MORNING CALL
30/11/2023

"Establishing a balance zone with low liquidity"

- ❑ World stocks: Mixed reactions to US Q3 GDP data
- ❑ Vietnamese stocks: Establishing a balance zone with low liquidity
- ❑ Business news: #PTI, #VCS, #DCM, #VND #NKG, #HAG
- ❑ Technical perspective and updated recommendations #BSR
- ❑ Event calendar
- ❑ Q&A

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Global Market Review 27/11 – 01/12/2023

Major stocks market

- In regular trading on Wednesday, the Dow inched up 0.04%, while the S&P 500 and Nasdaq Composite shed 0.1% and 0.16%, respectively. Those moves came as investors weighed dovish remarks from Federal Reserve officials and an upward revision to US GDP data. A second estimate showed the US economy expanded 5.2% in Q3, higher than 4.9% in the advance estimate.
- European markets finished mixed as of the most recent closing prices. The DAX gained 1.09% and the CAC 40 rose 0.24%. The FTSE 100 lost 0.38%. Preliminary figures for Germany and Spain pointed to a bigger-than-expected cool-down in inflation, prompting investors to raise bets the ECB could start cutting interest rates next year. At the same time, dovish comments from Fed officials signaling that the US central bank has concluded interest rate hikes and is poised to initiate rate cuts next year also pushed investors' sentiment higher.
- The Nikkei 225 Index fell 0.26% to close at 33,321 while the broader Topix Index lost 0.51% to 2,365 on Wednesday, with both benchmarks sliding for the third consecutive session as investors continued to book profits following a strong November rally. Markets also look ahead to key economic data this week, with Japanese retail sales and industrial production figures set to be released on Thursday, while the unemployment rate will follow on Friday
- WTI crude futures hold gains of over 2% to $78 per barrel on Wednesday, extending a 2.1% gain in the previous session as investors braced for an OPEC+ meeting where the group will set production policy for 2024.

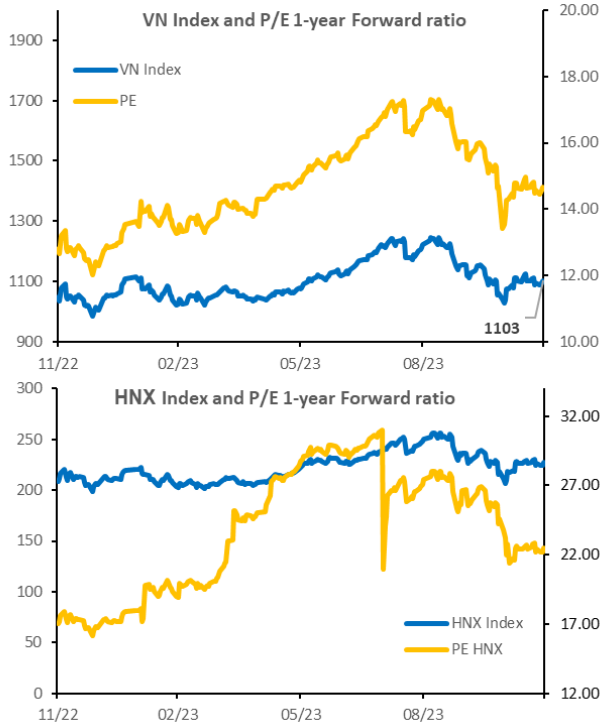
Market

	Close	%1D	%1M	%1Y
VN-Index	1,103	0.67%	7.26%	5.19%
S&P 500 Index	4,551	-0.09%	10.52%	14.98%
Dow Jones Index	35,430	0.04%	9.29%	4.66%
GP 100	7,423	-0.43%	1.39%	-1.98%
Nikkei 225	33,283	-0.11%	7.86%	19.00%
SHCOMP Index	3,022	-0.56%	0.10%	-4.11%
STOXX 600	459	0.45%	5.87%	4.33%
KOSPI Index	2,518	-0.07%	10.54%	1.84%
Hang Seng	16,993	-2.08%	-0.70%	-8.62%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	102.77	0.01%	-3.65%	-3.00%
USD/VND	24,270.00	-0.12%	1.22%	2.04%
EUR/USD	1.10	0.09%	3.82%	5.51%
USD/CNY	7.13	0.14%	2.59%	0.46%
Brent	82.82	-0.34%	-5.25%	-3.06%
WTI	77.64	-0.28%	-4.17%	-3.61%
Natural gas	2.79	-0.43%	-21.90%	-59.71%
Coal	127.85	0.31%	-5.44%	-67.00%
Gold	2,046.07	0.09%	3.13%	15.69%

Vietnam Market Snapshot 29/11/2023



Money flow and sector rotation (VND bn)

