MORNING CALL

October 10th, 2022

"Where is the market going?"

- Global stocks fell again
- Domestic stocks continued to plunge, liquidity is suddenly high
- Chairman of Van Thinh Phat Group was arrested
- Technical view and recommendations
- Economic calendar
- Q&A

[Analysts]

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Global Market Review - Week 03-07/10/2022

Major stock markets struggled to trade

- Wall Street traded deeply in the red on Friday, with the Dow Jones falling over 600 points, while the S&P 500 fell more than 3% and the Nasdaq dropped almost 3.8% after fresh labor market figures dashed any hopes of a slower pace of tightening by the Fed.
- European equity markets dropped for a third consecutive session on Friday, with both the benchmark Stoxx 600 and the German Dax down more than 1% on expectations major central banks will continue aggressive tightening. Asian stocks mostly rallied despite US stocks breaking their two-day rally, led by Nikkei 225 and Hang Seng.
- US Economy adds more jobs than expected in September. The US economy created 263K jobs in September, the least since April of 2021 but above market forecasts of 250K. Meanwhile, the jobless rate fell to 3.5%, and below market expectations of 3.7%.
- UK 10-Year Bond Yield rose to 4.23%, moving closer to a 14-year high of 4.5%. The US 10-year Treasury note yield rose further toward 3.9%, approaching a peak of 4% hit on September 27th, after the hotter-than-expected employment report reinforced market bets the Federal Reserve will maintain its aggressive tightening path to tame inflation.
- WTI crude futures soared more than 4.5% to nearly 5-week highs above $92.5 per barrel on Friday, after OPEC+ agreed to cut production by 2 million barrels per day or about 2% of global supply from November, in a move that threatens to squeeze supply further ahead of the winter season.

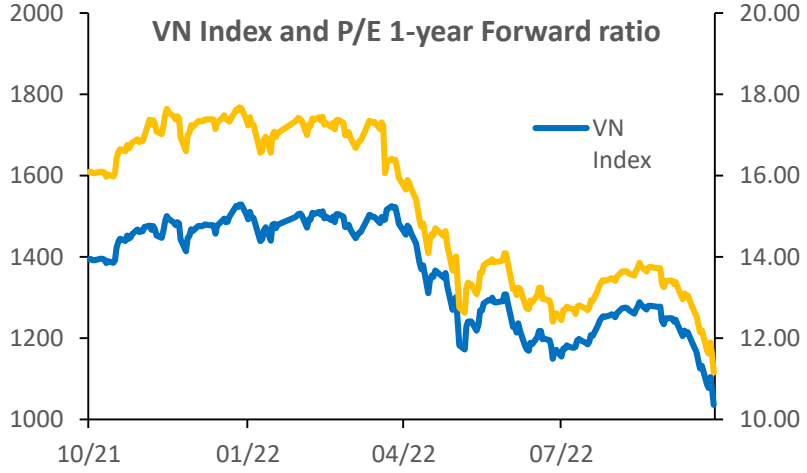
Market

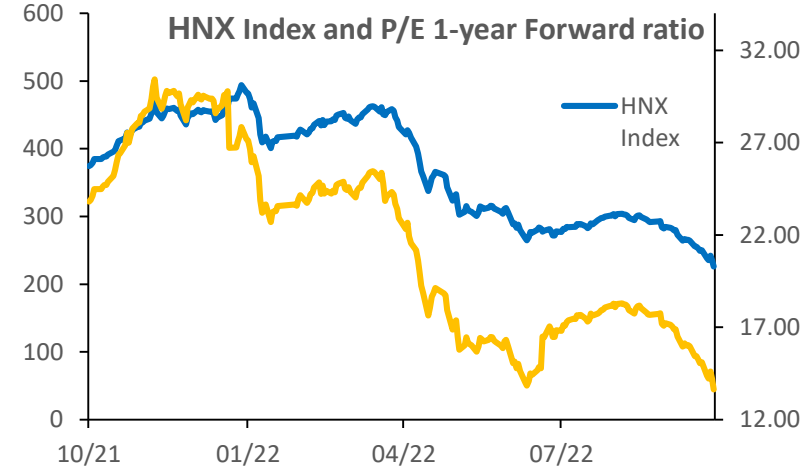
	Close	%1D	%1M	%1Y
VN-Index	1,036	-3.59%	-17.05%	-24.54%
S&P 500 Index	3,640	-2.80%	-10.52%	-17.12%
Dow Jones Index	29,297	-2.11%	-8.88%	-15.68%
GP 100	6,991	-0.09%	-4.90%	-1.47%
Nikkei 225	27,116	-0.71%	-3.89%	-3.33%
SHCOMP Index	3,024	-0.55%	-5.09%	-15.24%
STOXX 600	392	-1.18%	-6.83%	-14.35%
KOSPI Index	2,233	-0.22%	-6.35%	-24.47%
Hang Seng	17,740	-1.51%	-8.38%	-28.58%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	112.83	0.03%	3.51%	19.94%
USD/VND	23,882.00	-0.14%	-1.24%	-4.69%
EUR/USD	0.97	-0.04%	-3.77%	-15.69%
USD/CNY	7.12	0.13%	-3.17%	-9.43%
Brent	97.70	-0.22%	5.23%	18.58%
WTI	92.41	-0.25%	6.48%	16.46%
Natural gas	6.68	-0.99%	-16.45%	20.05%
Coal	385.80	-3.55%	-12.12%	66.36%
Gold	1,695.82	0.06%	-1.67%	-3.33%

