MORNING CALL

May 05th, 2023

‘’ The market struggled according to the general sentiment of the world market, the ECB raised interest rates "

- World stocks: ECB raises interest rates by 25 basis points
- Vietnam stocks: Electricity stocks, public investment and some real estate stocks rose in reverse
- Update Business Results #HVN #NT2 #APH #FCN #L18
- Technical view and recommendation update #VCI #POW
- Event calendar
- Q&A

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Global Market Review - Week 01 - 05/05/2023

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Major stocks market

- US stocks, the Dow Jones Industrial Average fell 0.86%, while the S&P 500 fell 0.72% and the Nasdaq Composite fell 0.49%. The Dow turned negative for the year on Thursday, down 0.06% year-to-date.
  Tennessee-based First Horizon dropped 33% after the regional lender and TD Bank announced that they were terminating their merger agreement. The dollar strengthened against the euro (0.14%) after the European Central Bank eased the pace of interest rate hikes by 25 basis points, a day after the Federal Reserve raised interest rates by 25 basis points. and said it may pause further rate hikes.
  Apple reported $24.16 billion in net income for the quarter compared with $25.01 billion in the same period last year. Total revenue fell 3% from $97.28 billion in the previous quarter. iPhone revenue grew 2% in the quarter ended April 1, suggesting component shortages and supply chain issues have plagued the product over the past few years.
- Asia-Pacific markets fell as bank fears flared up again on Wall Street, sending the three major US indexes into a four-day losing streak. Regional banking stocks were heavily sold, with the SPDR S&P Regional Bank ETF (KRE) down more than 5% and some banks experiencing volatile trading.
  China's Caixin Services Purchasing Managers' Index for April is due later today, a day after the Caixin Manufacturing PMI fell into contraction territory. Markets in Japan and South Korea were closed for a holiday on Friday.
- Oil prices were mostly flat on Thursday after the European Central Bank (ECB) decided to slow the pace of interest rate hikes, with prices remaining lower for the week on worries about demand in major consuming countries. Brent oil fell 0.07% to 72.45 USD/barrel. (WTI) of the United States fell 0.04% to $68.53.

