

July 30, 2021

VnIndex - 6 months



MSN INCREASED NEARLY CEILING, VN-IDNEX BREAK 1,300 POINTS IN THE DAY THAT LOCAL ETF FUNDS TAKE RESTRUCTURING

- Market increases higher and higher in all the day. And regardless facing with high selling pressure from local ETF funds in the day of taking restructuring, Vn-Index still close highest in the day
- VPB MSN VIC contribute the most to the increase. MSN even close nearly the ceiling due to good profit result for 2nd quarter
- Cash flow spreads to many sectors, number of stocks advanced is more than double stocks declined. Most increasing sectors are securities, real estate, banking, logistics, and construction
- Selling pressure will increase further in the next week as the 1,300-1,310 region is very strong resistance region of both MA20 line and the reduced gap dated 19 Jul after the social distancing in all 19 province in the Sourthern region. Vn-Index should correct to 1,290-1,300 region for sustainable increase in near future
- Liquidity increases sharply: 13.6% higher than 20-day average, and 45% higher than

Daily Market News

- Oil price increased, Brent exceeded 76 USD/barrel
Closing session on July 29, Brent and WTI oil prices both increased by about 1.7%. Gold prices rose more than 1% after Fed Chairman Jerome Powell commented that the US central bank will not raise interest rates soon.
- MSN: profit in the 2nd quarter was 4 times higher than the same period last year thanks to VinCommerce, MHT improved profits
In the 1st half of the year, VinCommerce had a positive EBITDA of VND 298 billion while the same period last year had a loss of VND 1,014 billion. Management targets VinCommerce to have a positive EBIT in the 3rd quarter and positive net profit from the meat segment from the 4th quarter.

Market At Glance

	Vn-Index	HNX	UPCOM
Closed price	1,310.1	314.9	86.9
Change (+/-)	↑ 16.5	↑ 3.9	↑ 0.8
Change (%)	↑ 1.27%	↑ 1.25%	↑ 0.92%
Trading volume (mill stocks)	631	106	84
Trading value (bill)	20,845	2,674	1,011
Foreigner trading value (bill)	449	29	21
Stocks advanced	259	115	221
Stocks declined	113	79	116
Stocks traded firm	46	74	98
PE*	16.4	16.7	20.9
PB*	2.6	1.8	2.3
Market cap (trillion)*	4,894	413	1,165

A Stock Each Day

Nhon Trach 2 Thermal Power - Code: NT2

Current price	18,500
Current PE	15.7
Market cap (bill)	5,283

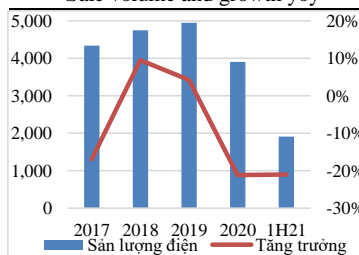
Billion VND	2018A	2019A	2020A	2021F
Revenue	7,670	7,654	6,082	7,177
yoy	13.4%	-0.2%	-20.5%	18.0%
Net profit	782	754	625	454
yoy	10%	-3.6%	-17.1%	-27.4%
NPM	10.2%	9.9%	10.3%	6.3%
EPS	2,717	2,540	2,095	1,577
P/E	7.8	8.4	10.1	11.7

Source: FiinPro

Updated 2nd quarter business result: NEUTRAL

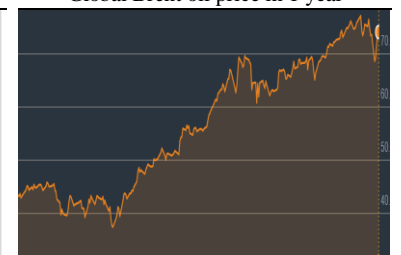
- Revenue decreased by 14% due to 23% decrease in volume and 12% increase in power price. The decrease in volume is due to 1) La Nina phenomenon increases the hydropower volume (hydropower has low cost), so gas power cannot compete with hydropower; 2) More intense competition from solar power (by the end of 2020, an additional 10,000 MW of solar power has been put into operation), and 3) Rising gas prices increase production costs, making it difficult for NT2 to compete in the competitive power generation market. In addition, power price increased due to high gas price
- Gross profit margin decreased from 15.6% to only 4.5% because input gas price increased sharply by 25%, while selling price increased only by 12%. As a result, gross profit decreased by 75.6%
- Net financial expense increased by 15 billion due to decrease in deposit interest
- Management expenses remained unchanged at 20.5 billion VND
- As a result, NPAT plummeted by 90%, mainly due to reduced volume and increased gas prices, which also reduced profit margin

Sale volume and growth yoy



Source: NT2

Global Brent oil price in 1 year



Source: Bloomberg