MORNING CALL
18/12/2023

“Lack of leadership from large-cap groups"

- ❑ World stocks: Traded in opposite direction
- ❑ Vietnam stocks: Lack of leadership from large capitalization groups
- ❑ Business news: #FPT, #HVN, #NVL, #HAG, #CTG, #VCB
- ❑ 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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Global Market Review 11/12 - 15/12/2023

Shinhan Securities

Major stocks market

- Last week, the Dow jumped 2.92%, the S&P 500 rallied 2.49% and the Nasdaq Composite surged 2.85%. Those gains came as the Federal Reserve held interest rates steady and signaled three rate cuts in 2024 amid cooling inflation. However, New York Fed Bank President John Williams said on Friday that the central bank is not currently discussing rate cuts and that it is focused on whether rates are restrictive enough to bring inflation back down within target. Investors now look ahead to December's business leaders survey and housing market index results this week for further guidance.
- European markets finished mixed as of the most recent closing prices. The CAC 40 gained 4.63%, while London's FTSE 100 was off 0.02%. Shares in Germany were unchanged with the DAX at 16,751.40.. European equities held onto early gains and closed moderately higher on Friday, building on the momentum from the Federal Reserve's dovish outlook despite fresh data pointing to weakening economic activity in the Eurozone.
- The Nikkei 225 Index dropped 1.1% to around 32,600 while the broader Topix Index lost 1% to 2,310 on Monday, giving back gains from last week as investors braced for the Bank of Japan's final policy meeting this year. The central bank is expected to maintain its ultra-easy monetary policy, though investors will focus on hints of a possible start to interest rate hikes.
- WTI crude futures erased earlier gains and hovered flat at the $71 per barrel mark, set to close the week with minor movements following two months of weekly declines as the outlook of ample supplies continued to outpace hopes of stronger demand.

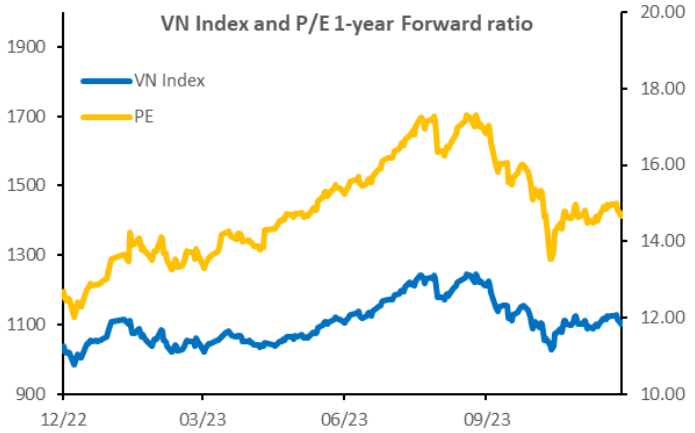
Market

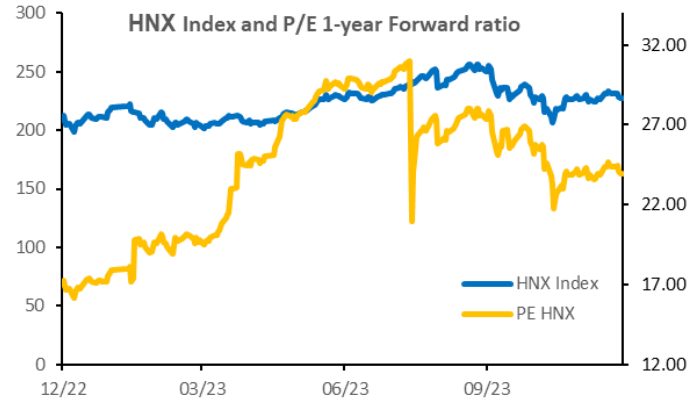
	Close	%1D	%1M	%1Y
VN-Index	1,102	-0.71%	0.10%	4.73%
S&P 500 Index	4,719	-0.01%	4.55%	22.50%
Dow Jones Index	37,305	0.15%	6.75%	13.32%
GP 100	7,576	-0.95%	0.96%	3.33%
Nikkei 225	32,606	-1.11%	-2.92%	18.45%
SHCOMP Index	2,943	-0.56%	-3.66%	-7.11%
STOXX 600	477	0.01%	4.56%	12.21%
KOSPI Index	2,558	-0.22%	3.57%	8.39%
Hang Seng	16,792	2.38%	-3.79%	-13.67%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	102.57	0.02%	-1.30%	-2.04%
USD/VND	24,261.00	0.03%	-0.20%	-2.34%
EUR/USD	1.09	0.02%	-0.39%	2.73%
USD/CNY	7.12	-0.13%	1.76%	-2.07%
Brent	77.07	0.68%	-4.39%	-2.49%
WTI	71.90	0.66%	-5.26%	-3.22%
Natural gas	2.50	0.32%	-15.57%	-62.14%
Coal	145.25	-0.17%	17.85%	-63.86%
Gold	2,022.28	0.13%	2.24%	13.13%

