MORNING CALL
30/08/2023

Shinhan Securities

"The domestic market moves sideways after breaking through the resistance level of 1,200"

- World stocks: Gaining points on the expectation that the Fed will pause interest rate hikes
- Vietnam Stocks: Domestic market moves sideways after breaking through resistance at 1,200
- Business news: Economic update, #KBC, #VGI, #BID, #HT1, #NRC, #KHG
- Technical perspective and recommendation update
- Event calendar
- Q&A

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Global Market Review – Week 28 – 31/08/2023

Major stocks market

- In regular trading on Tuesday, the Dow rose 0.85%, the S&P 500 rallied 1.45% and the Nasdaq Composite surged 1.74%, with all 11 S&P sectors ending higher led to the upside by communication services, consumer discretionary and technology. Those gains came as weaker-than-expected US consumer sentiment and labor data bolstered bets that the Federal Reserve will likely pause its interest rate hikes in September. A sharp decline in Treasury yields also boosted technology and other growth stocks, with the benchmark 10-year yield hitting an almost three-week low of 4.1%.
- European stocks rose for the second consecutive session on Tuesday, with both Frankfurt's DAX 40 and the pan-European STOXX 600 surging by 1%, after a drop in US job openings added to hopes of a pause in interest rate hikes by the Federal Reserve.
- The Nikkei 225 Index rose 0.6% to above 32,400 while the broader Topix Index gained 0.8% to 2,322 on Wednesday, with Japanese shares climbing for the third straight session and tracking Wall Street higher as softer-than-expected consumer sentiment and job openings data in the US bolstered bets of a pause in interest rate hikes from the Federal Reserve. The Shanghai Composite jumped 1.2% to close at 3,136 while the Shenzhen Component rallied 2.17% to 10,455 on Tuesday, rising for the second straight session after China introduced new measures this week to boost capital markets and shore up investor confidence following sharp losses in the equity markets.
- WTI crude futures rose above $81 per barrel on Tuesday as the dollar slid, while investors betting on the potential impact to energy supply and demand from Hurricane Idalia set to hit Florida this week. Idalia is expected to have an impact on fuel distribution systems and hit fuel consumption in the affected regions, pointing to a rising risk of potential future outages in the Gulf of Mexico.

