	
MSN	Masan Group	Food & Beverage	117,900	0.8	4.9	-17.3	87.3	168.5	
VHC	Vinh Hoan Corp.	Food & Beverage	114,000	4.6	10.9	81.5	29.9	312.6	
ANV	Nam Viet	Food & Beverage	59,200	4.6	12.1	77.8	62.7	177.8	
MIG	Military Insurance	Insurance	32,250	7.0	11.8	35.2	109.7	128.6	
ASM	Sao Mai Group	Food & Beverage	19,500	6.0	8.3	10.9	71.3	157.8	
PC1	Power Construction No. 1	Construction & Materials	42,000	4.5	13.4	6.7	94.5	122.3	

Top 10 tickers in Trading volume

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Volume Change	Volume (x1000)	
TV2	Power Engineering Consulting 2	Industrial Goods & Services	50,800	6.9	3.9	-29.6	7.5	50.80	
BMI	Bao Minh Insurance	Insurance	33,250	6.9	8.3	-23.7	8.2	33.25	
PAN	The PAN Group	Food & Beverage	24,350	6.8	6.6	-36.8	6.4	24.35	
POW	PV Power	Utilities	14,750	6.9	8.9	-15.7	8.5	14.75	
TTA	TRUONG THANH DECONIN	Construction & Materials	14,650	6.9	7.7	-11.2	7.2	14.65	
HID	Halcom Vietnam	Construction & Materials	6,950	6.9	2.2	-48.1	5.8	6.95	
CRC	Create Capital Viet Nam	Construction & Materials	8,190	6.9	1.1	-28.2	3.9	8.19	
KPF	Hoang Minh Finance Investment	Construction & Materials	12,500	-0.4	-8.1	-31.7	-3.0	12.50	
HMC	Ho Chi Minh Metal Corp.	Basic Resources	28,650	-0.9	0.2	11.9	-2.0	28.65	
CIG	COMA 18	Construction & Materials	7,520	-6.9	-19.4	-45.1	-14.6	7.52	

Foreign Investor Trading Activities

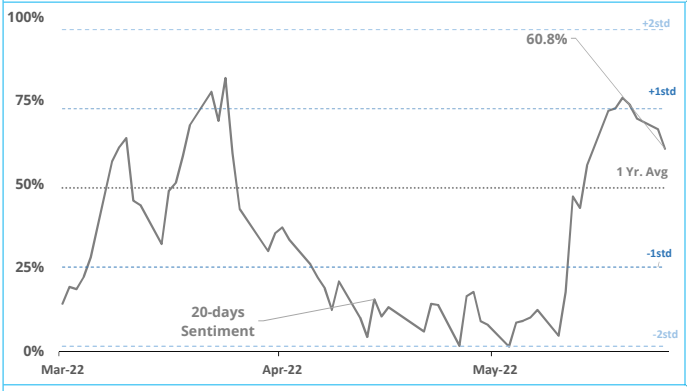


Shinhan Securities

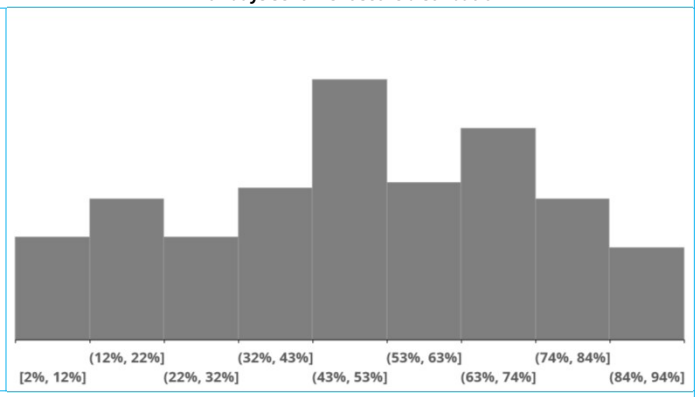
Market Sentiment

20 days Market Sentiment (short-term)

