MORNING CALL
02/10/2023

Shinhan Securities

"The market is looking for a new equilibrium"

- ❑ World stock: Traded mixed direction
- ❑ Vietnam stocks: The market is looking for a new balance zone
- ❑ Business news: #DIC, #APS, #VPD, #VIC, #DNP, #VPB
- ❑ Highlights: Economic situation in 9 months 2023
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

[Analysts]

Tien Le ☎ (84-28) 037 639 1443
✉ tien.ld@shinhan.com

Nam Hoang ☎ (84-28) 6299 8004
✉ nam.h@shinhan.com

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

Major stocks market

- September marked the worst monthly performance of the year for the S&P 500 and Nasdaq Composite, losing 4.9% and 5.8%, respectively. They also ended the quarter down 3.7% and 4.1%, respectively Investors now look ahead to purchasing and construction spending data on Monday and a slew of corporate earnings report to gauge the health of the economy.
- European markets finished higher on Friday with shares in Germany leading the region. The DAX is up 0.41% while France's CAC 40 is up 0.26% and London's FTSE 100 is up 0.08%.
- The Shanghai Composite rose 0.1% to close at 3,110 while the Shenzhen Component inched up 0.05% to 10,110 in cautious trade on Thursday, as trading volume dried up ahead of the week-long National Data holiday. The Nikkei 225 Index shed 0.05% to close at 31,858 while the broader Topix Index lost 0.94% to 2,323 on Friday, extending losses from the previous session as investors reacted to mixed economic data in Japan. Data showed that Tokyo's core inflation rate, a leading indicator of nationwide price trends, came in at 2.5% in September, lower than the 2.6% expected by analysts. Investors also digested Japanese unemployment, industrial output and retail sales data for August.
- WTI crude futures traded around $91 per barrel on Friday, closing higher for both the month and quarter, driven by tightening global supplies despite demand concerns.

