MORNING CALL

November 30th, 2022

“Going up in shaking, the index is approaching the short-term resistance zone”

- Global stocks trading struggled
- Domestic stocks continue to gain momentum, optimism returns
- Macroeconomic update for November and 11 months of 2022
- Technical view and recommendations #CTG #POW #GEX #VRE
- Economic calendar
- Q&A

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Global Market Review - Week 28/11 - 02/12/2022

Major stock markets trading struggled

- The Dow Jones closed virtually flat on Tuesday, S&P 500 and Nasdaq lost roughly 0.2% and 0.8%, respectively, amid persistent concerns that further interest rate hikes will drag the US economy into a recession and lead to sharp downward earnings revisions. European equity markets failed to hold earlier gains and closed marginally lower on Tuesday, with the benchmark Stoxx 600 down 0.1% as consumer and technology stocks fell.
- US Home prices rise the least in nearly 2 Years. The S&P CoreLogic Case-Shiller 20-city home price index in the US increased by 10.4% yoy in September, the least since December 2020 and below forecasts of a 10.8% increase. It marks the fifth consecutive month of slowing house price growth as the housing market has been hit by rising borrowing costs, low inventory, and high inflation.
- German Inflation Rate Unexpectedly Slows. The consumer price inflation in Germany fell to 10.0 percent year-on-year in November 2022, down from October's all-time high of 10.4 percent and below market consensus of 10.4 percent, a preliminary estimate showed.
- Industrial production in Japan declined by 2.6 percent month-over-month in October 2022, after a final 1.7 percent drop a month earlier and compared with market forecasts of a 1.5 percent fall, flash data showed. Industrial production in South Korea dropped on a seasonally-adjusted basis by 3.5% month-on-month in October 2022, falling at the fastest pace since May 2020 as rising interest rates, weaker external demand and heightened uncertainties weighed on economic activity.
- WTI crude futures were trading above $78 per barrel on Tuesday, down from a session peak of almost $80, as investors weighed hopes that China would soon relax some of its covid restrictions against signs that OPEC+ could keep its output levels unchanged at its next meeting.

