MORNING CALL
15/09/2023

Shinhan Securities

"Global stock markets are recovering"

- ❑ World stocks: Global stock markets are recovering
- ❑ Vietnam stocks: Continuing the adjustment
- ❑ Business news: #HHV #HPX, #FRT, #TNH, #CTR, #VPB
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

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Catching the latest report



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

Major stocks market

- In regular trading on Thursday, the Dow jumped 0.96%, the S&P 500 climbed 0.84% and the Nasdaq Composite added 0.81%. Investors also assessed data showing the headline producer inflation rate exceeded estimates, although the core PPI came in line with expectations. Investors now look ahead to more economic reports on Friday including a preliminary September Michigan sentiment reading, as well as import and export prices and industrial and manufacturing production data for August.
- European equity markets rose on Thursday, with the German DAX up 1.1% and the benchmark Stoxx 600 up 1.6%, after the ECB raised interest rates once again but signalled the end of the rate-hike campaign. The key deposit facility rate was raised by 25bps to a record 4%, but policymakers said that borrowing costs have reached levels that, maintained for a sufficiently long duration, will make a substantial contribution to the timely return of inflation to the target.
- The Nikkei 225 Index jumped 1.1% to above 33,500 while the broader Topix Index climbed 0.9% to 2,428 on Friday, extending gains from the previous session and taking cues from a strong lead on Wall Street.
- WTI crude futures hit $90 per barrel on Thursday, the highest since November last year, driven by expectations of a tightening global oil market. The International Energy Agency reported ongoing supply cuts by major producers like Saudi Arabia and Russia, leading to a significant market deficit in the fourth quarter.

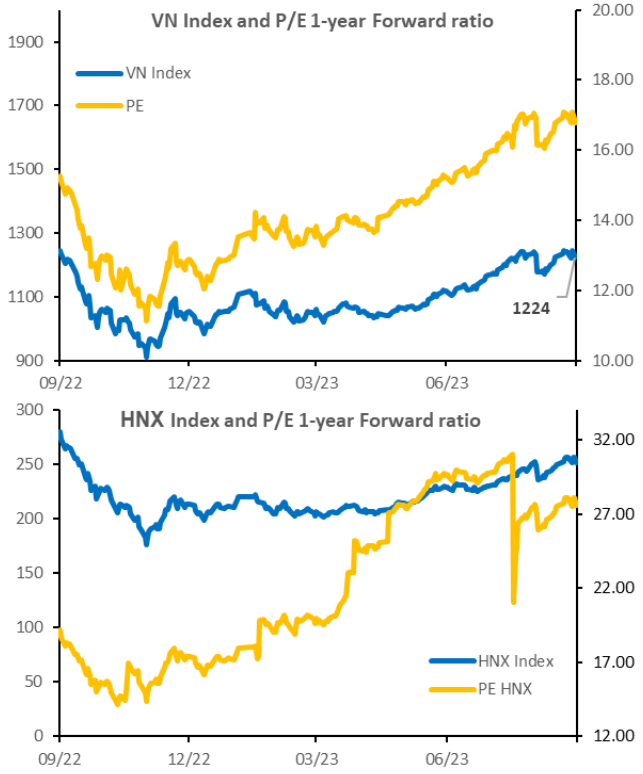
Market

	Close	%1D	%1M	%1Y
VN-Index	1,224	-1.18%	-0.83%	-1.75%
S&P 500 Index	4,505	0.84%	1.52%	15.48%
Dow Jones Index	34,907	0.96%	-0.11%	12.74%
GP 100	7,673	1.95%	3.84%	5.37%
Nikkei 225	33,508	1.02%	3.94%	20.20%
SHCOMP Index	3,127	0.11%	-1.56%	-2.29%
STOXX 600	461	1.52%	1.16%	11.11%
KOSPI Index	2,595	0.87%	0.95%	8.06%
Hang Seng	18,048	0.21%	-2.87%	-4.66%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	105.34	-0.06%	2.07%	-4.01%
USD/VND	24,195.00	-0.20%	-1.53%	-2.50%
EUR/USD	1.06	-0.03%	-2.43%	6.39%
USD/CNY	7.28	-0.10%	-0.30%	-4.36%
Brent	94.19	0.52%	10.96%	3.69%
WTI	90.76	0.67%	12.06%	6.65%
Natural gas	2.70	-0.33%	1.50%	-67.58%
Coal	160.15	-1.29%	9.32%	-63.95%
Gold	1,911.20	0.02%	0.48%	14.78%

