MORNING CALL
08/12/2023

“Fluctuating in the MA 200 area”

- World stocks: Mixed movements
- Vietnam stocks: Fluctuating in the MA 200 area
- Business news: #MWG, #SBT, #HQC, #VCC, #FRT, #DCM
- Technical perspective and updated recommendations
- Event calendar
- Q&A

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 04/12 - 08/12/2023

Major stocks market

- In regular trading on Thursday, the Dow rose 0.17%, the S&P 500 climbed 0.8% and the Nasdaq Composite rallied 1.37%. Figures today showed initial jobless claims rose slightly less than expected and continuing claims fell more than forecasts while the Challenger report showed companies cut more jobs in November.
- European stock markets closed lower on Thursday, easing slightly following the recent rally that lifted the Eurozone's Stoxx 50 index to its highest since 2008 in the prior session. The currency bloc's benchmark index edged 0.2% lower, while the pan-European Stoxx 600 dropped 0.3%.
- The Nikkei 225 Index fell 1.1% to below 32,500 while the broader Topix Index lost 0.7% to 2,343 on Friday, hitting their lowest levels in nearly a month, as Japan's third quarter GDP was revised downward in a surprise move. Latest data showed that Japan's economy shrank 0.7% QoQ in the third quarter, compared with preliminary estimates of a 0.5% contraction and after a downwardly revised 0.9% growth in the second quarter. Investors also assess other economic indicators in Japan including real wages, personal spending and current account data.
- The Shanghai Composite fell 0.09% to close at 2,966 while the Shenzhen Component lost 0.14% to 9,520 on Thursday, extending this week's decline as investors assessed mixed Chinese trade figures. Data showed that while the country's exports unexpectedly grew 0.5% in November, imports declined 0.6%, missing forecasts for a 3.3% gain. Market sentiment also took a hit after Moody's put Chinese state-owned firms and banks
- WTI crude futures rose toward $70 per barrel on Thursday in a likely technical rebound, but remained close to the lowest levels since late June after falling for five straight sessions amid robust global supplies and softening demand.

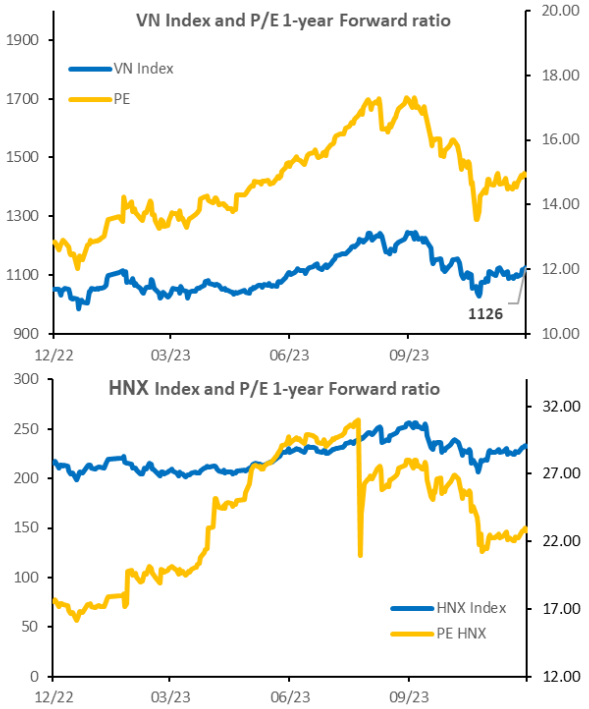
Market

	Close	%1D	%1M	%1Y
VN-Index	1,121	-0.44%	0.72%	6.75%
S&P 500 Index	4,586	0.80%	3.90%	16.57%
Dow Jones Index	36,117	0.17%	5.75%	7.50%
GP 100	7,514	-0.02%	1.51%	0.56%
Nikkei 225	32,370	-1.49%	1.82%	17.39%
SHCOMP Index	2,966	-0.09%	-2.98%	-7.23%
STOXX 600	469	-0.27%	5.99%	7.65%
KOSPI Index	2,510	0.72%	1.97%	5.86%
Hang Seng	16,346	-0.71%	-7.49%	-15.96%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	103.86	-0.04%	-1.98%	-1.21%
USD/VND	24,278.00	0.01%	0.39%	-1.50%
EUR/USD	1.08	-0.06%	0.73%	2.19%
USD/CNY	7.15	0.17%	1.84%	-2.50%
Brent	74.24	0.26%	-6.66%	-2.51%
WTI	70.28	0.27%	-7.70%	-2.70%
Natural gas	2.50	-0.74%	-17.39%	-56.96%
Coal	140.45	5.91%	23.86%	-63.33%
Gold	2,033.24	0.05%	4.06%	13.43%