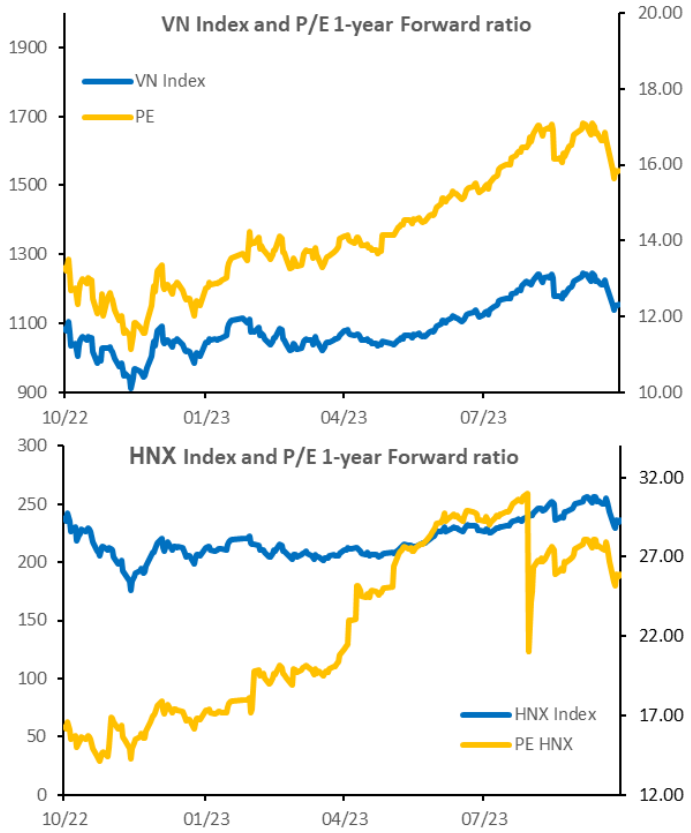
Market

	Close	%1D	%1M	%1Y
VN-Index	1,154	0.15%	-5.71%	1.95%
S&P 500 Index	4,288	-0.27%	-5.04%	19.59%
Dow Jones Index	33,508	-0.47%	-3.82%	16.65%
GP 100	7,608	0.08%	1.92%	10.36%
Nikkei 225	32,352	1.55%	-1.10%	24.73%
SHCOMP Index	3,110	0.10%	-0.81%	2.28%
STOXX 600	450	0.38%	-1.73%	16.08%
KOSPI Index	2,465	0.09%	-3.08%	13.63%
Hang Seng	17,810	2.51%	-3.11%	3.41%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	106.26	0.08%	1.94%	-5.23%
USD/VND	24,314.00	-0.04%	-0.97%	-1.79%
EUR/USD	1.06	-0.05%	-2.11%	7.55%
USD/CNY	7.30	0.19%	-0.12%	-1.34%
Brent	92.36	0.17%	4.30%	5.00%
WTI	90.96	0.19%	6.32%	14.43%
Natural gas	2.90	-0.85%	5.03%	-57.08%
Coal	156.35	-3.04%	-1.97%	-64.12%
Gold	1,846.03	-0.14%	-4.98%	8.60%

Vietnam Market Snapshot 29/09/2023



	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,154.15	15.85	1.72	0.15	488	11,884
HNX INDEX	236.35	25.93	1.85	0.79	98	1,517

Money flow and sector rotation (VND bn)

Sector	%1D	9/29/2023	9/28/2023	20-session Average
Real Estate	11.85	2,971	2,657	5,106
Health Care	5.89	14	14	23
Automobiles & Parts	5.37	112	106	264
Personal & Household Goods	4.09	100	96	177
Utilities	-2.4	206	212	236
Travel & Leisure	-3.6	220	229	145
Food and Beverage	-5.0	686	721	1,270
Construction & Materials	-5.3	812	857	1,657
Technology	-8.0	163	177	296
Basic Resources	-14.0	765	889	1,705
Retail	-14.8	603	708	762
Chemicals	-16.4	556	665	967
Financial Services	-24.8	2,134	2,838	3,648
Media	-26.4	0	0	1
Industrial Goods & Services	-35.7	837	1,301	1,348
Insurance	-42.0	14	24	45
Banks	-43.4	1,606	2,838	3,372
Oil & Gas	-50.2	78	157	173

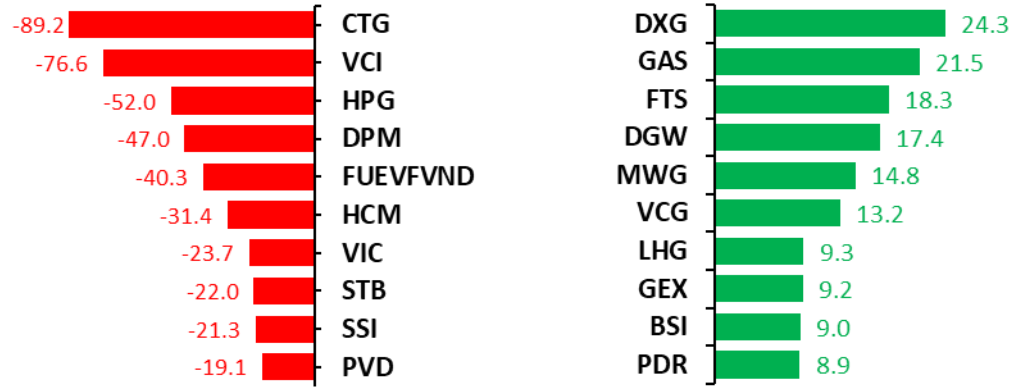
Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Market Snapshot 28/09/2023

