MORNING CALL
09/11/2023

“Strong growth with sudden liquidity”

- ❑ World stocks: World markets went sideways after a series of increasing days
- ❑ Vietnam stocks: Strong growth with sudden liquidity
- ❑ Business news #VHC, #VJC, #PVT, #ACB, #SZC, #BAF
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

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Catching the latest report



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

Major stocks market

- In regular trading on Wednesday, the S&P 500 gained 0.1% for its eighth winning day, while the Nasdaq Composite edged up 0.08% for its ninth winning day. Meanwhile, the Dow shed 0.12%, snapping a seven-day advance. Those moves came as investors weighed another batch of corporate results and continued to digest remarks from Federal Reserve officials.
- European shares reversed early losses to close higher Wednesday, with the DAX 40 rising by 0.5% to 15,230, its highest level since October 12th. Investors digested a slew of remarks from central bank officials, economic data, and corporate results.
- The Nikkei 225 Index rose 0.8% to above 32,400 while the broader Topix Index edged up 0.1% to 2,309 on Thursday, snapping a two-day decline, with technology stocks leading the market higher. The Shanghai Composite fell 0.16% to close at 3,052 while the Shenzhen Component lost 0.04% to 10,052 on Wednesday, extending losses from the previous session.
- WTI crude futures fell to almost $75 per barrel on Wednesday, the lowest since July 20th, prompted by emerging demand concerns from the largest consumers, China and the United States. Weaker-than-expected Chinese exports in October added to concerns about global demand. Furthermore, a US government report predicts that American gasoline demand will hit a 20-year low per capita next year.

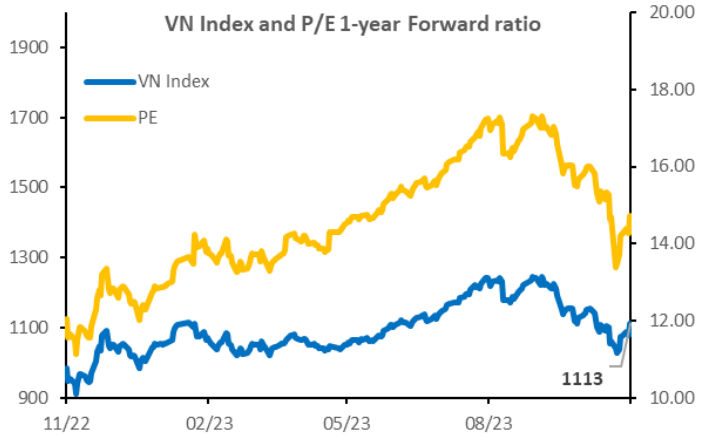
Market

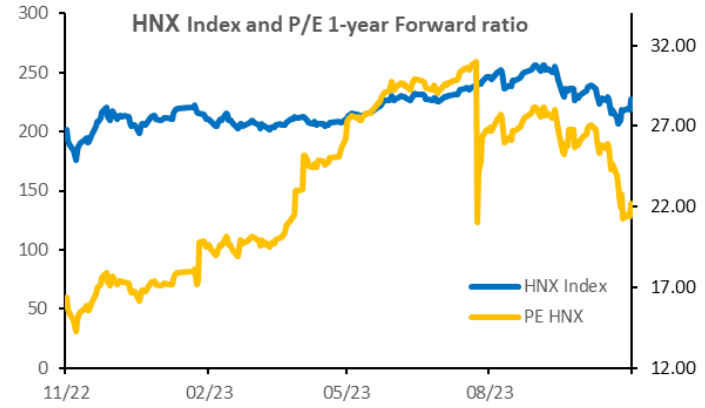
	Close	%1D	%1M	%1Y
VN-Index	1,113	3.07%	-2.10%	12.97%
S&P 500 Index	4,383	0.10%	1.72%	14.49%
Dow Jones Index	34,112	-0.12%	2.11%	2.87%
GP 100	7,402	-0.11%	-1.21%	1.45%
Nikkei 225	32,349	0.57%	4.37%	16.71%
SHCOMP Index	3,052	-0.16%	-1.44%	0.14%
STOXX 600	444	0.28%	0.06%	5.65%
KOSPI Index	2,415	-0.27%	0.27%	-0.38%
Hang Seng	17,568	-0.58%	0.29%	7.40%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	105.58	-0.02%	-0.48%	-4.50%
USD/VND	24,373.00	-0.20%	0.05%	1.97%
EUR/USD	1.07	-0.05%	1.30%	6.92%
USD/CNY	7.28	0.05%	0.23%	-0.62%
Brent	79.78	0.30%	-9.50%	-13.89%
WTI	75.61	0.37%	-12.47%	-11.91%
Natural gas	3.12	0.32%	-7.70%	-46.87%
Coal	122.50	2.00%	-11.55%	-63.86%
Gold	1,952.30	0.11%	4.88%	14.39%