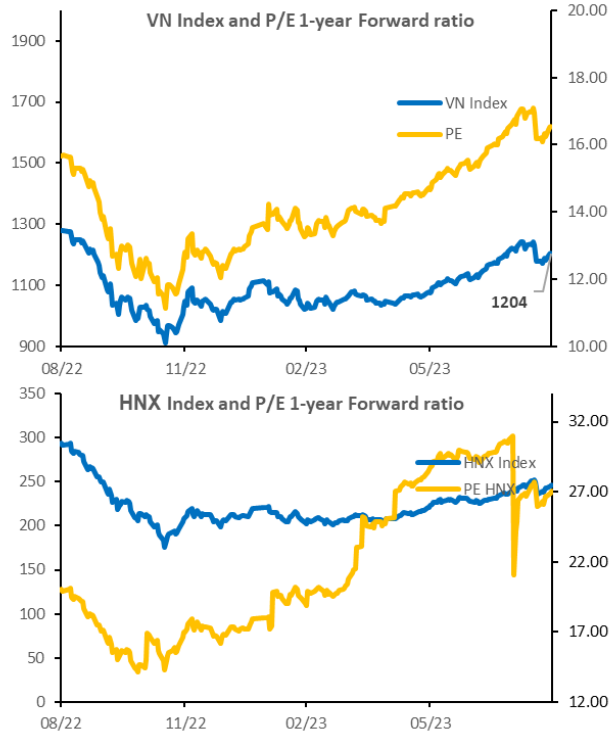
Market

	Close	%1D	%1M	%1Y
VN-Index	1,204	0.23%	-0.27%	-5.86%
S&P 500 Index	4,498	1.45%	-1.85%	12.83%
Dow Jones Index	34,853	0.85%	-1.71%	9.63%
GP 100	7,465	1.72%	-2.98%	1.40%
Nikkei 225	32,453	0.70%	-0.93%	15.10%
SHCOMP Index	3,136	1.20%	-4.27%	-2.83%
STOXX 600	460	0.97%	-2.33%	9.53%
KOSPI Index	2,571	0.73%	-1.44%	4.89%
Hang Seng	18,484	1.95%	-7.19%	-7.34%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	103.56	0.03%	1.91%	-4.79%
USD/VND	24,139.00	-0.57%	-1.86%	-2.95%
EUR/USD	1.09	-0.09%	-1.15%	8.54%
USD/CNY	7.28	0.11%	-1.89%	-5.11%
Brent	85.60	0.13%	0.72%	-13.81%
WTI	81.37	0.26%	0.98%	-11.21%
Natural gas	2.67	0.45%	1.36%	-70.43%
Coal	159.50	-0.16%	18.63%	-62.27%
Gold	1,936.48	-0.05%	-1.46%	12.32%

Vietnam Market Snapshot 29/08/2023



Money flow and sector rotation (VND bn)

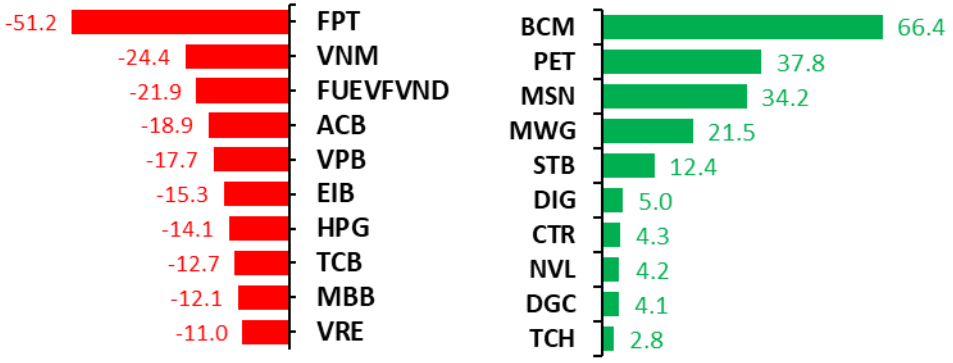
Sector	%1D	8/29/2023	8/28/2023	20-session Average
Oil & Gas	57.39	136	87	165
Personal & Household Goods	48.98	160	107	169
Real Estate	35.74	6,181	4,553	5,657
Construction & Materials	33.52	1,571	1,177	1,515
Financial Services	29.31	3,791	2,932	3,008
Insurance	25.53	45	36	53
Utilities	19.84	206	172	282
Food and Beverage	16.41	1,226	1,053	1,355
Banks	8.78	2,599	2,389	3,458
Automobiles & Parts	7.27	260	242	301
Retail	-1.3	834	845	734
Industrial Goods & Services	-2.6	808	829	910
Chemicals	-15.5	888	1,051	852
Basic Resources	-20.4	895	1,124	1,404
Travel & Leisure	-23.4	98	129	140
Health Care	-32.9	16	24	31
Media	-40.7	1	2	2
Technology	-45.0	166	302	208

