MORNING CALL

October 11th, 2022

"The trend is not clear when many volatility are still ahead?"

- Global stocks traded struggling
- Domestic stocks recovered slightly after a series of shock drops
- The capital Kiev and many cities of Ukraine were attacked
- Technical view and recommendations
- Economic calendar
- Q&A

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Global Market Review - Week 10-14/10/2022

Major stock markets struggled to trade

- Wall Street started the session down more than 1% on Monday and recovered slightly thereafter, with the Dow Jones Industrial Average decrease 86 points, the S&P 500 down by 0.8%. The focus in the market is on the FOMC meeting and the CPI forecast to be released this week.
- European stock markets closed near reference on Monday, with Germany's DAX mostly unchanged and Stoxx Euro 600 losing 0.2%. Prolonged Russia-Ukraine tensions and a deteriorating outlook on growth and corporate profits kept investors interested at the start of the week.
- Germany's benchmark 10-year Bund yield hit again 2.35%, the highest since November 2011 on expectations major central banks will hold plans to continue aggressive tightening. The yield on the Italian 10-year BTP rose above the 4.7% mark on the second week of October, the highest in over nine years and rising more than its main European counterparts.
- The dollar index strengthened for a fourth consecutive session to above 113 on Monday, as investors continue to bet the Federal Reserve will press ahead with its aggressive tightening plans.
- The WTI crude benchmark bottomed around the $91-per-barrel mark, easing from an almost six-week peak of $93.55, pressured by lingering worries about weak global economic activity and falling fuel demand. China's services activity in September contracted for the first time in four months, suggesting that recent coronavirus-induced restrictions continued to hit the world's second-largest economy and oil consumer.

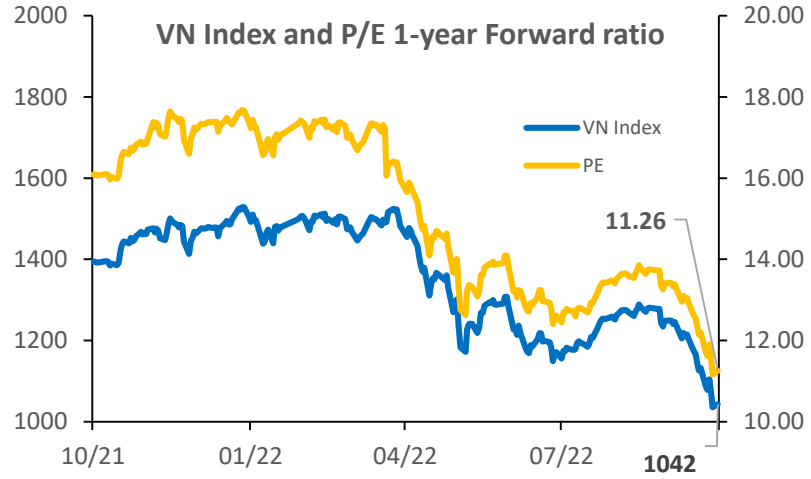
Market

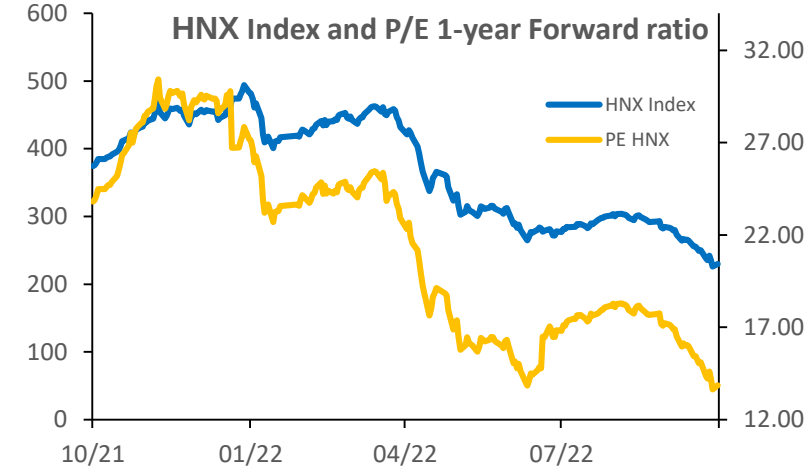
	Close	%1D	%1M	%1Y
VN-Index	1,042	0.63%	-16.52%	-25.22%
S&P 500 Index	3,612	-0.75%	-11.19%	-17.17%
Dow Jones Index	29,203	-0.32%	-9.17%	-15.34%
GP 100	6,959	-0.45%	-5.33%	-2.62%
Nikkei 225	26,587	-1.95%	-5.77%	-5.21%
SHCOMP Index	2,974	-1.66%	-8.83%	-17.19%
STOXX 600	390	-0.40%	-7.20%	-14.73%
KOSPI Index	2,180	-2.39%	-8.59%	-26.27%
Hang Seng	17,217	-2.95%	-11.08%	-32.02%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	113.00	-0.12%	3.67%	19.81%
USD/VND	23,877.00	0.02%	-1.52%	-4.69%
EUR/USD	0.97	0.16%	-3.99%	-15.88%
USD/CNY	7.16	-0.55%	-3.20%	-9.85%
Brent	95.60	-0.61%	2.97%	14.29%
WTI	90.56	-0.63%	4.34%	12.47%
Natural gas	6.56	2.00%	-17.91%	22.81%
Coal	386.50	0.18%	-11.20%	61.99%
Gold	1,670.83	0.13%	-3.11%	-4.75%

