Tuesday, February 7, 2023

Exploring Vietnam
Market Insight

Shinhan Securities

Daily report

Market Summary:

"Sudden deep drop"

▶ The stock market fell today. Most stocks traded in the red. A large-scale decline took place when on HOSE only 77 stocks gained on HOSE while 342 stocks declined.

▶ At the end of the session, the VN-Index dropped 23.45 points (-2.15%), reaching 1,065.84 points; HNX-Index dropped 4.47 points (-2.08%), reaching 210.00 points. Market liquidity reached VND 12.1 trillion, equivalent to about 673 million shares traded. Foreign investors net bought VND 34.94 billion, focusing on STB.

▶ HVN (+4.12%), GAS (+0.28%), TPB (+1.24%) were the three tickers that contributed the most to the green vibe of the market. In contrast, VCB (-4.17%), HPG (-6.62%), BID (-2.67%) were the three pulling down the market.

▶ Most of the industry groups dropped points in today's session. Basic resources, Chemicals, and financial services are the top 3 growing sectors: HPG, DCM, HCM.

▶ From a technical perspective: It can be seen that the market breadth from the overwhelming gain in the morning turned to red in the afternoon session. Along with that, the liquidity could not increase when the index moved to a higher threshold. This is the effect of the lack of money flow to accept buying at high prices. Therefore, the index had to drop to a lower level and triggered selling sentiment among investors. The order matching was above 20 session average, showing active selling. Technically, the MACD has crossed the signal line, after today's drop, the MACD will continue to widen with the signal line, along with the RSI falling below 50, meaning that the bearish inertia is still there. The right strategy is patience and observation.



Vietnam Benchmark Index Performance & Multiples

Index	Price	%1D	%1M	%1Yr.	PER	PBR	Mkt Cap
VN-Index	1,066	-2.2	1.4	-28.8	14.1	1.8	4,347,272
VN30 Index	1,070	-2.3	1.1	-30.6	11.5	1.7	3,190,678
VN Midcap	1,322	-2.1	-1.6	-35.6	10.9	1.3	746,330
VN Smallcap	1,112	-1.5	2.1	-41.7	13.4	0.9	224,465
HNX Index	210	-2.1	-0.3	-49.9	15.8	1.3	249,702
UpCom	76	-0.6	3.8	-31.8	12.1	1.7	1,002,396

