MORNING CALL
25/09/2023

Shinhan Securities

“Find a new balance zone”

- ❑ World stocks: Indices in mixed direction
- ❑ Vietnamese stocks: Finding a new balance zone
- ❑ Business news #VNZ, #NVL, #VNM, #VGC, #BMP, #KDC
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

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Following SSV's Zalo,
Catching the latest report



Please click or scan

Global Market Review - Week 25 – 29/09/2023

Major stocks market

- So far this month, the S&P 500 and Nasdaq Composite are down 4.2% and 5.9%, respectively, while the Dow is down 2.2%. The decline came as the Fed signaled another rate hike before the end of the year and fewer rate cuts than previously expected next year.
- Germany's DAX index lost more than 2% this week, its most since mid-August, on concerns about higher interest rates for longer. The benchmark Stoxx 600 index fell 1.6% for the week and was down 0.3% on Friday. A series of PMI surveys showed that business activity in the Eurozone continued to decline at a significant pace in September, with the number of new orders falling the most in nearly 3 years.
- The Nikkei 225 fell 0.52% to close at 32,402 while the Topix Index fell 0.3% to 2,376 on Friday, tracking declines on Wall Street. Additionally, investors also reacted to data showing Japan's headline inflation rate fell to 3.2% in August from 3.3% in July, while core inflation remained high (more than the BOJ's 2% target) for the 17th consecutive month.
- WTI crude futures rose above $91 a barrel on Friday, hovering near a 10-month high amid concerns that a Russian fuel export ban could further tighten global oil supplies. The Russian government announced on Thursday it would temporarily restrict gasoline and diesel exports to stabilize fuel prices in the domestic market.

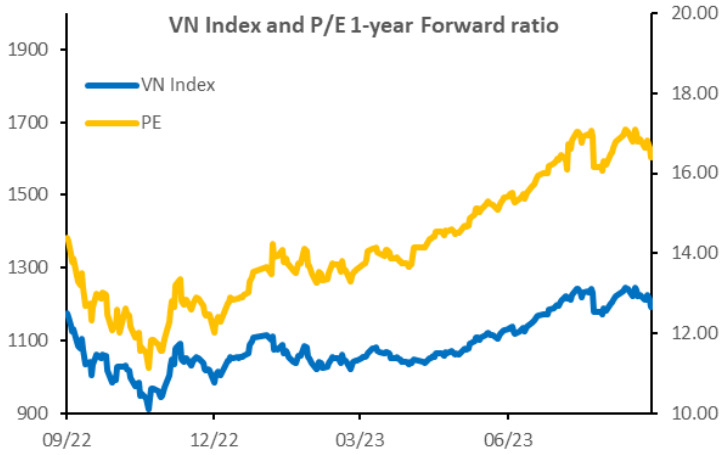
Market

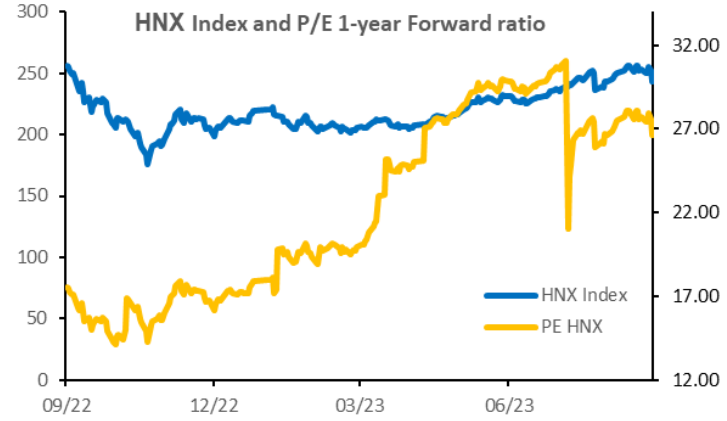
	Close	%1D	%1M	%1Y
VN-Index	1,193	-1.62%	0.82%	-0.85%
S&P 500 Index	4,320	-0.23%	-1.94%	16.97%
Dow Jones Index	33,964	-0.31%	-1.12%	14.78%
GP 100	7,684	0.07%	4.71%	9.48%
Nikkei 225	32,406	0.01%	2.47%	19.34%
SHCOMP Index	3,132	1.55%	2.23%	1.43%
STOXX 600	453	-0.31%	0.41%	16.10%
KOSPI Index	2,499	-0.36%	-0.79%	9.13%
Hang Seng	18,057	2.28%	0.56%	0.69%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	105.55	-0.03%	1.42%	-6.75%
USD/VND	24,373.00	-0.16%	-1.49%	-2.69%
EUR/USD	1.07	-0.01%	-1.33%	10.85%
USD/CNY	7.30	0.10%	-0.07%	-3.03%
Brent	93.55	0.30%	10.74%	8.59%
WTI	90.30	0.30%	13.12%	14.68%
Natural gas	2.65	0.30%	4.13%	-61.26%
Coal	160.00	-0.31%	6.67%	-63.27%
Gold	1,924.70	-0.03%	0.51%	18.64%

