MORNING CALL

March 01th, 2023

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"The cautious sentiment continues to dominate, the lack of motivation to help the market break out"

- Global stocks fell again
- Domestic stocks struggled, liquidity fell to low levels
- Macro update in February 2023, CPI cooled down but remained high, production activities were still difficult
- Technical view and recommendations #LTG #C4G
- 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 27/02 - 03/03/2023

Major stock markets fell again

The Dow closed 234 points lower on Tuesday, while the S&P 500 and Nasdaq 100 lost 0.3% and 0.1%, respectively, as investors digested a slew of economic and earnings releases. Meantime, The yield on the 10-year US Treasury note ticked up to 3.94%, its highest level since November. The three US averages are now heading for a monthly decline as stronger-than-expected US economic data seen earlier this month reinforced the case for further monetary tightening.

The S&P CoreLogic Case-Shiller 20-city home price index in the US rose 4.6% yoy in December, below a 6.8% increase in November and forecasts of 5.8%. House prices slowed for an eighth straight month to book the lowest annual growth since July of 2020 as higher interest rates and economic weakness constrain potential buyers.

The Australian economy expanded 0.5% qoq in Q4 of 2022, compared with market forecasts of 0.8% and after an upwardly revised 0.7% rise in Q3.

The Canadian economy stalled from the previous quarter in Q4 of 2022, putting an end to five consecutive quarters of growth and following a 0.7% expansion in Q3. Inventory accumulation in the fourth quarter declined for manufacturing and retail goods, driving investment in inventories to decline by CAD 29.8 billion.

The S&P Global Thailand Manufacturing PMI increased to the second-highest on record of 54.8 in February 2023 from 54.5 in January. This was also the 14th straight month of growth in the manufacturing sector.

Stocks of crude oil in the United States jumped by 6.203 million barrels in the week ended February 24th, 2023, following a 9.895 million barrels gain in the previous week, data from the American Petroleum Institute showed. It came above market expectations of a 0.44 million barrels increase.

Crude oil struggled around $76 per barrel due to uncertainty about the future outlook. Investors are optimistic that China's economic recovery will boost fuel demand, but the economic slowdown remains a persistent worry, accompanied by higher-than-expected inventories in the US.

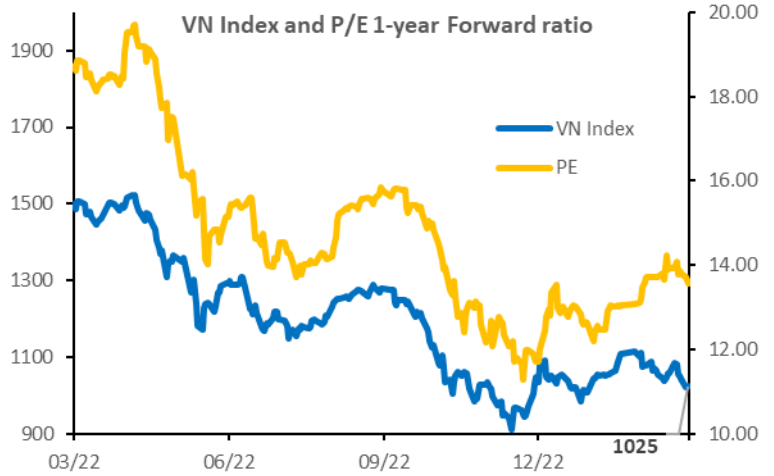
Market

	Close	%1D	%1M	%1Y
VN-Index	1,025	0.34%	-4.77%	-31.63%
S&P 500 Index	3,970	-0.30%	-2.61%	-9.23%
Dow Jones Index	32,657	-0.71%	-4.19%	-3.65%
GP 100	7,876	-0.74%	1.48%	7.45%
Nikkei 225	27,446	0.08%	0.36%	2.24%
SHCOMP Index	3,280	0.66%	-0.16%	-6.00%
STOXX 600	461	-0.32%	1.77%	4.24%
KOSPI Index	2,413	0.42%	-1.51%	-10.61%
Hang Seng	19,786	-0.79%	-10.36%	-13.07%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	104.87	0.19%	2.72%	8.44%
USD/VND	23,791.00	0.06%	-1.43%	-4.08%
EUR/USD	1.06	-0.05%	-3.81%	-4.98%
USD/CNY	6.94	0.12%	-2.60%	-9.03%
Brent	83.45	1.72%	-1.23%	-17.37%
WTI	76.60	-0.58%	0.25%	-25.93%
Natural gas	2.74	-0.15%	11.14%	-40.02%
Coal	192.85	-1.86%	-23.40%	-29.74%
Gold	1,825.23	-0.09%	-6.42%	-6.17%

