MORNING CALL

May 11th, 2023

‘’ The market witnessed short-term profit-taking pressure. US CPI inflation of 4.9% was lower than expected at 5%. "

- World stocks: Global bond yields lower
- Vietnam securities: Small and medium-cap stocks are having the upper hand in price. The real estate group attracts money when there is a lot of positive news about projects that are in legal trouble.
- Business News #TVC #SJE #BCG #HDB
- Technical view and recommendation update #EIB #DGW
- Event calendar
- Q&A

[Analysts]

Tri Vo
☎(84-28) 0992-6972
✉tien.ld@shinhan.com

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

Open Account

Global Market Review - Week 08 - 12/05/2023

Shinhan Securities

Major stocks market

- The Nasdaq Composite and the S&P 500 both rose on Wednesday after US CPI inflation data of 4.9% fell short of Expectations of 5%. Following the report, Treasury yields plunged, further supporting the US stock market, which was worried about high interest rates hampering economic growth. Yields on the 2-year note fell about 11 bps, to 3.91%. Meanwhile, the 10-year yield fell 8 bps to 3.44%.
- The Euro Stoxx 50 index was moderately lower today on weakness in consumer durables, retailers and telecommunications companies. In addition, the unexpected drop in Italian industrial activity in March raised concerns about growth in the Eurozone. The German 10-year yield fell -5.5 bp to 2.295% and the UK 10-year yield fell -3.3 bp to 3.822%.
- Japan's Nikkei stock index closed -0.41% lower on caution ahead of the US consumer prices report on Wednesday night. Rising geopolitical tensions weighed on Chinese stocks as the crackdown on anti-espionage intensified, leading to limited foreign investment. China's April inflation is expected at 0.3%, the lowest since February 2021.
- Crude oil prices fell after the EIA's weekly report on Wednesday showed an unexpected increase in US crude inventories last week; EIA crude oil inventories unexpectedly increased by +2.95 million barrels compared to expectations for a decrease of -2.5 million barrels.