Sector	%1D	11/29/2023	11/28/2023	20-session Average
Oil & Gas	372.14	419	89	170
Personal & Household Goods	40.18	104	74	109
Food and Beverage	25.75	984	783	933
Travel & Leisure	13.05	97	86	108
Retail	12.69	449	398	590
Basic Resources	7.34	1,297	1,208	1,370
Chemicals	5.43	400	380	563
Technology	4.52	130	124	221
Utilities	1.54	109	108	144
Media	1.09	11	11	9
Industrial Goods & Services	-6.4	780	834	951
Construction & Materials	-7.6	638	690	1,042
Banks	-8.8	1,465	1,606	2,222
Real Estate	-12.1	2,551	2,901	3,711
Health Care	-18.7	12	14	13
Financial Services	-25.2	1,901	2,543	2,861
Automobiles & Parts	-29.2	86	121	147
Insurance	-37.2	16	25	22

Source: Bloomberg, Shinhan Securities Vietnam

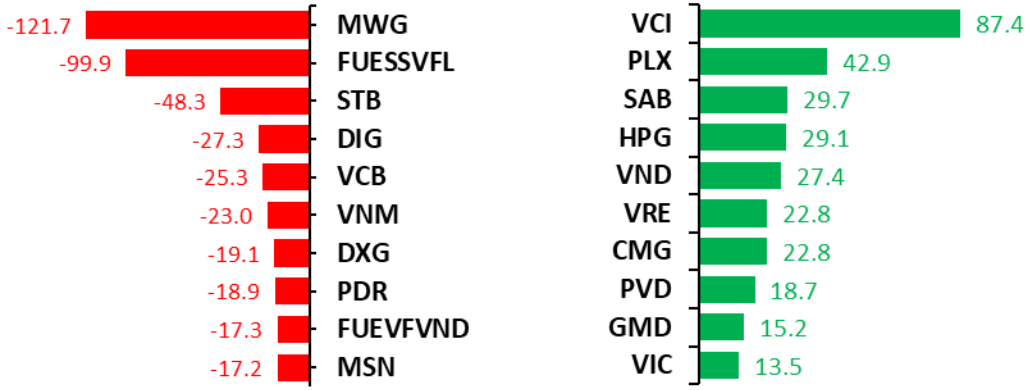
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,095.43	14.56	7.37	0.68	613	11,994
HNX INDEX	224.39	22.22	0.50	0.22	81	1,414

Vietnam Market Snapshot 29/11/2023

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	25	(41)	(64)	104
Basic Resources	4	45	(50)	6
Media	-	(0)	2	(1)
Industrial Goods & Services	(3)	11	(13)	2
Health care	-	(1)	1	0
Chemicals	3	(0)	(3)	3
Financial Services	98	(38)	(17)	56
Travel & Leisure	4	(2)	(3)	4
Banks	162	(52)	(45)	96
Construction & Materials	(8)	34	0	(34)
Food and Beverage	22	(9)	35	(26)
Retail	2	(119)	112	8
Utilities	(9)	(16)	21	(5)
Personal & Household Goods	(1)	1	2	(3)
Technology	9	24	(21)	(3)
Automobiles & Parts	(0)	0	(165)	164
Insurance	2	0	(4)	4
Oil & Gas	(3)	62	(28)	(33)

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- Continue to implement a 2% VAT reduction until the end of June 2024. The 2% reduction in the VAT rate will be applied to groups of goods and services currently subject to a VAT rate of 10% (reduced to 8%), except for the following groups of goods and services: Telecommunications, information technology, financial activities, banking, securities, insurance, real estate businesses, metals, metal products, mining products (excluding coal mining), coke, refined petroleum, chemical products, goods and services subject to special consumption tax.
- Agriculture in the first 11 months of 2023: Rice continues to win big, aquaculture and forestry maintain growth. In the first half of November 2023, the whole country exported 332,214 tons of rice, valued at 219 million USD. As of November 15, 2023, the whole country exported 7.37 million tons of rice, bringing in 4.15 billion USD. Thus, rice exports have far exceeded 2022 (7.1 million tons, valued at 3.45 billion USD). In terms of rice export markets, the largest are the two ASEAN and China markets. In ASEAN, rice is exported most to the Philippines, Indonesia, and Singapore. The production of harvested aquatic products in November 2023 is estimated at 285.7 thousand tons, down 0.4% from the same period last year. Including: Fish reached 214.4 thousand tons, down 0.2%; shrimp reached 13.3 thousand tons, the same as the same period last year; other aquatic products reached 58 thousand tons, down 0.3%.
- Retail sales of goods and service revenue continue to be brisk. Total retail sales of goods and service revenue in November is estimated at 552.7 billion VND, up 1.4% from the previous month and up 10.1% from the same period last year due to the continued increase in the demand for consumption of food and food, cultural items, education and accommodation services, food, and tourism.

