MORNING CALL
16/10/2023

“Short-term upward momentum returns”

- ❑ World stocks: Correction
- ❑ Vietnam stocks: Short-term upward momentum returns
- ❑ Business news #POM, #TIS, #TAR, #HBC, #DLG, #FOX
- ❑ 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

Following SSV's Zalo,
Catching the latest report



Please click or scan

Global Market Review 16/10 – 20/10/2023

Shinhan Securities

Major stocks market

- In regular trading on Friday, the Dow rose 0.12%, while the S&P 500 and Nasdaq Composite lost 0.5% and 1.23%, respectively. Investors also await the latest commentary from Federal Reserve officials, as well as a slew of economic data including retail sales, building permits and industrial production figures.
- European markets finished broadly lower on Friday with shares in Germany leading the region. The DAX is down 1.54% while France's CAC 40 is off 0.81% and London's FTSE 100 is lower by 0.59%. In addition, China's disappointing inflation figures added to the global economic unease, while worries about prolonged high interest rates have intensified following the release of US inflation data.
- The Nikkei 225 Index dropped 1.2% to 32,000 while the broader Topix Index tumbled 1% to 2,285 on Monday, declining for the second straight session as rising geopolitical tensions in the Middle East and upside risks to inflation weighed on market sentiment. Investors also look ahead to Japan's September inflation report due later in the week, which will come ahead of the central bank's monetary policy meeting on Oct. 30 and 31.
- WTI crude futures rose past $87 per barrel on Friday, marking a remarkable 5.5% increase for the week, boosted by the ongoing conflict in southern Israel and Gaza, which has significantly heightened geopolitical tensions in the Middle East

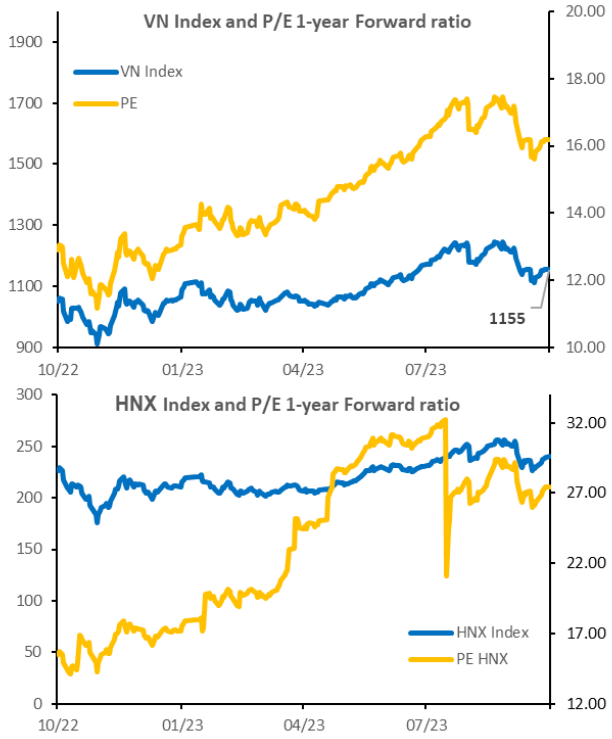
Market index

	Close	%1D	%1M	%1Y
VN-Index	1,155	0.27%	-5.92%	8.75%
S&P 500 Index	4,328	-0.50%	-2.75%	20.78%
Dow Jones Index	33,670	0.12%	-2.74%	13.62%
GP 100	7,600	-0.59%	-1.45%	10.80%
Nikkei 225	31,708	-1.88%	-5.44%	17.04%
SHCOMP Index	3,088	-0.64%	-0.95%	0.52%
STOXX 600	449	-0.98%	-2.76%	14.79%
KOSPI Index	2,443	-0.54%	-6.09%	10.41%
Hang Seng	17,813	-2.33%	-2.03%	7.39%

Currency & commodity

	Close	%1D	%1M	%1Y
USD/JPY	149	0.05%	-1.26%	-0.30%
USD/CNY	7	0.01%	-0.46%	-1.85%
Brent	91	-0.32%	-3.55%	-1.12%
WTI	87	-0.42%	-3.80%	2.00%
Gasoline	226	-0.22%	-16.54%	-14.09%
Natural gas	3	-2.87%	18.87%	-51.29%
Coal	144	0.84%	-11.34%	-63.44%
Gold	1,923	-0.50%	-0.56%	16.54%
China HRC	3,799	0.08%	-3.58%	-3.87%

