MORNING CALL
13/09/2023

Shinhan Securities

"The market recovered at MA10, the struggle continued"

- ❑ World stocks: US stocks decreased slightly, the market waited for US inflation data
- ❑ Vietnam stocks: The market recovered at the MA10 line, the struggling trend continued
- ❑ Business news: #BID, #PNJ, #NLG, #NVL, #AGM, #MWG
- ❑ Technical perspective and updated recommendations #HPG, #MSB, #NLG, #PTB
- ❑ Event calendar
- ❑ Q&A

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Catching the latest report



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Global Market Review - Week 11 - 15/09/2023

Shinhan Securities

Major stocks market

- On Tuesday, the Dow shed 0.05%, the S&P 500 lost 0.57% and the Nasdaq Composite tumbled 1.04%, with eight out of the 11 S&P sectors ending lower led to the downside by technology, communication services and consumer discretionary. Those losses came as concerns about upside risks to inflation due to higher oil prices weighed on sentiment, and as investors positioned cautiously ahead of the August CPI report. Analysts expect a 3.6% year-on-year rise in inflation, marking an increase from the previous month's reading of 3.2%.
- European equity markets fell on Tuesday, with the German DAX down 0.5% and the benchmark Stoxx 600 down 0.2%, driven by declines in chemical stocks, which more than offset gains in autos and telecom shares.
- The Nikkei 225 Index rose 0.3% to above 32,800 on Wednesday, extending gains from the previous session as investors digested government data showing sentiment among large manufacturing firms in Japan improved sharply in the third quarter, while August producer prices rose the least in 29 months.The Shanghai Composite fell 0.18% to close at 3,137 while the Shenzhen Component lost 0.08% to 10,374 on Tuesday, paring gains from the previous session as investors cautiously awaited Chinese industrial output, retail sales and house sale prices figures due later this week to gauge the health of the world's second-largest economy.
- WTI crude futures rose more than 1% to $88.5 per barrel on Tuesday, marking a new high not seen since November 2022 driven by OPEC's continued projection of strong oil demand growth.

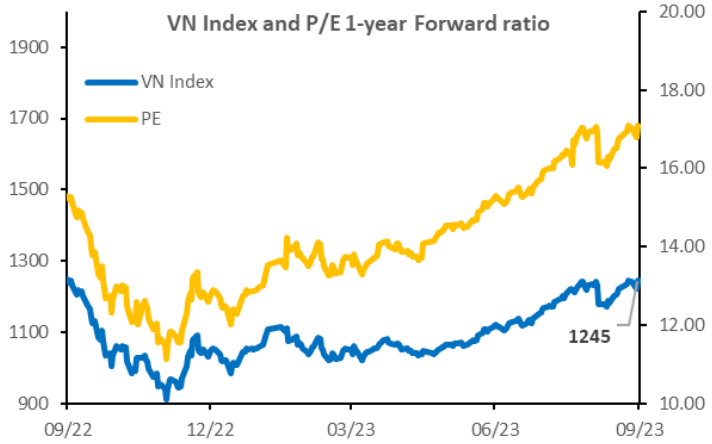
Market index

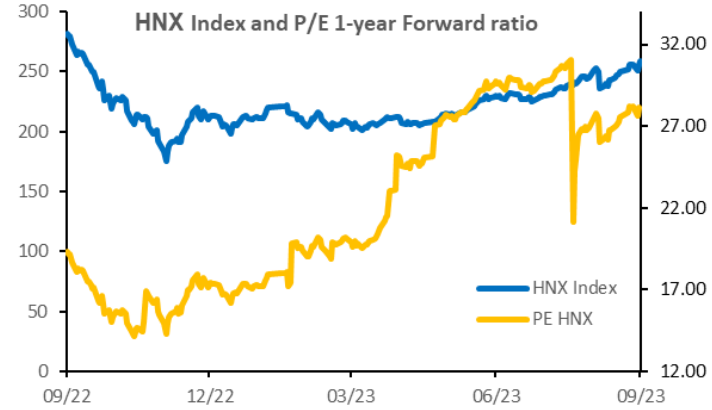
	Close	%1D	%1M	%1Y
VN-Index	1,245	1.78%	1.07%	-0.24%
S&P 500 Index	4,462	-0.57%	-0.05%	13.46%
Dow Jones Index	34,646	-0.05%	-1.80%	11.38%
GP 100	7,528	0.41%	0.04%	1.92%
Nikkei 225	32,832	0.17%	1.10%	14.74%
SHCOMP Index	3,137	-0.18%	-1.64%	-3.88%
STOXX 600	455	-0.18%	-0.82%	8.14%
KOSPI Index	2,548	0.44%	-1.68%	4.01%
Hang Seng	18,026	-0.39%	-5.50%	-6.73%