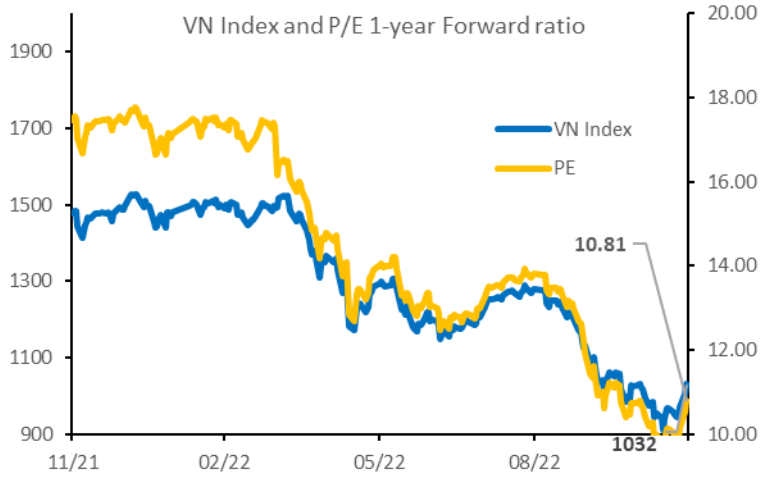
Market

	Close	%1D	%1M	%1Y
VN-Index	1,032	2.63%	0.41%	-30.19%
S&P 500 Index	3,958	-0.16%	1.45%	-14.99%
Dow Jones Index	33,853	0.01%	3.01%	-3.65%
GP 100	7,512	0.51%	5.88%	6.41%
Nikkei 225	27,878	-0.54%	1.05%	0.20%
SHCOMP Index	3,150	2.31%	8.86%	-11.62%
STOXX 600	437	-0.13%	6.09%	-5.54%
KOSPI Index	2,434	0.03%	6.13%	-14.26%
Hang Seng	18,205	5.24%	23.95%	-22.45%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	106.82	0.13%	-3.55%	10.88%
USD/VND	24,764.00	0.15%	0.30%	-8.40%
EUR/USD	1.03	0.03%	4.56%	-8.86%
USD/CNY	7.16	0.66%	2.04%	-10.77%
Brent	83.03	-0.19%	-13.30%	13.06%
WTI	78.83	0.81%	-8.90%	19.11%
Natural gas	7.22	-0.22%	13.60%	58.07%
Coal	387.40	2.22%	0.44%	143.19%
Gold	1,749.43	-0.02%	7.09%	-1.41%

Vietnam Market Snapshot 28/11/2022





	Close	PE	Difference	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,032.16	10.81	26.47	2.63	1,184	18,252
HNX INDEX	208.22	13.19	4.16	2.04	153	1,761

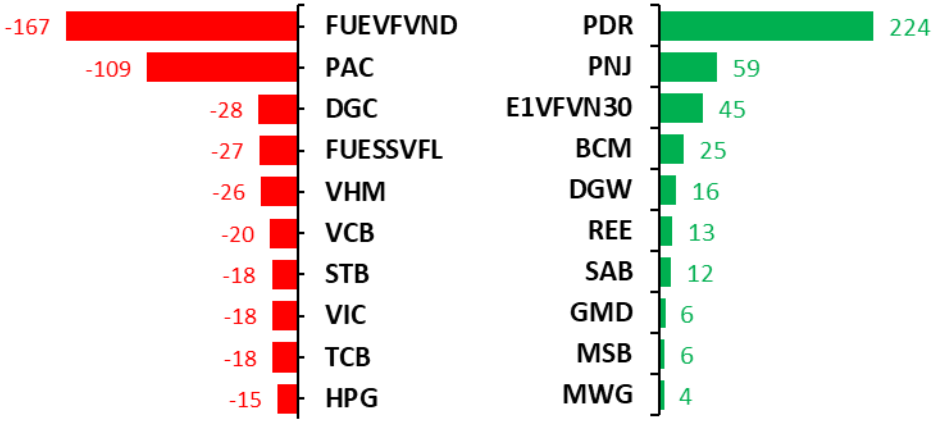
Money flow and sector rotation (VND bn)

Sector	%1D	11/28/2022	11/25/2022	20-session Average
Real Estate	161.81	4,170	1,593	1,845
Basic Resources	100.51	1,306	651	944
Health Care	82.71	28	15	17
Oil & Gas	65.49	155	94	131
Financial Services	51.80	1,752	1,154	1,049
Insurance	44.56	60	42	61
Utilities	42.55	237	166	183
Banks	38.08	2,814	2,038	2,310
Construction & Materials	32.92	432	325	396
Retail	32.60	372	281	357
Chemicals	32.13	638	483	540
Personal & Household Goods	30.65	134	103	112
Industrial Goods & Services	30.36	532	408	402
Food and Beverage	27.06	976	768	724
Travel & Leisure	18.93	43	36	40
Automobiles & Parts	15.18	111	97	88
Technology	3.88	105	101	109
Media	-32.8	1	1	2

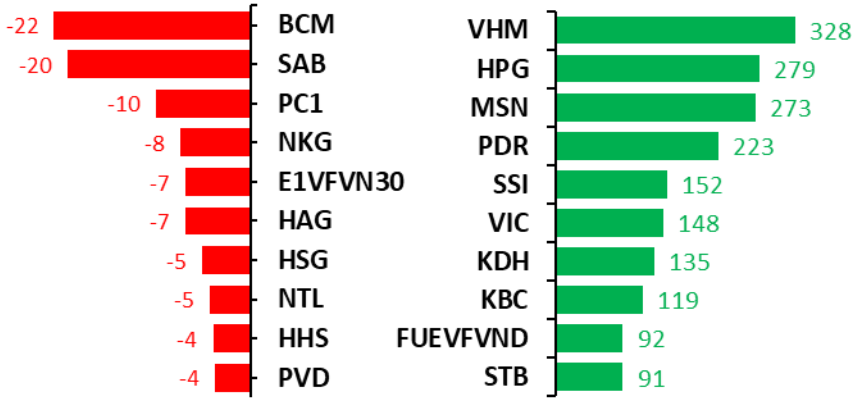
Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Market Snapshot 29/11/2022

