MORNING CALL
15/12/2023

“Buyer sentiment is weakening."

- ❑ World stocks: The US stock market has risen well after reaching an all-time high
- ❑ Vietnam stocks: Buyer sentiment is weakening
- ❑ Business news: #FPT, #NVL, #HVN, #DGC, #ASM, #BVH, #LPB ,#HPG
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

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

Shinhan Securities

Major stocks market

- In regular trading on Thursday, the Dow rose 0.43%, the S&P 500 climbed 0.26% and the Nasdaq Composite added 0.19%.Those gains came as the Federal Reserve held interest rates steady and signaled 75 basis points of rate cuts for next year, more than initially projected in September. Meanwhile, retail sales unexpectedly rose last month, suggesting a strong kick-off of the holiday shopping season and initial claims came below forecasts. Still, the strong data did little to alter rate cut expectations.
- European markets finished mixed as of the most recent closing prices. The CAC 40 gained 0.43%, while Germany's DAX was off 0.24%. Shares in London were unchanged with the FTSE 100 at 7,648.98.. European stocks trimmed earlier gains but closed at multi-year highs on Thursday, as markets digested policy decisions from both the ECB and BoE. The currency bloc's central bank held interest rates steady but indicated an early end to its last remaining bond purchase scheme, aiming to address high inflation and tightening financial conditions.
- The Nikkei 225 Index jumped 1.1% to above 33,000 while the broader Topix Index climbed 0.7% to 2,338 on Friday, recouping losses from the previous session and tracking gains on Wall Street overnight as the US Federal Reserve stood pat and set the table for rate cuts next year. Meanwhile, data showed that manufacturing activity in Japan remained contractionary in December, while services sector growth hit a three-month high
- WTI crude futures jumped 4% to over $72 a barrel on Thursday, extending a 1.3% gain the day before, prompted by a dovish Fed, a softer dollar, and a bigger-than-anticipated draw in US crude inventories.

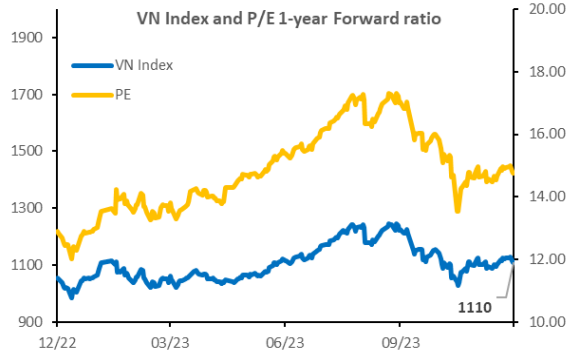
Market

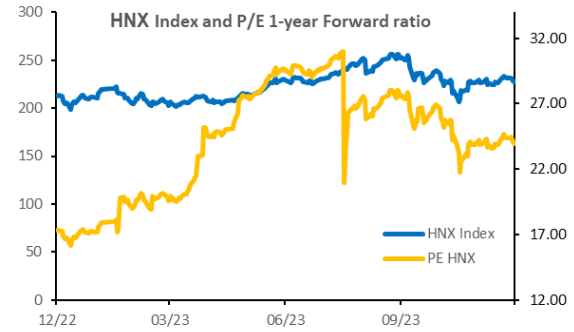
	Close	%1D	%1M	%1Y
VN-Index	1,110	-0.37%	-1.10%	5.19%
S&P 500 Index	4,720	0.26%	4.98%	18.13%
Dow Jones Index	37,248	0.43%	6.95%	9.66%
GP 100	7,649	1.33%	2.16%	3.00%
Nikkei 225	33,038	1.08%	-1.44%	17.78%
SHCOMP Index	2,959	-0.33%	-3.71%	-6.62%
STOXX 600	477	0.87%	4.85%	10.85%
KOSPI Index	2,572	1.07%	3.41%	8.92%
Hang Seng	16,402	1.07%	-9.27%	-15.32%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	102.06	0.10%	-2.24%	-2.39%
USD/VND	24,240.00	0.06%	0.24%	-2.92%
EUR/USD	1.10	-0.08%	1.25%	3.35%
USD/CNY	7.11	0.83%	1.98%	-2.28%
Brent	76.67	0.08%	-5.56%	-5.59%
WTI	71.66	0.11%	-6.52%	-5.85%
Natural gas	2.42	1.09%	-24.20%	-65.31%
Coal	145.50	-0.51%	18.78%	-63.99%
Gold	2,033.01	-0.16%	3.73%	14.42%

Vietnam Market Snapshot 14/12/2023





Money flow and sector rotation (VND bn)

