MORNING CALL
06/11/2023

"A recovery signal appeared, the threshold of 1,080 acted as confirmation"

- ❑ World stocks: Strong upward trend after the US employment report
- ❑ Vietnam stocks: The market is moving sideways, sticking closely to the resistance level of 1,080
- ❑ Business news #DGW, #MWG, #PDR, #HHV, #VCG, #BSR
- ❑ Technical perspective and updated recommendations: #VHC, #HPG, #HHV
- ❑ 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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Catching the latest report



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Global Market Review 06/11 - 10/11/2023

Major stocks market

- Wall Street built up on the week's gains on Friday, as the S&P 500 and the Nasdaq added 0.9% and 1.4%, respectively, while the Dow Jones closed 222 points higher, after the jobs report showed the US labor market cooled more than expected last month. Nonfarm payrolls fell more than expected, the unemployment rate edged higher and wages rose slightly less than forecasted, reinforcing bets the Fed is done with rate hikes.
- European stocks closed higher on Friday. The Dax added 0.3% in the session to total a 3.4% jump on the week, while the pan-European Stoxx 600 advanced 0.2% to also advance 3.4% since last Friday.
- The Nikkei 225 Index jumped 1.1% to close at 31,950 while the broader Topix Index surged 1.6% to 2,322, hitting their highest levels in at least two weeks.The Shanghai Composite rose 0.71% to close at 3,031 while the Shenzhen Component gained 1.22% to 9,854 on Friday, erasing losses from the previous session.
- WTI crude futures fell about 2% to $80.8 on Friday and are on track to lose about 6% on the week, marking a second consecutive week of declines. Oil prices are now back to levels before the Hamas attacked Israel on October 7th, as concerns the conflict in the Middle East would disrupt supply eased. At the same time, the demand outlook remains gloomy, with the ISM Services PMI for the US falling more than anticipated while in China, the biggest importer, manufacturing fell back into contraction and the services sector grew only slightly faster.

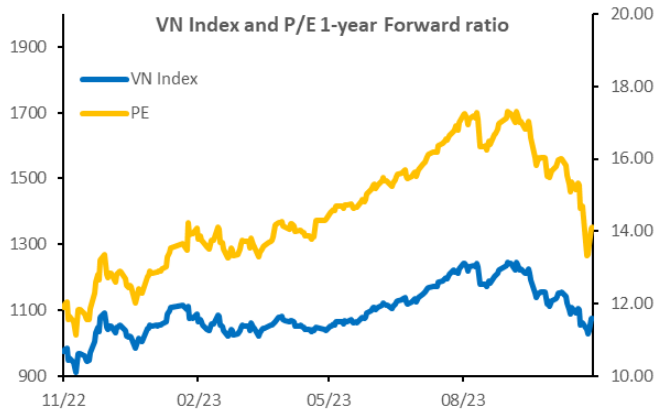
Market

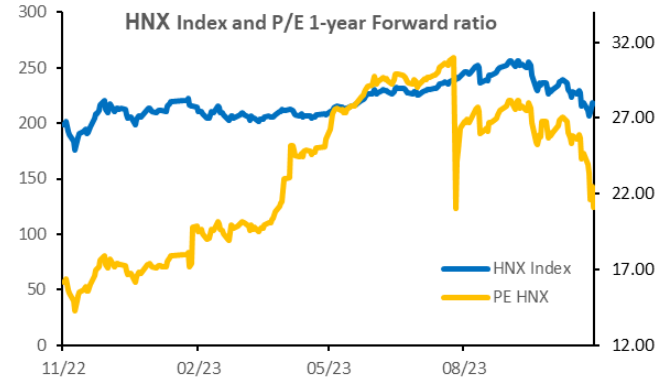
	Close	%1D	%1M	%1Y
VN-Index	1,077	0.12%	-4.59%	7.99%
S&P 500 Index	4,358	0.94%	1.16%	15.59%
Dow Jones Index	34,061	0.66%	1.96%	5.12%
GP 100	7,418	-0.39%	-1.03%	1.13%
Nikkei 225	32,617	2.09%	4.41%	17.91%
SHCOMP Index	3,031	0.71%	-2.56%	-1.30%
STOXX 600	444	0.17%	-0.16%	6.54%
KOSPI Index	2,430	2.62%	0.90%	3.49%
Hang Seng	17,664	2.52%	1.02%	9.30%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	105.12	0.09%	-0.87%	-5.19%
USD/VND	24,564.00	-0.01%	-0.71%	1.22%
EUR/USD	1.07	-0.06%	1.31%	7.04%
USD/CNY	7.28	0.53%	0.31%	0.36%
Brent	85.27	0.45%	0.82%	-13.49%
WTI	81.04	0.66%	-2.11%	-12.49%
Natural gas	3.40	-3.33%	1.80%	-46.91%
Coal	122.50	2.08%	-18.14%	-65.10%
Gold	1,989.94	-0.14%	8.56%	18.76%

