# MORNING CALL

May 15th, 2023

**‘’ Domestic market positive last week with focus on small-cap stocks while global stocks were less optimistic on growth worries "**

- World stocks: Global growth worries
- Vietnam stocks: VNSmallcap is the highlight of this week with many stocks gaining strongly at the beginning of the week and cooling down due to the pressure of profit taking T+.
- Proposing to continue reducing VAT by 2% until the end of 2023
- Business News #NVL #HPG #KDC #SBT
- Technical perspective and recommendation update
- Event calendar
- Q&A


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Open Account

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

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## Major stocks market

- US stock indexes fell last week after a report showed US consumer sentiment fell to a 6-month low in May; negative investor sentiment towards the US government's negotiations to raise the public debt ceiling; US CPI inflation 4.9% lower than expectation of 5%
- The Stoxx600 rose 0.4% on Friday (May 12) on upbeat results from big Richemont and a rise in energy stocks, while investors looked to inflation data from France and Spain for signal about the European Central Bank's plan to raise interest rates.
- Asia-Pacific markets are trading mixed after two of the three major US indexes posted a second straight week of losses, fueled by concerns about the US debt ceiling and the latest economic data. . Investors will also be looking forward to Thailand's gross domestic product in the first quarter, as the country's opposition party is certain to win a general election, ending nearly a decade of factional rule. military-backed conservatives. Japan's Nikkei index closed at a 1.5-year high on Friday, led by a surge in chip-related heavyweights, as investors cheered the announcement of shareholder returns. of domestic companies at the height of the earnings season.
- Oil prices fell for a third straight week, as the market balanced supply concerns against renewed economic concerns in the United States and China.

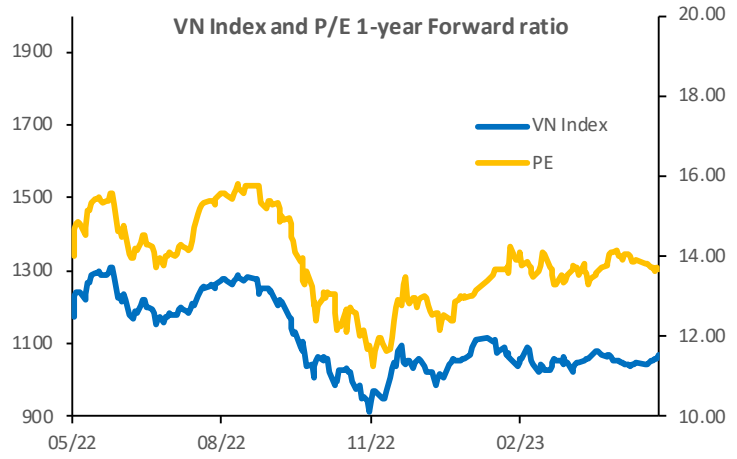
## Market

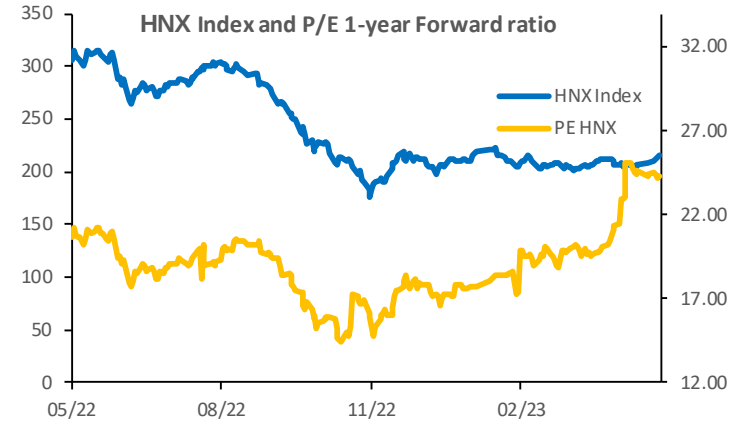
| | Close | %1D | %1M | %1Y |
|---|---|---|---|---|
| VN-Index | 1,067 | 0.93% | 1.33% | -9.80% |
| S&P 500 Index | 4,124 | -0.16% | -0.33% | 2.49% |
| Dow Jones Index | 33,301 | -0.03% | -1.73% | 3.43% |
| GP 100 | 7,755 | 0.31% | -1.49% | 4.54% |
| Nikkei 225 | 29,561 | 0.59% | 3.75% | 11.86% |
| SHCOMP Index | 3,272 | -1.12% | -1.97% | 6.10% |
| STOXX 600 | 465 | 0.40% | -0.30% | 7.38% |
| KOSPI Index | 2,461 | -0.59% | -4.31% | -5.51% |
| Hang Seng | 19,627 | -0.59% | -3.97% | -1.36% |

