MORNING CALL

January 10th, 2023

"Trading cautiously, liquidity dropped back to low levels"

- Global stocks rallied but trading slowed down towards the end of the session
- Domestic stocks recovered cautiously
- Dividend payment schedule for the week of 09-13/01/2023
- Technical view and recommendations #VCG #FPT #VNM #MBB
- Economic calendar
- Q&A

[Analysts]

Khang Tran
☎ (84-28) 6287-8037
✉ khang.lt@shinhan.com

Nhut Nguyen
☎ (84-28) 6287-7751
✉ nhut.nq@shinhan.com

Open Account

Global Market Review - Week 03 - 06/01/2023

Shinhan Securities

Major stock markets gained slightly but trading retreated to the end of the session

- US stocks erased almost all gains in the last hour of trading on Monday, with the Dow Jones turning negative after rising more than 200 points and S&P trading near the flat line after hawkish comments from two Fed officials brought down hopes that the Federal Reserve might dial back its aggressive monetary tightening. Fed Mary Daly said she expects the central bank to raise rates to somewhere above 5% and Fed Raphael Bostic noted that policymakers should hike above 5% by early in the second quarter and then go on hold for a long time. Still, the Nasdaq keep a 0.5% gain pushed by the Tesla rally as investors took advantage of low valuations.
- European equity markets extended gains on Monday, with the benchmark Stoxx 600 rising 1% to 449, the highest since end-April, led by gains in technology stocks amid growing optimism over China's borders reopening and easing interest rate hike worries in the US following Friday's data showing a slowdown in wage growth. Stocks in Asia were also in the green to kick off the second week of January, after China reopened its borders after three years of covid-related restrictions. Incoming travellers will no longer need to quarantine.
- The Euro Area seasonally-adjusted unemployment rate stood at 6.5 percent in November 2022, down from 7.1 percent in the same month last year.
- The core consumer price index for the Ku-area of Tokyo in Japan jumped 4% in December 2022, rising at the fastest pace in four decades and exceeding forecasts for a 3.8% increase in a sign of broadening inflationary pressure. Tokyo's core inflation rate, a leading indicator of nationwide price trends, surpassed the Bank of Japan's 2% target for the seventh straight month as businesses continued to pass on higher costs to consumers.
- WTI crude futures jumped over 3% to above $74 per barrel on Monday, rebounding further from a nearly one-month low of $72.5 touched last week, on hopes for a recovery in demand from China and the prospect of a less aggressive monetary tightening from the Federal Reserve

