MORNING CALL

September 12th, 2022

Shinhan Securities

"Index bounced back from support but should not so excited"

- Global stocks had a rebounding week
- Domestic stocks fell, but holding important support
- Inter-market update
- Technical view and recommendations
- Economic calendar
- Q&A

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Global Market Review - Week 12-16/09/2022

Global stocks rebounded

- US stocks advanced for the 3rd session on Friday (Sept 9th) and snapped a 3-week losing streak. This was pushed by investor sentiment, which has reached the negative threshold and stimulated strong bottom-fishing demand again.
- European and Asian stocks also traded in the green last week.
- Major banks in Europe are testing a series of measures to cope with the risk of blackouts in the winter.
- This week, the focus of investors will wait for the release of CPI data in the US and UK; as well as data on PPI, retail sales. Expectations of the market CPI will decrease in August.
- Crude oil prices balance around the threshold of 86 USD/barrel after the previous week of sharp decline. Natural gas prices also rebounded to $8/MMBtu.

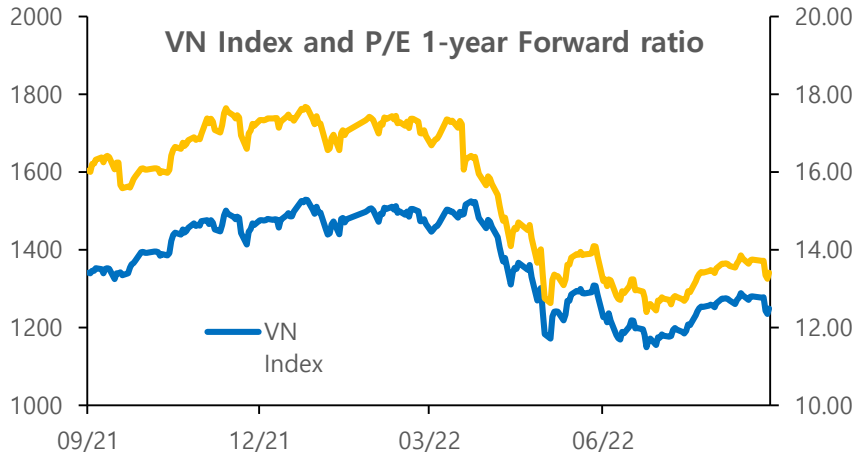
Market

	Close	%1D	%1M	%1Y
VN-Index	1,249	1.15%	-1.07%	-7.18%
S&P 500 Index	4,067	1.53%	-4.97%	-8.77%
Dow Jones Index	32,152	1.19%	-4.77%	-7.10%
Hang Seng	19,362	2.69%	-4.03%	-26.11%
Nikkei 225	28,464	0.88%	-0.29%	-6.31%
SHCOMP Index	3,262	0.82%	-0.45%	-11.91%
STI Index	3,263	0.91%	-0.19%	5.30%
KOSPI Index	2,384	0.33%	-4.76%	-23.45%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	108.85	-0.14%	3.04%	17.57%
USD/VND	23,517.00	0.12%	-0.54%	-3.21%
EUR/USD	1.01	0.24%	-1.88%	-14.77%
USD/CNY	6.93	0.45%	-2.51%	-6.80%
Brent	92.04	-0.86%	-6.23%	26.22%
WTI	85.97	-0.94%	-6.65%	23.31%
Natural gas	8.12	1.54%	-7.40%	64.42%
Coal	435.25	-1.16%	13.20%	145.21%
Gold	1,717.44	0.04%	-4.71%	-4.25%

Vietnam Market Snapshot 09/09/2022





	Close	PE	Difference	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,248.78	13.41	14.18	1.15	586	13,799
HNX INDEX	284.63	17.03	2.48	0.88	73	1,427

Money flow and sector rotation (VND bn)

