Monday, November 7, 2022

Exploring Vietnam

Market Insight

Shinhan Securities

Daily report

Market Summary:

"Searching for the bottom"

▶The first session of the new week was covered in red.

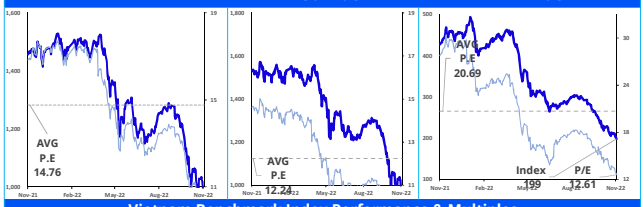
▶At the end of the session, the VN-Index lost 21.96 points, equivalent to 2.20% and closed at 975.19 points. Market liquidity reached VND 10.555 billion, equivalent to 647 million shares traded. Foreign investors net bought VND 201 billion, focusing mainly on VNM.

▶VNM (+2.75%), GAS (+1.71%), ACB (+2.48%) were the three tickers that brought the index in green. On the contrary, NVL (-6.84%), TCB (-6.86%), CTG (-4.96%) were the three tickers that lost the most points of the market.

▶ Food & beverage is the only sector with the most gainers today: VNM, MSN, SAB. In contrast, securities, retail, and construction material were the groups with many fall tickers.

▶ From a technical point of view, selling dominated in the session, making it difficult for the index to recover and closed in red. The unknowns about the money flow are still unclear, but the general signal is that the money flow is quite weak. Therefore, the current trading risk is at a high level.

VN Index | **VN30 Index** | **HNX Index**



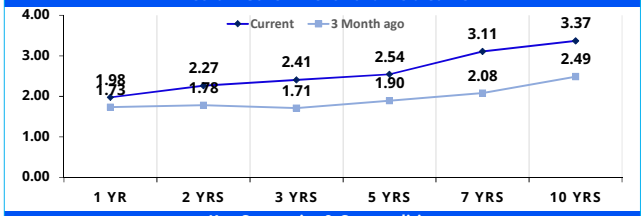
Vietnam Benchmark Index Performance & Multiples

Index	Price	%1D	%1M	%1Yr.	PER	PBR	Mkt Cap
VN-Index	975	-2.2	-5.9	-33.0	10.2	1.6	3,979,928
VN30 Index	973	-2.5	-6.4	-36.5	8.3	1.5	2,817,396
VN Midcap	1,054	-4.2	-13.2	-46.0	7.8	0.8	225,039
VN Smallcap	1,054	-4.2	-13.2	-46.0	7.8	0.8	225,039
HNX Index	199	-2.9	-12.2	-53.6	12.6	1.1	239,018
UpCom	72	-2.7	-9.7	-33.2	11.5	1.3	985,786

Vietnam Sector Performance

Sector	%1D	%1M	%YTD	%1 YR.	PER	PBR	Mkt Cap
Technology	-0.9	-4.9	-13.7	0.8	18.2	3.3	90,294
Financials	-5.0	-12.2	-49.7	-45.0	8.0	1.3	131,845
Banks	-2.3	4.0	-28.4	-24.9	9.2	1.6	1,287,093
Industrials	-4.2	-11.5	-36.5	-29.1	12.5	1.2	186,101
Consumer Services	-4.1	-14.5	-34.0	-32.7	n.a	3.1	174,992
Consumer Goods	0.3	2.0	-19.7	-15.8	16.8	2.8	566,331
Utilities	0.6	4.9	1.2	-10.4	19.4	2.5	297,910
Basic Materials	-4.6	-14.1	-54.0	-58.7	4.5	1.1	246,130
Health Care	-0.5	-4.3	-23.1	-18.1	14.6	2.0	29,218
Real Estate	-2.9	-18.0	-42.5	-37.7	13.9	1.7	828,936
Oil & Gas	-0.6	-11.2	-43.5	-43.5	16.1	1.8	45,745

