MORNING CALL

December 23th, 2022

Shinhan Securities

"Hesitation still dominates, liquidity dropped to low level"

- Global stocks fell again, economic data in the US stronger than expected
- Domestic stocks continued to struggle with a narrow range
- Technical view and recommendations #VRE #VCG
- Economic calendar
- Q&A

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Open Account

Global Market Review - Week 19 - 23/12/2022

Major stock markets fell again

- Wall Street partially cut intra-day losses but still closed firmly lower on Thursday, nearly erasing last session's rally as upward revisions to the US GDP and Core PCE prices backed the Federal Reserve's commitment to raise interest rates and maintain them higher for longer. European equity markets closed deeply in the red after a positive open on Thursday, tracking Wall Street lower, after a better-than-expected revision to GDP growth for the US renewed concerns that interest rates will remain high for longer and will hurt the economies even further.
- The US economy grew an annualized 3.2% on quarter in Q3 2022, better than 2.9% in the second estimate, and rebounding from two straight quarters of contraction. Consumer spending rose more than anticipated (2.3% vs 1.7% in the second estimate), as growth in health care and "other" services partially offset a decrease in spending on goods, namely motor vehicles and food and beverages.
- The number of Americans filing new claims for unemployment benefits rose by 2,000 to 216,000 in the week ending December 17th, below market expectations of 220,000 and extending signals of a stubbornly tight labor market, adding to hawkish projections for the Federal Reserve.
- The annual inflation rate in Japan edged up to 3.8% in November 2022 from 3.7% a month earlier, pointing to the highest print since January 1991, amid high prices of imported raw commodities and persistent yen weakness. Core consumer prices rose by 3.7% yoy, the most since December 1981, matching market forecasts but above the Bank of Japan's 2% target for an eighth straight month.
- WTI crude futures pared gains to trade below $78 per barrel on Thursday, snapping a three-day winning streak pressured by a firmer dollar following robust US data.

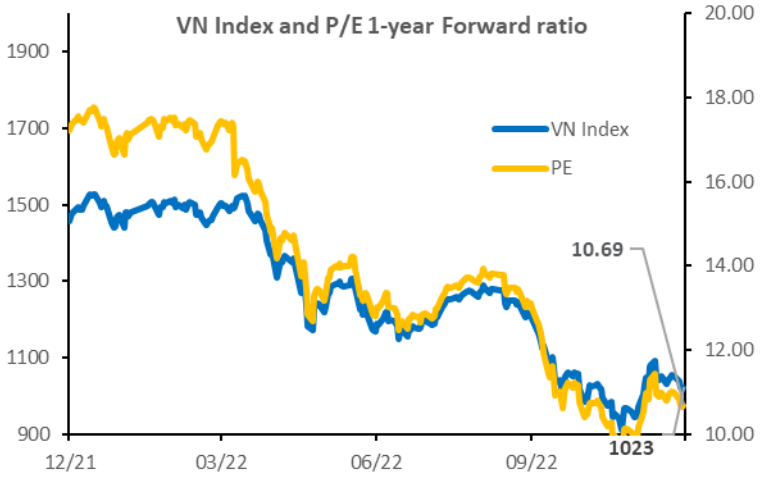
Market

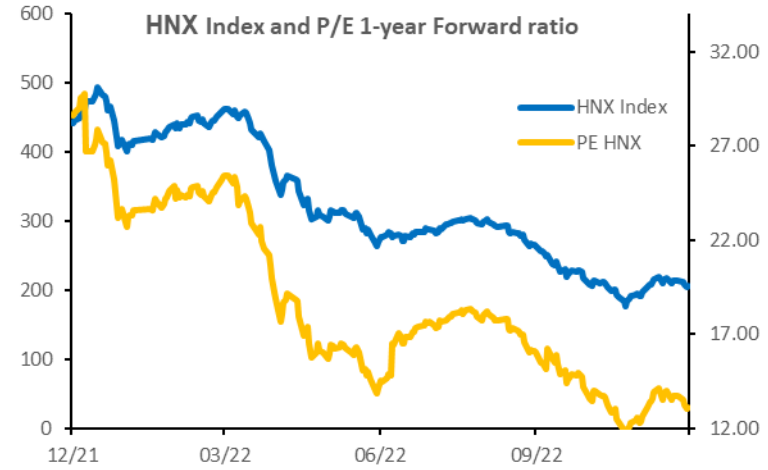
	Close	%1D	%1M	%1Y
VN-Index	1,023	0.37%	8.10%	-29.81%
S&P 500 Index	3,822	-1.45%	-4.53%	-18.61%
Dow Jones Index	33,027	-1.05%	-3.14%	-7.63%
GP 100	7,469	-0.37%	0.05%	1.30%
Nikkei 225	26,204	-1.15%	-6.80%	-9.01%
SHCOMP Index	3,054	-0.46%	-1.37%	-16.16%
STOXX 600	427	-0.97%	-2.63%	-11.54%
KOSPI Index	2,327	-1.26%	-3.76%	-22.38%
Hang Seng	19,679	2.71%	12.30%	-15.15%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	104.43	0.26%	-2.60%	8.70%
USD/VND	23,669.00	0.23%	4.95%	-3.10%
EUR/USD	1.06	0.03%	1.94%	-6.43%
USD/CNY	6.99	-0.05%	2.21%	-8.81%
Brent	80.98	-1.48%	-8.35%	7.56%
WTI	78.28	1.02%	0.44%	6.08%
Natural gas	5.15	3.04%	-29.52%	38.06%
Coal	400.65	-0.19%	15.41%	136.37%
Gold	1,792.61	0.01%	2.45%	-0.90%

