MORNING CALL
11/12/2023

"The market is moving sideways, accumulating in the MA200"

- World stocks: World markets increased slightly after the US employment report
- Vietnamese stocks: The market is moving sideways, accumulating in the MA200
- Business news: #VIX, #VCB, #ACG, #HPG, #HCM, #DPG
- Technical perspective and updated recommendations
- Event calendar
- Q&A

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PART
-01-

Global Market Review 11/12 - 15/12/2023

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Major stocks market

- All three major averages rose 0.4% on Friday, with the S&P 500 hitting a new 2023 high, boosted by upbeat economic data. New data showed that nonfarm payrolls in the US rose more than expected by 199 thousand in November and the unemployment rate fell to a four-month low of 3.7%, dampening expectations that the Fed will cut interest rates. capacity in early spring 2024.
- European stocks rallied on Friday, with the STOXX 50 index rising to the 4,500 mark for the first time since October 2007 and the STOXX 600 index rising to a four-month high.
- The Nikkei 225 index fell 1.68%, while the Topix index fell 1.5% on Friday, as Bank of Japan Governor Kazuo Ueda hinted at an early exit from negative interest rates. Investors also reacted to data showing Japan's economy shrank 0.7% quarter-on-quarter in the third quarter, compared with a preliminary estimate of a 0.5% contraction. The Shanghai Composite rose 0.11%, while the Shanghai Component rose 0.36% on Friday. However, investors remain cautious as China's inflation data could affect the economic and monetary policy outlook.
- WTI crude oil futures rose above $71/barrel on Friday as prices hit a technical base. Oil prices have fallen more than 5% in the past week amid signs of rising global supply and weakening demand. Data released earlier this week showed that US gasoline inventories increased by 5.4 million barrels last week, the largest increase in nine weeks and much higher than the forecast of 1 million barrels, indicating weaker demand.

