

# FLASH NOTE: STEEL STOCKS & TARIFF IMPACT ON FEB 10<sup>TH</sup>, 2025

Research Department  
 10/2/2025

## CONTENT

### Trump announces a 25% tariff on steel and aluminum, along with various other tariff measures, starting Monday, February 10, 2025

On February 10, President Donald Trump announced a 25% tariff on all imported steel and aluminum products into the U.S., in addition to existing tariffs. He also stated that retaliatory tariffs would be announced on Tuesday or Wednesday against any country imposing tariffs on U.S. imports.

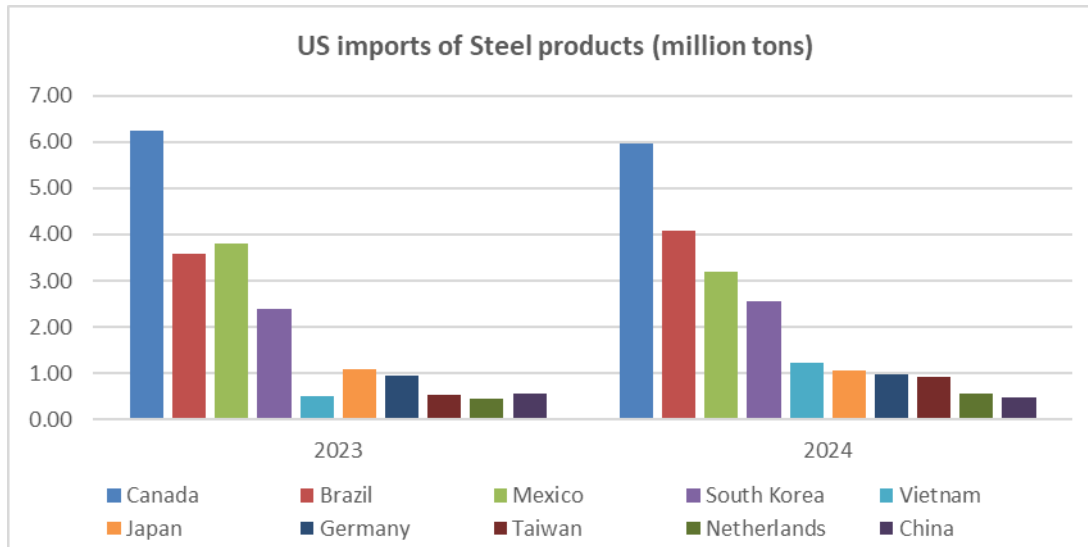
This move is seen as an effort to curb tax evasion through transshipment. As a result, semi-finished steel from China, processed in countries like Mexico or Vietnam before being exported to the U.S., may also be affected.

Countries Most Affected	Impact on the International Market
Canada, Brazil, Mexico, South Korea, and Vietnam are the largest steel suppliers to the U.S. Canada alone accounts for 79% of U.S. aluminum imports	The announcement of new tariffs has led to a decline in the stock prices of major steel and automotive companies in South Korea. In the Vietnamese stock market, major steel stocks also traded negatively, with HPG down 4.7%, NKG down 3.6%, and HSG down 4.6%.

These reactions reflect concerns that Trump's move marks a new escalation in his trade policy, increasing the risk of retaliation from China and other major trading partners, including Vietnam.

## #1 AS ONE OF THE LARGEST AND FASTEST-GROWING STEEL EXPORTERS TO THE U.S. MARKET, VIETNAM MAY SOON FACE NEW TARIFF BARRIERS FROM THE U.S.