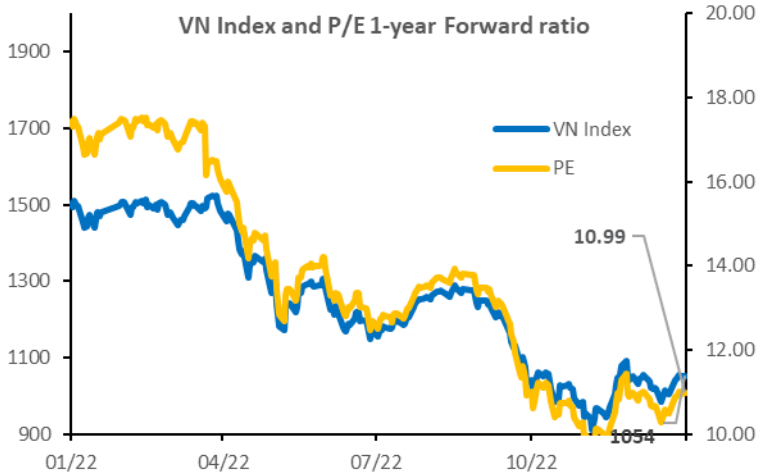
Market

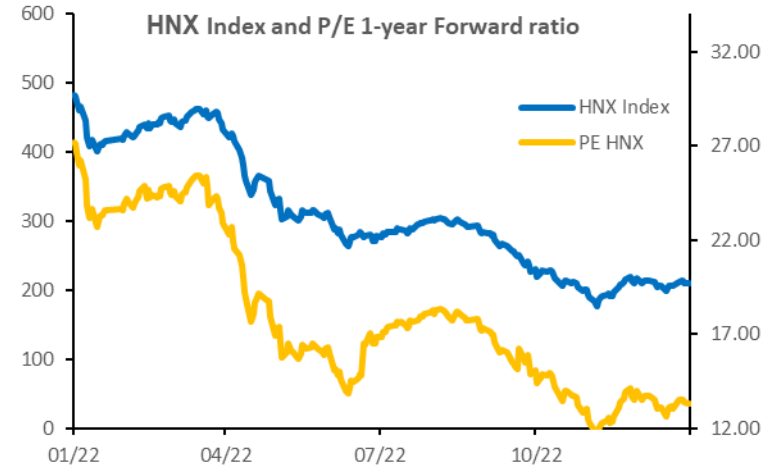
	Close	%1D	%1M	%1Y
VN-Index	1,054	0.26%	0.23%	-29.89%
S&P 500 Index	3,892	-0.08%	-1.07%	-16.78%
Dow Jones Index	33,518	-0.34%	0.12%	-7.49%
GP 100	7,725	0.33%	3.32%	3.76%
Nikkei 225	26,231	0.99%	-5.99%	-7.89%
SHCOMP Index	3,176	0.58%	-0.96%	-11.62%
STOXX 600	448	0.88%	2.10%	-6.41%
KOSPI Index	2,356	0.26%	-1.37%	-19.49%
Hang Seng	21,388	1.89%	7.47%	-9.93%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	103.27	0.26%	-1.47%	7.58%
USD/VND	23,459.00	0.06%	1.38%	-3.29%
EUR/USD	1.07	-0.03%	1.80%	-5.29%
USD/CNY	6.77	0.83%	2.75%	-5.84%
Brent	79.65	1.37%	4.66%	-2.57%
WTI	74.66	0.04%	5.13%	-4.56%
Natural gas	3.84	-1.82%	-38.53%	-5.88%
Coal	396.15	-0.58%	-2.15%	101.05%
Gold	1,870.46	-0.07%	5.00%	3.82%

Vietnam Market Snapshot 09/01/2023





	Close	PE	Difference	%1D	volume (mn stocks)	value (VND bn)
VNI NDEX	1,054.21	10.99	2.77	0.26	475	8,518
HNX INDEX	209.67	13.31	-0.98	-0.47	47	755

Money flow and sector rotation (VND bn)

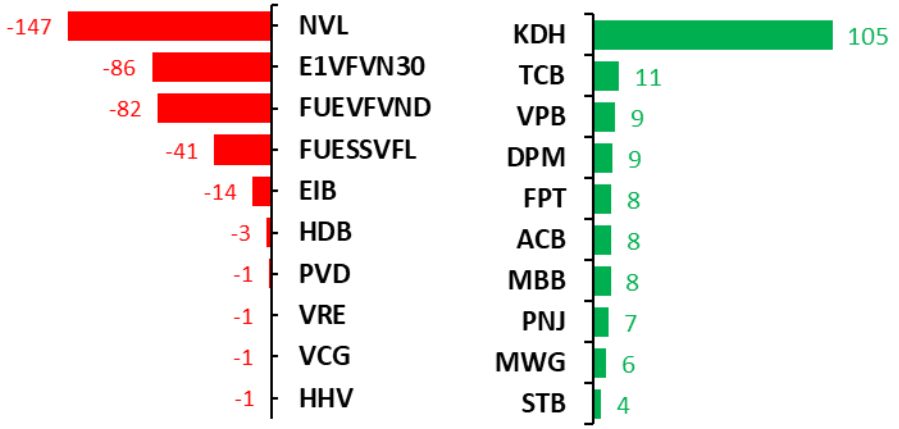
Sector	%1D	1/9/2023	1/6/2023	20-session Average
Travel & Leisure	37.43	104	76	81
Retail	21.32	199	164	239
Media	8.31	1	1	1
Automobiles & Parts	-4.5	61	64	71
Food and Beverage	-16.5	626	750	820
Basic Resources	-20.6	602	758	952
Technology	-26.8	49	67	80
Financial Services	-31.6	693	1,013	1,297
Oil & Gas	-31.7	85	125	123
Real Estate	-32.8	1,022	1,522	1,831
Construction & Materials	-33.2	401	600	555
Personal & Household Goods	-35.0	52	80	95
Health Care	-37.4	16	26	15
Utilities	-39.9	168	280	177
Chemicals	-46.1	225	418	358
Industrial Goods & Services	-46.6	275	514	487
Banks	-48.8	1,815	3,545	2,347
Insurance	-63.9	18	50	42

