MORNING CALL

December 09th, 2022

Shinhan Securities

“Green morning and red afternoon, the money flow begins to diverge”

- Global stocks mixed, Hang Seng continued the recovery momentum
- Domestic stocks are still under pressure from sellers
- Technical view and recommendations #VRE #POW
- Economic calendar
- Q&A

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Open Account

Global Market Review - Week 05 - 09/12/2022

Major stock markets mixed

- US stocks closed in the green on Thursday after a five-day slide but failed to hit session highs, as investors continued to assess the outlook for growth and the trajectory of monetary policy in the meantime. Waiting for important economic data. European stocks extended their fifth consecutive decline on Thursday, with the region's STOXX 600 index closing down 0.1%, trailed by utility stocks, as investors remained cautious amid the backdrop lingering concerns about a recession and rising interest rates.
- The Hang Seng soared 635.41 points or 3.33% to finish at 19,442.10 on Thursday, gaining for the first session in three and erasing most of Wednesday's selloff, boosted by a report that Hong Kong's government may further relax COVID curbs, including lifting its outdoor mask rule and relaxing mandatory testing for arrivals.
- Jobless claims in US edged up to 230K, matching expectations.
- South Korea’s current account posted a surplus of $880 million in October 2022, remaining positive for the second straight month though narrowing sharply from the $1.58 billion surplus recorded in September as imports outpaced exports and outbound travel surged.
- The dollar index fell below 105 on Thursday as investors weigh concerns over economic growth and brace for a 50bps rate hike by the Fed next week.
- WTI crude futures stabilized around $72 per barrel on Friday, but were still set to end the week sharply lower as renewed recession fears gripped financial markets, overshadowing optimism around China’s loosening Covid curbs and persistent supply-side concerns.

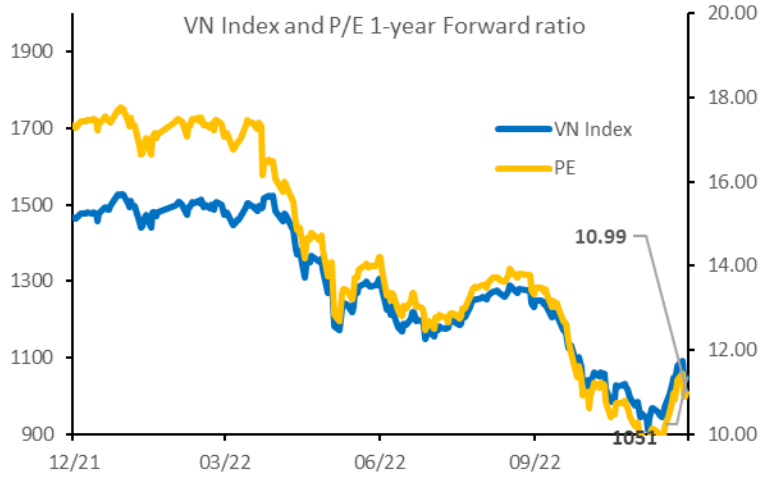
Market

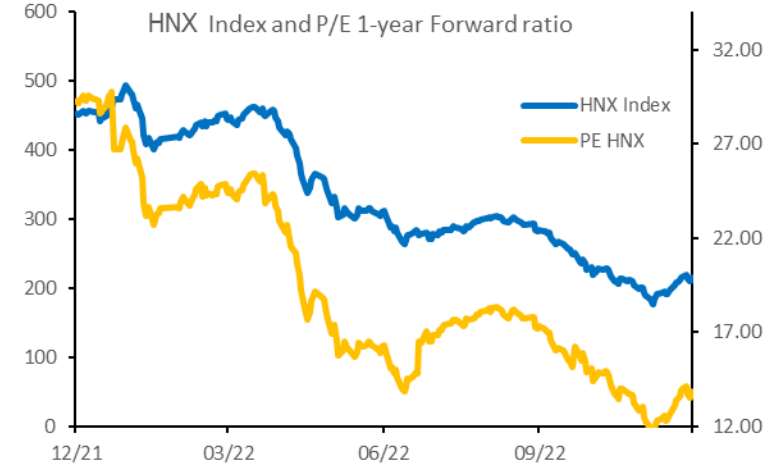
	Close	%1D	%1M	%1Y
VN-Index	1,051	0.91%	6.59%	-28.44%
S&P 500 Index	3,964	0.75%	3.54%	-15.69%
Dow Jones Index	33,781	0.55%	1.87%	-5.52%
GP 100	7,472	-0.23%	2.41%	2.06%
Nikkei 225	27,851	1.00%	0.48%	-3.04%
SHCOMP Index	3,197	-0.07%	4.89%	-12.95%
STOXX 600	435	-0.17%	3.60%	-8.70%
KOSPI Index	2,371	0.01%	-2.19%	-21.73%
Hang Seng	19,450	3.38%	18.90%	-19.81%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	104.77	-0.31%	-4.43%	9.26%
USD/VND	23,915.00	0.20%	3.92%	-3.86%
EUR/USD	1.06	-0.03%	5.41%	-6.55%
USD/CNY	6.97	0.04%	3.78%	-8.94%
Brent	76.15	-1.32%	-20.14%	0.44%
WTI	71.99	0.74%	-16.12%	1.48%
Natural gas	5.91	-0.91%	0.73%	54.90%
Coal	395.50	-2.50%	16.67%	149.21%
Gold	1,788.75	-0.02%	4.81%	0.76%