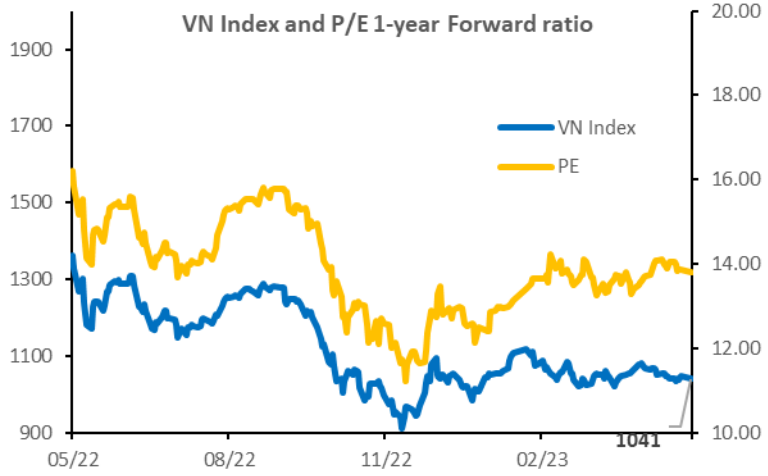
Market

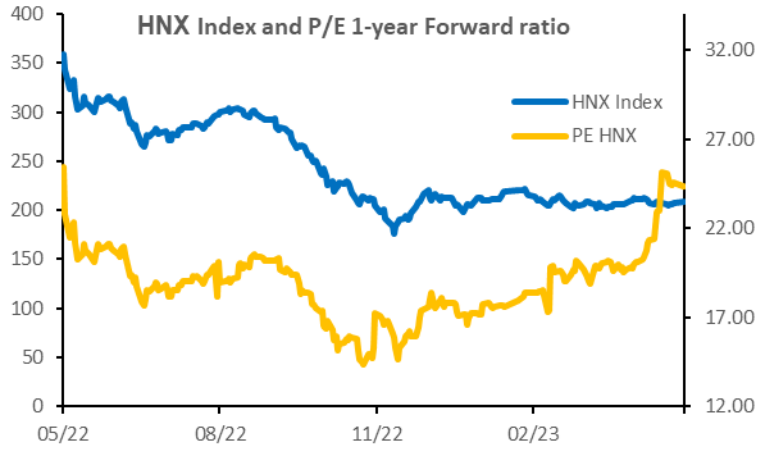
	Close	%1D	%1M	%1Y
VN-Index	1,041	-0.81%	-3.72%	-23.52%
S&P 500 Index	4,061	-0.72%	-0.71%	-2.07%
Dow Jones Index	33,128	-0.86%	-1.06%	0.39%
GP 100	7,703	-1.10%	0.52%	2.66%
Nikkei 225	29,158	0.12%	3.44%	8.72%
SHCOMP Index	3,350	0.82%	1.14%	9.22%
STOXX 600	460	-0.47%	0.82%	5.04%
KOSPI Index	2,501	-0.02%	0.23%	-6.60%
Hang Seng	19,949	1.27%	-1.61%	-4.06%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	101.35	-0.05%	-0.49%	-2.31%
USD/VND	23,457.00	0.01%	0.06%	-2.09%
EUR/USD	1.10	0.14%	1.13%	4.60%
USD/CNY	6.91	0.02%	-0.46%	-4.38%
Brent	72.45	-0.07%	-14.75%	-34.67%
WTI	68.53	-0.04%	-14.99%	-36.70%
Natural gas	2.07	-1.62%	-4.08%	-76.47%
Coal	170.65	-5.51%	-11.42%	-52.64%
Gold	2,049.71	-0.03%	1.43%	9.19%

Vietnam Market Snapshot 04/05/2023





	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,040.61	14.04	-8.51	-0.81	576	11,431
HNX INDEX	208.15	24.61	0.68	0.33	67	954

Money flow and sector rotation (VND bn)

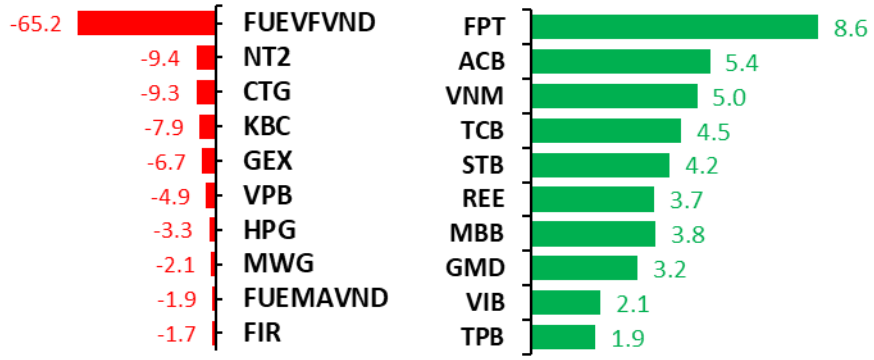
Sector	%1D	5/4/2023	4/28/2023	20-session Average
Health Care	63.37	40	25	25
Travel & Leisure	50.61	62	41	59
Oil & Gas	39.14	87	62	95
Financial Services	35.02	1,596	1,182	1,497
Industrial Goods & Services	22.99	549	447	409
Insurance	19.63	26	22	26
Construction & Materials	14.26	611	534	695
Utilities	13.36	225	198	188
Chemicals	12.51	344	305	379
Basic Resources	6.55	633	594	733
Personal & Household Goods	5.14	114	108	124
Automobiles & Parts	4.05	123	119	107
Real Estate	-5.0	2,590	2,726	2,293
Food and Beverage	-9.5	756	836	736
Retail	-19.1	207	256	294
Banks	-31.7	1,155	1,693	1,856
Technology	-38.5	52	84	56
Media	-68.0	0	1	1