Vietnam Market Snapshot 14/09/2023



Money flow and sector rotation (VND bn)

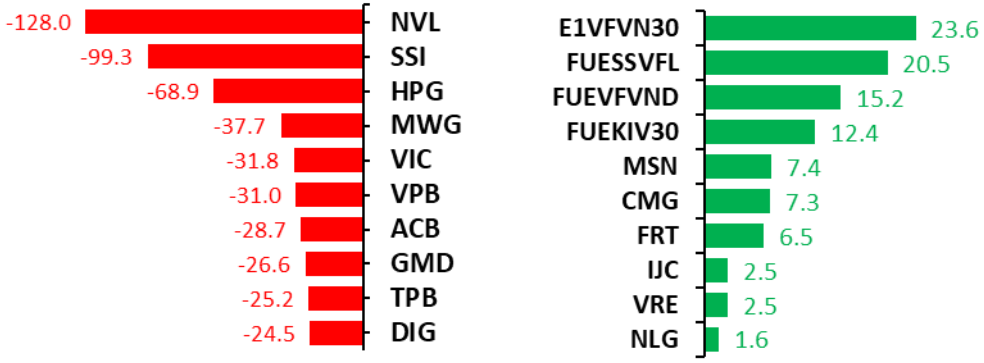
Sector	%1D	9/14/2023	9/13/2023	20-session Average
Banks	13.40	4,040	3,563	3,454
Real Estate	9.93	7,441	6,769	6,028
Travel & Leisure	-0.3	138	138	136
Food and Beverage	-2.0	1,257	1,283	1,323
Financial Services	-4.2	4,169	4,353	3,593
Technology	-11.4	282	318	287
Insurance	-12.2	47	53	50
Personal & Household Goods	-15.8	157	187	172
Oil & Gas	-20.2	219	274	165
Industrial Goods & Services	-21.1	1,438	1,822	1,116
Chemicals	-25.5	885	1,189	948
Basic Resources	-28.3	1,797	2,506	1,571
Construction & Materials	-33.3	1,877	2,814	1,664
Health Care	-33.8	19	29	28
Automobiles & Parts	-34.5	257	392	275
Retail	-37.9	858	1,382	765
Utilities	-42.2	230	398	254
Media	-55.3	1	2	1

Source: Bloomberg, Shinhan Securities Vietnam

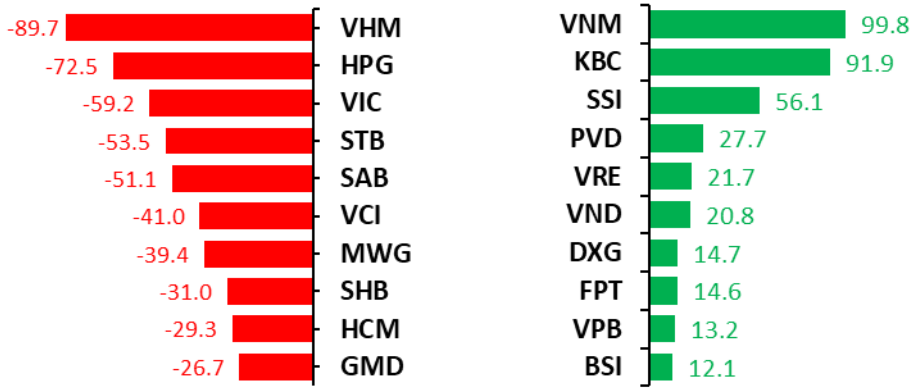
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,223.81	16.80	-14.58	-1.18	1,107	25,120
HNX INDEX	251.86	27.60	-4.25	-1.66	131	2,565

