MORNING CALL
29/05/2023

Shinhan Securities

“The support of VN 30 was weak, foreign investors were net sellers for 5 consecutive sessions“

- World stocks: Optimistic about the US public debt ceiling agreement
- Vietnam securities: Cash flow from individual investors
- Business News #CMX #NVL #TPB #KDH # QTP
- Technical perspective and recommendation update
- Event calendar
- Q&A

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Mở tài khoản

Global Market Review - Week 29/05 - 02/06/2023

Major stocks market

- US stocks closed on Monday (May 29) for the Memorial Day holiday. Markets were boosted by hopes of a debt ceiling deal and chip stocks rallied amid optimism. about artificial intelligence. Some analysts say a deal on the debt ceiling could give the Fed more reason to feel confident about raising rates again. Economists are expecting the nonfarm payrolls report released on Friday, which is expected to show the US economy added 180,000 jobs in May. In April, growth grew. US employment accelerated by 253,000 on solid wage growth.
- The euro area will release a snapshot of consumer price inflation for May on Thursday (June 1), which is expected to highlight that the European Central Bank (ECB) still has a long way to go. There is a long way to go in the battle to contain price pressures. Headline inflation currently stands at 7% while core inflation is at 5.4% on an annualized basis, both well above the ECB's 2% target.
- China will release official PMI data on Wednesday (May 31). The contraction in the manufacturing sector is expected to ease slightly, while the rate of expansion in the services sector is expected to slow.
- WTI oil prices have recovered, currently trading at $73.19 per barrel, investors continue to monitor the ongoing debt ceiling negotiations in Washington while weighing the supply outlook ahead of the OPEC+ meeting.

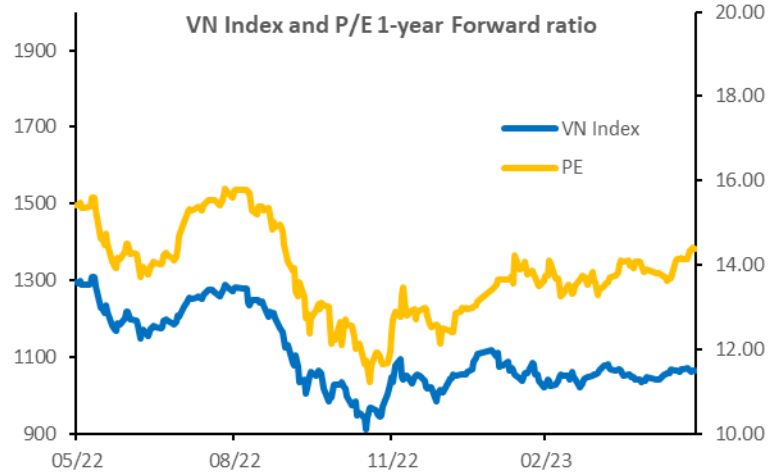
Market

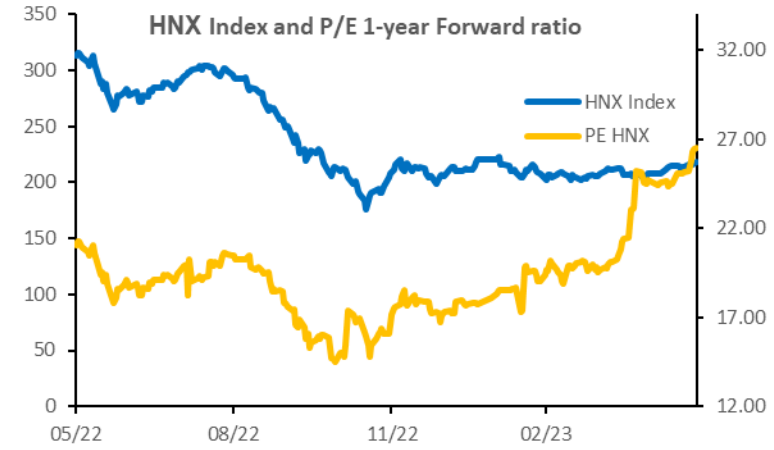
	Close	%1D	%1M	%1Y
VN-Index	1,064	-0.08%	1.40%	-17.25%
S&P 500 Index	4,205	1.30%	0.86%	1.14%
Dow Jones Index	33,093	1.00%	-2.95%	-0.36%
GP 100	7,627	0.74%	-3.09%	0.55%
Nikkei 225	31,427	1.65%	8.91%	17.35%
SHCOMP Index	3,213	0.35%	-3.33%	2.63%
STOXX 600	461	1.15%	-1.12%	3.94%
KOSPI Index	2,559	0.16%	2.29%	-3.00%
Hang Seng	18,747	-1.93%	-5.11%	-6.81%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	104.29	0.08%	2.59%	2.58%
USD/VND	23,481.00	-0.01%	0.00%	-1.18%
EUR/USD	1.07	-0.03%	-2.33%	-0.55%
USD/CNY	7.06	0.22%	-1.93%	-4.60%
Brent	77.42	0.61%	-2.67%	-35.18%
WTI	73.19	0.72%	-4.68%	-36.40%
Natural gas	2.44	0.79%	1.08%	-72.09%
Coal	140.65	0.11%	-26.03%	-65.10%
Gold	1,941.38	-0.26%	-2.08%	4.64%