Vietnam Market Snapshot 07/12/2023



Money flow and sector rotation (VND bn)

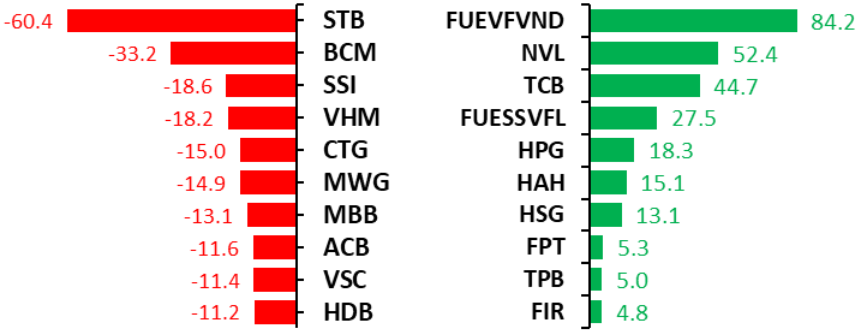
Sector	%1D	12/7/2023	12/6/2023	20-session Average
Technology	153.30	390	154	234
Financial Services	121.91	6,038	2,721	3,154
Basic Resources	107.53	2,393	1,153	1,443
Utilities	93.13	206	107	145
Chemicals	78.43	878	492	568
Health Care	76.05	27	15	15
Banks	75.47	3,850	2,194	2,248
Industrial Goods & Services	72.83	1,648	953	1,022
Travel & Leisure	54.39	145	94	106
Construction & Materials	53.22	1,635	1,067	1,068
Insurance	44.34	30	21	23
Oil & Gas	40.11	250	179	185
Real Estate	39.08	5,730	4,120	3,897
Food and Beverage	21.94	1,884	1,545	1,091
Automobiles & Parts	21.43	263	216	170
Personal & Household Goods	15.26	140	121	113
Retail	11.38	672	603	525
Media	7.59	18	17	11

Source: Bloomberg, Shinhan Securities Vietnam

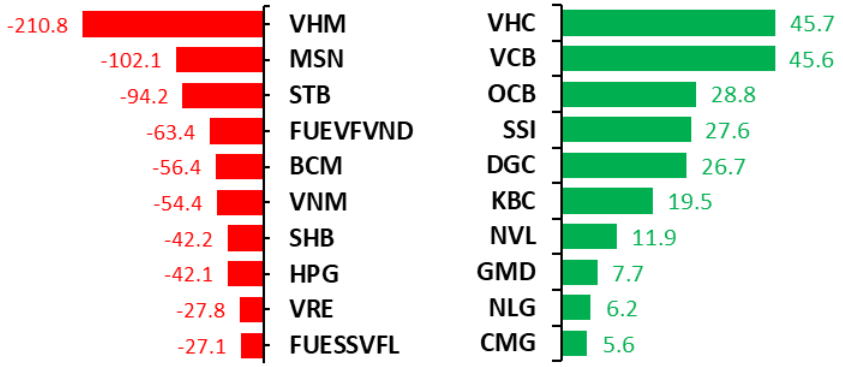
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,121.49	14.91	-4.94	-0.44	1,214	26,165
HNX INDEX	231.84	22.82	-1.79	-0.77	187	3,683

Vietnam Market Snapshot 07/12/2023

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	(6)	(302)	262	39
Basic Resources	32	(52)	(55)	106
Media	-	(0)	0	(0)
Industrial Goods & Services	(6)	(22)	20	2
Health care	-	(2)	4	(3)
Chemicals	(6)	27	(37)	10
Financial Services	90	(107)	110	(3)
Travel & Leisure	(6)	(18)	23	(5)
Banks	(99)	(124)	134	(11)
Construction & Materials	1	(18)	35	(17)
Food and Beverage	(15)	(137)	212	(75)
Retail	(13)	(27)	11	15
Utilities	(1)	(27)	21	5
Personal & Household Goods	(5)	0	3	(3)
Technology	(0)	5	(40)	35
Automobiles & Parts	2	3	(2)	(0)
Insurance	(1)	(9)	10	(1)
Oil & Gas	4	(7)	7	0