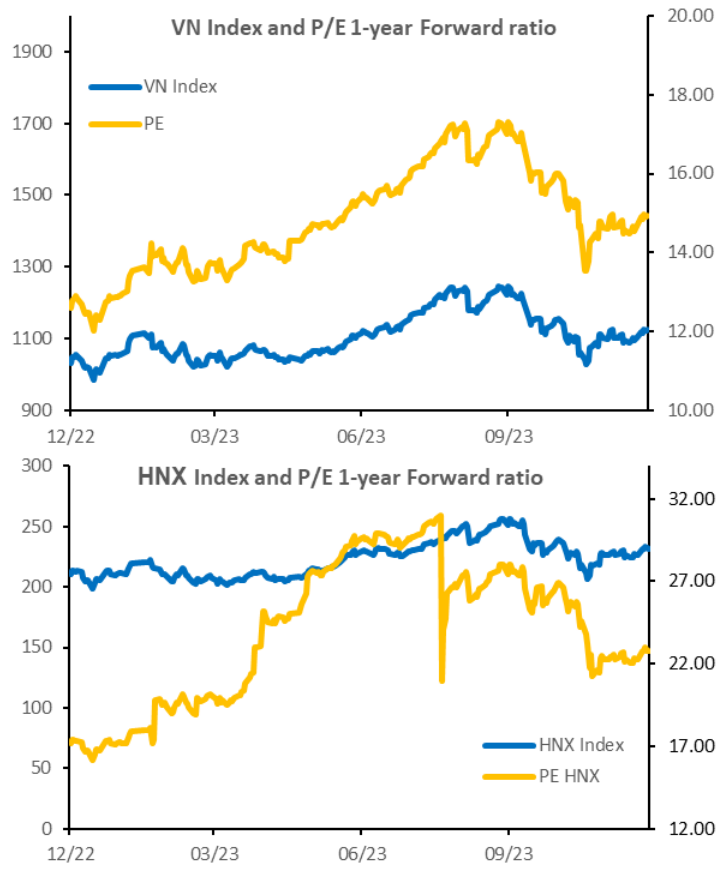
Market

	Close	%1D	%1M	%1Y
VN-Index	1,124	0.26%	2.07%	6.91%
S&P 500 Index	4,604	0.41%	4.28%	17.03%
Dow Jones Index	36,248	0.36%	5.73%	8.28%
GP 100	7,554	0.54%	2.63%	1.04%
Nikkei 225	32,880	1.77%	0.96%	17.84%
SHCOMP Index	2,970	0.11%	-2.28%	-7.40%
STOXX 600	472	0.74%	6.53%	7.54%
KOSPI Index	2,519	0.06%	4.55%	5.45%
Hang Seng	16,334	-0.07%	-5.05%	-17.92%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	103.97	-0.04%	-1.79%	-0.80%
USD/VND	24,240.00	0.01%	0.59%	-2.20%
EUR/USD	1.08	0.07%	0.67%	2.21%
USD/CNY	7.17	-0.30%	1.48%	-2.83%
Brent	76.18	0.45%	-6.45%	0.11%
WTI	71.46	0.32%	-7.40%	0.62%
Natural gas	2.47	-4.38%	-18.63%	-60.48%
Coal	151.00	1.51%	23.27%	-61.82%
Gold	2,005.77	0.05%	3.02%	12.59%

Vietnam Market Snapshot 08/12/2023



	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,124.44	14.95	2.95	0.26	685	15,571
HNX INDEX	231.20	22.76	-0.64	-0.27	106	1,681

Money flow and sector rotation (VND bn)

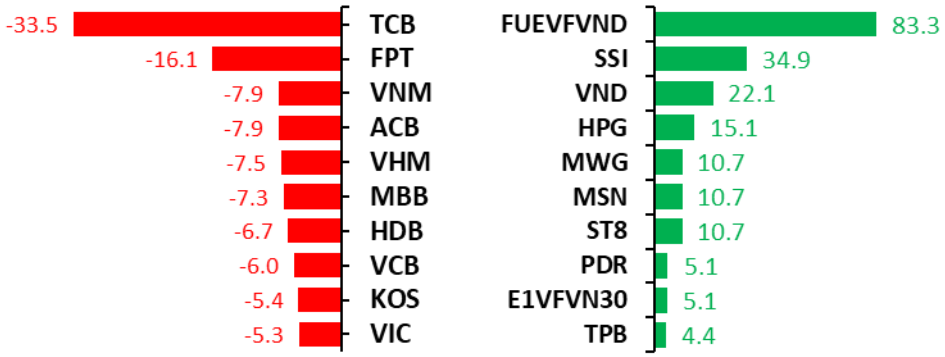
Sector	%1D	12/8/2023	12/7/2023	20-session Average
Retail	36.61	918	672	540
Automobiles & Parts	6.77	281	263	173
Utilities	-3.8	198	206	142
Basic Resources	-4.1	2,294	2,393	1,483
Media	-23.0	14	18	11
Personal & Household Goods	-24.3	106	140	114
Travel & Leisure	-31.9	99	145	105
Food and Beverage	-32.4	1,272	1,884	1,111
Health Care	-36.2	17	27	15
Real Estate	-37.5	3,582	5,730	3,832
Banks	-43.1	2,189	3,850	2,245
Oil & Gas	-46.0	135	250	183
Industrial Goods & Services	-49.4	834	1,648	992
Technology	-51.1	191	390	232
Construction & Materials	-52.6	775	1,635	1,054
Chemicals	-53.3	410	878	557
Insurance	-59.6	12	30	22
Financial Services	-62.6	2,258	6,038	3,087

