MORNING CALL

May 12th, 2023

‘’ The market witnessed short-term profit-taking pressure, US stocks were still concerned about the health of banks "

- World stocks : Health concerns of US regional banks are limiting overall market gains
- Vietnam Stocks: Small-cap stocks were the focus this week but the rally has slowed down; stocks tend to decrease towards the end of the session.
- Business News #POW #VCG #OCB #BAF
- Technical perspective and recommendation update
- Event calendar
- Q&A

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Open Account

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

Major stocks market

- Concerns about the health of US regional banks are limiting gains in the overall market. PacWest Bancorp fell more than -20% in trading pulling regional bank shares lower after it said deposits fell -9.5% last week.
- Euro Stoxx 50 is up +0.11%, gains in travel and healthcare stocks are leading the way. The downside for stocks is that the ECB's monthly survey showed that consumer expectations for eurozone inflation rose significantly in March. could prompt the ECB to continue raising interest rates.
- Japan's Nikkei stock index closed up +0.02% . Japanese stocks received support from Wednesday's rally in US stocks after consumer prices rose less than expected last month. Additionally, Japanese tech stocks related to artificial intelligence (AI) edged higher after SoftBank said it was building a Japanese version of ChatGPT. China's Shanghai Composite closed down -0.29%. China's April CPI rose +0.1% year-on-year, weaker than expectations of +0.3% year-on-year and the smallest growth rate in more than two years.
- WTI crude has climbed above $71 a barrel and is expected to end the week with little change, as traders navigate a volatile period marked by conflicting supply and demand factors.

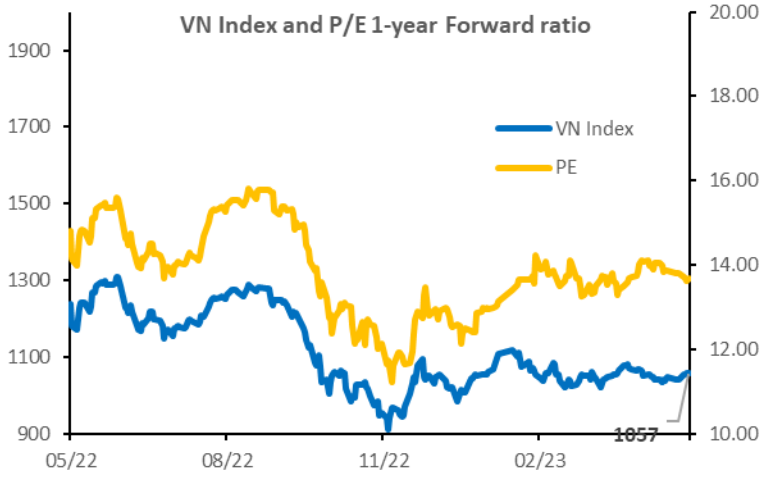
Market

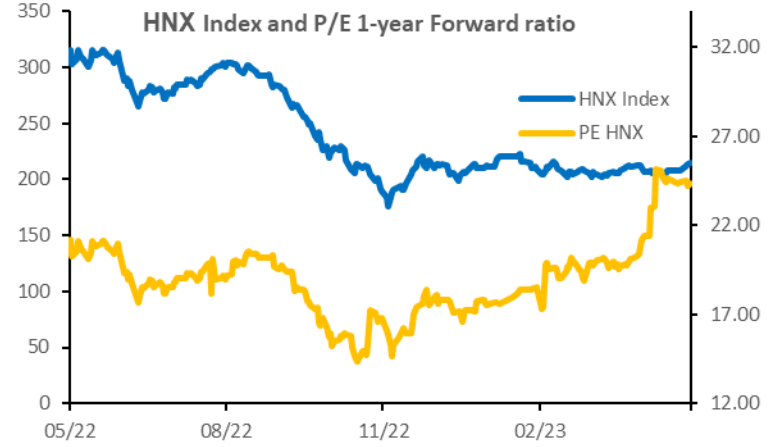
	Close	%1D	%1M	%1Y
VN-Index	1,057	-0.11%	-1.15%	-14.67%
S&P 500 Index	4,131	-0.17%	0.95%	5.10%
Dow Jones Index	33,310	-0.66%	-1.00%	4.98%
GP 100	7,731	-0.14%	-1.20%	6.87%
Nikkei 225	29,237	0.38%	4.11%	13.55%
SHCOMP Index	3,310	-0.29%	-0.53%	8.33%
STOXX 600	464	0.00%	0.27%	9.24%
KOSPI Index	2,479	-0.50%	-2.83%	-2.81%
Hang Seng	19,744	-0.09%	-2.79%	1.88%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	102.04	-0.01%	0.53%	-2.68%
USD/VND	23,466.00	0.03%	-0.07%	-2.02%
EUR/USD	1.09	0.03%	-0.66%	5.19%
USD/CNY	6.95	-0.27%	-0.91%	-3.27%
Brent	75.40	0.56%	-13.66%	-29.83%
WTI	71.33	0.65%	-14.33%	-32.79%
Natural gas	2.18	-0.50%	4.11%	-71.84%
Coal	163.00	-2.37%	-16.04%	-57.76%
Gold	2,016.06	0.05%	0.06%	10.66%

