MORNING CALL
26/12/2023

“Large-cap stocks led the rally"

- ❑ World stocks: Asian stocks were flat
- ❑ Vietnam stocks: Large-cap stocks led the rally
- ❑ Business news: #CSV, #HPG, #GVR, #FPT, #STB, #VCB
- ❑ Technical perspective and updated recommendations: #TV2, #KBC
- ❑ Event calendar
- ❑ Q&A

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Global Market Review 25/12 - 29/12/2023

Shinhan Securities

Major stocks market

- US stock futures edged higher on Tuesday to start the holiday-shortened week, with Dow, S&P 500 and Nasdaq 100 futures all rising at least 0.1%. The major averages also came off an eight-week winning streak as signs of easing price pressures reinforced bets on early and deep interest rate cuts next year
- The Nikkei 225 added 85.05 points or 0.26% higher to finish at 33,254.03 on Monday, extending gains from the prior session as Wall Street looked to extend its year-end rally Friday after the US Fed's favorite inflation gauge for November came in less than expected and moved closer to the central bank's target level of 2%. Meantime, both headline inflation and core inflation readings in Japan fell to a 16-month low last month.
- Japan's unemployment rate stood at 2.5% in November 2023, unchanged from the previous month and matching market forecasts. It was also the lowest jobless rate since January as the number of employed persons increased by 560,000 to 67.8 million, outpacing a rise in the number of unemployed people by 40,000 to 1.69 million.
- The Shanghai Composite rose 4.04 points or 0.14% to end at 2,918.81, swinging from a drop in morning deals after Beijing softened its stance toward the online gaming industry by approving 105 domestic games. Meantime, China's 2024 economic prospects look uncertain amid a prolonged property crisis, high local government debt, weakness in trade, and geopolitical tensions
- WTI crude futures hovered below $74 per barrel on Friday, advancing for the second straight week, underpinned by disruptions to global trade amid increased Houthi attacks on ships in the Red Sea. Bloomberg reported that oil shipments in the Red Sea dropped by more than 40% so far this week compared to the daily average over the previous three weeks

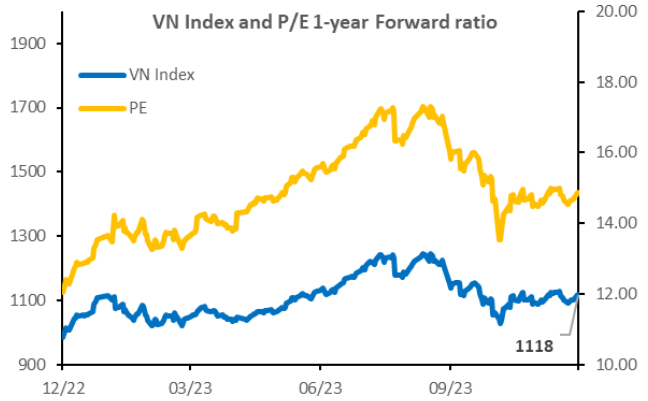
Market

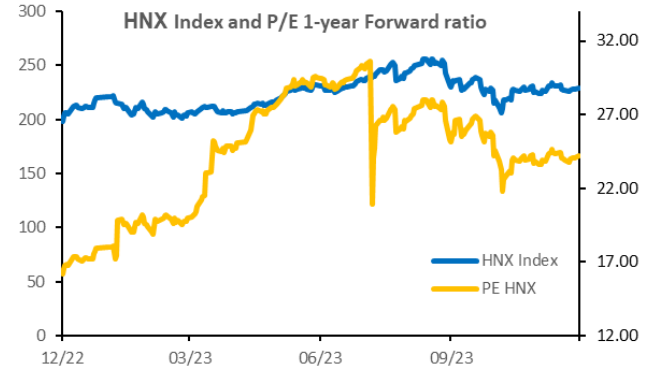
	Close	%1D	%1M	%1Y
VN-Index	1,118	1.32%	2.01%	13.44%
S&P 500 Index	4,755	0.17%	4.28%	23.66%
Dow Jones Index	37,386	-0.05%	5.64%	12.60%
GP 100	7,698	0.04%	2.80%	3.00%
Nikkei 225	33,268	0.04%	-1.06%	25.99%
SHCOMP Index	2,919	0.14%	-4.02%	-4.79%
STOXX 600	478	0.14%	3.83%	11.73%
KOSPI Index	2,599	-0.02%	4.10%	12.33%
Hang Seng	16,340	-1.69%	-6.94%	-16.60%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	101.64	-0.06%	-1.71%	-2.57%
USD/VND	24,245.00	0.00%	0.00%	-2.59%
EUR/USD	1.10	0.11%	0.60%	3.60%
USD/CNY	7.14	-0.01%	0.23%	-2.43%
Brent	79.07	-0.40%	-3.53%	-2.36%
WTI	73.61	0.07%	-2.55%	-7.48%
Natural gas	2.52	-3.60%	-11.87%	-50.46%
Coal	145.50	0.17%	19.12%	-63.68%
Gold	2,053.08	0.35%	3.16%	14.54%

