Wednesday, June 15, 2022

Exploring Vietnam

Research Center

Market Insight



Daily report

Market Summary:

"Just in time"

▶ The stock market had a trading session completely shifted to the selling side with 686 tickers decreasing and 193 ones increasing when there was a time that the VN-Index broke down through the supporting level 1200 points. At the end of the session, the bottom-fishing cash flow stream increased strongly, helping the VN-Index to quickly recover and regain the 1200 point mark.

▶ At the end of the session, the VN-Index decreased by 16.38 points, 1.33% deduction, and closed at 1,213.93 points. Market liquidity reached 16,467bil, equivalent to 688 million shares traded. Foreign investors net sale of VND 182.17bil, focusing mainly on DGC, VNM, VND.

▶ MWG (+0.8%), SSB (+0.4%), VGC (+0.3%) were the three tickers that contributed the most to the green vibe of the market. In contrast, GVR (-1.6%), HPG (-1.0%), GAS (-0.96%) were the three pulling down the market.

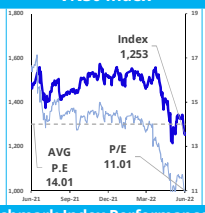
▶ Green vibe sectors today including retails, seafood processing, information technology such as: MWG, ANV, FPT.

▶ From a technical perspective, the VN Index is still testing the support line of Bollinger Bands, with liquidity higher than the 20-day average. The MACD has given a sell signal, increasing market risk in the upcoming sessions.

VN Index



VN30 Index



HNX Index



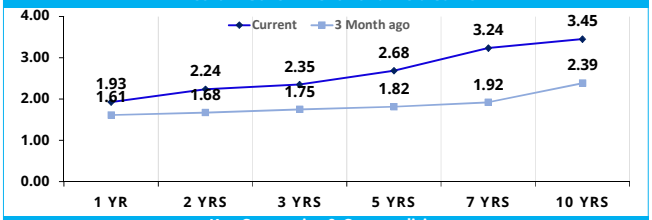
Vietnam Benchmark Index Performance & Multiples

Index	Price	%1D	%1M	%1Yr.	PER	PBR	Mkt Cap
VN-Index	1,214	-1.3	2.6	-11.2	13.1	2.0	4,880,265
VN30 Index	1,253	-0.6	2.4	-15.7	10.9	2.1	3,378,435
VN Midcap	1,492	-2.9	-1.4	8.3	9.9	1.2	303,877
VN Smallcap	1,492	-2.9	-1.4	8.3	9.9	1.2	303,877
HNX Index	283	-2.4	-6.3	-11.0	14.6	1.7	297,879
UpCom	89	-2.2	-5.3	-0.2	14.2	1.6	1,219,533

Vietnam Sector Performance

Sector	%1D	%1M	%YTD	%1 YR.	PER	PBR	Mkt Cap
Utilities	-1.9	21.6	16.8	1.4	22.4	2.9	343,936
Banks	-1.1	1.7	-19.6	-16.0	10.4	1.8	1,443,742
Financials	-4.2	-4.6	-37.5	0.9	9.9	1.6	163,973
Consumer Services	0.2	7.1	-2.5	28.0	n.a	4.6	258,394
Real Estate	-1.0	-1.9	-19.5	-10.9	19.4	2.4	1,159,637
Health Care	0.1	0.0	-12.9	0.5	16.4	2.3	33,098
Basic Materials	-3.0	-0.1	-26.3	-19.3	6.7	1.7	394,581
Consumer Goods	-0.6	3.2	-16.4	-2.5	17.6	3.0	589,029
Industrials	-1.9	6.3	-17.2	19.1	16.5	1.6	247,605
Technology	1.1	13.8	8.4	31.8	22.8	4.2	113,389
Oil & Gas	-5.0	12.3	-22.6	-19.2	22.1	2.5	62,681

