MORNING CALL
20/12/2023

"The market rebounded at the 1,080 level"

- World stocks: Maintaining a strong upward trend
- Vietnam stocks: The market rebounded at the 1,080 level
- Business news: #KDH, #HCM, #CMG, #VHC, #HHV, #HPG
- 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

Following SSV's Zalo,
Catching the latest report



Please click or scan

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

Shinhan Securities

Major stocks market

- In regular trading on Tuesday, the Dow rose 0.68%, the S&P 500 climbed 0.59% and the Nasdaq Composite jumped 0.66%, with all 11 S&P sectors ending higher led by energy, communication services and materials. All three benchmarks are headed for a winning month and year as US stocks surged in the fourth quarter on growing expectations that the Federal Reserve will start cutting interest rates next year. Hopes that the central bank can engineer a soft landing also aided sentiment.
- European equity markets showed a recovery on Tuesday, with both the EURO STOXX 50 and the STOXX 600 gaining approximately 0.5%.
- The Nikkei 225 Index jumped 1.3% to above 33,600 while the broader Topix Index climbed 0.9% to 2,355 on Wednesday, extending gains from the previous session as the Bank of Japan left its ultra-loose monetary policy unchanged. BOJ Governor Kazuo Ueda also struck a more dovish tone than expected in the post-meeting press conference, saying the central bank will not hesitate to take additional easing measures if necessary.
- WTI crude futures rose toward $74 per barrel on Tuesday, extending a 1.5% gain in the previous session, underpinned by fears of supply disruptions as Houthi militants in Yemen stepped up attacks on ships in the Red Sea.

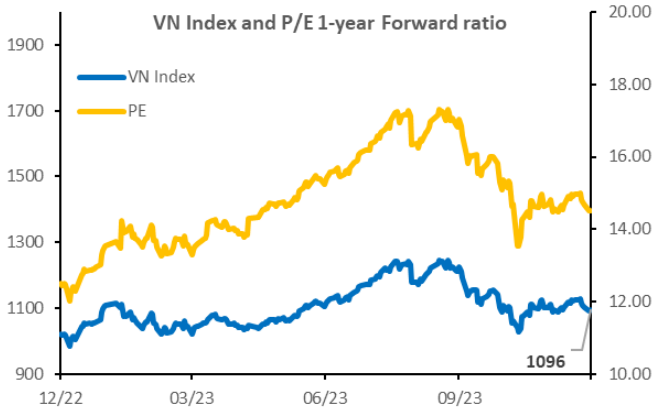
Market

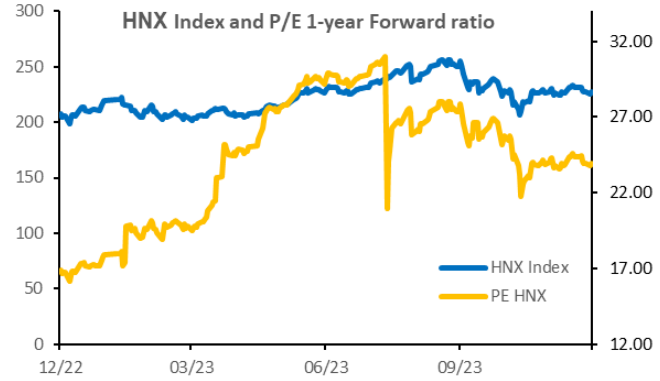
	Close	%1D	%1M	%1Y
VN-Index	1,096	0.40%	-0.67%	7.15%
S&P 500 Index	4,768	0.59%	5.63%	24.90%
Dow Jones Index	37,558	0.68%	7.47%	14.65%
GP 100	7,638	0.31%	1.89%	3.63%
Nikkei 225	33,653	1.30%	0.79%	26.67%
SHCOMP Index	2,932	0.05%	-4.43%	-4.60%
STOXX 600	477	0.36%	4.55%	12.46%
KOSPI Index	2,592	0.93%	4.06%	11.10%
Hang Seng	16,505	-0.75%	-7.16%	-13.56%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	102.18	0.02%	-1.21%	-1.71%
USD/VND	24,359.00	-0.01%	-0.60%	-2.57%
EUR/USD	1.10	-0.07%	0.30%	3.29%
USD/CNY	7.12	0.18%	0.68%	-1.95%
Brent	79.23	1.64%	-1.71%	-0.71%
WTI	74.02	0.11%	-4.61%	-2.72%
Natural gas	2.56	2.85%	-11.07%	-51.88%
Coal	145.25	0.35%	17.85%	-63.81%
Gold	2,039.29	-0.05%	3.09%	12.18%

Vietnam Market Snapshot 19/12/2023





Money flow and sector rotation (VND bn)