Source: Bloomberg, Shinhan Securities Vietnam

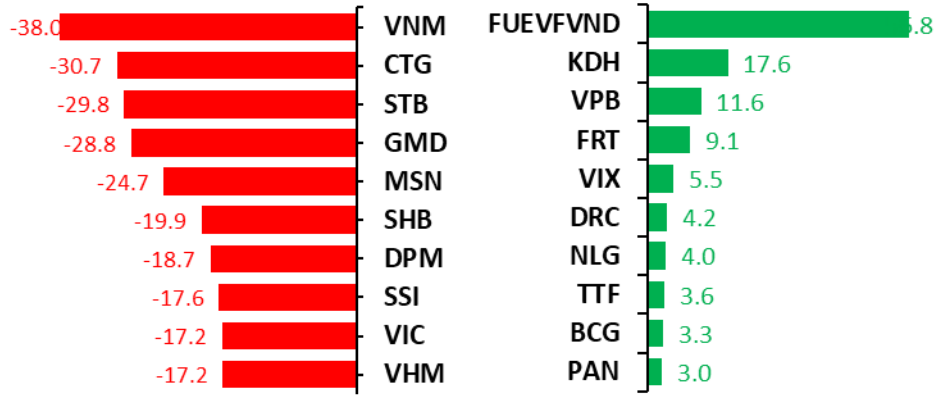
Vietnam Market Snapshot 04/05/2023

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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	(4)	(63)	47	16
Basic Resources	(3)	(7)	22	(15)
Media	-	0	(0)	(0)
Industrial Goods & Services	0	(36)	18	19
Health care	2	(9)	3	6
Chemicals	1	(25)	31	(6)
Financial Services	(67)	26	3	(29)
Travel & Leisure	1	(7)	6	1
Banks	11	(100)	59	41
Construction & Materials	(0)	(16)	27	(11)
Food and Beverage	7	(81)	68	13
Retail	(2)	6	(14)	8
Utilities	(7)	(8)	(41)	49
Personal & Household Goods	0	1	(20)	18
Technology	9	0	(9)	9
Automobiles & Parts	-	4	(1)	(3)
Insurance	0	(7)	8	(1)
Oil & Gas	1	(3)	(6)	9

Source: Fiinpro, Shinhan Securities Vietnam

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Breaking News

Macro

Positive

- Last April, Vietnam welcomed nearly 112,000 Chinese tourists, an increase of 61.5% compared to the previous month
- **Less positive**
- The pressure to increase electricity prices appears when Electricity of Vietnam (EVN) faces financial difficulties from 2022.
- S&P Global's latest Purchasing Managers' Index - Purchasing Managers' Index™ (PMI®) report shows that Vietnam's manufacturing industry in April 2023 continued to decline in line with demand from The customer is still the factor

Business news

- **HVN:** In the first 3 months of the year, Vietnam Airlines' revenue reached VND 23,640 billion, double the same period. This is also the highest revenue of Vietnam Airlines since the first quarter of 2020 and is close to the revenue level before the epidemic period in 2019. After deducting expenses, Vietnam Airlines recorded a consolidated profit first. tax in the first quarter of 2023 was 19.3 billion dong, while the same period lost more than 2,600 billion dong. However, the profit after tax of Vietnam Airlines was still negative 37.3 billion dong.
- **NT2**: In the first quarter, NT2 recorded revenue of VND 2,182 billion and profit after tax of VND 234 billion, up 9% and 46% respectively over the same period. By the end of the first quarter, the total assets of the enterprise reached VND 8,427 billion, an increase of more than 13% compared to the beginning of the year. In which, cash equivalents decreased from more than 384.2 Billion VND to only nearly 1 Billion VND. In contrast, accounts receivable for the term doubled to VND4,383 billion. According to the notes to the report, this short-term receivable almost entirely comes from the Electricity Trading Company (EPTC).
- **VOS:** Revenue in the first quarter of 2023 reached more than VND 519 billion, up 30% compared to the same period in 2022. In 2023, VOSCO set a revenue target of VND 1,597 billion, pre-tax profit of VND 197.7 billion. Thus, this enterprise has exceeded 32% of revenue target and 40% of profit target.
- **APH:** An Phat Holdings (HoSE: APH) has just announced its business results for the first quarter of 2023. Accordingly, APH recorded consolidated revenue of VND 4,118 billion, profit of VND 339 billion, up 1.2 times compared to the fourth quarter of 2022, thanks to the price of plastic resin increasing again in the first quarter of 2023. Selling expenses decreased by 53% compared to the same period in 2022 and decreased by 18% compared to the fourth quarter of 2022 mainly due to reduced transportation costs. The company recorded a profit after tax of 35 billion dong, reported profit after loss in the fourth quarter of 2022.
- **FCN:** consolidated financial statements for the first quarter of 2023 with revenue increasing by 21.4% over the same period, reaching VND 609 billion. Capital expenditure growth rate was lower than revenue growth rate, only 17.5%, resulting in gross profit from sales and service provision reaching VND123 billion, up nearly 40% over the same period.

