MORNING CALL

May 16th, 2023

Shinhan Securities

‘’ The market struggled around reference "

- World stocks: US retail sales are lower than expected
- Vietnam securities: Cash flow into VN30 slowed down.
- Business News #HNG #CTR #DCM #HBC #PDR
- The picture of livestock-aquaculture industry
- 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 closed lower on Tuesday after disappointing forecasts from Home Depot and April US retail sales data showed weaker consumer spending, amid uncertainty about interest rates and debt limit negotiations weigh on sentiment. The Commerce Department reported retail sales rose 0.4 percent in April, half the pace of the expected 0.8 percent increase.
- European shares fell on Tuesday, the STOXX 600 closed down -0.42% with Swedish gaming company Embracer plunging following full-year earnings warning, while US retail sales data and forecasts Retailer Home Depot's weakness raises concerns about consumer spending.
- Chinese stocks fell on Tuesday after April activity data generally missed expectations and pointed to a slow economic recovery trend, while Hong Kong stocks were flat. The Nikkei 225 rose for most of the session and closed at 29,982 (+0.47%), its highest since November 2021 after companies issued strong forecasts during earnings season, with Chip-related stocks matched the gains of tech stocks on Nasdaq.
- WTI oil prices are currently trading around $70.59 a barrel, down slightly 0.35% from the previous session on weaker-than-expected economic data in China and the United States while forecasts of higher global oil demand from International Energy Agency (IEA).

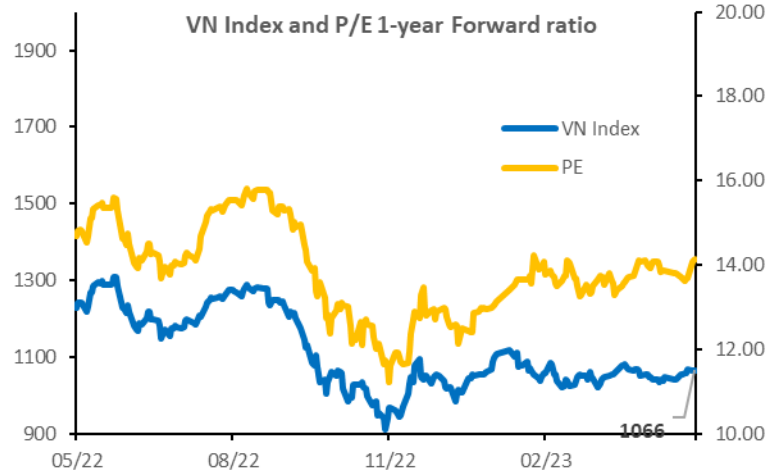
Market

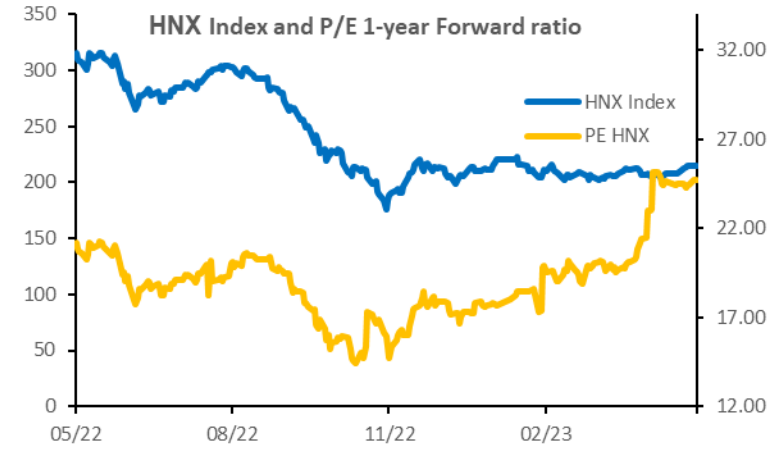
	Close	%1D	%1M	%1Y
VN-Index	1,066	0.02%	1.15%	-13.23%
S&P 500 Index	4,110	-0.64%	-1.00%	0.51%
Dow Jones Index	33,012	-1.01%	-2.87%	1.09%
GP 100	7,751	-0.34%	-1.63%	3.10%
Nikkei 225	29,982	0.47%	5.15%	12.46%
SHCOMP Index	3,291	-0.60%	-2.79%	6.38%
STOXX 600	465	-0.42%	-0.46%	5.86%
KOSPI Index	2,489	0.34%	-3.39%	-5.03%
Hang Seng	19,978	0.04%	-3.87%	-3.03%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	102.58	0.01%	0.46%	-0.76%
USD/VND	23,456.00	0.01%	0.10%	-1.58%
EUR/USD	1.09	0.07%	-0.51%	3.03%
USD/CNY	6.98	-0.37%	-1.40%	-2.74%
Brent	74.65	-0.35%	-11.93%	-33.31%
WTI	70.59	-0.38%	-12.67%	-37.20%
Natural gas	2.35	-1.14%	3.25%	-71.71%
Coal	163.80	0.03%	-12.87%	-59.30%
Gold	1,991.78	0.13%	-0.17%	9.73%