Vietnam Market Snapshot 08/11/2023





Money flow and sector rotation (VND bn)

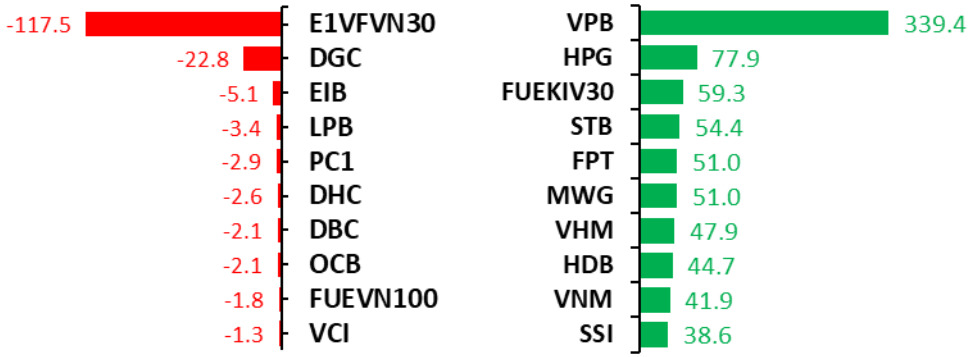
Sector	%1D	11/8/2023	11/7/2023	20-session Average
Media	938.69	21	2	8
Technology	118.92	277	127	273
Automobiles & Parts	114.96	146	68	113
Banks	86.25	2,591	1,391	2,003
Real Estate	81.45	3,900	2,149	2,755
Health Care	77.88	15	9	19
Retail	76.73	951	538	658
Basic Resources	74.25	1,697	974	926
Financial Services	63.93	3,235	1,973	2,397
Industrial Goods & Services	62.21	1,075	663	827
Food and Beverage	54.19	901	584	780
Personal & Household Goods	47.48	84	57	105
Chemicals	25.51	670	534	754
Insurance	22.88	22	18	18
Utilities	19.76	137	114	132
Travel & Leisure	17.42	120	102	111
Construction & Materials	10.40	1,184	1,073	933
Oil & Gas	5.96	166	156	220

Source: Bloomberg, Shinhan Securities Vietnam

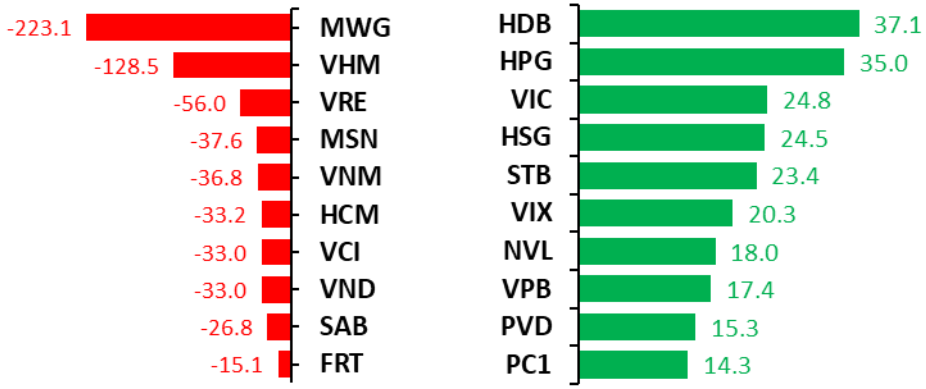
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,113.43	14.71	33.14	3.07	799	17,196
HNX INDEX	227.03	22.23	8.74	4.00	125	2,265

