Tuesday, January 31, 2023

Exploring Vietnam
Market Insight

Shinhan Securities

Daily report

Market Summary:

"Sudden reversal"

▶ The stock market rallied today. Most stocks traded in the green. When everything looked like an inevitable bearish day, the VN-Index suddenly rebounded strongly.

▶ At the end of the session, the VN-Index gained 8.61 points (-0.78%), reaching 1,111.18 points; HNX-Index increased 1.65 points (+0.75%), reaching 222.43 points. Market liquidity reached VND 13.6 trillion, equivalent to about 748,424 million shares traded. Foreign investors net sold VND 120.23 billion, focusing on VNM, ST8.

▶ VCB (+2.22%), CTG (+2.52%), BID (+1.35%) were the three tickers that contributed the most to the green vibe of the market. In contrast, VNM (-2.90%), VHM (-1.17%), VIC (-1.04%) were the three pulling down the market.

▶ Most of the industry groups gained in today's session. Financial services, Tourism and entertainment, Banks are the three fastest growing sectors: HCM, VJC, VCB.

▶ From a technical perspective: The index suddenly reversed and gained again at the end of the session to close in green creating a hammer candlestick pattern. Order matching continued to remain above the 20 session average. This reflects an active money flow and improved investor sentiment. The RSI is back to the overbought zone along with the MACD showing signs of cooling down and narrowing the spread with the signal line, meaning that the uptrend will weaken. Therefore, despite a good rally this session, the upward inertia will shake and investors need to limit excitement. The nearest resistance for the trend is at 1,150 points while the raised support is at 1,090 points.



Vietnam Benchmark Index Performance & Multiples

Index	Price	%1D	%1M	%1Yr.	PER	PBR	Mkt Cap
VN-Index	1,111	0.8	10.3	-24.9	12.4	1.8	4,400,444
VN30 Index	1,125	1.0	11.9	-26.6	10.3	1.8	3,141,010
VN Midcap	1,413	0.9	8.0	-30.2	10.2	1.3	743,219
VN Smallcap	1,168	1.0	9.8	-36.9	10.9	0.9	236,455
HNX Index	222	0.7	8.3	-46.6	15.5	1.3	256,404
UpCom	76	0.6	5.8	-30.9	12.0	1.4	1,009,218