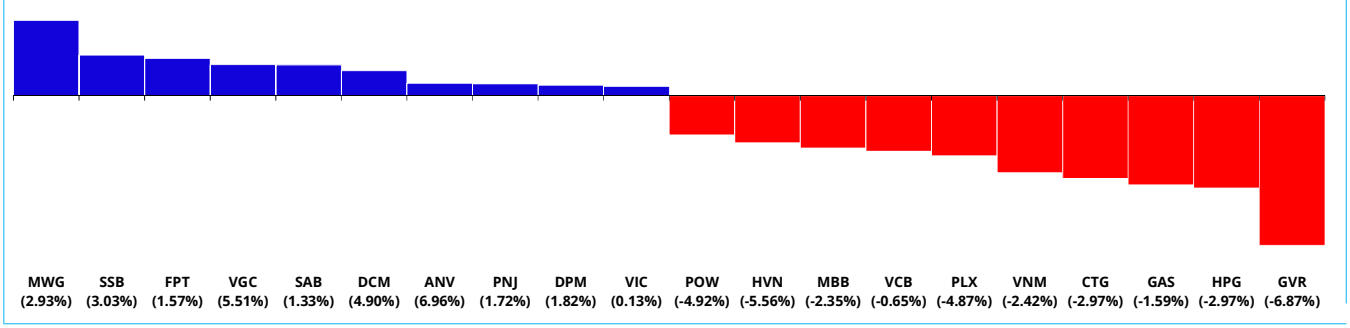
Vietnam Government Bond Yield Curve



Key Currencies & Commodities

Term	Price	%1D	%1W	%1M	%3M	%YTD	%1Yr.
Dollar index	105	-0.4	2.4	0.5	6.0	9.8	16.0
USD/JPY	135	-0.6	0.3	4.3	13.9	17.0	22.4
USD/CNY	7	-0.3	0.5	-1.0	5.5	5.7	4.9
KRW/USD	1,290	0.3	2.9	0.5	3.8	8.5	15.5
EUR/USD	1	-0.5	2.3	-0.4	4.6	8.6	15.8
USD/VND	23,200	-0.1	0.0	0.5	1.3	1.6	1.1
WTI	119	-0.1	-2.7	7.5	23.2	58.0	64.8
Gasoline	399	-0.2	-5.6	0.7	33.0	78.9	83.7
Natural gas	7	0.9	-16.6	-5.4	58.8	94.4	123.8
Coal	384	-1.8	-3.4	-2.4	6.0	126.1	205.5
Gold	1,821	0.7	-1.8	-0.2	-5.1	-0.5	-2.1
China HRC	4,767	-0.8	-2.2	-4.0	-5.5	0.4	-14.2

Contributors to VN Index



Shinhan Securities

Stock Feeds

Companies News

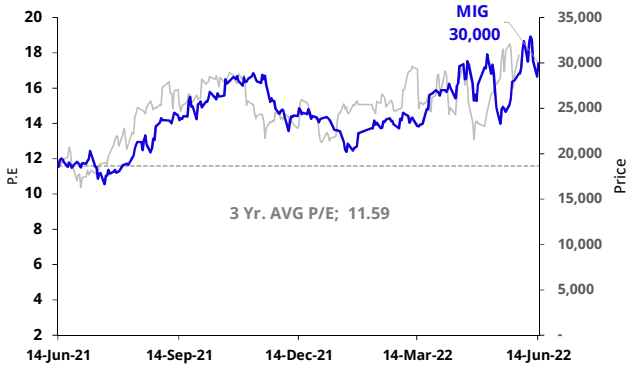
1) NLG, Real Estate: Nam Long said that they has completed the procedures to receive a disbursement of VND 1,000bil from the International Finance Corporation (IFC) - a member of the World Bank Group (WBG) - in the form of bonds. Information published at the end of April said that IFC had registered to buy 1,000 bonds of Nam Long (equivalent to USD 44mil). According to the original plan, this capital will be financed for the Phase 2 Waterpoint project (190 ha with approximately 6,538 products).
In May, Nam Long's sales reached over VND 1,900bil, mainly coming from villas and villas of Waterpoint and The Mizuki projects. Thus, in the first 5 months of the year, sales of the enterprise reached VND 7,800bil, equivalent to 33% of the year plan. In July, Nam Long expect to sell 800 products in phase 2 of the Akari project and 50-60 villas at the Waterpoint project, with an estimated total value of VND 3,700bil.