Vietnam Market Snapshot 22/12/2022





	Close	PE	Difference	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,022.61	10.69	3.73	0.37	714	12,898
HNX INDEX	205.79	13.09	1.32	0.65	62	971

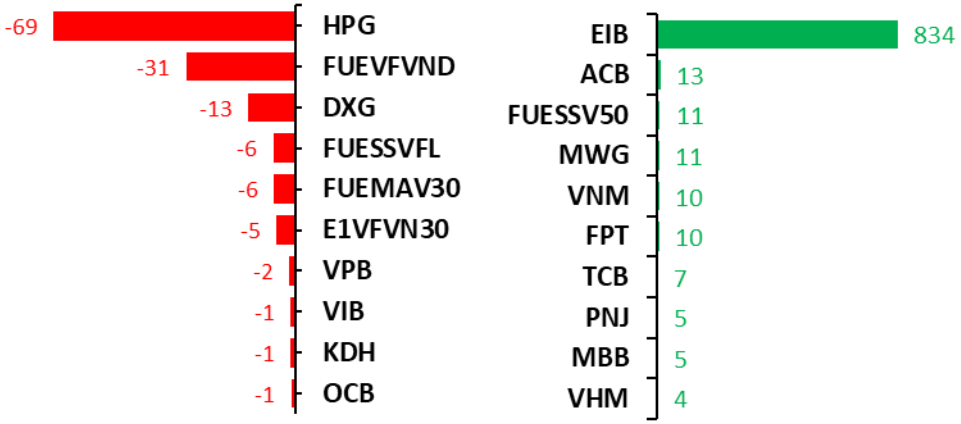
Money flow and sector rotation (VND bn)

Sector	%1D	12/22/2022	12/21/2022	20-session Average
Utilities	12.40	135	120	197
Travel & Leisure	11.85	78	70	90
Banks	8.89	2,597	2,385	3,098
Media	7.81	0	0	2
Technology	-4.7	58	61	109
Retail	-17.5	211	256	385
Automobiles & Parts	-21.0	57	72	106
Real Estate	-22.0	1,625	2,084	3,358
Health Care	-22.1	12	15	18
Industrial Goods & Services	-25.0	421	561	587
Basic Resources	-30.2	743	1,066	1,308
Chemicals	-30.3	213	305	575
Construction & Materials	-31.2	321	467	661
Insurance	-32.1	25	37	63
Oil & Gas	-32.9	82	122	150
Food and Beverage	-36.5	654	1,029	1,029
Financial Services	-42.3	1,037	1,796	1,930
Personal & Household Goods	-46.0	97	180	138

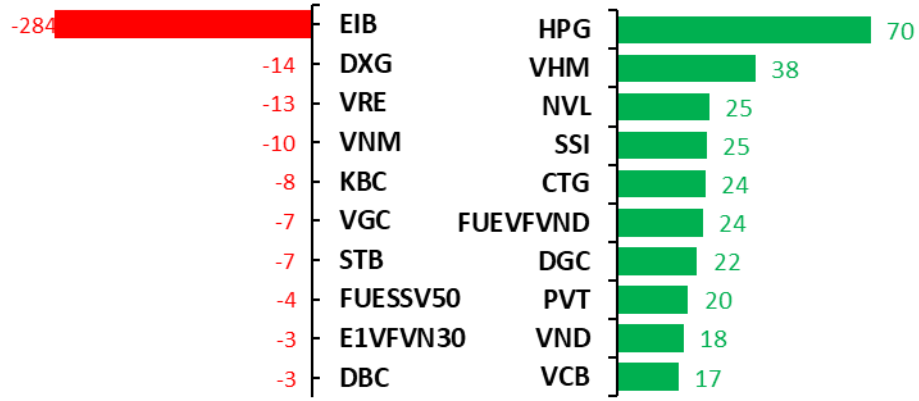
Source: Bloomberg, Sinhan Securities Vietnam

