Tuesday, June 21, 2022

Exploring Vietnam

Research Center

Market Insight

Daily report

Market Summary:

"Continue plunging"

▶ The stock market on Tuesday continued to sink in red with more than 70 stocks hitting the floor. VN Index started with a gap down, showing that selling pressure started early.

▶ At the end, the VN-Index dropped 7.93 points, equivalent to 0.67% and closed at 1172.47 points. Market liquidity reached 15,769 billion, equivalent to 694 million shares traded. Foreign investors net bought 380 billion dong, focusing mainly on VNM.

▶ VNM (+6.81%), VCB (+2.24%), BID (+2.71%) were the three tickers that contributed the most to the green vibe of the market. In contrast, DGC (-6.72%), HPG (-3.70%), GAS (-4.17%) were the three pulling down the market.

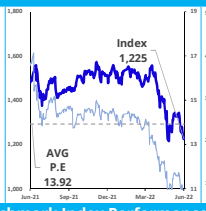
▶ Food & beverage and insurance are two bright spots today with some outstanding stocks such as: VNM, SAB, BVH

▶ From a technical perspective, the VN Index opened with a gap down with strong selling pressure still from the previous session. However, the demand of bulls absorbed the supply quite well, helping VN-Index to close the session with the Doji candle. VN Index's support zone is currently at 1150 points. The MACD still has a negative signal when the MACD is decreasing and widening the gap with the signal line.

VN Index



VN30 Index



HNX Index



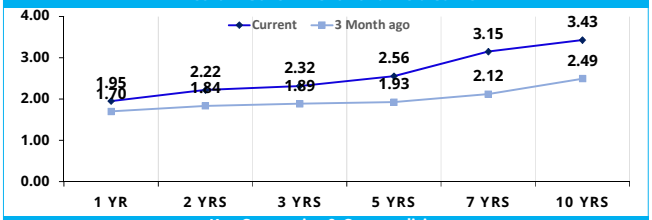
Vietnam Benchmark Index Performance & Multiples

Index	Price	%1D	%1M	%1Yr.	PER	PBR	Mkt Cap
VN-Index	1,172	-0.7	-5.5	-14.6	12.8	2.0	4,682,867
VN30 Index	1,225	-0.1	-4.5	-17.2	10.7	2.1	3,280,373
VN Midcap	1,353	-3.0	-15.8	-4.3	9.0	1.1	278,773
VN Smallcap	1,353	-3.0	-15.8	-4.3	9.0	1.1	278,773
HNX Index	265	-1.2	-13.8	-16.3	13.8	1.6	276,563
UpCom	85	-0.5	-9.6	-5.2	13.6	1.5	1,160,907

Vietnam Sector Performance

Sector	%1D	%1M	%YTD	%1 YR.	PER	PBR	Mkt Cap
Utilities	-4.2	12.4	13.5	1.3	21.8	2.8	334,116
Industrials	-3.4	-6.6	-23.2	9.0	15.4	1.5	229,900
Financials	0.2	-20.9	-43.7	-4.3	9.0	1.5	147,636
Consumer Goods	1.5	2.5	-13.5	0.1	18.2	3.1	609,433
Basic Materials	-3.5	-14.9	-32.3	-26.7	6.2	1.6	362,776
Real Estate	-1.0	-7.7	-22.5	-13.6	18.7	2.3	1,116,456
Consumer Services	-0.4	2.1	-3.5	25.6	n.a	4.6	255,695
Technology	-2.9	6.9	6.5	26.2	22.4	4.1	111,442
Banks	0.9	-7.7	-22.7	-19.0	10.0	1.7	1,388,975
Health Care	-2.0	-5.0	-16.6	-3.6	15.7	2.2	31,686
Oil & Gas	-1.6	-5.4	-28.0	-29.5	20.5	2.3	58,296