Vietnam Market Snapshot 26/05/2023





	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,063.76	14.49	-0.87	-0.08	584	9,386
HNX INDEX	217.64	27.03	0.87	0.40	87	1,192

Money flow and sector rotation (VND bn)

Sector	%1D	5/26/2023	5/25/2023	20-session Average
Media	113.71	2	1	1
Insurance	95.77	50	25	37
Industrial Goods & Services	60.02	732	457	504
Travel & Leisure	40.02	159	114	94
Automobiles & Parts	32.56	121	92	117
Basic Resources	21.15	867	716	818
Utilities	11.10	210	189	203
Personal & Household Goods	4.57	108	103	110
Real Estate	2.24	2,012	1,967	2,260
Food and Beverage	-2.5	552	566	677
Construction & Materials	-6.5	1,176	1,257	861
Retail	-16.2	177	211	228
Chemicals	-21.7	368	469	384
Financial Services	-27.0	1,146	1,570	1,572
Technology	-35.1	88	135	82
Health Care	-35.6	28	44	30
Banks	-36.6	1,462	2,305	1,753
Oil & Gas	-50.2	125	250	147

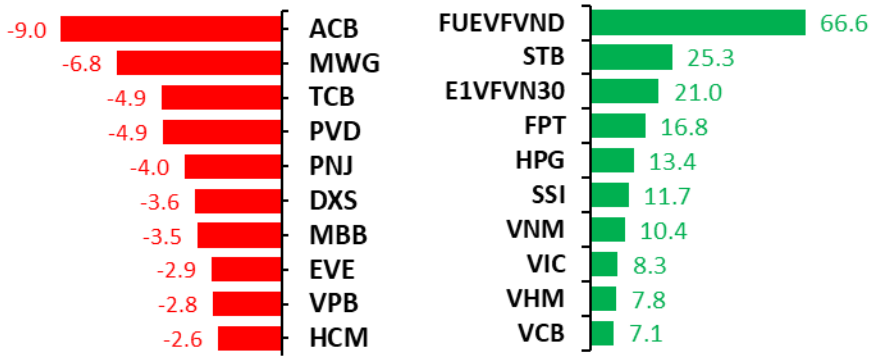
Source: Bloomberg, Shinhan Securities Vietnam

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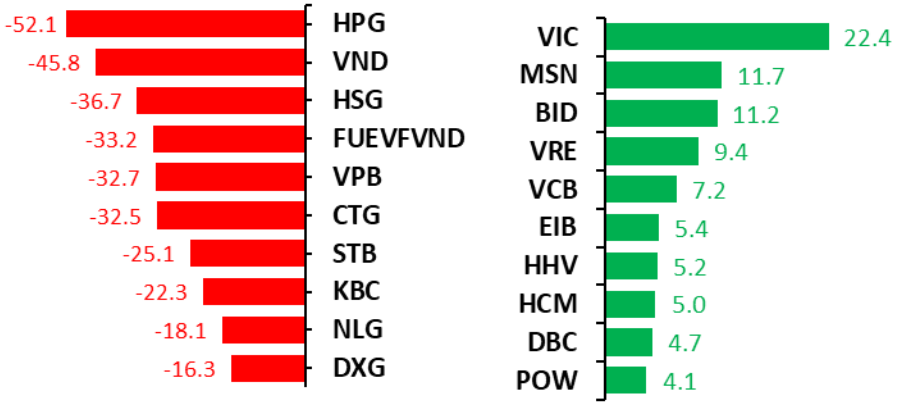
Vietnam Market Snapshot 26/05/2023

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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	17	(49)	(40)	90
Basic Resources	13	(90)	79	11
Media	-	0	(0)	0
Industrial Goods & Services	(6)	(6)	8	(2)
Health care	-	(12)	12	1
Chemicals	9	(25)	38	(13)
Financial Services	95	(98)	25	73
Travel & Leisure	4	(11)	7	5
Banks	21	(80)	20	61
Construction & Materials	4	(6)	19	(13)
Food and Beverage	17	(7)	(0)	7
Retail	(7)	(10)	23	(13)
Utilities	(0)	4	8	(13)
Personal & Household Goods	(7)	(3)	21	(18)
Technology	17	0	(17)	17
Automobiles & Parts	-	2	(3)	1
Insurance	0	1	(1)	(0)
Oil & Gas	(4)	(7)	22	(15)

Source: Fiinpro, Shinhan Securities Vietnam

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Breaking News

Macro

Positive

- Expectations of strong public investment disbursement and large backlog value will help businesses build infrastructure to breakthrough in revenue and net profit in the period 2023-2025.
- May 29: Deposit interest rates continue to fall deeply
- The Prime Minister assigns specific tasks to each ministry and sector to remove difficulties for the real estate market.

