MORNING CALL
30/05/2023

Shinhan Securities

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

- World stocks: Many markets are closed for holidays
- Vietnam securities: The highest liquidity in 20 sessions
- Business News #PVS #GVR #PDR #VCG #VCB
- 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

Shinhan Securities

Major stocks market

- US stocks closed on Monday (May 29) due to the Memorial Day holiday, but futures on indexes rose as investors continued to be optimistic about the debt ceiling agreement.
- Stoxx 600 down 0.12% without much volatility due to many exchanges on holiday; The US debt deal is expected to ease short-term sentiment only, as concerns about inflation and interest rate hikes continue to linger.
- China refused the US request to meet with the Minister of State; China's official PMI data forecast - manufacturing sector could shrink even further. Nikkei 225 fell 0.01% as gains in technology and pharmaceutical stocks offset losses in chemicals and insurance stocks. M3 was up 2.8% and Daiichi Sankyo was 1.2% higher, while Mitsubishi Chemical Group was down 3.0% and MS&AD Insurance Group Holdings was 0.9% lower.
- WTI oil price is currently trading at 72.78 USD/barrel, investors are waiting for the OPEC + ministers meeting at the end of the week; after the weekend's agreement to raise the US debt ceiling, alleviating concerns about the country's possible default.

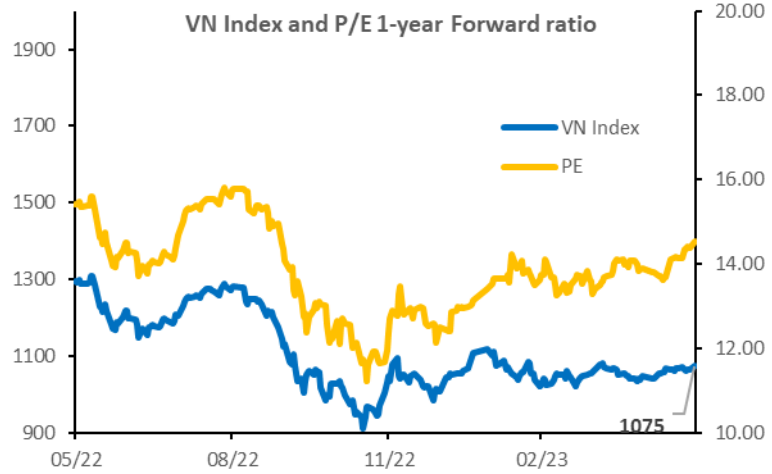
Market

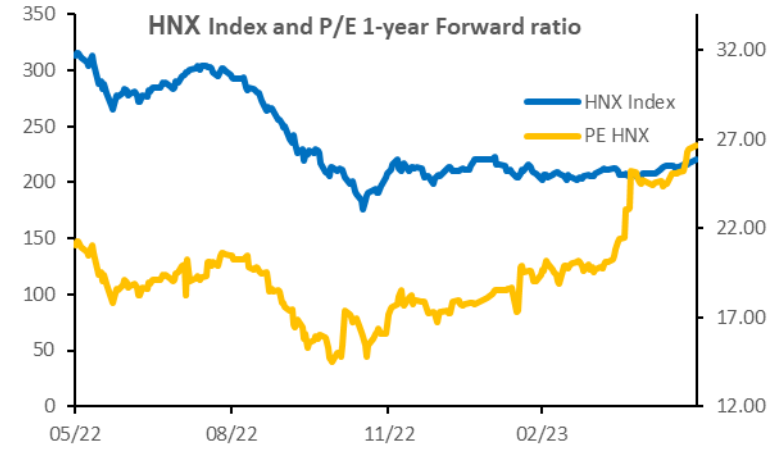
	Close	%1D	%1M	%1Y
VN-Index	1,075	1.05%	2.46%	-16.92%
S&P 500 Index	4,205	1.30%	0.86%	1.14%
Dow Jones Index	33,093	1.00%	-2.95%	-0.36%
GP 100	7,627	0.74%	-3.09%	0.55%
Nikkei 225	31,231	-0.01%	8.23%	14.11%
SHCOMP Index	3,221	0.28%	-3.06%	2.30%
STOXX 600	461	-0.12%	-1.24%	3.20%
KOSPI Index	2,580	0.83%	3.14%	-2.20%
Hang Seng	18,551	-1.04%	-6.75%	-12.18%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	104.20	0.00%	2.50%	2.49%
USD/VND	23,472.00	0.04%	-0.03%	-1.23%
EUR/USD	1.07	0.08%	-2.36%	-0.58%
USD/CNY	7.07	-0.10%	-2.24%	-5.79%
Brent	77.04	-0.04%	-3.14%	-36.68%
WTI	72.78	0.15%	-5.21%	-36.75%
Natural gas	2.35	-2.65%	-2.37%	-73.04%
Coal	140.65	0.00%	-25.86%	-65.41%
Gold	1,942.14	-0.05%	-2.04%	4.68%