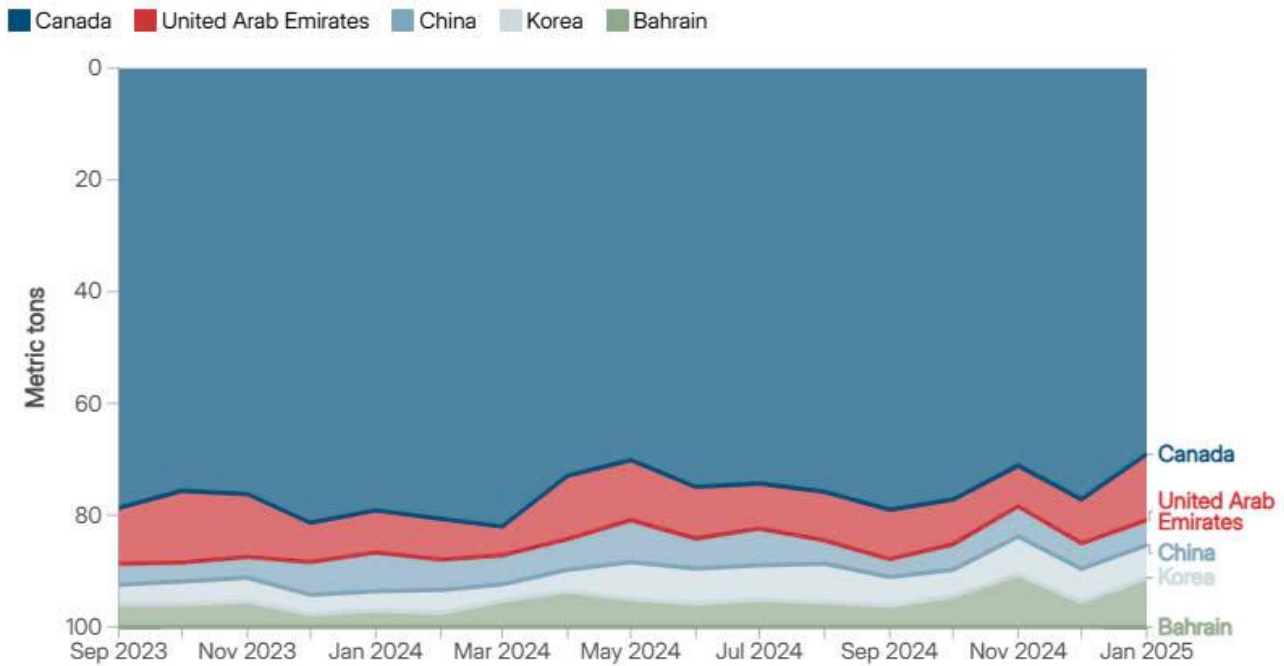
Vietnam ranks among the top 5 largest steel exporters to the U.S. market in 2024