Vietnam Market Snapshot 03/11/2023





Money flow and sector rotation (VND bn)

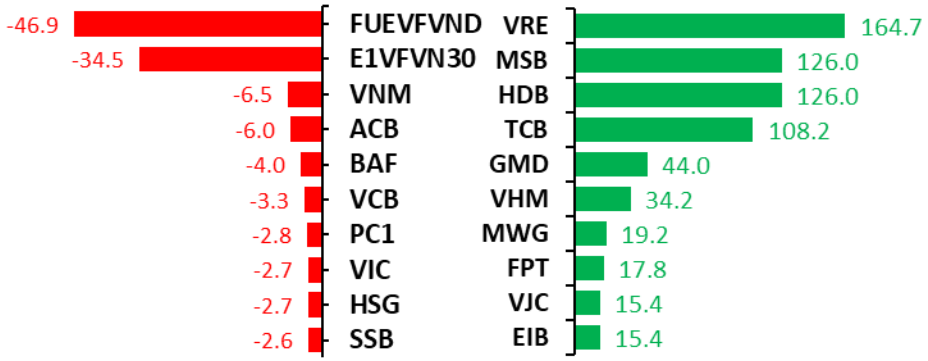
Sector	%1D	11/3/2023	11/2/2023	20-session Average
Technology	112.15	436	205	295
Personal & Household Goods	100.15	186	93	115
Construction & Materials	40.56	1,143	813	953
Banks	37.99	2,589	1,876	1,937
Travel & Leisure	26.10	119	94	106
Industrial Goods & Services	12.17	838	747	850
Real Estate	4.65	3,255	3,110	2,640
Media	-3.2	5	5	8
Automobiles & Parts	-8.1	83	90	118
Financial Services	-10.8	2,477	2,775	2,417
Oil & Gas	-11.5	127	144	243
Basic Resources	-13.8	1,096	1,271	868
Utilities	-14.0	106	123	144
Food and Beverage	-15.9	615	731	799
Chemicals	-20.9	537	678	807
Retail	-29.3	637	902	621
Insurance	-31.6	16	24	19
Health Care	-51.2	10	20	21

Source: Bloomberg, Shinhan Securities Vietnam

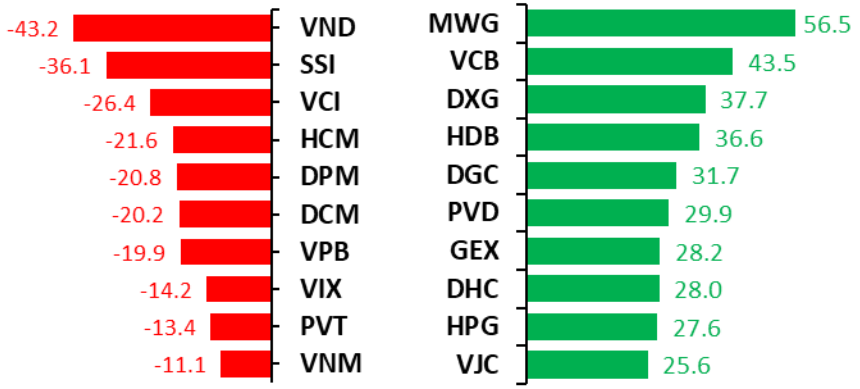
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,076.78	14.12	1.31	0.12	649	14,278
HNX INDEX	217.75	21.13	-0.22	-0.10	93	1,578