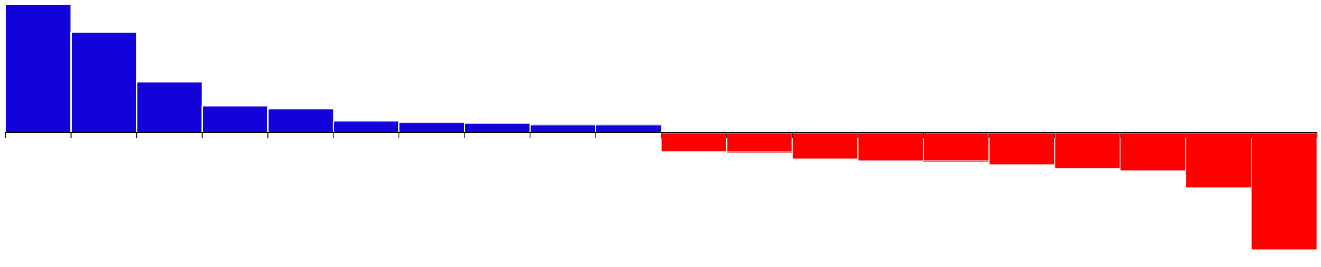
Vietnam Government Bond Yield Curve



Key Currencies & Commodities

Term	Price	%1D	%1W	%1M	%3M	%YTD	%1Yr.
Dollar index	104	-0.6	-0.9	0.9	5.7	8.8	13.3
USD/JPY	135	0.1	-0.2	5.7	13.2	17.5	22.6
USD/CNY	7	0.1	-0.7	0.7	5.4	5.4	3.6
KRW/USD	1,294	0.1	0.6	2.3	6.4	8.8	14.0
EUR/USD	1	-0.5	-1.3	1.3	4.3	7.7	12.9
USD/VND	23,225	0.0	0.0	0.3	1.6	1.7	0.9
WTI	112	1.9	-7.7	-1.4	-0.4	48.4	51.5
Gasoline	391	3.1	-3.1	1.9	16.0	75.5	78.0
Natural gas	7	-3.5	-22.2	-17.1	36.7	79.6	110.0
Coal	393	0.9	0.6	-5.9	16.9	131.6	214.2
Gold	1,838	-0.1	1.6	-0.9	-5.1	0.5	3.1
China HRC	4,382	0.2	-8.8	-10.4	-15.5	-7.7	-19.7

Contributors to VN Index



Shinhan Securities

Stock Feeds

Companies News

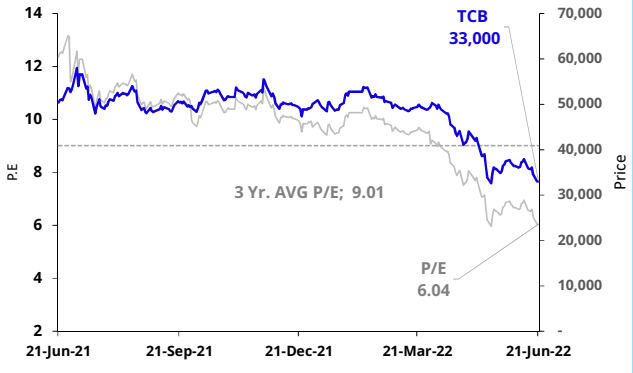
1) HAG, Agriculture: Hoang Anh Gia Lai recorded a net profit of VND 431 billion in the first 5 months of the year. Specifically, the animal husbandry had a net revenue at VND 326 billion, and fruit growing segment recorded a net revenue at 866 billion VND and revenue of supporting industries reached VND 283 billion. As a result, total net revenue in the first 5 months is VND 1,475 billion.
In the fruit growing segment, the fruit tree area was planned by HAGL is 10,000 ha, of which banana trees account for 7,000 ha. HAGL announced that 5,000 ha has been exploited steadily, while 2,000 ha has just planting.
In animal husbandry segment, HAG has completed 9 clusters of barns to maintain more than 27,000 breeding sows and 600,000 pigs each year.
In 2021, HAGL had a net profit of VND 184 billion. Meanwhile, in the first 5 months of the year, HAGL made 2.3 times more than net profit of 2021. Thus, HAGL has completed 38% of the plan for 2022.