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 trading (VND bn)	Foreign (VND bn)	Local Individual (VND bn)	Local Institutions (VND bn)
Real Estate	195	1,088	(294)	8
Basic Resources	(26)	269	(184)	(53)
Media	-	-	0	0
Industrial Goods & Services	(90)	105	(162)	28
Health care	-	5	(1)	2
Chemicals	(36)	102	(80)	(2)
Financial Services	(160)	350	(21)	(131)
Travel & Leisure	(14)	19	(29)	(16)
Banks	(90)	318	(275)	(101)
Construction & Materials	1	10	(234)	14
Food and Beverage	8	314	(188)	(98)
Retail	21	29	(649)	32
Utilities	(9)	17	(35)	(7)
Personal & Household Goods	59	2	(106)	21
Technology	(0)	3	(129)	8
Automobiles & Parts	-	(4)	(1)	(0)
Insurance	(5)	3	(0)	(0)
Oil & Gas	(1)	9	0	40

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

Positive

- Realized foreign direct investment (FDI) in Vietnam in 11 months of 2022 was estimated at 19.68 billion USD, up 15.1% over the same period last year. In contrast, the total registered FDI capital into Vietnam as of November 20, 2022 reached 25.14 billion USD, down 5% over the same period last year.
- Total import-export turnover in 11 months of 2022 is estimated at 673.82 billion USD (exceeding the figure of 668.54 billion USD in the whole year of 2021). In which, export is estimated at 342.21 billion USD, import is estimated at 331.61 billion USD. This result brought the trade balance after 11 months to a surplus of 10.6 billion USD.

Less positive

- Many businesses massively buy back bonds before maturity, creating a lot of pressure.
- Interbank interest rates and exchange rates are still anchored at high levels.

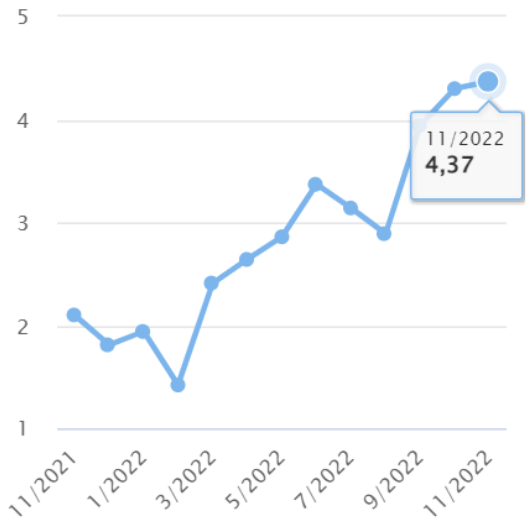
Business news

- HDC, Ba Ria - Vung Tau Housing Development Joint Stock Company announced that it has successfully issued a bond of VND 30 billion. The bondholder is Vietnam Bank for Industry and Trade Securities (CTS).
- MSN, Masan Group have just announced successful foreign capital mobilization with a $600 million syndicated loan. Banks arranging capital for Masan group include BNP Paribas, Credit Suisse, HSBC and Standard Chartered Bank. The transaction was underwritten and attracted 37 international financial institutions to oversubscribe.
- KSB, Binh Duong Mineral and Construction Joint Stock Company are about to offer shares to existing shareholders at the price of 16,000 VND/share, ratio 2:1. The company plans to use about 450 billion VND to invest in KSB Investment Co., Ltd and more than 160 billion VND to supplement working capital.
- DCM, Ca Mau Fertilizer were sanctioned and tax arrears of more than VND 6 billion.
- Vietnam Electricity (EVN) estimates that in 2022, a loss of more than VND 31 trillion. According to EVN, although the Company has tried to reduce costs, it still cannot compensate for the huge increase in the cost of buying input power.
- NLG, Nam Long adjusted the plan to pay the first cash dividend in 2022 from 4.8% to 3%.