Source: Bloomberg, Shinhan Securities Vietnam

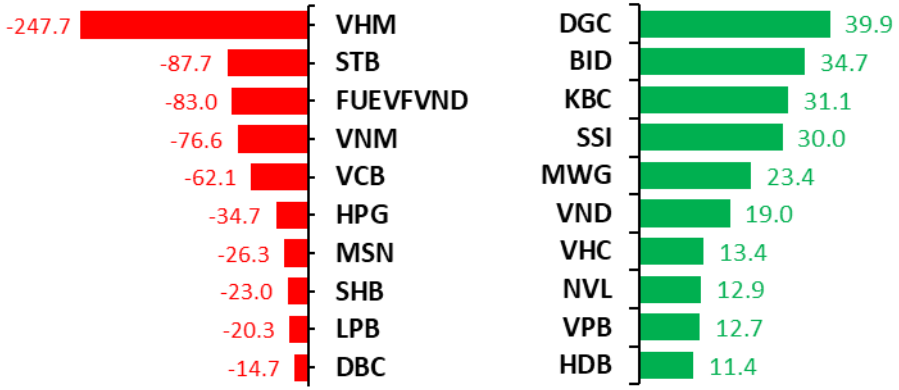
Vietnam Market Snapshot 08/12/2023

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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	(21)	(182)	205	(23)
Basic Resources	15	(27)	63	(36)
Media	-	(0)	0	(0)
Industrial Goods & Services	(7)	1	29	(30)
Health care	-	(7)	8	(1)
Chemicals	(1)	37	2	(39)
Financial Services	137	(44)	(95)	140
Travel & Leisure	(4)	(6)	10	(4)
Banks	(79)	(137)	(28)	166
Construction & Materials	2	14	16	(30)
Food and Beverage	(2)	(107)	116	(9)
Retail	11	19	(52)	33
Utilities	(1)	(25)	40	(14)
Personal & Household Goods	(4)	(0)	23	(23)
Technology	(6)	7	(30)	24
Automobiles & Parts	(5)	1	(6)	5
Insurance	(0)	(0)	1	(0)
Oil & Gas	(0)	7	(10)	3

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- In a recent report, HSBC Global Research assessed that Vietnam's economic outlook is stable, inflation is under control and the State Bank of Vietnam (SBV) is expected to keep interest rates at 4.5% throughout 2024. Regarding inflation is expected to maintain under control. Accordingly, recent inflation only increased by 0.2% over the previous month, leading to inflation over the same period last year also softening to 3.4% in November. However, HSBC Global Research also warned of caution about the trade outlook because the demand for goods in major trading partners is still difficult. The PMI manufacturing index continued to decrease to 47.3 points in November (both output and new orders shrunk).

- On December 8, Fitch Ratings upgraded Vietnam's long-term national credit rating to BB+, with a "stable" outlook. Fitch Ratings forecasts Vietnam's economic growth this year at about 7%. According to Fitch Ratings, the growth driver of Vietnam's economy comes from strong foreign direct investment (FDI) flows and abundant labor resources. Vietnam's participation in the extensive regional and global network of free trade agreements will help diversify the supply chain. The event of upgrading relations with the United States to a comprehensive strategic partnership will continue to promote stronger FDI attraction into Vietnam.

- UOB said it appears the recent VND sell-off is over and the VND may follow a recovery trend, but gains may be limited due to a modest economic recovery in 2024. According to UOB, While the VND may follow the broader forex recovery across Asia, gains are likely to be limited by a modest economic recovery in 2024. Overall, UOB's updated USD/VND forecast is 24,000 in the first quarter of 2024, 23,800 in the second quarter of 2024, 23,600 in the third quarter of 2024 and 23,500 in the fourth quarter of 2024" - UOB forecasts.

Business news

- VIX: Violating a series of regulations, VIX Securities was fined more than VND 300 million. Specifically, VIX Securities was fined VND 137.5 million for violating regulations on receiving and executing customer trading orders. In addition, VIX continued to be fined VND 137.5 million for violating regulations on allowing customers to conduct margin transactions that exceed the existing purchasing power on the customer's margin trading account. In addition, VIX was also fined VND 40 million due to violations of arranging employees to do concurrent work in positions where concurrent work is not allowed, specifically arranging internal audit personnel to concurrently do other position in the company. The total amount of fine VIX Securities Joint Stock Company must pay is VND 315 million.

- VCB: Joint Stock Commercial Bank for Foreign Trade of Vietnam has just announced information about the results of buying back bonds before maturity. Accordingly, Viecombank has repurchased bond batch VCBH2128006 with par value of 1 billion VND/bond, total value of VND 600 billion on December 4, 2023. The bond batch has a term of 7 years, issuance date is December 3, 2021 and will not mature until December 3, 2028. This type of corporate bond is non-convertible, does not include warrants and is not guaranteed by assets.