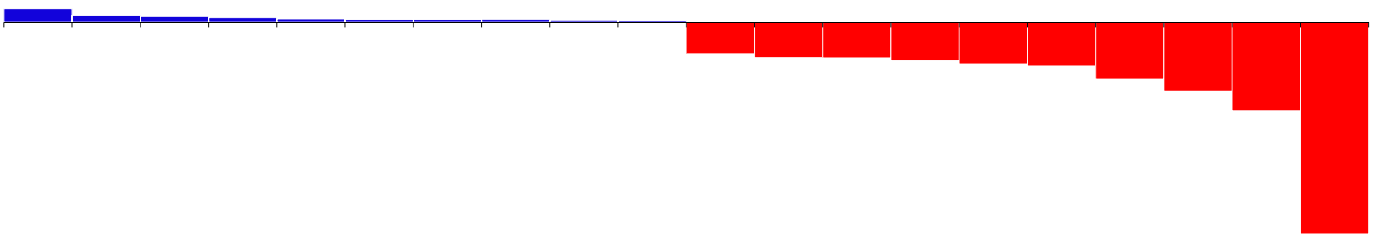
Vietnam Sector Performance

Sector	%1D	%1M	%YTD	%1 YR.	PER	PBR	Mkt Cap
Retail	-2.0	6.7	7.4	0.7	17.2	2.6	90,041
Insurance	-2.2	2.1	5.3	-12.2	19.2	1.7	47,889
Real Estate	-2.1	-2.6	1.2	-45.6	14.1	1.5	756,844
Technology	0.0	0.6	4.4	1.7	17.0	3.3	100,660
Oil & Gas	0.4	10.0	20.1	-31.3	40.7	2.5	60,309
Financial Services	-3.2	0.9	7.5	-44.5	12.8	1.1	100,890
Utilities	0.0	1.5	5.0	-14.9	12.3	2.1	318,500
Travel & Leisure	0.9	-2.5	-3.0	-30.5	n.a	10.3	98,789
Indus. Goods&Services	-1.4	2.5	3.6	-17.2	10.8	1.5	118,304
Per.& Household Goods	-0.7	-2.4	-3.5	-11.3	10.6	1.8	50,026
Chemicals	-3.6	0.6	2.7	-40.2	6.2	1.2	134,434
Banks	-2.6	3.4	9.3	-21.5	8.1	1.5	1,593,727
Car & Parts	-2.6	1.2	4.3	-39.4	10.4	0.9	18,686
Basic Resources	-5.6	2.8	10.1	-42.5	19.5	1.1	154,224
Food & Beverage	-1.9	-0.9	3.6	-10.8	23.1	3.4	515,232
Media	-3.0	8.6	8.4	-45.4	11.4	0.7	955
Cons. & Materials	-2.8	4.0	9.9	-41.4	11.3	1.0	86,098
Health Care	0.6	6.1	6.2	-10.3	13.2	2.0	32,367

Key Currencies & Commodities

Term	Price	%1D	%1W	%1M	%3M	%YTD	%1Yr.
Dollar index	104	0.0	1.5	-0.3	-5.9	0.1	8.6
USD/JPY	132	-0.7	1.3	-0.1	-10.1	0.5	14.5
USD/CNY	7	-0.2	0.4	0.2	-6.2	-1.7	6.6
KRW/USD	1,256	0.2	1.9	0.9	-10.4	-0.8	4.6
EUR/USD	1	0.0	1.3	0.0	-6.6	-0.2	6.7
USD/VND	23,504	0.1	0.2	0.2	-5.5	-0.5	3.7
WTI	76	2.1	-4.1	2.5	-17.6	-5.8	-17.2
Gasoline	237	-0.1	-6.8	5.6	-10.6	-3.6	-11.7
Natural gas	2	0.4	-8.1	-33.5	-64.5	-44.9	-41.7
Coal	252	6.8	-5.0	-36.4	-27.9	-37.6	10.9
Gold	1,876	0.5	-2.7	0.2	12.0	2.9	3.1
China HRC	4,151	-0.3	-3.4	0.0	10.0	0.1	-16.5

Contributors to VN Index



HVN	GAS	TPB	FRT	PLX	FPT	REE	SSB	DXS	DCL	VNM	GVR	MSN	CTG	VPB	VIC	VHM	BID	HPG	VCB
(4.12%)	(0.28%)	(1.24%)	(4.25%)	(0.52%)	(0.25%)	(0.82%)	(0.31%)	(4.82%)	(6.91%)	(-1.68%)	(-5.13%)	(-2.28%)	(-2.34%)	(-2.97%)	(-1.79%)	(-2.40%)	(-2.67%)	(-6.62%)	(-4.17%)

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Stock Feeds

Companies News

1) VinFast announced job cuts in the US to 'streamline' operations. This takes place in the context that VinFast is trying to restructure in a large foreign market like the US when it has to postpone the first delivery of cars and prepare for an IPO plan. A spokesman for VinFast said the number of employees will not decrease in Vietnam - where most of the company's employees are located, including at the factory and technical operations. It is not clear how many jobs will be affected by VinFast's restructuring in the US.

2) REE - Construction: The profit of Refrigeration Electrical Engineering Corporation in 2022 peaked with net revenue of VND 9,372 billion, up 61% compared to 2021. Besides, the company recorded revenue from joint venture companies of VND 1,077 billion, up 39%. REE's profit after tax reached VND 3,513 billion, up 64% compared to 2021 and the highest ever. Net profit of more than VND 2,690 billion. With the above results, REE has exceeded 1% of revenue target and 70% of profit after tax plan in 2022.

