MORNING CALL

February 14th, 2023

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“Falling momentum narrowed but the buy up motivation was not convincing, need more confirmation signals”

- ❑ Global stocks regained the green before the release of US CPI data
- ❑ Domestic stocks narrowed down, bottom-fishing cash flow entered
- ❑ Technical view and recommendations #PVS
- ❑ Economic calendar
- ❑ Q&A

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Open Account

Global Market Review - Week 13/02 - 17/02/2023

Major stock markets regained the green

- All three major US indexes finished in the green on Monday, as investors looked for clues on interest rate path in Fed officials' latest comments while awaited the upcoming US inflation report due tomorrow. The Dow added almost 370 points on Monday, while the S&P 500 and Nasdaq 100 were up 1.1% and 1.4%, respectively. Investors are expecting inflation to continue to drop to 6.2%. Recently, though, Fed Governor Michelle Bowman was among the latest officials to warn that interest rates would need to keep rising.
- European equity markets rose on Monday, with the benchmark Stoxx 600 adding 0.9% to above 460 prompted by gains in household goods while energy shares underperformed. Among single stocks, Swedish Saab jumped almost 10% and other aerospace and defense firms also got a boost after the Indian Prime Minister said India wants to raise its annual defense exports to $5 billion by 2024-25 from $1.5 billion.
- The annual consumer price inflation in India accelerated to 6.52% in January of 2023, the highest in three months, compared to 5.72% in December, and above market forecasts of 5.9%.
- The annual inflation rate in Switzerland rose to 3.3% year-on-year in January 2023, the highest reading since September 2022, from 2.8% in the prior month and above market expectations of 2.9%.
- The Japanese economy grew by 0.2% qoq in Q4 of 2022, reversing from a revised 0.3% fall in Q3 but falling short of market expectations of a 0.5% rise, flash data showed. Private consumption picked up after tough border controls were lifted, government spending accelerated, and net trade contributed positively. On an annualized basis, the GDP expanded 0.6%, below consensus of a 2% growth.
- WTI crude futures retreated to below $80 per barrel in afternoon trading on Monday, after falling much of the session as investors balance supplies from Turkey and Russia while await the US CPI report. Supply concerns eased after a cargo of Azeri crude set sail from Turkey's Ceyhan port on Monday, the first since a devastating earthquake in the region on February 6.

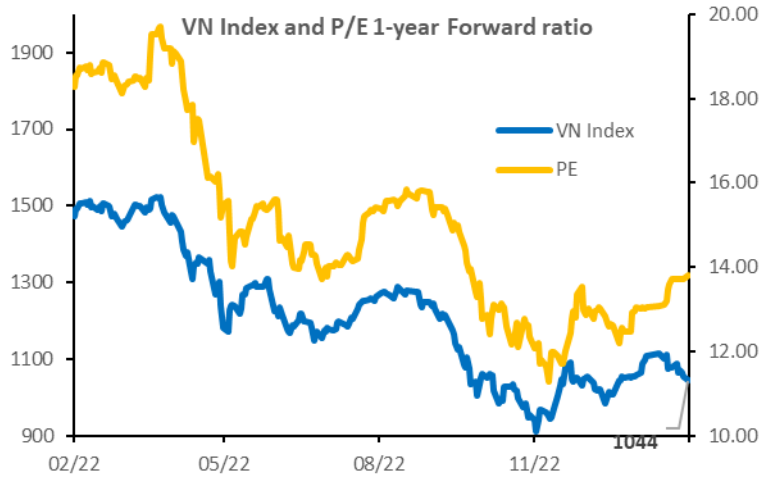
Market

	Close	%1D	%1M	%1Y
VN-Index	1,044	-1.10%	-1.55%	-29.09%
S&P 500 Index	4,137	1.14%	3.46%	-6.37%
Dow Jones Index	34,246	1.11%	-0.17%	-1.42%
GP 100	7,948	0.83%	1.32%	5.52%
Nikkei 225	27,678	0.91%	5.97%	2.21%
SHCOMP Index	3,284	0.72%	2.78%	-4.22%
STOXX 600	462	0.90%	2.10%	0.23%
KOSPI Index	2,473	0.82%	3.63%	-8.57%
Hang Seng	21,164	-0.12%	-2.64%	-13.81%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	103.35	-0.28%	1.12%	7.56%
USD/VND	23,576.00	-0.02%	-0.57%	-3.59%
EUR/USD	1.07	0.07%	-0.84%	-5.09%
USD/CNY	6.82	-0.06%	-1.72%	-6.76%
Brent	86.61	0.25%	1.56%	-8.29%
WTI	79.20	-1.17%	-0.83%	-17.03%
Natural gas	2.44	1.50%	-28.60%	-41.81%
Coal	221.00	-2.26%	-40.31%	-9.80%
Gold	1,855.37	0.10%	-3.17%	-0.84%

