MORNING CALL

December 29th, 2022

“Liquidity is lost, money flow is strongly diverged”

- World stocks corrected at the end of the year
- Domestic stocks regained the threshold of 1,000 points but liquidity remained low
- Technical view and recommendations
- Economic calendar
- Q&A

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Open Account

Global Market Review - Week 26 - 30/12/2022

Stock markets corrected at year-end

- At the end of Wednesday's session, the Dow Jones Industrial Average fell 365.85 points or 1.1% to 32,875.71 points. The S&P 500 Index lost 1.2% to 3,783.22 as investors worried that China's end to its Zero Covid policy could lead to an increase in infections worldwide.
- Stocks in Asia followed Wall Street's decline as investors assessed the outlook for next year. In Japan, the Nikkei 225 index fell 0.94% while South Korea's Kospi index fell 0.57% as the country's retail sales for the third consecutive quarter.
- Japan's 10-year government bond yield hit 0.45% - the highest level in the past 7 years. Bond yields were very high YTD at 0.08%. The Fed's aggressive tightening policy to combat high inflation sent the dollar and Treasury yields higher, putting pressure on other countries bond markets.
- Pending home sales in the US fell 4% month over month. This was the sixth consecutive month of declines and was much deeper than the market forecast of a 0.8% drop as rising interest rates led to a sharp drop in new contract signings.
- The 10-year Australian government bond yields returned to the peak of 4% at the end of December. Due to concerns about global inflation and central banks' continued interest rate hikes in the near term amid the backdrop, China is in the process of reopening its economy.
- WTI oil prices fell below $79 a barrel on Wednesday, as investors began to worry about demand in China as the number of infections surged in the country.

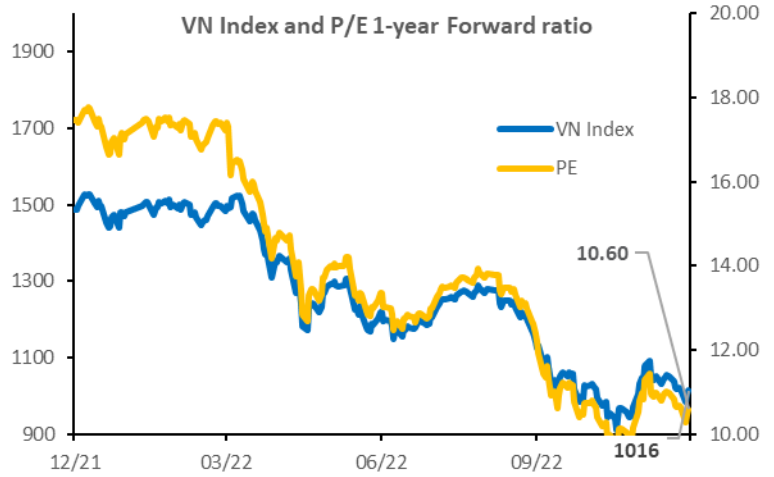
Market

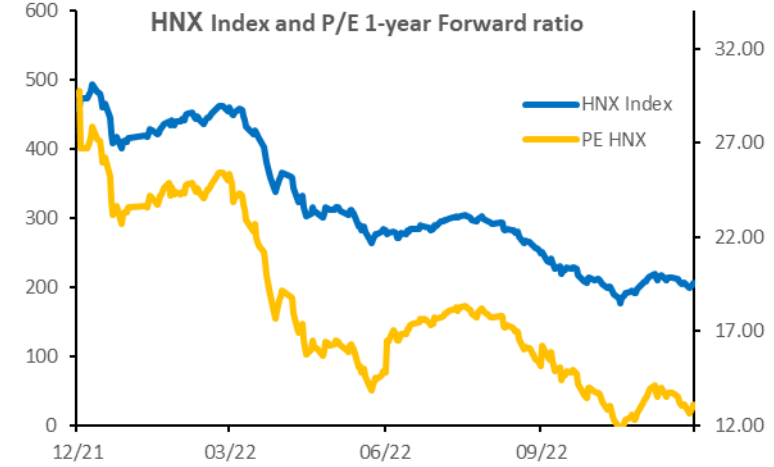
	Close	%1D	%1M	%1Y
VN-Index	1,016	1.10%	-1.60%	-31.64%
S&P 500 Index	3,783	-1.20%	-4.56%	-20.96%
Dow Jones Index	32,876	-1.10%	-2.88%	-9.68%
GP 100	7,497	0.32%	-0.20%	1.03%
Nikkei 225	26,009	-1.26%	-7.20%	-10.02%
SHCOMP Index	3,087	-0.26%	-1.98%	-14.17%
STOXX 600	427	-0.13%	-2.25%	-12.40%
KOSPI Index	2,263	-0.79%	-7.02%	-24.41%
Hang Seng	19,899	1.56%	9.31%	-13.81%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	104.46	0.27%	-2.08%	8.59%
USD/VND	23,623.00	-0.08%	4.98%	-3.34%
EUR/USD	1.06	0.15%	2.88%	-6.35%
USD/CNY	6.98	-0.31%	3.22%	-8.78%
Brent	83.26	-1.27%	0.08%	5.47%
WTI	78.61	-0.44%	0.52%	2.68%
Natural gas	4.72	0.83%	-34.71%	17.40%
Coal	402.10	0.40%	6.09%	135.15%
Gold	1,805.84	0.08%	3.20%	0.06%

