MORNING CALL

November 22th, 2022

"Cautious sentiment returned, money flow began to diverge"

- Global stocks struggled, attention turned to FOMC meeting minutes
- Domestic stocks dropped slightly, matched orders fell to low levels
- Technical view and recommendations #VNM
- Economic calendar
- Q&A

[Analysts]

Khang Tran ☎ (84-28) 6287-8037
✉ khang.lt@shinhan.com

Nhut Nguyen ☎ (84-28) 6287-7751
✉ nhut.nq@shinhan.com

Global Market Review - Week 21-25/11/2022

Major stock markets struggled to trade

- US stock were little changed on Monday as investors remain cautious ahead of Federal Reserve meeting minutes that could offer clues on the trajectory of US rate hikes, while monitoring the Covid situation in China. Futures contracts tied to the three major indexes were all trading near breakeven. Those moves came as markets digested the latest Fed commentary, with San Francisco Fed President Mary Daly warning against overtightening, while Cleveland Fed President Loretta Mester said she wants to see inflation come down sustainably before supporting a pause.
- Thailand's gross domestic product advanced 4.5% yoy in Q3 of 2022, the most in 5 quarters, matching market consensus and picking up from a 2.5% growth in Q2. This was the fourth straight quarter of expansion supported by robust private spending following a further easing in COVID curbs and a recovery in labor marke
- China reported its first Covid-related deaths in almost six months over the weekend, while localized lockdowns were implemented in some areas on Monday as the world's top crude importer continued to grapple with resurgent Covid outbreaks.
- Sugar futures on ICE were at 20 cents per pound, easing slightly from the seven-month high of 20.3 cents touched on November 15th as the retreat in crude oil prices increased the opportunity cost of using cane feedstock to distill ethanol.
- WTI crude futures pared losses to trade above $79 per barrel, after falling more than 5% to the lowest level since January, after Saudi Arabia denied news of a potential oil output increase. Earlier, the Wall Street Journal reported that Saudi Arabia and other OPEC producers were discussing an increase in crude production. The report suggested that an increase of up to 500,000 barrels per day was under discussion for OPEC+'s December 4th meeting. Oil prices have been falling for the past four sessions, amid demand concerns from tighter Covid curbs in China and fears that major central banks will continue raising interest rates.