Vietnam Market Snapshot 15/05/2023





	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,065.91	14.51	0.20	0.02	582	9,623
HNX INDEX	214.62	26.51	0.28	0.13	101	1,414

Money flow and sector rotation (VND bn)

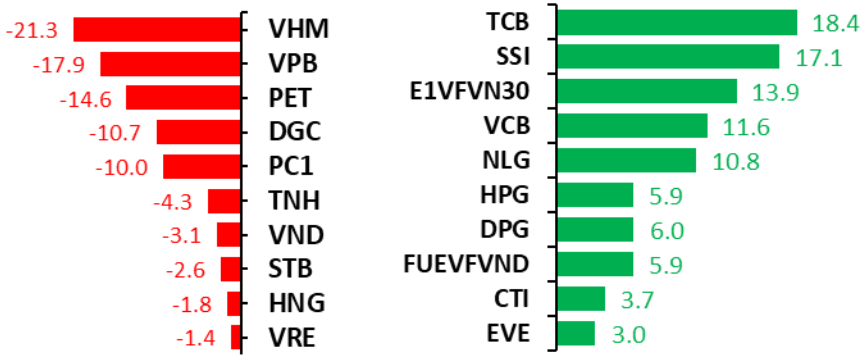
Sector	%1D	5/16/2023	5/15/2023	20-session Average
Utilities	44.61	275	190	175
Travel & Leisure	19.71	143	120	63
Construction & Materials	5.39	969	919	635
Chemicals	-7.5	399	432	350
Financial Services	-11.3	1,434	1,617	1,342
Retail	-14.5	286	335	258
Technology	-15.0	84	98	61
Automobiles & Parts	-15.1	102	120	103
Food and Beverage	-15.5	701	829	710
Oil & Gas	-15.5	160	189	107
Insurance	-19.7	42	52	28
Real Estate	-21.0	2,103	2,660	2,167
Basic Resources	-24.6	753	998	697
Personal & Household Goods	-28.8	87	122	113
Industrial Goods & Services	-29.9	531	757	435
Health Care	-40.2	20	33	30
Banks	-50.3	1,527	3,076	1,570
Media	-63.0	2	4	1