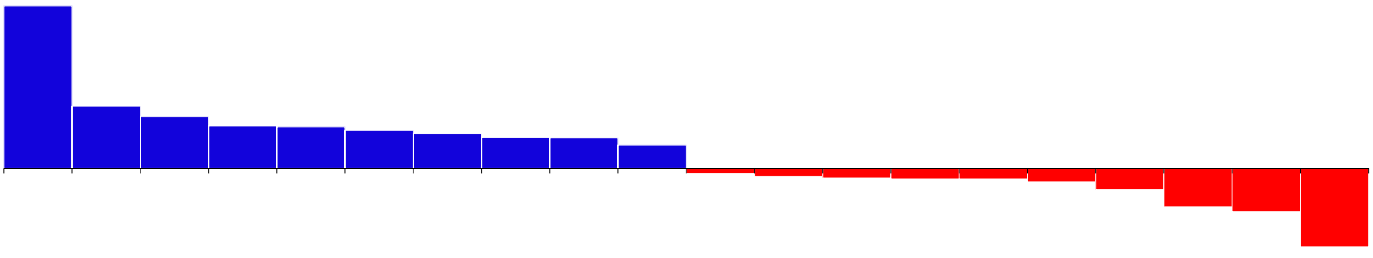
Vietnam Sector Performance

Sector	%1D	%1M	%YTD	%1 YR.	PER	PBR	Mkt Cap
Retail	0.8	9.2	9.2	0.7	17.4	3.0	91,595
Insurance	0.3	8.4	8.4	-8.1	19.7	1.7	49,302
Real Estate	-0.4	6.5	6.5	-43.0	14.9	1.6	796,318
Technology	-0.2	8.3	8.3	6.3	17.4	3.5	104,368
Oil & Gas	-0.1	16.4	16.4	-30.5	20.6	2.3	58,431
Financial Services	2.3	20.0	20.0	-36.1	13.6	1.2	112,624
Utilities	0.2	6.0	6.0	-10.6	12.4	2.3	321,313
Travel & Leisure	2.2	4.2	4.2	-20.4	n.a	8.7	106,085
Indus. Goods&Services	1.2	6.4	6.4	-12.6	11.1	1.6	121,415
Per.& Household Goods	-1.8	2.6	2.6	-4.0	11.1	2.1	53,157
Chemicals	1.4	11.7	11.7	-32.8	7.5	1.4	146,175
Banks	1.9	13.4	13.4	-18.1	9.5	1.8	1,654,155
Car & Parts	0.5	6.0	6.0	-36.3	12.2	1.0	19,002
Basic Resources	1.6	22.0	22.0	-34.9	16.8	1.2	170,889
Food & Beverage	-1.0	6.7	6.7	-6.3	23.8	3.4	530,604
Media	0.5	17.9	17.9	-39.9	12.5	0.8	1,039
Cons. & Materials	1.9	19.1	19.1	-35.1	12.5	1.2	93,290
Health Care	0.6	5.5	5.5	-10.2	13.3	2.1	32,154

Key Currencies & Commodities

Term	Price	%1D	%1W	%1M	%3M	%YTD	%1Yr.
Dollar index	103	0.3	0.6	-0.9	-8.0	-0.9	6.3
USD/JPY	130	-0.1	0.1	-0.4	-12.4	-0.6	13.2
USD/CNY	7	0.0	-0.4	-2.1	-7.5	-2.1	6.2
KRW/USD	1,232	0.4	-0.3	-3.3	-13.5	-2.7	2.2
EUR/USD	1	0.3	0.6	-1.4	-8.7	-1.0	3.8
USD/VND	23,449	0.0	0.0	-0.8	-5.6	-0.8	3.5
WTI	77	-1.5	-4.2	-4.4	-11.3	-4.4	-12.9
Gasoline	237	-5.1	-10.5	-3.6	-15.7	-3.6	-7.2
Natural gas	3	-0.6	-18.4	-40.6	-58.1	-40.6	-45.4
Coal	265	-0.3	-26.3	-34.3	-31.2	-34.3	16.6
Gold	1,907	-0.8	-1.6	4.6	16.8	4.6	6.1
China HRC	4,296	0.4	2.4	3.6	15.4	3.6	-11.9

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Stock Feeds

Companies News

1) GAS – Oil and Gas: In Q4/2022, GAS's revenue increased by 9%, to more than VND 22 trillion. Deducting the cost of goods sold, the enterprise achieved a gross profit of nearly VND 4.87 trillion, up 38% YoY. Accumulated for the whole year, GAS reported revenue of more than VND 100 thousand billion - also the highest level in the history of business establishment, exceeding nearly 26% of the year plan. Profit after tax is more than VND 15 thousand billion, 70% more than last year and 113% higher than the set target. On average, GAS made a profit of more than VND 1.25 trillion per month in the past year.

2) CTG – Bank: Vietinbank's pre-tax profit is more than VND 21,113 billion in 2022, up 20% YoY. The Bank's net profit from business activities reached nearly VND 45,277 billion, up 26%. VietinBank's individual pre-tax profit reached VND 20,503 billion, up 22%. For the whole year of 2022, most of VietinBank's business activities grew compared to the previous year. Net interest income reached VND 47,930 billion, up 15%.

