MORNING CALL

December 20th, 2022

Shinhan Securities

"The selling still dominates, the index might drop to retest the psychological level of 1,000 points"

- ❑ Global stocks continue to fall
- ❑ Domestic stocks retreated under selling pressure
- ❑ Technical view and recommendations
- ❑ Economic calendar
- ❑ Q&A

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Open Account

Global Market Review - Week 12 - 16/12/2022

Major stock markets continue to decline

- U.S. stocks closed lower for a fourth straight session on Monday, as recession fears increased after the Federal Reserve took a more hawkish tone than expected last week. The Dow Jones Industrial Average fell more than 160 points, while the S&P 500 lost 0.9% and the Nasdaq fell 1.5%. Wall Street is on track to end December lower after two straight weeks in the red.
- The Nikkei 225 Index rose 0.2% to above 27,280 on Tuesday after a three-day losing streak, as investors continued to assess the outlook for inflation, rates and the global economy. Investors also look ahead to the Bank of Japan's policy decision where it is expected to maintain massive stimulus to support a fragile economic recovery.
- The NAHB housing market index in the US declined to 31 in December of 2022, a fresh low since 2012 excluding the immediate onset of the pandemic, and below market forecasts of 34.
- The Baltic Dry Index, which measures the cost of shipping goods worldwide, fell about 0.8% to 1,548 points on Monday, halting three consecutive sessions of rises, amid subdued demand.
- WTI crude futures rose above $75 per barrel on Monday, snapping a two-day decline as Chinese authorities vowed to boost consumption at a key economic policy meeting, sparking hopes of greater energy demand in the world's top crude importer.

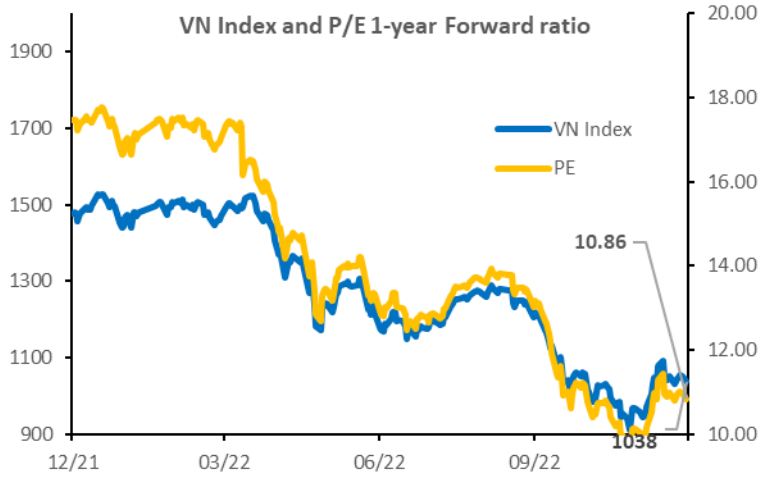
Market

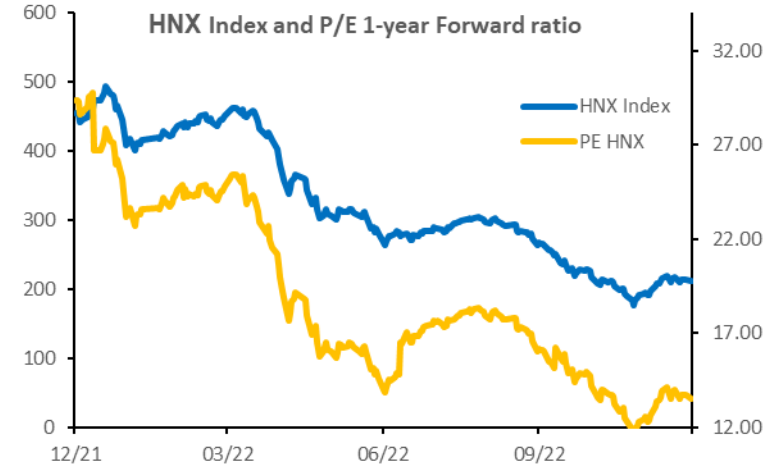
	Close	%1D	%1M	%1Y
VN-Index	1,038	-1.34%	7.13%	-29.71%
S&P 500 Index	3,818	-0.90%	-3.72%	-17.38%
Dow Jones Index	32,758	-0.49%	-2.93%	-7.37%
GP 100	7,361	0.40%	-0.33%	2.27%
Nikkei 225	27,312	0.27%	-2.11%	-2.24%
SHCOMP Index	3,107	-1.92%	0.32%	-13.54%
STOXX 600	426	0.27%	-1.72%	-8.88%
KOSPI Index	2,330	-0.95%	-4.69%	-21.37%
Hang Seng	19,353	-0.50%	7.56%	-14.91%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	104.72	0.02%	-2.07%	8.45%
USD/VND	23,694.00	-0.38%	4.80%	-3.23%
EUR/USD	1.06	-0.07%	3.50%	-6.02%
USD/CNY	6.98	-0.08%	2.66%	-8.65%
Brent	79.80	0.96%	-8.92%	8.54%
WTI	75.67	0.64%	-5.51%	10.90%
Natural gas	5.88	0.50%	-6.71%	53.36%
Coal	401.35	-0.41%	16.86%	138.90%
Gold	1,785.10	-0.14%	2.71%	-0.33%