Vietnam Market Snapshot 13/10/2023



Money flow and sector rotation (VND bn)

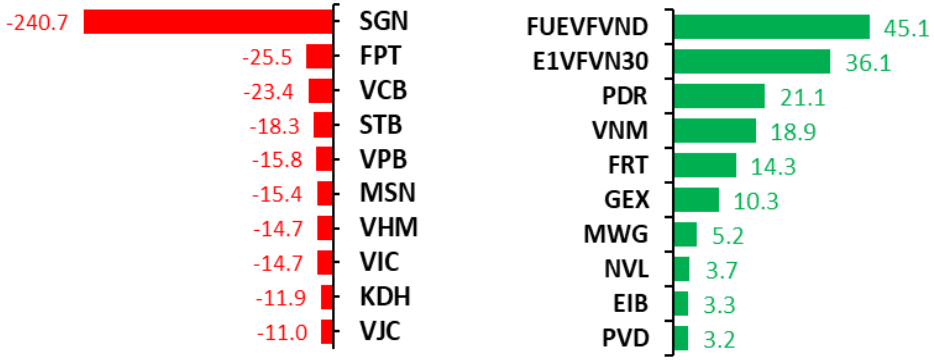
Sector	%1D	10/13/2023	10/12/2023	20-session Average
Travel & Leisure	47.64	139	94	128
Personal & Household Goods	25.84	141	112	139
Technology	15.53	240	208	259
Banks	5.54	1,661	1,573	2,415
Financial Services	3.21	2,445	2,369	3,174
Real Estate	-2.5	2,740	2,811	3,191
Construction & Materials	-7.7	1,043	1,129	1,256
Automobiles & Parts	-10.1	108	120	194
Utilities	-10.5	138	155	190
Basic Resources	-11.6	870	984	1,235
Oil & Gas	-12.1	275	312	178
Food and Beverage	-13.8	777	901	983
Industrial Goods & Services	-14.6	807	945	1,102
Chemicals	-14.8	852	1,000	918
Insurance	-16.0	14	17	30
Media	-17.7	6	8	3
Health Care	-19.5	26	32	21
Retail	-26.4	704	957	655

Source: Bloomberg, Shinhan Securities Vietnam

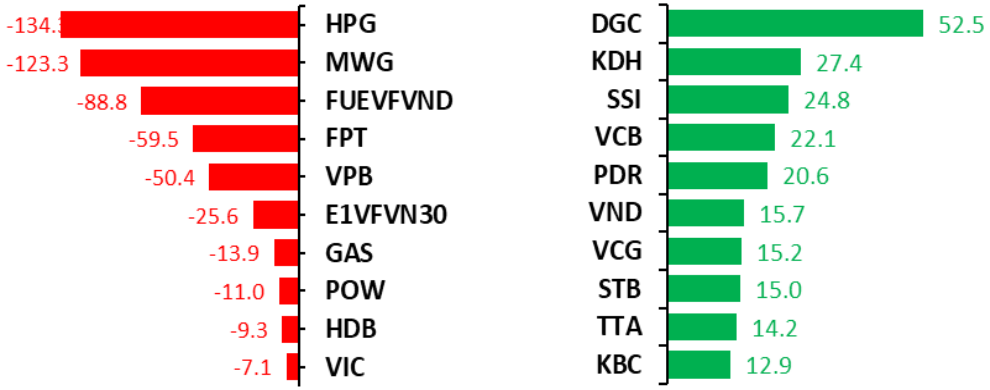
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,154.73	16.18	3.12	0.27	546	13,012
HNX INDEX	239.05	27.40	0.62	0.26	91	1,925

Vietnam Market Snapshot 13/10/2023

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	(29)	69	1	(70)
Basic Resources	(6)	(134)	170	(37)
Media	-	1	(1)	(0)
Industrial Goods & Services	(246)	25	(24)	(1)
Health care	0	0	13	(14)
Chemicals	1	60	(64)	3
Financial Services	72	(79)	11	68
Travel & Leisure	(11)	(2)	15	(13)
Banks	(113)	(33)	138	(105)
Construction & Materials	(12)	37	(31)	(6)
Food and Beverage	2	(10)	27	(17)
Retail	19	(119)	48	71
Utilities	(5)	(32)	40	(8)
Personal & Household Goods	(8)	(0)	9	(9)
Technology	(26)	(59)	98	(39)
Automobiles & Parts	(2)	1	3	(4)
Insurance	(0)	(1)	3	(1)
Oil & Gas	2	0	12	(12)

