Wednesday, February 8, 2023

Exploring Vietnam
Market Insight

Shinhan Securities

Daily report

Market Summary:

"Rugged"

▶ The stock market rallied today. Most stocks traded in the green. The bright spot of the market today came from iron and steel stocks.

▶ At the end of the session, the VN-Index gained 6.38 points (+0.60%), reaching 1,072.22 points; HNX-Index gained 0.62 points (+0.30%), reaching 210.62 points. The market liquidity reached VND 10 trillion, equivalent to about 569 million shares traded. Foreign investors net bought VND 383.82 billion, focusing on STB, HPG.

▶ VCB (+2.39%), HPG (+5.57%), SAB (+3.14%) were the three tickers that contributed the most to the green vibe of the market. In contrast, VIC (-1.09%), PLX (-4.62%), MWG (-2.63%) were the three pulling down the market.

▶ Most of the industry groups gained in today's session. Communication, Basic Resources, and Financial Services are the three groups with the strongest growth: ADG, HPG, HCM.

▶ From a technical perspective: The selling continued to dominate today but the bottom-fishing cash flow also quickly re-entered so the index ended in green. However, the matching order was at a low level below the 20-session average, showing that despite the gain, the money flow seems to be not really drastic and investor sentiment is still cautious. Moreover, Vnindex is slightly green but still below the 20-day MA, corresponding to 1,080 points. Technical indicators have not improved much as MACD is cutting down the signal line and widening its range while the RSI is almost flat around 50 level and has not been able to break through. This means that the corrective inertia continues. The next period will be quite shaky with high divergence, so investors need to be patient and limit excitement.



Vietnam Benchmark Index Performance & Multiples

Index	Price	%1D	%1M	%1Yr.	PER	PBR	Mkt Cap
VN-Index	1,072	0.6	2.0	-28.6	13.8	1.7	4,253,737
VN30 Index	1,075	0.5	1.7	-30.6	11.2	1.7	3,114,669
VN Midcap	1,324	0.2	-1.4	-35.8	10.7	1.2	731,687
VN Smallcap	1,116	0.4	2.4	-41.9	13.3	1.0	221,678
HNX Index	211	0.3	0.0	-49.6	15.6	1.2	245,494
UpCom	76	1.2	5.0	-31.5	12.1	1.7	995,338