Vietnam Market Snapshot 14/09/2023

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	(194)	(22)	729	(707)
Basic Resources	(69)	(75)	210	(135)
Media	-	0	1	(1)
Industrial Goods & Services	(28)	(47)	63	(16)
Health care	-	1	(1)	(0)
Chemicals	(16)	19	(26)	7
Financial Services	(41)	(19)	208	(190)
Travel & Leisure	(6)	(1)	6	(5)
Banks	(184)	(110)	341	(231)
Construction & Materials	(7)	(7)	(20)	27
Food and Beverage	(3)	40	(29)	(10)
Retail	(31)	(27)	60	(33)
Utilities	(2)	(14)	7	7
Personal & Household Goods	(3)	4	7	(11)
Technology	(12)	24	(8)	(16)
Automobiles & Parts	0	(1)	(0)	1
Insurance	(1)	1	2	(2)
Oil & Gas	(1)	28	(27)	(1)

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- The total trade volume between Vietnam and China has exceeded 100 billion USD after 8 months. In the first 8 months of 2023, Vietnam's three largest export groups to the Chinese market were mobile phones and components, computers, electronic products, and components, as well as fruits and vegetables, with respective turnovers of 8.87 billion USD, 8.73 billion USD, and 2.26 billion USD. China is Vietnam's largest import market. By the end of August 2023, there were two import categories from China with turnovers of over 10 billion USD, including machinery, equipment, tools, and spare parts reaching 14.28 billion USD, and computers, electronic products, and components at 14.17 billion USD.
- Vietnamese catfish exports to the United States have seen a reduction in tariffs. Preliminary anti-dumping tariffs on Vietnamese catfish exports to the United States have been announced, showing a decrease compared to the previous year. Two Vietnamese catfish export companies, Vĩnh Hoàn Corp and Caseamex, will enjoy tariffs of 0 USD/kg and 0.14 USD/kg, respectively. Other voluntary companies will also enjoy the 0.14 USD/kg tariff, including I.D.I Joint Stock Company, Cafatex Seafood Joint Stock Company, Lộc Kim Chi Seafood Joint Stock Company, and Hùng Vương Joint Stock Company.
- According to the Ministry of Planning and Investment, the total revenue of state-owned enterprises in the region is estimated to reach 1.41 quadrillion VND in 2023, a 4% increase compared to the plan. In this context, the total pre-tax profit is estimated at 117.388 trillion VND, while the estimated losses are 41.666 trillion VND, mainly from companies like Vietnam Electricity (EVN) with 37.062 trillion VND in losses and Vietnam Airlines Corporation with 4.515 trillion VND in losses. As of the end of 2022, the total assets of state-owned enterprises nationwide reached 3,821.459 trillion VND, a 4% increase compared to 2021.

Business news

- **HHV**: What projects is Deo Ca currently working on? Deo Ca is currently working on several construction projects. Since the beginning of 2023, Deo Ca Infrastructure Investment and Transport Joint Stock Company (stock code: HHV) has won multiple construction contracts with a total contract value of over 17,000 billion VND. Currently, HHV is implementing construction work on 5 major projects spanning across the country.

- **HPX:** There has been a significant influx of money into HPX stock, with nearly one-third of the company changing ownership in just one trading session. Despite this, the stock price has not yet escaped the floor. In just one week of trading, HPX shares have surged by over 25% in value. After three consecutive sessions with low trading volume, HPX shares of Hai Phat Investment Corporation unexpectedly saw a sharp increase in trading activity on September 14th. Money poured in to buy shares at rock-bottom prices, and at some point, the stock price moved beyond the floor price. Trading volume recorded over 83 million matched shares, equivalent to nearly one-third of the total circulating shares of Hai Phat Investment Corporation, changing ownership in just one trading session. Most of the matched orders were executed at the floor price, with 73 million shares, while the rest were scattered across price levels near the floor price.