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- The real estate market will gradually warm up in 2024. The real estate market in the fourth quarter of 2023 will be a stepping stone for transformation in 2024. The overall market certainly has many new bright spots. Especially the area still has room for development, has synchronous and modern planning, infrastructure is taken care of, investment is focused, price level is not high... In fact, the number of transactions in the entire market has increased. gradually. If the second quarter of 2023 recorded 3,700 transactions, an increase of 1,000 transactions compared to 2,700 in the first quarter; Then in the third quarter, the market recorded nearly 6,000 transactions, 1.5 times more than in the second quarter and more than 2 times more than in the first quarter of 2023. Mr. Tran Van Binh, General Secretary and Vice Chairman of VARS also shared that, along with legal bottlenecks and capital sources, "customer and investor trust" is the "final barrier" that needs to be cleared to The real estate market truly returns to its "normal state." The real estate market in the fourth quarter of 2023 will be a stepping stone for transformation in 2024.

- The retail real estate market in Ho Chi Minh City continues to benefit from scarce supply. According to a survey of retail space leasing transactions in Ho Chi Minh City in the third quarter of 2023 by Savills Vietnam, food service (F&B) tenants accounted for 37% of the total rented area, fashion accounted for 24% of the market share. ; Health and beauty and entertainment account for 13% market share in each industry group. The driving force for growth comes from the middle class with high demand for dining, shopping and entertainment activities, promoting the operations of businesses operating in this field," according to Ms. Giang Huynh, Head of Ministry. Research Department and S22M Savills Ho Chi Minh City.

- The overnight VND interbank interest rate decreased by half compared to the peak session on October 5. Through 15 sessions, the State Bank net withdrew VND 165,695 billion through 28-day bills. The winning interest rate for T-bills decreased from the highest level of 1.3%/year to 0.68%/year in the latest session..

Business news

- POM: Pomina Steel reported a record loss, overdue debt of more than 3,000 billion VND, and was questioned by the auditor about its ability to operate continuously. Short-term debt was recorded at 7,770 billion VND while short-term assets were only nearly 3,400 billion VND at the end of the second quarter, corresponding to a negative working capital of 4,300 billion VND. Pomina Steel Joint Stock Company (POM code) has announced its 2023 semi-annual reviewed financial statements with net revenue reaching 2,192 billion VND, down 73% over the same period and down 10% compared to self-made reports. Trading below cost price caused Pomina to have a gross loss of 32 billion VND, while the same period profit was 348 billion VND. However, the gross loss has decreased by VND 76 billion compared to the figure recorded in the self-made report

- TIS: A steel enterprise reported a 9-month loss of nearly 200 billion VND, extending its losing streak to 5 consecutive quarters. Accumulated in the first 9 months of the year, Tisco recorded a pre-tax loss of 193 billion VND while in the same period a profit of 22 billion VND. Thai Nguyen Iron and Steel Joint Stock Company (Tisco - code TIS) has just announced its consolidated financial statements for the third quarter of 2023 with its business. Net revenue reached 2,414 billion VND, down 7% over the same period. Cost of goods accounted for a large proportion and decreased more slowly, causing Tisco's gross profit to decrease by 24% over the same period to 34 billion VND.

- TAR: Trung An Rice and its leaders were fined nearly 600 million VND for a series of violations of information disclosure on the stock market. TAR shares are under control because the company has not announced the reviewed semi-annual financial statements for 2023. On September 29, the State Securities Commission (UBCK) issued a decision to fine Mr. Pham Thai Binh, Chairman of VND 92.5 million. Chairman of the Board of Directors. The reason is that, when in the position of General Director, Mr. Binh committed acts of implementing contracts and transactions without approval from the General Meeting of Shareholders or the Board of Directors.