Source: Bloomberg, Shinhan Securities Vietnam

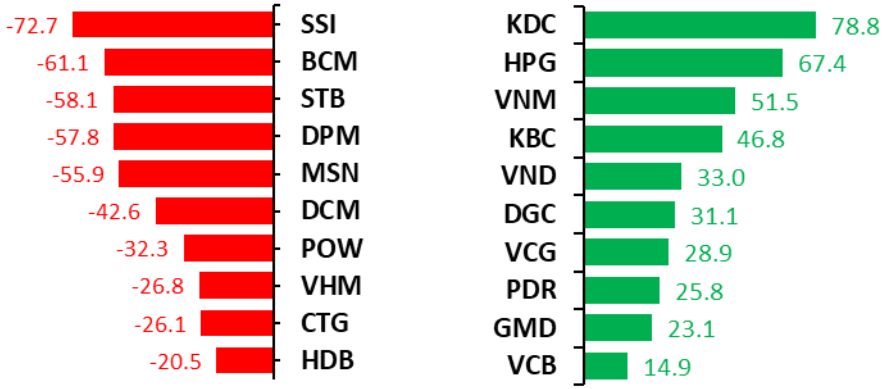
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,204.43	16.54	2.71	0.23	845	19,884
HNX INDEX	246.48	27.05	1.59	0.65	119	2,050

Vietnam Market Snapshot 29/08/2023

Top net buying & selling of proprietary trading (VND billion)



Top net buying & selling foreign investors (VND billion)



The net trading value of proprietary trading and investors by sector (VND billion)

Sub-sector	Proprietary trading (VND bn)	Foreign (VND bn)	Local Individual (VND bn)	Local Institutions (VND bn)
Real Estate	33	(91)	118	(27)
Basic Resources	(14)	61	(51)	(11)
Media	-	(0)	0	(0)
Industrial Goods & Services	(1)	20	(19)	(1)
Health care	0	1	(2)	1
Chemicals	(1)	(68)	92	(24)
Financial Services	(37)	(64)	(39)	102
Travel & Leisure	(9)	1	(162)	162
Banks	(97)	(120)	110	10
Construction & Materials	4	24	247	(271)
Food and Beverage	11	72	(104)	32
Retail	59	8	(19)	11
Utilities	(1)	(27)	36	(9)
Personal & Household Goods	(0)	(5)	(10)	15
Technology	(51)	(4)	66	(62)
Automobiles & Parts	3	9	(16)	8
Insurance	(1)	(17)	18	(0)
Oil & Gas	(10)	2	8	(10)

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- Data released by the General Statistics Office on the morning of August 29 showed that in August 2023, the total import and export turnover of goods was estimated at 60.92 billion USD, up 6.7% MoM and down 7.9% YoY. In the first eight months of 2023, the total import and export turnover of goods reached USD 435.23 billion, down 13.1% YoY, of which exports decreased by 10% YoY; imports decreased by 16.2% YoY. The balance of trade in goods in the first eight months of 2023 is estimated to have a trade surplus of USD 20.19 billion.
- Prime Minister Pham Minh Chinh and the Prime Minister of Singapore witnessed the announcement of the memorandum of understanding on investment cooperation between Vietnam and Singapore, including a memorandum of cooperation in the development of 12 new VSIP projects in localities of Vietnam. Regarding investment, with more than 3,300 projects and USD 73 billion of registered capital, Singapore ranks 2nd out of 143 countries and territories investing in Vietnam. Singaporean investors have participated in almost all economic sectors and fields and have always seriously implemented projects on schedule and with high efficiency. In the opposite direction, Vietnamese investors have invested in Singapore in more than 150 projects with a total registered investment capital of nearly USD 700 million, mainly focusing on professional activities and science and technology.
- On August 29, Vietnamese Foreign Ministry Spokesperson Pham Thu Hang announced that US President Joe Biden will visit Vietnam from September 10 to 11 at the invitation of General Secretary Nguyen Phu Trong.
- The Vietnam Food Association (VFA) said that by the end of yesterday, the export price of Vietnam's 5% broken rice continued to increase by 5 USD / ton compared to the end of last week, to 643 USD / ton. Similarly, the export price of 25% broken rice also increased by 5 USD/ton, reaching 628 USD/ton. These are the highest prices for Vietnamese rice in the international market in the past 15 years.