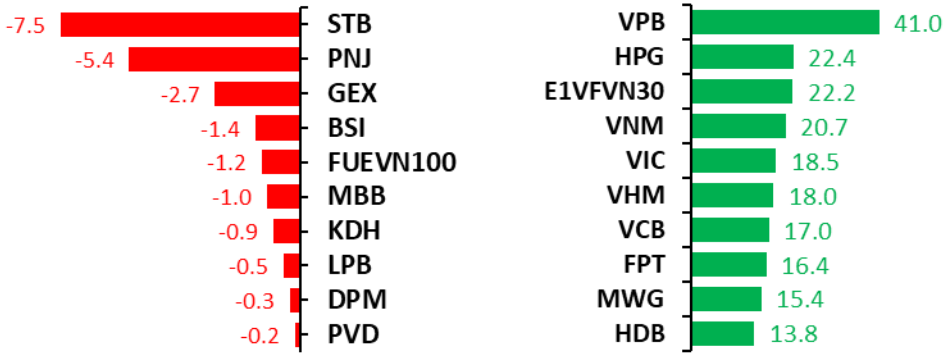
Sector	%1D	12/14/2023	12/13/2023	20-session Average
Basic Resources	-14.6	1,359	1,591	1,440
Health Care	-14.6	21	24	16
Banks	-16.2	2,016	2,406	2,085
Financial Services	-20.0	1,997	2,497	3,000
Real Estate	-20.4	2,827	3,551	3,725
Travel & Leisure	-20.5	98	123	103
Technology	-21.3	186	236	241
Chemicals	-24.2	376	496	526
Industrial Goods & Services	-26.8	714	976	966
Retail	-28.2	443	617	511
Automobiles & Parts	-35.2	125	193	179
Personal & Household Goods	-37.9	105	169	123
Utilities	-38.5	105	170	132
Construction & Materials	-40.4	717	1,203	1,000
Food and Beverage	-42.9	842	1,473	1,149
Insurance	-58.8	16	39	20
Oil & Gas	-61.7	87	228	179
Media	-85.3	3	21	13

Source: Bloomberg, Shinhan Securities Vietnam

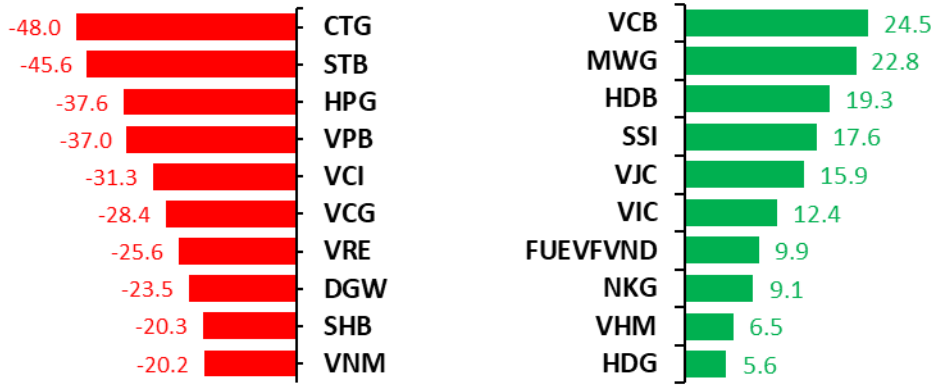
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,110.13	14.76	-4.07	-0.37	557	12,066
HNX INDEX	227.23	23.97	-1.19	-0.52	87	1,592

Vietnam Market Snapshot 14/12/2023

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	50	(52)	41	11
Basic Resources	23	(34)	(15)	49
Media	-	(0)	0	0
Industrial Goods & Services	(1)	(20)	32	(12)
Health care	1	(7)	8	(0)
Chemicals	2	(20)	25	(5)
Financial Services	45	(25)	13	11
Travel & Leisure	12	10	(23)	13
Banks	115	(110)	104	7
Construction & Materials	2	(38)	23	15
Food and Beverage	39	(50)	51	(1)
Retail	19	(1)	(57)	58
Utilities	2	(14)	19	(5)
Personal & Household Goods	(5)	2	7	(8)
Technology	17	4	(19)	15
Automobiles & Parts	0	1	(2)	0
Insurance	1	0	(1)	0
Oil & Gas	1	(2)	3	(1)

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- 80% of mid-range apartments from Khang Dien, Vinhomes, Nam Long ... sold immediately after launch: Have real estate businesses passed the "hard times"? According to the statistics of this expert, the mortgage interest rate peaked at up to 16% at some banks in early 2023, then decreased significantly. The current mortgage rate is equivalent to the level before the government's sharp interest rate increase last year. For example, about 80% of the apartments of Khang Dien House (KDH) launched at the mid-range project "Privia" were sold immediately at the launch event. In addition, 80% of the apartments of the Glory Heights project of Vinhomes (VHM) have been sold, and 80% of the Akari project of Nam Long (NLG) have also been sold quickly.