Sector	%1D	12/19/2023	12/18/2023	20-session Average
Health Care	64.67	33	20	18
Oil & Gas	47.46	83	56	161
Basic Resources	46.11	1,060	725	1,360
Financial Services	36.54	1,828	1,339	2,779
Real Estate	15.19	2,138	1,856	3,474
Personal & Household Goods	5.07	80	76	114
Food and Beverage	2.26	1,072	1,049	1,187
Travel & Leisure	-2.6	85	87	100
Industrial Goods & Services	-6.4	534	571	910
Chemicals	-10.0	324	360	495
Banks	-13.0	2,077	2,388	2,064
Construction & Materials	-15.2	528	623	921
Utilities	-15.5	126	150	137
Retail	-21.7	328	419	497
Insurance	-25.9	10	14	20
Automobiles & Parts	-42.0	157	270	173
Technology	-44.2	128	229	231
Media	-57.6	5	12	13

Source: Bloomberg, Shinhan Securities Vietnam

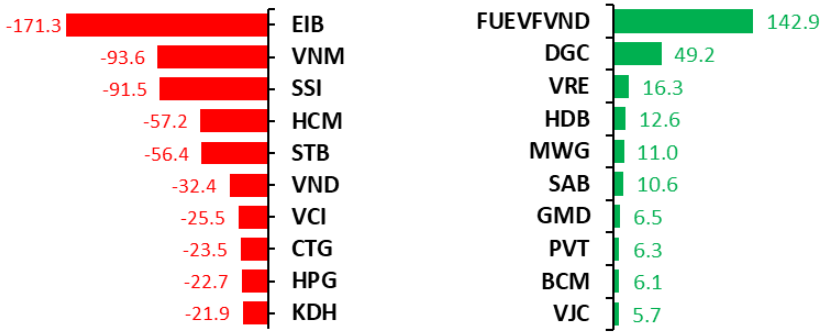
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,096.30	14.52	4.42	0.40	502	10,588
HNX INDEX	227.27	23.96	1.54	0.68	94	1,358

Vietnam Market Snapshot 19/12/2023

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	(13)	(21)	48	(27)
Basic Resources	20	(31)	(23)	54
Media	-	(0)	0	0
Industrial Goods & Services	14	12	(19)	7
Health care	-	(8)	7	1
Chemicals	2	53	9	(62)
Financial Services	1	(76)	111	(34)
Travel & Leisure	(4)	5	(2)	(3)
Banks	26	(299)	115	184
Construction & Materials	(0)	(10)	18	(8)
Food and Beverage	(85)	(96)	220	(124)
Retail	(0)	16	134	(150)
Utilities	(2)	(9)	42	(33)
Personal & Household Goods	0	(3)	4	(1)
Technology	(1)	(0)	41	(41)
Automobiles & Parts	(0)	1	5	(6)
Insurance	0	(1)	1	0
Oil & Gas	1	1	1	(2)

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- According to the Asian Development Bank's (ADB) newly released Asian Development Outlook Report, ADB forecasts Vietnam's economic growth in 2024 at 6%. In 2023, it is forecast to grow by 5.2%, down from the previous forecast of 5.8% (forecasted in September 2023). ADB also forecasts that the developing economies in Asia and the Pacific will grow by 4.9% in 2023, up from the previous forecast of 4.7% (in September 2023); and grow by 4.8% in 2024.

- At the 2024 Vietnam Economic Forum held on December 19, 2023, Ms. Bùi Thúy Hằng, Deputy Director of the Monetary Policy Department of the State Bank of Vietnam, said that as of December 13, 2023, credit growth was 9.87% compared to the end of 2022. Previously, as of November 31, 2023, credit growth reached 9.15%. Thus, in just 13 days, credit increased by VND 85,800 billion. This growth rate, although close to the two-digit mark, is still lower than the operating guideline of 14%.

- According to data from the General Department of Customs, the total value of exports and imports in 2023 is estimated to reach 619.36 billion USD, down 8.2%, equivalent to a decrease of 55.56 billion USD compared to the same period last year. Of which, exports were 322.61 billion USD, down 5.8% (equivalent to a decrease of more than 20 billion USD); and imports were 296.75 billion USD, down 10.7% (equivalent to a decrease of 35.55 billion USD). In 2023, the merchandise trade balance of the whole country had a surplus of 25.86 billion USD.

Business news

KDH: On December 12, 2023, a group of Dragon Capital-related funds sold 200,000 shares of Khang Dien Investment and Trading JSC (KDH) on the Ho Chi Minh Stock Exchange (HOSE), reducing their ownership from 11.01% to 10.99% of the company's charter capital. The fund that sold the 200,000 shares was Amersham Industries Limited.

HCM: On January 3, 2024, Ho Chi Minh City Securities Company (HSC) will close the list of shareholders for the issuance of shares to existing shareholders and the issuance of shares to pay dividends for the second installment of 2021. The company plans to issue 228.6 million shares to existing shareholders with a ratio of 2:1, meaning that shareholders holding 1 share will be entitled to 1 right, and for every 2 rights to buy, they will be able to buy 1 new share at a price of VND 10,000/share. After the issuance, the charter capital of Ho Chi Minh City Securities Company will increase from VND 4,581 billion to over VND 7,552 billion.