Business news

KBC: Specifically, on August 22, 2023, the Inspector of the State Securities Commission (SSC) issued Decision No. 264/QD-XPHC on sanctioning administrative violations in the field of securities and securities market. In which, a fine of VND 85 million for violations of Non-disclosure of information must be disclosed in accordance with the law. Kinh Bac Urban Development Corporation – JSC did not send information disclosure to the Hanoi Stock Exchange (HNX) documents including the Report on the use of capital from the issuance of bonds in 2020. In addition, Kinh Bac also did not send the documents to HNX on time, including the reviewed semi-annual financial statements for 2021, and the report on the use of capital from the bond issuance. semi-annual 2021.

VGI: Viettel International Investment Corporation (Viettel Global – VGI) has just announced the consolidated business results for the first 6 months of 2023, which have been audited and reviewed. The figures have not changed much compared to the independent report published at the end of July. Viettel Global continues to maintain a high growth momentum. Consolidated revenue in the first 6 months of 2023 reached VND 13,300 billion, up 18%, more than 3 times higher than the industry growth of the world (5.3%) and nearly 6 times compared to Vietnam (2.7%) (According to GSMAIntelligence). Which, most of the market players saw good growth in sales and service provision, notably Movitel in Mozambique (28%), Telemor in East Timor (23%), Metfone in Cambodia (19) %)…

BID: The signing ceremony of a credit line contract of USD 200 million between the Joint Stock Commercial Bank for Investment and Development of Vietnam and Long Son Petrochemical Company Limited (LSP) took place on July 27, 2023, in Ho Chi Minh City. The credit line is for the investment in the Petrochemical Complex. The Southern Petrochemical Complex Project with a total investment of more than USD 5 billion is invested by Long Son Petrochemical Company Limited (LSP), one of the subsidiaries of SCG Chemicals Group (SCGC), the leading oil company in ASEAN. The project applies modern technologies with a high degree of automation and digitization and has profound socio-economic significance.