Vietnam Market Snapshot 08/12/2022





	Close	PE	Difference	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,050.53	10.99	9.51	0.91	916	15,450
HNX INDEX	215.37	13.84	5.44	2.59	106	1,456

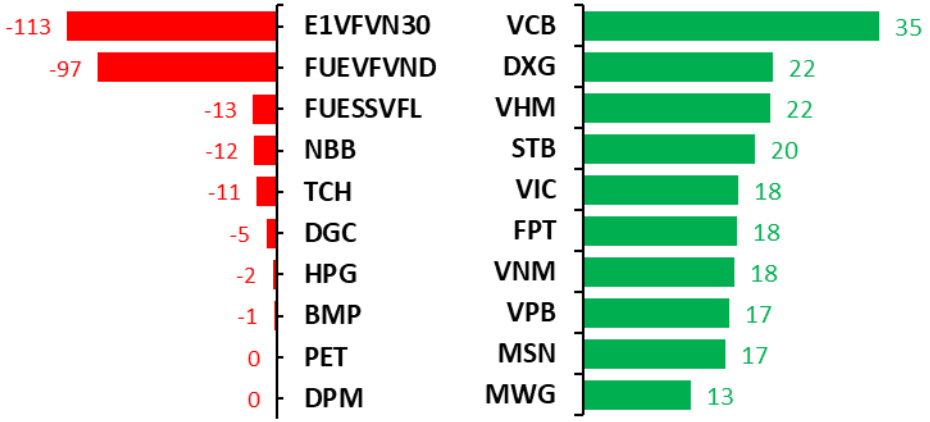
Money flow and sector rotation (VND bn)

Sector	%1D	12/8/2022	12/7/2022	20-session Average
Personal & Household Goods	69.55	193	114	130
Travel & Leisure	32.25	94	71	62
Chemicals	28.67	615	478	628
Banks	25.74	3,331	2,649	2,814
Technology	25.13	116	93	126
Financial Services	21.69	2,122	1,744	1,555
Oil & Gas	20.02	151	126	156
Real Estate	16.57	3,870	3,320	3,100
Retail	12.57	404	359	399
Utilities	9.15	192	176	203
Industrial Goods & Services	-0.2	573	574	508
Automobiles & Parts	-2.4	103	105	114
Construction & Materials	-6.3	544	581	524
Insurance	-6.3	49	53	66
Food and Beverage	-7.5	980	1,059	897
Basic Resources	-10.7	1,002	1,121	1,148
Health Care	-13.4	18	21	20
Media	-32.0	5	7	3

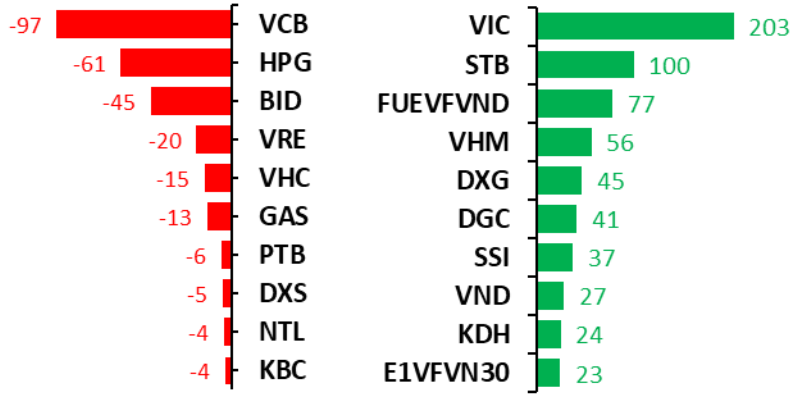
Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Market Snapshot 08/12/2022

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	79	342	(85)	10
Basic Resources	(2)	(65)	(136)	46
Media	-	-	0	-
Industrial Goods & Services	11	19	(35)	32
Health care	-	2	(32)	(0)
Chemicals	(5)	65	233	19
Financial Services	(213)	174	(50)	(69)
Travel & Leisure	7	23	(28)	(7)
Banks	132	(30)	(100)	(96)
Construction & Materials	(1)	21	(157)	1
Food and Beverage	37	5	53	(2)
Retail	12	15	(78)	28
Utilities	4	(10)	(17)	(69)
Personal & Household Goods	12	6	7	12
Technology	18	0	(57)	14
Automobiles & Parts	(11)	6	(2)	(8)
Insurance	1	8	(0)	1
Oil & Gas	1	2	0	(0)

