MORNING CALL
22/11/2023

"The market is up, forming a rising base"

- World stocks: Global markets fell after the Fed meeting
- Vietnamese stocks: The market is up, forming a rising base
- Business news: #KBC, #MSR, #PNJ, #BAF, #VHM, #BSI
- Technical perspective and updated recommendations
- Event calendar
- Q&A

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Global Market Review 20/11 – 24/11/2023

Major stocks market

- In regular trading on Tuesday, the S&P 500 and Nasdaq Composite surged 1.91% and 2.37%, respectively, for their best one-day performance since April. The Dow also jumped 1.43%. Those moves came as US inflation data came in lower-than-expected, bolstering the view that the Federal Reserve is done raising interest rates and putting downward pressure on Treasury yields. The annual inflation rate in the US slowed to 3.2% from 3.7% in September, slightly below forecasts of 3.3% while the core rate eased to 4%, the lowest in two years.
- European equity markets continued their upward trend on Tuesday, with the STOXX 50 surging over 1% to reach an eight-week high, after a lower-than-anticipated US inflation reading reinforced expectations that the Federal Reserve is unlikely to raise interest rates further.
- The Nikkei 225 Index rose 0.34% to close at 32,696 while the broader Topix Index climbed 0.37% 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. The Japanese economy shrank 0.5% qoq in Q3 of 2023, compared with market forecasts of a 0.1% decline and after a 1.1% growth in Q2, a flash figure showed. This was the first GDP contraction since Q4 of 2022, amid elevated cost pressure and mounting global headwinds.
- WTI crude futures rose more than 1.5% to around $79.5 per barrel on Tuesday, benefiting from a weaker dollar on expectations the Fed is done hiking interest rates after softer-than-expected US price data.

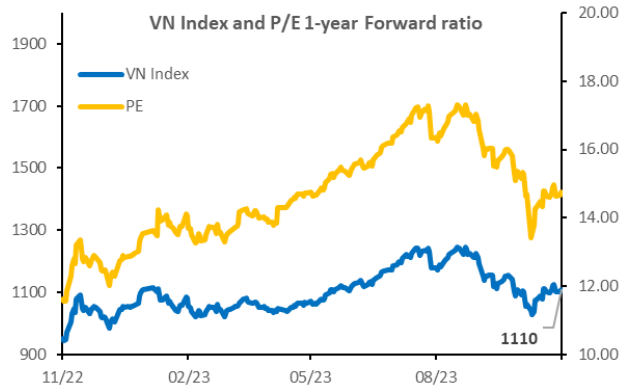
Market

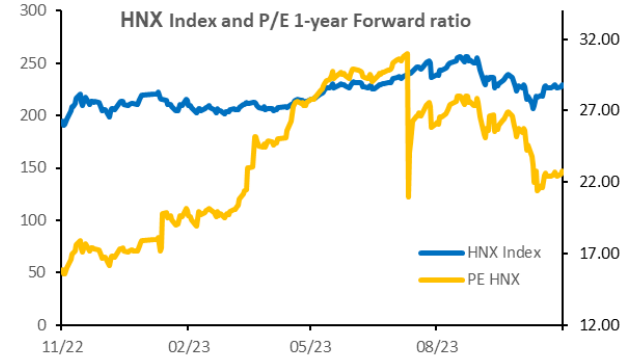
	Close	%1D	%1M	%1Y
VN-Index	1,110	0.62%	0.22%	16.63%
S&P 500 Index	4,538	-0.20%	7.43%	14.89%
Dow Jones Index	35,088	-0.18%	5.92%	4.12%
GP 100	7,482	-0.19%	1.08%	0.39%
Nikkei 225	33,473	0.36%	7.08%	19.05%
SHCOMP Index	3,068	-0.01%	2.85%	-0.68%
STOXX 600	456	-0.09%	5.10%	4.50%
KOSPI Index	2,495	-0.63%	5.04%	3.72%
Hang Seng	17,734	-0.25%	3.27%	1.78%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	103.54	-0.03%	-2.47%	-3.44%
USD/VND	24,135.00	0.42%	1.81%	2.92%
EUR/USD	1.09	0.08%	2.34%	5.98%
USD/CNY	7.14	0.37%	2.36%	0.34%
Brent	82.45	0.16%	-10.54%	-5.72%
WTI	77.79	0.03%	-12.35%	-3.90%
Natural gas	2.87	0.67%	-1.17%	-57.74%
Coal	122.30	-0.16%	-11.38%	-65.16%
Gold	1,996.81	-0.07%	1.21%	14.74%

Vietnam Market Snapshot 21/11/2023





Money flow and sector rotation (VND bn)