Vietnam Market Snapshot 15/12/2023





Money flow and sector rotation (VND bn)

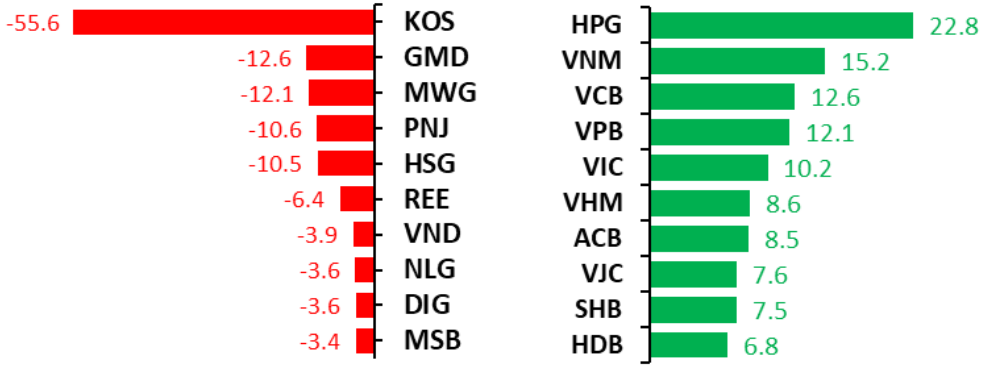
Sector	%1D	12/15/2023	12/14/2023	20-session Average
Media	234.86	10	3	13
Utilities	80.73	190	105	134
Food and Beverage	71.83	1,446	842	1,146
Insurance	44.68	23	16	20
Financial Services	25.01	2,496	1,997	2,931
Automobiles & Parts	22.83	154	125	169
Chemicals	20.39	453	376	510
Real Estate	17.76	3,331	2,828	3,574
Retail	9.74	486	443	500
Health Care	9.72	23	21	17
Travel & Leisure	5.55	103	98	103
Oil & Gas	3.59	90	87	171
Construction & Materials	2.13	732	717	949
Basic Resources	0.90	1,371	1,359	1,403
Banks	-0.2	2,013	2,016	2,027
Industrial Goods & Services	-9.5	646	714	938
Technology	-10.6	166	186	231
Personal & Household Goods	-13.0	91	105	119

Source: Bloomberg, Shinhan Securities Vietnam

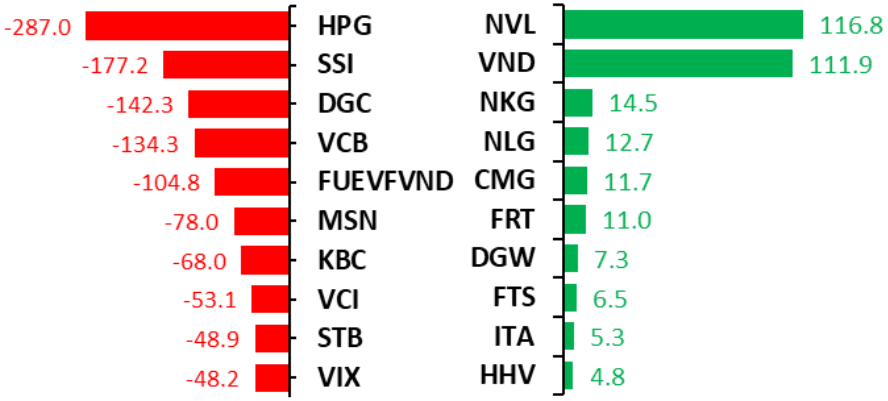
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,102.30	14.66	-7.83	-0.71	630	13,854
HNX INDEX	227.02	23.95	-0.21	-0.09	80	1,535