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- Banks "pumped" over 112 billion VND into the economy in just 1 week, with a remaining room of nearly 638 billion VND for December. According to the latest data released by the State Bank of Vietnam, as of November 30, 2023, credit to the economy reached about 13 trillion VND, an increase of 9.15% from the end of 2022, lower than the same period of previous years. Previously, as of November 22, 2023, total system credit growth had only reached 8.21%. Therefore, in just over 1 week at the end of November, the total credit scale of the whole economy increased by nearly 1%, equivalent to an increase of more than 112 billion VND. Although it accelerated sharply in the last week of November, the current total credit growth of the whole economy is still much lower than the same period of previous years and far from the target set by the State Bank of Vietnam last year. With the target orientation at the beginning of the year (14.5%), it is estimated that the room that banks can lend more in December is nearly 638 billion VND.

- The Government Inspectorate is urgently auditing the State Bank of Vietnam on credit growth management. According to Mr. Bui Ngoc Lam, on the basis of the direction of the Government leaders, the Government Inspectorate is taking steps to announce the decision to audit in accordance with regulations. Mr. Bui Ngoc Lam also emphasized the spirit of urgency, as the Deputy Prime Minister requested to report to the Prime Minister on the implementation in December and the results of the audit in January 2024.

- "Streamlining" major energy projects. Emphasizing that the energy sector is the "lifeblood" and is an important basic infrastructure of the economy, Deputy Prime Minister Tran Hong Ha requested the Ministry of Industry and Trade, the permanent agency of the Steering Committee, to urgently complete the operation regulations, members of the Steering Committee in the direction of clear tasks and responsibilities in monitoring and supervising the progress of implementation of major projects; research and propose solutions to effectively implement the planning, strategy, and program on energy.

Business news

- MWG: Nguyen Duc Tai buys 1/10 of MWG's registered shares, plans to buy another 500,000 units. The Mobile World Investment Corporation (MWG) announced that its chairman, Nguyen Duc Tai, has completed the purchase of 110,000 MWG shares out of a total of 1 million shares he had registered to buy. The trading period was from November 8 to December 7. Tai said he did not buy all of the shares he had registered because of unfavorable market conditions. After the transaction, Tai's stake in MWG increased from 35.1 million shares to 35.2 million shares (2.4% of the company's capital).

- SBT: Thanh Thanh Cong – Bien Hoa issues VND500 billion bond Thanh Thanh Cong – Bien Hoa (SBT) has completed the issuance of a VND500 billion bond, with a coupon rate of 10.5% per year. The bond is non-convertible, non-callable, guaranteed by Techcombank, and not secured by any assets. The proceeds from the issuance are expected to be used to invest in a joint venture with Biên Hòa Consumer Goods Corporation. The joint venture aims to expand the domestic market share and export of sugar, sugar-related products, and food, beverage, soft drink, dairy, and bakery products.

- VCC: Vinaconex 25 raises VND120 billion in public offering. Vinaconex 25, a Vietnamese construction company, has raised VND120 billion (US$5.2 million) in a public offering of 12 million shares. The shares were sold at VND10,000 (US$0.43) each, and were offered to existing shareholders on a one-for-one basis. The offering was open from October 5 to November 16, 2023. All of the shares were sold to 125 investors, including 124 domestic investors and one foreign investor.

Breaking News



Business news

- **HQC:** Hoang Quan Real Estate seeks VND15,000 billion for social housing. The Government Office has forwarded a letter of petition from Hoàng Quân Group to the Prime Minister's Standing Task Force on Construction. In the letter, Hoàng Quân Group commits to completing at least 50 social housing projects with around 50,000 units and 10 old apartment buildings in Ho Chi Minh City, Đồng Nai, and Long An in the period 2023-2030. The company said that four of its subsidiaries have been committed by HDBank to provide a loan of VND15,000 billion to implement the projects. Of the total, VND10,000 billion will be used to build social housing and renovate old apartment buildings in Ho Chi Minh City, and VND5,000 billion will be used to build social housing in Đồng Nai and Long An. These three localities are among those that have set high targets for the development of social housing projects in the period 2021-2030.