3) PNJ - Manufacturing: Q4/2022 The company recorded net revenue of VND 8,302 billion (+18.0% YoY) and profit after tax of VND 466 billion (2.9% YoY). Accumulated in 2022, net revenue and NPAT will reach VND 33,876 billion (+73.3%YoY) and VND 1,807 billion (+75.6%YoY) respectively. Blended gross profit margin in 2022 was 17.5% compared to that of 18.4% in 2021, mainly due to changes in the retail product mix and the effects of macroeconomic factors on input costs. Total operating expenses in 2022 increased by 60.0% YoY. The total operating expense/gross profit ratio decreased from 60.8% in 2021 to 58.2% in 2022, thanks to multiple operation optimization efforts

4) VRE – Real estate: In Q4/2022, Vincom Retail achieved a total consolidated net revenue of VND 2,084 billion, up 53% YoY. In which, the trade center business recorded a revenue of VND 1,906 billion, an increase of 114% YoY. With this result, Vincom Retail recorded VND 791 billion in consolidated profit aftertax, an increase of more than 549% YoY. For the whole year of 2022, Vincom Retail recorded VND 7,309 billion in total revenue, up 24% over the same period. Profit after tax reached VND 2,735 billion, up 108% over the same period and reaching 114% of the whole year plan. Profit margin after tax is at 37% of revenue.

5) DPM - Chemicials: In 2023, Phu My Fertilizer sets a plan with total consolidated revenue of VND 17,372 billion, consolidated pre-tax profit of VND 2,670 billion. Thus, compared to the sudden results in 2022, the business plan for 2023 of Phu My Fertilizer decreased by 13% in revenue and 58% in profit before tax. The low target is given in the context that urea prices in 2023 are forecast around $400/ton - $500/ton, down from a peak of more than $1,000/ton in 2022.

Stock of the day

PetroVietnam Power Corporation - POW

POW - Utilities: PetroVietnam Power Corporation has just announced its financial report for Q4/2022 with revenue increasing 114% to VND 7,949 billion; profit before tax reached VND 871 billion and profit after tax reached VND 731 billion, respectively 27.7 times and 39.2 times higher than that of Q4/2021. By the end of 2022, POW has exceeded 15% of revenue target and 212% of profit target.

According to the explanation, the sharp increase in profit in Q4/2022 was due to the significant increase in the amount of electricity mobilized at the Corporation's power plants, causing the gross profit to shift from negative VND 329 billion to VND 1,437 billion. Besides, financial activities brought in VND 115 billion (mainly from deposit interest and exchange rate difference), while Q4/2021 lost VND 48 billion.



Cashflow Trend

Cash flow between industry groups (VNDbn)

No	Sectors	% Liqidity Change AVG 1W	1/30/2023	1/31/2023	1W AVG	20 days Trend
1	Media	148.4	1	2	1	
2	Chemicals	114.6	500	654	305	
3	Technology	101.2	95	144	72	
4	Food & Beverage	90.8	943	1,123	589	
5	Personal & Household Goods	90.7	153	213	111	
6	Banks	89.2	2,791	3,177	1,680	
7	Oil & Gas	81.1	101	114	63	
8	Industrial Goods & Services	65.9	625	532	321	
9	Real Estate	62.0	1,898	1,644	1,015	
10	Automobiles & Parts	61.5	116	91	56	
11	Financial Services	55.2	1,589	1,401	903	
12	Basic Resources	54.6	1,596	1,219	788	
13	Insurance	52.8	55	54	36	
14	Health Care	51.2	18	13	8	
15	Utilities	47.7	258	207	140	
16	Construction & Materials	45.0	1,063	738	509	
17	Retail	43.9	349	267	186	