Vietnam Market Snapshot 13/02/2023





	Close	PE	Difference	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,043.70	13.58	-11.60	-1.10	681	10,459
HNX INDEX	204.49	15.49	-4.01	-1.92	82	1,108

Money flow and sector rotation (VND bn)

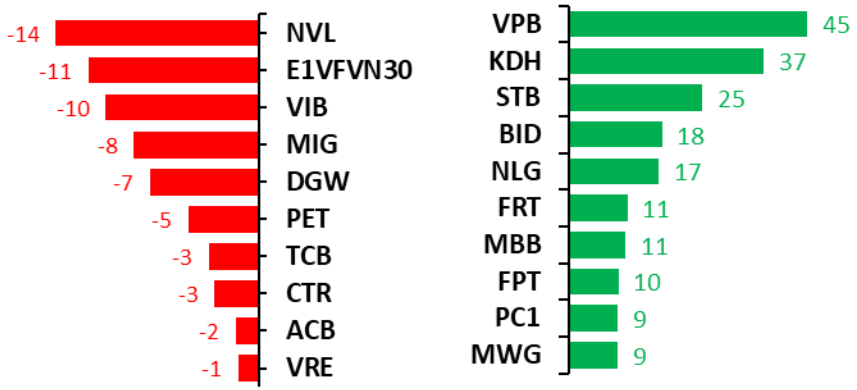
Sector	%1D	2/13/2023	2/10/2023	20-session Average
Media	180.82	1	0	1
Chemicals	87.27	501	268	377
Oil & Gas	81.57	166	91	116
Construction & Materials	60.18	716	447	673
Automobiles & Parts	56.34	78	50	77
Industrial Goods & Services	47.33	478	325	435
Food and Beverage	46.65	851	580	750
Insurance	44.98	52	36	45
Real Estate	41.04	1,586	1,125	1,419
Financial Services	38.97	1,051	756	1,128
Health Care	29.68	17	13	16
Banks	24.55	2,060	1,654	2,292
Basic Resources	8.51	742	684	1,087
Travel & Leisure	3.40	35	34	70
Retail	0.84	238	236	282
Utilities	-4.8	158	166	180
Technology	-10.1	65	73	92
Personal & Household Goods	-11.8	82	93	114

Source: Bloomberg, Sinhan Securities Vietnam

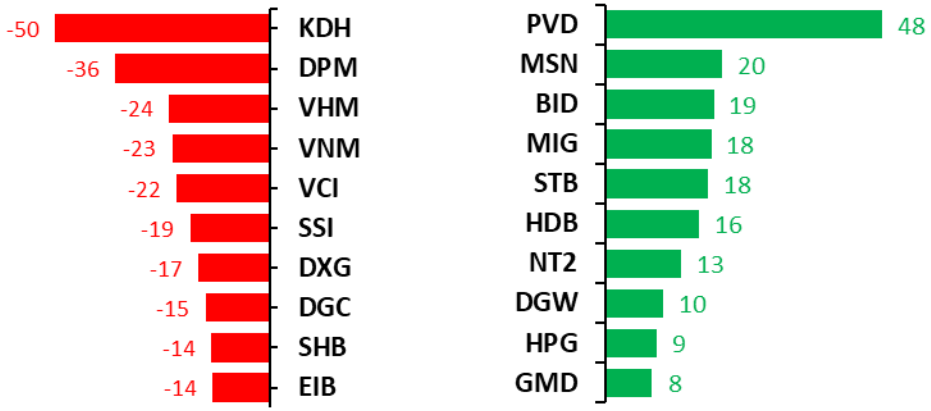
Vietnam Market Snapshot 13/02/2023

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Top net buying & selling of proprietary trading (VND billion)



Top net buying & selling foreign investors (VND billion)