Currency & commodity

	Close	%1D	%1M	%1Y
USD/JPY	147	-0.10%	-1.13%	-1.80%
USD/CNY	7	-0.04%	-0.48%	-5.02%
Brent	92	0.04%	6.09%	-1.15%
WTI	89	0.07%	6.86%	1.82%
Gasoline	272	-0.47%	-8.43%	9.46%
Natural gas	3	-0.15%	-1.12%	-66.94%
Coal	158	0.63%	10.42%	-63.66%
Gold	1,913	-0.04%	0.31%	12.38%
China HRC	3,938	0.38%	-0.46%	-1.55%

Vietnam Market Snapshot 12/09/2023





Money flow and sector rotation (VND bn)

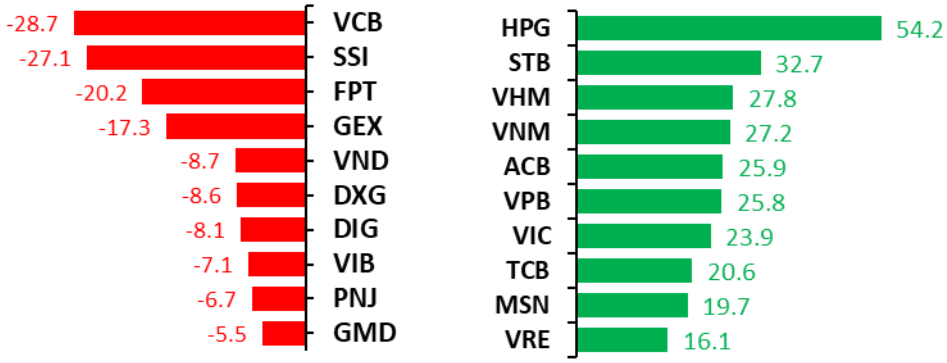
Sector	%1D	9/12/2023	9/11/2023	20-session Average
Financial Services	-5.5	4,265	4,512	3,472
Health Care	-8.1	26	28	28
Travel & Leisure	-19.3	147	182	136
Construction & Materials	-25.7	1,549	2,086	1,572
Real Estate	-28.2	5,495	7,653	5,914
Utilities	-33.7	178	269	249
Insurance	-35.6	38	59	49
Automobiles & Parts	-35.6	200	311	279
Industrial Goods & Services	-38.3	1,081	1,754	1,028
Personal & Household Goods	-39.7	144	239	171
Basic Resources	-40.1	1,456	2,431	1,516
Retail	-41.2	543	924	730
Technology	-42.1	302	521	271
Chemicals	-42.5	837	1,455	927
Banks	-43.0	2,821	4,950	3,350
Media	-43.1	1	2	1
Food and Beverage	-44.5	1,074	1,934	1,318
Oil & Gas	-60.4	122	308	154

Source: Bloomberg, Shinhan Securities Vietnam

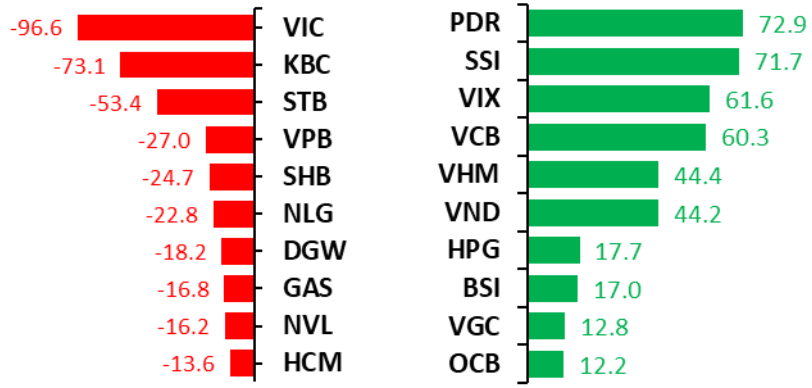
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,245.44	16.79	21.81	1.78	831	20,284
HNX INDEX	256.32	27.62	4.99	1.98	106	1,921

