MORNING CALL
14/11/2023

"Fluctuates in a narrow range"

- ❑ World stocks: Stable movements from all markets
- ❑ Vietnamese stocks: Fluctuates in a narrow range
- ❑ Business news: #MWG, #HPG, #QCG, #SSF, #GMD, #ACG
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

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Global Market Review 13/11 - 17/11/2023

Major stocks market

- In regular trading on Monday, the Dow rose 0.16%, while the S&P 500 and Nasdaq Composite lost 0.08% and 0.22%, respectively. Those moves came as Moody's downgraded its US credit rating outlook to negative from stable, citing increasing fiscal deficits and political standoffs in Washington. US stock futures were little changed on Tuesday as investors look ahead to the highly anticipated inflation report that could influence the economic and monetary policy outlooks. A hotter-than-expected reading could pour cold water on bets that the Federal Reserve is done hiking interest rates, while a softer reading would bolster the peak rate view.
- European equity markets rose on Monday, with the STOXX 50 up nearly 1% to an eight-week high of 4,239 as nearly all constituents recorded increases. the CAC 40 Index went up by 43 points or 0.61 percent on Monday. The DAX Index gained 99 points or 0.65 percent. In London, the FTSE 100 Index went up by 67 points or 0.92 percent.
- The Nikkei 225 Index rose 0.3% to above 32,600 while the broader Topix Index climbed 0.4% to 2,345 on Tuesday, extending gains from the previous session as investors look ahead to Japan's third quarter gross domestic product report due on Wednesday.
- WTI crude futures rose to above $78 per barrel on Monday, inching higher for a 3rd session, after OPEC said the market fundamentals are strong and attributed the recent price drop to financial market speculators. In its monthly report, OPEC slightly increased its 2023 global oil demand growth forecast to 2.46 million barrels per day, citing robust global growth trends and a healthy oil market.

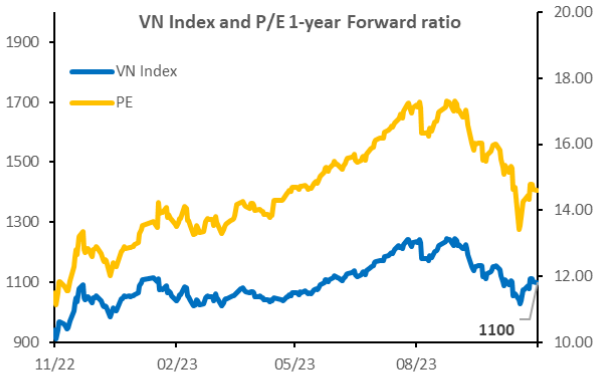
Market

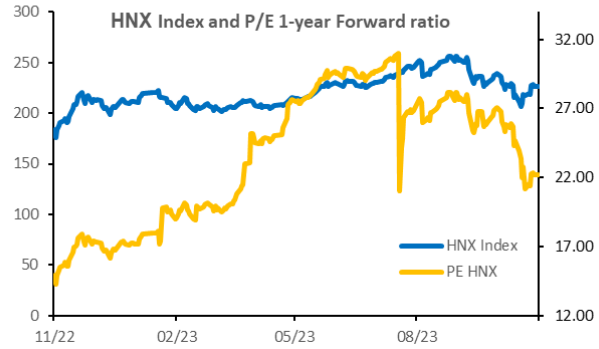
	Close	%1D	%1M	%1Y
VN-Index	1,100	-0.15%	-4.73%	16.90%
S&P 500 Index	4,412	-0.08%	1.94%	10.48%
Dow Jones Index	34,338	0.16%	1.98%	1.75%
GP 100	7,426	0.89%	-2.29%	0.55%
Nikkei 225	32,736	0.46%	1.30%	17.07%
SHCOMP Index	3,047	0.25%	-1.35%	-1.20%
STOXX 600	447	0.75%	-0.57%	3.18%
KOSPI Index	2,433	1.23%	-0.93%	-1.67%
Hang Seng	17,426	1.30%	-2.17%	-1.10%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	105.67	0.04%	-0.91%	-0.93%
USD/VND	24,383.00	0.00%	0.38%	1.70%
EUR/USD	1.07	0.02%	1.33%	3.61%
USD/CNY	7.29	-0.05%	0.22%	-3.02%
Brent	82.52	1.34%	-9.21%	-14.03%
WTI	78.48	0.28%	-10.50%	-8.61%
Natural gas	3.24	1.44%	0.22%	-45.34%
Coal	122.00	-1.01%	-15.19%	-62.67%
Gold	1,947.48	0.03%	1.42%	9.94%