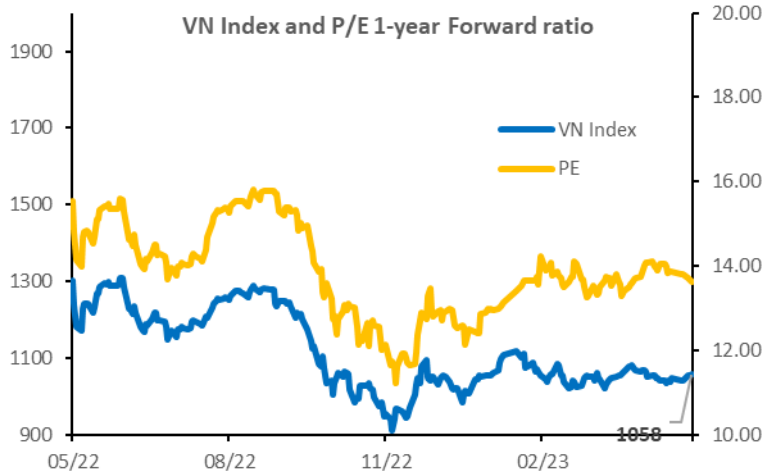
Market

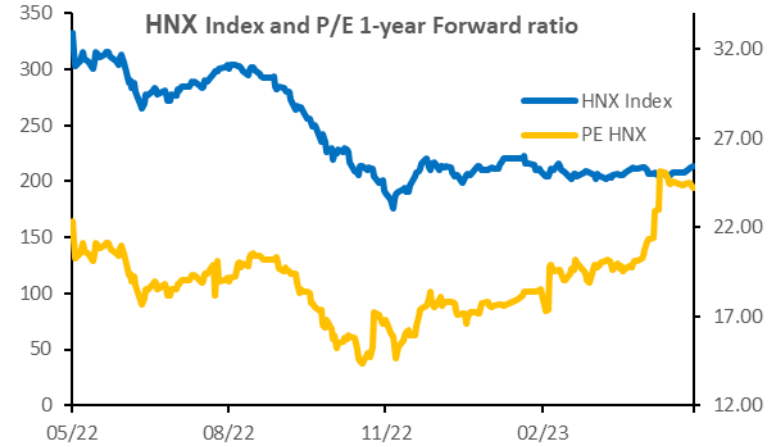
	Close	%1D	%1M	%1Y
VN-Index	1,058	0.43%	-1.05%	-18.69%
S&P 500 Index	4,138	0.45%	0.70%	5.14%
Dow Jones Index	33,531	-0.09%	-0.46%	5.33%
GP 100	7,741	-0.29%	-0.57%	5.36%
Nikkei 225	29,051	-0.25%	4.04%	10.82%
SHCOMP Index	3,319	-1.15%	0.17%	8.51%
STOXX 600	464	-0.38%	0.40%	8.43%
KOSPI Index	2,508	0.46%	-1.57%	-3.26%
Hang Seng	19,762	-0.53%	-3.53%	-0.31%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	101.38	-0.10%	-0.81%	-2.38%
USD/VND	23,473.00	0.00%	-0.10%	-2.04%
EUR/USD	1.10	0.03%	0.67%	4.49%
USD/CNY	6.93	-0.14%	-0.66%	-2.82%
Brent	76.71	0.39%	-10.40%	-28.65%
WTI	72.88	0.44%	-10.61%	-31.06%
Natural gas	2.18	-0.41%	-0.18%	-71.44%
Coal	166.95	-1.21%	-13.83%	-55.77%
Gold	2,033.76	0.18%	1.50%	9.79%

Vietnam Market Snapshot 10/05/2023





	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,058.26	14.41	4.49	0.43	641	9,797
HNX INDEX	213.89	26.67	1.94	0.92	131	1,504

Money flow and sector rotation (VND bn)

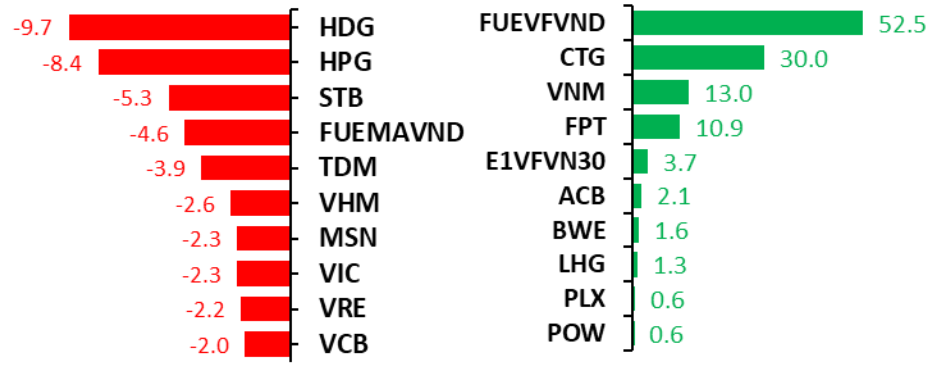
Sector	%1D	5/10/2023	5/9/2023	20-session Average
Insurance	74.00	30	17	26
Chemicals	65.52	468	283	347
Travel & Leisure	63.74	66	41	58
Retail	58.39	283	179	281
Banks	52.01	1,772	1,166	1,601
Food and Beverage	50.58	692	459	719
Technology	36.11	86	63	55
Financial Services	34.91	1,488	1,103	1,356
Industrial Goods & Services	34.07	504	376	407
Real Estate	30.23	2,517	1,932	2,230
Personal & Household Goods	28.13	114	89	116
Construction & Materials	27.69	804	630	611
Automobiles & Parts	24.38	131	105	104
Media	-2.3	2	2	1
Utilities	-3.5	154	159	182
Basic Resources	-48.5	560	1,087	647
Health Care	-56.1	19	43	29
Oil & Gas	-62.7	102	272	100