Source: Bloomberg, Shinhan Securities Vietnam

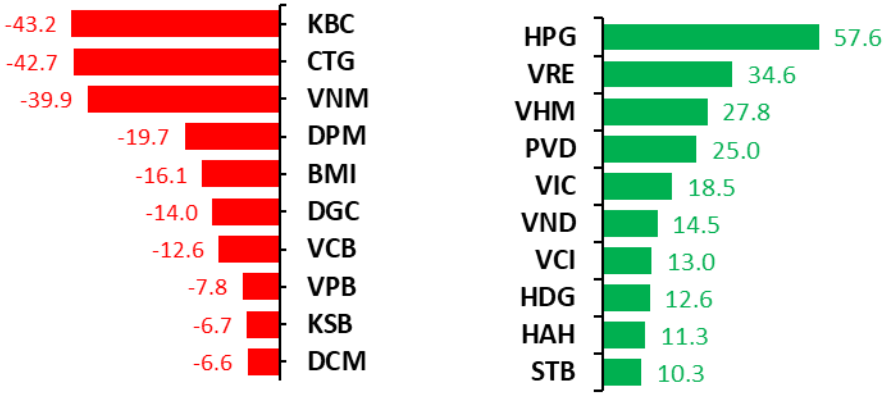
Vietnam Market Snapshot 15/05/2023

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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	(11)	36	(64)	28
Basic Resources	6	49	(77)	28
Media	-	0	(0)	(0)
Industrial Goods & Services	-	5	4	(9)
Health care	(4)	5	(1)	(4)
Chemicals	(7)	(38)	63	(25)
Financial Services	33	20	(50)	30
Travel & Leisure	0	5	(7)	2
Banks	14	(58)	(73)	131
Construction & Materials	2	1	(18)	17
Food and Beverage	(0)	(58)	81	(24)
Retail	(14)	(6)	9	(4)
Utilities	2	9	(45)	35
Personal & Household Goods	3	(1)	2	(1)
Technology	1	1	(3)	3
Automobiles & Parts	-	(0)	3	(3)
Insurance	0	(19)	23	(3)
Oil & Gas	1	23	(32)	10

Source: Fiinpro, Shinhan Securities Vietnam

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Import and export situation in Vietnam



According to statistics of the Association of Seafood Exporters and Producers (VASEP), in the first three months of the year, Vietnam's shrimp exports decreased by 37% over the same period, reaching about 600 million USD.

- Dubbed the "shrimp king" in the seafood export industry, Minh Phu Seafood Group (stock code: MPC) recorded a revenue of 2,122 billion dong in the first quarter of 2023, down half compared to the same period last year. last.
- Sao Ta Food Joint Stock Company (stock code: FMC) reported a 24% decrease in revenue in the first quarter of 2023 compared to the same period of 2022, equivalent to VND 1,008 billion, but net profit reached nearly VND 43.7 billion, an increase of 7 % over the same period.

Information from the Ministry of Agriculture and Rural Development, in the first 3 months of the year, pig production was unstable because the selling price of live meat remained low while the price of raw materials for animal feed processing increased.

- Dabaco Vietnam Group Joint Stock Company (stock code: DBC) announced its financial statements for the first quarter of 2023 with net revenue of 2,313 billion dong, down 17% over the same period.
- BAF Vietnam Agriculture Joint Stock Company (stock code: BAF) although not losing money, it also struggled to overcome difficulties from the market. According to the financial report for the first quarter of 2023, BAF recorded revenue of VND 816 billion, down 47% compared to the same period last year.

Breaking News

Macro

Positive

- The State Bank began to pump nearly 111,000 billion VND to the banking system.
- As an important source of electricity in the North, coal power will still be mobilized by the Electricity of Vietnam (EVN) with large output this year, even though it has to be purchased at a high price.
- Many Chinese electronics companies that are suppliers to Samsung, Apple, and Xiaomi are "shaking hands" to do business in Vietnam.

Less positive

- ETFs had a net withdrawal of 1,200 billion dong in the past one month.