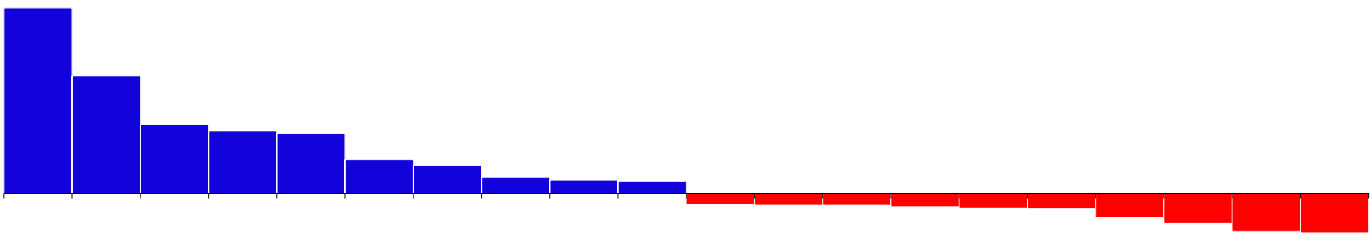
Vietnam Sector Performance

Sector	%1D	%1M	%YTD	%1 YR.	PER	PBR	Mkt Cap
Retail	-1.0	5.7	6.3	0.7	17.1	2.5	89,140
Insurance	-0.1	2.0	5.2	-12.6	19.1	1.6	47,819
Real Estate	-1.4	-3.9	-0.2	-45.5	13.9	1.5	746,141
Technology	0.8	1.4	5.3	1.6	17.1	3.3	101,448
Oil & Gas	-2.0	7.8	17.8	-32.5	39.9	2.4	59,122
Financial Services	1.7	2.6	9.3	-43.7	13.1	1.1	102,590
Utilities	0.9	2.4	6.0	-13.9	12.4	2.2	321,341
Travel & Leisure	-0.6	-3.1	-3.5	-31.2	n.a	10.2	98,237
Indus. Goods&Services	-0.2	2.3	3.5	-17.7	10.8	1.5	118,120
Per.& Household Goods	-0.2	-2.6	-3.7	-10.8	10.6	1.7	49,931
Chemicals	0.7	1.3	3.4	-41.2	6.3	1.2	135,405
Banks	1.6	5.1	11.1	-20.8	8.2	1.6	1,619,622
Car & Parts	-0.2	1.0	4.0	-40.0	10.4	0.9	18,639
Basic Resources	4.3	7.3	14.9	-42.9	20.3	1.1	160,904
Food & Beverage	-0.2	-1.1	3.4	-10.8	23.1	3.4	514,221
Media	4.6	13.6	13.4	-41.5	12.0	0.8	999
Cons. & Materials	1.1	5.2	11.1	-40.6	11.4	1.0	87,028
Health Care	0.0	6.1	6.2	-10.1	13.2	2.0	32,365

Key Currencies & Commodities

Term	Price	%1D	%1W	%1M	%3M	%YTD	%1Yr.
Dollar index	103	-0.2	1.9	-0.7	-5.9	-0.3	7.9
USD/JPY	131	-0.1	1.5	-0.7	-10.1	-0.2	13.3
USD/CNY	7	0.0	0.6	0.2	-6.2	-1.7	6.5
KRW/USD	1,260	0.4	2.3	1.3	-9.0	-0.4	5.2
EUR/USD	1	-0.2	2.2	-0.2	-6.3	-0.4	6.2
USD/VND	23,600	0.0	0.6	0.6	-5.0	-0.1	3.9
WTI	77	0.4	1.4	5.0	-12.9	-3.5	-13.3
Gasoline	237	-3.5	-3.4	5.6	-10.1	-3.6	-9.7
Natural gas	3	2.1	6.9	-28.9	-57.0	-41.0	-37.9
Coal	256	1.4	1.5	-35.5	-25.9	-36.7	8.3
Gold	1,884	0.6	-3.4	0.7	10.0	3.3	3.2
China HRC	4,162	0.3	-2.0	0.3	10.6	0.4	-17.3

Contributors to VN Index



VCB	HPG	SAB	BID	CTG	GAS	TCB	PGV	HDB	SSI	VNM	EIB	OCB	VJC	MSN	VHM	STB	MWG	PLX	VIC
(2.39%)	(5.57%)	(3.14%)	(1.60%)	(2.40%)	(0.94%)	(1.64%)	(4.35%)	(1.67%)	(2.36%)	(-0.39%)	(-2.20%)	(-2.69%)	(-1.28%)	(-0.64%)	(-0.43%)	(-2.91%)	(-2.63%)	(-4.62%)	(-1.09%)

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Stock Feeds

Companies News

1) HPG – Materials: Hoa Phat's January steel consumption decreased by 36% over the same period. Specifically, in January 2023 HPG produced 392,000 tons of crude steel, equivalent to 56% of the same period of 2022. However, sales volume of construction steel, billet and hot rolled coil only reached 402,000 tons, down more than 36% over the same period and down 28% from the previous month. HPG said that the reason is because New Year and Lunar New Year are both in January, so the market demand for construction materials in general and iron and steel in particular is low.

2) MSH – Production: In Q4/2022, the company's orders were cut, so revenue decreased by 12% to VND 1,141 billion and profit after tax also halved to VND 54.9 billion. Accumulated in 2022, MSH's net revenue reached VND 5,520 billion, up 16% (YoY). Profit before and after tax of MSH both decreased by 19% and 24% respectively compared to 2021 to VND 542 billion and VND 442 billion.

3) VHM – Real Estate: In the midst of the layoff storm, the recruitment channel of Vinhomes announced to recruit a series of employees to work after Tet. Specifically, Vinhomes employs 3,000 construction workers (builders, plasterers, painters, assistants) to work in Hung Yen. The salary offered by the largest real estate developer in Vietnam is quite attractive, from 15 - 25 million VND/month. Along with some other benefits.