- Vietnam supports closer ties between ASEAN and Japan. Prime Minister Pham Minh Chinh's upcoming visit to the ASEAN-Japan Summit is a good opportunity for leaders of the parties to assess the results of cooperation, and to direct the development of relations in the new stage, commensurate with the framework of Comprehensive Strategic Partnership. At the invitation of Japanese Prime Minister Kishida Fumio, Prime Minister Pham Minh Chinh will lead a high-level Vietnamese delegation to attend the 50th Anniversary ASEAN-Japan Summit and conduct bilateral activities in Japan from December 15-18.

- Vietnam plans to borrow an additional over 1.2 billion USD from abroad this year. The Ministry of Finance said that it plans to complete the negotiation and signing of 12 agreements and loan agreements with foreign concessional loans from now until the end of the year, with a total signed value of about 1.255 billion USD. In November, the Ministry of Finance also submitted a proposal to negotiate with a number of financial organizations such as the World Bank (WB), the German Reconstruction Bank (KFW), the French Development Agency (AFD), the European Investment Bank (EIB) ... for projects on the development of transportation infrastructure, energy, environment...

Business news

FPT: FPT establishes automotive software company in the US, targeting a billion-dollar goal. On December 14, 2023, FPT announced the establishment of FPT Automotive, a company headquartered in Texas, USA, to conquer the automotive software market worth hundreds of billions of dollars. FPT Automotive aims to become a world-class provider of software services and products for the automotive industry worth $1 billion by 2030.

NVL: Diamond Properties, Novaland's second-largest shareholder, to sell 4.78 million shares. Diamond Properties, the second-largest shareholder of Novaland Group, has registered to sell 4.78 million NVL shares for the purpose of rebalancing its investment portfolio and supporting its debt structure. The transaction is expected to be carried out through the matching order and/or agreement method from December 19, 2023 to January 9, 2024.

HVN: Vietnam Airlines awarded Human Act Prize for the "Sen Vàng" project. Vietnam Airlines has just been awarded the Human Act Prize in the category of the "Sen Vàng" project, which connects love. Human Act Prize (Award for Community Action) is an annual award organized by the People's Newspaper, with the participation of the Ministry of Labor, War Invalids and Social Affairs, the Ministry of Natural Resources and Environment, and the Ministry of Science and Technology.

DGC: Norges Bank, a member of Dragon Capital, reports buying 150,000 DGC shares. Norges Bank, a member of Dragon Capital, reported buying 150,000 DGC shares of Đức Giang Chemical Group on December 11, raising its ownership to 5.5 million units, equivalent to 1.44% of the charter capital. After the transaction, the total ownership of the Dragon Capital fund group increased to 22.9 million units, equivalent to 6.02% of the capital, with Norges Bank holding the most.

Breaking News



Business news

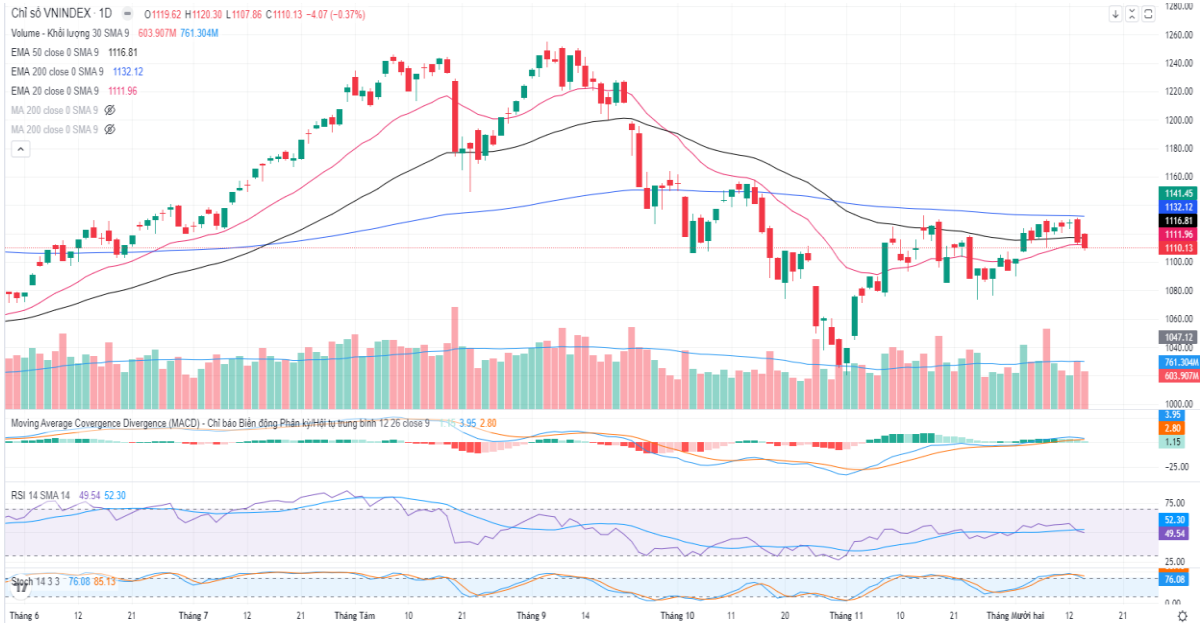
- BVH: BVH: Leading the Top 10 Sustainable Enterprises in Vietnam for nearly a decade. BVH, a leading insurance company in Vietnam, has been named the top sustainable enterprise in Vietnam for the ninth consecutive year. The announcement was made at a ceremony in Hanoi attended by representatives from the Vietnam Chamber of Commerce and Industry (VCCI), the Vietnam Business Council for Sustainable Development (VBCSD), and more than 250 business leaders.