Vietnam Market Snapshot 28/12/2022





	Close	PE	Difference	%1D	Trading volume (mn stocks)	Trading value (bn VND)
VNI NDEX	1,015.66	10.60	11.09	1.10	590	10,671
HNX INDEX	206.04	13.10	2.90	1.43	61	905

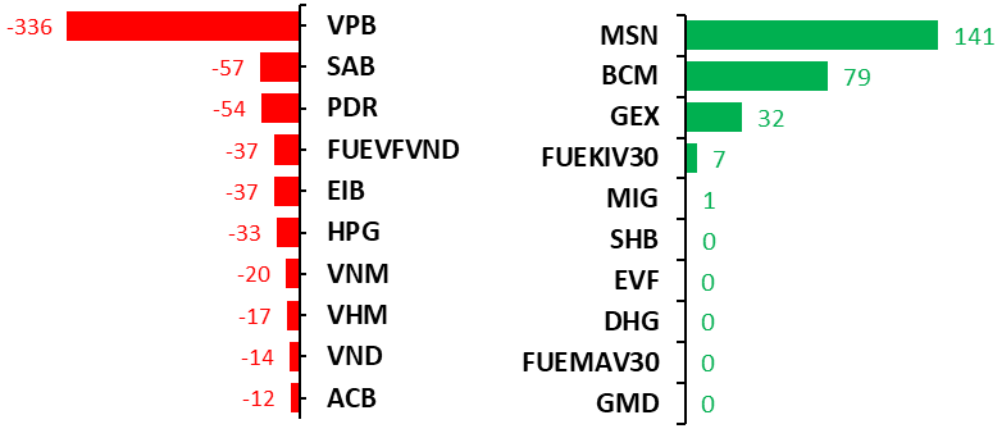
Money flow and sector rotation (bn VND)

Sector	%1D	12/28/2022	12/27/2022	20-session Average
Health Care	27.02	22	18	18
Travel & Leisure	9.24	67	61	90
Banks	2.87	1,719	1,671	2,934
Food and Beverage	-4.4	625	654	959
Oil & Gas	-11.8	110	125	142
Real Estate	-14.7	1,291	1,513	2,891
Chemicals	-17.0	207	250	500
Personal & Household Goods	-18.2	70	86	127
Retail	-22.6	146	189	343
Industrial Goods & Services	-23.1	438	570	570
Technology	-24.6	54	72	103
Utilities	-24.7	98	131	185
Financial Services	-25.1	726	970	1,772
Construction & Materials	-27.2	277	381	630
Automobiles & Parts	-27.3	41	56	91
Basic Resources	-34.0	480	728	1,209
Media	-43.0	0	1	2
Insurance	-55.9	14	31	56

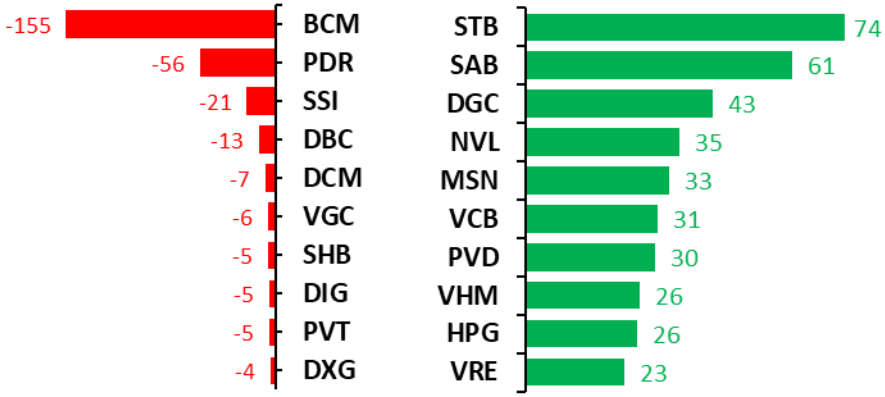
Source: Bloomberg, Sinhan Securities Vietnam