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	6	(25)	38	(13)
Basic Resources	(7)	(85)	85	(1)
Media	-	(0)	0	-
Industrial Goods & Services	(48)	(20)	72	(52)
Health care	(0)	(1)	2	(1)
Chemicals	(2)	(50)	25	25
Financial Services	36	(183)	156	27
Travel & Leisure	(7)	(6)	424	(418)
Banks	29	(144)	181	(37)
Construction & Materials	(1)	(25)	26	(1)
Food and Beverage	(25)	(28)	47	(19)
Retail	(7)	40	(26)	(14)
Utilities	(4)	20	5	(24)
Personal & Household Goods	2	7	(10)	3
Technology	(18)	(11)	21	(10)
Automobiles & Parts	0	(2)	1	1
Insurance	(0)	0	(1)	0
Oil & Gas	1	(21)	23	(2)

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- Disbursement of public investment capital in 9 months exceeded 50% for the first time. Providing information about outstanding socio-economic results in the third quarter and 9 months of 2023 at the regular Government press conference, on the afternoon of September 30, Deputy Minister of Planning and Investment Tran Quoc Phuong said the increase GDP growth in the third quarter reached 5.33%, exceeding previous expectations, contributing to 9-month GDP growth of 4.24%. According to data from the Ministry of Finance, the estimated payment by September 30, 2023 is about 363,310 billion VND of public investment capital, reaching 51.38% of the plan assigned by the Prime Minister, higher than the same period in 2023 in relative terms. and absolute numbers.

- Total retail sales of goods and consumer service revenue in 9 months reached over 4.567 trillion VND. Total retail sales of goods and consumer service revenue in September are estimated to increase 2.4% over the previous month and up 7.5% over the same period last year. According to the General Statistics Office, due to the September 2 holiday and students entering the new school year, commercial activities in September are more exciting than the previous month. Therefore, total retail sales of goods and consumer service revenue are estimated to increase by 2.4% over the previous month and by 7.5% over the same period last year.

- The supply of social housing will be better in the coming period. Recently, the Government signed to invest in at least 1 million social housing apartments by 2030. In the near future, the 6th session of the 10th National Assembly will pass the Housing Law (amended), in which the housing policy group in society will take effect immediately. Thus, in the coming time, social housing will develop well and meet current needs. In the coming time, the Government will submit to the National Assembly the Housing Law (amended), with more active support such as support for exemption of land use fees, corporate income tax, VAT, and 20% of the land area so investors can invest in commercial and service areas, and receive support from localities to invest in technical infrastructure in urban areas..

Business news

- DIC: A branch of DIC's construction materials manufacturing company had to stop producing tile lines due to overlap with competitors. DIC Construction Materials Production Joint Stock Company - Long An Branch has just had a memorandum of commitment to stop producing a BM brand tile, due to "coincidence" with a competitor's product. Specifically, based on documents and evidence provided by the law firm - representing Secoin Construction Materials Joint Stock Company, and the results of working with competent authorities, DIC said it agreed that "the production, Trading of the Company's tile products is no different from the tiles that have been protected under BQ No. 20961 (owner is Secoin Company)".

- APS: Apec Securities (APS) turned from profit to heavy loss, the auditor gave an external opinion on the "huge" advance payment to employees. After review, APS net loss in the first half of the year was nearly 137 billion VND. Accumulated losses as of June 30, 2023 are nearly 22 billion VND. Asia Pacific Securities Joint Stock Company (Apec Securities - code APS) has announced its semi-annual audited financial report for 2023 with profit after tax in the first 6 months of the year decreasing by nearly 183 billion VND, thereby changing from a profit of 46 billion VND. VND on the self-made report resulted in a loss of nearly VND 137 billion after review.

- VPD: An electricity company is about to pay record dividends after welcoming foreign shareholders from Japan. With nearly 106.6 million outstanding shares, VPD is expected to spend nearly 140 billion VND for this dividend. The largest shareholder holding 36.65% of VPD's capital is Electricity Generation Corporation 1 (EVNGENCO1), which will earn nearly 51 billion. Meanwhile, foreign shareholder Tepco Renewable Power Singapore Pte.Ltd will also "pocket" nearly 35 billion VND thanks to holding 24.96% of the capital.