Vietnam Market Snapshot 29/05/2023





	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,074.98	14.64	11.22	1.05	726	11,629
HNX INDEX	220.31	27.36	2.66	1.22	132	1,789

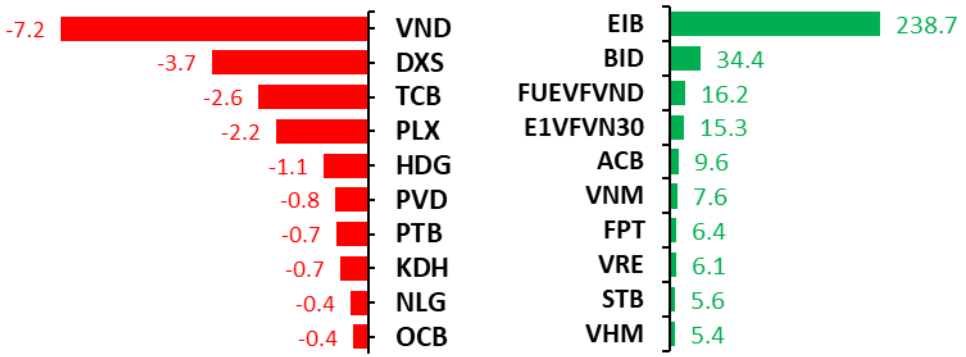
Money flow and sector rotation (VND bn)

Sector	%1D	5/29/2023	5/26/2023	20-session Average
Financial Services	74.62	2,001	1,146	1,617
Retail	61.31	286	177	232
Food and Beverage	54.97	855	552	689
Chemicals	53.13	563	368	393
Banks	38.46	2,024	1,462	1,780
Oil & Gas	31.18	163	125	152
Technology	23.05	108	88	84
Construction & Materials	17.36	1,380	1,176	904
Real Estate	14.79	2,309	2,012	2,305
Health Care	12.01	31	28	30
Personal & Household Goods	7.04	116	108	109
Media	-5.4	2	2	1
Automobiles & Parts	-7.8	112	121	120
Utilities	-14.6	180	210	205
Industrial Goods & Services	-16.5	611	732	520
Basic Resources	-16.6	723	867	807
Travel & Leisure	-23.1	122	159	98
Insurance	-26.4	36	50	38

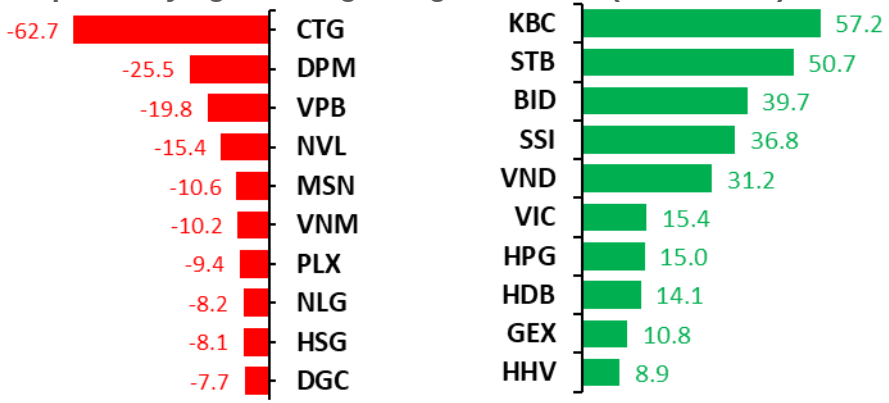
Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Market Snapshot 29/05/2023

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	9	59	(88)	29
Basic Resources	4	10	(27)	17
Media	-	0	(0)	0
Industrial Goods & Services	2	14	42	(55)
Health care	-	3	(4)	2
Chemicals	2	(27)	13	14
Financial Services	26	60	(87)	27
Travel & Leisure	2	1	(168)	167
Banks	297	30	(121)	91
Construction & Materials	0	8	(7)	(1)
Food and Beverage	12	(27)	21	6
Retail	4	2	9	(11)
Utilities	4	5	(10)	4
Personal & Household Goods	2	(1)	10	(8)
Technology	6	1	(4)	2
Automobiles & Parts	-	(2)	2	(0)
Insurance	0	3	3	(6)
Oil & Gas	(3)	(17)	23	(6)

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

Positive

- According to the General Statistics Office, food prices and consumer price index (CPI) in May 2023 increased by 0.01% over the previous month. Compared to December 2022, CPI in May increased by 0.4% and compared with the same period last year by 2.43%.
- Disbursed more than 12,000 billion VND for the North-South Expressway phase 2, reaching 27% of the plan.

Less positive

- Exports of agricultural, forestry and fishery products decreased by more than 11% in the past 5 months.