4) EIB – Banks: Vietnam Commercial Joint Stock Export Import Bank has just issued a Resolution on closing the list of shareholders exercising the right to receive dividends in shares. Accordingly, shareholders will be paid a stock dividend at the rate of 20%. With more than 1.22 billion shares outstanding, Eximbank plans to issue a maximum of nearly 245.9 million shares to pay dividends. This is the first time Eximbank has paid dividends since 2014. The most recent dividend was 4% in cash for 2013 and was made in 2014.

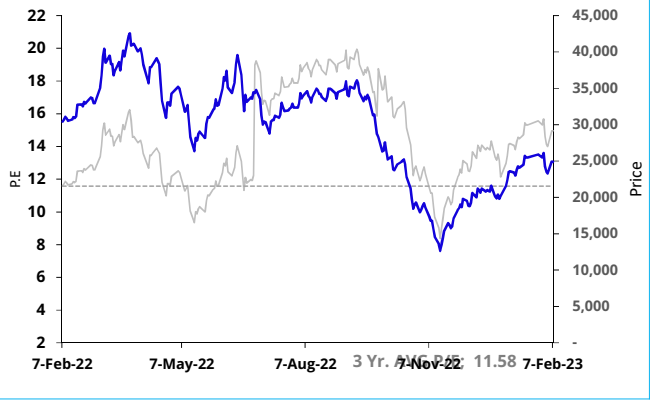
5) CTS – Finance: Vietnam Bank for Industry and Trade Securities Joint Stock Company made a big profit from its investment in Thaco. Specifically, at the end of 2022, the fair value of this investment is more than 5 times the original price. As of December 31, 2022, the fair value of the investment in Thaco was more than VND 404 billion, an increase of more than VND 332 billion compared to the original price. At the beginning of 2022, the fair value of this investment was nearly VND 207 billion, just over half of the year-end amount. In other words, the fair value of the investment in Thaco has doubled in 2022, and CTS's profit is more than 450% compared to the original price.

Stock of the day

PC1 Group Joint Stock Company - PC1

PC1 – Construction: PC1 Group Joint Stock Company has just announced its financial report for Q4/2022 with positive results. Accordingly, the company's sales revenue reached nearly VND 2,339 billion (up 8% over the same period). COGS only increased by 4% to VND 1,830 billion, making PC1's gross profit this quarter increased by 23% YoY to nearly VND 508 billion.

During the quarter, financial revenue of PC1 increased 48% to VND 42 billion but financial expenses increased only 17% to VND 163 billion. Along with that, the company did not record selling expenses, resulting in a net profit of VND 301 billion - equivalent to an increase of 37% over the same period. At the end of Q4/2022, CP1 had a profit after tax of more than VND 275 billion - an increase of nearly 48% YoY and the highest profit quarter of the company since 2014 to date.



Cashflow Trend

Cash flow between industry groups (VNDbn)

No	Sectors	% Liqidity Change AVG 1W	2/7/2023	2/8/2023	1W AVG	20 days Trend
1	Chemicals	10.1	438	433	393	
2	Basic Resources	7.2	1,565	1,169	1,090	
3	Health Care	6.1	24	18	17	
4	Real Estate	3.2	1,536	1,469	1,423	
5	Construction & Materials	-6.7	652	583	624	
6	Oil & Gas	-9.0	108	92	101	
7	Financial Services	-11.5	1,151	826	934	
8	Banks	-12.0	2,308	2,001	2,273	
9	Insurance	-14.6	46	34	40	
10	Food & Beverage	-18.4	799	578	709	
11	Media	-20.6	1	0	1	
12	Automobiles & Parts	-21.4	82	61	77	
13	Utilities	-23.3	193	128	167	
14	Technology	-24.3	80	77	102	
15	Personal & Household Goods	-30.1	82	93	133	
16	Industrial Goods & Services	-33.9	441	249	376	
17	Travel & Leisure	-34.4	45	39	59	