Vietnam Market Snapshot 12/09/2023

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	58	(77)	61	16
Basic Resources	50	19	(76)	57
Media	-	-	0	(0)
Industrial Goods & Services	(27)	(9)	36	(27)
Health care	-	8	(7)	(2)
Chemicals	(2)	(5)	3	3
Financial Services	(32)	197	(96)	(100)
Travel & Leisure	10	5	(17)	12
Banks	112	(12)	(147)	159
Construction & Materials	4	36	(47)	11
Food and Beverage	48	20	(133)	113
Retail	7	(29)	26	3
Utilities	8	(21)	11	10
Personal & Household Goods	(6)	2	(11)	10
Technology	(18)	1	52	(54)
Automobiles & Parts	-	8	(8)	(1)
Insurance	(1)	(11)	12	(1)
Oil & Gas	0	4	(6)	2

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- According to VASEP, as of August 15, 2023, Vietnamese pangasius exports to the United States reached 169 million USD, down 59% YoY. The United States is not a very optimistic market for Vietnamese pangasius in the first 6 months of this year due to inflation, economic decline, and especially high inventory due to massive imports in this market in the second half of 2022. The top 3 leading enterprises in Vietnam exporting pangasius to the United States include: Vinh Hoan, East Sea Seafood, and Van Duc Tien Giang, accounting for 51%, 18%, and 11% of the value respectively.
- According to statistics from the General Department of Customs, in August, our country exported 921 thousand tons of rice, with a turnover of 546.4 million USD, a sharp increase of 39.5% in volume and 50.7% in value compared to July 2023. Specifically, in August alone, exports to the Philippines reached nearly 410 thousand tons of rice, earning 244 million USD, an increase of 76.5% in value YoY. This is also the country that bought the most rice from Vietnam in August. In addition, rice exports to China also increased by 45.6% YoY, to Malaysia increased by 50.6% YoY, and to Ghana increased by 63.8% YoY. In particular, rice exports to Indonesia reached 61.2 million USD, up 1,409% YoY. In addition, Turkey also spent 186 times the amount of money, equivalent to 18.6 million USD, to buy Vietnamese rice.
- Bloomberg commented that there are many positive signs about the Chinese economy and financial market. Credit demand improved, deflationary pressures eased and the yuan appreciated. Yesterday (September 11), China announced data on credit growth. The numbers show that the measures the country has recently implemented to revive the real estate market are starting to have an effect.

Business news

- BID: The Board of Directors of Joint Stock Commercial Bank for Investment and Development of Vietnam has just approved a plan to issue private bonds worth VND 2,500 billion in 2023 with a par value of 100 million VND/bond. It is expected to issue a maximum of 5 batches, the expected issuance volume of each batch is at least VND 50 billion. The expected release time is from quarter 3 to 4/2023. The bond term is from 1 – 5 years. The proceeds from bond issuances are used by BIDV to lend to customers in the economy. This bond is a non-convertible bond, does not include warrants has no collateral, and is not a secondary debt of BIDV.
- PNJ: Phu Nhuan Jewelry Company announced business results for July 2023 with net revenue reaching VND 2,364 billion – down 5.8% YoY and profit after tax reaching 85 billion VND – increased by 6.7% YoY. PNJ said that the decline in revenue over the same period has narrowed and profit after tax has improved thanks to operational optimization. Accumulated in the first 7 months of this year, PNJ's net revenue reached 18,823 billion VND – down 9.2% YoY, and profit after tax reached 1,171 billion VND – up about 0.4% YoY. PNJ's bright spot is that the average gross profit margin reached 18.7% – 17.4% higher than the same period last year, within the profit margin of the business plan.
- NLG: Can Tho Department of Construction has just issued Notice No. 2772/TB-SXD on publicly announcing information about the Nam Long 2 social housing apartment project under the Nam Long 2 Residential Area project (lot 9A) Hung Thanh ward, Cai Rang district, Can Tho city. This project has a total area of 38,260.69 m2, with 1,602 apartments, of which, 320 commercial housing apartments, 962 social housing apartments, and 320 apartments for rent and lease purchase. It is expected that registration applications will begin and end from August 16 to December 31, 2023. The estimated social housing selling price submitted by the Investor is 15,800,000 VND/m2 (not including VAT and not including maintenance costs). Rental price is 70,000 VND/m2/month.