Vietnam Market Snapshot 07/10/2022





	Đóng cửa	PE	Tăng giảm	%1D	KLGD (triệu đơn vị)	GTGD (tỷ VND)
VNI NDEX	1,035.91	11.16	-38.61	-3.59	545	11,152
HNX INDEX	226.09	13.64	-9.04	-3.84	52	951

Money flow and sector rotation (VND bn)

Sector	%1D	10/7/2022	10/6/2022	20-session Average
Travel & Leisure	136.26	123	52	86
Banks	101.18	3,420	1,700	1,452
Media	97.71	3	1	5
Health Care	72.76	25	14	20
Technology	68.87	189	112	130
Real Estate	60.20	2,761	1,723	1,987
Financial Services	55.40	1,463	941	1,229
Oil & Gas	51.27	339	224	274
Utilities	47.15	393	267	375
Chemicals	43.03	956	668	824
Insurance	41.30	121	86	121
Retail	40.84	552	392	547
Industrial Goods & Services	36.03	674	496	528
Automobiles & Parts	31.60	155	118	125
Personal & Household Goods	30.59	162	124	170
Construction & Materials	14.75	823	717	975
Basic Resources	-1.8	997	1,015	913
Food and Beverage	-9.9	972	1,079	1,182

Breaking News

Macro

Positive

- On the morning of October 9 in Hanoi, The sixth plenum of the 13th Party Central Committee took place a successful closing session, under the chair of General Secretary Nguyen Phu Trong.
- Deputy Prime Minister Le Minh Khai has just signed Directive No. 17 on accelerating the allocation and completion of project investment procedures, and is expected to arrange a public investment plan.
- The labor market recovered, the 9-month average income of workers was 6.6 million, up 12.4%. The 9-month working age unemployment rate was 2.35%, down 0.64 percentage points.
- Financial institutions and international experts continue to highly appreciate Vietnam's economic prospects in the context of the global economy facing many challenges. According to Al Jazeera, Vietnam has a stable environment as well as abundant human resources to attract large technology corporations.

Less positive:

- The State Bank of Vietnam has increased operating interest rates since September 23rd. Accordingly, large banks began to sharply hike deposit rates.
- USD/VND exchange rate to the highest level ever.

Business news

- HPG, Hoa Phat steel sales volume in September reached 555,000 tons, down 11.6% month on month, due to low season and storms. The enterprise has exported more than 1 million tons of steel in 9 months, equivalent to the number achieved in 2021.
- VCS, Vicostone estimate NPAT will reach VND 200 billion in the third quarter of 2022, down 59% compared to the same period in 2021, the lowest since Q1/2017, affected by export activities.
- HBC, Hoa Binh Construction won a lawsuit against 2 partners (Saigon Silicon Park JSC and Tai Nguyen Construction Production Trading Co., Ltd), expected to collect 279 billion VND in compensation.
- HAG, Shares of Hoang Anh Gia Lai Group changed from control to warning from October 11 because the undistributed profit after tax as of December 31, 2021 was -4,467.1 billion dong.

- GVR, Vietnam Rubber Group to pay cash dividend at the rate of 4%, ex-dividend date is October 12th.
- VSA, VOSA Corporation announced to pay cash dividend at the rate of 25%, ex-rights date is October 14th.
- TCT, Tay Ninh Cable Car Tour Company announced to pay cash dividends at the rate of 5%, ex-rights date is October 14th.

Chairwoman of Van Thinh Phat Group was arrested



Source: https://vtpgroup.com.vn/about-us/

Van Thinh Phat Group (VTP Group) owned by the Truong family is classified as one of the richest family companies in Vietnam. This group is owned and operated by Ms. Truong My Lan and her husband, Mr. Eric Chu Nap Kee, a real estate entrepreneur in Hong Kong.