## Currency & Commodity

| | Close | %1D | %1M | %1Y |
|---|---|---|---|---|
| Dollar Index | 102.75 | 0.07% | 1.18% | -1.73% |
| USD/VND | 23,461.00 | 0.02% | -0.06% | -1.59% |
| EUR/USD | 1.09 | 0.02% | -0.69% | 4.00% |
| USD/CNY | 6.96 | -0.15% | -1.24% | -2.48% |
| Brent | 74.18 | 0.01% | -14.05% | -33.50% |
| WTI | 70.06 | 0.03% | -15.10% | -36.59% |
| Natural gas | 2.25 | -0.57% | 6.58% | -70.60% |
| Coal | 164.90 | 1.17% | -15.26% | -57.88% |
| Gold | 2,009.83 | -0.05% | 0.73% | 10.18% |

# Vietnam Market Snapshot 12/05/2023




| | Close | PE | Change | %1D | Trading volume (mn stocks) | Trading value (VND bn) |
|---|---|---|---|---|---|---|
| VNI NDEX | 1,066.90 | 14.53 | 9.78 | 0.93 | 674 | 11,083 |
| HNX INDEX | 215.10 | 26.68 | 0.69 | 0.32 | 118 | 1,545 |

## Money flow and sector rotation (VND bn)

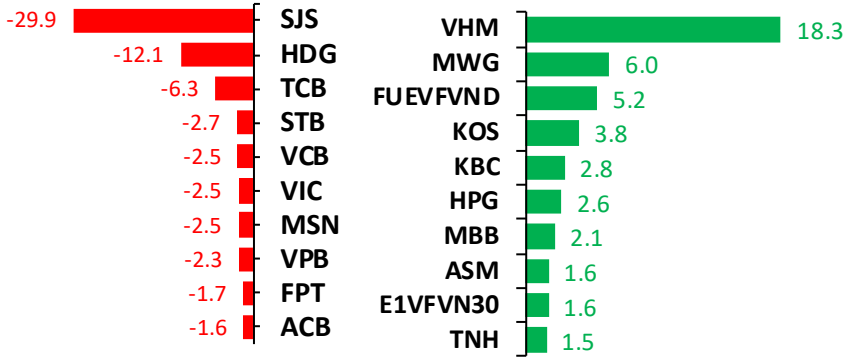
| Sector | %1D | 5/12/2023 | 5/11/2023 | 20-session Average |
|---|---|---|---|---|
| Basic Resources | 78.68 | 1,597 | 894 | 672 |
| Technology | 71.90 | 119 | 69 | 58 |
| Travel & Leisure | 36.50 | 65 | 48 | 57 |
| Construction & Materials | 32.76 | 1,125 | 847 | 609 |
| Food and Beverage | 29.65 | 662 | 511 | 700 |
| Financial Services | 13.54 | 1,906 | 1,678 | 1,341 |
| Retail | 9.15 | 267 | 245 | 262 |
| Insurance | 1.87 | 36 | 35 | 27 |
| Banks | -5.5 | 1,564 | 1,655 | 1,539 |
| Automobiles & Parts | -11.4 | 109 | 123 | 105 |
| Personal & Household Goods | -13.6 | 104 | 120 | 115 |
| Real Estate | -14.7 | 2,355 | 2,761 | 2,215 |
| Utilities | -15.5 | 184 | 218 | 181 |
| Industrial Goods & Services | -31.1 | 502 | 729 | 422 |
| Chemicals | -35.6 | 349 | 542 | 356 |
| Health Care | -49.5 | 21 | 42 | 30 |
| Oil & Gas | -50.3 | 109 | 219 | 103 |
| Media | -66.0 | 1 | 4 | 1 |