2) LTG, Agriculture - 1Q2022 business results of Loc Troi Group JSC: Net revenue was VND 2,345.3bil (-2.15% QoQ), with 23.5% GPM (1Q21 reached 24.7%), NPAT reported at VND 184bil, equivalent to 7.8% profit margin (1Q21 was 7.66%).
The company completed 46% of the 2022 initial NPAT target plan. LTG follows the roadmap announced at the 2021 AGM of LTG, committing a minimum NPAT of VND 400bil per annum (stable from 2021-2023). In 2021, LTG recorded a NPAT of VND 418.3bil. The excess will be distributed to the Provision Fund for farmers and employees. These two funds are the assets of the company and have been accumulated up to VND 360bil/fund, then committed profit will increase.
In the context of the need to ensure world food security and the reopening of many countries worldwide, the bargaining power of Vietnamese rice in the world rice export market is enhanced, where the selling price can rise. In addition, the MoF approved a draft fertilizer export tax increase from 0% to 5%, helping to increase domestic supply and maintain stable input prices for rice production. LTG currently owns an effective value chain and cooperation model with farmers, while optimizing management activities and reducing management costs by applying ERP.
LTG's revenue structure had a clear shift when sales of pesticides decreased by 38% QoQ since its former supplier Syngenta stopped cooperating with LTG in the supply of pesticides because of the contract termination in February 2022. In contrast, the revenue of agricultural products witnessed an increase of 98% QoQ, offsetting the decline in pesticide products, thanks to the orders in 2021 and early 2022 of Nong San Loc Troi JSC - a member of LTG, delivering export rice orders of more than 4,500 tons worth VND 15bil per unit (37% higher than the average export price of rice in 1Q/2022).

Stock of the day

Military Insurance Corporation - MIG

MIG, Insurance: Military Insurance Corporation (MIC - Sticker: MIG) plan to pay dividends at the rate of 15%, equivalent to each shareholder own 100 common shares will receive 15 new shares. After pay dividends, shareholder's equity of MIG will increase from VND 1,430 billion to VND 1,644 billion.
In 2022, MIC has two other plans to increase its shareholder's equity. Firstly, MIG offering 25.7 million shares to existing shareholders at the price of VND 10,000/share. Secondly, MIG offering 2.86 million shares to key and talented staff. The shareholder's equity of MIG is expected to increase to VND 1,930 billion
Regarding the business results of the first quarter of 2022, MIC recorded a total revenue of over 1,200 billion VND in insurance segment (+35% YoY), 5 times higher than the growth rate of the average sector. EBT reached approximately 90 billion, (+93% YoY)



Cashflow Trend

Cash Flow Trend Among Sector

Market liquidity improved greatly, increasing by 20-30% in the Financial services, Auto and spare parts industries. On the contrary, the groups of Information Technology, Industrial Goods & Services, Insurance recorded a deep drop in liquidity of nearly 30% compared to the previous session.

Sectors	% Liqidity Change	Today	5 days AVG	20 days Trend
Financial Services	30.7	1,679	1,284	
Automobiles & Parts	23.2	138	112	
Real Estate	12.9	2,739	2,425	
Travel & Leisure	9.2	130	119	
Banks	8.9	2,150	1,974	
Basic Resources	7.2	1,524	1,421	
Construction & Materials	6.9	926	866	
Retail	-3.7	607	631	
Media	-4.4	22	23	
Personal & Household Goods	-5.6	269	285	
Utilities	-6.5	829	887	
Chemicals	-7.9	1,117	1,213	
Food & Beverage	-9.7	1,241	1,375	
Health Care	-16.2	33	40	
Insurance	-24.7	130	172	
Industrial Goods & Services	-25.5	824	1,107	
Technology	-28.2	194	271	

