Shinhan Securities

MARKET RADAR

RESEARCH CENTER

Wednesday, 29 September 2021

BASIC INDICES

(unit: %)	Price	1D	1M	3M	YTD	1Yr.
VNINDEX	1,339.21	-0.01	1.98	-4.7	21.3	
VN30	1,450.52	-0.04	2.25	-4.7	35.5	
HNXINDEX	354.29	-0.49	4.58	9.7	74.4	
HNX30	564.13	-1.31	0.14	10.4	74.4	
UpCom	95.94	-0.07	4.14	10.4	28.9	

MARKET LIQUIDITY (VNDbn, mn shares)

	Price	1D	1M	3M	YTD	1Yr.
Turnover	17,235	0.0	-19.5	-24.8	634.6	
Volume	598	0.0	-8.9	-11.9	300.1	

KEY RATES (% p.a, bps)

	Price	1D	1M	3M	YTD	1Yr.
O/N	0.625	6.40	11.5	-31.7	53.9	
VN 10Y	2.182	2.70	6.3	-8.6	-39.7	
CN 10Y	2.861	-1.40	-1.0	-23.6	-27.8	
IND 10Y	6.227	3.60	7.3	-31.6	36.6	
TH 10Y	1.831	-0.11	14.3	1.6	39.1	
US T10	1.496	-2.70	14.5	1.3	63.8	

CURENCIES & COMMODITIES

	Price	1D	1M	3M	YTD	1Yr.
Dollar Index	93.84	0.08	1.25	2.13	4.34	
USD/VND	22,760	-0.04	-0.09	-1.11	-1.46	
EUR/USD	1.17	-0.18	-1.13	-2.21	-4.54	
USD/JPY	111.33	-0.15	1.36	0.63	7.83	
USD/CNY	6.47	0.08	-0.10	0.14	-0.94	
USD/KRW	1,181.90	-0.21	1.09	4.58	8.80	
WTI	74.69	0.0	8.7	2.4	53.9	
Coal	212.50	2.3	24.3	65.3	164.0	
Gold	1,745.26	0.6	-4.0	-1.9	-8.1	
Iron ore	119.89	0.0	-24.9	-44.3	-3.5	
China HRC	5,801	0.4	2.7	8.0	26.8	
Corn	536	0.6	-4.0	-20.7	10.7	
BDI	4,962	0.0	17.2	49.3	263.3	

Market Trends: Slowing a bit to jump far

- The negative growth data of the third quarter just released put pressure on Vietnam's stock market in the morning session. However, the VN Index narrowed its drop to near the reference level before closing.
- At the end, VN-Index decreased slightly by 0.1 points or +0.01% and closed at 1,339.21 points. Liquidity continued to decrease as the trading value was only VND 17,235 bn, equivalent to 598 million shares traded. Foreign investors returned to net sell more than VND 511 bn.
- Retail, oil & gas, and commodity tickers continue to act as pillars for VN Index. In which, MSN (+3.68%), GAS (+1.79%) and HPG (+1.33%) contributed the most. Meanwhile, the drop from banking sector including CTG (-1.78%), VCB (-0.71%) and VPB (-1.2%) created a counterweight and negatively impacted on the index.
- Generally. Negative factors seem to have been discounted into the index over the past few months. While the positive outlook from the reopening, as well as the room for fiscal and monetary policy to stimulate the economy is visible. Therefore, we expect the market to return to the upward trajectory in Q4.
- Technically, VN Index closed creating a long-tailed Doji candlestick pattern in the context of the market moving sideways. That means the market is still cautious. The MA50 line, after creating a death cross in the previous week's correction, is tending to go above MA100. This is a positive signal for VN Index.

Featuring events/news

- 50% off domestic flights take-off and landing
- Vietnam can recover 6.5 to 7% growth in 2022

NEWS & COMMENTS

Transportation

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1) 50% off domestic flights take-off and landing

The Ministry of Transport has just issued Circular No. 21/2021/TT-BGTVT stipulating prices and price brackets for several specialized aviation services at airports and aerodromes.

Accordingly, from January 1, 2021, to the end of December 31, 2021, the service charge for take-off and landing services for domestic flights is equal to 50% of the rate specified in Circular No. 53. /2019/TT-BGTVT of the Minister of Transport stipulates prices and price brackets for several specialized aviation services at airports and aerodromes in Vietnam.

Macro

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2) Vietnam can recover 6.5 to 7% growth in 2022

The World Bank (WB)'s East Asia and Pacific Economic Update Report Autumn 2021 said that Vietnam's GDP growth could reach about 4.8% in 2021 and recover to about 4.8% in 2021. GDP growth rate before the pandemic at 6.5-7% from 2022 onwards.

This calculation of the World Bank assumes that the social distancing approach will help control the COVID-19 infection successfully by the end of the third quarter, so that the economy will bounce back in the fourth quarter of 2021. A sustained global economic recovery will ensure strong demand for Vietnamese exports in key export markets (US, EU, China).

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