Source: [trade.gov](https://www.trade.gov), GTJASVN RS

## Top aluminium exporters to the US (2024)

The UAE is the second largest exporter of aluminium to the US after Canada

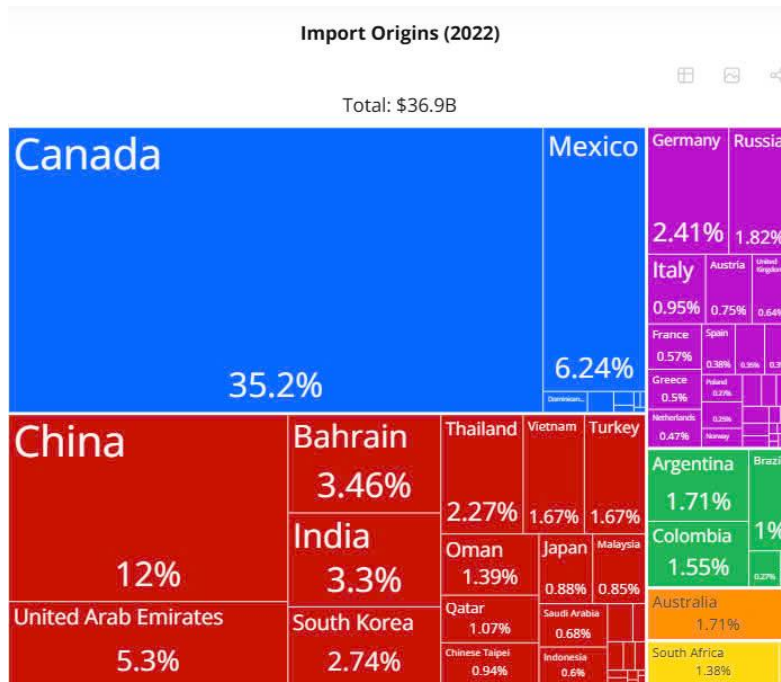


Source: International Trade Administration / Trade.gov



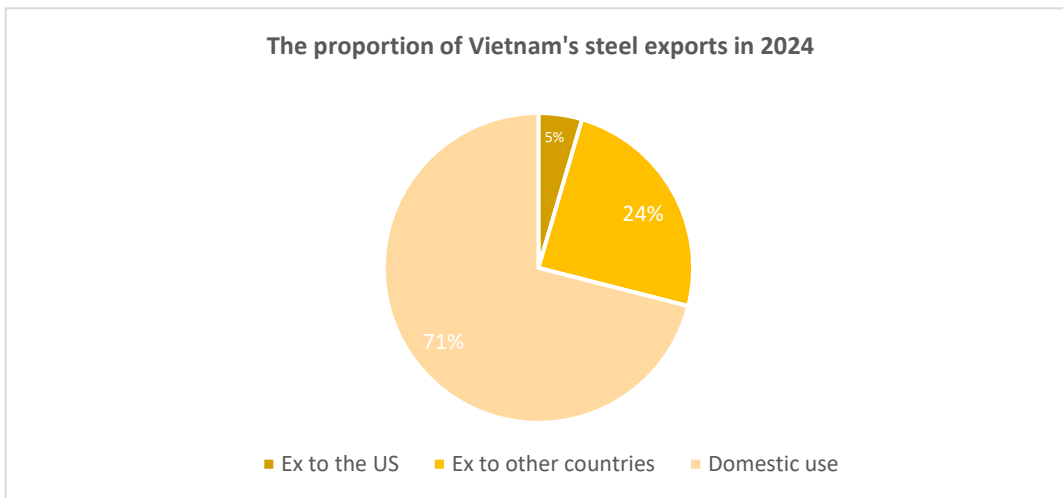
\* A Flourish map

## Top 10 countries export aluminum to US in 2022



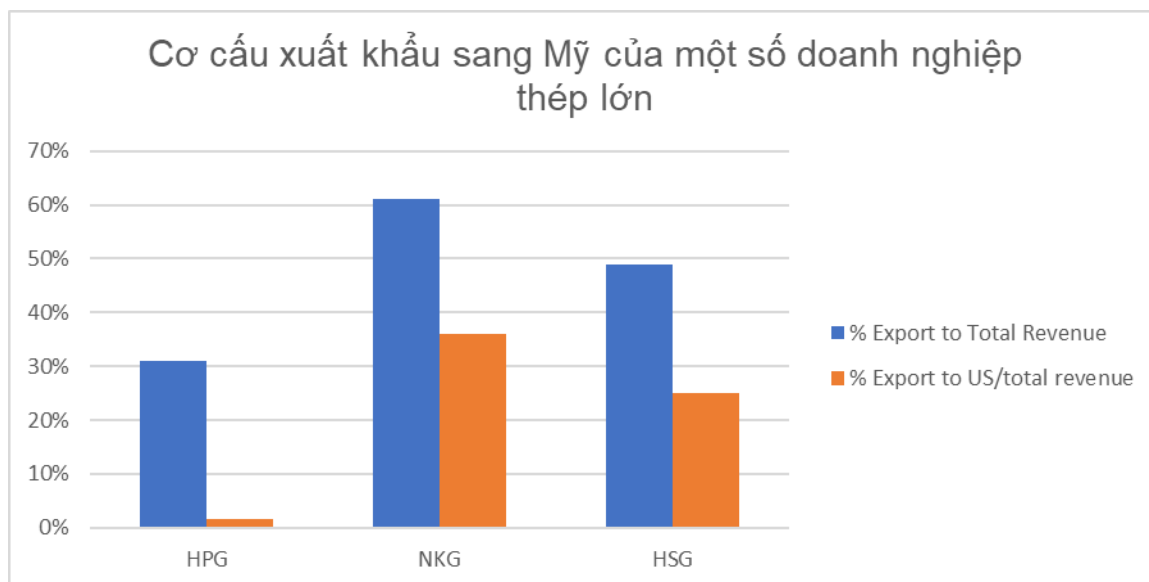
Nguồn: oce.world

**The trend of Vietnam's steel exports to the U.S. over the years:** In the first seven months of 2024, the U.S. was Vietnam's largest steel export market, with 1.11 million tons, an increase of 89% compared to the same period last year.