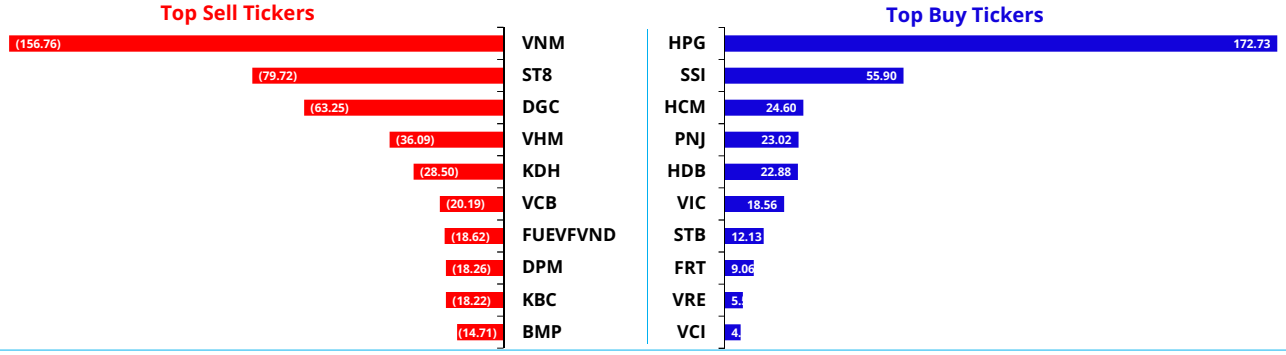
Top 15 tickers in trading value 1 week

Ticker	Company name	Sectors	Performance				Trading Stats		
			Close price	%1D	% 1W	%YTD	%Turnover Change	Turnover (VND bn)	Trend
STB	Sacombank	Banks	27,100	4.8	2.1	20.4	113.0	656.9	
VNM	Vinamilk	Food & Beverage	77,100	-2.9	-4.7	1.3	93.2	372.8	
DGC	Ducgiang Chemicals	Chemicals	60,300	3.3	2.6	2.4	95.6	232.7	
TPB	Tien Phong Bank	Banks	25,000	4.6	8.7	18.8	33.0	402.3	
MBB	MBBank	Banks	19,550	1.6	0.8	14.3	37.6	285.5	
VIB	VIBBank	Banks	23,550	2.2	2.8	23.9	68.7	166.9	
DIG	DIC Corp	Real Estate	17,500	2.9	12.9	22.4	37.4	235.7	
VPB	VPBank	Banks	19,450	1.0	-0.8	8.7	15.3	482.5	
DPM	Phu My Fertilizer	Chemicals	43,700	1.0	4.0	1.7	121.1	110.0	
DCM	PetroVietnam Camau Fertilizer	Chemicals	28,000	2.2	6.7	5.7	76.0	138.8	
KBC	Kinh Bac Urban Development	Real Estate	25,900	-2.4	2.6	7.0	29.3	247.4	
HDC	Ba Ria - Vung Tau House Development	Real Estate	34,200	2.5	11.4	18.3	174.9	82.0	
TCM	Thanh Cong Textile Garment	Personal & Household Goods	50,000	-6.2	-7.4	-5.7	144.9	82.2	
VPG	Viet Phat Import Export Trading Investment	Basic Resources	15,000	3.4	11.5	10.3	169.4	65.0	
HCM	Ho Chi Minh Securities	Financial Services	25,200	3.7	5.4	26.0	32.5	157.2	

Top 10 tickers in Trading volume 1 week

Ticker	Company name	Sectors	Performance				Trading Stats		
			Close price	%1D	% 1W	%YTD	%Volume Change	Volume (x1000)	Trend
CKG	Kien Giang Construction	Real Estate	21,700	6.4	13.0	8.5	8.5	21.70	
ADS	Damsan Yarntex	Personal & Household Goods	11,350	6.6	15.8	20.6	11.1	11.35	
LSS	Lam Son Sugar	Food & Beverage	7,000	0.1	12.2	9.5	7.6	7.00	
BFC	Binh Dien Fertilizer	Chemicals	17,800	0.0	5.3	6.3	1.3	17.80	
PTC	Post and Telecom Construction	Construction & Materials	5,680	0.0	8.4	7.6	4.0	5.68	
DLG	Duc Long Gia Lai Group	Basic Resources	2,440	0.8	14.6	11.9	7.8	2.44	
NO1	911 Group	Industrial Goods & Services	8,990	-0.1	0.3	-0.1	0.2	8.99	
APG	APG Securities	Financial Services	5,950	-2.5	2.6	-4.8	-1.8	5.95	
SMC	SMC Trading and Invm't	Basic Resources	10,450	-4.1	-7.5	8.1	-4.4	10.45	
TLG	Thien Long Group	Personal & Household Goods	52,800	-4.0	-8.7	3.5	-7.3	52.80	

Foreign Investor Trading Activities (VNDbn)



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