Breaking News



Business news

- **L18:** consolidated financial statements for the first quarter of 2023, L18's net revenue reached VND 302 billion, down 14% compared to the same period last year, the lowest since the first quarter of 2020. The main segment is construction with revenue of 289 billion dong, down 6.7%. Due to the sharp drop in stock price, mining profit increased by 27% over the same period, reaching 28 billion dong. However, this profit was just enough to compensate for the increase in expenses: financial expenses of 13 billion VND, an increase of 85%; management cost 15 billion dong, up 7%.
- **KSB:** Financial income reached 16 billion dong, 3 times higher than the same period last year thanks to increased loan repayment. Loan repayment costs also increased by 17% to 30 billion dong. With sales falling, selling and administrative expenses decreased by 16% and 59%, respectively. Bimico recovered in the first quarter of the year with the parent company's after-tax profit of nearly 14 billion dong, down 68% over the same period.
- **MBB:** MB Group will hold 51% of shares in MBCambodia and transfer the remaining 49% to SBI Shinsei Bank. The share buyback process will be completed after receiving the approval of the authorities in Cambodia and Vietnam. The main driving force for MB's profit growth in Q1/2023 came from the increase in net interest from operating activities and the reduction of provision expenses. Specifically, in the last period, net interest income - the main source of income of the bank - grew by 22% compared to the first quarter of 2022, reaching VND 10,227 billion.
- **TCB:** Techcombank's first quarter consolidated financial statement in January 2023 showed that the Bank's profit from other activities increased by 116% over the same period and reached VND1,057 billion. Techcombank recorded an advance payment of VND730 billion from the sale of the old Techcombank Tower in Ba Trieu in the first quarter of this year.

Technical view



Trend: Retest support level

- VNINDEX closed with a red candle that dropped -8.51 points; The market reacted to the news that the Fed raised interest rates on Wednesday. The group of stocks of electricity, public investment and some real estate stocks that rose in reverse this morning are not representative, but individual variables.
- Technically: The price momentum from the MACD indicates a gradual decrease in selling pressure from mid-April 25. However, the RSI still gives a bearish signal in the oversold zone
- Strategy: The market still has not identified a clear trend, investors should still consider lowering the weight; Prioritize keeping cash during this period

• Scenario:

- Positive (50%): The index maintained its support around 1,040 – 1,050 points and created a recovery pace to 1,060 points, more optimistic than 1,100 points.
- Less positive (50%): After failing to test the resistance area of 1,060 , the index is heading to the next bottom at 1,020, even psychological level of 1,000 if there is less positive information.

Recommended stocks

5/5/2023

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals	
VCI	Watch	31.95	35.5	30.5	11%	-5%	32.5	0	Trading volume increases, surpasses resistance
IDC	Buy	38.5	45	36	17%	-6%	39.1	0	MACD , RSI crosses up; trading volume increased

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
DPG	Sell	29.7	32.7	28.7	10%	-3%	32.35	6	8.92%	26/04/2023	target price
HPG	Hold	21.5	23.5	20	9%	-7%	21.3	21	-0.93%	05/04/2023	
HDG	Sell	32	35	31	9%	-3%	33.85	20	5.78%	06/04/2023	meet resistance
NT2	Hold	30.5	33.95	29	11%	-5%	31.7	20	3.93%	06/04/2023	
TCB	Hold	30	32.5	28.5	8%	-5%	29.05	20	-3.17%	06/04/2023	
CTR	Hold	64.2	70	62	9%	-3%	63.1	20	-1.71%	06/04/2023	
GVR	Hold	15.5	17	14.5	10%	-6%	15.7	19	1.29%	07/04/2023	

Economic calendar

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May 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
30	1	2	3 EA Unemployment rate	4 US Fed Rate Decision	5	6 US Unemployment rate US Nonfarm Payroll
7	8	9	10 US Inflation Rate	11 China Inflation Rate US PPI Bank of England Interest Rate Decision	12 GB GDP	13
14	15	16 GB Unemployment rate CA Inflation Rate US Retail Sales	17 JP GDP	18	19 JP Inflation rate	20
21	22	23	24 GB Inflation Rate	25 US FOMC Minutes	26 US Core PCE Price Index	27
28	29 VN CPI	30	31 DE Inflation rate	1	2	3
4	5	NOTES				

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Q&A

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