2) PNJ, Retail: Accumulating 5 months, Phu Nhuan Jewelry Joint Stock Company recorded a 51% increase in retail revenue over the same period from (1) business units achieved good results and exceeded the plan (2) Style by PNJ and Disney brands recorded good growth, (3) retail marketing and branding activities brought positive results.
Significantly, gold bar revenue increased by 59% in the context of global geopolitical instability that has not yet cooled down and the macro-economy facing inflationary pressure. Thus, it can be seen that the high revenue of gold bars and the high cost of goods sold decreased PNJ's gross profit margin from 18.4% to 17.8%. As a result, PNJ earned 1,066 billion dong in after-tax profit, up 47% over the same period. With this result, the Company fulfilled more than 60% of the revenue plan and 77% of the year profit plan.
3) GEX, Industrials: 1Q2022 consolidated business results of GELEX Group JSC: Net revenue was VND 8,645.4bil (+96% QoQ), with GPM improvement from 11.6% (1Q21) 21.2% (1Q22). Notably, EBT was merely 3 times compared to that in the same period last year, reaching VND 901.2bil, equivalent to 10.4% EBT margin (1Q21 7.56%). The company respectively completed 24% (of VND 36,000bil target revenue) and 34.4% (of VND 2,618bil target EBT) of the 2022 initial business plan.
The abrupt increase in profit of 1Q/2022 mainly came from GEX's dominant ownership in Viglacera Corporation, one of the leading enterprises in the field of construction materials and industrial real estate in Vietnam, since the 2Q/2021 at a 50.2% stack.
The group continues pursuing its core businesses growth strategy via M&A activities. Furthermore, Gelex announced that it will have Gelex Infrastructure to be IPO on UpCOM. Gelex Infrastructure works in the fields of wind and solar power production, and has been developing Da river water projects (phase 2, expected to be completed in the fourth quarter of 2024). This company set the 2022 target net revenue of VND 17,498bil, with an EBT of VND 1,945bil.

Stock of the day

Vietnam Technological and Commercial JSB - TCB

TCB, Bank: Techcombank has successfully raised a syndicated loan worth up to USD 1 billion, marking a new milestone in the bank's foreign capital mobilization. This credit is fully underwritten with an initial target size of $700 million, with a pre-funding option. The loan was offered for sale to select investors at the end of December last year, and was officially made public in February 2022. With the positive feedback from the market, Techcombank decided to increase the loan value to USD 1 billion with three components with terms of 3, 4 and 5 years respectively. The five-year component is a continuation of Techcombank's success in raising USD 800 million last year. Interest rate of the loan in SOFR (the new reference interest rate to replace LIBOR) plus a margin of 140 points for 3-year term, 155 points for 4-year term and 170 points for 5-year term This deposit will supplement business capital source for Techcombank, helping the bank better meet the medium and long-term loan needs of customers as Vietnamese economy is recovering from the Covid-19 pandemic.



Cashflow Trend

Cash Flow Trend Among Sector

Liquidity in the market continued to remain at the average level of 20 sessions. The oil & gas and banking sectors recorded the strongest declines in transaction value of 19.6% and 23.5%, respectively.

Sectors	% Liqidity Change	Today	5 days AVG	20 days Trend
Media	20.1	21	18	
Industrial Goods & Services	12.5	1,122	998	
Food & Beverage	7.0	1,431	1,338	
Utilities	7.0	1,085	1,014	
Technology	4.4	251	241	
Personal & Household Goods	1.9	234	229	
Financial Services	1.0	1,438	1,424	
Basic Resources	-0.9	1,354	1,366	
Construction & Materials	-2.1	841	859	
Travel & Leisure	-2.9	117	121	
Real Estate	-10.4	2,201	2,457	
Chemicals	-11.3	1,086	1,223	
Health Care	-13.7	24	28	
Automobiles & Parts	-15.6	91	107	
Insurance	-18.5	118	145	
Oil & Gas	-19.6	187	233	
Banks	-23.5	1,388	1,815	