Vietnam Market Snapshot 19/12/2022





	Close	PE	Difference	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,038.40	10.86	-14.08	-1.34	798	13,237
HNX INDEX	212.24	13.50	-0.75	-0.35	98	1,402

Money flow and sector rotation (VND bn)

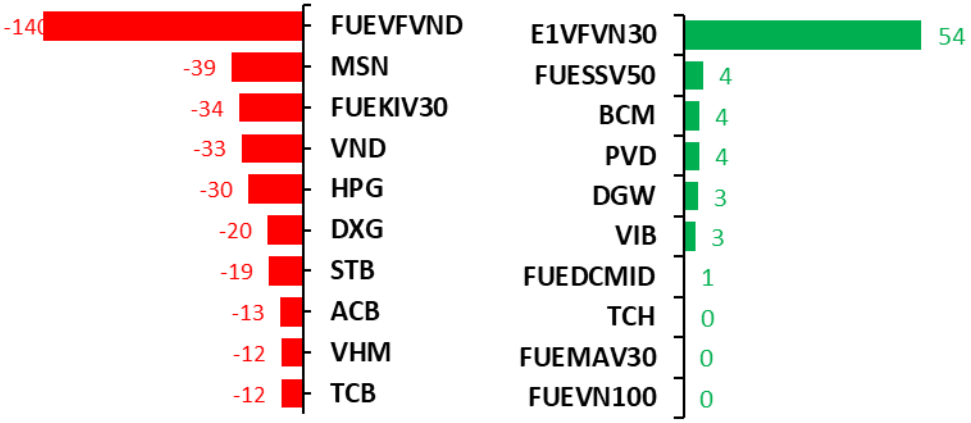
Ngành	%1D	12/19/2022	12/16/2022	TB 20 phiên
Dịch vụ tài chính	46.51	2,577	1,759	1,840
Điện, nước & xăng dầu khí đốt	44.86	242	167	200
Bán lẻ	29.98	426	328	390
Công nghệ Thông tin	12.69	95	84	110
Ô tô và phụ tùng	11.97	107	96	112
Ngân hàng	1.95	2,993	2,936	2,962
Xây dựng và Vật liệu	0.16	760	758	635
Thực phẩm và đồ uống	-2.9	1,111	1,145	993
Tài nguyên Cơ bản	-4.0	1,827	1,904	1,247
Hóa chất	-5.4	478	505	586
Bất động sản	-9.6	2,459	2,720	3,470
Bảo hiểm	-13.5	54	62	61
Hàng & Dịch vụ Công nghiệp	-16.1	538	641	557
Y tế	-18.6	9	11	18
Du lịch và Giải trí	-20.3	121	152	83
Hàng cá nhân & Gia dụng	-22.5	100	129	138
Dầu khí	-24.3	107	141	153
Truyền thông	-51.0	1	1	2

Source: Bloomberg, Shinhan Securities Vietnam

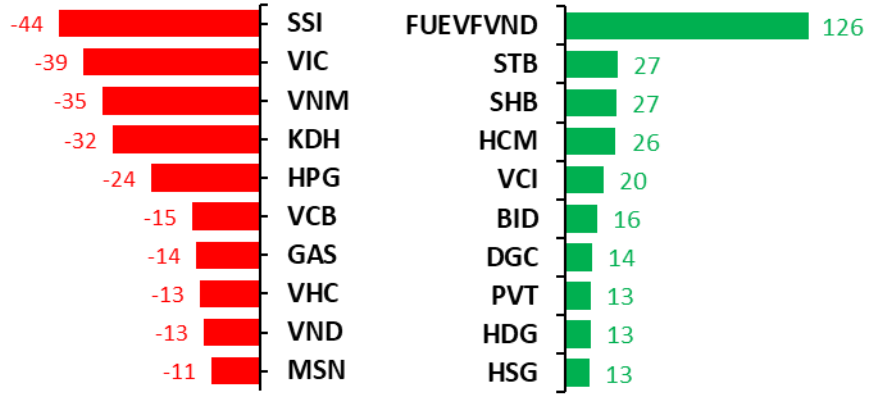
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Vietnam Market Snapshot 19/12/2022

