MORNING CALL
21/06/2023

Shinhan Securities

“Cash flow actively bought ATC session“

- World stocks: Dow Jones dropped more than 200 points
- Vietnam stocks: Real estate and securities groups react positively
- Business News #FPT #VCG #CII #VGT
- Technical perspective and recommendation update
- Event calendar
- Q&A

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Mở tài khoản

Global Market Review - Week 19 - 23/06/2023

Major stocks market

- US stocks fell on Tuesday (June 20) - the recovery momentum slowed down, as investors assessed the US Federal Reserve's (Fed) interest rate path and the risk of an economic recession. Many investors were worried that last week's recovery was short-lived due to the lack of optimism about the economic outlook in the near future.
- European stocks Stoxx600 fell 1.02%, with auto, real estate and mining stocks among the biggest losers in Europe.
- Asian stock markets mostly fell in the afternoon session of June 20 after the People's Bank of China (PBoC - the central bank) cut interest rates at a lower rate than expected. However, Japan's Nikkei 225 gained 0.1% while Shanghai's Shanghai Composite fell 0.5%.
- WTI oil prices fell 2.5%, are trading at 69.97 USD/barrel, erasing any attempt to increase prices last week. According to the Washington Post, the Biden administration is holding indirect bilateral talks with Iran about cutting Tehran's nuclear program.

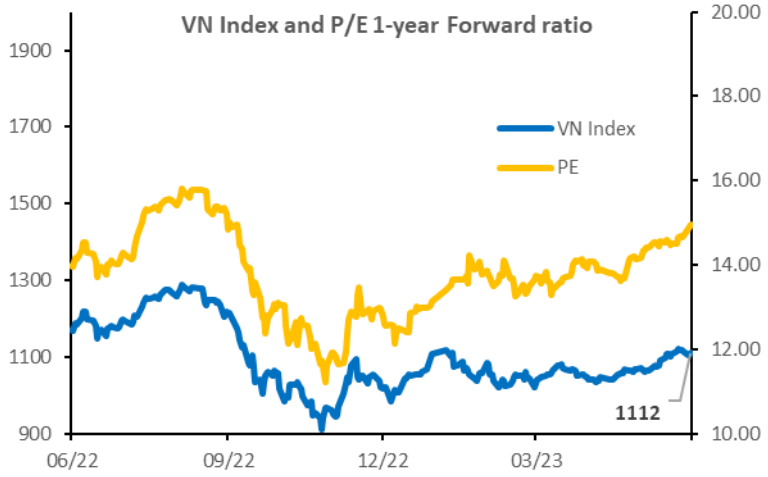
Market

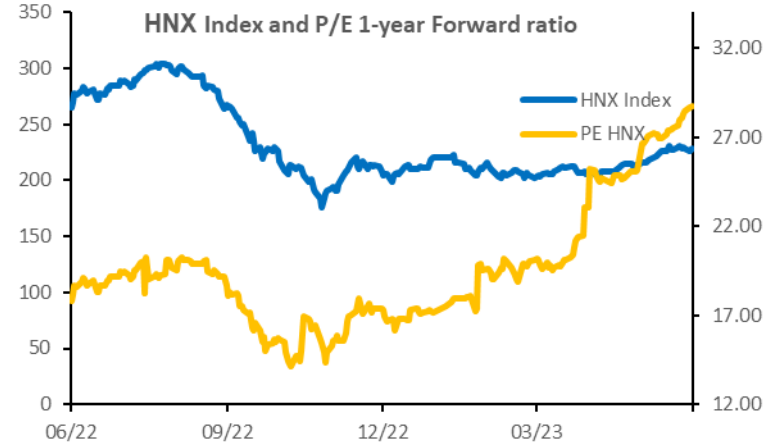
	Close	%1D	%1M	%1Y
VN-Index	1,112	0.57%	4.18%	-5.18%
S&P 500 Index	4,389	-0.47%	4.69%	16.57%
Dow Jones Index	34,054	-0.72%	1.88%	11.54%
GP 100	7,569	-0.25%	-2.42%	5.83%
Nikkei 225	33,338	-0.15%	8.21%	27.02%
SHCOMP Index	3,240	-0.47%	-1.31%	-2.01%
STOXX 600	459	-0.59%	-2.03%	12.42%
KOSPI Index	2,597	-0.32%	2.31%	7.79%
Hang Seng	19,607	-1.54%	0.80%	-9.06%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	102.55	0.01%	-0.63%	-1.81%
USD/VND	23,521.00	0.06%	-0.34%	-1.29%
EUR/USD	1.09	-0.02%	0.95%	3.64%
USD/CNY	7.18	-0.24%	-2.07%	-6.80%
Brent	75.69	-0.28%	0.15%	-33.98%
WTI	71.05	-0.20%	-0.70%	-35.79%
Natural gas	2.50	0.24%	-3.37%	-63.31%
Coal	126.55	-1.40%	-22.00%	-67.78%
Gold	1,937.27	0.04%	-1.75%	5.69%