Source: FiinX, GTJASN RS

### The proportion of steel exports by enterprises in 2024



Source: Companies report, GTJASVN RS estimates

#### Companies Main export products

<b>HPG</b>	Prestressed steel strand (PC Strand): Hòa Phát has signed a contract to export over 2,000 tons of prestressed steel strand to a U.S. partner; Steel pipes; galvanized steel
<b>NKG</b>	The company primarily exports galvanized steel products and hot-rolled coil (HRC) to the U.S. market. However, due to a 25% tariff on galvanized steel exports to the U.S., along with high transportation costs and long delivery times, NKG has not prioritized exports to the U.S. in recent times. Instead, the company has focused on other markets such as Europe (50% of export revenue) and Asia to optimize profits and mitigate risks from trade defense measures
<b>HSG</b>	HSG primarily exports galvanized steel products to the U.S. market. This is HSG's main product line, meeting the strict quality standards of the U.S. market

#### TABLE OF TARIFF RATES FROM TRADE DEFENSE MEASURES ON GALVANIZED STEEL PRODUCTS FROM CERTAIN COUNTRIES AGAINST VIETNAM

COUNTRIES	CASE	PRO DUC TS	NAM KIM	HOA SEN	TON DONG A	HIGHEST TARIFF RATE	EFFECTIV E DATE	EXPIRATI ON DATE
<b>MALAYSIA</b>	AD	PPGI, PPGL	0%	34.85%	34.85%	Maruchi 12.06%, Others 24.85%	19/1/2016 ; 20/7/2021	Final review investigation continues to impose tariffs until 19/7/2026
<b>THAILAND</b>	AD	PPGI, PPGL	PPGI 4.3%	PPGI, 6.63%	PPGI 60.26%	Others: 60.26%, Thép TVP 53.2%, Tôn Phương Nam: 46.35%, Đại Thiên Lộc 34.05%	24/3/2017	Final review investigation continues to impose tariffs for an additional 5 years from



COUNTRIES	CASE	PRODUCTS	NAM KIM	HOA SEN	TON DONG A	HIGHEST TARIFF RATE	EFFECTIVE DATE	EXPIRATION DATE
								9/5/2023
AUSTRALIA	AD/ACD	GI	Exclusion	Exclusion	Different from the floor price	Different from the floor price	16/8/2017	Still valid
MALAYSIA	AD	GI	2.66%	0%	Others: 15.69%	Others 15.69%	8/3/2019	7/3/2024
THAILAND	AD	GI PPE	9.10%	9.10%	Others: 51.61%	Others 51.61%	13/2/2020	12/2/2025
USA	SECTION 232	CORE	Consider excluding steel and aluminum products imported from Vietnam	Consider excluding steel and aluminum products imported from Vietnam	Consider excluding steel and aluminum products imported from Vietnam	Exclusion: Canada, Mexico	19/5/2020	Still valid
CANADA	AD	GI, GL	AD 2.3%+ CVD 0%	AD 11% + CVD 0%	AD 71.1% + CVD 0%	All exporting countries AD 71.1% + CVD 0.2%	16/10/2020	Still valid
MALAYSIA	AD	GI, GL	5.04%	0% (before 16.55%)	0% (before 15.87%)	Others: 37.14%; Hoa Phat Steel Pipe Company 3.06%, Tân Phước Khanh 0% (27/6/2023)	12/12/2020-11/12/2025	Still valid
AUSTRALIA	AD+ CVD	GL MASTER WIDTH H 558	không bị áp thuế, CVD 0%	8.1%, CVD 0%	Others: 20.9%, CVD 0%	Others: 20.9%, CVD: N/A Applicable to all	24/12/2021	Still valid
MEXICO	AD	GI, GL, PP	6.40%	7%	10.84%	Others: 10.84%, Maruchi 2.06% (before 0%)	24/2/2023	Still valid

Source: BCTN NKG 2023

According to the latest update, in May 2024, the U.S. Department of Commerce made a preliminary decision to impose anti-dumping (AD) and countervailing duties (CVD) on two types of steel: cold-rolled steel and carbon steel coated with anti-corrosion (coated steel) from Vietnam. The tariff rates applied are similar to those imposed on China in 2016, specifically:

- For galvanized steel: the AD tariff is 199.43% and the CVD tariff is 39.05%.
- For cold-rolled steel: the AD tariff is 265.79% and the CVD tariff is 256.44%.