Vietnam Market Snapshot 15/12/2023

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	(38)	(4)	60	(56)
Basic Resources	13	(309)	224	85
Media	-	(0)	0	0
Industrial Goods & Services	(19)	(48)	73	(25)
Health care	1	(6)	4	2
Chemicals	5	(160)	82	78
Financial Services	(4)	(279)	252	27
Travel & Leisure	7	(23)	17	6
Banks	51	(326)	151	175
Construction & Materials	(3)	(28)	38	(10)
Food and Beverage	16	(174)	164	10
Retail	(12)	(10)	(128)	137
Utilities	3	(62)	76	(14)
Personal & Household Goods	(11)	2	13	(16)
Technology	(1)	12	(23)	11
Automobiles & Parts	(0)	(8)	7	1
Insurance	0	(13)	13	1
Oil & Gas	(0)	(30)	31	(1)

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- Japan is committed to supporting Vietnam in successfully implementing the Industrialization and Modernization Strategy. Prime Minister Pham Minh Chinh and Prime Minister Kishida Fumio highly appreciated the positive developments in many key economic cooperation projects between the two countries in recent times, as well as the total value of ODA loans in 2023 exceeding 100 billion Yen for the first time since 2017; At the same time, he affirmed to continue strengthening economic links between the two countries, promoting cooperation to ensure economic security...

- The Ministry of Finance said that from now until the end of the year, it is expected to complete the negotiation and signing of 12 agreements and foreign preferential loan agreements, with a total signed value of about 1,255 billion USD. Information about the mobilization of ODA loans and foreign concessional loans, as of mid-November 2023, the Ministry of Finance, on behalf of the Government, has signed 6 foreign loan agreements with the International Fund for Development. agriculture (IFAD), Korea and Japan with a total signing value of about 531.79 million USD. According to Decision No. 458/QD-TTg dated April 28, 2023 of the Prime Minister approving the plan to borrow and repay public debt in 2023 and the 3-year public debt management program for the period 2023-2025, it is expected to mobilize Loan capital in 2023 is VND 644,409 billion, loan to offset central budget deficit is 430,500 billion VND, loan to repay central debt principal is 1,90,515 billion VND, loan to re-lend is VND 23,394 billion. Government debt repayment is about VND 327,287 billion.

- The Prime Minister requested the Ministry of Finance to drastically implement solutions to upgrade the stock market as soon as possible. Prime Minister Pham Minh Chinh has just signed Official Dispatch No. 1360/CD-TTg dated December 13, 2023, strengthening solutions to promote the stock market to develop safely, transparently, effectively and sustainably.

Business news

FPT: FPT reported 19% growth in profit after tax in 11 months, earning nearly USD 1 billion from abroad. FPT Joint Stock Company has announced business results for the first 11 months of 2023, in which revenue and pre-tax profit in 11 months reached VND 47,201 billion and VND 8,545 billion, respectively, an increase of 20.3% and 19.2% YoY. Profit after tax for parent company shareholders and EPS reached VND 6,027 billion and 4,757 VND/share, respectively, an increase of about 19% YoY. Compared to the set plan, FPT Group has completed 90.3% of the revenue plan and 94.4% of the profit target for the whole year 2023.

HVN: Mr. Tran Thanh Hien, Chief Accountant of Vietnam Airlines, affirmed that Vietnam Airlines' situation of negative equity and accumulated losses for 3 consecutive years is very special. The company hopes that the government agency will consider comprehensively delisting its shares. Vietnam Airlines' 2022 financial report shows that the consolidated revenue for the whole year 2022 reached VND 71,701 billion, 20% higher than the plan, but Vietnam Airlines still cannot escape losses. The pre-tax losses of the parent and consolidated companies were negative VND 8,841 billion and negative VND 10,945 billion, respectively. The equity of the parent and consolidated company as of December 31, 2022 is estimated to be negative VND 3,579 billion and negative 11,056 billion VND, respectively.