Vietnam Market Snapshot 03/11/2023

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	204	75	45	(121)
Basic Resources	6	58	(94)	36
Media	-	(1)	1	-
Industrial Goods & Services	39	3	15	(17)
Health care	-	(1)	2	(1)
Chemicals	10	(11)	(34)	45
Financial Services	(70)	(113)	81	32
Travel & Leisure	15	26	(37)	11
Banks	389	108	(216)	107
Construction & Materials	10	4	(39)	35
Food and Beverage	(6)	10	32	(43)
Retail	23	76	(104)	28
Utilities	(2)	(3)	(2)	5
Personal & Household Goods	5	(1)	92	(91)
Technology	18	2	248	(250)
Automobiles & Parts	-	(0)	0	(0)
Insurance	1	2	(1)	(0)
Oil & Gas	(1)	31	(32)	1

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- Ministry of Industry and Trade cited data from the General Statistics Office showing that clinker and cement exports in October 2023 reached 2.6 million tons with a value of 103 million USD, up 22.8% in volume, up 14.8% in value compared to the previous year. October 2022. In the cumulative 10 months, the cement industry has exported more than 26 million tons of products, earning 1,125 billion USD, equivalent to the output of the same period last year but the value decreased by 2.4%. Export prices reached an average of 45 USD/ton, down 1 USD/ton compared to the same period last year.

- According to a representative of the Ministry of Industry and Trade, after a decline in September, with a decrease of 6.3%, the country's export turnover in October has rebounded, estimated at 32.3 billion USD, an increase of 5.3% compared to the previous month. Thanks to this result, in the first 10 months of 2023, the country's export of goods is estimated to reach 291.28 billion USD, down only 7.1% over the same period last year.

- Industrial production in October continued a more positive trend than the previous month when the index of industrial production (IIP) in October 2023 was estimated to increase 5.5% over the previous month and up 4.1% over the same period last year. The IIP increase in October is the highest increase in the last 7 months (since April 2023 until now).

- The total transaction value of digital economies in Southeast Asia is expected to reach $218 billion this year, up 11% from a year earlier despite global macroeconomic headwinds.

Business news

- DGW: Specifically, in the third quarter of 2023, Digital World recorded net revenue of 5,413 billion VND, although down 10.8% compared to the third quarter of 2022 but increased by 17.8% compared to the second quarter of 2023. This positive result was achieved when most business segments of Digital World recovered clearly. Of which, laptop revenue reached 2,398 billion VND, up 78.7% compared to the third quarter of 2022, reaching the highest level since the beginning of the year, thanks to strong demand during the school admission season and the advantage of leading market share. of Digital World. The laptop segment contributes 44.3% of Digital World's total net revenue. Digital World reported net profit for the third quarter of 2023 reached 102 billion VND, down 43.4% compared to the third quarter of 2022 but up 22.9% compared to the second quarter of 2023.

- MWG: Mr. Nguyen Duc Tai, Chairman of the Board of Directors of Mobile World Investment Joint Stock Company (HOSE: MWG) has just registered to buy 1 million MWG shares in the context of foreign shareholder group Dragon Capital net selling more than 4.1 million shares. Specifically, Mr. Nguyen Duc Tai registered to buy 1 million MWG shares with the purpose of increasing his ownership ratio in the period November 8 - December 7.

- PDR: The Thuan An 1 and Thuan An 2 high-rise residential complex project of Phat Dat Real Estate Development Joint Stock Company is expected to have a construction permit in November and December this year. It is known that Thuan An 1 and 2 projects have a total expected investment of about 10,800 billion VND. The project will supply to the market a large number of apartment products, shophouses, and linked townhouses.