Vietnam Market Snapshot 22/09/2023





	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,193.05	16.38	-19.69	-1.62	1,233	30,115
HNX INDEX	243.15	26.65	-8.72	-3.46	178	3,344

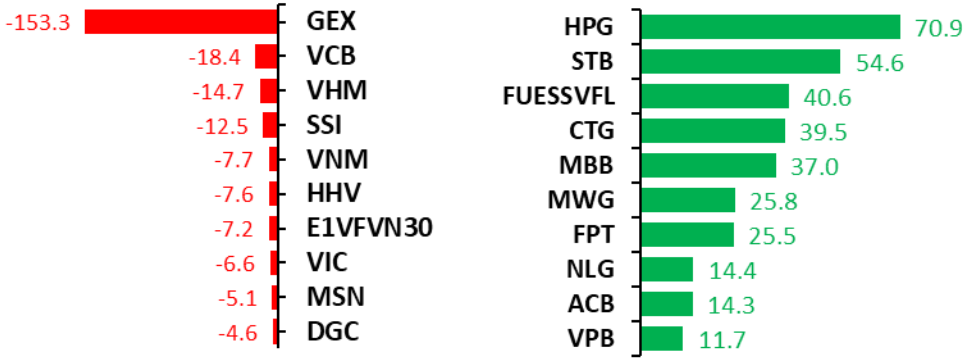
Money flow and sector rotation (VND bn)

Sector	%1D	9/22/2023	9/21/2023	20-session Average
Personal & Household Goods	200.67	284	94	167
Insurance	185.29	59	21	45
Health Care	148.63	25	10	23
Chemicals	140.99	1,412	586	943
Technology	96.49	681	347	311
Oil & Gas	82.00	239	131	165
Real Estate	57.78	5,509	3,492	5,542
Banks	45.39	4,409	3,032	3,329
Food and Beverage	45.11	1,819	1,254	1,308
Financial Services	43.93	6,641	4,614	3,671
Construction & Materials	41.40	2,289	1,619	1,714
Industrial Goods & Services	33.18	1,795	1,348	1,223
Retail	30.72	1,100	841	786
Basic Resources	30.39	3,020	2,316	1,644
Media	30.26	1	0	1
Utilities	24.66	277	222	230
Automobiles & Parts	0.79	426	423	271
Travel & Leisure	-3.1	121	125	128

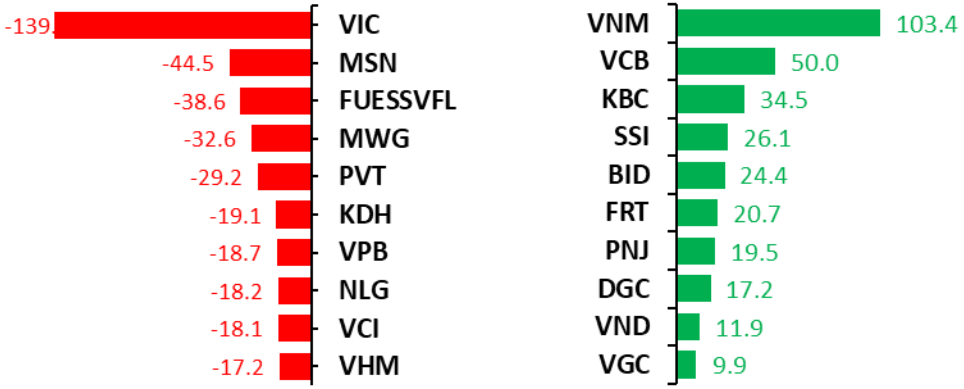
Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Market Snapshot 22/09/2023