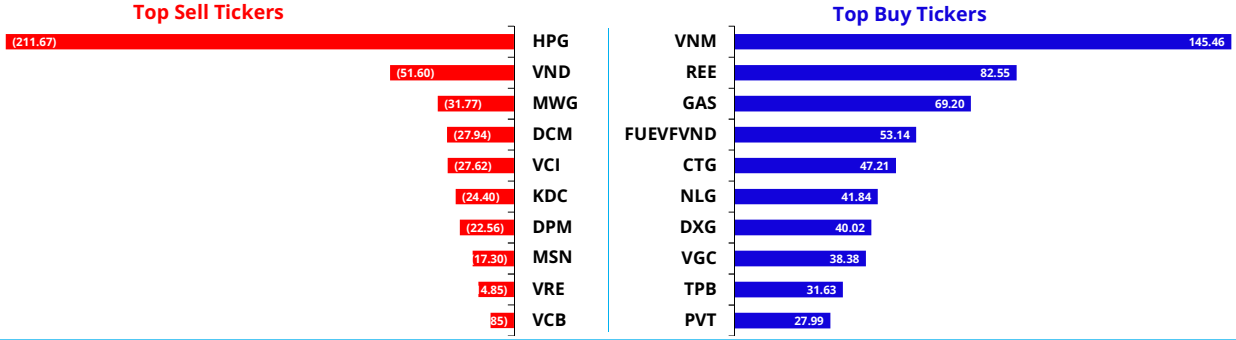
Top 15 tickers in trading value

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Turnover Change	Turnover (VND bn)	
VNM	Vinamilk	Food & Beverage	73,700	6.8	11.5	-14.7	121.8	348.6	
REE	Refrigeration Electrical Engineering	Industrial Goods & Services	85,700	-6.9	-5.3	42.6	63.7	291.9	
GAS	PetroVietnam Gas	Utilities	119,500	-4.2	-5.2	24.2	27.2	282.1	
HPG	Hoa Phat Group	Basic Resources	20,800	-3.7	-10.8	-41.7	6.4	840.0	
HDG	HA DO Construction	Real Estate	51,900	-6.8	-3.0	-22.0	30.4	195.3	
SSI	SSI Securities Corp.	Financial Services	18,300	-4.7	-24.8	-64.7	10.2	471.0	
NT2	Nhon Trach 2 Power	Utilities	25,150	-6.9	-12.4	-4.4	38.6	143.3	
GMD	Gemadept	Industrial Goods & Services	50,700	-6.3	-4.5	7.2	19.8	216.2	
VCI	Viet Capital Securities	Financial Services	30,700	6.6	-10.2	-57.8	20.7	180.8	
HCM	Ho Chi Minh Securities	Financial Services	17,750	6.9	-10.4	-61.0	35.3	100.2	
GIL	Binh Thanh Im-export	Personal & Household Goods	52,900	-6.9	-21.3	-17.3	52.2	68.2	
KOS	KOSY Company	Real Estate	33,300	0.6	0.9	3.6	246.4	31.9	
VSH	Vinh Son - Song Hinh Hydropower	Utilities	45,000	-3.8	9.4	56.8	129.4	39.9	
VPG	Viet Phat Import Export Trading Investment	Basic Resources	27,500	-6.9	-22.5	-48.1	86.0	48.3	
ANV	Nam Viet	Food & Beverage	57,400	-7.0	5.1	72.4	16.5	155.2	

Top 10 tickers in Trading volume

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Volume Change	Volume (x1000)	
VNM	Vinamilk	Food & Beverage	73,700	6.8	11.5	-14.7	10.4	73.70	
VSH	Vinh Son - Song Hinh Hydropower	Utilities	45,000	-3.8	9.4	56.8	1.9	45.00	
SHI	SONHA Corp	Basic Resources	15,000	3.8	4.5	-4.5	4.6	15.00	
KOS	KOSY Company	Real Estate	33,300	0.6	0.9	3.6	0.9	33.30	
CCL	Cuu Long Petro Urban Development	Real Estate	8,610	7.0	-9.0	-50.5	-2.8	8.61	
HAP	Hapaco Group	Basic Resources	6,450	-0.9	-16.6	-54.6	-11.5	6.45	
TLD	Thang Long Deco	Real Estate	5,140	-5.7	-20.9	-60.2	-15.7	5.14	
NHA	HaNoi South Housing & Urban Development	Construction & Materials	18,550	-6.8	-25.8	-65.4	-17.7	18.55	
CRE	Century Land	Real Estate	19,300	-6.8	-28.0	-52.9	-19.2	19.30	
VPG	Viet Phat Import Export Trading Investment	Basic Resources	27,500	-6.9	-22.5	-48.1	-17.8	27.50	