Vietnam Market Snapshot 22/12/2022

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	(5)	63	(29)	(15)
Basic Resources	(68)	73	(5)	(66)
Media	-	0	0	0
Industrial Goods & Services	3	26	(10)	4
Health care	0	1	(6)	0
Chemicals	1	48	(37)	2
Financial Services	(35)	74	(35)	10
Travel & Leisure	3	1	12	2
Banks	864	(2,808)	(47)	1,483
Construction & Materials	(0)	(7)	(58)	2
Food and Beverage	13	(2)	(16)	(17)
Retail	12	12	(21)	11
Utilities	1	16	(19)	2
Personal & Household Goods	5	(7)	44	(3)
Technology	10	(0)	1,306	(2)
Automobiles & Parts	(0)	0	(1)	0
Insurance	0	2	(0)	1
Oil & Gas	0	19	(0)	7

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

Positive

- The Government requires to keep the tuition fee rate stable for the academic year 2022 – 2023.
- ADB financed 107 million USD for wind power project of BIM Energy (member of BIM Group).

Less positive

- Vietnam's SDG index (Sustainable Development Goals) is downgraded in 2022.



Business news

- NRC, Danh Khoi continued to buy back bonds before maturity. According to the plan, NRC will buy back 20% of the issued bond value, equivalent to 40 billion dong, code NRCH2130002 issued on December 29, 2021.
- SBT, Key leaders have completed buying nearly 8 million shares. In which, Ms. Dang Huynh Uc My - Vice Chairman of the Board bought 5 million shares, Ms. Huynh Bich Ngoc - Chairman of the Board bought 2 million shares and Mr. Hoang Manh Tien - Independent member of the Board also announced the completion of buying all 800,000 shares.
- VNM, Vinamilk will raise the total investment capital for projects in Cambodia to 42 million USD and plan to build a dairy farm with raw milk output of over 4,000 tons/year.
- BCM, Becamex IDC is not expected to buy shares in the capital increase of BW Joint Venture Company, thereby reducing the ownership ratio. According to research, BW has an initial charter capital of more than 200 million USD, owns 380 hectares of land bank across the country in 2019 and expands to 200 hectares in 2020. BW's land fund is concentrated in areas such as Bac Ninh, Hai Phong, Hai Duong, Binh Duong, Dong Nai.
- HDB, two CEOs of HDBank have registered to buy 150,000 shares. Before that, many other leaders of the bank also bought hundreds of thousands of HDB shares.
- GEX, VIX Securities registered to buy 15 million GEX shares. The transaction period is expected from December 23, 2022 to January 20, 2023. Currently, VIX Securities owns 15 million GEX shares, accounting for 1.76%, if the transaction is completed, VIX will increase its ownership in Gelex to 3.52%.
- DXS, Dat Xanh Services contribute another VND 182 billion to a subsidiary.

Technical view



Trend: Retest the support zone

- The struggles continued to dominate the trade and the index fluctuated in a narrow range. The selling force once again prevailed and pushed the index to close creating a red candle, dropping back from the gaining level at the beginning of the session. Order matching dropped significantly, showing the cautious sentiment of investors in the absence of supporting information. The MACD has crossed the signal line along with the RSI balancing around 50, meaning that the correcting inertia is still there. The index needs a strong gaining session to confirm the trend, on the other hand, if the sideways movement is still dominant, it will reflect weak money flow and the market may drop to lower levels.

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 1,000 might drop to test the threshold of 980 points and lower to the area of 950 points.

Recommended stocks

23/12/2022

Unit: thousand VND

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
VNM	Watch							Waiting to retest the 50-day MA
MBB	Watch							Waiting to retest the area around MA10-20 days, MA20 - 50 cross
HPG	Watch							Break out signal, waiting to retest the area near MA10 days
SSI	Watch							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	Sell	17.6	21	16	19%	-9%	16	9	-9.09%	12/12/2022	
VRE	Sell	27.5	32	26	16%	-5%	26	10	-5.45%	09/12/2022	
POW	Hold	11	12.5	10.4	14%	-5%	10.7	10	-2.73%	09/12/2022	
NT2	Hold	26	29	24.5	12%	-6%	27.8	15	6.92%	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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