- **DCM:** PVCFC's Ca Mau Urea Plant reaches 10 million tons milestone. PVCFC, a Vietnamese fertilizer company, has reached a milestone of producing 10 million tons of urea at its Ca Mau Urea Plant on December 7, 2023. This is a significant achievement that reflects the company's commitment to sustainable and prosperous agriculture in Vietnam. The Ca Mau Urea Plant is a state-of-the-art facility that uses the latest technology to produce urea. The plant has a capacity of 1.5 million tons of urea per year, and it is one of the largest urea plants in Vietnam. The production of 10 million tons of urea is a significant achievement for PVCFC. It is a testament to the company's commitment to providing high-quality fertilizer to farmers in Vietnam. It also helps to ensure that Vietnam has a secure supply of fertilizer, which is essential for the country's agricultural sector.

- **FPT** Long Châu becomes Vietnam's largest pharmacy chain. FPT Long Châu, a Vietnamese pharmacy chain, has reached a milestone of 1,600 stores nationwide by the end of 2023. This makes it the largest pharmacy chain in Vietnam in terms of the number of stores. In early 2023, other pharmacy chains also announced plans to expand their chains, but none of them reached their goals by the end of the year.

Technical view



Trend: Recovery from the base

- VNINDEX closed at 1,121.49 (-4.94 points, -0.44%) with strong liquidity that doubled the average of the past 30 sessions. The market had 205 green codes and 289 red codes. The groups of stocks that contributed the most to the market's rise were BID, MSN, and VPB, while those that contributed the most to the decline were GAS, VCB, and VHM. Most industry groups declined except for banks and insurance. Foreign investors continued to sell heavily for the seventh consecutive session, while proprietary trading bought slightly.
- Technical view: VNINDEX formed a shooting star candle when it touched the 1,110 level and closed at 1,121. Liquidity reached the highest level since October 2023. The market's recovery trend from the bottom is still ongoing as the closing price is still above the 50-day EMA and 200-day MA. However, the 1,130 level is still a resistance zone, and the market needs to overcome it convincingly before the uptrend can be confirmed. If VNINDEX closes below the 1,110 level in the coming sessions, there is a high probability that the market will return to test the 1,080 level and need more time to accumulate.
- Strategy: Investors can consider disbursement during market corrections when stocks drop to the support zone.

Scenario:

- Positive (50%): The market will clearly break above the 1,130 level – corresponding to the MA200 – and create a new uptrend.
- Negative (50%): The market will consolidate in a narrow range of 1,080-1,130.

Recommended stocks

8/12/2023

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
BSR	Hold	18.9	19.9	18.2	5%	-4%	19.0	6	0.53%	30/11/2023	
MBB	Hold	18.0	19.0	17.4	6%	-3%	18.3	3	1.39%	05/12/2023	
MWG	Hold	39.9	45.2	36.0	13%	-10%	40.9	3	2.38%	05/12/2023	
POW	Hold	11.5	12.4	11.1	8%	-3%	11.5	3	0.00%	05/12/2023	
VHC	Hold	71.1	78.7	65.8	11%	-7%	75.8	2	6.61%	06/12/2023	
DGW	Hold	53.4	60.0	51.5	12%	-4%	53.0	1	-0.75%	07/12/2023	

Economic calendar

December 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
26	27	28	29	30 Core PCE Price Index m/m (USD) Personal Income MoM OCT	1 _ ISM Manufacturing PMI _ Fed Chair Powell Speech _ VN PMI _ FTSE publishes its index constituents.	2
3	4	5 _ US ISM Services PMI NOV _ US JOLTs Job Openings OCT	6	7 China Balance of Trade NOV	8 _ US Unemployment Rate NOV _ US Non Farm Payrolls NOV _ US Michigan Consumer _ Vaneck publishes its index constituents	9 China Inflation Rate YoY NOV
10	11	12 CPI,Core CPI (US)	13 US PPI MoM NOV	14 _ Fed Interest Rate Decision _ US Retail Sales MoM NOV	15 _ China Industrial Production YoY NOV _ Vaneck and FTSE restructure its index	16
17	18	19 US Building Permits Prel NOV	20	21 US GDP Growth Rate QoQ Final Q3	22 _ US Personal Income MoM NOV _ Core PCE Price Index (US)	23
24	25	26	27	28 Monthly macroeconomic data release (Viet Nam)	29	30

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

HCM

Shinhan Securities Vietnam Co., Ltd.
22nd Floor, Centec Tower, 72-74 Nguyen Thi Minh Khai Street,
District 3, HCM 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



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