Foreign Investor Trading Activities

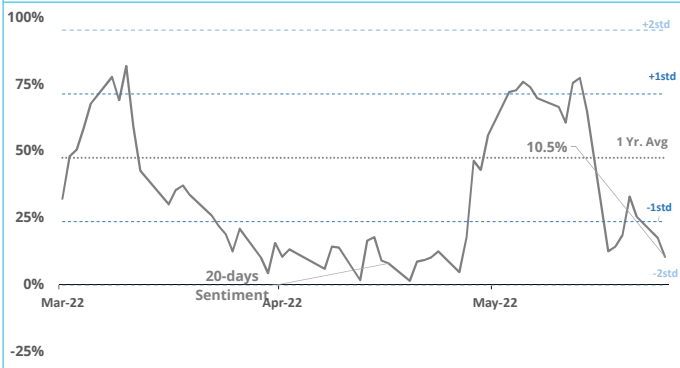


Shinhan Securities

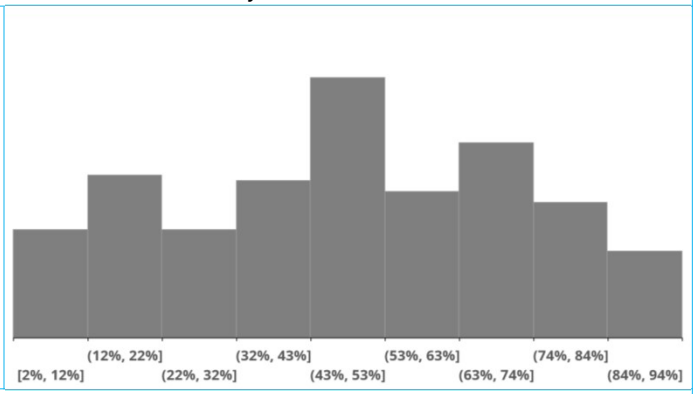
Market Sentiment

20 days Market Sentiment (short-term)

Historical 20 - days sentiment line 's movement



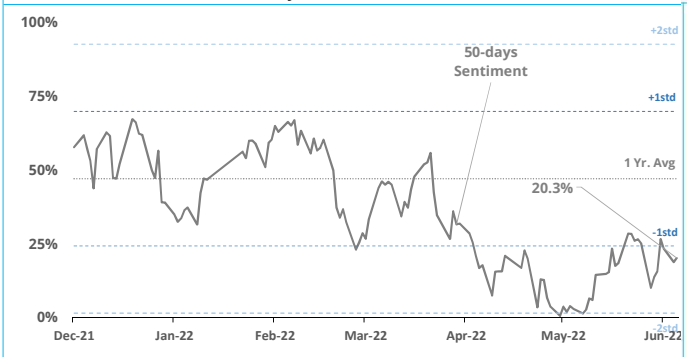
20 - days sentiment score distribution



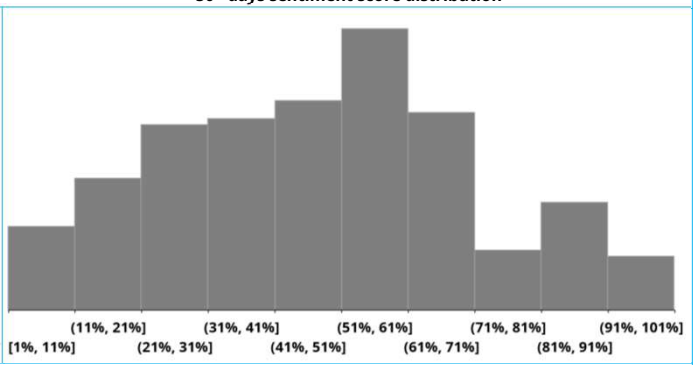
According to 20 days time horizon, total market cap of tickers having price above MA20 line accounts for 10.47% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 6.77% - Comment: Market sentiment is over negative