Breaking News



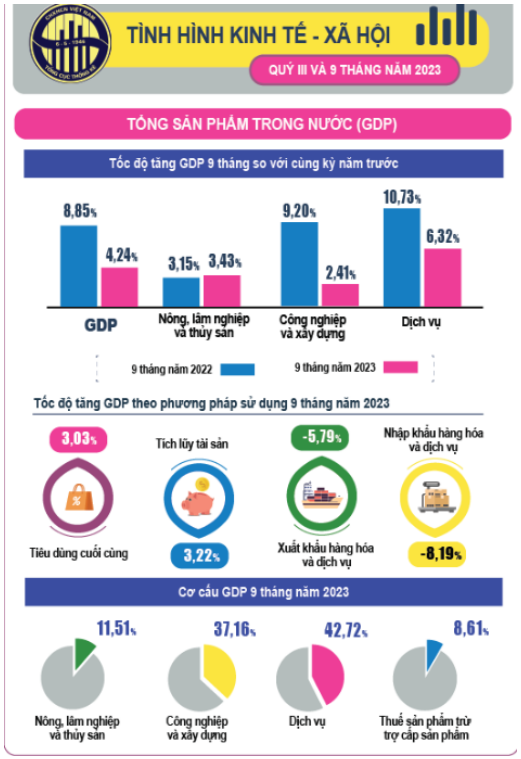
Business news

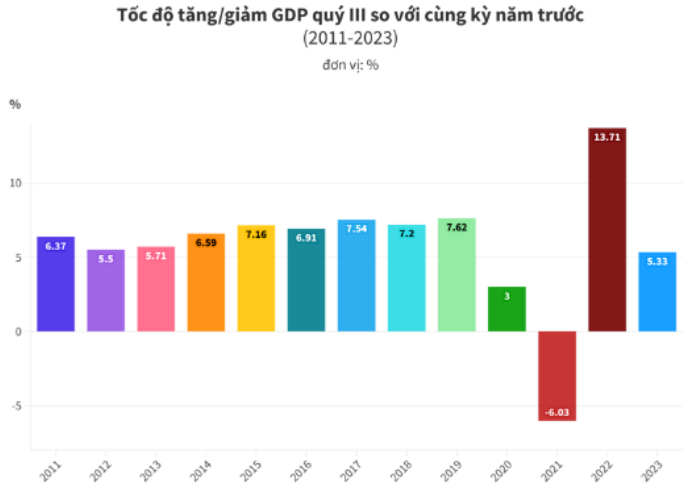
- **DHG**: Stock investors have turned defensive, what are the prospects for pharmaceutical stocks? The future prospects of the pharmaceutical industry are assessed positively as Vietnam's demand for health care is increasing and spending on pharmaceuticals is on a strong growth path. Some businesses recorded strong growth such as Hau Giang Pharmaceutical (DHG) with Q2 NPAT reaching more than 263 billion VND, up 12% over the same period last year. Accumulated for 6 months, Hau Giang Pharmaceutical earned 624 billion VND in profit after tax, an increase of 27% compared to the first half of 2022. With this result, the company completed up to 60% of the pre-tax profit plan set for 2023.

- **DNP**: DNP Holding Joint Stock Company (code: DNP) has just announced information about receiving the Decision on sanctioning administrative violations of tax through inspection by the General Department of Taxation. Specifically, DNP Holding committed false declarations that led to a lack of tax payable and incorrect declarations that did not result in a lack of value-added tax payable. The company was administratively fined nearly 1.5 billion VND, and remedial measures were applied including being forced to pay the full amount of tax deficiency to the State budget of 6.9 billion VND and a late tax payment of 332 million VND.