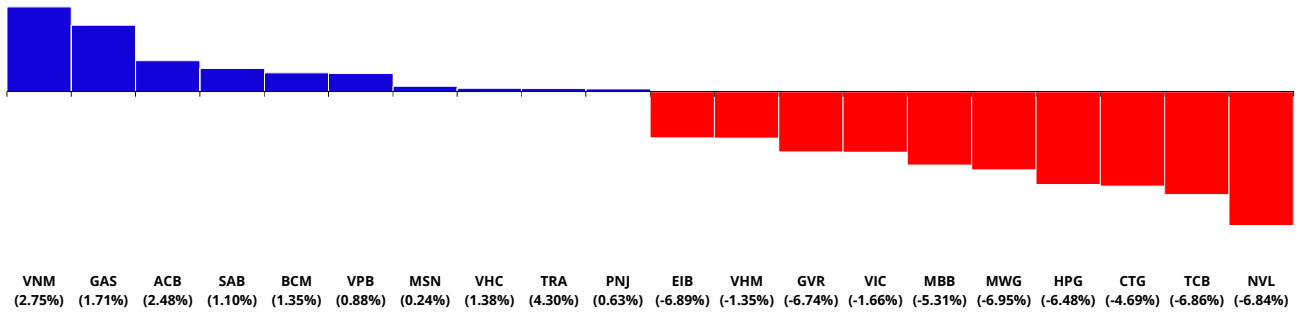
Vietnam Government Bond Yield Curve



Key Currencies & Commodities

Term	Price	%1D	%1W	%1M	%3M	%YTD	%1Yr.
Dollar index	111	0.3	-0.3	-1.4	4.3	16.3	17.9
USD/JPY	148	0.6	-0.8	1.6	9.3	28.2	30.3
USD/CNY	7	0.9	-0.8	1.9	7.4	14.1	13.4
KRW/USD	1,401	-1.2	-1.6	-0.8	7.3	17.9	18.4
EUR/USD	1	0.3	-0.5	-1.8	2.7	14.6	16.7
USD/VND	24,839	-0.1	0.0	4.0	6.2	8.8	9.6
WTI	91	-1.6	5.3	-1.6	2.4	21.2	12.1
Gasoline	271	-1.0	-3.7	-1.0	-5.2	21.5	16.6
Natural gas	7	7.8	8.6	2.3	-14.4	85.0	25.1
Coal	350	-0.4	-9.4	-13.5	-9.2	106.1	126.6
Gold	1,668	-0.9	2.1	-1.6	-6.8	-8.8	-8.6
China HRC	3,773	0.4	1.4	-6.4	-6.2	-20.6	-25.8

Contributors to VN Index



Shinhan Securities

Stock Feeds

Companies News

1) BSR, Petroleum: In 9M2022, BSR recorded net revenue of VND 126,717 billion (+90.3% YoY), and net profit jumped 3.2 times YoY to VND 12,889 billion. BSR has exceeded 38.2% of the full-year revenue plan and the profit is 10 times higher than the profit target of 2022.

2) HPG, Construction materials: From the third quarter to now, the Group's production and sales volume decreased due to weak domestic and foreign market demand. In the past month, the sales volume of construction steel decreased sharply, of which the export market decreased by more than 73%. However, HRC steel still grew compared to September 2022 and October 2021. This result is thanks to a number of batches exported to Indonesia and Malaysia. In addition to the above products, Hoa Phat also supplied more than 57,000 tons of steel pipes and 27,000 tons of coated steel sheets to the market, down 20% and 39% respectively over the same period in 2021. Specifically in October 2022, Volume Hoa Phat Group achieved 567,000 tons of crude steel output, down 19% over the same period. Sales volume of construction steel, billet and hot rolled coil (HRC) reached 492,000 tons, down 42% compared to October 2021.