Vietnam Market Snapshot 25/12/2023





Money flow and sector rotation (VND bn)

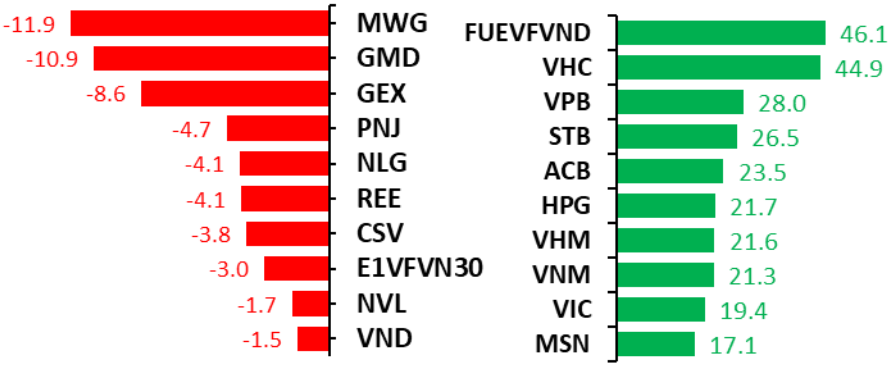
Sector	%1D	12/25/2023	12/22/2023	20-session Average
Media	61.17	7	5	13
Industrial Goods & Services	56.97	1,096	698	845
Retail	51.27	548	362	493
Basic Resources	43.06	1,185	828	1,300
Technology	39.23	212	152	214
Oil & Gas	35.85	97	72	144
Real Estate	34.13	2,419	1,803	2,985
Utilities	32.91	162	122	137
Food and Beverage	21.45	1,217	1,002	1,186
Travel & Leisure	16.53	99	85	101
Personal & Household Goods	14.30	174	152	130
Automobiles & Parts	-5.1	190	200	181
Construction & Materials	-6.4	680	726	799
Chemicals	-7.7	299	324	433
Financial Services	-10.9	1,789	2,009	2,501
Banks	-13.6	1,689	1,955	1,997
Health Care	-16.2	15	18	19
Insurance	-21.3	15	18	19

Source: Bloomberg, Shinhan Securities Vietnam

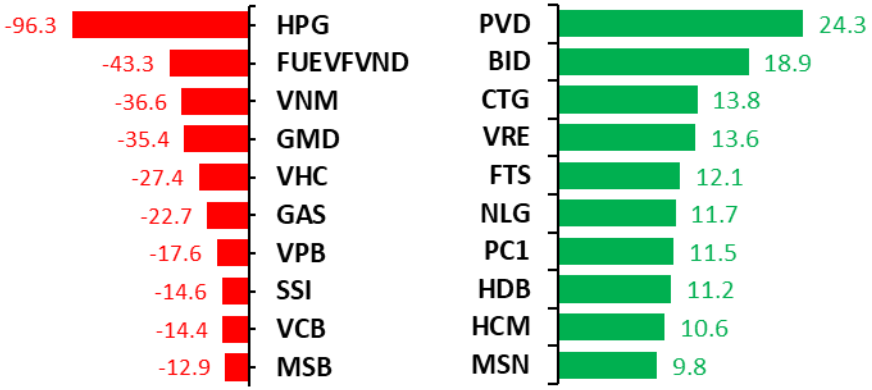
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,117.66	14.88	14.60	1.32	509	11,908
HNX INDEX	229.45	24.19	1.18	0.52	61	1,045

Vietnam Market Snapshot 25/12/2023

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	56	42	(1,318)	1,277
Basic Resources	22	(88)	20	69
Media	-	0	(0)	0
Industrial Goods & Services	(20)	(26)	28	(2)
Health care	1	(6)	5	1
Chemicals	0	10	147	(156)
Financial Services	56	(18)	(95)	112
Travel & Leisure	9	5	(32)	27
Banks	169	(10)	(196)	207
Construction & Materials	0	26	(39)	13
Food and Beverage	100	(45)	(55)	100
Retail	(11)	(15)	112	(98)
Utilities	10	(34)	38	(4)
Personal & Household Goods	(5)	1	(1)	(0)
Technology	7	(1)	29	(28)
Automobiles & Parts	0	9	(7)	(2)
Insurance	1	2	(2)	0
Oil & Gas	12	25	(34)	9

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- The Vietnamese wood industry is facing many challenges. The current trend of consumption is to meet both the needs of the people and to contribute to environmental protection. This is a great pressure on the wood industry, requiring consumer products to meet environmental safety criteria as well as the needs of the people. Many barriers need to be overcome. Up to this point, wood and wood products from Vietnam have been exported to 150 countries and territories around the world. Vietnamese furniture is increasingly popular with consumers around the world. However, in order to maintain a foothold in the global market, wood products need to meet many increasingly stringent requirements of the markets. For example, the requirement for sustainable forest certification (FSC) - an international certification, in order to be certified, forests must comply with issues of environmental protection, social responsibility, and protection of natural resources.