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	(4)	(196)	212	(16)
Basic Resources	71	(21)	135	(115)
Media	-	(0)	0	(0)
Industrial Goods & Services	(151)	(46)	173	(127)
Health care	(0)	3	(5)	2
Chemicals	(0)	7	12	(19)
Financial Services	23	(38)	187	(150)
Travel & Leisure	1	(10)	10	0
Banks	168	42	(192)	151
Construction & Materials	(7)	19	(16)	(3)
Food and Beverage	(11)	69	(10)	(59)
Retail	26	(28)	4	24
Utilities	(6)	4	5	(8)
Personal & Household Goods	7	23	(7)	(16)
Technology	28	(8)	(11)	20
Automobiles & Parts	(0)	1	(1)	0
Insurance	(0)	(5)	5	0
Oil & Gas	3	(10)	(3)	13

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- Vietnam and Bangladesh are large markets with rich potential. National Assembly Chairman Vuong Dinh Hue affirmed that Vietnam - Bangladesh relations are developing well, with mutual trust, rapid economic cooperation and great potential. This is a solid foundation for businesses of the two countries to expand cooperation. Currently, Bangladesh has a total of 19 valid investment projects in Vietnam with a total registered investment capital of 940,000 USD.
- Noting many positive points, S&P and Moody's assessed that Vietnam will continue to strongly attract FDI capital flows. At the meeting with S&P, Minister Ho Duc Phoc highly appreciated S&P's annual assessment of Vietnam's credit rating. The Minister affirmed that the Ministry of Finance will closely coordinate and answer all questions of the delegation, and will propose to competent agencies to continue applying the policy, in accordance with international practices, Aiming to raise Vietnam's credit rating to Investment level (BBB) by 2030. The US Securities Commission also shares information and supports capacity building on topics of interest to the State Securities Commission of Vietnam such as regulations and information disclosure requirements,...
- Agricultural product exports to the EU have increased since the implementation of EVFTA. Minister Le Minh Hoan asked the specialized agencies of the two sides to actively work to promote market opening for bilateral agricultural products, including asking the EU to increase import quotas and supplement the list of fragrant rice of the country. Vietnam exports to the EU. In the first 6 months of 2023, Vietnam's agricultural exports to the EU market reached 2.1 billion USD, down 16.6% compared to the same period in 2022. Although, the EU is the third largest export market for agricultural products. Vietnamese products, accounting for 15% of the total value of Vietnam's agricultural products in 2022.

Business news

- QNS: QNS reported a 74% increase in profit over the first 8 months, nearly matching the entire previous year, with its stock price rising 45% since the beginning of the year. However, the pre-tax profit for July and August was 30% lower compared to the monthly results in the second quarter of 2023. According to a recent report by SSI Research, Quang Ngai Sugar Joint Stock Company (stock code: QNS) disclosed that in the cumulative 8 months of the year, its net revenue reached 7.2 trillion VND, and pre-tax profit reached 1.5 trillion VND, marking a 26% and 74% increase, respectively, compared to the same period last year. With these results, the company has achieved 87% of its revenue target and exceeded the profit plan for the entire year by 25%. The profit for the first 8 months of this company is also nearly equal to the entire year of 2022.
- NVL: two overdue bonds worth 2 trillion VND from Novaland were accepted as partial payment in the form of real estate. Facing a shortage of cash and sluggish real estate transactions, NVL continuously had to use assets from its projects to pay bond interest. Nova Corporation (Novaland, NVL) has just announced the payment of two bond tranches worth 25.4 billion VND in the form of real estate. Specific information about the real estate was not disclosed by NVL.
- DAG: DAG (Dong A Plastic), the company reported an additional loss of 42 billion VND in the first half of 2023 after a review. The post-tax loss for the first half of 2023 increased to nearly 166 billion VND. Dong A Plastic Group Joint Stock Company (stock code: DAG) has released its consolidated financial report for the mid-year of 2023. Notably, compared to the standalone financial report, Dong A Plastic incurred an additional net loss of nearly 42 billion VND, raising the total loss to approximately 166 billion VND after the review. The main reason for this was a 4% increase in the cost of goods sold to nearly 977 billion VND, causing DAG to shift from a gross profit of 20 billion VND to a gross loss of about 18 billion VND after auditing.