Vietnam Market Snapshot 13/11/2023





Money flow and sector rotation (VND bn)

Sector	%1D	11/13/2023	11/10/2023	20-session Average
Insurance	242.64	64	19	21
Basic Resources	43.45	2,135	1,488	1,050
Travel & Leisure	11.95	123	110	112
Oil & Gas	-14.0	151	176	199
Media	-16.9	6	7	8
Banks	-19.3	1,826	2,261	2,058
Retail	-20.4	489	614	632
Utilities	-20.6	196	247	142
Personal & Household Goods	-23.8	64	84	99
Food and Beverage	-26.3	912	1,236	821
Financial Services	-30.2	2,515	3,602	2,529
Chemicals	-30.5	437	629	696
Real Estate	-31.2	3,356	4,877	3,061
Technology	-33.7	155	233	256
Construction & Materials	-34.2	916	1,391	961
Health Care	-37.6	10	16	17
Industrial Goods & Services	-38.1	888	1,436	871
Automobiles & Parts	-44.7	122	221	118

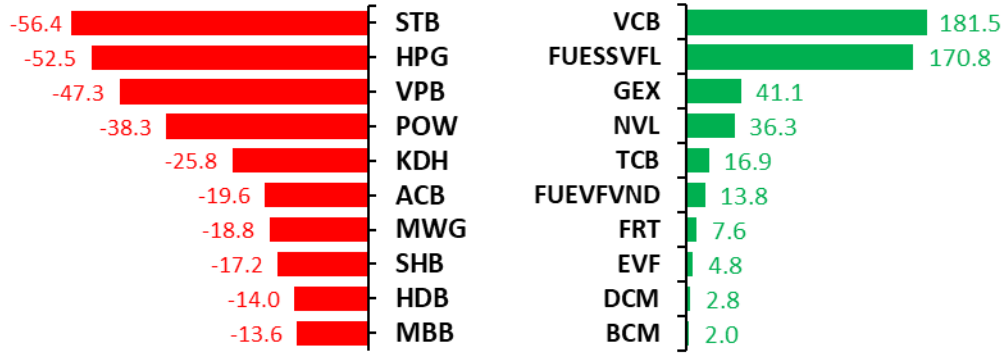
Source: Bloomberg, Shinhan Securities Vietnam

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,100.07	14.60	-1.61	-0.15	661	14,369
HNX INDEX	226.11	22.17	-0.54	-0.24	94	1,732