- The new KRX trading system continues to miss its deadline. According to the plan, today (December 25) will be the day that the new KRX trading system will be put into operation. However, there is currently no official information on whether the system has been implemented and to what extent it is ready. The Ministry of Finance has repeatedly directed the completion of the new KRX trading system this year. According to the plan, the final round of testing will be completed in November and the preparations will be ready in December to put the new trading system into operation. However, in fact, last weekend, i.e. just yesterday (December 24), the trial operation with the participation of securities companies is still taking place.

- Investigation into the Ministry of Industry and Trade's advice on approving 154 solar power projects. At the request of the Government Inspectorate, the Criminal Investigation Department of the Ministry of Public Security has accepted the file to investigate the Ministry of Industry and Trade's approval of the addition and advice to the Prime Minister to approve the addition of 154 solar power projects with a total capacity of 13,837 MW. without grounds, legal basis for planning and 8 cases related to power projects with violations.

Business news

HVN: Vietnam Airlines stock soars ahead of removal from warning list, what do leaders say about the possibility of delisting? At the end of December 25, the market witnessed a bullish session when VN-Index rose 14.6 points to 1,117 points. In particular, the HVN stock of Vietnam Airlines (Vietnam Airlines) was the highlight when it rose "sky-high" to the price of 11,750 VND/share with a volume of over 1.9 million units. This has been the fourth consecutive session of this stock.A positive news has just come to the shareholders of Vietnam Airlines when the Ho Chi Minh City Stock Exchange (HoSE) has just announced the decision to remove HVN stock from the warning list from December 26 due to having successfully organized the 2023 Annual General Meeting of Shareholders on December 16 (rectified the cause leading to the securities being placed in the warning list).

PVN: Mr. Le Manh Hung will hold the position of Chairman of PVN from January 1, 2024, for a period of 5 years. The Prime Minister has just signed Decision No. 1668/QD-TTg dated December 22, 2023, appointing Mr. Le Manh Hung, a member of the Board of Members and General Director of the Vietnam Oil and Gas Group, to the position of Chairman of the Board of Members of the Vietnam Oil and Gas Group. Mr. Le Manh Hung was born in 1973, from Hung Yen province. He has a bachelor's degree in synthetic chemistry and organic chemistry, and a doctorate in petrochemicals and organic catalysis.

KDC: KIDO Group (KDC) has just announced the launch of 4 SKUs of the Tuong An seasoning line to consumers, including: Tuong An 40-degree fish sauce - Rich; Tường An 32-degree fish sauce - Harmonious; Tuong An Unicook bone broth and meat broth seasoning; Tường An Unicook mushroom and 3 vegetable seasoning. This is a move in the strategy of building and becoming the No. 1 Group in the essential food sector, after KDC announced the M&A deal to invest 68% of the shares in Tho Phat