This decision applies to products made from hot-rolled steel materials originating from China

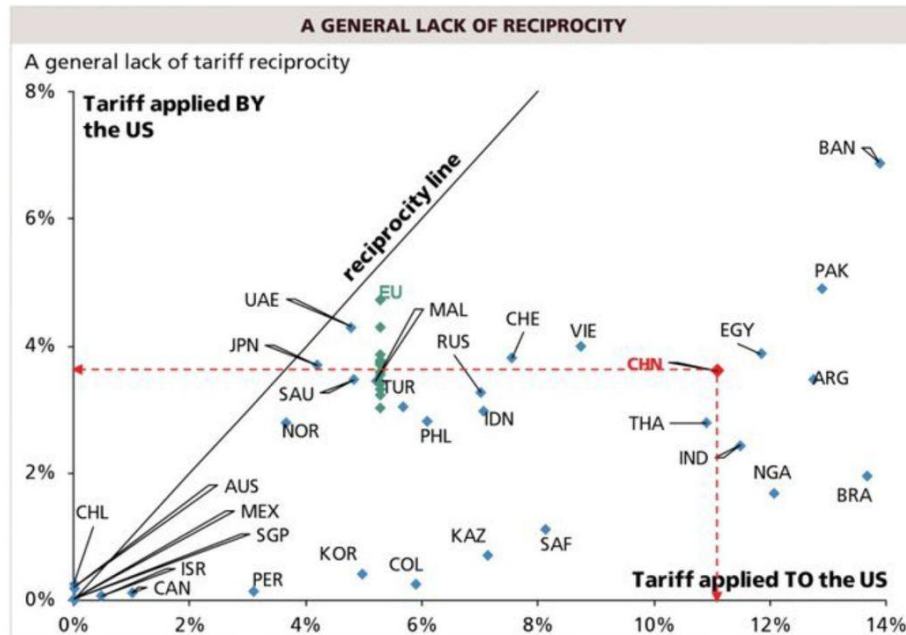
### RECIPROCAL TARIFF

In addition, President Trump also declared that he may impose retaliatory tariffs on several countries starting this week.

reciprocal tariffs are a policy where, if a country imposes a certain tariff on U.S. goods, the U.S. will apply the same tariff rate to the exports from that country into the U.S.

The chart below shows the position of various countries in the U.S. retaliatory tariff policy – note that with the additional 10% tariff imposed by the U.S. on China, the retaliation in this case has nearly been established. Similarly, the impact on some countries already subject to high tariffs, such as Canada or the EU region, is also considered not too significant.

On the other hand, the countries most severely affected will include those in the Asia region and Brazil.



Source: *The Macro Compass*

## #2 GTJASVN'S ASSESSMENT:

The U.S. imposition of import tariffs on steel may put pressure on Vietnamese steel enterprises, especially those with high export ratios to this market, such as NKG and HSG. On the other hand, HPG will face less impact since its export volume to the U.S. accounts for a smaller proportion.

Looking at the bigger picture, higher tariffs between China and the U.S. will lead Chinese manufacturers to seek ways to export surplus goods to other countries. Meanwhile, more and more countries are imposing tariffs, such as on low-value imported goods, which creates risks for the export activities of Vietnamese enterprises.

**U.S. allies in Asia are also affected:** Traditional U.S. allies and countries with "friend-shoring" policies in Asia are also facing the risk of being hit by tariffs. Although Japanese Prime Minister Ishiba achieved positive results during his visit to the U.S., other policies may still have negative impacts. For example, Australia, South Korea, and Japan may be affected by restrictions related to basic commodities. If the U.S. is determined to target the re-routed trade from ASEAN to China, some countries in the region may face the risk of tariffs. This could lead to negotiations for exemptions. Recent moves by President Donald Trump, when he announced tariffs and then delayed their application to Canada and Mexico after reaching an agreement, further reinforce this view.

**For Vietnam, the impact of this wave is inevitable; however, we expect the Vietnamese and U.S. governments to soon find common ground to minimize the impact** or potentially benefit in some ways in a positive scenario.

### COMPANY RATING DEFINITION

Benchmark: VN – Index.