Historical 20 - days sentiment line 's movement



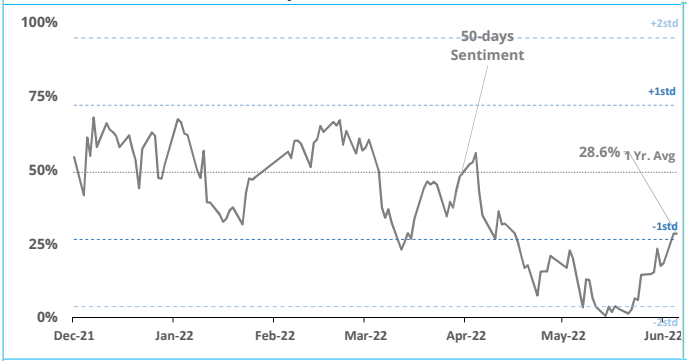
20 - days sentiment score distribution



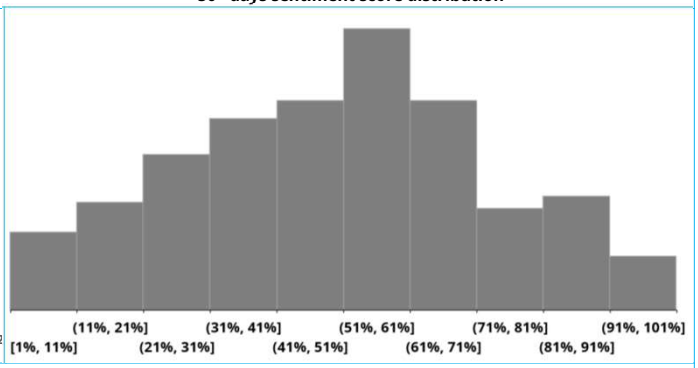
According to 20 days time horizon, total market cap of tickers having price above MA20 line accounts for 60.75% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 64.14% - Comment: Market sentiment is positive

50 days Market Sentiment (Mid-term)

Historical 50 - days sentiment line 's movement



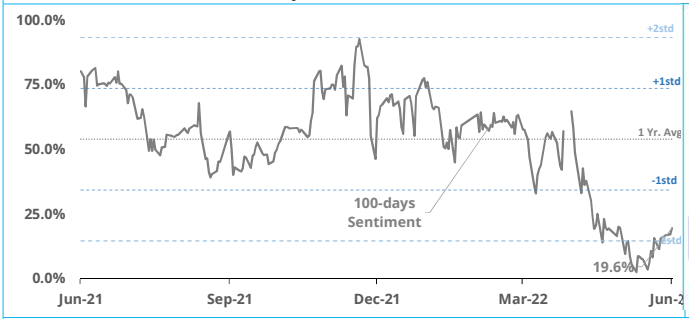
50 - days sentiment score distribution



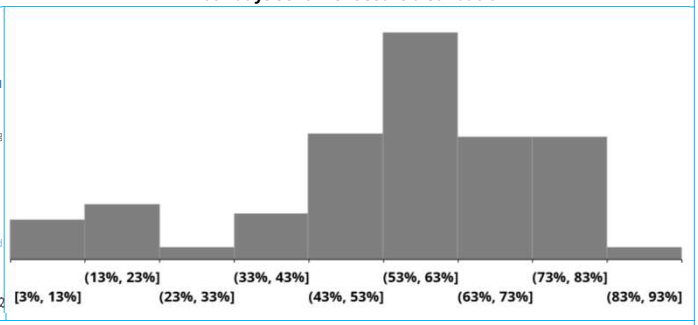
According to 50 days time horizon, total market cap of tickers having price above MA50 line accounts for 28.60% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 20.32% - Comment: Market sentiment is negative

100 days Market Sentiment (Mid-term)