Vietnam Market Snapshot 28/02/2023





	Close	PE	Difference	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,024.68	13.32	3.43	0.34	343	5,242
HNX INDEX	202.38	17.84	-0.88	-0.43	54	666

Money flow and sector rotation (VND bn)

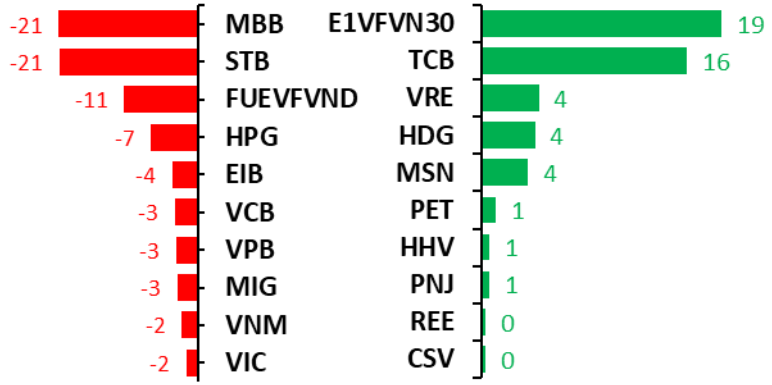
Sector	%1D	2/28/2023	2/27/2023	20-session Average
Travel & Leisure	66.18	50	30	52
Health Care	56.78	32	21	16
Chemicals	0.53	264	262	368
Automobiles & Parts	-10.8	74	83	85
Food and Beverage	-14.7	439	515	629
Retail	-18.5	179	219	264
Industrial Goods & Services	-22.8	216	280	389
Banks	-23.4	1,020	1,331	1,938
Construction & Materials	-26.4	447	607	682
Utilities	-26.4	103	140	166
Personal & Household Goods	-27.7	62	86	104
Real Estate	-31.4	1,000	1,456	1,505
Financial Services	-37.0	619	982	993
Technology	-40.4	54	91	82
Basic Resources	-49.1	603	1,185	1,076
Insurance	-51.0	23	47	40
Oil & Gas	-52.4	55	116	130
Media	-65.6	1	2	1

Source: Bloomberg, Sinhan Securities Vietnam

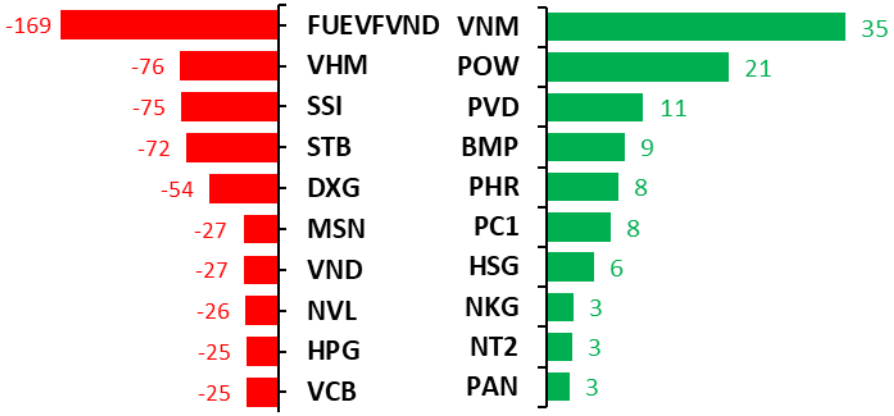
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Vietnam Market Snapshot 28/02/2023