Source: Bloomberg, Shinhan Securities Vietnam

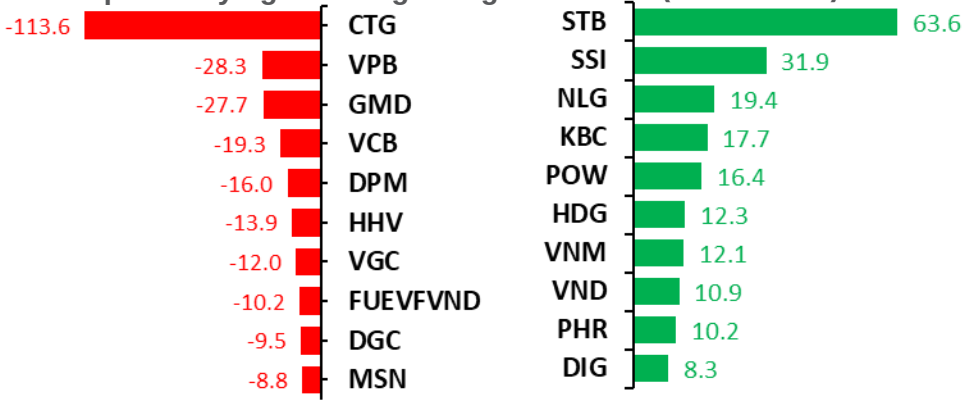
Vietnam Market Snapshot 10/05/2023

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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	(18)	65	(6)	(59)
Basic Resources	(10)	(3)	(4)	6
Media	-	0	(0)	(0)
Industrial Goods & Services	(1)	(36)	17	19
Health care	0	2	(2)	0
Chemicals	(1)	(19)	21	(2)
Financial Services	51	38	(78)	40
Travel & Leisure	(1)	2	(3)	0
Banks	19	(97)	82	15
Construction & Materials	0	(14)	39	(26)
Food and Beverage	10	7	(59)	51
Retail	(0)	1	18	(19)
Utilities	(3)	16	(19)	3
Personal & Household Goods	(1)	3	7	(10)
Technology	11	0	3	(3)
Automobiles & Parts	(0)	4	(1)	(3)
Insurance	(0)	2	(0)	(2)
Oil & Gas	1	(0)	(5)	5

Source: Fiinpro, Shinhan Securities Vietnam

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Breaking News

Macro

Positive

- The Prime Minister assigned the Ministry of Labor, War Invalids and Social Affairs to grasp the actual situation of workers losing their jobs to proactively and promptly implement solutions according to regulations.
- In the trading session on May 9, the average interbank interest rate offered in VND decreased slightly by 0.02% compared to the previous session in the overnight term. However, terms under 1 month still increased while terms from over 1 month to less than 1 year decreased from 0.02%-0.06%.

Less positive

- Total bad debt on the balance sheet of 28 banks at the end of the first quarter was more than 170 trillion dong, up 25% compared to the end of 2022. Of which, 25 banks recorded an increase in bad debt. The number of listed banks with bad debt ratio below 1% is now only 3 names: Vietcombank, ACB, Techcombank.
- China's imports fell sharply in April, while export growth slowed - the latest signs of weak domestic demand despite Zero Covid being lifted, putting pressure on the recovery. recovery is inherently fragile in the context of decelerating global growth.

Business news

- **TVC:** Q1/2023 revenue fell 76% y/y in the context of a sharp drop in securities brokerage and margin lending revenue. However, thanks to the refund of provision for devaluation of securities of nearly 83 billion dong, TVC eventually reported more than 80 billion dong in profit after tax - 2.7 times higher than the same period last year.
- **HDB:** Quarter 1/2023 profit before tax reached 2,743 billion VND, low bad debt, high capital adequacy. Total deposits increased by 17.7% compared to the end of 2022, consolidated credit balance increased by 9% to VND 292 trillion, outstanding loans at the parent bank increased by more than 10%. This growth rate is much higher than that of the whole industry (just under 3%). With a high growth rate in deposits and loans, HDBank recorded total operating income of VND 5,657 billion in the first quarter, up 10.4% over the same period, the growth engine came from both interest income and services. service.
- **BCG:** Q1/2023 with net revenue of VND701 billion, down 44% over the same period. In which, the infrastructure construction segment brought in VND 314 billion, down 30% over the same period and accounting for 45%. Revenue from the real estate segment decreased by more than 98% over the same period. In contrast, the renewable energy segment contributed nearly VND 245 billion and the finance and insurance segment contributed VND 79 billion, up 17% and 68% respectively over the same period.
- **DDG:** After 19 consecutive floor sessions, DDG shares of Indochina Import-Export Industry Investment Joint Stock Company (Indochine Imex) were suddenly "rescued". More than 6.4 million shares, equivalent to 10.7% of total outstanding shares of DDG, changed hands in the blink of an eye.
- **SJE:** Quarter I/2023 with revenue of 140.9 billion dong; pre-tax profit reached VND 18.2 billion, equaling 57% of the figure of VND 3.7 billion in the first quarter of 2022. In the context of difficult forecast construction industry, in 2023, Song Da 11 sets a revenue target of VND 800.9 billion; pre-tax profit decreased by 15.3% y/y, at VND73 billion.