Business news

- **PTI:** VNDirect seeks to buy 3 million PTI shares as the stock price rises 60% to a one-year high. In the latest announcement, VNDirect Securities Corporation (VND) has registered to buy nearly 2.9 million PTI shares of Vietnam Post Insurance Corporation (PTI). The transaction is expected to be carried out from December 1 to December 31, 2023, through both negotiated and on-exchange transactions. Upon completion of 100% of the registered quantity, VND will hold over 16 million shares, equivalent to 20% of PTI's capital. Temporarily calculated based on the closing price of PTI shares on November 29 at VND 50,000/share, it is estimated that the securities company will have to spend about VND 143 billion to complete the purchase.
- **VCS:** On December 4, 2023, VICOSTONE Joint Stock Company (VCS) will close the list of shareholders to pay out the second dividend of 2023 in cash at a rate of 20%, corresponding to each shareholder holding 1 share will receive VND 2,000. With 160 million outstanding shares, VCS is estimated to need to spend about VND 320 billion to pay dividends to shareholders. The payment date is scheduled for December 14, 2023.
- **VND:** In a recent personnel change announcement on November 28, VNDirect Securities Corporation (VND) announced that Ms. Vũ Nam Hương no longer holds the position of CFO and legal representative of the company. The reason given is to adjust the staff position to be in line with the changes in the actual management of the company. Ms. Vũ Nam Hương was born in 1983, holds a Bachelor's degree in Finance and Banking with over 17 years of experience in the field. She was appointed to the position of CFO of VND from July 2017 and was introduced by VND as a major contributor to building the capital business team and business relationships with financial institutions, helping VNDIRECT expand its financial business with financial institutions on the market.

Breaking News



Business news

- DCM: Đạm Cà Mau estimates 2023 profit to fall 78% from the same period, plans to spend $25 million to acquire Han-Viet Fertilizer Company. According to information from Vietcap Securities, in a meeting with investors on November 28, the leaders of Cà Mau Fertilizer and Petrochemical Joint Stock Company (DCM) estimated that the company's total revenue in 2023 would be VND 13,500 billion, and its pre-tax profit would be VND 1,000 billion, down 18% and 78%, respectively, from the previous year. The main reason for the decline is the 34% decrease in the average selling price of urea. DCM's estimated 2023 pre-tax profit of VND 1,000 billion represents 93% of Vietcap Securities' full-year forecast and is generally in line with the brokerage firm's expectations, given that preliminary financial results are typically conservative.

- NKG: Nam Kim Steel (NKG) to restart the Nam Kim Phu My steel plant project worth VND 4,500 billion in 2024, entering the high-end steel segment.. According to information from DSC Securities, Nam Kim Steel (NKG) has planned to expand into the higher-end steel segment through its new Nam Kim Phu My steel plant project in the My Xuan B1 - Dai Duong Industrial Park (Ba Ria - Vung Tau). The plant is expected to have a capacity of 1.2 million tons per year and a total investment of VND 4,500 billion. Construction of the plant is scheduled to begin in 2024 and last for three phases (each phase 400,000 tons) until the end of 2026. The new product will be galvanized steel used in household appliances, which requires higher production techniques than Nam Kim's current galvanized steel products (which are mainly used in construction).

- HAG: HAGL recently paid an additional VND 200 billion in bond debt, HAG shares up nearly 50% in two months.. Hoang Anh Gia Lai Group (HAGL, stock code: HAG) announced on November 28 that the company had paid VND 200 billion in principal debt for the HAGLBOND16.26 bond code. The money came from collecting debt from CTCP Nông nghiệp Quốc tế Hoàng Anh Gia Lai (stock code: HNG). It is known that the HAGLBOND16.26 bond was issued on June 30, 2016, with a term of 10 years and collateral with a total value of VND 6,596 billion.

Technical view



Trend: Sideway

- VNINDEX closed at 1102.8 (+7.3 points, +0.67%) with low liquidity. The market had 383 green codes and 122 red codes. The groups of stocks that contributed the most to the market's rise were PLX, MSN, BID, while VCB LGC dragged the market down. Most industry groups rebounded strongly, with the oil and gas group unexpectedly rising by more than 3.7%. Foreign and retail investors traded insignificantly.
- Technical analysis: VNINDEX formed a small bullish candle with low liquidity, which further consolidates the support zone of 1080. However, the market is still fluctuating in the 1080-1130 range, so the upward trend has not yet been confirmed. In the base scenario, the market is expected to move sideways to accumulate firmly the 1080 zone. And when the market exceeds 1140, it will open up a strong wave of increase towards the 1250 zone.
- Strategy: Investors can take advantage of the uptrend from the bottom corresponding to the 1080 zone of VNINDEX for short-term trading.

Scenario:

- Positive (50%): The market will trade sideways within the 1120-1080 range.
- Negative (50%): The market will break through the 1080 zone and return to the 1030 zone.

Recommended stocks

30/11/2023

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
BSR	Buy	18.9	19.9	18.2	5.3%	-3.7%	18.9	

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

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Q&A

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