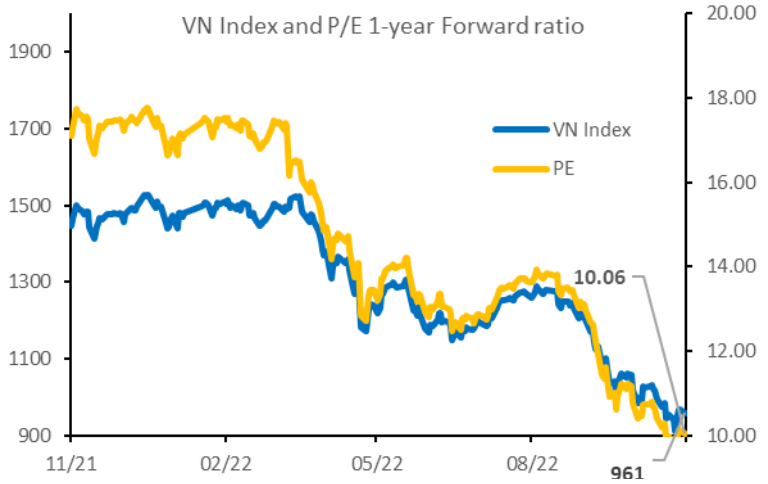
Market

	Close	%1D	%1M	%1Y
VN-Index	961	-0.90%	-5.80%	-33.62%
S&P 500 Index	3,950	-0.39%	5.25%	-15.92%
Dow Jones Index	33,700	-0.13%	8.42%	-5.34%
GP 100	7,377	-0.12%	5.84%	1.67%
Nikkei 225	28,166	0.79%	4.74%	-5.40%
SHCOMP Index	3,085	-0.39%	1.52%	-13.88%
STOXX 600	433	-0.06%	9.28%	-10.79%
KOSPI Index	2,409	-0.45%	8.83%	-20.07%
Hang Seng	17,656	-1.87%	8.91%	-29.24%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	107.84	0.85%	-3.73%	12.29%
USD/VND	24,832.00	-0.10%	-0.66%	-8.70%
EUR/USD	1.03	0.11%	3.84%	-8.76%
USD/CNY	7.17	-0.64%	0.91%	-10.89%
Brent	87.45	-0.19%	-6.47%	10.85%
WTI	80.31	0.34%	-5.57%	4.64%
Natural gas	6.64	-2.04%	33.86%	38.61%
Coal	351.00	2.20%	-10.00%	130.16%
Gold	1,740.98	0.17%	5.53%	-3.53%

Vietnam Market Snapshot 21/11/2022





	Close	PE	Difference	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	960.65	10.06	-8.68	-0.90	597	8,784
HNX INDEX	192.40	12.22	1.53	0.80	57	706

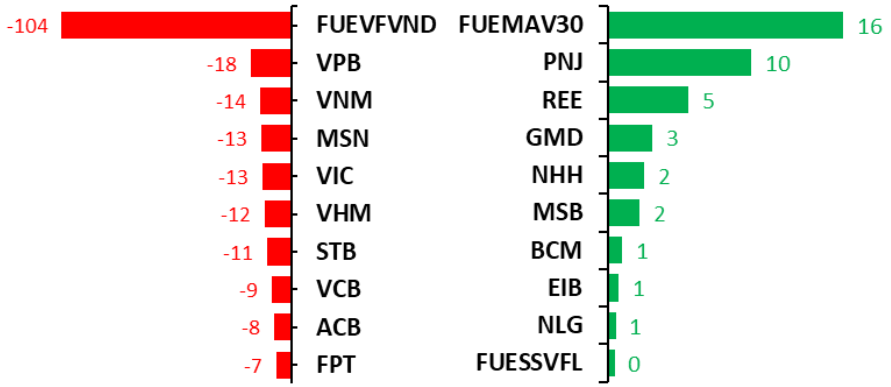
Money flow and sector rotation (VND bn)

Sector	%1D	11/21/2022	11/18/2022	20-session Average
Media	23.34	1	1	2
Chemicals	-20.4	668	840	577
Real Estate	-22.0	1,485	1,904	1,533
Banks	-24.8	1,670	2,222	2,236
Construction & Materials	-24.9	335	446	419
Utilities	-26.7	134	183	179
Technology	-28.1	77	107	110
Food and Beverage	-33.3	596	894	703
Insurance	-38.3	43	69	67
Retail	-38.5	241	392	380
Health Care	-39.2	13	21	18
Industrial Goods & Services	-42.1	273	471	404
Personal & Household Goods	-43.8	75	134	112
Automobiles & Parts	-45.3	65	119	79
Financial Services	-46.8	795	1,494	1,032
Oil & Gas	-52.0	84	175	144
Travel & Leisure	-52.2	21	44	38
Basic Resources	-60.9	750	1,916	953

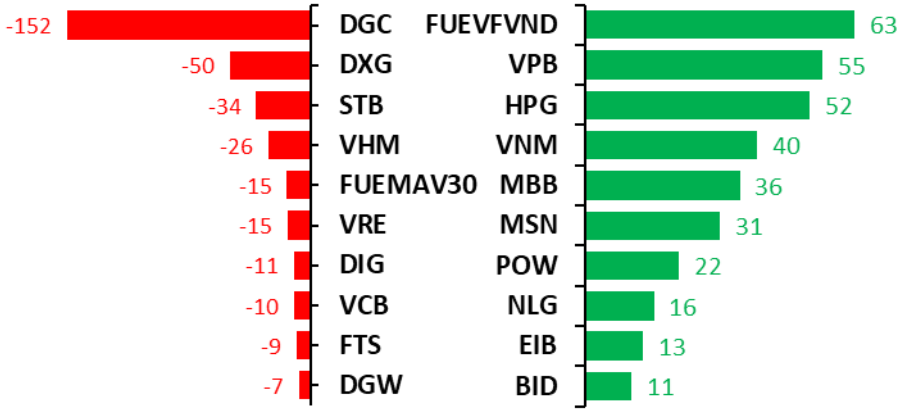
Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Market Snapshot 21/11/2022