- AGG: Although the financial situation is not very positive when net profit growth are going backwards and business cash flow is negative. It is quite surprising that recently, An Gia Real Estate Investment and Development JSC announced that it has guaranteed a debt of VND 150 billion for Le Gia Real Estate Investment JSC. On December 8, An Gia Real Estate sent a document to the State Securities Commission and the HOSE to announce information about the approval to guarantee the entire 150 billion VND credit loan obligation of Le Gia Real Estate. An Gia side will guarantee any principal, interest, fees, expenses, penalties for violations, compensation for any related fines.

Breaking News



Business news

- HPG: Hoa Phat Shipping Joint Stock Company (part of Hoa Phat Group) said that the unit has just departed the first shipment of the HPS-01 ship, tonnage of 24,500 tons, marking the official operation of the ship. The first SB newly built by the Investment Group. The ship will transport raw materials and finished products, which is mainly hot rolled steel coil (HRC). The ship is invested in new construction at Ha Long - Quang Ninh Shipyard. According to the plan, the HPS-01 ship will carry the first HRC shipment at Hoa Phat Dung Quat specialized port to the southern region of the city. Ho Chi Minh and City. Vung Tau.

- HCM: HSC has just announced that it has received the public offering registration certificate issued by the State Securities Commission. According to registration, the total number of shares issued is 297.2 million units, of which 228.6 million shares are offered to existing shareholders and 68.6 million units are issued to pay dividends. Charter capital is expected to increase from VND 4,581 billion to VND 7,552 billion. The offering plan to existing shareholders was approved by the General Meeting of Shareholders at the meeting on August 8, 2022. Total expected issuance value at par value reaches VND 2,286 billion. The company plans to consider using the proceeds to supplement capital for margin lending activities (margin) of VND 1,786 billion and additional capital for self-trading activities of VND 500 billion.

- DPG: Dat Phuong Group Joint Stock Company has just announced the award of Contract Package CDT-XL01 Construction of Moc Hoa, Sa Dec, Hong Ngu, Mo Cay bridges; renovating Giong Gang bridge; dismantling Mang Thit bridge. This is a bidding package under the project Improving the clearance of road bridges crossing the national inland waterway, phase 1 in the Southern region. The value of the contract Dat Phuong implemented was more than VND 612 billion.

Technical view



Trend: Recovery from the base

- VNINDEX closed at 1,124.44 (+2.95 points, +0.26%) with liquidity at an average level of 20 sessions with a transaction value of VND 17 trillion. The market has 283 green codes and 221 red codes. The group of stocks that contributed the most to the market's increase were BID, MSN, MWG. In the opposite direction, VCB, VJC, and LGC pulled the market down. Foreign investors recorded a strong net selling of VND 449 billion, focusing mainly on VHM, STB, FUEVFVND
- Technical: The market is moving sideways at 1,120 and maintaining above the MA200 threshold, showing a short-term accumulation trend before continuing the upward momentum. Technical indicators continue to remain positive for the market in the short term. In particular, the MA20 line has crossed above the MA50 line, confirming the short-term upward trend. Besides, indicators such as MACD and RSI continue to maintain an uptrend, reinforcing the current uptrend of the market.
- Strategy: Investors can consider disbursement during market corrections when stocks reach 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

11/12/2023

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%	18.9	7	0.00%	30/11/2023	
MBB	Hold	18.0	19.0	17.4	6%	-3%	18.2	4	1.11%	05/12/2023	
MWG	Hold	39.9	45.2	36.0	13%	-10%	42.6	4	6.77%	05/12/2023	
POW	Hold	11.5	12.4	11.1	8%	-3%	11.7	4	1.30%	05/12/2023	
VHC	Hold	71.1	78.7	65.8	11%	-7%	74.9	3	5.34%	06/12/2023	
DGW	Hold	53.4	60.0	51.5	12%	-4%	53.2	2	-0.37%	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

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Q&A

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