- **VPB**: Manage sales effectively with comprehensive solution ShopQR on VPBank NEO. Vietnam Prosperity Joint Stock Commercial Bank (VPBank) has just pioneered the launch of sales management features for stores and business households with the criteria of safety - convenience - profitability, on the VPBank digital banking platform itself. ANCHOR. Money transfer using QR codes (QR Code) is one of the payment methods that has developed strongly recently, favored by users including both buyers and sellers because of its convenience, accuracy and safety.

Highlights: The economic situation in 9M/2023

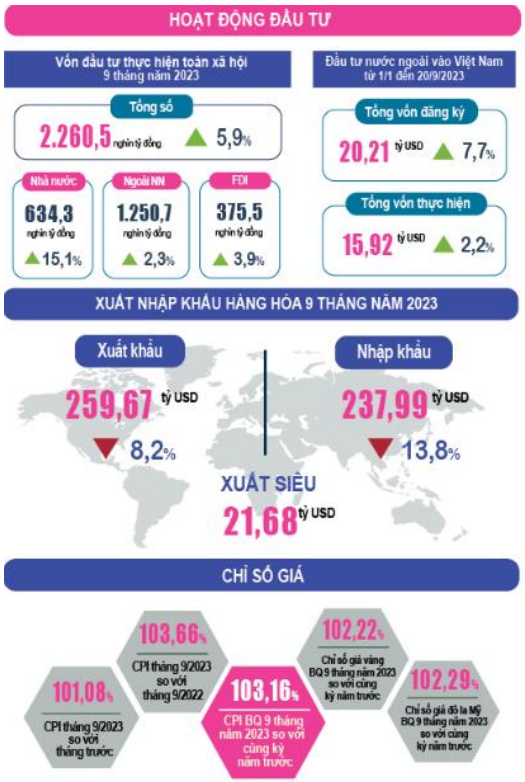




GDP quý 3/2023 chỉ cao hơn cùng kỳ các năm 2020 và 2021 trong giai đoạn 2011-2023. Đồ họa: Minh Đức

Báo cáo tình hình kinh tế xã hội tháng 9 và 9 tháng đầu năm cho thấy, GDP quý 3/2023 tăng 5,33% so với cùng kỳ năm trước, chỉ cao hơn so với tốc độ tăng của cùng kỳ các năm 2020 và 2021 trong giai đoạn 2011-2023.

Mặc dù tốc độ tăng trưởng thấp hơn so với kỳ vọng cũng như kịch bản tăng trưởng quý 3/2023 để hướng tới mục tiêu tăng trưởng 6-6,5% cả năm 2023 nhưng theo Tổng cục Thống kê, xu hướng tăng trưởng đã tích cực hơn (quý 1/2023 tăng 3,28%, quý 2/2023 tăng 4,05%, quý 3/2023 tăng 5,33%). Điều này cho thấy áp lực tăng trưởng quý 4/2023 sẽ rất áp lực.



Regarding banking activities, as of September 20, 2023, total means of payment increased by 4.75% compared to the end of 2022; Capital mobilization from credit institutions increased by 5.8%; The economy's credit growth reached 5.73%.

Technical view



Trend: Sideway

VNINDEX closed at 1,154.15 (+1.72 points, +0.15%) with mixed movements of many industry groups. VIC VHM VPB are the stocks leading the increase, while CTG VCB and HPG drag the market down. Self-trading and foreign sales are relatively net sellers.

Technical: The market forms a doji candle, showing that supply and demand are balanced and liquidity is very low compared to the 20-session average. The Stoch RSI indicator has crossed the signal line, showing that the price momentum is improving. With several sessions of accumulation and rebound from the 1,140 area, corresponding to the 0.5-0.618 Fibo area, investors can refer to this area as support. And the next resistance will be 1,200 and beyond that is 1,250.