Breaking News



Business news

- HHV: Accordingly, Deo Ca Group won package XL1: Construction of section Km10+000 - Km41+150 (including Phuoc Hoa Canal bridge, Cay Truong bridge, Ba Tu bridge, Thi Tinh bridge, Suoi Tre bridge, Thanh An Bridge) belongs to the Ho Chi Minh Road construction investment project, Chon Thanh - Duc Hoa section. The bidding package has a construction value of more than 681 billion VND, an adjusted unit price contract and a contract implementation period of 730 days.

- VCG: According to VCG's consolidated financial report, in the third quarter of 2023, net revenue reached 2,381 billion VND, down 25% over the same period last year. However, compared to the quarters in the period 2020 - 2023, this is already the quarter with the third highest revenue. However, due to poor management of capital costs, gross profit only reached 63 billion VND, down 78% compared to the same period last year. period last year. The difference is only created in business management costs, positive 201 billion VND, an increase of 6 times over the same period. At the end of the third quarter of 2023, Profit after tax was 27 billion VND, down 89% over the same period last year. The 9-month disclosure showed positive management costs of VND 49 billion, created from the reversal of provisions for bad debts.

- BSR: At the end of the third quarter of 2023, Binh Son Refining - Petrochemical recorded 37,756 billion VND in net revenue, down 1,811 billion VND, equivalent to 5% compared to the same period last year. Cost of goods sold reached 33,925 billion VND, down 13% over the same period. Total profit before tax (PBT) of the oil and gas enterprise reached 3,620 billion VND, an increase of 3,106 billion compared to the same business period in 2022. Total profit after tax (PBT) of the parent company reached 3,260 billion VND, corresponding to an increase of nearly 7 times compared to September 2022.

Technical view



Trend: Create an upward bottom

- VNINDEX closed 1,076 (+1.31 points, +0.12%) with liquidity at the same level as the previous session. The market moved sideways after touching the resistance area of 1,080. Foreign investors net bought slightly at VND 264 billion, focusing on the stock codes MWG, VCV, DXG.
- Technical: VNINDEX has successfully bottomed after testing the support level of 1,020 and is currently moving towards the nearest resistance area of 1,080 with improved liquidity. With the RSI indicator breaking the downtrend and the MACD line tending to cross the signal line, there is a high possibility that VNINDEX has ended its medium-term downtrend. Currently, the resistance level of 1,080 is acting as confirmation of the short-term uptrend in the near future.
- Strategy: Investors can disburse more during the session when the index surpasses the 1,080 resistance area and begins to confirm the short-term uptrend.

Scenario:

- Positive (60%): Breaking resistance at 1,080 and heading towards 1,100
- Less positive (40%): The market will turn around at the resistance level of 1,080.

Recommended stocks

6/11/2023

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
VHC	Buy	69.0	75.0	67.5	9%	-2%	69.0	
HPG	Buy	25.1	27.0	24.5	8%	-3%	25.1	
HHV	Buy	14.5	16.0	14.0	10%	-3%	14.5	

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note

Economic calendar

November 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
29	30	31	1 US ISM Purchasing Managers Index (PMI) VN PMI	2 FED's interest rate decision	3 Non-Farm Payrolls Unemployment Rate (US) ISM Services PMI	4
5	6	7 Balance of Trade of China	8	9 Inflation rate of China YoY	10 Michigan Consumer Sentiment	11
12	13	14 US Core inflation and inflation rate MSCI review	15 PPI MoM Retail Sales MoM	16 Expiration of futures contract VN30F1M expires	17	18
19	20	21	22 Durable Goods Orders MoM of US	23 FOMC Meeting Minutes	24 Tokyo Core CPI y/y	25
26	27 Diamond Index Structure	28	29 US GDP Growth Rate QoQ 2nd EST	30 Core PCE MoM Personal Income of US MoM Personal Spending of US MoM	1	2

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

Shinhan Securities



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