Vietnam Market Snapshot 20/06/2023





	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,111.72	15.15	6.32	0.57	578	11,197
HNX INDEX	228.77	28.93	2.25	1.00	80	1,221

Money flow and sector rotation (VND bn)

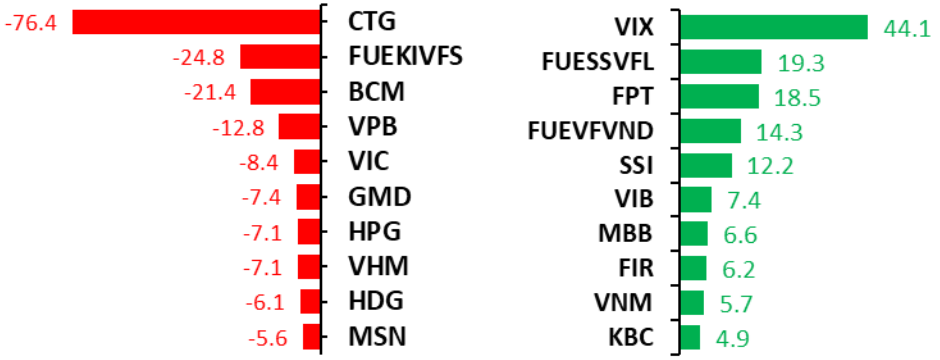
Sector	%1D	6/20/2023	6/19/2023	20-session Average
Technology	27.20	91	71	102
Travel & Leisure	14.01	110	97	130
Construction & Materials	11.96	1,424	1,272	1,297
Personal & Household Goods	9.29	152	139	158
Utilities	7.14	170	158	236
Financial Services	-2.3	1,768	1,809	2,163
Retail	-4.1	305	318	399
Basic Resources	-4.4	678	709	1,169
Automobiles & Parts	-5.6	88	94	126
Chemicals	-6.1	459	489	668
Banks	-7.3	1,853	1,999	2,687
Food and Beverage	-14.7	791	928	1,024
Real Estate	-18.0	2,630	3,209	2,931
Insurance	-22.6	50	65	52
Industrial Goods & Services	-23.3	491	640	795
Oil & Gas	-23.7	112	146	153
Health Care	-34.5	21	33	38
Media	-72.5	1	2	2