Vietnam Market Snapshot 08/11/2023

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	157	(110)	(18)	128
Basic Resources	75	64	(141)	77
Media	-	(5)	5	0
Industrial Goods & Services	14	8	(31)	23
Health care	-	(0)	3	(3)
Chemicals	(23)	44	(21)	(23)
Financial Services	(59)	(79)	80	(1)
Travel & Leisure	22	9	(37)	28
Banks	599	82	(673)	591
Construction & Materials	(3)	51	(40)	(10)
Food and Beverage	73	(113)	27	86
Retail	51	(252)	204	47
Utilities	13	7	(25)	18
Personal & Household Goods	1	2	(9)	6
Technology	51	3	(61)	58
Automobiles & Parts	-	4	(2)	(2)
Insurance	0	1	(2)	0
Oil & Gas	1	16	(19)	3

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- The State Bank said that on November 7, 2023, the US Department of Treasury (US Treasury) issued a Report on "Macroeconomic and foreign exchange policies of major trading partners of the United States" , continued to determine that Vietnam does not manipulate currency, and at the same time made positive comments on the results of Vietnam's monetary and exchange rate policy management. In this Report, the US BTC considers the currency manipulation capabilities of the US's main trading partners on the basis of three criteria: (1) bilateral trade surplus with the US; (2) current account surplus; and (3) prolonged, one-way foreign exchange market intervention. Accordingly, the US BTC put 06 economies on the Monitoring List, including: China, Germany, Malaysia, Singapore, Taiwan and Vietnam.
- According to data from the General Statistics Office, Vietnam's import and export turnover of goods after 10 months of 2023 has exceeded the mark of 550 billion USD. Of which, merchandise export turnover is estimated at 291.28 billion USD, down 7.1% over the same period last year; Import turnover of goods is estimated at 266.67 billion USD, down 12.3% over the same period last year. This result shows that, although exports decreased, imports also decreased at a faster rate, so the Vietnamese economy continued to have a trade surplus. Currently, the trade balance of goods in the 10 months of 2023 is estimated to be a record trade surplus of 24.61 billion USD, nearly 3 times higher than the surplus of 9.4 billion USD in the same period in 2022 and is a record number ever.
- Recently, Ho Chi Minh City People's Committee sent a report to the Ministry of Construction on housing and real estate market information for the third quarter of 2023. This shows that the decline has also slowed down but investment capital into the market is still timid. Ho Chi Minh City People's Committee assesses that by the third quarter of 2023, the city's real estate market is still not positive but has shown signs of recovery compared to the beginning of 2023 and 2022, contributing to promoting construction industry activities.

Business news

- HDB: At the Investor Conference updating HDBank's third quarter 2023 business results on November 8, Mr. Pham Van Dau - Chief Financial Officer of HDBank revealed that HDBank has just been extended by the State Bank of Vietnam. credit room up to 29%. According to HDBank representative at the above conference, in early 2023, HDBank was granted a credit room of 10.5%, then in July 2023, the bank continued to increase it to about 15% and is currently 29%. Mr. Pham Van Dau also added that in the near future, HDBank may be able to add more credit room. If all the credit room granted this year is fully utilized, HDBank's credit growth is likely to reach over 30%.