3) SHB – Banks: SHB announced its consolidated financial statements for Q4/2022 with the main source of revenue being net interest income, which decreased by 9% to VND 4,292 billion. Non-interest income sources only from service activities increased by 39% to VND 247 billion; The rest all declined sharply. Although this period, SHB cut operating expenses by 7% and provision for credit risks by 17%, but profit after tax still dropped sharply by 50% to only VND 478.5 billion.

4) DPM – Chemicals: The Board of Directors of Petrovietnam Fertilizer & Chemicals Corporation has just decided to advance the first dividend payment in 2022 at the rate of 40%. Expected payment date is March 22. The source of expenditure is from the company's undistributed profit in 2022, about VND 6,422 billion. With more than 391 million shares outstanding, the company needs to spend VND 1,564 billion to pay dividends.

5) TNG - Manufacturing: According to the business results update report, in January 2023, TNG Investment and Trading JSC recorded sales revenue of nearly VND 397 billion, exceeding 5% of the revenue plan of VND 377 billion set out in January. Export revenue accounted for 99% of total revenue, of which the US and France were the two largest markets, accounting for 34% and 28% of the market share in January, respectively.

Stock of the day

IDICO Corporation - JSC - IDC

IDC – Utilities: IDICO Corporation - JSC has just released its consolidated financial statements for Q4/2022, recording net revenue of VND 1,208 billion in the quarter, up 8% (Q/Q). Revenue is recognized once in three industrial parks Phu My 2, Phu My 2 Extension and Huu Thanh. As a result, in Q4/2022, IDICO's net profit was VND 206 billion, in the same period last year the business had a net loss of VND 1 billion. Accumulated in 2022, IDICO has a net revenue of VND 8,242 billion, up 92% (Y/Y) and a net profit 5 times higher than the same period, reaching over VND 2,310 billion.

The one-time revenue recognition at eligible projects helped the IP service segment bring in VND 4,228 billion, accounting for the highest proportion in the revenue structure. This is also the segment with the highest gross profit margin of up to 70%, helping the whole year's gross profit margin reach 43.4%, 26.3 percentage points higher than the previous year.



Cashflow Trend

Cash flow between industry groups (VNDbn)

No	Sectors	% Liqidity Change AVG 1W	2/6/2023	2/7/2023	1W AVG	20 days Trend
1	Health Care	44.5	10	24	16	
2	Basic Resources	19.0	788	1,565	1,315	
3	Retail	-1.3	289	393	398	
4	Industrial Goods & Services	-3.5	291	441	457	
5	Financial Services	-5.2	765	1,151	1,214	
6	Food & Beverage	-5.6	586	799	847	
7	Chemicals	-7.5	351	438	474	
8	Banks	-8.4	1,814	2,308	2,519	
9	Construction & Materials	-9.4	454	653	720	
10	Utilities	-9.5	184	193	214	
11	Oil & Gas	-9.8	114	108	120	
12	Real Estate	-11.5	1,202	1,536	1,735	
13	Insurance	-15.0	41	46	54	
14	Automobiles & Parts	-16.0	98	82	98	
15	Media	-17.8	0	1	1	
16	Technology	-26.6	84	80	109	
17	Travel & Leisure	-35.3	54	45	70	