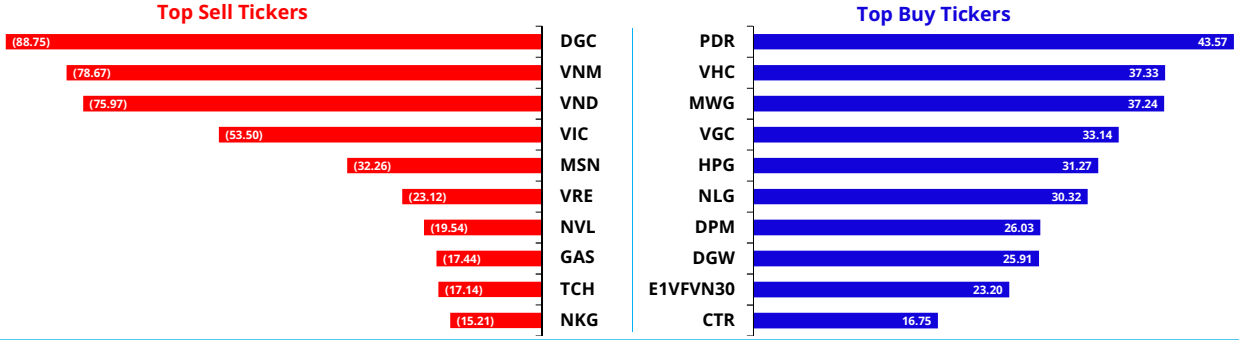
Top 15 tickers in trading value

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Turnover Change	Turnover (VND bn)	
VND	VNDIRECT	Financial Services	19,450	-6.9	-21.3	-41.5	212.8	596.3	
DIG	DIC Corp	Real Estate	41,950	-7.0	-23.7	-56.6	61.8	495.2	
MBB	MBBank	Banks	24,900	-2.4	-10.9	-13.8	88.5	385.0	
HPG	Hoa Phat Group	Basic Resources	29,400	-3.0	-10.6	-36.6	23.8	849.7	
LPB	LienViet Post Bank	Banks	12,400	-5.7	-18.2	-38.5	102.6	162.3	
MWG	Mobile World Investment	Retail	147,700	2.9	-3.7	8.7	27.2	374.0	
VNM	Vinamilk	Food & Beverage	64,500	-2.4	-9.2	-25.3	65.5	175.9	
NVL	Novaland	Real Estate	76,400	-0.3	0.0	-16.0	35.8	255.3	
VIB	VIBBank	Banks	22,000	-2.7	-17.4	-37.2	215.0	78.8	
HDC	Ba Ria - Vung Tau House Development	Real Estate	49,600	-6.9	-17.5	-47.8	115.5	92.0	
VIC	VinGroup	Real Estate	76,700	0.1	-1.8	-19.3	42.0	155.7	
VGC	Viglacera Corporation	Construction & Materials	52,700	5.5	18.4	-0.9	43.4	127.1	
VPG	Viet Phat Import Export Trading Investment	Basic Resources	35,200	-0.8	-18.5	-33.6	141.9	62.8	
VHM	Vinhomes	Real Estate	65,900	-0.2	-3.8	-19.6	19.0	230.4	
HCM	Ho Chi Minh Securities	Financial Services	18,450	-6.8	-22.0	-59.5	49.9	107.0	

Top 10 tickers in Trading volume

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Volume Change	Volume (x1000)	
KPF	Hoang Minh Finance Investment	Construction & Materials	11,300	4.6	-11.4	-38.3	-6.6	11.30	
PTL	Petroland	Real Estate	4,360	-6.8	-17.7	-74.0	-16.5	4.36	
VTO	Vitaco - Vietnam Tanker	Industrial Goods & Services	7,890	-5.5	-18.2	-38.8	-14.5	7.89	
TVB	Tri Viet Securities	Financial Services	7,530	-6.8	-20.7	-69.7	-17.4	7.53	
ACC	ACC Binh Duong Investment and Construction	Construction & Materials	13,350	-1.5	-15.2	-16.6	-11.3	13.35	
VIB	VIBBank	Banks	22,000	-2.7	-17.4	-37.2	-13.8	22.00	
VND	VNDIRECT	Financial Services	19,450	-6.9	-21.3	-41.5	-17.6	19.45	
DHA	Hoa An Stones and Materials	Construction & Materials	38,000	-6.9	-15.4	-32.1	-12.5	38.00	
VPG	Viet Phat Import Export Trading Investment	Basic Resources	35,200	-0.8	-18.5	-33.6	-13.8	35.20	
HDC	Ba Ria - Vung Tau House Development	Real Estate	49,600	-6.9	-17.5	-47.8	-14.4	49.60	