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	4	(48)	31	16
Basic Resources	(8)	(52)	100	(49)
Media	-	(0)	0	(0)
Industrial Goods & Services	0	1	24	(24)
Health care	-	(0)	(2)	2
Chemicals	0	(1)	21	(20)
Financial Services	5	(21)	26	(5)
Travel & Leisure	(1)	11	(9)	(2)
Banks	(41)	39	298	(337)
Construction & Materials	(0)	13	(12)	(2)
Food and Beverage	1	32	(18)	(14)
Retail	1	(12)	16	(4)
Utilities	(2)	8	(3)	(5)
Personal & Household Goods	1	4	(10)	6
Technology	(0)	(2)	0	2
Automobiles & Parts	-	0	(2)	1
Insurance	(3)	8	(6)	(2)
Oil & Gas	(0)	19	(16)	(3)

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

Positive

- French Foreign Trade Minister paid an official visit to Vietnam.

Less positive

- IMF Managing Director Kristalina Georgieva urged central banks to continue tightening monetary policy.
- Interbank interest rates are increasing again in terms, along with the exchange rate is likely to increase when the USD recovers strongly.
- Many businesses announced late payment of interest and principal of bonds, showing short-term money flow problems.

Business news

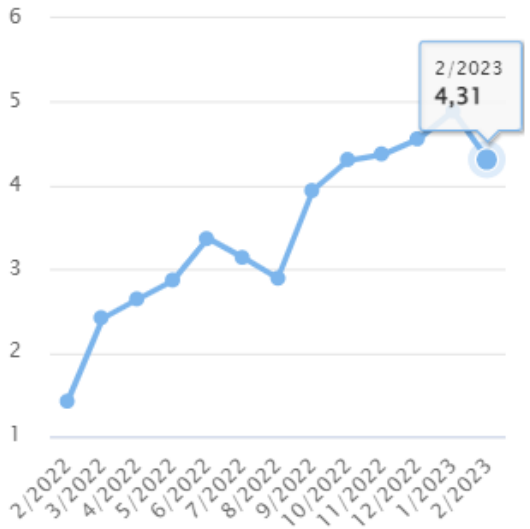
- DIG: On February 27, at the Government Inspectorate's headquarters, Deputy Inspector General of the Government Dang Cong Huan chaired a meeting to announce the decision to inspect the observance of legal regulations in equitization and divestment of state capital at DIC Development Investment Corporation.
- HBC: Hoa Binh Construction plans to be profitable again in 2023, internal conflicts come to an end. Specifically, HBC sets a revenue target of VND 12,500 billion, down 11.5% compared to 2022. Expected profit after tax is VND 125 billion.
- SVC: After recording a record high profit last year, Savico set a cautious plan for 2023. Specifically, the business set a business target in 2023 with revenue of nearly VND 29,673 billion and net profit of 265 billion, up 39% and down 20% respectively over the same period. The company is expected to pay a dividend rate of 7%.
- HDG: Ha Do set a business plan with revenue of VND 3,040 billion, down 13.8% over the same period and expected profit after tax of VND 1,053 billion, down 24.2% compared to the implementation in 2022.
- VOC: Vocarimex will spend more than VND 1,200 billion to pay a special dividend of 100%.
- KHG: Khai Hoan Land completed the payment of principal and interest of the bond of VND 200 billion on time
- PDR: Ms. Tran Thi Huong, Vice Chairman of the Board of Directors of PDR registered to sell more than 1 million shares.
- GEX: Gelex cooperates with Frasers Property Vietnam to deploy a high-quality industrial park.
- MPC: Minh Phu decided to increase capital in two subsidiaries, including one in Japan.