Top net buying & selling of proprietary trading (VND billion)



Top net buying & selling foreign investors (VND billion)



The trading value of proprietary trading and investors by sector (VND billion)

Sub-sector	Proprietary (VND bn)	Foreign (VND bn)	Local Individual (VND bn)	Local Institutions (VND bn)
Real Estate	31	(68)	30	(176)
Basic Resources	(2)	52	112	(25)
Media	(0)	0	0	(0)
Industrial Goods & Services	7	5	74	27
Health care	(0)	4	(1)	(1)
Chemicals	2	(156)	(20)	15
Financial Services	(91)	44	(4)	(42)
Travel & Leisure	7	3	(33)	(7)
Banks	(44)	78	56	(64)
Construction & Materials	(0)	(12)	1	5
Food and Beverage	(2)	73	(17)	(21)
Retail	(1)	(8)	137	11
Utilities	(3)	28	(38)	(9)
Personal & Household Goods	10	(1)	(14)	12
Technology	(7)	1	(37)	(9)
Automobiles & Parts	(0)	(2)	4	(0)
Insurance	(4)	(3)	(0)	(5)
Oil & Gas	(0)	3	(0)	(1)

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

Positive

- According to the Ministry of Agriculture and Rural Development, in October, Vietnam's rice exports were estimated at 700,000 tons, worth 334 million USD. In the first 10 months of the year, the amount of rice exported is estimated at more than 6 million tons, with a turnover of nearly 3 billion USD, up more than 17% in volume and more than 7% in value compared to the first 10 months of 2021.

Less positive

- The State Bank of Vietnam continues to increase the operating interest rate by 1%, effective from October 25.
- The State Bank of Vietnam (SBV) decided to adjust the USD/VND spot exchange rate band from ±3% to ±5% from October 17.



Business news

- NLG, the Board of Directors of Nam Long Investment Joint Stock Company recently approved the policy to buy back treasury shares, with a maximum value of VND 1,000 billion, which is deducted from the company's undistributed profit. After the news that the company wanted to reduce its charter capital, NLG shares hit the ceiling in the morning session of November 21.

  In this November, NLG will open the Central Park subdivision of the Waterpoint urban area project, Long An, expected to reach VND 700 billion in sales. By December, the Company will continue to sell Phase 2C of the Izumi City project with estimated sales of about VND 750 billion. In addition, in the late 2022 period, NLG will transfer 50% of capital contribution in Paragon Dai Phuoc project to Japanese partner Nishi Nippon Railroad and some other strategic partners. Revenue from the transfer is estimated at about VND 1,300 billion, after-tax profit is VND 350 billion.

- DCM, Two members of Dragon Capital Foreign Fund, CTBC Vietnam Equity Fund and Norges Bank, bought 300,000 shares and 884,700 shares respectively, totaling 1,184,700 shares. After the transaction, the number of DCM shares held by Dragon Capital changed from 26,363,400 units to 27,548,100 units, corresponding to the ownership ratio changing from 4.98% to 5.20%. With this new ownership rate, Dragon Capital fund group has appeared in the list of major shareholders of Ca Mau Fertilizer.

- FTS, FPT Securities Joint Stock Company was the only company in the group of FPT enterprises with a loss in the third quarter. The company's operating revenue decreased by 87% over the same period, reaching VND 54 billion, mainly due to profit from financial assets. Financial assets were recorded through negative profit and loss of VND 154 billion. After deducting expenses, FPTS's pre-tax loss is 35 billion dong, while the same period's profit is VND 333 billion.