Breaking News



Business news

- NVL: Long Hung Phat Real Estate Investment Company Limited, a subsidiary of Novaland and the investor of the Aqua Riverside City project, recorded a profit after tax of more than VND 7.6 billion, down 97% YoY. ROE also decreased from 18.15% over the same period to 0.46%. Long Hung Phat was established in December 2018, operating in the field of real estate business, is a subsidiary of No Va Real Estate Group Joint Stock Company with an ownership rate of 79.98%. Long Hung Phat is the investor in the Aqua Riverside City project, part of the overall 1,000-hectare Aqua City project in Bien Hoa City, Dong Nai province. This component project has a land area of 76.75 hectares, providing 1,865 products of single villas, duplexes, townhouses, and commercial townhouses.
- AGM: Ho Chi Minh City Stock Exchange (HoSE) has just issued a decision on transferring shares from restricted trading to suspended trading for AGM shares of An Giang Import-Export Joint Stock Company. Accordingly, AGM shares will be suspended from trading from September 18. The reason is that the company continued to violate regulations on information disclosure after being placed in a restricted transaction area. Previously, on August 31, 2023, HoSE issued an official dispatch reminding the company to delay the publication of information on the 2023 semi-annual reviewed financial report and the company has not yet announced it.
- MWG: Information on the Ho Chi Minh City Stock Exchange (HOSE), to serve personal financial needs, Mr. Doan Van Hieu Em, a Member of the Board of Directors of Mobile World Investment Joint Stock Company, has completed sold 1 million MWG shares as registered during September 7 – September 8, according to the negotiated transaction method. After the transaction, Mr. Hieu Em's ownership at MWG decreased from 0.266% (equivalent to 3.88 million shares) to 0.197% (2.88 million shares).

Technical view



Trend: Moving sideways at the resistance zone

- The market closed at 1,245 (+21.81 points, +1.78%) with a sharp increase in liquidity reaching more than VND 22,990 trillion, lower than the 20 session average. Most stock codes recorded an increase, focusing mainly on the securities and banking industries. VCB, VIC, and HPG are the three stocks that contributed the highest to the market's increase.
- After the Monday's decline, the market increased strongly again after touching the MA10 line, showing that the short-term uptrend continued to be maintained. Technical indicators such as RSI and MACD continue to show positive signals. This shows that market risks have decreased.
- Strategy: We still maintain the holding strategy when the market is trading at the old peak. Strong down sessions are opportunities to increase current positions.

Scenario:

- Positive (50%): The market will rise to the 1,300 area. This is also the time when we can sell to take a partial profit.
- Less positive (50%): The market will return to the 1,200 area, and if there is a reversal signal, you can consider buying.

Recommended stocks

13/9/2023

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
HPG	Buy	28.3	32.9	27.4	16%	-3%	28	Bounce back from the support level
MSB	Buy	14.4	16.2	14	13%	-3%	14.25	Bounce back from the support level
PTB	Buy	56.5	61.9	55.7	10%	-1%	56.8	Bounce back from the support level
NLG	Buy	38.1	43.8	36.7	15%	-4%	38.3	Bounce back from the support level

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	29	9%	0%	28.7	15	-0.69%	8/23/2023	
MBB	Hold	18.2	20.1	17.9	10%	-2%	18.75	13	3.02%	8/25/2023	
VHM	Sell	55.9	66	53.9	18%	-4%	55.9	4	-6.08%	07/09/2023	Cut loss

Economic calendar

September 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
27	28	29	30	31 MSCI: New reviewed list is effective	1 FTSE Vietnam Swap UCITS ETF review	2
3	4	5 ISM Services PMI ETF FTSE VN announces portfolio	6	7 ECB meeting and announces Monetary policy & interest rates V.N.M ETF review	8	9
10	11	12 ETF VNM, ETF FTSE executes the transaction	13	14 Maturity of Derivatives Contracts	15	16
17	18	19 FTSE Russell releases market full year rating	20 Fed meeting and announces Monetary policy & interest rates	21	22 Announcement of FDI	23
24	25	26	27	28 Vietnam macroecnomic data	29	30

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Q&A

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