Vietnam Market Snapshot 28/12/2022

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	(16)	(98)	(59)	61
Basic Resources	(33)	24	15	(21)
Media	-	(0)	0	0
Industrial Goods & Services	30	15	(232)	(25)
Health care	0	3	(0)	(0)
Chemicals	(0)	53	10	(5)
Financial Services	(66)	(4)	(27)	19
Travel & Leisure	(7)	14	4	(12)
Banks	(434)	117	(14)	575
Construction & Materials	(2)	7	(70)	8
Food and Beverage	65	132	(18)	(105)
Retail	(7)	12	63	1
Utilities	(4)	16	100	79
Personal & Household Goods	(0)	(1)	(49)	(0)
Technology	(11)	0	(620)	(4)
Automobiles & Parts	(0)	0	(1)	1
Insurance	0	(1)	(0)	2
Oil & Gas	(4)	35	(0)	(5)

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

Positive

- Import and export in 2022 is estimated at 732 billion USD, trade surplus for the 7th consecutive year
- Chu Lai Port invests heavily in logistics, businesses in the Central region benefit.
- The People's Committee of Ho Chi Minh City held the ground-breaking ceremony of the National Highway 50 construction and expansion project (Binh Chanh district) connecting Ho Chi Minh City with Long An province, with a total investment of nearly VND 1,500 billion.
- Proposing a support package for employees who lost their jobs in businesses to reduce orders.

Less positive



Business news

- It is estimated that Fubon ETF can also buy about 2.3 billion TWD (~ VND 1,700 billion) of Vietnamese shares. Thus, the net buying of Fubon can last until Q1/2023.
- DPM, DPM, Phu My Fertilizer estimates business results in 2022 with revenue of nearly VND 20,000 billion, profit before tax of over VND 6,400 billion, up 55% and 68% respectively compared to last year, this is record results of the corporation.

  However, in the fourth quarter alone, Phu My Fertilizer's revenue is about VND 5,135 billion, profit before tax is VND 1,031 billion, up 1% and down 49% respectively compared to the fourth quarter of 2021. The profit in the fourth quarter showed signs of going down due to the downward trend in oil prices and the low export price of urea.
- NLG, Within one month (November 22 - December 22), Dragon Capital fund group continuously bought a total of more than 12 million NLG shares, the ownership ratio increased from 4.96% to 8.09% respectively.
- PVP, Ho Chi Minh City Stock Exchange recently announced its approval to list shares of Pacific Petroleum Transport Joint Stock Company. The company officially moved the listing from Upcom to Hose.
- VTR, Vietravel prepare to issue 6 million debt swap shares for Hung Thinh Group, priced at 28,000 VND/share.
- DXS, Dat Xanh Services want to transfer shares of a subsidiary. If successfully implemented, the ownership rate of Dat Xanh Services in Dat Xanh Mien Nam will decrease from 65% to 49%.
- GMD, Gemadept have just approved the plan to offer more than 100 million shares to existing shareholders to supplement charter capital, the offering price is 20,000 VND/share.
- DDV, exceeding 83% profit target, DAP Vinachem is about to pay cash dividend advance.

Technical view



Trend: Threshold 1,000 points lost

- Struggling trades still dominated and the cash flow started to diverge strongly. The index was still in green today but the spreading momentum started to be uneven. Besides, liquidity continued to remain low. The sentiment near the holiday makes buying and selling transactions also gloomier. The index recovered but is still below MA10 and MA20 days, showing that the trend is not clear. The right strategy is observational. The nearest resistance is around 1,040 points while the current support is at 980 points.

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

29/12/2022

Unit: thousand VND

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
HVN	Watch						14.15	Waiting for retest of 10-day MA, expect China to open
BID	Watch						41.9	Breakout signal, playing a leading role
PVT	Watch						21.6	Breakout signal, maintaining above the 10-day MA
KBC	Watch						22.85	Breakout signal, watch for reaction around 10-day MA
NT2	Watch						28.75	Good reaction around the 10-day MA
SBT	Watch						14.3	Good reaction around 10-day MA, world sugar price surpasses peak
FPT	Watch						76.7	Accumulating sideways, waiting for breakout signal

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note

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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