The net 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	47	(96)	25	71
Basic Resources	4	8	34	(41)
Media	-	0	(0)	0
Industrial Goods & Services	(2)	3	18	(21)
Health care	(0)	2	(2)	(0)
Chemicals	9	(61)	71	(10)
Financial Services	(8)	(59)	41	18
Travel & Leisure	(0)	7	(4)	(3)
Banks	88	8	(289)	281
Construction & Materials	6	22	(23)	1
Food and Beverage	0	(16)	5	10
Retail	9	13	(24)	11
Utilities	(0)	17	(24)	7
Personal & Household Goods	9	(1)	(9)	9
Technology	10	(0)	(27)	27
Automobiles & Parts	0	(1)	(0)	1
Insurance	(9)	22	(11)	(11)
Oil & Gas	0	50	(59)	9

Source: Fiinpro, Shinhan Securities Vietnam

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Breaking News

Macro

Positive

- The nationwide online conference on promoting the real estate market chaired by Prime Minister Pham Minh Chinh was moved to February 17.
- Deposit interest rates continued to cool down after the Lunar New Year.
- Quang Ninh has just received nearly 10,000 billion VND of investment capital, including the Cell Pin 1 project of VinES.
- The Government requested the State Bank to soon submit a Decree to remove the problems of the 2% interest rate support package.

Less positive

- The merchandise trade balance had a deficit of $39 million in the second half of January.
- According to VBMA's statistics, in 2023, there will be about VND 285,000 billion of bonds to maturity. It is expected that in February 2023, the value of mature corporate bonds will be more than 5,200 billion VND, all of which are corporate bonds issued by private placement.



Business news

- HBC, Q4/2022, Hoa Binh Construction Group recorded a revenue of more than VND 3,200 billion, down 16% compared to the same period last year. However, due to business below cost, the company suffered a gross loss from main activities of more than VND 400 billion. Notably, administrative expenses in the quarter were VND 496 billion, an increase of 230% over the same period in 2021, of which VND 358 billion was due to the company making provision for bad debts (not explained). As a result, HBC had a net loss of more than VND 1,200 billion. The sudden loss in the fourth quarter also dragged down the company's full-year business results.

  HBC's full-year revenue in 2022 increased by more than 20%, reaching more than VND 14,000 billion. However, high cost of goods sold made gross profit margin narrow to less than 2%, compared to 7% of the previous year. Along with a sharp increase in expenses, HBC recorded a net loss of more than VND 1,100 billion, compared to a net profit of nearly VND 100 billion the previous year. This loss also marks HBC's first loss-making year since going public.
- HHV, Hai Thach B.O.T successfully sold nearly 42 million shares of HHV under the agreement form during the period from January 16 to February 8, 2023.
- VTR, Hung Thinh Group became the major shareholder of Vietravel. In which, Vietravel has issued 6 million shares to swap debt for Hung Thinh Group Joint Stock Company at the rate of 28,000 VND for 1 additional issued share. These issued shares will be restricted from being transferred within 1 year from the end of the issuance (February 7, 2023).
- PC1 wants to issue 1,200 billion VND of individual bonds. The proceeds from the issuance will be used by PC1 to invest in industrial park real estate development, through the transfer of shares of Western Pacific JSC (approximately more than VND 1.1 trillion). The rest of the money is used to supplement working capital for the Company.
- BWE. Biwase's Board of Directors has just approved the investment policy to buy shares in 5 companies operating in the water sector. Ownership rate is expected from 50-100%.

  Specifically, the companies that will receive capital from DNP Long An Water Infrastructure Investment JSC, Chau Thanh Urban Construction JSC, Can Giuoc Urban Construction JSC, Bang Tam Water and Environment JSC and DNP Quang Binh Water Infrastructure Investment JSC. If the transaction is successful, these companies will become subsidiaries of BWE.

Dividend payment schedule for week 13 - 17/02/2023

Cash dividend

No.	Stock	Exchange	Ex-Right Date	Exercise Date	Ratio
1	ICG	HNX	17/02/2023	09/03/2023	5%
2	SHP	HOSE	16/02/2023	28/02/2023	10%
3	VPI	HOSE	16/02/2023	27/02/2023	10%
4	DPM	HOSE	16/02/2023	22/03/2023	40%
5	THP	UPCoM	14/02/2023	01/03/2023	3%
6	DNH	UPCoM	13/02/2023	28/02/2023	10%

Stock dividends

No.	Stock	Exchange	Ex-Right Date	Record Date	Ratio
1	EIB	HOSE	17/02/2023	20/02/2023	100:20
2	ITD	HOSE	13/02/2023	14/02/2023	10:1
3	FIR	HOSE	13/02/2023	14/02/2023	100:20

Business news

- FLC, FLC Group announced to hold the second Extraordinary General Meeting of Shareholders on March 4 due to insufficient number of shareholders attending the first meeting. Currently, FLC has not been able to publish its audited financial statements for 2021 and financial statements for the fourth quarter of 2022.
- HPG, Mr. Hoang Quang Viet, Member of the Board of Directors announced the sale of 2 million shares of HPG by agreement method to son Hoang Nhat Minh and daughter Hoang Nhat Anh.
- PVS, VinaCapital Group wants to buy 1.5 million PVS shares.