Source: Bloomberg, Sinhan Securities Vietnam

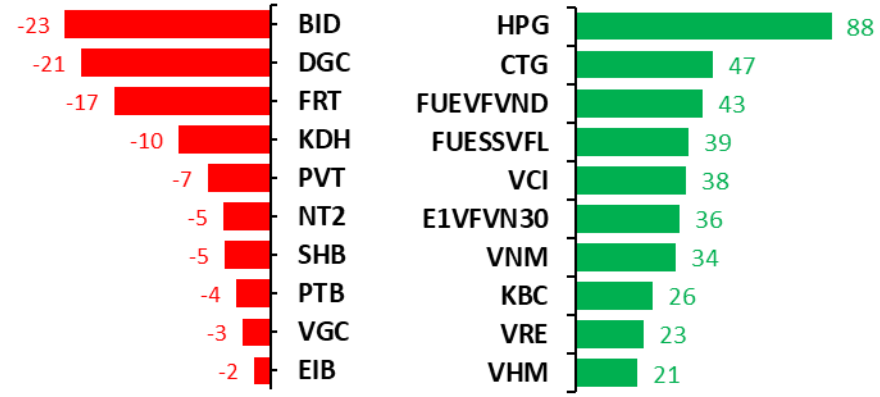
Shinhan Securities

Vietnam Market Snapshot 09/01/2023

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	(37)	96	69	(151)
Basic Resources	4	91	(15)	(3)
Media	-	0	0	(0)
Industrial Goods & Services	5	(5)	(58)	32
Health care	0	4	(77)	(1)
Chemicals	9	(15)	(24)	6
Financial Services	(205)	208	11	(103)
Travel & Leisure	1	8	(39)	(1)
Banks	41	60	(43)	119
Construction & Materials	(1)	12	(149)	11
Food and Beverage	6	77	(60)	(6)
Retail	6	(12)	22	(11)
Utilities	0	1	(46)	(5)
Personal & Household Goods	7	(0)	8	6
Technology	8	0	(22)	(3)
Automobiles & Parts	(0)	1	0	(0)
Insurance	0	1	(0)	(2)
Oil & Gas	(1)	12	(0)	5

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

Positive

- Savings deposit interest rates were stable in the first month of 2023.
- The Prime Minister gave urgent instructions on the XBB.1.5 variant.
- The Prime Minister requested to strengthen disease inspection at border gates during Tet.
- The Philippines is Vietnam's largest rice consumption market in 2022. Total rice export turnover in 2022 is estimated at 7.17 million tons, worth 3.49 billion USD with 3 export markets accounting for the largest turnover, including the Philippines ranked first, the second is China and the third is Ivory Coast.

Less positive

- More than VND 16,000 billion of bonds of real estate and construction businesses need to be paid in January 2023, according to VBMA.