Vietnam Market Snapshot 11/05/2023





	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,057.12	14.39	-1.14	-0.11	668	10,749
HNX INDEX	214.41	26.57	0.52	0.24	135	1,714

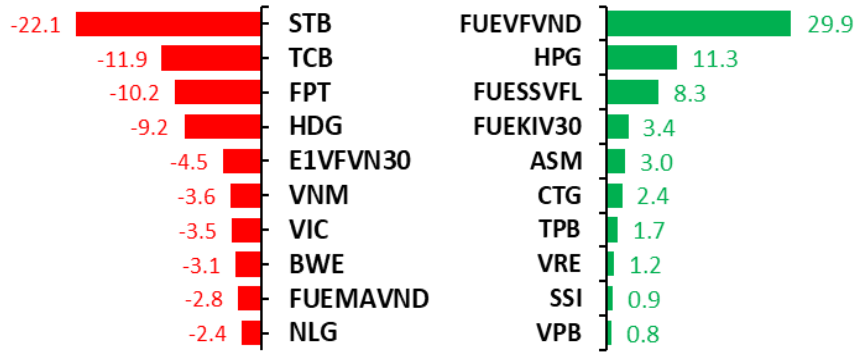
Money flow and sector rotation (VND bn)

Sector	%1D	5/11/2023	5/10/2023	20-session Average
Health Care	124.61	42	19	30
Oil & Gas	115.84	219	102	106
Media	95.79	4	2	1
Basic Resources	59.51	894	560	626
Industrial Goods & Services	44.44	729	504	419
Utilities	41.80	218	154	180
Insurance	17.27	35	30	27
Chemicals	15.75	542	468	352
Financial Services	12.77	1,678	1,488	1,337
Real Estate	9.73	2,761	2,517	2,244
Personal & Household Goods	5.97	120	114	116
Construction & Materials	5.35	847	804	585
Automobiles & Parts	-6.0	123	131	104
Banks	-6.6	1,655	1,772	1,548
Retail	-13.6	245	283	264
Technology	-19.4	69	86	54
Food and Beverage	-26.2	511	692	705
Travel & Leisure	-27.8	48	66	57

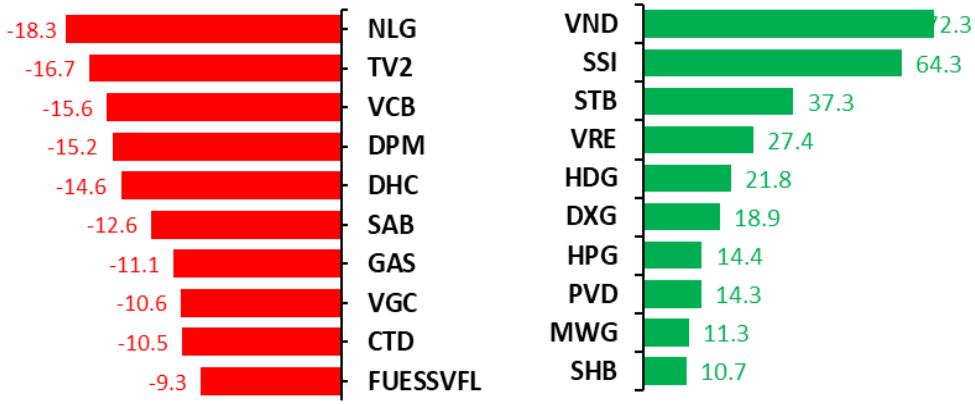
Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Market Snapshot 11/05/2023

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	(17)	30	(19)	(11)
Basic Resources	10	(7)	(22)	30
Media	-	0	(0)	0
Industrial Goods & Services	(2)	(13)	22	(10)
Health care	(2)	6	(7)	1
Chemicals	(0)	(15)	14	0
Financial Services	33	130	(161)	31
Travel & Leisure	(2)	(1)	3	(1)
Banks	(37)	44	(35)	(9)
Construction & Materials	(2)	(35)	140	(105)
Food and Beverage	(3)	(30)	31	(1)
Retail	(2)	10	1	(12)
Utilities	(4)	(6)	30	(25)
Personal & Household Goods	(2)	7	(0)	(6)
Technology	(10)	1	12	(12)
Automobiles & Parts	-	2	(2)	0
Insurance	0	(14)	17	(3)
Oil & Gas	(0)	14	(22)	8

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

Positive

- Sugar prices increase, some sugar mills that previously suspended production because of losses have now resumed operations

Less positive

- The weakening of import and export activities is clearly reflected in the recent decline in business results of some seaport companies.
- The financial statements of the first quarter of 2023 of banks with many banks recorded negative credit growth or bad debt soared above 3%.