Breaking News



Business news

- **HBC:** Hoa Binh Construction aggressively recovers debt FLC has paid 304 billion, is about to receive an additional 262 billion VND for winning lawsuits against 2 other partners. Hoa Binh lost more than 700 billion VND due to the Matec sale not being recorded. It is expected that payment progress will be made in the third and fourth quarters of 2023. Hoa Binh Construction Group (HBC) has just announced that the entrusted unit has completed collecting all debts from FLC Group Joint Stock Company (FLC) with an amount of more than 304 billion VND. Specifically, ALB & Partners Law Company Limited said that HBC and FLC have agreed to pay all debts related to the construction contract at FLC Sam Son eco-tourism urban area project of FLC in the commune. Quang Cu, Sam Son town, Thanh Hoa province.
- **DLG:** The rich businessman has just been decided by the Court to open bankruptcy procedures: Owns 3 component factories in Vietnam - China - Korea, 4 BOT toll stations and a series of renewable energy projects. Listed on the stock exchange very early (2010), Duc Long Gia Lai is one of the major corporations in Gia Lai province, on par with Duc's Hoang Anh Gia Lai. At its peak, the total assets of the enterprise were nearly 9,000 billion VND. Recently, despite owning total assets of nearly 6,000 billion VND, this enterprise was still decided by the Court to open bankruptcy procedures.
- **FOX:** FPT Telecom closes the bonus list of 164 million shares, raising charter capital to nearly 5,000 billion VND. Previously, in February and June 2023, the company made two dividend payments in 2022 with a total rate of 30% (3,000 VND/share), corresponding to a total expenditure of about 985 billion VND. On October 20, FPT Telecom Joint Stock Company (FPT Telecom, code: FOX) will finalize the list of bonus shares to be paid to existing shareholders, with an implementation rate of 50% (shareholders who own 2 old shares will receive add 1 new share). With more than 328 million outstanding shares, FPT Telecom plans to issue more than 164 million bonus shares to shareholders. If the issuance is successful, FPT Telecom's charter capital will be increased from VND 3,283 billion to approximately VND 4,925 billion.

Technical view



Trend: Recovery

- VNINDEX closed 1,154.6 (+3.12 points, +0.27%) with liquidity at the same level as the previous session. Foreign and proprietary trading return to net sell. The increase was led by VCB, VJC and GVR, on the other hand, VHC VIC decreased sharply. The industries with strong growth includes telecommunications.
- Technical view: The market's upward momentum continues relatively well at the resistance area of 1,154. The STOCH RSI indicator has expanded and entered the overbought area, showing that the market's uptrend in the near future will slow down. We favor the scenario of the market accumulating for a few sessions to gain momentum to overcome the resistance at 1,160 and move towards 1,200.
- Strategy: We still maintain the buying strategy when the market tends to turn up again after successfully testing the 1220 zone. However, we are inclined to the scenario where the market will continue to adjust and accumulate further.

Scenario:

- Positive (60%): The market will accumulate in the 1,140 – 1,150 area and then move to the 1,200 area
- Negative (40%): The market will correct to the 1,100 area

Recommended stocks

16/10/2023

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
PVS	Sell	36.4	40	35.4	10%	-3%	39	7	9.62%	05/10/2023	Reach target
VHC	Hold	79.3	87	76.7	10%	-3%	82	6	3.40%	06/10/2023	
STB	Hold	31.15	33.7	29.8	8%	-4%	31.5	3	1.12%	11/10/2023	
SSI	Hold	32.55	36.7	31.5	13%	-3%	33.55	3	3.07%	11/10/2023	
VCS	Hold	62.7	68.5	61.3	9%	-2%	63.2	3	0.80%	11/10/2023	
NKG	Hold	19.6	23	18.6	17%	-5%	20.55	3	4.85%	11/10/2023	

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



Compliance Notice

- Analyst Certification: We/I hereby certify the information and material presented in this report are accurate expressions of their views, and that we/I have not received internally or externally wrongful pressure to express such views.
- All opinions and estimates regarding the company and its securities are accurate representations of the covering analyst's judgments as of this date and may differ from actual results.
- This report is intended to provide information to assist investment decisions only and should not be used or considered an offer or the solicitation of an offer to sell or to buy any securities. Stock selection and final investment decisions should be made at the client's own discretion.
- This report is distributed to our clients only, and any unauthorized use, duplication, or redistribution of this report is strictly prohibited.

Disclaimers

- This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of Shinhan Securities Vietnam Ltd.., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of Shinhan Securities Vietnam Ltd.
- This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. Shinhan Securities Vietnam Ltd. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. Shinhan Securities Vietnam Ltd.., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or Shinhan Securities Vietnam Ltd. The final investment decision is based on the client’s judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.
- Copyright ⓒ 2020 Shinhan Securities Vietnam Ltd. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of Shinhan Securities Vietnam Ltd.