Source: Bloomberg, Shinhan Securities Vietnam

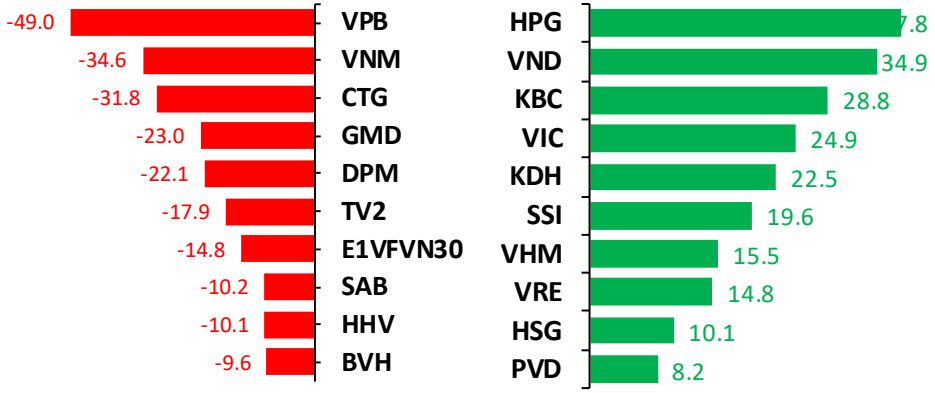
# Vietnam Market Snapshot 12/05/2023

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




## Top net buying & selling foreign investors (VND billion)

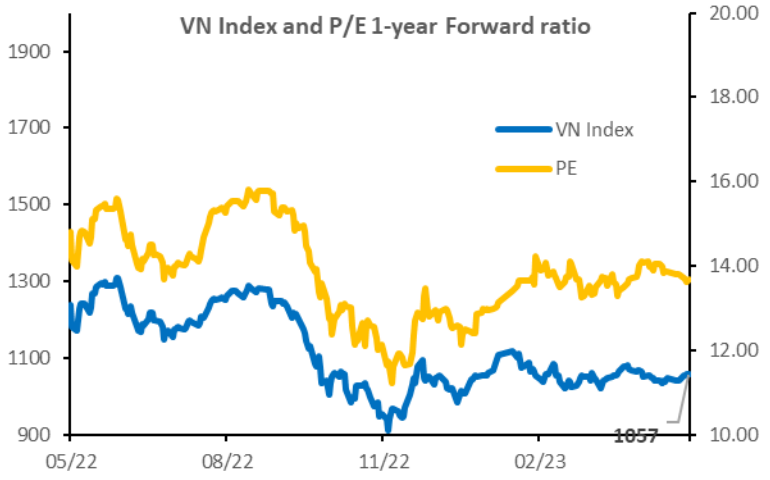


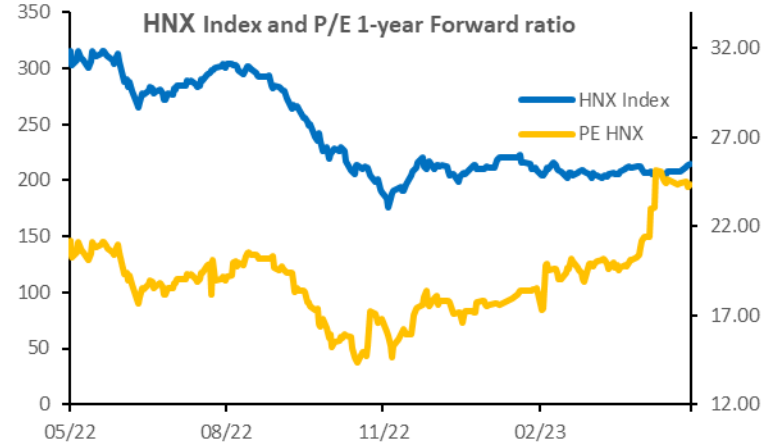

## The net trading value of proprietary trading and investors by sector (VND billion)

| Sub-sector | Proprietary trading (VND bn) | Foreign (VND bn) | Local Individual (VND bn) | Local Institutions (VND bn) |
|---|---|---|---|---|
| Real Estate | (21) | 104 | (26) | (78) |
| Basic Resources | 2 | 42 | (39) | (3) |
| Media | (0) | 0 | (0) | 0 |
| Industrial Goods & Services | 1 | (36) | 48 | (13) |
| Health care | 1 | 2 | (4) | 2 |
| Chemicals | (0) | (20) | 9 | 11 |
| Financial Services | 4 | 37 | (72) | 35 |
| Travel & Leisure | (1) | 3 | (2) | (1) |
| Banks | (15) | (91) | 45 | 46 |
| Construction & Materials | 0 | (6) | (6) | 12 |
| Food and Beverage | (3) | (42) | 50 | (8) |
| Retail | 6 | (5) | (2) | 7 |
| Utilities | 0 | 1 | 8 | (9) |
| Personal & Household Goods | 0 | 7 | (4) | (2) |
| Technology | (2) | (1) | (4) | 4 |
| Automobiles & Parts | (0) | 4 | (1) | (3) |
| Insurance | 1 | (8) | 11 | (2) |
| Oil & Gas | 0 | 10 | (14) | 3 |