Breaking News



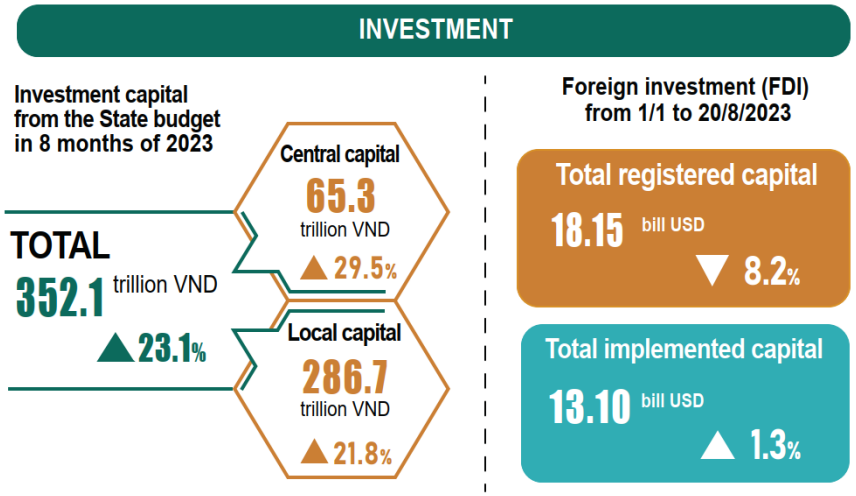
Business news

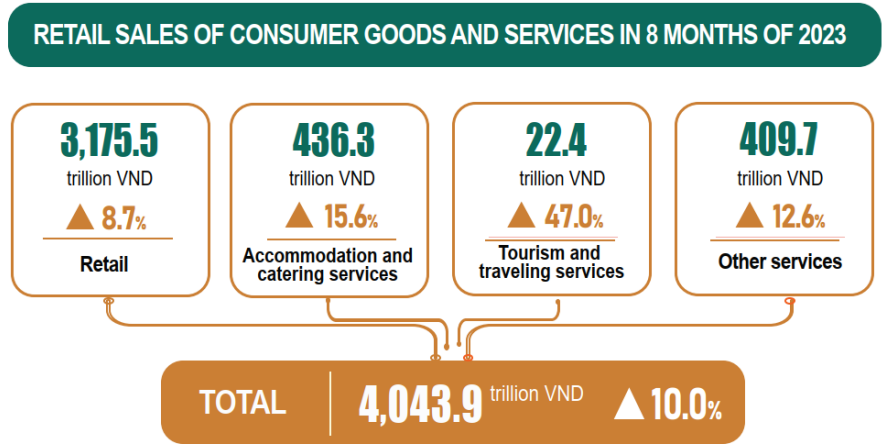
HT1: Ha Tien Cement adjusted down 77% of its profit plan in 2023. With the announced plan, although HT1 did not significantly adjust its revenue target, its expected profit after tax for the whole year has decreased by 77%. compared with the original plan in the context of unfavorable business situations in the first 2 quarters of the year. Specifically, in the second half of 2023, Vicem Ha Tien Cement achieved VND 3,690 billion in revenue and nearly VND 27 billion in after-tax loss (the same period last year reached VND 4,219 billion and VND 336.3 billion profit respectively). Accordingly, in the adjusted business plan, HT1 needs a profit of VND 91 billion in the second half of the year to reach the set target.

NRC: Among the businesses that owe the most tax in Ho Chi Minh City, there is Danh Khoi Group with a debt of VND 100 billion. Danh Khoi's business results in the second quarter of 2023 and the first six months of 2023 clearly showed a shocking decrease in revenue and a deeply negative profit. Accumulated in the first 6 months of 2023, Danh Khoi also only recorded net revenue of VND 1.93 billion net revenue and accumulated profit was negative more than VND 20.67 billion, down 140.39% YoY. After deducting all expenses, Danh Khoi's profit after tax was negative VND 3.84 billion in the second quarter of 2023, down 111.09% YoY.

KHG: Khai Hoan Land has just announced its plan to raise VND 1,800 billion from a private placement of shares to professional securities investors. The asking price is 10,000 VND/share, equivalent to 33.5% higher than the current market price.

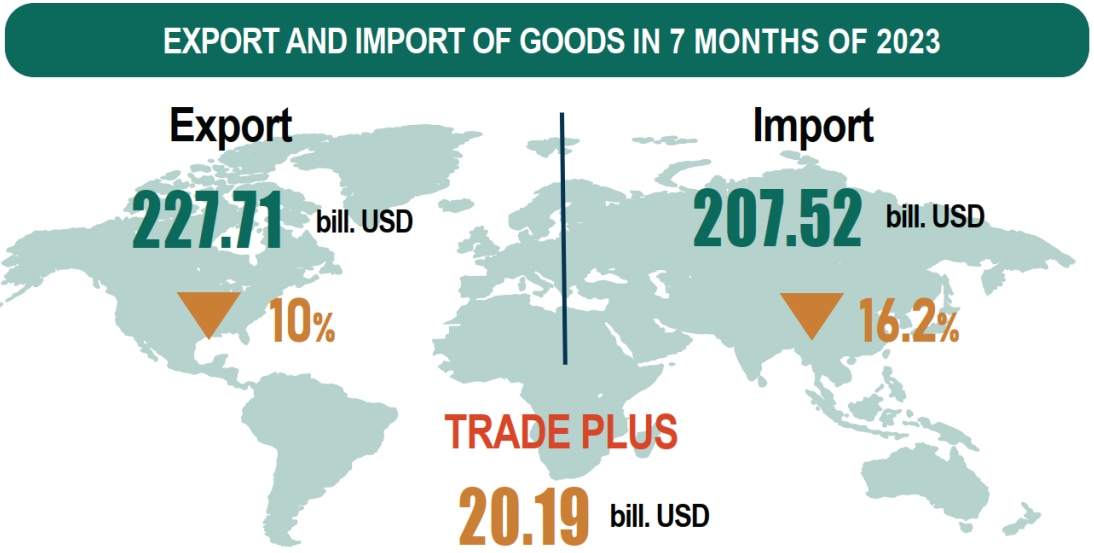
Breaking News – Economic update in August