  Specifically, VinaCapital Fund Management Joint Stock Company registered to buy the first 500,000 PVS shares to serve the purpose of portfolio structure. The transaction is expected to be made between February 15 and March 16.

  For the same trading purpose and time, the Vietnam Market Access Stock Investment Fund registered to buy 1 million PVS shares. Currently, this Stock Investment Fund is holding 1.4 million PVS shares, equivalent to 0.29%.
- DHC, Mr. Nguyen Thanh Nghia, Member of the Board of Directors of the Company registered to buy 500,000 shares to increase ownership. It is expected that if the transaction is successful, Mr. Nghia will increase his ownership in DHC from 10.01% to 10.63%.
- BCG, Bamboo Capital changed the plan to use capital from the offering of nearly 267 million shares, canceled the pouring of 355 billion VND into AAA Insurance and changed it into lending to Indochina Hoi An Beach Villas Co., Ltd.
- POM, Pomina has a new President. The Board of Directors of Pomina Steel has just appointed Mr. Do Duy Thai, a member of the Board of Directors as Chairman of the Board of Directors from February 10, 2023, replacing Mr. Do Tien Si.

Technical view



Trend: Correction phase

- Selling pressure continued to dominate right at the beginning of the session, causing the market open to create a gap down. However, bottom-fishing demand re-entered at the end of the afternoon session, helping the market close narrow a part of the drop and created a hammer candlestick pattern. This shows that the money flow reacted when the index approached the low price zone, however, the buying momentum was not strong enough to help the index break above the MA50-day resistance around 1,050 points and Vnindex ended the session still below this level. The bullish signal could be a technical retracement and it is necessary to observe more developments in the following sessions. The index lost its short-term uptrend when penetrated the threshold of 1,070 points. Therefore, current trading will have noise and investors need to consider carefully.

Scenarios:

- Positive (50%): The index successfully tested the support around the 50-day MA, corresponding to 1,050 points and created a recovery pace to 1,150 points.
- Less positive (50%): The index losing the 1,050 threshold might drop to test the psychological level of 1,000 points and lower to the 980 point area.

Recommended stocks

14/2/2023

Unit: thousand VND

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
PVS	Buy	24	26	23	8%	-4%	24.3	Well tested the 20-day MA, volume improves, RSI > 50
BCC	Watch							Testing the 20-day MA, the volume suddenly increased
HT1	Watch							Breaking out of the correction trend, the volume spikes
NT2	Watch							Breaking out of the correction trend, the volume spikes
PC1	Watch							Testing the 20-day MA
BID	Watch							Retest the old peak 12, maintained above the 10-day MA
LCG	Watch							Good reaction around 20-day MA
								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
PLX	Buy	38	42	36	11%	-5%	37.9	4	-0.26%	08/02/2023	
VRE	Hold	29	32	27.5	10%	-5%	28.5	9	-1.72%	01/02/2023	

Economic calendar

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February 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
29	30	31	1 FOMC Statement (US) Federal Funds Rate (US) ISM Manufacturing PMI (US) OPEC-JMMC Meetings	2 BOE Monetary Policy Report (UK) Monetary Policy Statement (Euro)	3 Non-Farm Employment Change, Unemployment Rate, ISM Services PMI (US)	4
5	6 RBA Rate Statement (Australia)	7	8	9	10 GDP m/m (UK) Prelim UoM Consumer Sentiment (US)	11
12	13	14 CPI, Core CPI (US)	15 CPI m/m (UK) Retail Sales m/m (US)	16 Derivatives contract maturity PPI, Core PPI (US)	17	18
19	20 Flash Manufacturing and Services PMI (UK)	21 Flash Services and Manufacturing PMI (US) CPI y/y (Canada)	22 FOMC Meeting Minutes (US)	23 Prelim GDP q/q (US)	24 Core PCE Price Index m/m (US)	25
26	27	28 Vietnam macro data GDP m/m (Canada) CB Consumer Confidence (US) CPI, GDP (Australia)	1	2	3	4

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Q&A

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