Source: Fiinpro, Shinhan Securities Vietnam

# Vietnam Market Snapshot 12/05/2023




| | 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

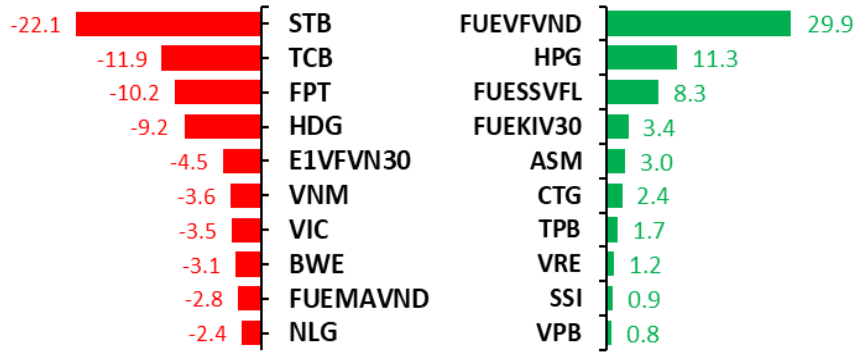


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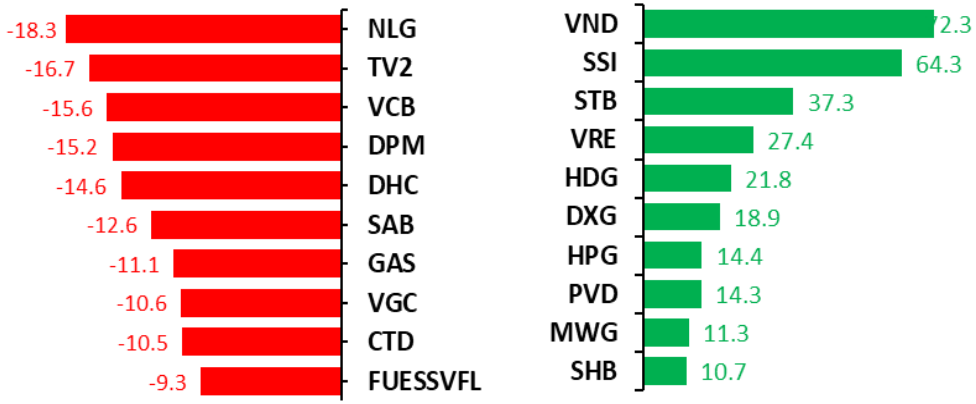
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## Top net buying & selling of proprietary trading (VND billion)




## 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 | (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



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# Breaking News

## Macro

### Positive

- The Ministry of Transport sent 6 localities to comment on the scale and land fund of the TOD model at the "super project" of the Ho Chi Minh City railway. HCM - Can Tho

- **Less positive**

- Difficulties from weak demand and high inventories put pressure on the retail group's business results in the first quarter of 2023.

- The demand for shopping decreases, the dealers race to promote, reduce the registration fee, ... but the high interest rate is still too big a barrier for consumers to spend money to buy a car.