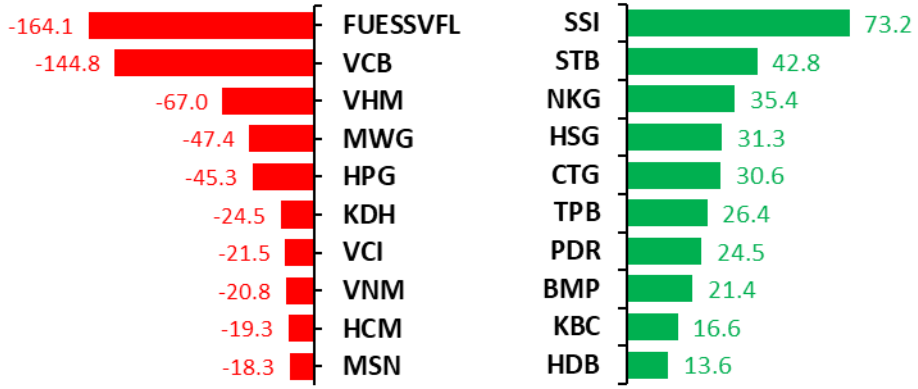
Vietnam Market Snapshot 13/11/2023

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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	(26)	(104)	74	30
Basic Resources	(52)	23	25	(48)
Media	-	0	1	(1)
Industrial Goods & Services	40	16	(89)	73
Health care	-	(2)	1	0
Chemicals	1	(14)	(15)	29
Financial Services	152	(160)	3	157
Travel & Leisure	(7)	(4)	11	(7)
Banks	(21)	(32)	84	(52)
Construction & Materials	(5)	7	(23)	16
Food and Beverage	(27)	(63)	99	(36)
Retail	(11)	(36)	46	(10)
Utilities	(41)	(7)	43	(37)
Personal & Household Goods	(6)	(2)	2	(0)
Technology	(3)	4	(11)	7
Automobiles & Parts	1	(7)	3	5
Insurance	0	1	(1)	0
Oil & Gas	(1)	6	(11)	5

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- Goldman Sachs is optimistic about the macroeconomy and financial markets in 2024. The investment bank Goldman Sachs predicts that the likelihood of a US recession in 2024 is only 15%. It believes that there will be a number of favorable factors supporting growth and investment globally, as the macro environment returns to its state before the 2008 financial crisis.. According to Goldman Sachs' forecast, inflation will continue to decline in 2024, real income growth for households will increase, manufacturing activity will pick up, and central banks, led by the Fed, will become increasingly ready to cut interest rates.

- House prices remain high, mortgage credit growth is slow. Confidence in the real estate market has hit rock bottom, causing investors not to "invest" even though the average medium-to-long-term lending rate at financial institutions is currently only about 7-9%/year. Market liquidity is low. By the end of the third quarter, mortgage credit growth in the real estate sector at large banks was very low compared to the same period last year. In the first 9 months of 2023, credit growth for real estate businesses reached 21.8%, more than three times the growth rate of general credit. However, it is still not enough to meet the "capital thirst" of real estate businesses that are under great pressure on cash flow.
- Behind China's 40% reduction in U.S. Treasury holdings. Chinese state-owned banks appear to have sold U.S. dollars around the time of the country's National Day on October 1, according to a foreign bank currency trader. It is likely that Chinese authorities ordered state-owned banks to sell dollars to prop up the renminbi against the weakening U.S. dollar, and the banks sold U.S. Treasury bonds to obtain the necessary dollars for this intervention.

Business news

- **MWG:** MWG reports preliminary financial results for October 2023: Monthly revenue grows for the first time in 2023. The revenue of most MWG stores, such as The Gioi Di Dong, Dien May Xanh, Bach Hoa Xanh, etc., has grown positively. According to the announcement from Mobile World Investment Corporation (mã MWG), preliminary revenue for October 2023 reached over VND11,000 billion. This is the first month in 2023 that monthly revenue has grown positively compared to the same period last year. In particular, The Gioi Di Dong and Dien May Xanh chains recorded revenue of approximately VND7,600 billion, up more than 5% from the previous month. Bach Hoa Xanh chain exceeded VND3,000 billion in revenue in October, up more than 5% from the previous month. The average revenue of each Bach Hoa Xanh store reached over VND1.7 billion/store. An Khang Pharmacy also recorded its fourth consecutive month of revenue growth, with an average of VND420 million/store.
- **HPG:** Steel stocks surge in the face of rising electricity prices. According to Mirae Asset's estimate, electricity costs account for about 10% of the cost of goods sold for steel companies, and a 4.5% increase in electricity prices could cause the steel industry to lose 23% of its profits. In the context of the stock market trading indecisively, the steel stock group suddenly attracted strong money and broke out en masse. HPG, HSG, NKG, TVN, TLH, ... all rose sharply, even SMC rose to the ceiling. With a gain of 2.64%, "big brother" HPG became the stock that contributed the most to VN-Index, thereby helping the market narrow the decline.
- **QCG:** Quoc Cuong Gia Lai fined over half a billion VND in taxes from two years ago. Quoc Cuong Gia Lai Joint Stock Company (mã QCG) has just announced that it has received a Decision from the Gia Lai Provincial Tax Department on the handling of violations of tax regulations. Specifically, the Gia Lai Tax Department document said that after an annual tax inspection, it is necessary to collect more than VND556 million in taxes from QCG according to the tax policies of 2021 and 2022.