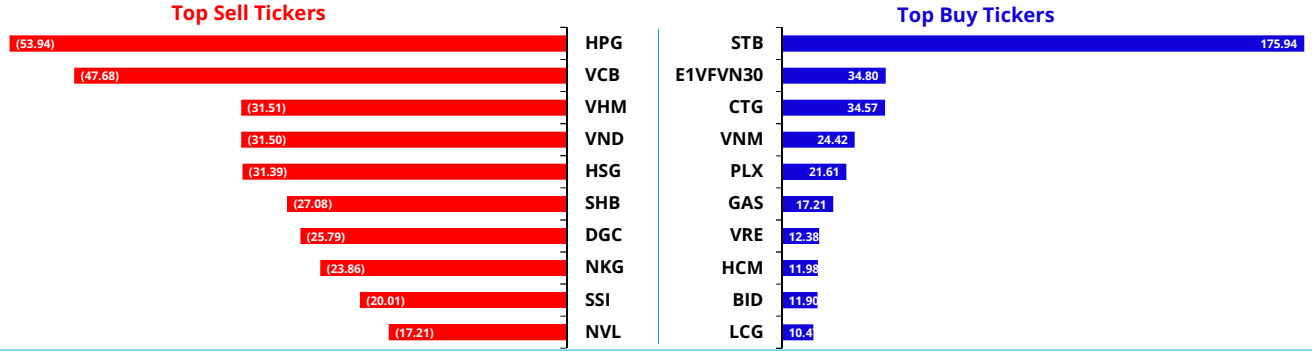
Top 15 tickers in trading value 1 week

Ticker	Company name	Sectors	Performance				Trading Stats		
			Close price	%1D	% 1W	%YTD	%Turnover Change	Turnover (VND bn)	Trend
HPG	Hoa Phat Group	Basic Resources	19,750	-6.6	-10.6	9.7	39.6	878.3	
TPB	Tien Phong Bank	Banks	24,400	1.2	-2.4	15.9	105.3	433.5	
HSG	Hoa Sen Group	Basic Resources	13,550	-6.9	-12.6	17.3	64.2	371.3	
FRT	FPT Retail	Retail	76,100	4.2	3.1	10.3	152.6	217.6	
DGC	Ducgiang Chemicals	Chemicals	55,600	-4.1	-7.8	-5.6	38.2	217.1	
ANV	Nam Viet	Food & Beverage	30,250	2.2	-5.3	34.1	132.1	78.8	
GEX	Gelex Group JSC	Industrial Goods & Services	13,600	-1.4	-7.2	9.7	25.5	207.6	
VHM	Vinhomes	Real Estate	46,800	-2.4	-8.1	-2.5	39.9	119.1	
NVL	Novaland	Real Estate	14,600	-5.2	2.8	4.3	10.1	302.5	
KHG	Khai Hoan Land Real Estate	Real Estate	5,850	2.3	18.2	41.0	75.5	61.4	
PLX	Petrolimex	Oil & Gas	39,000	0.5	6.0	23.0	75.4	57.9	
MSN	Masan Group	Food & Beverage	94,100	-2.3	-6.9	1.2	39.6	80.5	
PDR	Phat Dat Real Estate	Real Estate	12,800	-6.9	-7.6	-5.9	19.0	130.9	
DGW	Digiworld Corporation	Retail	41,000	-0.1	-6.8	8.6	57.9	46.2	
VCB	Vietcombank	Banks	92,000	-4.2	0.1	15.0	16.5	112.4	

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
FRT	FPT Retail	Retail	76,100	4.2	3.1	10.3	5.7	76.10	
PLX	Petrolimex	Oil & Gas	39,000	0.5	6.0	23.0	5.1	39.00	
PTL	Petroland	Real Estate	4,620	6.9	20.0	42.2	17.3	4.62	
ANV	Nam Viet	Food & Beverage	30,250	2.2	-5.3	34.1	1.2	30.25	
KHP	Khanh Hoa Power	Utilities	8,700	3.6	1.6	14.6	3.9	8.70	
TPB	Tien Phong Bank	Banks	24,400	1.2	-2.4	15.9	1.3	24.40	
BMI	Bao Minh Insurance	Insurance	25,200	-2.1	-2.1	17.2	0.2	25.20	
VNE	Vietnam Electricity Construction	Construction & Materials	9,600	0.0	-1.5	5.4	-0.1	9.60	
ACL	Cuu Long Fisheries	Food & Beverage	11,650	1.3	-4.1	10.4	-1.5	11.65	
HSG	Hoa Sen Group	Basic Resources	13,550	-6.9	-12.6	17.3	-8.3	13.55	

Foreign Investor Trading Activities (VNDbn)



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