Source: Bloomberg, Shinhan Securities Vietnam

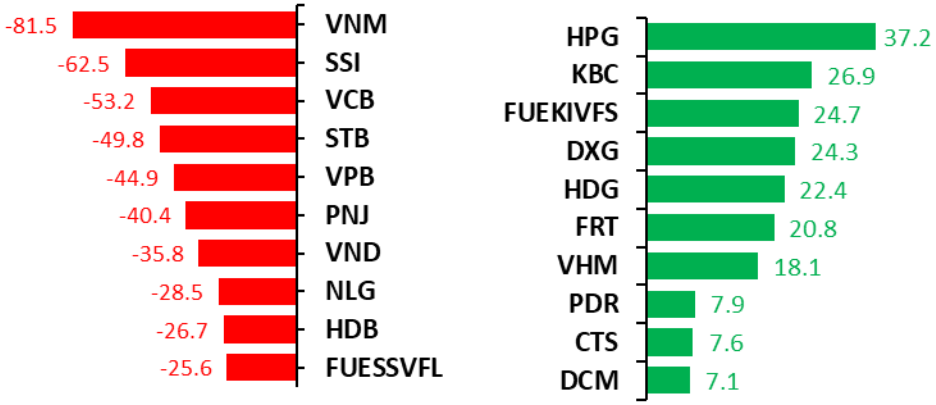
Vietnam Market Snapshot 20/06/2023

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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	(33)	12	91	(103)
Basic Resources	(10)	33	(79)	47
Media	-	0	(0)	0
Industrial Goods & Services	(6)	(9)	15	(5)
Health care	(0)	0	(1)	1
Chemicals	(5)	(8)	13	(5)
Financial Services	87	(123)	61	63
Travel & Leisure	(4)	(16)	16	(1)
Banks	(87)	(213)	560	(347)
Construction & Materials	(0)	6	71	(77)
Food and Beverage	0	(91)	117	(26)
Retail	(3)	20	(131)	112
Utilities	(3)	1	17	(19)
Personal & Household Goods	(2)	(40)	36	4
Technology	18	(0)	15	(15)
Automobiles & Parts	(0)	0	(2)	2
Insurance	(0)	2	8	(10)
Oil & Gas	(0)	(5)	(2)	7

Source: Fiinpro, Shinhan Securities Vietnam

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Breaking News

Macro

Positive

- HSBC: There is a possibility that there will be another 0.5 basis point reduction in the operating rate in the third quarter of 2023.
- The steel industry benefits the most from the rate-lowering cycle.

Less positive

- Total import-export value of Vietnam reached 260.8 billion USD, down 15.3%, equivalent to 47.2 billion USD down over the same period last year.

Business news

- **FPT:** Revenue and profit before tax in 5 months reached VND 19,943 billion and VND 3,610 billion, respectively, up 23% and 19% over the same period. EAT reached 3.064 billion, of which, profit after tax for shareholders of parent company was 2,518 billion dong, up 20%, EPS increased 19% to 2,293 dong.
- **CII:** Ho Chi Minh City Technical Infrastructure Investment Joint Stock Company has just registered to sell all 32.6 million shares of Saigon Water Infrastructure JSC (Code: SII) to balance the company's finances. Currently, CII holds 50.62% of charter capital at SII, which operates in the field of water infrastructure. If we take the closing price of SII shares on 20/6 at 20,900 VND/share, the estimated divestment value is about 681 billion VND, 2 times higher than the value of CII invested in SII on 31/3, about 327 billion dong.
- **VCG:** Vietnam Construction and Import-Export Corporation recently registered to sell 1,326 million shares (equivalent to 44.2% of charter capital) of Vinaconex Human Resources and Trading JSC (Vinaconex MEC, MCK: VCM, HNX) to restructure investments. Currently VCM is trading on the HNX, temporarily calculated at the closing price of the morning session on June 20 (27,500 VND/share), Vinaconex will earn about 36.5 billion VND from the divestment at VCM.
- **VBB:** On June 9, 2023, VietBank announced the second public offering of bonds with a total offering volume of 190,000 bonds, equivalent to VND 1,900 billion. The expected issued date given by VietBank is June 30, 2023. If all 190,000 bonds are offered for sale in this second round, VietBank will increase the amount of capital mobilized from bonds to more than 3,800 billion dong.