Less positive

- Chinese steel prices hit 3-year low, iron ore falls below $100 due to weak demand

Business news

- **TPB:** TPBank will issue nearly 620 million shares to existing shareholders at the rate of 39.19% in shares, from the accumulated undistributed profit until 2021 is more than VND 1,536 billion, share capital surplus (VND 2,561 billion) and VND 2,102 billion will be taken from retained earnings in 2022. All additional capital of TPBank will be used to invest in facilities and develop information systems; supplementing medium and long-term capital; additional working capital for the bank,...
- **NVL:** In April 2022, Novaland (NVL) contributed 2,000 billion VND to Da Lat Valley Real Estate and became the parent company with 72.6% ownership. Da Lat Valley Real Estate Company Limited has just announced its financial situation in 2022 with a loss after tax of more than VND 93.4 billion, while in the same period only a loss of more than VND 631 million.
- **CMX:** Camimex Group Joint Stock Company sets a target of export turnover of USD 100 million in 2023, export output of 10,000 tons of finished products. Total revenue is expected to reach VND 3,053 billion; profit after tax reached 103 billion dong, up 5.3% and 13% respectively compared to 2022. In the first quarter of 2023, CMX recorded a revenue of 242 billion dong, down 49%; gross profit was 69 billion dong, down 13% compared to the same period last year; Quarterly profit after tax decreased by 8% over the same period, reaching 21 billion dong.
- **KDH:** Singapore-based real estate group Keppel has just announced a cooperation agreement with Khang Dien Housing Investment and Trading Joint Stock Company (Code: KDH) in two projects in Thu Duc City, Ho Chi Minh City with total value. estimated at over 187 million SGD. Keppel and Khang Dien Group plan to develop more than 200 townhouses and over 600 high-rise apartments with a total area of about 11.8 hectares. Total development costs for these projects (including land costs) are expected to be around VND 10,200 billion (approximately SGD 600 million).

Technical view



Trend:

- The Vietnamese market had a less active trading week with the VNINDEX down -0.87% to 1,063.76; profit-taking pressure was quite large when liquidity increased, VN30's support was weak and foreign investors net sold more than 2,300 billion dong for 5 consecutive days.
- Technically: The market is still struggling between the price above 1,060 and above the 20 MA which is a positive point. MACD gives price momentum signal on descending momentum when selling pressure is high. The RSI has not yet given a remarkable signal as it fluctuates between the overbought and oversold areas.
- Strategy: Investors should reduce the weight before the current movement of the index, if any, only disburse with a small proportion and do not use margin.

Scenario:

- Positive (40%): The index surpassed resistance at 1,070 points and continued to trade above this level, more optimistic than 1,100 points.
- Less positive (60%): After failing to test the resistance at 1,070, the index returns to the next support zone of 1,050, even psychological level of 1,020 if there is less positive information.

Recommended stocks

29/5/2023

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
VPB	Buy	19.7	21.4	18.5	9%	-6%	19.15	4	-2.79%	23/05/2023	
TCB	Buy	30.15	33	28.5	9%	-5%	29.9	4	-0.83%	23/05/2023	
EIB	Hold	19.55	21.85	18	12%	-8%	19.55	12	0.00%	11/05/2023	
DGW	Hold	34.5	40	31	16%	-10%	33.1	12	-4.06%	11/05/2023	
CII	Sell	14.6	15.7	13.8	8%	-5%	17.3	14	18.49%	09/05/2023	
SSI	Hold	21.9	25	20.9	14%	-5%	22.55	14	2.97%	09/05/2023	
VND	Sell	14.9	16.8	14.3	13%	-4%	15.95	14	7.05%	09/05/2023	
VCI	Hold	31.95	35.5	30.5	11%	-5%	34	16	6.42%	05/05/2023	
IDC	Sell	38.5	45	36	17%	-6%	41.3	16	7.27%	05/05/2023	
NT2	Sell	30.5	33.95	29	11%	-5%	32.9	37	7.87%	06/04/2023	

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					

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Q&A

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