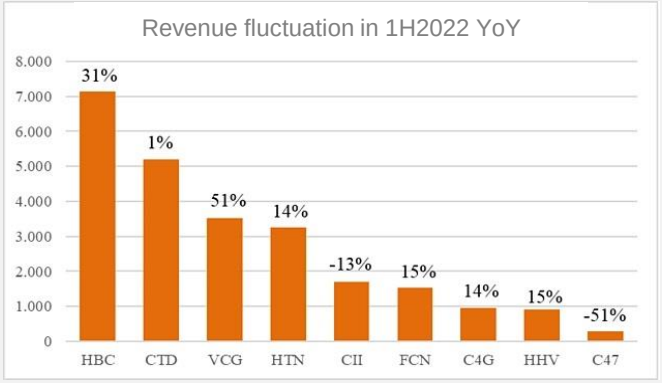
Sector	%1D	9/9/2022	9/8/2022	20-session Average
Media	110.38	11	5	7
Utilities	34.60	581	432	404
Financial Services	31.95	1,783	1,352	1,796
Basic Resources	21.25	1,321	1,090	1,321
Insurance	17.69	138	118	126
Banks	17.52	2,016	1,715	1,986
Construction & Materials	9.01	958	879	979
Health Care	6.25	22	21	28
Technology	-1.9	134	137	192
Real Estate	-15.1	2,124	2,502	2,524
Chemicals	-16.2	896	1,070	949
Food and Beverage	-17.7	950	1,154	1,347
Industrial Goods & Services	-20.5	637	802	797
Personal & Household Goods	-27.1	141	193	236
Travel & Leisure	-27.1	115	158	116
Oil & Gas	-28.6	190	265	293
Retail	-32.8	425	633	632
Automobiles & Parts	-34.4	82	125	109

Tin tức nổi bật

Macro

Positive

- At the seminar to promote the Middle East and Indian tourist market, organized by the Vietnam National Administration of Tourism and the HCM City Department of Tourism on September 9, representatives of management agencies, businesses and experts all said that Vietnam Nam needs to soon have a strategy and solution to welcome this new and potential customer source.
- The construction business grew in revenue from a low base last year.



Less positive

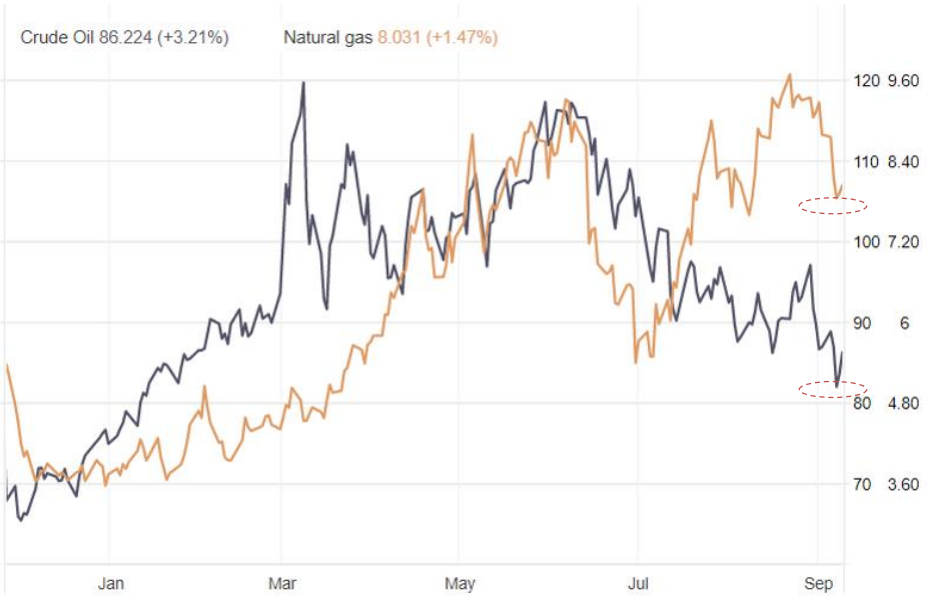
- Inflation in export markets such as the US and EU has significantly affected orders and unit prices of textile, footwear and furniture enterprises from now until the end of the year.
- The number of Covid cases is increasing slightly again.

Business news

- HAG was the only stock added to the MVIS Vietnam Index in the third quarter structure, APH and CEO were excluded.
- HPG, Hoa Phat Group announced that August sales volume reached 628,000 tons, up 19% compared to July and equivalent to the same period last year.
- PVT, in the first 6 months, PVTrans profit after tax reached VND 452 billion, equivalent to 94% of the year plan.
- HAX, Hang Xanh Auto is expected to issue nearly 49 million shares to existing shareholders to increase capital, ratio 100:86, price 12,000 VND/share.
- HSG, Hoa Sen Group announced to pay 20% stock dividend, ex-dividend date is September 14th.
- SZL, Sonadezi Long Thanh Joint Stock Company announced to pay a cash dividend at the rate of 40%, the ex-dividend date is September 12.
- HTI, Idico Infrastructure Investment and Development announces to pay cash dividend at the rate of 18%, ex-right date is September 19th.
- IDI, Fisheries IDI announced to pay a cash dividend at the rate of 15%, the ex-rights date is September 23rd.