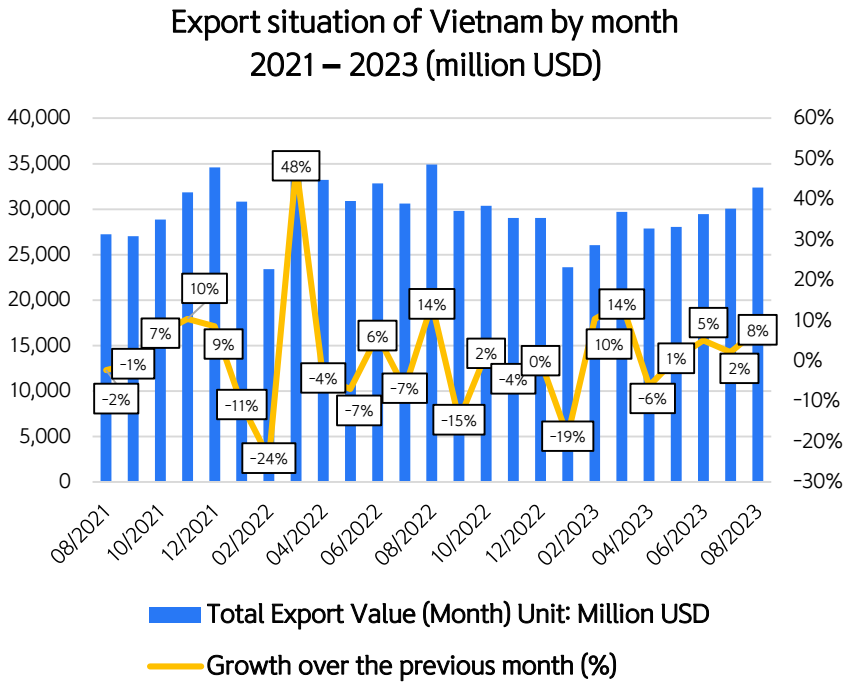




Source: Socio-economic situation - GSO

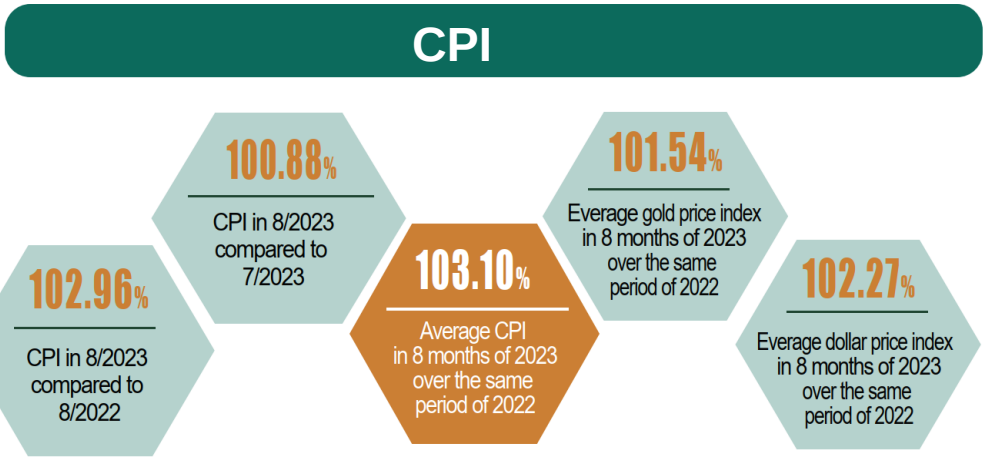
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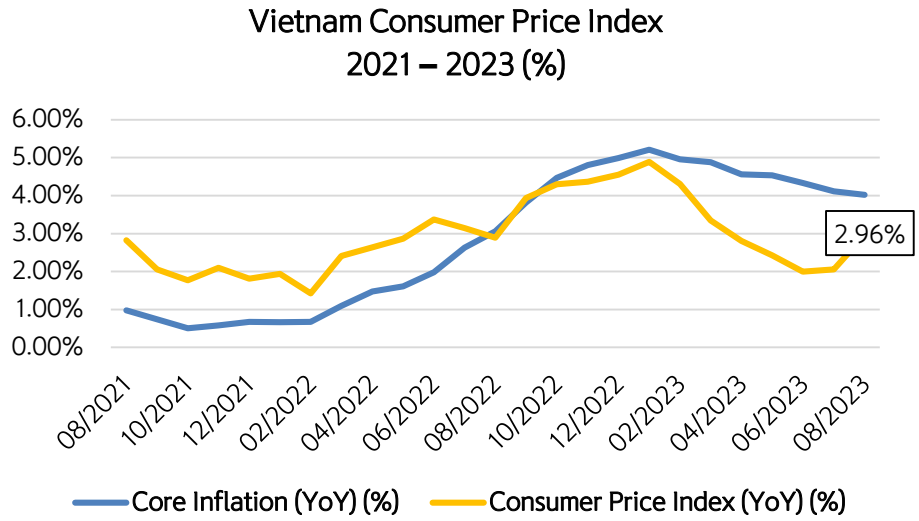