### Business news

- **NVL:** The Group will restart projects in Phan Thiet and Ho Tram. Specifically, on May 12, 2023 Novaland will hold a signing ceremony for the NovaWorld Ho Tram project, diverging Habana Island and Wonderland. After that, Novaland will restart the NovaWorld Phan Thiet project and hold a signing ceremony for project funding with its partner MB Bank on May 19, 2023. Hoa Binh Construction Group also announced the restart of works.
- **HPG:** Hoa Phat's proposed projects include the construction of Hoa Tam Industrial Park, the development of Bai Goc port, the development of HPG's Steel Complex in Hoa Tam Industrial Park, and the construction of Hoa Tam commercial and service area. . The total investment cost for these 4 projects is estimated at 120 trillion dong, of which 80 trillion dong is dedicated to the new steel complex.
- **VIB:** Notice of receipt of official letter from the State Bank (SBV) on May 11 approving the increase of charter capital up to VND 4,291.3 billion. This bank will issue more than 412.5 million bonus shares to existing shareholders at the rate of 20% and 7.6 million bonus shares for officers and employees (ESOP) at the rate of 0.36%.
- **KDC**: Announcement about opening new Van Hanh Mall at Hung Vuong Plaza. The project has 7 floors from 1st to 7th floor, commercial floor area of 30,000m2. Total investment capital is 200 billion VND, expected to open in August 2023. Rent is from 30USD/m2/month to 95USD/m2/month, revenue is expected to reach 20 billion VND/month. Correspondingly, this new shopping center will bring in nearly 250 billion in annual revenue for the Group.

# Breaking News



## Business news

- **VGC:** Set a target of pre-tax profit of VND 1,210 billion (equivalent to 52% of the 2022 plan), revenue of VND 15,000 billion (equivalent to 108% of the 2022 plan). Regarding the investment and development plan in the coming time, Viglacera identifies the pillars as the industrial zone real estate and construction materials segment, in which the production of glass is a long-term strategy.
- **SBT:** The total number of bonds SBT is expected to buy back is 4.5 million, with a performance ratio of 4.5/7. The redemption price is nearly 102,011 VND/bond, equivalent to the total redemption value of over 459 billion VND. The bond lot SBTB2124001 was issued on January 26, 2021, with a term of 3 years. The total number of bonds in circulation is 7 million bonds, with a par value of 100,000 VND/bond, equivalent to a total value of 700 billion VND. A bond that is non-convertible, does not include warrants, and is not secured by assets.
- **BID:** Announcement of auction of assets that are debts of 2 companies, Duc Nhan Dak Psi Hydropower JSC and Hoang Nhi Co., Ltd. The total outstanding balance of these two enterprises as of May 9, 2023 is VND 1,016 billion, of which the principal balance is VND 633 billion.
- **HDG:** announced the business results of the first quarter of 2023 with net revenue of nearly 956 billion dong, up nearly 40% and profit after tax of more than 357 billion dong, up 21% over the same period last year.
- **KBC**: Dragon Capital spent about 34.7 billion dong buying more than 1.2 million KBC shares of Kinh Bac, thereby increasing the ownership rate of this unit in Kinh Bac from 5.99% to 6.14% of charter capital.

# Technical view




## Trend:

- The Vietnamese market had a rather positive trading week with the VNINDEX increasing by 2.56% to reach 1,066.9, the highest level of the week; Foreign investors net bought more than 120 billion VND. VNSmallcap was the highlight of the week with many stocks gaining strongly at the beginning of the week and cooling down due to the pressure of profit taking T+.

- Technically: The MACD shows that price momentum tends to break out of the negative zone. The RSI also shows increasing price strength towards the 70 region. MA10 and MA20 cross each other upwards, providing short-term bullish signal of the market.

- 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 surpassed resistance at 1,060 points and continued to trade above this level, 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

**15/5/2023**

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 | Hold | 19.55 | 21.85 | 18 | 12% | -8% | 19.35 | 2 | -1.02% | 11/05/2023 | |
| DGW | Hold | 34.5 | 40 | 31 | 16% | -10% | 34.05 | 2 | -1.30% | 11/05/2023 | |
| CII | Hold | 14.6 | 15.7 | 13.8 | 8% | -5% | 15.1 | 4 | 3.42% | 09/05/2023 | |
| SSI | Hold | 21.9 | 25 | 20.9 | 14% | -5% | 23.25 | 4 | 6.16% | 09/05/2023 | |
| VND | Hold | 14.9 | 16.8 | 14.3 | 13% | -4% | 15.85 | 4 | 6.38% | 09/05/2023 | |
| VCI | Hold | 31.95 | 35.5 | 30.5 | 11% | -5% | 33.05 | 6 | 3.44% | 05/05/2023 | |
| IDC | Hold | 38.5 | 45 | 36 | 17% | -6% | 39.9 | 6 | 3.64% | 05/05/2023 | |
| NT2 | Hold | 30.5 | 33.95 | 29 | 11% | -5% | 31.15 | 27 | 2.13% | 06/04/2023 | |

# Economic calendar

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## May 2023

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

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# Q&A

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