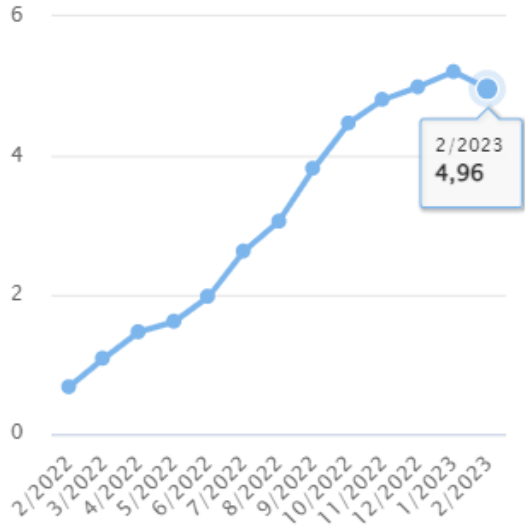
Macro update February 2023

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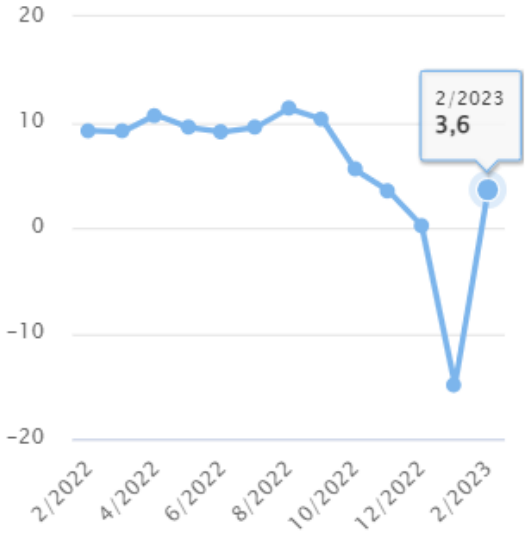
Consumer price index (YoY)



Core inflation (YoY)



Industrial production index (YoY)



- Consumer Price Index (CPI) and Core Inflation have cooled down a bit in February 2023, but are still at a high level.
- The Index of Industrial Production (IIP) in February 2023 was estimated to increase by 5.1% over the previous month and by 3.6% over the same period last year. Generally for the first two months of 2023, IIP is estimated to decrease by 6.3% compared to the same period last year (in the same period in 2022, it increased by 5.6%). Due to the world economy continuing to face many difficulties and unpredictable fluctuations, countries' inflation, although cooled down, remained at a high level, orders decreased, and export turnover decreased.

Core inflation in February from 2019 to 2023

Unit: %

	2019	2020	2021	2022	2023
Core inflation in January compared to the previous month	0,48	0,17	0,48	0,49	0,25
Core inflation in January compared to the previous year	1,82	2,94	0,79	0,68	4,96
Core inflation in the first 2 months compared to the same period last year	1,82	3,10	0,64	0,67	5,08

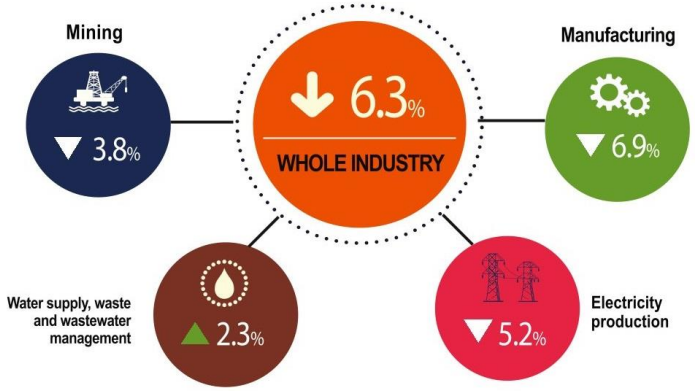
Source: GSO

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Macro update in the first two months of 2023

INDUSTRIAL PRODUCTION FOR FIRST 2 MONTHS OF 2023

IIP growth rate over the same period last year



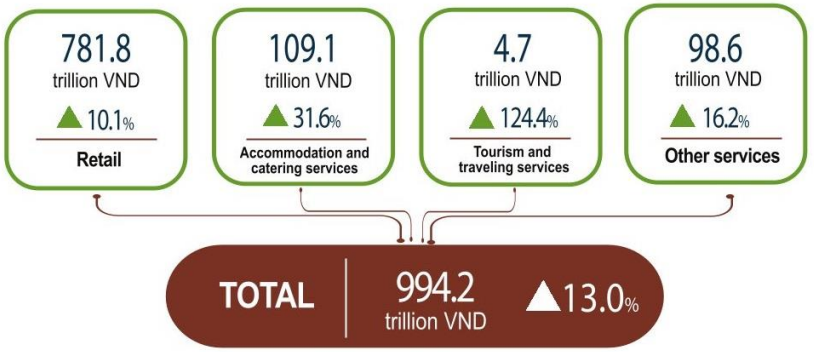
Growth rate of some major industrial products