3) FRT, Retail: FPT Digital Retail JSC (HoSE: FRT) has just announced the resolution to raise capital of its pharmaceutical chain. The move follows the success of Long Chau pharmacy chain in 2021 and the the strategy of promoting Long Chau to become the upcoming growth pillar of FRT.
Specifically, FRT plans to increase its capital contribution in Long Chau from VND 225 billion to VND 450 billion. If successful, FRT is expected to own 89.83% of capital in Long Chau. The purpose of increasing capital is to continuing opening new stores, enhancing technology and logistics.
In the first 9M.2022, Long Chau's revenue reached VND 6,562 billion, up 2.6 times YoY. As of October 31, 2022, Long Chau owned 828 pharmacies across the country, opening more than 400 new pharmacies compared to the beginning of the year. The average revenue of each store of Long Chau ranges from VND 500 million to 2 billion. Long Chau also reported that there are stores generating sudden revenue of nearly VND 10 billion/store/month.

Stock of the day

Masan Group Corporation – MSN

MSN, F&B: Recently, the Q3 business results report showed that 30 WinMart+ stores had been converted into integrated WIN stores serving essential consumer needs: WinMart (essentials), Techcombank (financial services), Phuc Long (tea and coffee), Dr. WIN (healthcare) and Reddit (telecommunications services).
This new model saw an approximate 20% increase in revenue/m2 during the pilot period compared to pre-conversion, mainly due to increased customer traffic. If in Q2/2020, Wincommerce's gross profit margin was only 15%, by Q3/2022, this number has risen to 23.4%, maintained a steady increasing trend, and is the highest level ever.



Cashflow Trend

Cash flow between industry groups (VNDbn)

No	Sectors	% Liqidity Change AVG 1W	11/6/2022	11/7/2022	1W AVG	20 days Trend
1	Automobiles & Parts	45.1	92	92	63	
2	Technology	40.6	145	139	99	
3	Utilities	11.0	171	177	160	
4	Food & Beverage	10.6	821	827	748	
5	Retail	7.6	563	426	396	
6	Travel & Leisure	7.4	40	41	38	
7	Construction & Materials	6.6	507	419	393	
8	Financial Services	6.3	1,312	1,131	1,065	
9	Industrial Goods & Services	5.0	653	395	376	
10	Insurance	-2.7	70	58	60	
11	Chemicals	-8.6	544	509	557	
12	Oil & Gas	-12.7	129	115	132	
13	Media	-12.7	2	1	1	
14	Banks	-15.1	3,554	2,029	2,391	
15	Basic Resources	-16.4	1,038	836	1,000	
16	Health Care	-23.4	11	10	13	
17	Personal & Household Goods	-26.2	174	92	125	