- ASM: Disinvesting from a financial services company. ASM, a leading conglomerate in Vietnam, has announced plans to divest 100% of its stake in Astar Financial Consulting and Investment JSC. The company plans to sell 866,000 shares for a total value of more than VND8.6 billion. The shares will be sold to a qualified buyer, including organizations or individuals with financial capacity and a culture that is compatible with Astar

- LPB: NPLs increase pressure on the credit system, raising provisioning costs and reducing bank profits. NPLs, or non-performing loans, have increased in Vietnam, putting pressure on the credit system and reducing bank profits. Many banks, such as LienViet Post Bank (LPB), have NPLs that are approaching the "red line." The third-quarter financial report of LienViet Post Bank (LPB, stock code: LPB) shows that the bank's financial picture is not optimistic.

- HPG: How much money has Hoa Phat poured into the $3 billion Dung Quat 2 steel complex? "We are devoting all our efforts to this $3 billion steel complex. This project is equivalent to 1,000 small and medium-sized projects, or 100 large projects that Hoa Phat has built on its own without the support of any foreign conglomerate," said Hoa Phat Chairman Tran Dinh Long at the company's annual general meeting in 2023. This statement shows the importance of the Dung Quat 2 steel complex to Hoa Phat's future. Therefore, the progress of the project is of great interest to investors.

Technical view



Trend: Accumulation

- VNINDEX closed at 1,110.1 (-4 points, -0.37%) with low liquidity. The market had 138 green and 384 red stocks. The stocks that contributed the most to the market's decline were HPG, VHM, and VPB. The stocks that contributed to the market's rise were FPT and VCB. The increase and decrease of the industry groups were strongly differentiated. Foreign investors and individual investors continued to sell net. Foreign investors still maintained a net selling streak of 12 consecutive sessions and showed no signs of stopping.
- Technical view: The market declined throughout the session despite good news from the US market. The sellers completely dominated, causing VNINDEX to close below the EMA 50. Thus, the market is likely to adjust to the 1080-1100 range to test again. It can be seen that the investor sentiment is quite frustrated when the recent recovery failed. The STOCH indicator has cut below the signal line along with the decline of the session today, further indicating that the probability of the market continuing to adjust is high.
- Strategy: Investors should stand aside and limit new purchases because the market is adjusting. New investment should wait for the market to exceed 1130 or adjust to the 1080 range and rise again.

Scenario:

- Positive (60%): The market will consolidate in a narrow range of 1,080-1,130.
- Negative (40%): The market will break through the 1,080 support level and return to the 1,040 support level.

Recommended stocks

15/12/2023

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%	18.7	11	-1.06%	30/11/2023	
MBB	Hold	18.0	19.0	17.4	6%	-3%	18.1	8	0.28%	05/12/2023	
MWG	Hold	39.9	45.2	36.0	13%	-10%	41.6	8	4.26%	05/12/2023	
POW	Hold	11.5	12.4	11.1	8%	-3%	11.3	8	-1.74%	05/12/2023	
VHC	Hold	71.1	78.7	65.8	11%	-7%	73.7	7	3.66%	06/12/2023	
DGW	Sell	53.4	60.0	51.2	12%	-4%	49.8	6	-6.74%	07/12/2023	Hit cutloss

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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