Strategy: Investors can make new purchases with stocks with tight base accumulation, so the reward/risk ratio will be very attractive and avoid chasing psychology. We expect that there is a high possibility that the market will move sideways and decrease in the near future, but will hardly increase as strongly as at the beginning of this year, due to moves such as withdrawing money from the State Bank in recent times.

Scenario:

- Positive (60%): The market continues to accumulate in the 1,140-1,150 area and creates an upward bottom.
- Negative (40%): The market breached 1,120 and returned to 1,100.

Recommended stocks

2/10/2023

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
MBB	Hold	18.2	20.1	17.9	10%	-2%	18.5	26	1.65%	25/08/2023	
PTB	Hold	56.5	61.9	55.7	10%	-1%	58.3	13	3.19%	13/09/2023	
HPG	Hold	26.1	29	25.5	11%	-2%	26.3	2	0.77%	28/09/2023	
TCH	Hold	11.8	15	11.6	27%	-2%	11.6	1	-1.69%	29/09/2023	

Economic calendar

October 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4	5	6	7
8	9 ISM Manufacturing PMI (US)	10 JOLTS Job Openings (US)	11 OPEC Meetings ADP Non-Farm Employment Change. ISM Services PMI (US)	12 BOJ Gov Kuroda Speaks	13 Unemployment Rate (US)	14
15	16 CPI, PPI (China)	17 GDP (UK) PPI (US)	18	19 FOMC Meeting CPI, core CPI (US)	20 Retail Sales (US), Prelim UoM Consumer Sentiment	21 Treasury Currency Report (US)
22 IMF Meetings	23 ETF VFM VN30, SSIAM VNFin Lead ETF & VFMVN Diamond ETF Review	24	25 CPI, core CPI (UK)	26 Deadline for submission of 3rd quarter financial statements Maturity of Derivatives Contracts Flash PMI (German, French, UK)	27 FDI announcement	28
29	30	31	1 BOC Press Conference, Monetary Policy Report and Rate Statement	2 ECB Press Conference, Monetary Policy Statement	3	4
5 ETF VNM VN30 changes the proportion of the portfolio	6					

NOTES: IEA hop thường niên

Shinhan Securities

Q&A

Shinhan Investment Network

SEOUL

Shinhan Securities Co., Ltd
Shinhan Investment Tower
70, Youido-dong, Yongdungpo-gu,
Seoul, Korea 150-712
Tel : (82-2) 3772-2700, 2702
Fax : (82-2) 6671-7573

NEW YORK

Shinhan Investment America Inc.
1325 Avenue of the Americas Suite 702,
New York, NY 10019
Tel : (1-212) 397-4000
Fax : (1-212) 397-0032

HONG KONG

Shinhan Investment Asia Ltd.
Unit 7705 A, Level 77
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong
Tel : (852) 3713-5333
Fax : (852) 3713-5300

INDONESIA

PT Shinhan Sekuritas Indonesia
30th Floor, IFC 2, Jl. Jend. Sudirman Kav.
22-23, Jakarta, Indonesia
Tel : (62-21) 5140-1133
Fax : (62-21) 5140-1599

SHANGHAI

Shinhan Investment Corp.
Shanghai Representative Office
Room 104, Huaneng Union Mansion No.958,
Luijiazui Ring Road, PuDong, Shanghai, China
Tel : (86-21) 6888-9135/6
Fax : (86-21) 6888-9139

HO CHI MINH

Shinhan Securities Vietnam Co., Ltd.
22nd Floor, Centec Tower, 72-74 Nguyen Thi Minh Khai Street,
District 3, Ho Chi Minh City, Vietnam
Tel : (84-8) 6299-8000
Fax : (84-8) 6299-4232

HA NOI

Shinhan Securities Vietnam Co., Ltd.
Hanoi Branch
2nd Floor, Leadvisors Building, No. 41A Ly Thai To,
Ly Thai To Ward, Hoan Kiem District,
Hanoi, Vietnam.
Tel : (84-8) 6299-8000



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