Business news

- **HNG:** Hoang Anh Gia Lai International Agriculture Joint Stock Company - HAGL Agrico held the Handover Ceremony of Nong Khang Airport to the Lao Government. The total investment is USD 82 million, of which the initial contract value is USD 74 million and the arising construction value is USD 8 million. The contract performance period is 24 months from the date of signing the contract. The project was extended for the third time to April 30, 2023.
- **CTR:** Announced business results for the first 4 months of 2023. The company recorded VND 3,276 billion in revenue, equivalent to a growth of 21% over the same period. After 4 months, CTR reached VND 187 billion in pre-tax profit, up 22% over the same period last year. The mining and operation segment contributed the most with VND 1,895 billion, equivalent to 59%; construction and installation segment brought in nearly 890 billion dong, accounting for 27% of revenue and increasing 35% over the same period.
- **DCM:** the target of total revenue in 2023 is 13,458.5 billion VND and profit after tax is 1,383.1 billion VND, down 17% and 68% respectively compared to 2022. In which, the parent company is expected to bring in 13,455.5 billion VND. revenue and 1,381.7 billion dong of profit after tax. Ca Mau Fertilizer is expected to pay 30% cash dividend in 2022 and 16% in 2023.
- **PDR**: Revenue dropped sharply by 69% over the same period to more than 192 billion dong, the reason for the sharp decrease in revenue mainly came from land transfer revenue, which decreased by nearly 70% to nearly 189 billion dong. After deducting cost and expenses, Phat Dat made a profit of 22.4 billion dong in the first quarter of the year, less than 1/10 of the profit of 279 billion dong in the same period last year. However, this result was also much better than the loss of more than 229 billion dong in the fourth quarter of 2022.

Breaking News



Business news

- **HBC:** Mr. Le Quoc Duy - Member of the Board of Directors - completed the sale of all 24,086 HBC shares held during the period from April 24 to May 12, according to the order matching method on the floor. According to information from Cafef, Mr. Duy is one of four members of the faction opposing the decisions of the Chairman, Mr. Le Viet Hai. After the controversy, last March 27, HBC had a resolution to approve the application from the Chairman. The position of Deputy General Director for Mr. Duy.
- **DDG:** Shares hit the ceiling for 5 consecutive sessions, more than 10% of the company's outstanding shares were bought. According to the explanation of the Company, the recently approved Power Plan VIII, which includes co-generation of thermal power and waste power in Indochina's projects, is also a factor that creates a positive sentiment for investors.
- **CMG:** CMC Technology Group Joint Stock Company has just announced its financial report for the fourth quarter of the fiscal year 2022 - 2023 (from January 1, 2023 to March 31, 2023). The group recorded net revenue of more than 1,831 billion dong, up 3% over the same period. Since the increase of COGS was slower than the growth of revenue, gross profit margin improved from 18.6% to 20.3% in this period; gross profit recorded more than 372.6 billion dong.
- **SBS:** SBS Securities held unsuccessfully the 2nd Annual General Meeting of Shareholders. At the end of the first quarter of 2023, SBS Securities was one of 14 securities companies that reported losses besides EVS, WSS, VUA, CSI,...During the period, the company's revenue was 25.1 billion dong - down from 44.4 billion dong in the first quarter of 2022.

Technical view



Trend:

- VNINDEX traded around reference, closing slightly up 0.02%; cash flow into VN30 slowed down and dropped, being more cautious and this could last until the end of the week. The official approval of Power Plan 8 is the most positive supporting information that directly affects the group of electricity stocks.
- Technically: The index struggled today, trying to stay around 1,060 and trading above MA20 thanks to the not-so-strong selling force. The MACD is still showing bullish momentum and shows no signs of slowing down. The RSI is neutral, showing no clear signal yet.
- 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 (50%): The index surpassed resistance at 1,060 points and continued to trade above this level, more optimistic than 1,100 points.
- Less positive (50%): 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

17/5/2023

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%	19.3	4	-1.28%	11/05/2023	
DGW	Hold	34.5	40	31	16%	-10%	32.9	4	-4.64%	11/05/2023	
CII	Hold	14.6	15.7	13.8	8%	-5%	15	6	2.74%	09/05/2023	
SSI	Hold	21.9	25	20.9	14%	-5%	22.9	6	4.57%	09/05/2023	
VND	Hold	14.9	16.8	14.3	13%	-4%	15.6	6	4.70%	09/05/2023	
VCI	Hold	31.95	35.5	30.5	11%	-5%	32.4	8	1.41%	05/05/2023	
IDC	Hold	38.5	45	36	17%	-6%	39.1	8	1.56%	05/05/2023	
NT2	Hold	30.5	33.95	29	11%	-5%	31	29	1.64%	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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