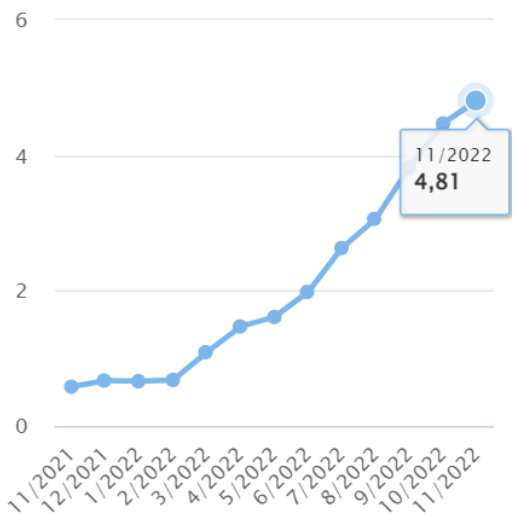


Macro update for November

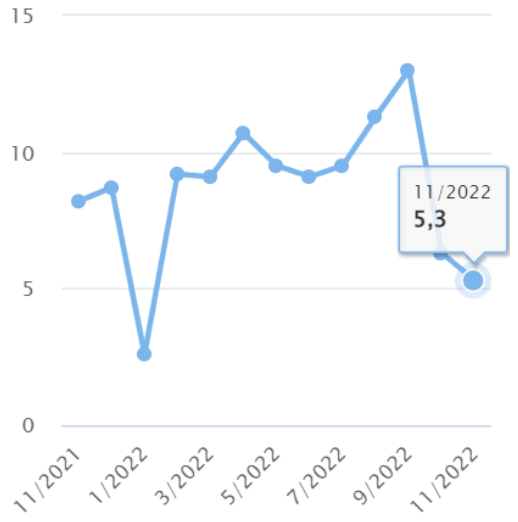
Consumer Price Index (YoY)



Core inflation (YoY)



Industrial Production Index (YoY)



- Core inflation in November 2022 increased by 0.43% over the previous month and by 4.81% over the same period last year. Core inflation in 11 months of 2022 is higher than the whole period of 2018 - 2019.
- It can be seen that the year-on-year CPI and core inflation have not cooled down and continued to rise higher.
- The index of industrial production (IIP) in November was estimated to increase by 0.3% over the previous month and by 5.3% over the same period last year. The increase started to slow down compared to previous months.

Core inflation in November and 11 months of 2018 - 2022

Unit: %

	2018	2019	2020	2021	2022
Core inflation in November compared to the same period last year	1,72	2,18	1,61	0,58	4,81
Core inflation 11 months over the same period last year	1,46	1,94	2,43	0,82	2,38

Source: GSO

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Consumer Price Index (CPI)

Figure 1: CPI increase/decrease in November 2022 (MoM)