- MBB: Ho Chi Minh City Stock Exchange on November 7 issued a report related to bond transactions at Military Commercial Joint Stock Bank - MB. Specifically, MB has repurchased all 15,000 bonds, face value VND 10 million/bond, equivalent to VND 150 billion of the upcoming bond batch code MBBL2128012 using the bank's own capital. This is the first batch of bonds bought back by this bank in November. From the beginning of the year until now, MB has spent a total of VND 965 billion to buy back 5 batches of bonds with a term of 7 years.

- FMC: According to the announcement on operations in October 2023, Sao Ta Food Joint Stock Company (HoSE: FMC) achieved USD 18.45 million in revenue, down 5% over the same period last year. During the month, the business produced 2,569 tons of shrimp finished products, up 44% over the same period last year; produced 133 tons of finished agricultural products, an increase of 35%. Consumption of finished shrimp reached 1,659 tons, an increase of 11%; Consumption of finished agricultural products reached 137 tons, down 33%.

Breaking News



Business news

- VRE: At the end of the third quarter of 2023, Vincom Retail Joint Stock Company continued to achieve positive business results. Specifically, this enterprise recorded net revenue of VND 3,333 billion and net profit of VND 1,317 billion, up 66.2% and 66% respectively over the same period last year. Vincom Retail's high growth in the third quarter of 2023 mainly comes from real estate transfer revenue increasing nearly 10 times compared to the third quarter of 2022, reaching more than VND 1,300 billion (accounting for 39% of total revenue) from discussing Delivered 268 commercial townhouses at Dong Ha (mainly) and Dien Bien projects.

- VCG: Accordingly, on November 2, a related fund of Dragon Capital group, Vietnam Enterprise Investments Limited, bought 1.3 million VCG shares, increasing the group's ownership to 27.1 million shares, equivalent to 5.068% of charter capital. Vinaconex's rules. Dragon Capital bought millions of VCG shares in the context that this stock just witnessed a sharp decline after reaching a short-term peak in September.

- VNM: Sharing at the recent investor meeting, Vietnam Dairy Products Joint Stock Company said that the strategy to promote future sales includes conducting marketing strategies to build Build a more youthful brand image to reach more young people. At the same time, expand the purpose of product use and exploit the rural market. Vinamilk expects net profit in 2023 to increase by 3% over the same period, equivalent to profit after tax in the fourth quarter will increase by 19% thanks to increased gross profit margin and low base level of the fourth quarter of 2022.

Technical view



Trend: Confirming the short-term uptrend

- VNINDEX closed 1,113 (+33.14 points, +3.07%) with strong growth in liquidity, much higher than the 20-day average. The market has prospered after successfully overcoming the resistance area of 1,080. Foreign investors were net sellers with VND -269 billion, focusing on stock codes MWG (VND -235 billion), VHM (VND -128 billion), VRE (VND -56 billion).
- Technical: VNINDEX index increased and closed at the highest level, forming a Marubozu candlestick pattern, showing that the short-term uptrend is maintained. The VNINDEX index successfully broke the resistance area of 1,080, and also broke the medium-term downtrend, with liquidity increasing sharply. The VNINDEX index has successfully surpassed the MA10 and MA20 lines, thereby confirming the short-term uptrend. Indicators such as RSI and MACD continue to confirm the uptrend at the present time.
- Strategy: Investors can buy stocks that have successfully bottomed and returned to an uptrend. Industries such as exports, industrial parks, fisheries and securities are growing strongly following the general trend of the market.

Scenario:

- Positive (60%): The market returned to the short-term uptrend and headed towards the nearest old peak of 1,150.
- Less positive (40%): The market will retest the 1,080 support zone.

Recommended stocks

9/11/2023

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
VHC	Hold	69.0	75.0	67.5	9%	-2%	72	3	4.35%	06/11/2023	
HPG	Hold	25.1	27.0	24.5	8%	-3%	26.95	3	7.37%	06/11/2023	
HHV	Hold	14.5	16.0	14.0	10%	-3%	15.35	3	5.86%	06/11/2023	

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

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Q&A

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