Business news

- **GVR:** In 2023, the Vietnam Rubber Industry Group plans to achieve total revenue of VND 27,527 billion, down 2.8% over the same period and an expected profit after tax of VND 4,264 billion, down 10.3% compared to the previous year. in 2022. In the first quarter of 2023, Vietnam Rubber Industry Group recorded revenue of VND 4,135.2 billion, down 15.5% over the same period and profit after tax recorded VND 755.68 billion, down 42.6% over the same period. period. In which, gross profit margin decreased from 30% to 24.3%.
- **PVS:** Revenue target is 13,200 billion VND, down 19.4% compared to 2022; profit decreased 42% to 560 billion dong. The development orientation will include 2 main pillars: Developing PVS into a contractor providing international services for wind power in addition to the current oil and gas field; and participate in investment and development of renewable energy projects, firstly offshore wind power in the waters of Vietnam.
- **PDR:** Accordingly, on May 26, Phat Dat bought back VND38.1 billion out of VND148.1 billion of outstanding bonds of code PDRH2130002, issued on April 28, 2021 and is expected to be issued on April 28, 2021. due on July 28, 2023. PDRH2130002 was issued to increase the scale of operating capital to finance the project of Nhon Hoi eco-tourism urban area, Nhon Hoi economic zone, Binh Dinh province; Binh Duong Trade Center and luxury apartment project, Binh Duong province and the internal technical infrastructure project of Zone I (the Ancient Zone).
- **VGC:** Viglacera sought valuation advice to divest state capital, VGC stock soared to the highest level since the beginning of the year. The Ministry of Construction has just sent a document to the Ministry of Finance, which expects the revenue from the sale of state capital to be remitted to the State budget in the 2021-2025 period. This year, the Ministry plans to divest all state capital. at Viglacera is expected to earn more than 5,800 billion VND.

Breaking News



Business news

- **SGP:** In 2023, Saigon Port (SGP) aims to increase profit by 130% to 555 billion dong, dividend in 2022 divided by 6%. SGP: Closing the 2022 cash dividend of 6%, implementing investment projects in international transshipment ports in Can Gio and Ho Chi Minh City. In 2023, Saigon Port Joint Stock Company continues to focus on medium and long-term development strategies, aiming to be the leader in general ports and occupy 50% of the market share in Ho Chi Minh City.
- **IJC:** issued nearly 126 million shares at the rate of 50% at the price of 10,000 VND/share for existing shareholders. The expected implementation time is in 2023-2024. If the applying is successful, the charter capital of IJC will increase from VND 2,518 billion to VND 3,777 billion.
- **PGV:** Vinh Tan 2 Thermal Power Plant proactively takes measures to ensure electricity production in the dry season As of May 25, 2023, the electricity output of Vinh Tan 2 Thermal Power Plant is 3.28 billion kWh, reaching 76.6% of the plan. power generation plan in the first 6 months of the dry season in early 2023 and equivalent to about 41.5% of the annual plan assigned by EVNGENCO3.
- **VCB:** On May 26, 2023, in Ho Chi Minh City, within the framework of Vietnam Retail Banking Forum, Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) was honored by the Organizing Committee of the Outstanding Bank Award 2023. and awarded 3 important awards: Typical Retail Bank 2023; Typical Digital Transformation Bank 2023; The Bank acccompanies Small and Medium Enterprises 2023.

Technical view



Trend:

- The Vietnamese market prospered in the daily trading session. Monday with the highest liquidity 20 sessions; Foreign investors started to be net buyers again. Cash flow was directed towards stocks of securities companies with a high margin.
- Technically: The market might try to push the index up to create a bull trap because the index is going up when there is no leading industry group and it is at the resistance zone. The MACD and the RSI represent unusually bullish price momentum and strength.
- 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 (50%): The index surpassed resistance at 1,070 points and continued to trade above this level, more optimistic than 1,010 points.
- Less positive (50%): 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

30/5/2023

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%	19.35	5	-1.78%	23/05/2023	
TCB	Buy	30.15	33	28.5	9%	-5%	30.2	5	0.17%	23/05/2023	
EIB	Hold	19.55	21.85	18	12%	-8%	20.25	13	3.58%	11/05/2023	
DGW	Hold	34.5	40	31	16%	-10%	34.1	13	-1.16%	11/05/2023	
CII	Sell	14.6	15.7	13.8	8%	-5%	17.55	15	20.21%	09/05/2023	
SSI	Hold	21.9	25	20.9	14%	-5%	23.4	15	6.85%	09/05/2023	
VND	Sell	14.9	16.8	14.3	13%	-4%	17.05	15	14.43%	09/05/2023	
VCI	Hold	31.95	35.5	30.5	11%	-5%	35	17	9.55%	05/05/2023	
IDC	Sell	38.5	45	36	17%	-6%	41.9	17	8.83%	05/05/2023	
NT2	Sell	30.5	33.95	29	11%	-5%	32.85	38	7.70%	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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