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	(53)	(39)	127	(76)
Basic Resources	(34)	(11)	(3)	(13)
Media	-	(0)	0	(0)
Industrial Goods & Services	0	(4)	(110)	2
Health care	-	0	(5)	(0)
Chemicals	(1)	29	(7)	42
Financial Services	(121)	120	(135)	12
Travel & Leisure	(6)	(3)	48	(8)
Banks	(85)	58	(40)	35
Construction & Materials	(1)	(3)	(37)	36
Food and Beverage	(50)	(56)	(7)	14
Retail	(4)	9	(54)	16
Utilities	(4)	(5)	(45)	10
Personal & Household Goods	(1)	(2)	39	11
Technology	(6)	1	24	3
Automobiles & Parts	0	1	(0)	1
Insurance	(1)	(2)	0	2
Oil & Gas	3	10	0	14

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

Positive

- The national master plan for the period of 2021 - 2030 sets a target of an average gross domestic product (GDP) growth rate of about 7.0%/year.
- The Ministry of Transport is assigned to disburse a record of more than 94,000 billion VND in public investment in 2023.
- Hai Phong reduces port infrastructure fees from January 1, 2023.

Less positive

- According to the Vietnam Banks Association (VNBA), credit institutions have agreed with the direction of the State Bank and supported the proposal of a maximum rate of 9.5%/year for deposit interest rates for terms. However, in fact, many banks are still mobilizing with high interest rates from 10 to 11% per year.

Business news

- VCG, HBC, CTD, REE, Airports Corporation of Vietnam (ACV) have just issued a decision to cancel the bidding package worth more than VND 35,000 billion at the construction project of Long Thanh International Airport Phase 1 to re-bidding.

  According to ACV, the reason for the bid cancellation was because all bids did not meet the requirements of the bidding documents.
- HPG, Hoa Phat Hung Yen Steel Co., Ltd has just announced to increase the selling price of products from December 19 in the face of increasing prices of steel billets and input materials.
- BII, TGG, Chairman of Louis Holdings and members of the Board of Directors of Angimex were prosecuted in connection with the case of stock market manipulation.
- PLX, Petrolimex guarantee 12% dividend even though profit target is adjusted down.
- OCB, Implement a preferential interest rate package for businesses from only 8%.
- KBC, Kinh Bac mobilized more than VND 600 billion from its subsidiary before the extraordinary General Meeting of Shareholders.
- VTK, Viettel Consultancy plan to issue nearly 4 million bonus shares at the rate of 74.78%.
- TVC, Tri Viet Asset Management Corporation JSC announced the purchase of bonds before maturity with more than VND 34 billion.



Technical view



Trend: Retest the support zone

- The market opened strongly at the beginning but again the selling pressure prevailed and pushed the index to close in red. The uptrend was narrowed significantly and the index closed the session creating a red hammer candlestick pattern, showing more active selling. The MACD is close to crossing the signal line along with the RSI dropping to 50, meaning that the correcting trend might continue. The right strategy is to hold and limit the price chase. The position also started to be more cautious when the index continuously failed to break out to high price. The nearest support for the trend is around 1,020 points. If selling pressure still prevails, it is likely that the market will pull back to retest this level.

Scenarios:

- Positive (50%): The index balanced and successfully tested the area of 1,000 - 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 (50%): 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

20/12/2022

Unit: thousand VND

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
VNM	Watch						77	Waiting to retest the 50-day MA
MBB	Watch						18.35	Waiting to retest the area around MA10-20 days, MA20 - 50 cross
HPG	Watch						20	Break out signal, waiting to retest the area near MA10 days
SSI	Watch						20.5	Good reaction around MA10, waiting for break signal

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
VCG	Hold	17.6	21	16	19%	-9%	17.8	6	1.14%	12/12/2022	
VRE	Hold	27.5	32	26	16%	-5%	27.3	7	-0.73%	09/12/2022	
POW	Hold	11	12.5	10.4	14%	-5%	11.1	7	0.91%	09/12/2022	
NT2	Hold	26	29	24.5	12%	-6%	27.5	12	5.77%	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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