Breaking News



Business news

- **VGT:** Vinatex: "Never before have garment enterprises with thousands of employees have to receive orders from 500 - 1,000 shirts" It is expected that in the second quarter of 2023, the Group's revenue will reach VND 4,340 billion, reaching nearly 25 % of the year plan, profit reached 58 billion dong, reaching 9.5% of the year plan Although there was a decrease in revenue and profit compared to previous years, this is a better decrease compared to listed textile enterprises. listed on the Vietnamese stock market.
- **VIB:** On June 19, VIB announced that its partnership with Prudential will be extended until 2036 with a series of new changes. VIB has been in the top 5 bancassurance banks in Vietnam for the past few years. Regarding the business situation in the first quarter of 2023, VIB's main source of income is net interest income, which increased by 22% over the same period to 4,304 billion dong.
- **HQC:** On June 20, the foreign ownership rate at Hoang Quan Real Estate will increase from 49% to 50%. In 2023, Hoang Quan Real Estate sets a business plan with revenue of VND 1,700 billion, up 410.2% over the same period and an expected profit after tax of VND 140 billion, an increase of 644.7 percent compared to the implementation in 2022.
- **KDH:** Khang Dien approved the plan to pay dividends in 2022 in shares at the rate of 10%. In the first quarter of 2023, Khang Dien House recorded revenue of VND 425.31 billion, up 198% over the same period and profit after tax recorded VND 201.07 billion, down 32.9% over the same period last year.

Technical view



Trend:

- The market increased 6.32 points (0.57%) to close at 1,111.72 points, foreign investors net sold more than 400 billion. In about 15 minutes, ATC actively bought strongly; active real estate and securities groups. With a wide-ranging recovery, VN30 codes also gained strongly compared to the next session, helping to pull the index up.
- Technically: The index bounced up after hitting the support of 1,100 which is a positive sign. However, the MACD is showing 2 signal lines approaching each other and pointing down, the buying power has also weakened; RSI tends to move towards the oversold zone.
- Strategy: Investors should take advantage of the market's correction to disburse a moderate proportion of stocks with reasonable buying zones. If the market continues to fall, investors can use the price averaging method to lower the cost of capital.

Scenario:

- Positive (50%): The index surpassed the strong resistance level of 1,125 points and moved to the next resistance level at 1,200 points.
- Less positive (60%): After failing to test 1.125 zone, the index returned to the next support zone of 1.100; even 1,060 if there is less positive information.

Recommended stocks

21/6/2023

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
VCI	Buy	35.9	39.15	34	9%	-5%	37	MACD crosses up at the resistance zone
STB	Buy	27	33	25	22%	-7%	29.25	MACD, Stoch RSI crosses up at the resistance zone

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
REE	Buy	62.8	68.6	60.5	9%	-4%	63.3	5	0.80%	14/06/2023	
HPG	Hold	22	23.9	20.8	9%	-5%	23.35	10	6.14%	07/06/2023	
HSG	Hold	16.4	18.1	15	10%	-9%	16.25	10	-0.91%	07/06/2023	
VHC	Hold	60	67.8	57	13%	-5%	60.1	10	0.17%	07/06/2023	
AAA	Sell	11.25	13	10.5	16%	-7%	10.85	14	-3.56%	01/06/2023	
SBT	Hold	14.95	17.8	14.4	19%	-4%	16.8	15.6	12.37%	31/05/2023	
VPB	Hold	19.7	21.4	18.5	9%	-6%	19.45	21	-1.27%	23/05/2023	

Economic calendar

June 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
28	29	30	31	1 EA Inflation Rate EA Unemplyment Rate	2 US Unemplyment Rate US Non Farm Payroll	3
4	5	6	7 AU GDP Growth Rate CN Balance of Trade US Balance of Trade	8	9 CN Inflation Rate	10
11	12	13 GB Unemployment Rate US Inflation Rate	14	15 US FED Interest Rate Descision ECB FED Interest Rate Descision	16 BOJ Interest Rate Descision	17
18	19	20	21 GB Inflation Rate	22 BoE Interest Rate Decision	23 JP inflation Rate GB Retail Sales	24
25	26	27	28	29 DE Inflation Rate	30 EA Unemployment Rate	1
2	3					

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Q&A

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