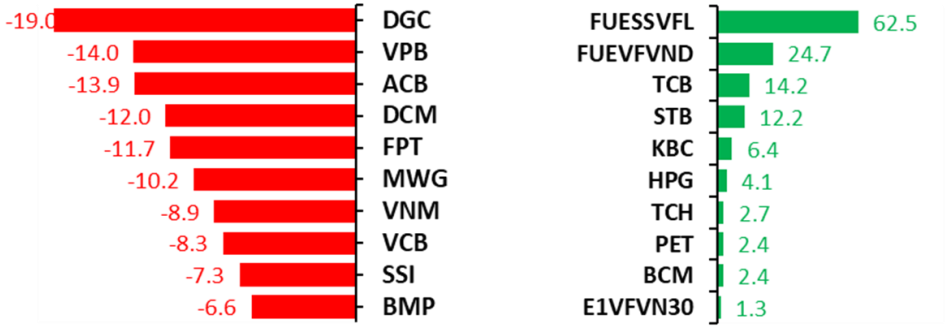
Sector	%1D	11/21/2023	11/20/2023	20-session Average
Oil & Gas	118.13	233	107	175
Basic Resources	40.20	1,539	1,097	1,242
Media	26.14	8	6	9
Personal & Household Goods	22.61	140	114	102
Construction & Materials	11.41	1,034	928	992
Health Care	2.37	12	12	15
Insurance	-0.1	16	16	22
Chemicals	-1.6	490	498	607
Retail	-3.9	395	411	622
Technology	-7.0	177	191	235
Travel & Leisure	-13.1	104	119	109
Real Estate	-19.5	2,679	3,326	3,487
Food and Beverage	-21.3	717	911	875
Financial Services	-24.0	2,689	3,541	2,751
Automobiles & Parts	-26.2	152	206	143
Industrial Goods & Services	-28.9	695	978	877
Utilities	-31.0	88	127	144
Banks	-35.6	1,466	2,278	2,269

Source: Bloomberg, Shinhan Securities Vietnam

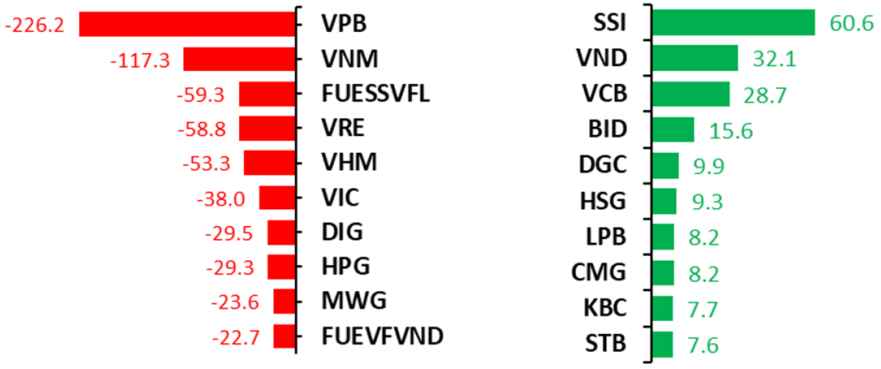
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,110.46	14.76	6.80	0.62	551	12,639
HNX INDEX	229.80	22.76	2.02	0.89	99	1,928

Vietnam Market Snapshot 21/11/2023

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	(8)	(189)	178	11
Basic Resources	5	(19)	7	12
Media	-	(0)	0	-
Industrial Goods & Services	(8)	(3)	23	(19)
Health care	-	1	(1)	(0)
Chemicals	(31)	12	(35)	23
Financial Services	81	(16)	(101)	117
Travel & Leisure	(4)	(1)	5	(4)
Banks	(42)	(173)	206	(33)
Construction & Materials	(12)	(23)	67	(44)
Food and Beverage	(13)	(147)	152	(4)
Retail	(8)	(23)	24	(1)
Utilities	(2)	(9)	8	1
Personal & Household Goods	(2)	(2)	(15)	16
Technology	(12)	8	13	(21)
Automobiles & Parts	3	(3)	9	(6)
Insurance	0	(0)	(1)	1
Oil & Gas	0	2	(7)	4

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- In the first half of November 2023, Vietnam's export value reached 14.65 billion USD. In the same period, imports reached 14.77 billion USD. Cumulatively from the beginning of the year to November 15, 2023, Vietnam's import value reached 281.62 billion USD. In the first half of November, Vietnam's trade deficit was over 100 million USD. However, cumulatively from the beginning of the year to November 15, 2023, Vietnam still had a trade surplus of 24.38 billion USD. Cumulatively from the beginning of the year to November 15, 2023, Vietnam's export value reached over 306 billion USD. Cumulatively from the beginning of the year to November 15, 2023, Vietnam's import value reached 281.62 billion USD.
- Private Debt Securities Market in 2023. The private debt securities market in Vietnam has shown signs of recovery since the beginning of 2023. As of October 2023, the primary market for TPDN had 173 successful issuances with a value of 184.796 billion VND. However, this value was down 43.87% from the same period in 2022. Of these issuances, 41.4% were by real estate companies and 45.4% were by financial institutions. Of the TPDNs issued, 46.9% had collateral.
- According to the Vietnam Association of Seafood Exporters and Processors (VASEP), as of October 2023, Vietnam's fishery exports still fell by 21% from the same period in 2022, reaching 7.4 billion USD. The value of exports of all fishery products was lower than the same period last year. Shrimp was still the leading export product with 2.8 billion USD, down 24% from the same period last year. Next was tra fish with 1.5 billion USD, down 29%. Tuna was in third place with 693 million USD, down 22% from the same period last year.