50 days Market Sentiment (Mid-term)

Historical 50 - days sentiment line 's movement



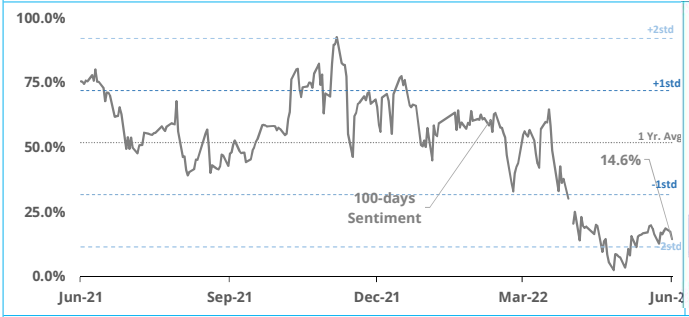
50 - days sentiment score distribution



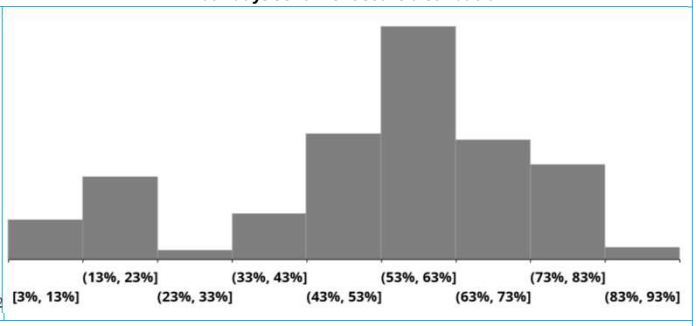
According to 50 days time horizon, total market cap of tickers having price above MA50 line accounts for 20.27% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 13.55% - Comment: Market sentiment is over negative

100 days Market Sentiment (Mid-term)

Historical 100 - days sentiment line 's movement



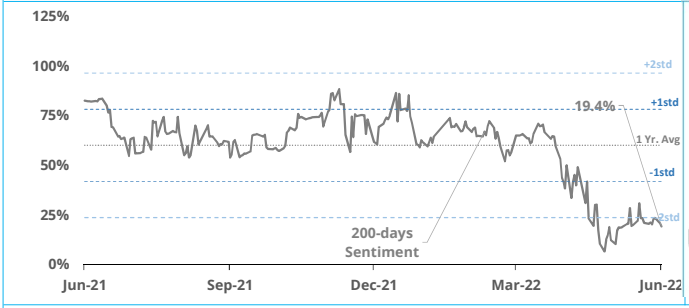
100 - days sentiment score distribution



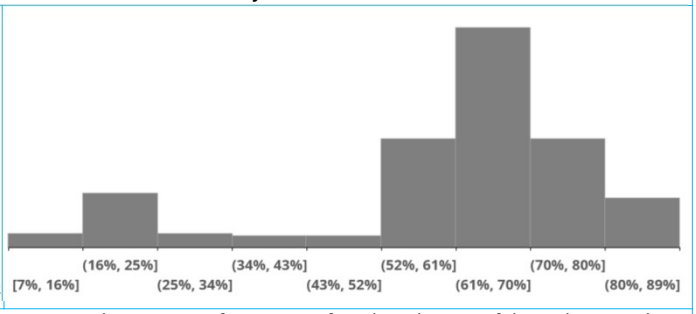
According to 100 days time horizon, total market cap of tickers having price above MA100 line accounts for 14.65% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 7.63% - Comment: Market sentiment is over negative

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 19.41% of total market cap of the Index. Based on 1 year historical data, probality of falling further from the current level is 4.78% - 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.