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

Positive

- At the Government Standing Meeting, Prime Minister Pham Minh Chinh assigned Deputy Prime Minister Le Minh Khai to direct the research and development of a decree amending decrees related to the stock, bond and real estate markets.
- After 11 months, the State Treasury has issued more than VND 182 trillion of government bonds.
- 3 traffic projects of more than VND 10,000 billion in Ho Chi Minh City are prepared to start.

Less positive



Business news

- VIC, VinFast have filed an IPO with the US Securities and Exchange Commission, and are expected to list on Nasdaq with the code VFS.
- PDR, According to an announcement from Phat Dat, the company spent about VND 1,300 billion to buy back bonds and pay off a series of loans before maturity. Recently, Mr. Doan Viet Dai Tu, a member of the Board of Directors, registered to buy 850,000 shares. The implementation period is expected from 12/12/2022 to 12/01/2023.
- NT2, PetroVietnam Power Nhon Trach 2 estimated pre-tax profit of nearly VND 800 billion, exceeding 62% of the year plan.

  Power output for the whole year is estimated at 94% of the plan, due to the challenge of declining gas output, high gas prices, and the increase in the proportion of renewable energy.
- DIG, DIC Corp wants to offer 100 million shares to existing shareholders in the first quarter of 2023 at the price of 15,000 VND/share.
- DHG, DHG Pharma set a target of net revenue of 5,000 billion dong and pre-tax profit of more than 1,100 billion dong in 2023, the highest ever. Compared to the 2021 plan, the two targets above increased by 18.4% and 32.4%, respectively.
- STB, The fund group related to Dragon Capital has just announced that it has bought a total of 5.11 million STB shares to raise its ownership to 5.25% and officially become a major shareholder.
- IBC, Shark Thuy's business is subject to tax enforcement, shares plunge.
- DGC, Duc Giang Chemical announces to pay dividends in 2022 in cash at the rate of 30%, ex-rights date 19/12

Technical view



Trend: Short-term weakness signal

- The selling force once again dominated in the afternoon session so the index significantly narrowed its intraday gain and had to close near reference. VN-Index ended the session creating a Gravestone Doji candlestick pattern, meaning that the upper selling supply was active and somewhat prevailed. The RSI also cooled down again when approaching the overbought zone a few sessions ago, along with the MACD narrowing the gap with the signal line and showing signs of cutting down. This shows that the correcting trend is still there and the trade will be in favor of shaking. In particular, the money flow started to diverge again. Therefore, the right strategy should limit the excitement and focus on the leading codes.

Scenarios:

- Positive (60%): The index balanced and successfully tested the area of 1,020 points to create a recovery momentum to the threshold of 1,100 points, more optimistic than towards the 1,150 point area, corresponding to the old bottom that has been broken before.
- Less positive (40%): The index losing the level of 1,020 might drop to test the psychological threshold of 1,000 points and lower to the area of 980 points.

Recommended stocks

9/12/2022

Unit: thousand VND

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
POW	Wait to buy	11	12.5	10.4	14%	-5%	11.2	Correction to the support zone
VRE	Wait to buy	28	32	26.5	14%	-5%	26.8	Good reaction around 20-day MA
MBB	Watch							Good reaction around 50-day MA
HPG	Watch							Break MA50 days with consensus volume, waiting for a correction
SSI	Watch							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
NT2	Hold	26	29	24.5	12%	-6%	26.8	5	3.08%	02/12/2022	

Economic calendar

December 2022

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
27	28	29	30	1 Fed Chair Powell Speaks Core PCE Price Index m/m (USD) ISM Manufacturing PMI (USD)	2 Non-Farm Employment Change (US)	3
4 OPEC Meetings	5 ISM Services PMI (USD)	6 RBA Rate Statement	7 BOC Rate Statement	8 Unemployment claims (US)	9 Prelim UoM Consumer Sentiment (USD) PPI m/m (USD)	10
11	12 GDP m/m (UK)	13 CPI,Core CPI (US)	14 CPI, Core CPI (UK)	15 FOMC Statement Federal Funds Rate SNB Press Conference	16 Flash Services PMI (US)	17
18	19 Flash Manufacturing and Services PMI (UK, French, German)	20 Monetary Policy Statement (Japan)	21 CB Consumer Confidence (US)	22 Final GDP q/q	23 GDP m/m (Canada) Core PCE Price Index (US)	24
25	26	27	28	29 Monthly macroeconomic data release (Viet Nam)	30	31

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Q&A

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