  According to the explanation, proprietary trading revenue dropped sharply due to the difference in revaluation of MSH investment of Song Hong Garment. In the first 9 months of 2022, FPTS's operating revenue decreased by 38% to VND 633 billion, profit before tax decreased by 66% to VND 228 billion.

- BVH, Baoviet Holdings announced to pay cash dividend at the rate of 30.26%, the ex-rights date is November 25.

Technical view



Trend: Recovery in shaking

- The struggle signal returned when selling and taking profit prevailed and pushed the index to close in red. Order matching dropped back below the 20-day average, showing the cautiousness of investors. However, the index still remains above the 10-day MA around 960 points, showing the balance. The MACD has crossed the signal line, along with the recovering RSI, which will strengthen the trend. The immediate resistance that needs to be conquered is the psychological level around 1,000 points, therefore, the buying money flow is also more considered, in the context of the lack of a leading group in the current period. The strategy is probably in favor of holding, cash flow will be quite diverged in the coming time.

Scenarios:

- Positive (60%): The index is balanced around the threshold of 960 points, corresponding to the 10-day MA showing a good reaction, and creating a recovery pace around the threshold of 1,000 points, better than the threshold of 1,050 points.
- Less positive (40%): The index dropped to 940 points. At this time, the falling momentum may return to retest the old bottom around 900 points and lower at 880 points.

Recommended stocks

Updated date **22/11/2022**

Unit: thousand VND

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
VNM	Buy	77	85	73	10%	-5%	77.9	MA20 crosses to MA50 weekly, Good reaction around 50-day MA
HPG	Watch						14.95	Breaking above the 20-day MA with high volume, the story of China's real estate rescue
SSI	Watch						16.1	Maintain above the 20-day MA, volume improves
VND	Watch						11.3	Good reaction around 20-day MA, volume improves

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
GEX	Hold	13.1	15	11.5	15%	-12%	13.3	1	1.53%	21/11/2022	
CTG	Hold	24.1	27	23	12%	-5%	24.1	1	0.00%	21/11/2022	
BID	Hold	35	38	33	9%	-6%	35.5	6	1.43%	14/11/2022	
POW	Hold	10	11	9.5	10%	-5%	10.3	7	3.00%	11/11/2022	

Economic calendar

November 2022

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
30	31	1 ISM Manufacturing PMI JOLTS Job Openings	2 ADP Non-Farm Employment Change Monetary Policy Meeting (BoJ)	3 FOMC Statement Federal Funds Rate BOE Monetary Policy Report ISM Services PMI (US)	4 Non-Farm Employment Change, Unemployment Rate (US)	5
6	7 Trade Balance, Unemployment Rate (China)	8 Congressional Elections (US)	9 Crude Oil Inventories (US) CPI, PPI y/y (China)	10 CPI, Core CPI (US) Unemployment Claims	11 Portfolio Structure Announcement (MSCI) GDP (UK) Prelim UoM Consumer Sentiment (US)	12 Treasury Currency Report (US)
13	14 Announcement deadline reviewed Q3/2022 financial statements. Monetary Policy Report Hearings (UK)	15 Monetary Policy Meeting (Australia)	16 CPI (UK) Retail Sales (US)	17 Expiration of futures contract VN30F1M Housing Starts (US)	18 Existing Home Sales (US)	19
20	21 Flash Manufacturing and Services PMI (UK, French, German)	22 Ishare MSCI review	23 Flash Manufacturing and Services PMI (US)	24 FOMC Meeting Minutes	25 Tokyo Core CPI y/y	26
27	28	29 CB Consumer Confidence (US) Monthly macroeconomic data release (Viet Nam)	30 Prelim GDP q/q (US)	1	2	3

Shinhan Securities

Q&A

Shinhan Investment Network

SEOUL

Shinhan Investment Corp.
Shinhan Investment Tower
23-2, 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

HO CHI MINH

Shinhan Securities Vietnam Co., Ltd.
22nd Floor, Centec Tower, 72-74 Nguyen Thi Minh Khai Street,
District 3, Ho Chi Minh 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.