Foreign Investor Trading Activities

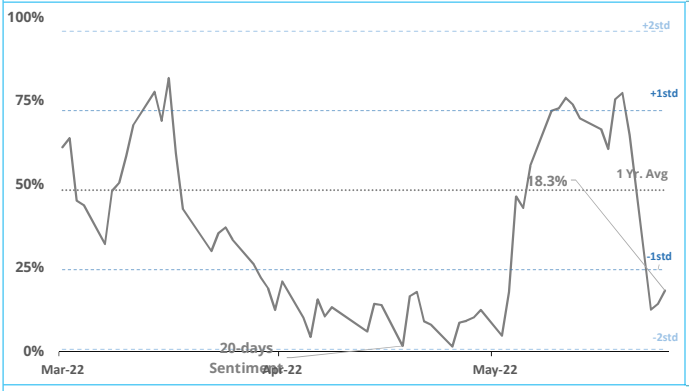


Shinhan Securities

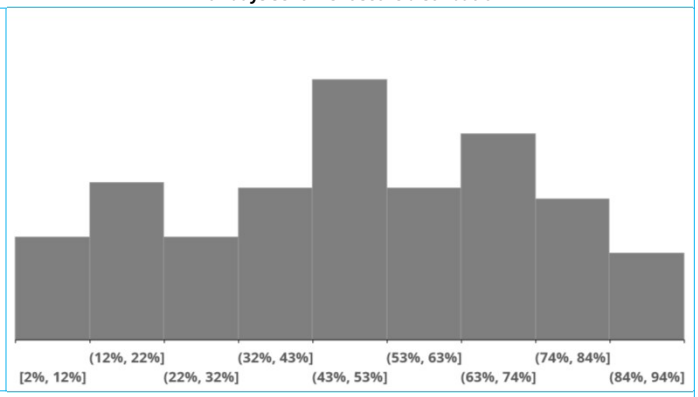
Market Sentiment

20 days Market Sentiment (short-term)

Historical 20 - days sentiment line 's movement



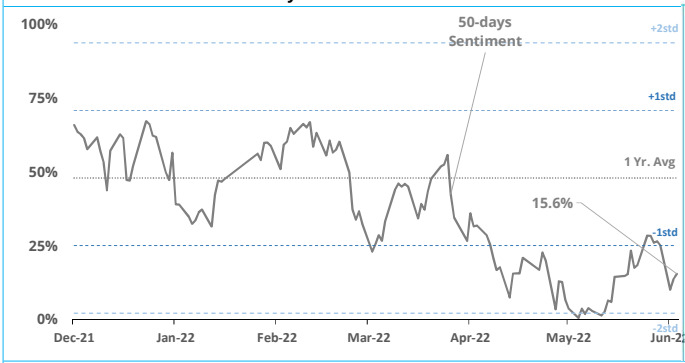
20 - days sentiment score distribution



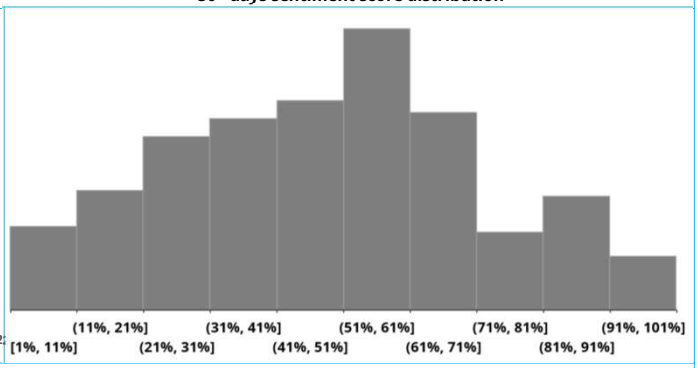
According to 20 days time horizon, total market cap of tickers having price above MA20 line accounts for 18.30% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 15.14% - Comment: Market sentiment is over negative