Breaking News



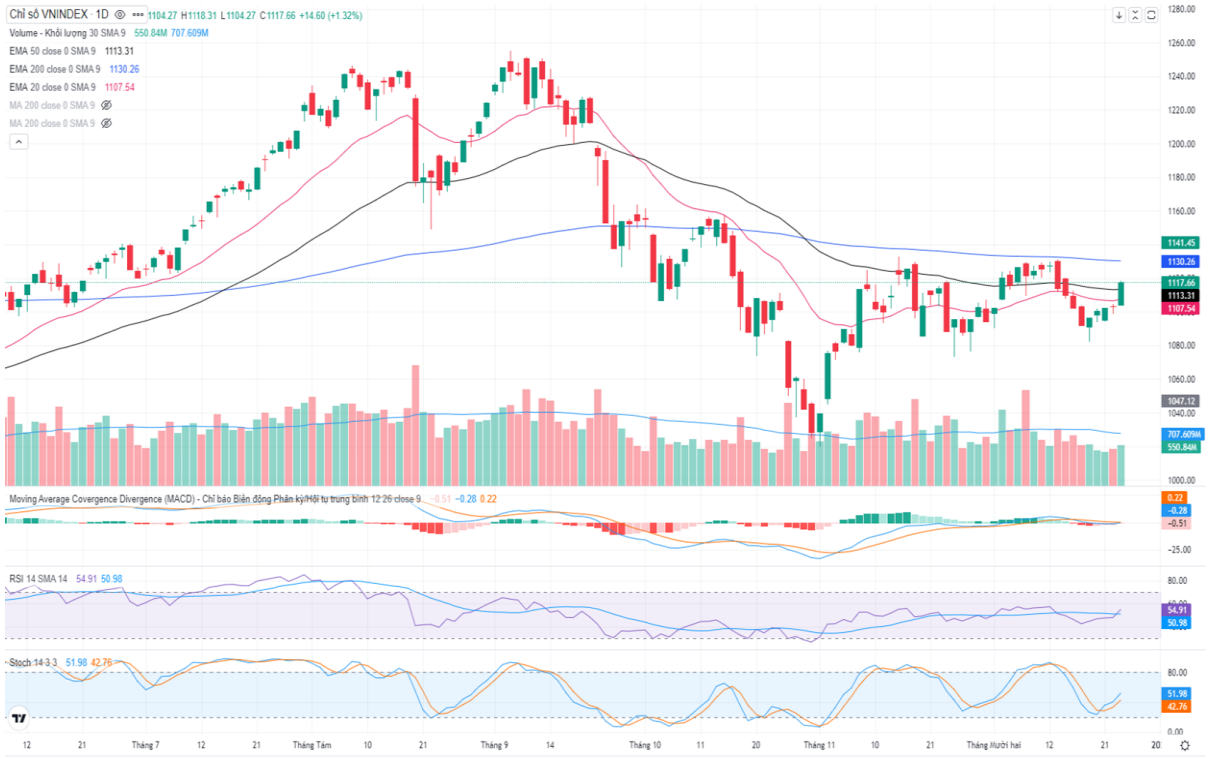
Business news

BMP: Binh Minh Plastics (BMP) stock hits 100,000 VND, Thai "tycoon" makes a big profit after more than 5 years of acquisition. The investment of SCG Group in Binh Minh Plastics is now worth over VND4,500 billion, corresponding to a temporary profit of VND1,700 billion compared to the amount invested, not to mention more than VND1,800 billion in cash dividends. The club of 3-digit stock prices on the stock exchange has just welcomed a new member, the BMP stock of Binh Minh Joint Stock Company, after a spectacular "push" session on December 22. This stock rose to the ceiling to set a new all-time high at VND100,000/share. This number puts BMP in the top 5 stocks with the highest prices on the HoSE only after VCF, RAL, VJC and FRT.

HSG: According to the recently released audited financial statements, the 2022-2023 NĐTC HSG's consolidated revenue reached VND31,650 billion, and HSG's consolidated net profit reached VND30 billion, up VND1.7 billion, or 5.96%, from the consolidated financial statements (VND28.3 billion). According to regulations in the current Securities Margin Trading Guide, if HSG's consolidated net profit after audit is recorded at VND30 billion, the HSG stock code will soon be considered for margin trading again.

MWG: Closing a series of stores, The Gioi Di Dong revenue declines after just strong growth in October. The World Investment Joint Stock Company (MWG) has just updated its business results for the first 11 months of 2023 with accumulated revenue of VND107,954 billion, down 13% from the same period last year. Thus, the company has completed 80% of the annual revenue plan. Revenue from the online channel decreased 12% from the same period last year, equivalent to VND14,700 billion.

Technical view



Trend: Sideway

- VNINDEX closed at 1,117.66 (+14.6 points, +1.32%) with a slight improvement in liquidity. The market had 409 green codes and 78 red codes. The groups of stocks that contributed the most to the market's rise were VCB, MSN, and GAS, while the codes that contributed to the decline were negligible. Most of the industry groups recovered, with the tourism and entertainment, oil and gas, and utility services groups rising the most. Foreign investors sold net slightly, probably due to the fact that they are on Christmas holiday.
- **Technical view:** The market had a significant improvement in points with a gain of more than 14 points, although liquidity remained low. The bullish spread was led by the large-cap group. In the medium term, the trend is still sideways within the 1080-1130 range, and the STOCH indicator is still in a good improvement trend, suggesting that the strategy of holding stocks and being ready to sell stocks if there is downward pressure at 1130 should be prioritized.
- **Strategy:** Investors can participate in buying when VNINDEX rebounds from 1080 and watch to 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

26/12/2023

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
TV2	Buy	38.2	43.15	36.55	13.0%	-4.3%	38.7	
KBC	Buy	31.5	35.13	30.09	11.5%	-4.5%	31.6	

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%	18.4	15	2.22%	05/12/2023	
MWG	Hold	39.9	43.8	36.0	10%	-10%	42.7	15	6.89%	05/12/2023	
HCM	Hold	30.9	34.0	29.9	10%	-3%	32.8	5	6.15%	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

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Q&A

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