CMG: Pyn Elite Fund, a foreign fund from Finland, has just purchased 200,000 shares of CMG to increase its ownership from 10.5 million shares to 10.7 million shares, equivalent to an increase from 6.99% to 7.12% of the company's charter capital. The transaction took place on December 11, 2023. According to the corresponding closing price, the foreign fund from Finland spent about VND 8 billion to complete the transaction. Notably, this is the second time in 2023 that Pyn Elite Fund has increased its ownership in CMC Technology. Previously, this foreign fund had purchased an additional 78,000 CMG shares on March 14, increasing its ownership to 9.1 million shares, equivalent to 6.04% of the capital. As of this point, Pyn Elite Fund has purchased approximately 1.6 million CMG shares.

Breaking News



Business news

- VHC: On December 13, 2023, Norges Bank, a member of the Dragon Capital group, sold 100,000 shares of Vĩnh Hoàn JSC (HoSE: VHC). The transaction took place on the same day. After the transaction, the total number of VHC shares held by the Dragon Capital group decreased from 9.4 million to 9.3 million, corresponding to a reduction in ownership from 5.02% to 4.97% of the capital, officially no longer a major shareholder at Vĩnh Hoàn. Based on the number of shares held on September 22, which is over 11.11 million units, it is estimated that Dragon Capital has sold a net total of about 1.83 million VHC shares in nearly 3 months.

- HHV: As a result, the 2023 business results of HHV are expected to be brighter than the previous year. Specifically, it is expected that the revenue in 2023 will reach 2,560 billion VND, an increase of 466 billion VND (an increase of 22%) from 2022. Net profit is expected to reach about 370 billion VND, an increase of 24% over the same period of the previous year and exceeding the plan by about 9%. The expected business results are better than expected thanks to the BOT projects with vehicle traffic returning to growth after the end of the Covid pandemic, helping the revenue from toll collection of the projects to increase compared to 2022. Construction activities also contribute a relatively large proportion to the total revenue of the enterprise (36%) when HHV is simultaneously implementing a series of large projects.

- HPG: The estimated sales volume in the fourth quarter of Hoa Phat Group increased by 10%. The latest data show that the steel consumption of Hoa Phat Group Joint Stock Company (stock code HPG - HoSE) in the fourth quarter of 2023 is maintaining a positive upward trend. In which, steel consumption in October 2023 increased by 8% from September 2023; and in November 2023, it continued to increase by 14% from October 2023.

Technical view



Trend: Sideway

- VNINDEX closed 1,096.3 (+4.42 points, +0.4%) with liquidity equivalent to the previous session, reaching 12,805 billion. The market has 256 green codes and 231 red codes. The group of stocks that contributed the most to the market's increase were HPG CTG and TCB, the codes that contributed to the decrease were VCB VHM and GAS. Foreign investors continued to be relatively net sellers, with a total value of about VND 452 billion.
- Technical: The market opened down in the morning session to the 1,080 range, but recovered strongly in the afternoon session when it closed at the session's highest level. The 1080 zone once again continues to act as an important support level. Currently, the market is still trading in a range of 1,080-1,130 since the beginning of November, in which the 1,080 zone acts as support and the 1,130 zone acts as resistance. Technical indicators such as RSI and MACD are showing decreasing signals, signaling that market risks are still present.
- Strategy: Investors should stand aside and observe and limit new purchases when the market is in a short-term downtrend. Investors can consider partial disbursement when the market reaches the 1,080 area or breaks the 1,130 area and confirms a return to the uptrend.

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

20/12/2023

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
MBB	Hold	18.0	19.0	17.4	6%	-3%	18.2	11	0.83%	05/12/2023	
MWG	Hold	39.9	45.2	36.0	13%	-10%	40.7	11	1.88%	05/12/2023	
POW	Hold	11.5	12.4	11.0	8%	-5%	11.2	11	-2.61%	05/12/2023	
HCM	Hold	30.9	34.0	29.9	10%	-3%	31.5	1	1.94%	19/12/2023	

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



Compliance Notice

- Analyst Certification: We/I hereby certify the information and material presented in this report are accurate expressions of their views, and that we/I have not received internally or externally wrongful pressure to express such views.
- All opinions and estimates regarding the company and its securities are accurate representations of the covering analyst's judgments as of this date and may differ from actual results.
- This report is intended to provide information to assist investment decisions only and should not be used or considered an offer or the solicitation of an offer to sell or to buy any securities. Stock selection and final investment decisions should be made at the client's own discretion.
- This report is distributed to our clients only, and any unauthorized use, duplication, or redistribution of this report is strictly prohibited.

Disclaimers

- This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of Shinhan Securities Vietnam Ltd.., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of Shinhan Securities Vietnam Ltd.
- This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. Shinhan Securities Vietnam Ltd. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. Shinhan Securities Vietnam Ltd.., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or Shinhan Securities Vietnam Ltd. The final investment decision is based on the client’s judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.
- Copyright ⓒ 2020 Shinhan Securities Vietnam Ltd. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of Shinhan Securities Vietnam Ltd.