Vietnam Market Snapshot 10/10/2022





	Đóng cửa	PE	Tăng giảm	%1D	KLGD (triệu đơn vị)	GTGD (tỷ VND)
VNI NDEX	1,042.48	11.26	6.57	0.63	692	15,055
HNX INDEX	229.85	13.87	3.76	1.66	61	990

Money flow and sector rotation (VND bn)

Sector	%1D	10/10/2022	10/7/2022	20-session Average
Food and Beverage	-4.5	929	972	1,183
Basic Resources	-17.9	819	997	886
Personal & Household Goods	-19.9	130	162	169
Retail	-23.4	423	552	511
Industrial Goods & Services	-25.1	505	674	531
Technology	-25.2	142	189	132
Financial Services	-28.3	1,049	1,463	1,237
Banks	-32.0	2,326	3,420	1,523
Oil & Gas	-32.4	229	339	271
Construction & Materials	-34.1	542	823	975
Travel & Leisure	-35.6	79	123	85
Insurance	-37.1	76	121	122
Chemicals	-38.1	592	956	805
Health Care	-38.3	15	25	20
Utilities	-40.7	233	393	371
Real Estate	-41.2	1,624	2,761	1,987
Automobiles & Parts	-44.8	86	155	125
Media	-75.0	1	3	4

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.

Russia - Ukraine Tensions



Bridge between Crimea and Russia - Source: RT



The scene of an explosion in Kiev on October 10. Source: Twitter/MattiMaasikas

- Russia said that the bridge connecting it to the Crimean peninsula was hit by a truck bomb, burning seven oil tanks that were being transported by train across the bridge. The image shows a large fire appearing on the bridge.
- The bridge includes road and rail, built by order of Russian President Vladimir Putin and inaugurated in 2018, is an important transport route to transport military equipment for Russian soldiers fighting in Ukraine, especially in the south, also transports troops, according to Reuters news agency.
- The bridge over the Kerch Strait is the only road between Russia and the Crimea annexed in 2014.

Source: https://tuoitre.vn/

- Multiple explosions occurred in Kiev and several other Ukrainian cities after Russia accused Kiev of being behind the attack on the Crimean bridge. The mayor of Kiev announced that enemy missiles had hit some important infrastructure.
- The last time the Ukrainian capital was attacked was on June 26. Fighting between Russian and Ukrainian forces is currently concentrated mainly in the Kharkov region in the northeast and Kherson in the south of the country.
- "If terrorist plots continue on Russian territory, our response will be very drastic and of a scale commensurate with the level of threat against the Russian Federation. No one should doubt this." President Putin added.

Source : https://vnexpress.net/

Technical view



Trend: Green color is back

- The green color returned to Vietnam's stock market after a series of consecutive days of decline. Vnindex had a good opening session of the week to close at 1,042 points, most of the sectors gained well today. Order matching continued to remain above the 20 session average. However, investors' caution was still there when selling started to appear in the afternoon session and pushed the index to narrow part of its gain in the session, even though Vnindex sometimes surpassed 1,050 points. The RSI has bounced back above 20, showing good recovering inertia, but MACD is still sloping. In general, today's recovery signal is biased towards technical retracement and has not yet confirmed the reversal point. The nearest resistance for the trend is around 1,060 – 1,075 points, while the support is now at 1000 points.

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 **11/10/2022**

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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