Breaking News



Business news

- VGC: On October 2, Viglacera Corporation - JSC (code VGC) will finalize the list of shareholders to receive advance dividends in 2023 at a rate of 10% in cash (1 share receives 1,000 VND). Expected payment time is October 24. With 448.35 million outstanding shares, Viglacera is expected to spend nearly 450 billion for this advance. Half of the above figure will flow to Gelex Infrastructure Joint Stock Company - the largest shareholder holding 50.2% of Viglacera's capital. The Ministry of Construction will also earn about 174 billion VND thanks to holding 38.58% shares in this enterprise.

- BMP: Binh Minh Plastics (BMP) was fined and collected nearly 9 billion VND in tax arrears. Binh Minh Plastics has made false declarations leading to underpayment of tax amount, and incorrect declaration has not resulted in underpayment of VAT amount many times. According to the latest announcement, Binh Minh Plastic Joint Stock Company (code: BMP) said it has received a decision from the General Department of Taxation on sanctioning administrative tax violations through tax inspection.

- KDC: Kido Group (KDC) has just announced the moon cake market situation in 2023. Up to now, the Company said that KIDO's Bakery moon cake output has increased by more than 60% over the same period. It is known that this year KDC plans to release 450 tons of cakes to the market, increasing output by 50% over the same period. In particular, the Company has invested in a new moon cake production line, thereby "sprinting" to achieve the goal of holding the No. 2 position in the mid-autumn market after 3 years (orientation set from 2022). .

Technical view



Trend: Short-term down trend

- Last week, VNINDEX closed the week at 1,193 (-19 points, -1.62%), liquidity exceeding the 20-session average. The leading group includes VCB BID and GAS, while the group that dropped sharply is VIC VHM HPG. Foreign investors continued to be net sellers, while self-trading investors were slightly net buyers.
- **Technical**: The market fluctuated strongly in the session last Friday, when right at the opening session, the market opened a gap of 12 points at 1,200 and then fell to the bottom at 1,174 before demand gradually appeared in the afternoon session, which pulled VNINDEX up to close at 1,193. It can be seen that the 1,180 area is once again a reliable support area and can be bet on to catch the bottom. Support threshold 1,180 and resistance 1,250 are reference thresholds.
- **Strategy**: Prioritize buying stocks that have stopped falling and show signs of rebounding from the base.

Scenario:

- Positive (40%): The market recovered after showing signs of strong demand at the end of the session
- Negative (60%): The market moves sideways and accumulates more in the 1,180-1,200 area

Recommended stocks

25/9/2023

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
BFC	Buy	20	22	19.3	10%	-3%	20.2	Increase from the base
ACB	Buy	22.4	24.5	22	9%	-2%	22.4	Increase from the base

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
MBB	Hold	18.2	20.1	17.9	10%	-2%	18.95	21	4.12%	25/08/2023	
MSB	Hold	14.4	16.2	14	13%	-3%	14.85	8	3.13%	13/09/2023	
HPG	Hold	28.3	32.9	27.4	16%	-3%	28.4	8	0.35%	13/09/2023	
NLG	Hold	38.1	43.8	36.7	15%	-4%	38.15	8	0.13%	13/09/2023	
PTB	Hold	56.5	61.9	55.7	10%	-1%	58.2	8	3.01%	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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