ENTERPRISE REGISTRATION STATUS FOR FIRST 2 MONTHS OF 2023



RETAIL SALES OF CONSUMER GOODS AND SERVICES for first 2 months of 2023



EXPORT AND IMPORT OF GOODS for first 2 months of 2023



Source: GSO

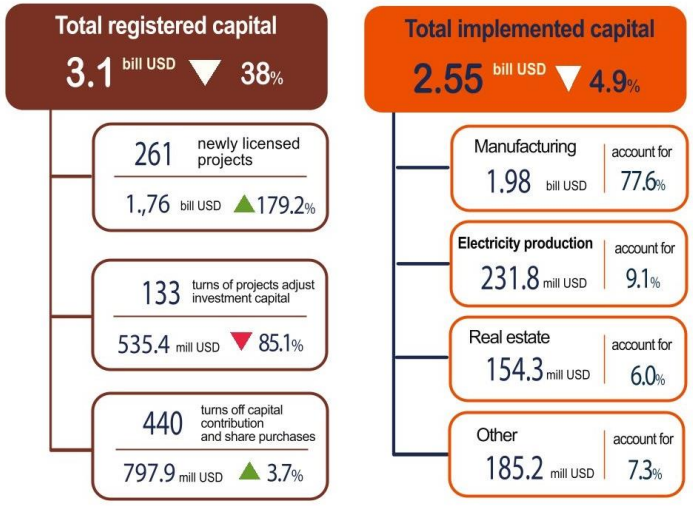
Macro update in the first two months of 2023

INVESTMENT

Investment capital from the State budget for first 2 months of 2023



Foreign investment (FDI) from 01/01 to 20/02/2023



Summary

Difficult point

- ✓ Consumer Price Index (CPI) and Core Inflation have cooled down a bit in February 2023, but are still at a high level.
- ✓ The index of industrial production (IIP) decreased in the first two months of the year, showing that manufacturing activities are still difficult.
- ✓ Total retail sales of consumer goods and services increased by 13% but still low compared to the same period and previous months. Reflecting consumer purchasing power is slowing down.
- ✓ FDI into Vietnam in the first two months of 2023 reached nearly $3.1 billion, down 38% over the same period.

Bright spot

- ✓ Realized public investment capital reached VND 56,900 billion in the first two months of 2023, an increase of 18.3 over the same period.
- ✓ The trade balance was in surplus with a trade surplus of 2.8 billion USD in the first two months of the year.

Source: GSO

Technical view



Trend: Test threshold of 1,000 points

- Cautiousness continues to dominate investor sentiment. The green color quickly passed and selling pressure quickly returned, pushing the market to narrow the intraday gain somewhat to close near the reference level. Order matching also dropped to a low level. Technical indicators have not improved much and still signaled about weakening money flow. In general, the absence of a leading group in the current information blank context makes the market lose its support, the trade will be inclined to shake with risks. The nearest support for the trend is the psychological level of 1,000 points. It is likely that the index will retest this level in the next sessions. The right strategy is observational.

Scenarios:

- Positive (40%): The index balanced above 1,040 points and created a recovery pace to 1,080 points, more optimistic than 1,100 points.
- Less positive (60%): The index losing the support level of 1,040 points might drop to retest the psychological level of 1,000 points and lower to the area of 950 points.

Recommended stocks

1/3/2023

Unit: thousand VND

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
PVS	Watch							Waiting to test the 20-day MA
PVD	Watch							Waiting to test the 20-day MA
PVC	Watch							Waiting to test the 20-day MA
PC1	Watch							Waiting to test the 20-day MA

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
LTG	Sell	27.5	30	25.5	9%	-7%	28.3	7	-4.36%	20/02/2023	Market risk
C4G	Sell	11.5	14	10.5	22%	-9%	11.9	7	-6.09%	20/02/2023	Market risk

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

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

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