50 days Market Sentiment (Mid-term)

Historical 50 - days sentiment line 's movement



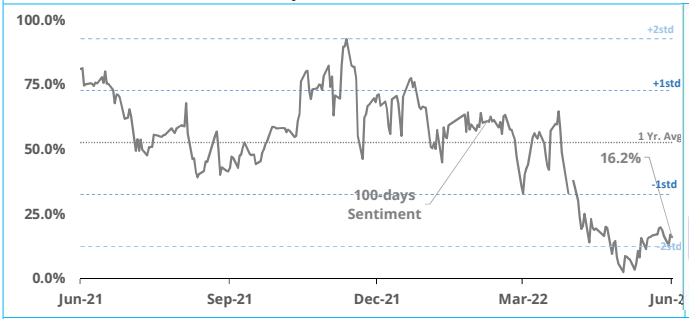
50 - days sentiment score distribution



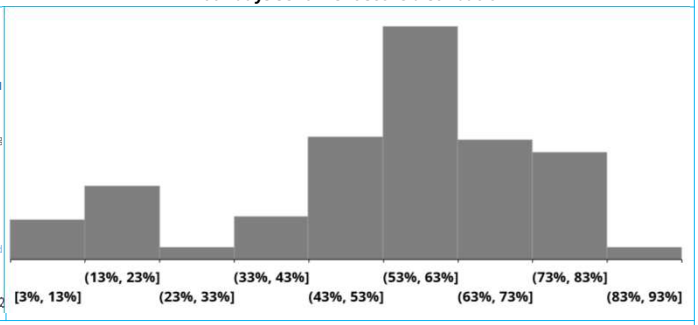
According to 50 days time horizon, total market cap of tickers having price above MA50 line accounts for 15.60% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 8.37% - Comment: Market sentiment is over negative

100 days Market Sentiment (Mid-term)

Historical 100 - days sentiment line 's movement



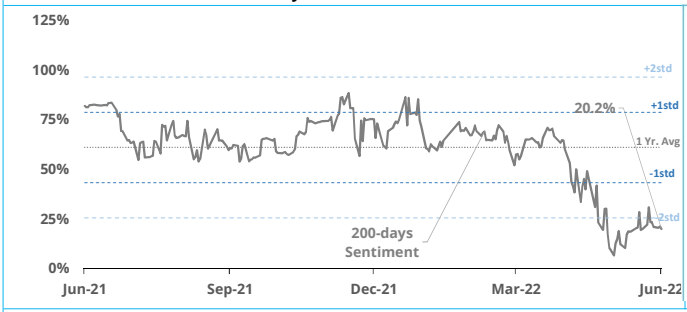
100 - days sentiment score distribution



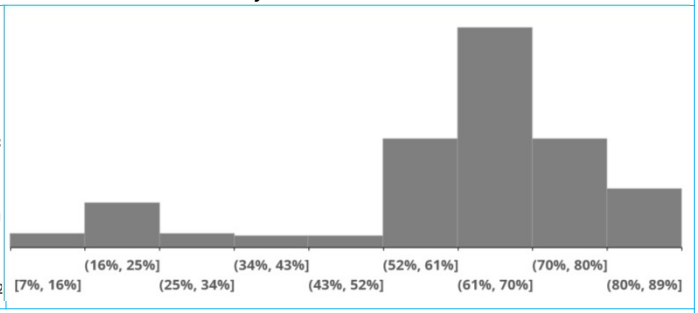
According to 100 days time horizon, total market cap of tickers having price above MA100 line accounts for 16.24% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 8.84% - Comment: Market sentiment is over negative

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 20.16% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 5.98% - Comment: Market sentiment is over negative

Shinhan Securities

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.