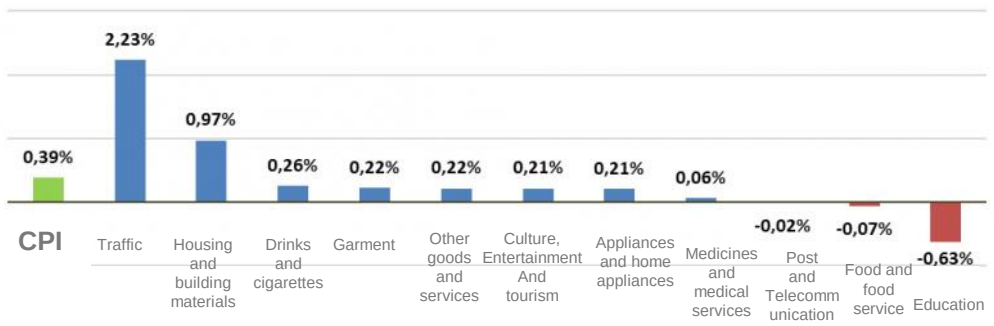
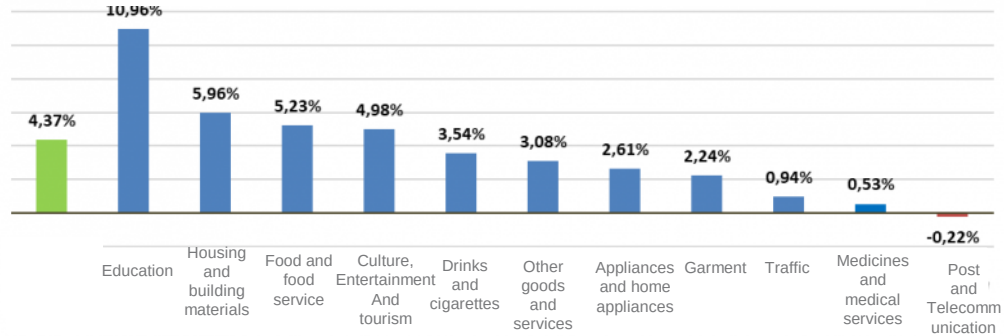


Figure 2: CPI increase/decrease rate in November 2022 (YoY)