Business news

- On January 16, HOSE will announce the list of stocks in the VN30 and VN-Finlead indexes. At the same time, the effect of the new index list will start from February 6 after that.
- Ms. Vu Thi Chan Phuong was appointed as the new Chairwoman of the State Securities Commission.
- PVS was selected as the EPC contractor for the Thi Vai LPG storage tank project. The Thi Vai LPG Tank Project has a scale of 3 LPG tanks with a capacity of 2,000 tons of LPG/tank, along with technology and auxiliary systems to serve the needs and business strategy of PV GAS in Vietnam. Thi Vai warehouse with the function of importing, storing and exporting LPG products. The EPC contract is expected to last 18 months.
- VCB, In 2023, Vietcombank aims to increase total assets by 9%, credit growth by 12.8%, capital mobilization growth in line with credit growth. NPL ratio below 1.5%, profit margin (NIM) from 3.24% and profit before tax increase by at least 12% compared to 2022.
- HPX, Hai Phat Invest want to hold an extraordinary General Meeting of Shareholders.
- HAH, Sao A D.C Investment JSC bought 1.2 million shares of HAH to increase its ownership from 7.25% to 8.96% of charter capital.
- PVD, the related fund group Dragon Capital has just bought 1.1 million shares of PVD to raise the ownership ratio from 10.99% to 11.2%.
- Vinachem estimated a profit of more than VND 6,000 billion in 2022, 2.8 times higher than the same period.
- Cement exports fell sharply, VICEM's profit reached the lowest level within 7 years.

Dividend payment schedule for week 09 - 13/01/2023

Cash dividend

No.	Stock	Exchange	Ex-Right Date	Exercise Date	Ratio
1	DDV	UPCoM	13/01/2023	10/02/2023	5.0%
2	VWS	UPCoM	12/01/2023	19/01/2023	4.0%
3	DPH	UPCoM	11/01/2023	09/02/2023	15.0%
4	DRC	HOSE	11/01/2023	10/02/2023	5.0%
5	LIX	HOSE	10/01/2023	14/02/2023	15.0%
6	TNG	HNX	09/01/2023	17/01/2023	4.0%

Stock, Bonus dividends

No.	Stock	Exchange	Ex-Right Date	Record Date	Ratio
1	GDT	HOSE	09/01/2023	10/01/2023	100:10
2	VTK	UPCoM	10/01/2023	11/01/2023	10000:7478



Technical view



Trend: Go up slowly

- The market continued to fluctuate in a narrow range with selling prevailed again, causing the index not to hold the session high even though it opened quite positively. Liquidity dropped again, showing the caution of investors. The technical indicators are showing balanced signals, with the MACD still above the signal line and the RSI stabilizing above the 50 level. In general, the struggling trend will continue. The appropriate strategy is to hold, only increase the weight when the index breaks through the resistance around 1,080 points.

Scenarios:

- Positive (60%): The index balanced and successfully tested the area of 1,030 points, corresponding to the 20-day MA to create a recovery momentum to 1,080 points, more optimistically towards the 1,150 point area.
- Less positive (40%): 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.

The group of stocks has the current good trend

Group	Sector	Stocks	Opinion	Trend
Public Investment	Building infrastructure	VCG, LCG, C4G, HHV	The latest economic data showed manufacturing activity contracted amid weak demand. Export activities are also expected to be more difficult in 2023. Therefore, to promote economic growth, accelerating disbursement of public investment is an option that can be considered.	Forming short-term bullish inertia with the price sustaining above the 10, 20, and 50-day MA trend lines. However, the stock will still face many challenges when approaching resistance on weekly chart.
	Materials (stone, cement)	KSB, DHA, CTI BCC, HT1		
Utility	Power	NT2, POW VSH, GEG	In the context of a potential recession and slowing economic growth, the defensive industry group will be the right choice.	
	Electrical construction	PC1		
State-owned bank		VCB, BID, CTG	Playing a leading role in the index	Increased momentum is maintained but close to strong resistance, there is not much room left.
Blue chip	Technology	FPT	Playing a leading role in the index, stable growth	Stable in the short term
	Consumer goods	MSN, VNM		
Own story	Industrial park	KBC	Expecting a sudden profit from setting an ambitious business plan of 4,000 billion profit after tax, in addition to the reduction of charter capital.	Increased momentum is maintained
	Aviation	HVN	The story of China reopening, however, businesses still have large accumulated losses, so it will still be difficult for the business situation to improve immediately.	Increased momentum is maintained

Recommended stocks

10/1/2023

Unit: thousand VND

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
KBC	Watch							Breakout signal, watch for reaction around 10-day MA
NT2	Watch							Watch for reaction around the MA10-20 day area
SKG	Watch							Good accumulation trend
PC1	Watch							Waiting to retest the old peak around 22
HPG	Watch							Good reaction around 20-day MA