Intermarket update

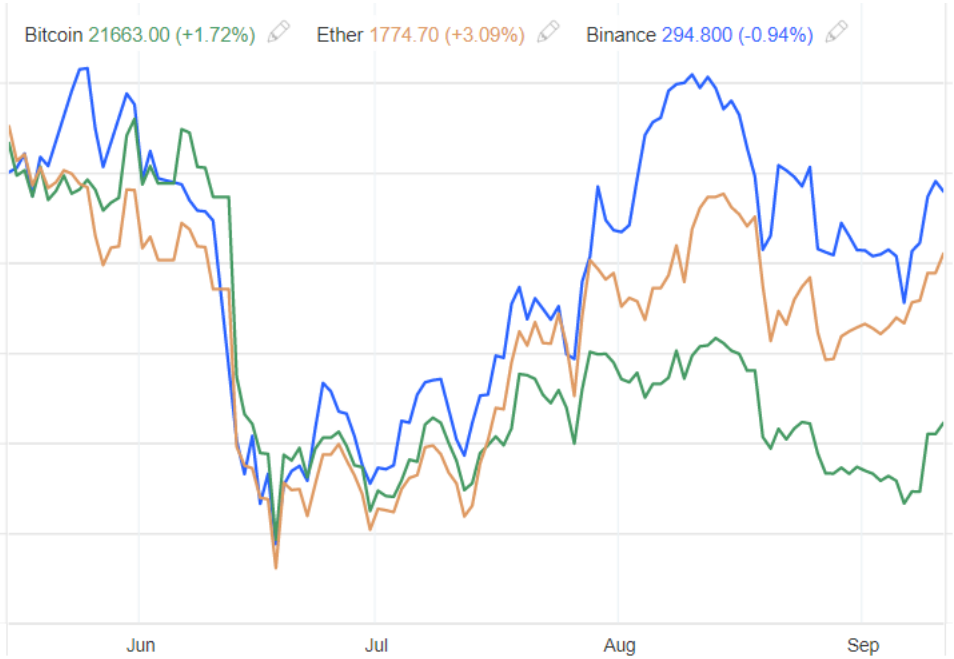




Commodity market recovers

- Crude oil and natural gas prices recovered after a sharp drop in the previous week. However, the long-term outlook remains uncertain, amid continued monetary tightening by major central banks and a renewed lockdown in China.
- Iron ore prices rebounded above the old low, while steel rebar prices also recovered with a higher bottom. This is pushed by the Chinese market expected to be prospective thanks to many supportive measures from the government.

Intermarket update





Cryptocurrency Market Rebounds, Along with BDI Index Rises Again

- The cryptocurrency market had a strong reversal week, bitcoin after losing the $19,000 mark last week has pulled back above the $21,000 mark this week. Ethereum and Binance also rebounded similarly. This shows that speculative money flows are returning to risky assets..
- The Baltic Dry index, which measures the cost of shipping goods worldwide, rose about 3% to two-week high of 1,213 points thanks to the recovery of iron ore, coal and grain transportation demand.

Technical view



VNI	1248.78 (14.18 1.15%)			VN30	1275.64 (10.07 0.80%)			HNX	284.63 (2.48 0.88%)			UPCOM	90.64 (0.33 0.37%)		
586,025,787 CP		13,799.63 Tỷ		174,945,372 CP		5,109.37 Tỷ		73,180,175 CP		1,427.82 Tỷ		65,993,901 CP		947.11 Tỷ	
281(10)	82	176(11)	Hết giờ GD	21(0)	5	4(0)	Hết giờ GD	97(8)	154	86(3)	Hết giờ GD	190(18)	412	149(39)	Hết giờ GD

Trend: Rebound efforts are difficult

- After the sideways sessions with the unsuccessful attempt to fill the gap-down on August 29, has created a depressed sentiment for investors, causing the selling force to increase and push the index down. The positive is that the support area near 1,220 points (MA50) still holds, showing that the money flow reacts quite well at this level. The coming period will be more challenging for the rebound when technical indicators still show that the correction has not ended. The nearest resistance for the trend is around 1,270 – 1,280 points, while the support is around 1,220 – 1,200 points. Reduce the proportion of stocks in the retracement span and observe new reaction.