According to the introduction on the Company's website, Van Thinh Phat Group has a charter capital of USD 549 million, formerly the first private company established in Ho Chi Minh City in 1991. Shareholders of the Group It has remained the same since its inception

- On October 8, Lieutenant General To An Xo - chief of staff and spokesman of the Ministry of Public Security - said that the Police Investigation Agency (C03) of the Ministry of Public Security had issued a decision to prosecute the case of fraud and appropriation of property, occurred at An Dong Investment Group JSC and related companies.
- The defendants in the case include:

- Truong My Lan (66 years old, Chairworman of the Board of Directors of Van Thinh Phat Group JSC)
- Truong Hue Van (34 years old, General Director of Windsor Property Management Group JSC)
- Nguyen Phuong Hong (38 years old, assistant at Van Thinh Phat Group JSC)
- Ho Buu Phuong (50 years old, former Chairman of the Board of Directors of Tan Viet Securities JSC, former Deputy General Director in charge of finance of Van Thinh Phat Group JSC)

- These defendants were prosecuted, detained and detained for the Ministry of Public Security's Investment Police Agency to clarify the act of "fraud to appropriate property".
- Initial investigation results determined that the accused committed fraud in the issuance and trading of bonds against the law to appropriate trillions VND from the people during 2018 - 2019.

Source: https://tuoitre.vn/

Technical view



VNI	1035.91 (−38.61 −3.59%)		HNX	224.87 (−10.26 −4.37%)		UPCOM	79.45 (−2.96 −3.59%)		VN30	1039.54 (−41.82 −3.87%)	
877,310,089 CP	16,976.70 Tỷ		81,609,480 CP	1,232.87 Tỷ		50,033,963 CP	559.18 Tỷ		292,848,070 CP	6,946.09 Tỷ	
↑ 52(7)	_ 31	↓ 440(145) Hết giờ GD	↑ 27(1)	_ 121	↓ 189(44) Phiên GDTT	↑ 81(23)	_ 374	↓ 296(77) Phiên liên tục	↑ 4(0)	_ 0	↓ 26(8) Hết giờ GD

Trend: Successive instability

- Vietnam's stock market had the strongest weekly decline in the world. VN-Index lost more than 96 points to 1,036 points with a sudden increase in order matching. Foreign investors continued to maintain the momentum of net selling throughout. The falling momentum is still strong and shows no sign of stopping when investor sentiment is weak and cash flow is also more cautious in the buying direction. The positive point is that technical indicators are still showing oversold signals, and the market's P/E has also dropped to low levels. However, it is important that the psychology of cash flow needs to be stable, in the context of many impacting news, this problem has not been solved yet. Therefore, limit catching falling knives, the nearest support for the trend is around 1000 points, maintaining a cautious and observational strategy.

Scenarios:

- Positive (30%): The index reacted well when retesting near 1,100 points. However, do not rush to open a position if the reversal signal is not clear, the recovery period to lower the proportion of stocks.
- Less positive (70%): The index broke through 1,100 points and the medium-term retracement wave was breached. At this time, the falling momentum can find the area of 1000 points.

Recommended portfolio

Updated date **10/10/2022**

Unit: thousand VND

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
NT2	Watch						26.1	Hold MA20 week
TLG	Watch						53.9	Hold MA20 week
BCM	Watch						84.5	Hold MA10 week, retesting old peak successfully
PVS	Watch						22.8	Make a bottom before the market
PVD	Watch						20.0	Make a bottom before the market

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note

Economic calendar

October 2022

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
25	26	27	28	29	30	1
2	3 ISM Manufacturing PMI (US)	4 JOLTS Job Openings (US)	5 OPEC Meetings ADP Non-Farm Employment Change. ISM Services PMI (US)	6 BOJ Gov Kuroda Speaks	7 Unemployment Rate (US)	8
9	10 CPI, PPI (China)	11 GDP (UK) PPI (US)	12	13 FOMC Meeting CPI, core CPI (US)	14 Retail Sales (US), Prelim UoM Consumer Sentiment	15 Treasury Currency Report (US)
16 IMF Meetings	17 ETF VFM VN30, SSIAM VNFin Lead ETF & VFMVN Diamond ETF Review	18	19 CPI, core CPI (UK)	20 Deadline for submission of 3rd quarter financial statements Maturity of Derivatives Contracts Flash PMI (German, French, UK)	21 FDI announcement	22
23	24	25	26 BOC Press Conference, Monetary Policy Report and Rate Statement	27 ECB Press Conference, Monetary Policy Statement	28	29
30 ETF VNM VN30 changes the proportion of the portfolio	31					

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Q&A

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