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
VCG	Buy	18	21	16	17%	-11%	18.1	1	0.56%	09/01/2023	
FPT	Buy	80	86	77	8%	-4%	80.3	1	0.37%	09/01/2023	
VNM	Buy	79.5	86	76	8%	-4%	80.7	1	1.51%	09/01/2023	
MBB	Buy	18	20	17	11%	-6%	18.25	1	1.39%	09/01/2023	

Economic calendar

Shinhan Securities

January 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3 S&P Global Manufacturing PMI (VN)	4	5 FOMC Minutes	6 Non-farm payrolls, unemployment rate (US)	7
8	9 Unemployment Rate (EU)	10	11	12 Inflation figures (US)	13	14 Trade balance (China)
15	16	17 Unemployment rate, GDP growth (China)	18 Retail Sales, PPI (US)	19 Expiration of futures contract VN30F1M	20 Tet Holiday	21 Tet Holiday
22 Tet Holiday	23 Tet Holiday	24 Tet Holiday	25 Tet Holiday	26 Tet Holiday	27	28
29	30	31	1	2	3	4

Shinhan Securities

Shinhan Securities

Q&A

Shinhan Investment Network

SEOUL
Shinhan Securities Co., Ltd
Shinhan Investment Tower
70, Youido-dong, Yongdungpo-gu,
Seoul, Korea 150-712
Tel : (82-2) 3772-2700, 2702
Fax : (82-2) 6671-7573

NEW YORK
Shinhan Investment America Inc.
1325 Avenue of the Americas Suite 702,
New York, NY 10019
Tel : (1-212) 397-4000
Fax : (1-212) 397-0032

HONG KONG
Shinhan Investment Asia Ltd.
Unit 7705 A, Level 77
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong
Tel : (852) 3713-5333
Fax : (852) 3713-5300

INDONESIA
PT Shinhan Sekuritas Indonesia
30th Floor, IFC 2, Jl. Jend. Sudirman Kav.
22-23, Jakarta, Indonesia
Tel : (62-21) 5140-1133
Fax : (62-21) 5140-1599

SHANGHAI
Shinhan Investment Corp.
Shanghai Representative Office
Room 104, Huaneng Union Mansion No.958,
Luijiazui Ring Road, PuDong, Shanghai, China
Tel : (86-21) 6888-9135/6
Fax : (86-21) 6888-9139

HO CHI MINH
Shinhan Securities Vietnam Co., Ltd.
22nd Floor, Centec Tower, 72-74 Nguyen Thi Minh Khai Street,
District 3, Ho Chi Minh City, Vietnam
Tel : (84-8) 6299-8000
Fax : (84-8) 6299-4232

HA NOI
Shinhan Securities Vietnam Co., Ltd.
Hanoi Branch
2nd Floor, Leadvisors Building, No. 41A Ly Thai To,
Ly Thai To Ward, Hoan Kiem District,
Hanoi, Vietnam.
Tel : (84-8) 6299-8000

Shinhan Securities



Compliance Notice

- Analyst Certification: We/I hereby certify the information and material presented in this report are accurate expressions of their views, and that we/I have not received internally or externally wrongful pressure to express such views.
- All opinions and estimates regarding the company and its securities are accurate representations of the covering analyst's judgments as of this date and may differ from actual results.
- This report is intended to provide information to assist investment decisions only and should not be used or considered an offer or the solicitation of an offer to sell or to buy any securities. Stock selection and final investment decisions should be made at the client's own discretion.
- This report is distributed to our clients only, and any unauthorized use, duplication, or redistribution of this report is strictly prohibited.

Disclaimers

- This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of Shinhan Securities Vietnam Ltd.., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of Shinhan Securities Vietnam Ltd.
- This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. Shinhan Securities Vietnam Ltd. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. Shinhan Securities Vietnam Ltd.., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or Shinhan Securities Vietnam Ltd. The final investment decision is based on the client’s judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.
- Copyright ⓒ 2020 Shinhan Securities Vietnam Ltd. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of Shinhan Securities Vietnam Ltd.