Breaking News



Business news

- **PDR:** Want to offer to existing shareholders at the rate of 20% and offer to sell privately to strategic shareholders at the rate of 10%. The offering price is not less than 10,000 VND/share. If the issuance is successful, Phat Dat will also raise about 2,000 billion VND, solving immediate financial difficulties.
- **BAF:** Wants to issue more than 68.4 million shares to existing shareholders, equivalent to 47.677% of charter capital. The issue price is 10,000 VND/share, 54% lower than BAF's stock price at the close of May 9. The time for the offering is expected to be from the second quarter to the fourth quarter of 2023.
- **CKG:** Achieved more than 25 billion dong of profit after tax in the first quarter thanks to the implementation of projects in Phu Quoc Pearl Island Revenue reached 251 billion dong, up 3%; profit before tax reached 33.5 billion dong, profit after tax reached 25.4 billion dong, down 16% and 21% respectively over the same period.
- **SJF:** Net revenue reached more than 37.3 billion dong, a sharp increase compared to 7.3 billion dong achieved in the same period last year. However, during the period the company recorded a sharp increase in cost of goods sold 4.3 times to 41.3 billion dong. Due to business below cost, Sao Thai Duong recorded a gross loss of nearly 4 billion dong.
- Hung Thinh Corporation has been granted legal relief for 6 projects including: Moonlight Park View - the remaining commercial part (Binh Tan District), Moonlight Boulevard (Binh Tan District), 9 View Apartment (Thu Duc City). , 8X Dam Sen (Tan Phu District), Moonlight Avenue project, (Thu Duc City) and Moonlight Center Point project (Binh Tan District). One project of Novaland that has been removed is The Grand Manhattan (District 1), which has been rebuilt after a pause...

Technical view



Trend:

- VNINDEX gained 4.49 points with improved liquidity, the highest in the last 14 sessions. Stocks with small and medium capitalization are having the upper hand in price. The real estate group attracts money when there is a lot of positive news about projects that are in legal trouble.
- Technically, the price momentum of the MACD is still showing positive signs of crossing up and heading to the positive territory; The pressure is gradually reduced from April 26 . The RSI is showing an uptrend but is still between the overbought and oversold zones.
- Strategy: Investors can watch the corrections during the session to disburse with a moderate proportion with the recommended stocks.

• Scenario:

- Positive (60%): The index maintained support around 1,040 – 1,050 points and created a recovery pace to 1,060 points, more optimistic than 1,100 points.
- Less positive (40%): After failing to test the resistance at 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

11/5/2023

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals	
EIB	Buy	19.55	21.85	18	12%	-8%	19.55	0	MACD signal, Stoch RSI crosses up at the resistance zone
DGW	Buy	34.5	40	31	16%	-10%	34.5	0	MACD signal, Stoch RSI crosses up at the resistance zone

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
CII	Hold	14.6	15.7	13.8	8%	-5%	15.1	2	3.42%	09/05/2023	
SSI	Hold	21.9	25	20.9	14%	-5%	22.5	2	2.74%	09/05/2023	
VND	Hold	14.9	16.8	14.3	13%	-4%	15.3	2	2.68%	09/05/2023	
VCI	Hold	31.95	35.5	30.5	11%	-5%	32.65	4	2.19%	05/05/2023	
IDC	Hold	38.5	45	36	17%	-6%	40	4	3.90%	05/05/2023	
HPG	Sell	21.5	23.5	20	9%	-7%	21.7	26	0.93%	05/04/2023	Restructuring the portfolio
NT2	Hold	30.5	33.95	29	11%	-5%	31.2	25	2.30%	06/04/2023	
TCB	Sell	30	32.5	28.5	8%	-5%	29.3	25	-2.33%	06/04/2023	Short term downtrend
CTR	Sell	64.2	70	62	9%	-3%	65.1	25	1.40%	06/04/2023	Restructuring the portfolio

Economic calendar

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					

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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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