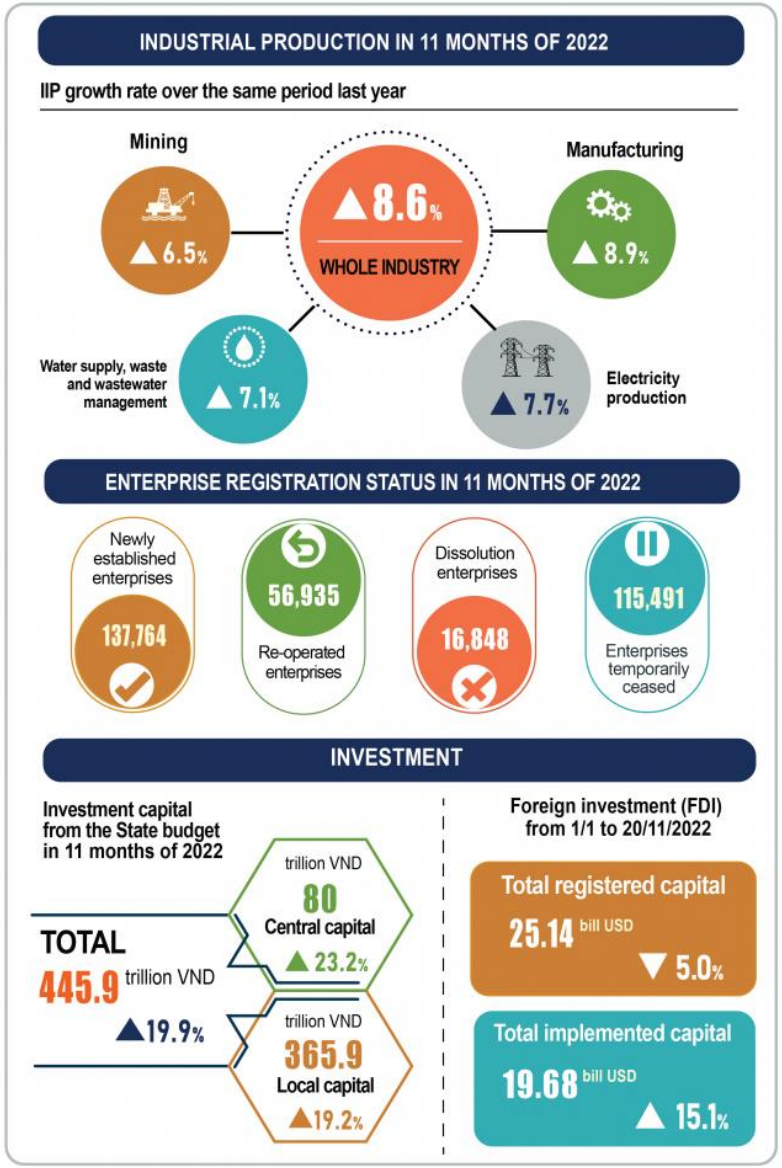


Source: GSO

- **Compared to the previous month,** CPI in November 2022 increased by 0.39% (in urban areas by 0.48%; in rural areas by 0.29%). Among 11 main groups of consumer goods and services, 8 groups of goods increased in price compared to the previous month; 03 groups of discounted goods.
- The traffic price index increased the most, mainly due to the influence of domestic price adjustments that made petrol prices increase by 5.83% compared to the previous month (gasoline increased by 5.84%; diesel oil increased by 5.25%).
- The price index of the education group dropped the most, mainly due to the support of tuition fees by Hanoi city for preschool, general education, vocational training and continuing education centers.

- **Compared to the same period last year,** CPI in November 2022 increased by 4.37%. In 11 main consumer goods groups, there are 10 groups of increasing prices and 1 group of decreasing prices.
- The education group increased the highest with 10.96% over the same period last year because some provinces and centrally-run cities increased tuition fees for the 2022-2023 school year.
- Besides, the group of housing and construction materials increased due to the increase in prices of housing maintenance materials and rental housing. Food and food service groups increased by 5.23%, mainly due to the control of the Covid-19 epidemic, along with culture, entertainment and tourism groups increased by 4.98% when domestic tourism demand recovered after opening. prices of tours, hotels, restaurants increase...).
- Particularly, the postal and telecommunications group decreased by 0.22% due to the decrease in the price of smartphone accessories.

Industrial production and retail 11 months 2022







Source: GSO

Technical view



Trend: Nearing resistance

- Optimism continued to prevail in the trade, helping the market to continue the previous day's gain and close at the highest level of the session. PDR successfully rescued session today. The spreading momentum was well maintained when green almost covered all sectors. Order matching improved and was above the 20 session average. The technical indicators still kept their upward inertia quite well, reinforcing the recovering trend. However, the index is approaching the resistance area around 1,030 points, corresponding to the 50-day MA, shaking signal is likely to appear in the next sessions. The right strategy is to lower the weight, consider taking partial profits and monitor for new developments. The market may need a rest period before continuing to break out to higher levels.

Scenarios:

- Positive (70%): The index is balanced around the threshold of 950 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 (30%): 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 **30/11/2022**

Unit: thousand VND

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
NT2	Watch						25.5	MA10 crosses back to MA20 day, waiting for testing
HPG	Watch						17.4	Break MA50 days with consensus volume, waiting for a correction
SSI	Watch						18.95	Break MA50 days, wait for the correction

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
VCB	Hold	76	84	72	11%	-5%	79	2	5.00%	27/11/2022	
VRE	Hold	27	30	25.5	11%	-6%	27.4	2	10.91%	28/11/2022	Raise target to 32
VNM	Hold	77.5	85	73	10%	-6%	83	6	7.10%	22/11/2022	
GEX	Sell	13	15	11.6	15%	-11%	14.7	7	13.08%	21/11/2022	Hit target
CTG	Sell	24.1	27	23	12%	-5%	27.4	7	13.69%	21/11/2022	Hit target
POW	Sell	10	11	9.5	10%	-5%	11.3	13	13.00%	11/11/2022	Hit target

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

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Q&A

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