Business news

- **POW:** In April, revenue is estimated at 2,629 billion dong, also completing 99% of the plan. Accumulated in the first 4 months, POW recorded a total power output of 5,372 million kWh and estimated revenue of VND 10,421 billion.
- **VCG:** Vinaconex will have to issue another 48.6 million shares to pay dividends. The additional shares issued will not be subject to transfer restrictions. Capital source for stock issuance is taken from undistributed after-tax profit after setting aside funds. After the plan to issue shares to pay this dividend, Vinaconex's charter capital is expected to increase from VND 4,859 billion to nearly VND 5,345 billion.
- **OCB:** Profit after tax reached VND 786 billion, down more than 43% compared to the beginning of the year. Along with that, the bank's bad debt on the balance sheet reached VND 4,405 billion, an increase of more than 51% compared to the beginning of the year. Meanwhile, the bank's CASA index dropped to 5.48%. Specifically, sub-standard debt (debt group 3) increased by 53.70% compared to the beginning of the year to 1,030 billion dong; Doubtful debt (debt group 4) increased by 55.30% compared to the beginning of the year to 971 billion dong; In particular, debt that is likely to lose capital (debt group 5) increased 48.66% compared to the beginning of the year, up 102.08% over the same period to 2,043 billion dong.
- **BAF:** Set a target of net revenue of VND 6,914 billion, up 16%, profit after tax of VND 301 billion, up 5% compared to the implementation in 2022, the expected sales volume of 348,770 pigs, an increase of 14% compared to the implementation. in 2022. Offering shares to existing shareholders, ratio 100:47 (47,677%), selling price 10,000 VND/share. Total proceeds are expected to be 750 billion dong, raising charter capital to 2,435 billion dong.

Breaking News



Business news

- **LDG:** Canceled the General Meeting of Shareholders because the number of shareholders attending the meeting held less than 23% of the capital. This year's net revenue target is VND 1,448 billion, a sharp increase compared to the level achieved in 2022 of VND 276.3 billion. However, the target profit after tax is 3.9 billion dong, down 2.5% over the same period.
- **C4G:** More than 112 million shares continued to be successfully offered for sale, bringing the total charter capital to nearly 3,400 billion dong.
- **THD:** Announced financial statements for the first quarter of 2023 with revenue of 584 billion dong - down 60% compared to the same period last year; gross profit even decreased by 75% compared to the 142.4 billion recorded in the first quarter of 2022. During the period, financial revenue of Thaiholdings decreased by 85% YoY to 12.7 billion, but other income suddenly increased to 93.6 billion (the same period was only nearly 330 million VND) - the company did not explain in detail about this source of income.
- **NAB:** Total assets of Nam A Bank reached more than VND 194,000 billion (up 9%) compared to the beginning of the year. In which, deposits at the State Bank (SBV) were 2 times higher than at the beginning of the year (more than 4,000 billion VND), deposits at other credit institutions increased by 31% (more than 30,000 billion VND), loans increased by 7 % (more than 128,000 billion VND). At the same time, compared to the beginning of the year, customer deposits increased by 10% (more than 137,000 billion VND), issuance of valuable papers increased by 10% (more than 13,000 billion VND).
- **SNZ:** Industrial Park Development Corporation announced the blockade of a bank account with an amount of nearly 12.56 billion VND.
- The Board of Directors of FLC Group has approved the transfer of all shares of Bamboo Airways that the group owns to Mr. Le Thai Sam, which means that these two units will become two completely independent legal entities.

Technical view



Trend:

- VNINDEX dropped -1.14 points with the same liquidity as yesterday but with more selling pressure. Although small-cap stocks were the focus this week, the rally has slowed down; stocks tend to decrease towards the end of the session.
- Technically: The market closed with a red candle without a beard, showing that the buying force was not strong enough to push the price. The MACD still shows that price momentum is still bullish but not too strong. The RSI is flat between the oversold and overbought zones so far this week.
- Strategy: Investors should not disburse heavily as well as use leverage in this period. Only moderate disbursement for codes with good buying points, limit chasing.

• 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

12/5/2023

Unit: VND thousand

Today's watchlist

Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
EIB	Buy	19.55	21.85	18	12%	-8%	19.35	1	-1.02%	11/05/2023	
DGW	Buy	34.5	40	31	16%	-10%	34.3	1	-0.58%	11/05/2023	
CII	Hold	14.6	15.7	13.8	8%	-5%	15.15	3	3.77%	09/05/2023	
SSI	Hold	21.9	25	20.9	14%	-5%	22.4	3	2.28%	09/05/2023	
VND	Hold	14.9	16.8	14.3	13%	-4%	15.55	3	4.36%	09/05/2023	
VCI	Hold	31.95	35.5	30.5	11%	-5%	32.4	5	1.41%	05/05/2023	
IDC	Hold	38.5	45	36	17%	-6%	39.6	5	2.86%	05/05/2023	
NT2	Hold	30.5	33.95	29	11%	-5%	30.8	26	0.98%	06/04/2023	

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

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