Time Horizon: 6 to 18 months

Rating	Definition
<b>Buy</b>	Relative Performance is greater than 15% Or the Fundamental outlook of the company or sector is favorable
<b>Accumulate</b>	Relative Performance is 5% to 15% Or the Fundamental outlook of the company or sector is favorable
<b>Neutral</b>	Relative Performance is -5% to 5% Or the Fundamental outlook of the company or sector is neutral
<b>Reduce</b>	Relative Performance is -15% to -5% Or the Fundamental outlook of the company or sector is unfavorable
<b>Sell</b>	Relative Performance is lower than - 15% Or the Fundamental outlook of the company or sector is unfavorable

### SECTOR RATING DEFINITION

Benchmark: VN – Index

Time Horizon: 6 to 18 months

Rating	Definition
<b>Outperform</b>	Relative Performance is greater than 5% Or the Fundamental outlook of the sector is favorable
<b>Neutral</b>	Relative Performance is -5% to 5% Or the Fundamental outlook of the sector is neutral
<b>Underperform</b>	Relative Performance is lower than -5% OrThe Fundamental outlook of the sector is unfavorable

### DISCLAIMER

The views expressed in this report accurately reflect personal views on securities codes or the issuer of the analyst(s) in charge of the preparation of the report. Investors should consider this report as reference and should not consider this report as securities investment consulting content for making decisions on investments and Investors shall be responsible for the investments decisions. Guotai Junan Securities (Vietnam) Corp. may not be responsible for the whole or any damages, or an event(s) considered as damage(s) incurred from or in relation to the act of using all or part of the information or opinions stated in this report.

The analyst(s) responsible for the preparation of this report receive(s) remuneration based upon various factors, including the quality and accuracy of the research, clients' feedbacks, competitive factors and the revenue of the company. Guotai Junan Securities (Vietnam) Corp. and/or its members and/or its General Director and/or its staffs may have positions in any securities mentioned in this report (or in any related investments).

The analyst(s) responsible for the preparation of this report endeavours to prepare the report based on information believed to be reliable at the time of publication. Guotai Junan Securities (Vietnam) Corp. makes no representations, warranties and covenants on the completeness and accuracy of the information. Opinions and estimates expressed in this report represent views of the analyst responsible for the preparation of the report at the date of publication only and shall not be considered as Guotai Junan Securities (Vietnam) Corp.'s views and may be subject to change without notice.

This report is provided, for information providing purposes only, to Investor including institutional investors and individual clients of Guotai Junan Securities (Vietnam) Corp. in Vietnam and overseas in accordance with laws and regulations explicit and related in the country where this report is distributed, and may not constitute an offer or any specified recommendations to buy, sell or holding securities in any jurisdiction. Opinions and recommendations expressed in this report are made without taking differences regarding goals, needs, strategies and specified situations of each and every Investor(s) into consideration. Investors acknowledge that there may be conflicts of interests affecting the objectiveness of this report.

The content of this report, including but not limited to this recommendation shall not be the basis for Investors or any third party to refer to with the aim to requiring Guotai Junan Securities (Vietnam) Corp. and/or the analyst responsible for the preparation of this report to perform any obligations towards Investors or the third party in relation to the investment decisions of Investors and/or the content of this report.

This report may not be copied, reproduced, published or redistributed by any person(s) for any purposes unless upon a written acceptance by a competent representative of Guotai Junan Securities (Vietnam) Corp. Please cite sources when quoting.



## GUOTAI JUNAN VIETNAM RESEARCH DEPARTMENT

**Ngo Dieu Linh**

Equity Analyst

[linhd@gtjas.com.vn](mailto:linhd@gtjas.com.vn)

(024) 35.730.073 – ext:705

**Tran Thi Hong Nhung**

Deputy Director

[nhungth@gtjas.com.vn](mailto:nhungth@gtjas.com.vn)

(024) 35.730.073 – ext:703

Feb 10, 2025



CHỨNG KHOÁN GUOTAI JUNAN (VIỆT NAM)  
GUOTAI JUNAN SECURITIES (VIETNAM)

CONTACT	Hanoi Head Office	HCMC Branch
Advising: (024) 35.730.073	R9-10, 1 <sup>st</sup> Floor, Charmvit Tower, 117 Trần Duy Hưng, Hà Nội	3 <sup>rd</sup> Floor, No. 2 BIS, Công Trường Quốc Tế, P. 6, Q.3, Tp.HCM
Stock ordering: (024) 35.779.999	Tel: (024) 35.730.073	Tel: (028) 38.239.966
Email: <a href="mailto:gtja@gtjas.com.vn">gtja@gtjas.com.vn</a> Website: <a href="http://www.gtjai.com.vn">www.gtjai.com.vn</a>	Fax: (024) 35.730.088	Fax: (028) 38.239.696

FLASH NOTE

Company Report