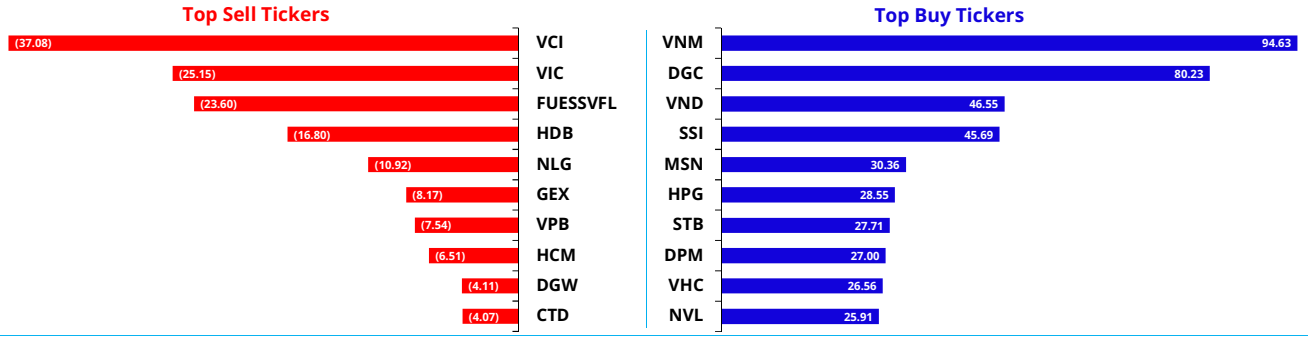
Top 15 tickers in trading value 1 week

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Turnover Change	Turnover (VND bn)	
MWG	Mobile World Investment	Retail	42,850	-6.9	-17.0	-36.9	21.7	233.1	
VND	VNDIRECT	Financial Services	10,450	-6.7	-9.1	-68.6	14.9	294.2	
VNM	Vinamilk	Food & Beverage	82,200	2.8	4.7	-4.9	19.7	215.0	
FPT	FPT Corp	Technology	72,600	-0.4	-4.0	-6.3	37.2	114.7	
VPB	VPBank	Banks	17,100	0.9	4.6	-28.4	6.8	396.2	
HAG	HAGL Corporation	Food & Beverage	7,710	-7.0	-11.0	-42.0	18.9	130.1	
VHC	Vinh Hoan Corp.	Food & Beverage	73,500	1.4	0.7	17.0	103.5	37.0	
DBC	DABACO	Food & Beverage	14,000	-7.0	-5.1	-59.7	36.7	67.1	
MSN	Masan Group	Food & Beverage	84,500	0.2	-1.2	-40.7	18.8	108.1	
VIC	VinGroup	Real Estate	53,400	-1.7	-3.6	-43.8	22.4	90.3	
SAB	SABECO	Food & Beverage	184,000	1.1	-0.7	21.9	67.3	36.2	
HCM	Ho Chi Minh Securities	Financial Services	19,300	-6.8	-5.9	-57.6	8.9	168.0	
TCH	Hoang Huy Investment Financial Services	Automobiles & Parts	6,800	-7.0	-15.0	-73.2	41.1	46.4	
SZC	Sonadezi Chau Duc	Real Estate	24,050	-7.0	-12.7	-64.6	67.1	29.6	
NTL	Tu Liem Urban Development	Real Estate	14,550	-6.7	-17.3	-65.1	155.6	17.5	

Top 10 tickers in Trading volume 1 week

Ticker	Company name	Sectors	Performance				Trading Stats		Trend
			Close price	%1D	% 1W	%YTD	%Volume Change	Volume (x1000)	
TTB	Tien Bo Group	Construction & Materials	2,820	-6.3	-9.0	-75.2	-8.0	2.82	
VTO	Vitaco - Vietnam Tanker	Industrial Goods & Services	6,900	-4.2	-4.2	-46.5	-4.7	6.90	
EVF	EVN Finance	Industrial Goods & Services	7,300	0.0	-8.9	0.0	-4.7	7.30	
QCG	Quoc Cuong Gia Lai	Real Estate	4,400	-7.0	-15.5	-71.9	-12.2	4.40	
PHC	Phuc Hung Holdings	Construction & Materials	5,700	-6.4	-11.2	-67.0	-9.7	5.70	
PTC	Post and Telecom Construction	Construction & Materials	5,180	-6.8	-12.4	-76.0	-11.5	5.18	
DC4	DIC Holdings Construction	Construction & Materials	6,400	-6.7	-10.5	-71.2	-10.6	6.40	
LHG	Long Hau Corp	Real Estate	17,000	-5.6	-12.8	-67.9	-8.9	17.00	
NTL	Tu Liem Urban Development	Real Estate	14,550	-6.7	-17.3	-65.1	-12.9	14.55	
PTB	Phu Tai JSC.	Basic Resources	43,750	-6.9	-12.5	-38.1	-9.3	43.75	

Foreign Investor Trading Activities (VNDbn)



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,
District 3, Ho Chi Minh City, Vietnam
Tel : (84-8) 6299-8000
Fax : (84-8) 6299-4232

HA NOI

Shinhan Securities Vietnam Co., Ltd
Hanoi Branch
2nd Floor, Leadvisors Building, No. 41A Ly Thai To, Ly Thai To
Ward, Hoan Kiem District, Hanoi, Vietnam
Tel : (84-8) 6299-8000



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.

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