Source: Socio-economic situation - GSO

Breaking News – Economic update in August





Source: Socio-economic situation - GSO

Technical view



Trend: Recovery

VNINDEX increased slightly by 2.71 points to close at 1,204.43 (+0.23%) with most sectors recording slight gains. Foreign investors net sold VND 205 billion, focusing mainly on VIC, VRE, and VNM. The market closed with a Doji candlestick pattern showing an unclear trend.

Technical: The market closed with a slight increase in liquidity from the previous session. The Doji candlestick pattern shows an unclear trend after crossing the resistance area of 1,200 points. The market's crossing of MA10 shows that the short-term downtrend is weakening. Most technical indicators such as MACD and RSI have shown a reversal, showing that the situation is getting better.

Strategy: With a relatively gloomy session, it is not clear which side will prevail between the buyers and the sellers. It is recommended that investors be more cautious and limit new disbursement in this area because the market is likely to return to retest the 1180 area to form the second bottom. This week, the market will trade until the end of Thursday. preparing to welcome the holiday, VNINDEX may move sideways until the end of this week.

Scenario:

- Positive Scenario (60%): The market will rise to the range of 1,250 – 1,300. This is also the time when we can consider selling to lock in profits.
- Less Positive Scenario (40%): The market will return to the 1,180 range, and if there are signs of a reversal and upward momentum, buying could be considered.

Recommended stocks

30/8/2023

Unit: VND thousand

Today's watchlist

Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
VRE	Hold	28.9	31.5	28	9%	-3%	29.25	5	1.21%	8/23/2023	
SZC	Hold	34.4	38.8	32.7	13%	-5%	36.2	4	5.23%	8/24/2023	
VPG	Hold	20.2	22.5	19.4	11%	-4%	21.3	3	5.45%	8/25/2023	

Economic calendar

August 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
30	31 PMI data (US and Vietnam)	1	2	3	4 Unemployment rate (US)	5
6	7	8	9 CPI data (US)	10 MSCI quarterly review PPI Data (US)	11	12
13	14 Deadline for submission of semi-annual financial statements	15	16	17 Expiration date of future contract FOMC meeting	18	19
20	21	22 Ishare MSCI review	23	24 US GDP Q3 Jackson Hole Economic Symposium	25 FDI Data (Vietnam)	26
27	28 Vietnam macroecnomic data	29	30	31	1	2

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Q&A

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