NVL: No Va Real Estate Investment Group Joint Stock Company has just announced the Board of Directors Resolution approving the termination of the cooperation contract with The Forest City Company Limited with a value of VND 500 billion in cooperation capital, corresponding to a guarantee of VND 200 billion. The Forest City has a charter capital of VND 661 billion, is a subsidiary of Novaland with 99.88% ownership. This is the investor of The Tropicana project - a component project of the NovaWorld Ho Tram super project in Ba Ria - Vung Tau.

Breaking News



Business news

- HAG: The only individual who spent VND 200 billion to buy individual shares in HAGL's 1,300 billion issuance is also 'Mr. Thuy's person'. It is worth mentioning that Mr. Nguyen Duc Quan Tung is the only individual participating in the upcoming private placement of shares with a value of VND 1,300 billion (at par value) of Hoang Anh Gia Lai Group (HAGL, HAG). Specifically, Mr. Tung plans to buy 28 million HAG shares. The remaining 2 strategic investors are ThaiGroup Group buying 52 million HAG shares (4.92% ratio), LPBank Securities buying 50 million HAG shares (4.73% capital ratio).

- CTG: On the morning of December 15, 2023, VietinBank Chairman of the Board of Directors Tran Minh Binh had a working session with Mr. Mike Kanetsugu - Chairman of Mitsubishi UFJ Group (Mitsubishi UFJ Financial Group - MUFG) in Tokyo, Japan. The working session was within the framework of the VietinBank Delegation's business trip to Tokyo to attend the MUFG Partner Bank Conference (MGPC) in 2023. At the working session, Mr. Tran Minh Binh - Chairman of the Board of Directors of VietinBank and Mr. Mike Kanetsugu - Chairman of MUFG Group is very happy with the business results that VietinBank and MUFG Bank have achieved in 2023. This is a testament to the tireless efforts of the two banks to overcome many difficulties and challenges. awake during the past period.

- VCB: Voted in the top 10 listed companies with the best annual reports on the stock market. On December 15, 2023, in Khanh Hoa province, the awarding ceremony of the 16th listed enterprise election took place. The event was held in conjunction with the 2023 annual listed enterprise conference with the participation of Attendance of leaders of the State Securities Commission; leaders of Stock Exchanges, Vietnam Securities Depository and Clearing Corporation and representatives of nearly 300 listed companies, securities companies, fund management companies and financial institutions in the market .

Technical view



Trend: Sideway

- VNINDEX closed at 1102.3 points (-7.83 points, -0.71%) with relatively low liquidity. The market increased with 162 green codes and 338 red codes. The market leading group includes NVL, VND and ACB, on the contrary VCB MSN contributed the most to the market decline. Foreign investors continued to be strong net sellers, while proprietary traders were light net buyers.
- Technical perspective: The trading market is quite weak after encountering resistance at the 1130 area. This may make investor sentiment even more depressed. With price momentum indicators all crossing the signal line, it shows that the possibility of continued correction is high. In addition, VNINDEX will continue to trade in the range of 1080-1130 for further accumulation.
- Strategy: Investors can buy when VNINDEX increases from 1080 and sell at 1130.

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

18/12/2023

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	12	-1.06%	30/11/2023	
MBB	Hold	18.0	19.0	17.4	6%	-3%	18.1	9	0.28%	05/12/2023	
MWG	Hold	39.9	45.2	36.0	13%	-10%	41.6	9	4.26%	05/12/2023	
POW	Hold	11.5	12.4	11.1	8%	-3%	11.3	9	-1.74%	05/12/2023	
VHC	Hold	71.1	78.7	65.8	11%	-7%	73.7	8	3.66%	06/12/2023	
DGW	Sell	53.4	60.0	51.2	12%	-4%	49.8	7	-6.74%	07/12/2023	Cut loss

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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