Business news

- KBC: The Evergreen Tràng Duệ social housing complex has a scale of 2,538 apartments, a total investment of nearly 1,600 billion VND and is expected to be completed and handed over in the first quarter of 2025. At the end of October, the Department of Construction of Hai Phong City licensed 296 apartments in the CT1 building to be put into business. The Evergreen Tràng Duệ social housing complex is located in the Seoul Ecohome Tràng Duệ urban area. The project is being built on an area of nearly 31,400 m2, including 10 15-storey apartment buildings with a total of 2,538 apartments. Of these, 80% of the social housing area is for sale and 20% of the social housing area is for rent, expected to provide accommodation for over 9,000 workers. The total investment is nearly 1,600 billion VND.
- MSR: Masan High-Tech Materials Joint Stock Company has just successfully raised 3 bond lots with a total value of 1,500 billion VND. These 3 bond lots all have a volume of 5,000 bonds and a face value of 100 million VND/bond, corresponding to a value of 500 billion VND each. These bond lots were all completed on November 14, 2023, with a term of 5 years, which means they will mature on November 14, 2028. The interest rate is 10.8% per year.
- PNJ: Phu Nhuan Jewelry Joint Stock Company said that October was a time to enter the peak business season of the retail industry every year and had Vietnam Women's Day (October 20). In October, the company recorded net revenue of 3,008 billion VND and after-tax profit of 193 billion VND; increased by 1.6% and 31.6% respectively compared to the same period. Accumulated for 10 months, net revenue reached 26,384 billion VND, down 7.5% from the same period, but after-tax profit increased by 3.1% to 1,533 billion VND. In 2023, PNJ set a target of 35,598 billion VND in revenue and 1,937 billion VND in after-tax profit. Thus, after 10 months, PNJ has achieved 74% of the revenue target and 79% of the annual profit plan.

Breaking News



Business news

- **BAF:** The Board of Directors of BAF Vietnam Agriculture Joint Stock Company has just approved a plan to issue public shares and use the detailed capital raised from the offering. Accordingly, BAF plans to issue more than 68.4 million shares to existing shareholders at a price of 10,000 VND/share, which is 60% lower than the market price on November 20 (25,400 VND/share). BAF's plan to issue shares to raise capital is in a context where the financial situation is also worrying. Specifically, as of the end of September 2023, BAF's debt increased by 60% from the beginning of the year to 4,790 billion VND. In addition, BAF's business is quite bleak, as its net profit after tax in the first 9 months fell by 81.5% from the same period to nearly 53 billion VND.
- **VHM:** The Board of Directors of Vinhomes Joint Stock Company has just approved the addition of capital to increase the charter capital of SV Holding Real Estate Development Company Limited. It is known that SV Holding is a real estate company that was just established on November 14, 2023. SV Holdings has a charter capital of 1,648 billion VND, of which Vinhomes owns 49.1%, equivalent to 808.5 billion VND. Thus, after the capital injection, SV Holdings will have a charter capital of 5,248 billion VND, of which Vinhomes will contribute more in cash to increase ownership to 84% of the capital and officially become the parent company, equivalent to 4,408.5 billion VND.
- **BSI:** In the context of the Vietnamese stock market in 2023 being not very active, BSI still recorded positive business results. Accumulated in the first 9 months of the year, net profit after tax reached 429 billion VND, up 3.3 times the same period of 2022 and completed 76% of the annual plan. In which, brokerage activities increased positively with brokerage and margin lending revenue reaching 408 billion VND. Gross profit increased by 19.4% compared to the same period, accounting for 54% of total profit. Self-trading revenue reached 284 billion VND, up 12 times the level of the same period of 2022, contributing 41% to the profit structure.

Technical view



Trend: Accumulation to goes up

- VNINDEX closed 1110 (+6.8 points, +0.62%). The market has 333 green tickers and 173 red tickers. The group of stocks leading the market included BID, VCB and HPG, on the contrary, BCM, CTG, and TCB contributed to the market's decline. During the trading session, the market opened up nearly 10 points compared to the previous day and closed recording an increase of +6.8 points, somewhat down compared to the opening price.
- Technical: VNINDEX created a gap and closed with a red candle and long lower shadow. This shows that there were some signals of seller participation during the trading session. Market liquidity was recorded at a lower level than yesterday, showing that the upward momentum is slowing down in the short term. However, indicators such as RSI and MACD continue to show positive signals for the uptrend. Therefore, we realize that the market needs a few sessions of accumulation to create upward momentum.
- Strategy: Investors consider buying new stocks in industry groups that are in an uptrend. Investors can take advantage of down sessions to increase investment proportion.

Scenario:

- Positive (60%): The market will continue to consolidate in the 1080-1120 range.
- Negative (40%): The market will return to the 1020 range to test again.

Recommended stocks

22/11/2023

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%	71.0	12	2.90%	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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