Scenarios:

- Positive (55%): Correction signal has appeared and the index will need to retest the support area around 1,220 points. If the trade is balanced, expected to the index will soon rebound and increase to the threshold of 1,320 points.
- Less positive (45%): If index drops again and breaks through 1,220 points, it means that the retracement wave will gradually end and possibly a bull trap. At this time, you should minimize your stock position and stand outside to observe.

Trading ideas for 2H2022

❖ **Financials:** Cash flow has been returned and most of the stocks are above MA20. Many stocks created cross points (MA20 crosses MA50 > positive signal for short-term trading). This group is likely to have a considerable impact on the index in coming time.

- ✓ **Banking:** STB, MBB, CTG, BID, LPB (UPCoM: BVB, ABB). The highlight is that profits of this group continue to grow while the stock market prices have had a big discount, however, it should be noted that bad debts of some banks still increase.
- ✓ **Securities:** HCM, SSI, VND, VCI, SHS (beneficiary from applying T+2, however, should be cautious with stocks that are highly speculative or unpromising long-term outlook)

❖ **Real estate** (Residential + Industrial): FDI inflows into Vietnam is still high, FDI moving out of China remains and the housing market recovers

- ✓ **Residential**: DIG, PDR, NLG, DXG, HDC
- ✓ **Industrial**: KBC, GVR, SZC

❖ **Construction, public investment:** The disbursement of public investment capital, in addition to the reduced cost of materials such as steel and cement will contribute to improve profit margins for this group.

- ✓ **Construction**: HBC, VGC
- ✓ **Public investment**: LCG, C4G, HHV

❖ **Power:** NT2, REE, POW (electricity price and demand still increasing)

Watchlist for 2H2022

Signal	Sector	Stock
"Strong"	Banking	**STB, MBB, CTG, BID, LPB** UPCoM: **BVB, ABB**
	Securities	**HCM, SSI, VND, VCI, SHS**
	Real estate	**DIG, PDR, NLG, DXG, HDC** **KBC, GVR, SZC**
	Construction	**HBC, VGC** **LCG, C4G, HHV**
	Power	**NT2, REE, POW**
Watchlist	Export	**VHC, ANV** **TNG, VGT**
	Economy reopening (Tourism/ Aviation)	**HVN, VJC** **SKG, VTD**

Recommended portfolio

Updated date 09/09/2022

Unit: thousand VND

Trading portfolio

Ticker	Recommendation day	Buying price (+/- 1%)	Target	Cut loss	Upside	Current price	T+	Profit/Loss	Recommendation	Note
CTG	09/08/2022	28.5	32	27.5	12%	26.85	22	-5.7%	Hold	Open
GVR	09/08/2022	24.6	28	23.5	14%	25.35	22	3.1%	Hold	Open
HPG	15/08/2022	23.8	26.5	22.4	11%	23.8	18	0%	Hold	Open

Today's watchlist

	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
POW	14.5	16	13.8	11%	5%		When break 14.5

Position Closed

PDR	09/08/2022	53.5	60	52	12%	58.4	7	9.16%	Sell	18/08/2022
BVB	10/08/2022	14	15	13.5	7%	13.5	15	-3.57%	Sell	31/08/2022
HVN	10/08/2022	17.3	20	16.5	16%	16.85	18	-2.60%	Sell	07/09/2022
VGI	15/08/2022	33	38	31	15%	30.6	16	-7.27%	Sell	08/09/2022

Economic calendar

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Compassionate Finance

September 2022

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
28	29	30	31	1 MSCI: New reviewed list is effective	2 FTSE Vietnam Swap UCITS ETF review	3
4	5	6 ETF FTSE VN announces portfolio	7	8 ECB meeting and announces Monetary policy & interest rates V.N.M ETF review	9	10
11	12	13 ETF VNM, ETF FTSE executes the transaction	14	15 Maturity of Derivatives Contracts	16	17
18	19	20 FTSE Russell releases market full year rating	21 Fed meeting and announces Monetary policy & interest rates	22	23 Announcement of FDI	24
25	26	27	28	29 Vietnam macroecnomic data	30	1

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Q&A

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