Shinhan Securities

MARKET RADAR

RESEARCH CENTER

Wednesday, 8 September 2021

BASIC INDICES

(unit: %)	Price	1D	1M	3M	YTD	1Yr.
VNINDEX	1,333.61	-0.62	-0.58	-1.9	20.8	
VN30	1,433.71	-0.72	-2.92	-3.4	33.9	
HNXINDEX	347.28	0.23	6.70	9.0	71.0	
HNX30	584.93	1.19	11.11	17.0	80.9	
UpCom	94.36	-0.36	6.89	17.0	26.7	

MARKET LIQUIDITY (VNDbn, mn shares)

	Price	1D	1M	3M	YTD	1Yr.
Turnover	19,579	0.0	20.7	-9.5	1,030.4	
Volume	626	0.0	21.5	-2.4	468.4	

KEY RATES (% p.a, bps)

	Price	1D	1M	3M	YTD	1Yr.
O/N	0.668	6.80	-9.9	-39.6	58.2	
VN 10Y	2.082	-2.20	-4.2	-19.8	-49.7	
CN 10Y	2.867	1.20	5.6	-27.1	-27.2	
IND 10Y	6.152	5.50	-12.6	-24.8	29.1	
TH 10Y	1.705	2.77	17.0	-8.2	29.6	
US T10	1.351	-1.60	4.2	-13.9	48.0	

CURENCIES & COMMODITIES

	Price	1D	1M	3M	YTD	1Yr.
Dollar Index	92.66	0.16	-0.15	3.02	3.03	
USD/VND	22,763	0.04	-0.75	-1.14	-1.45	
EUR/USD	1.18	-0.17	0.49	-3.04	-3.24	
USD/JPY	110.26	-0.02	0.01	0.92	6.79	
USD/CNY	6.46	-0.14	-0.39	0.94	-1.06	
USD/KRW	1,166.55	0.76	2.14	4.83	7.38	
WTI	69.27	0.0	1.4	0.1	42.8	
Coal	177.20	0.0	10.1	45.7	120.1	
Gold	1,799.40	0.3	2.1	-5.3	-5.2	
Iron ore	138.99	0.0	-19.2	-31.3	9.0	
China HRC	5,789	-0.4	0.6	4.9	26.5	
Corn	500	0.9	-9.9	-26.4	3.3	
BDI	3,707	0.0	10.0	52.7	171.4	

Market Trends: Struggling with reality

- Vietnam stock market witnessed a bear market on Wednesday trading session as it continued to drop due to correction of banking stocks.
- At the end, VN Index lost 8.29 points, or -0.62% and closed at 1,333.61 points. Liquidity plunged as the trading value was just VND19,579 bn, equivalent to 626mn shares traded. Meanwhile, foreign investors had the 8th net selling session in a row with a net value of VND 511 bn.
- The Vingroup duo including VIC (-1.04%), VHM (-1.55%) were the stocks that made the VN Index drop, followed by VPB (-2.36%). On the other hand, the gain of steel giant, HPG (+1.18%), along with SSI (+6.88%) and BCM (+1.46%) helped the index restrain the drop.
- Near the end of the 3rd quarter, investors are becoming very cautious with their decisions, because the decline in quarter earnings is inevitable under the impact of social distancing. However, inflation is still under control, so the room for monetary and fiscal policy is still quite large. In addition, the possibility of partial easing of lock down can be expected starting from the fourth quarter. These may be the current catalysts for the market.
- Technically, VN Index tested the MA50 support level and rebounded, showing that investors still have short-term positive expectations. If this threshold is held, the situation will be more positive. In addition, MACD still maintains buy signal. However, the RSI is facing challenges at the short-term downtrend line. We believe that the market may be in the accumulation phase to wait for clearer signals from the fundamental side of the economy and the market.

Featuring events/news

- Nearly 40% of businesses only have cash to maintain operations for less than 1 month
- Bamboo Airways is licensed to fly to the US, the first flight is on September 23

NEWS & COMMENTS

Macro

Vu Nguyen

vu.nva@shinhan.com

1) Nearly 40% of businesses only have cash to maintain operations for less than 1 month

Survey of businesses from August 12-22 on the financial health of businesses in the context of the Covid-19 pandemic that broke out from May 2021 by the Private Economic Development Research Board (Board IV of the Association of Southeast Asian Nations). The Prime Minister's Advisory Council on Administrative Procedure Reform) in collaboration with the VnExpress e-newspaper showed that the number of businesses suspending operations due to the impact of the Covid-19 epidemic accounted for a relatively high proportion.

Specifically, out of a total of 21,517 enterprises participating in the online survey, the number of businesses suspending production and business activities due to the epidemic accounted for 69%; 16% of enterprises try to maintain production and business activities and 15% of enterprises dissolve/stop operating pending dissolution.

Transportation

Trung Hoang

trung.ht@shinhan.com

2) Bamboo Airways is licensed to fly to the US, the first flight is on September 23

On his personal Facebook page at noon on September 7, Mr. Trinh Van Quyet, Chairman of Bamboo Airways' Board of Directors said: "Today, Bamboo Airways has just been licensed by the US authorities to operate a series of direct flights between Vietnam and the US, starting right away. from this September".

The first direct flight will be operated by Bamboo Airways on September 23, paving the way for a series of activities in the US including: signing a memorandum of understanding on cooperation with San Francisco and Los Angeles international airports, opening an office representing Bamboo Airways in the US, working with aircraft manufacturer Boeing and agency partners.

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