Historical 100 - days sentiment line 's movement



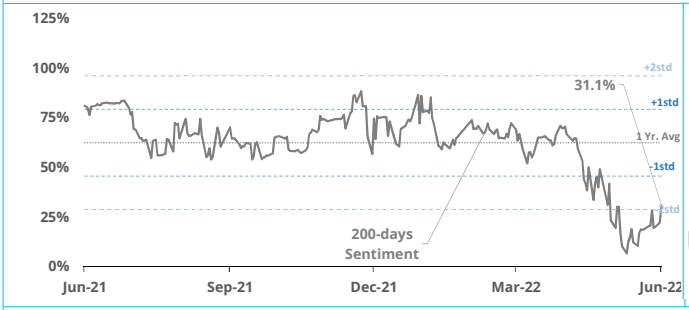
100 - days sentiment score distribution



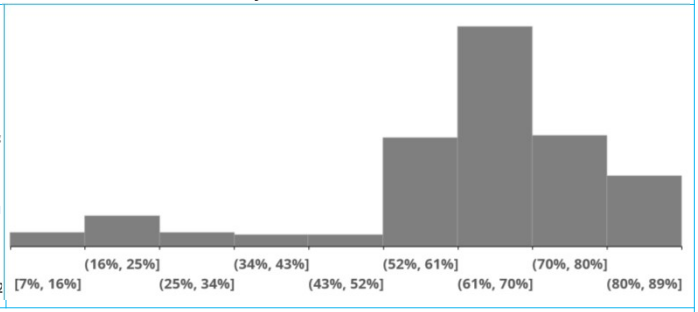
According to 100 days time horizon, total market cap of tickers having price above MA100 line accounts for 19.65% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 11.24% - Comment: Market sentiment is over negative

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 31.12% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 8.76% - Comment: Market sentiment is over negative

SEOUL

Shinhan Investment Corp.
Shinhan Investment Tower
23-2, Youido-dong, Yongdungpo-gu,
Seoul, Korea 150-712
Tel : (82-2) 3772-2700, 2702
Fax : (82-2) 6671-7573

NEW YORK

Shinhan Investment America Inc.
1325 Avenue of the Americas Suite 702,
New York, NY 10019
Tel : (1-212) 397-4000
Fax : (1-212) 397-0032

HONG KONG

Shinhan Investment Asia Ltd.
Unit 7705 A, Level 77
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong
Tel : (852) 3713-5333
Fax : (852) 3713-5300

INDONESIA

PT Shinhan Sekuritas Indonesia
30th Floor, IFC 2, Jl. Jend. Sudirman Kav.
22-23, Jakarta, Indonesia
Tel : (62-21) 5140-1133
Fax : (62-21) 5140-1599

SHANGHAI

Shinhan Investment Corp.
Shanghai Representative Office
Room 104, Huaneng Union Mansion No.958,
Luijiazui Ring Road, PuDong, Shanghai, China
Tel : (86-21) 6888-9135/6
Fax : (86-21) 6888-9139

HO CHI MINH

Shinhan Securities Vietnam Co., Ltd.
22nd Floor, Centec Tower, 72-74 Nguyen Thi Minh Khai Street, Dis
trict 3, Ho Chi Minh City, Vietnam
Tel : (84-8) 6299-8000
Fax : (84-8) 6299-4232

HO CHI MINH

Shinhan Investment Corp.
Ho Chi Minh Representative Office
1st Floor, Empress Tower, 138-142 Hai Ba Trung, Da Kao Ward, Di
strict 1, Ho Chi Minh City, Vietnam
Tel : (84-8) 3824-6445
Fax : (84-8) 3824-6447



Compliance Notice

- Analyst Certification: We/I hereby certify the information and material presented in this report are accurate expressions of their views, and that we/I have not received internally or externally wrongful pressure to express such views.
- All opinions and estimates regarding the company and its securities are accurate representations of the covering analyst's judgments as of this date and may differ from actual results.
- This report is intended to provide information to assist investment decisions only and should not be used or considered an offer or the solicitation of an offer to sell or to buy any securities. Stock selection and final investment decisions should be made at the client's own discretion.
- This report is distributed to our clients only, and any unauthorized use, duplication, or redistribution of this report is strictly prohibited.

Distribution

- United States: This report is distributed in the U.S. by Shinhan Investment America, Inc., a member of FINRA/SIPC, and is only intended for major U.S. institutional investors as defined in Rule 15a-6(a)(2) under the U.S. Securities Exchange Act of 1934. All U.S. persons that receive this document by their acceptance thereof represent and warrant that they are a major U.S. institutional investor and have not received this report under any express or implied understanding that they will direct commission income to Shinhan Investment Corp. or its affiliates. Pursuant to Rule 15a-6(a)(3), any U.S. recipient of this document wishing to affect a transaction in any securities discussed herein should contact and place orders with Shinhan Investment America, Inc., which accepts responsibility for the contents of this report in the U.S. The securities described in this report may not have been registered under the U.S. Securities Act of 1933, as amended, and, in such case, may not be offered or sold in the U.S. or to U.S. person absent registration or an applicable exemption from the registration requirement.
- All Other Jurisdictions: Customers in all other countries who wish to affect a transaction in any securities referenced in this report should contact Shinhan or its affiliates only if distribution to or use by such customer of this report would not violate applicable laws and regulations and not subject Shinhan and its affiliates to any registration or licensing requirement within such jurisdiction.