- **TNH:** The International Hospital Corporation of Thai Nguyen Joint Stock Company (stock code: TNH) has just announced a notification of insider trading by its internal personnel and related parties of internal personnel. Accordingly, Mr. Le Xuan Tan, Vice Chairman of the Board of Directors and General Director of the Company, has registered to sell 387,500 shares from September 18th to September 30th through a negotiated method. Upon completion of the transaction, Mr. Tan's ownership of TNH shares will decrease to 3,035,000 shares, equivalent to a 3.17% stake in the capital.

Breaking News



Business news

- **CTR:** Viettel Construction Joint Stock Company (CTR) has just announced its business results for August 2023, with total revenue reaching over 1,013 billion VND, a 17% increase compared to the same period last year. As a result, the pre-tax profit reached nearly 59 billion VND, representing a 7% increase compared to August 2022. This is also the highest monthly profit level recorded by CTR since October 2022.

- **VPB:** Vietnam Prosperity Joint Stock Commercial Bank (VPBank, VPB) and the U.S. International Development Finance Corporation (DFC) have signed a commitment for a bilateral loan of $300 million with a term of 7 years. The loan, arranged by DFC, aims to support improved financial access for small and medium-sized enterprises (SMEs), particularly those led by women, and to support green and sustainable projects in Vietnam.

- **FRT:** Long Chau has partnered with Orihiro to provide genuine health protection products. Orihiro is a Japanese health food brand with over 40 years of history, known for its trusted products by Vietnamese consumers. Now, to address customer concerns about product origin and quality, FPT Long Chau has officially collaborated with and distributes authentic health protection products under the Orihiro brand. These products are imported by EGAO Vietnam Trading Co., Ltd., offering popular health care products such as joint health supplements, eye health supplements, libido boosters, liver function improvement, weight loss products, and various types of body detox and beauty teas.

Technical view



Trend: Continuing the adjustment

The VNINDEX closed at 1,223.8 points, down by 14.5 points or 1.18%, with trading volume remaining high. The sharp decline in the market was primarily driven by the VIC and VHM groups. These two stocks alone caused the market to drop nearly 7 points. Foreign investors made slight net selling, while proprietary trading saw significant net selling during this session.

Technical analysis: The market continues to decline and retests the support zone at 1,220. If the market breaks below the 1,220 level, along with the STOCH RSI indicator crossing the signal line, it suggests a high likelihood of further correction towards the 1,200 level.

Strategy: We maintain a holding strategy as the market is trading near its previous highs. Significant declines in the market present opportunities to increase positions, especially when there are signs of a rebound from the support level.

Scenario:

- Positive (50%): The market is expected to rise to the 1,300 level. This is also the time when we can consider selling to lock in some profits.
- Less Positive (50%): The market may retreat to the 1,200-1,210 range, and if it shows signs of a reversal, it may be a good opportunity to consider buying in.

Recommended stocks

15/9/2023

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	28.5	9%	-1%	28.9	17	0.00%	8/23/2023	
MBB	Hold	18.2	20.1	17.9	10%	-2%	19.15	15	5.22%	25/08/2023	
MSB	Hold	14.4	16.2	14	13%	-3%	14.8	2	2.78%	13/09/2023	
HPG	Hold	28.3	32.9	27.4	16%	-3%	27.8	2	-1.77%	13/09/2023	
NLG	Hold	38.1	43.8	36.7	15%	-4%	36.6	2	-3.94%	13/09/2023	
PTB	Hold	56.5	61.9	55.7	10%	-1%	56.8	2	0.53%	13/09/2023	

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 US inflaiton rate	14	15	16
17	18	19 FTSE Russell releases market full year rating	20 Fed meeting and announces Monetary policy & interest rates	21 Maturity of Derivatives Contracts	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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