Breaking News



Business news

- **SSF:** A representative of Thành Bưởi joins as a strategic shareholder with the largest purchase amount.. Specifically, in the upcoming share offering of G Saigon Education Joint Stock Company (UpCOM: SSF), Mr. Lê Dương (born in 1991) will participate the most with a purchase volume of up to 2.8 million shares. Mr. Dương is one of three strategic shareholders for the offering of 6.8 million shares to increase the charter capital to VND100 billion, equivalent to a 215% issuance ratio. The remaining two individuals, Nguyen Thanh Son and Nguyen Thi Mai, each purchased 2 million shares.
- **GMD:** On November 11, the Tampa Triumph vessel of the Evergreen Group with a length of 366m and a capacity of 14,770 TEU successfully docked at Gemalink port to load and unload goods connecting Vietnam directly with the United States. In the face of positive news, the shares of Gemadept Joint Stock Company (HOSE: GMD) are reaching new highs after rising for 9 consecutive sessions. Recently, Gemadept has continuously welcomed more routes of ships with a carrying capacity of 14,000-25,000 TEU. To ensure the capacity to welcome large ships, the port enterprise has been and is continuing to invest in improving and upgrading port infrastructure with many modern equipment. With good and stable productivity, safe operating procedures coupled with good service quality, Gemalink port in particular and Cai Mep-Thi Vai in general are continuing to attract the attention of international shipping companies to diversify services and meet the needs of domestic and international import and export.
- **ACG:** After completing the transfer of all equity, Ms. Vo Thi Ngoc Anh, CEO of An Cường Timber Joint Stock Company (stock code: ACG), also resigned from the position of Chairman of the Board of Members of An Khang MDF Co., Ltd. According to information just announced on the Ho Chi Minh City Stock Exchange (HOSE), on November 9, 2023, An Cường Timber Joint Stock Company has completed the transfer of all equity at An Khang MDF Co., Ltd. As of this point, An Khang MDF is no longer a subsidiary of An Cường Timber.

Technical view



Trend: Accmulation

- VNINDEX closed at 1100 (-1.6 points, -0.15%) with a slight decline in liquidity. The market had 188 green codes and 321 red codes. The leading stock groups in the market were HPG, SSI, and MWG, while VHM, VCB, and VPB contributed the most to the market decline. The sectors that rose sharply were resources, automobiles and spare parts, while the media and tourism and entertainment sectors fell sharply. Foreign and self-owned blocks sold heavily.
- Technical: The VNINDEX index moved sideways with a narrow range, declining liquidity shows that supply and demand are in a relatively balanced position. The STOCH RSI indicator has crossed below the signal line, indicating that the price momentum has weakened and the likelihood of a rebound is low. Thus, after meeting the 200-day moving average, the market has adjusted. The current support and resistance thresholds are 1080 and 1120. The lower support threshold is the old bottom of 1020.
- Strategy: Traders can take advantage of trading within the range when the market adjusts to the support level of 1080 and shows signs of rebounding.

Scenario:

- Positive (40%): The market will surpass 1120 after successfully testing the bottom.
- Less positive (60%): The market will accumulate more and fluctuate in the 1020-1120 range for a longer time.

Recommended stocks

13/11/2023

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%	70.6	5	2.32%	06/11/2023	
HHV	Hold	14.5	16.0	14.0	10%	-3%	15.3	5	5.52%	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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