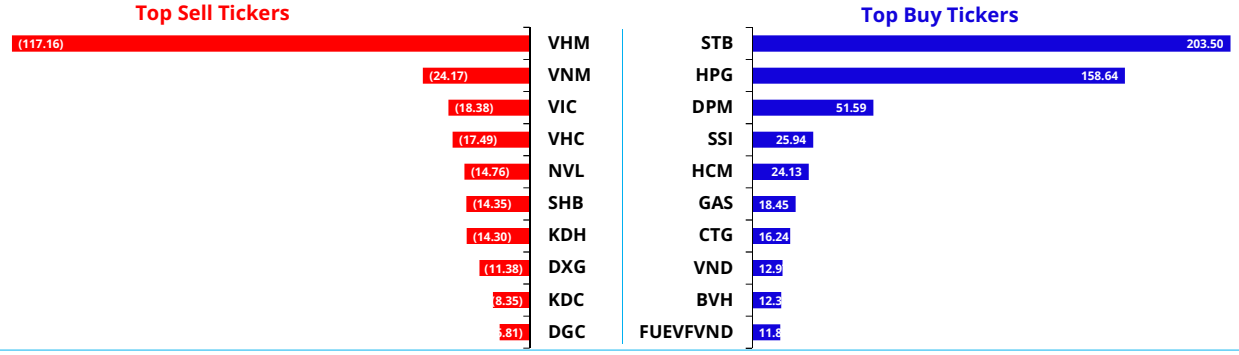
Top 15 tickers in trading value 1 week

Ticker	Company name	Sectors	Performance				Trading Stats		
			Close price	%1D	% 1W	%YTD	%Turnover Change	Turnover (VND bn)	Trend
VHM	Vinhomes	Real Estate	46,600	-0.4	-2.9	-2.9	136.1	215.5	
HPG	Hoa Phat Group	Basic Resources	20,850	5.6	-1.2	15.8	10.5	688.1	
DGW	Digiworld Corporation	Retail	41,700	1.7	1.0	10.5	-3.2	28.3	
ANV	Nam Viet	Food & Beverage	30,900	2.1	3.9	37.0	-21.8	29.4	
PLX	Petrolimex	Oil & Gas	37,200	-4.6	2.6	17.4	-24.3	28.0	
KHG	Khai Hoan Land Real Estate	Real Estate	5,700	-2.6	8.2	37.3	-34.4	27.0	
PDR	Phat Dat Real Estate	Real Estate	12,350	-3.5	-11.2	-9.2	-12.4	101.0	
VCB	Vietcombank	Banks	94,200	2.4	5.7	17.8	-14.6	84.2	
FRT	FPT Retail	Retail	75,300	-1.1	7.1	9.1	-18.8	81.8	
MSN	Masan Group	Food & Beverage	93,500	-0.6	-1.8	0.5	-33.5	42.3	
HSG	Hoa Sen Group	Basic Resources	14,450	6.6	-1.4	25.1	-13.6	206.9	
DGC	Ducgiang Chemicals	Chemicals	55,000	-1.1	-8.3	-6.6	-24.2	128.9	
GEX	Gelex Group JSC	Industrial Goods & Services	13,650	0.4	-0.7	10.1	-40.7	92.8	
NVL	Novaland	Real Estate	14,300	-2.1	-1.7	2.1	-31.5	197.4	
TPB	Tien Phong Bank	Banks	24,600	0.8	3.8	16.9	-38.2	148.2	

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
FRT	FPT Retail	Retail	75,300	-1.1	7.1	9.1	4.2	75.30	
ANV	Nam Viet	Food & Beverage	30,900	2.1	3.9	37.0	3.5	30.90	
TPB	Tien Phong Bank	Banks	24,600	0.8	3.8	16.9	1.9	24.60	
PTL	Petroland	Real Estate	4,350	-5.8	13.3	33.8	7.0	4.35	
KHP	Khanh Hoa Power	Utilities	8,600	-1.1	0.6	13.3	2.4	8.60	
BMI	Bao Minh Insurance	Insurance	25,200	0.0	4.3	17.2	0.4	25.20	
ACL	Cuu Long Fisheries	Food & Beverage	11,800	1.3	0.0	11.8	0.4	11.80	
VNE	Vietnam Electricity Construction	Construction & Materials	9,600	0.0	0.0	5.4	0.1	9.60	
HSG	Hoa Sen Group	Basic Resources	14,450	6.6	-1.4	25.1	-1.1	14.45	
PLX	Petrolimex	Oil & Gas	37,200	-4.6	2.6	17.4	-0.5	37.20	

Foreign Investor Trading Activities (VNDbn)



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