MORNING CALL
06/07/2023

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"VNINDEX remained flat, while the global market experienced a slight decline"

- World stocks: US stocks experienced a slight decline in response to the news from the (FED).
- Vietnam stocks: The domestic market traded sideways after a rebound from a support level.
- Business News #HBC #SIP #SSB #BFC #DSC
- Technical perspective and recommended update
- Event calendar
- Q&A

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Mở tài khoản

Global Market Review - Week 03 - 07/07/2023

Major stocks market

- The Dow fell 0.38%, S&P 500 declined 0.2% Wednesday while the Nasdaq 100 fell less than 0.1% The hawkish Fed minutes reinforced expectations that the central bank will hike rates again this month, prompting caution among investors.
- European stocks continued to decline on Wednesday, with Germany's DAX closing down by 0.7% at 15,930, while the STOXX 600 dropped 0.8% to 458, as evidence suggests that tighter monetary policies from the European Central Bank (ECB) are having a greater negative impact on the European economy.
- The Shanghai Composite fell 0.69% to close at 3,223 while the Shenzhen Component dropped 0.91% to 11,029 on Wednesday, snapping a three-day advance as investors digested data showing Chinese services sector growth slowed to a five-month low in June amid weakening demand. Japan led the declines, with the Topix index on course for a third straight drop, trimming its 20% rally this year. Investors are also considering data that shows Japan's services activity continued to expand in June, but at the slowest pace in four months.
- The price of US crude oil rose by 2.9% to $71.79 per barrel. Saudi Arabia signaled that it will do what is necessary to support oil prices. Specifically, they will continue to cut production for another month until August.

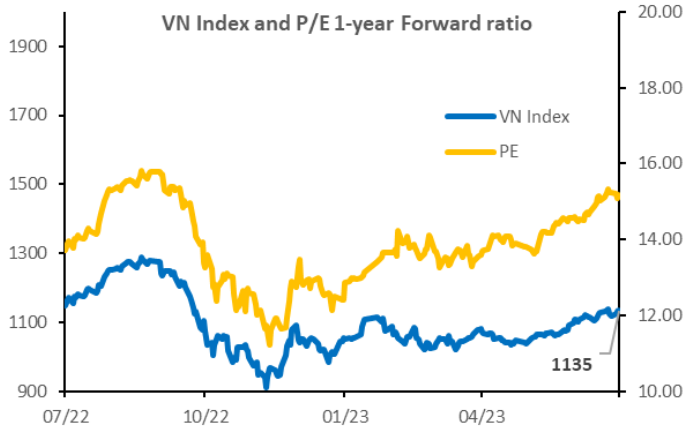
Market

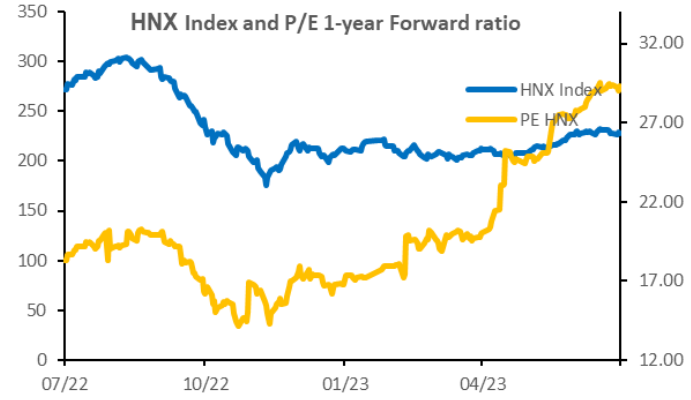
	Close	%1D	%1M	%1Y
VN-Index	1,135	0.23%	2.37%	-1.30%
S&P 500 Index	4,447	-0.20%	3.80%	15.65%
Dow Jones Index	34,289	-0.38%	2.13%	10.47%
GP 100	7,442	-1.03%	-2.44%	4.70%
Nikkei 225	32,990	-1.05%	1.49%	26.36%
SHCOMP Index	3,223	-0.69%	0.86%	-3.95%
STOXX 600	458	-0.73%	-0.81%	12.42%
KOSPI Index	2,567	-0.45%	-1.84%	12.01%
Hang Seng	19,110	-1.57%	0.06%	-11.47%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	103.36	-0.02%	-0.74%	-3.49%
USD/VND	23,758.00	0.00%	-1.14%	-1.64%
EUR/USD	1.09	-0.03%	1.48%	6.57%
USD/CNY	7.25	-0.47%	-2.04%	-7.32%
Brent	76.63	-0.03%	0.45%	-23.90%
WTI	71.88	0.13%	0.20%	-27.05%
Natural gas	2.66	0.11%	17.60%	-51.72%
Coal	144.80	1.15%	5.12%	-63.58%
Gold	1,916.63	0.07%	-2.39%	10.22%

Vietnam Market Snapshot 04/07/2023





	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNINDEX	1,134.62	15.48	2.62	0.23	707	15,082
HNX INDEX	227.84	29.17	-0.92	-0.40	100	1,374

Money flow and sector rotation (VND bn)

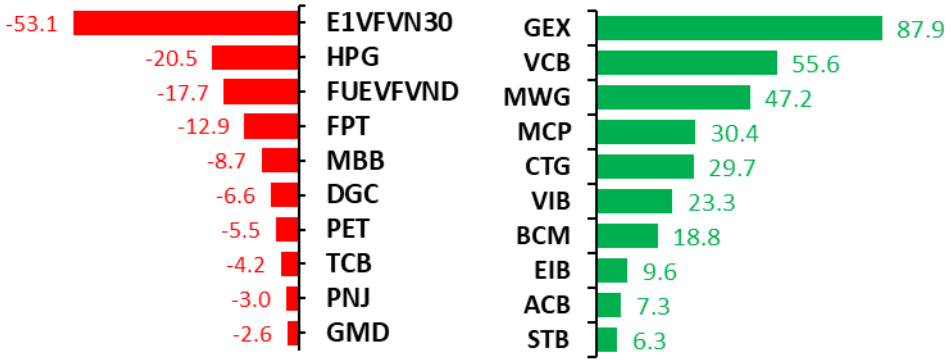
Sector	%1D	7/5/2023	7/4/2023	20-session Average	Trend
Chemicals	147.45	1,253	507	735	-
Basic Resources	65.34	1,694	1,024	1,311	-
Retail	65.13	632	383	431	-
Construction & Materials	30.47	1,173	899	1,251	-
Technology	27.33	161	126	102	-
Automobiles & Parts	26.72	100	79	113	-
Real Estate	22.09	2,472	2,025	3,052	-
Food and Beverage	21.56	1,598	1,314	1,259	-
Industrial Goods & Services	20.83	996	825	917	-
Personal & Household Goods	20.71	198	164	180	-
Banks	18.43	2,538	2,143	2,552	-
Travel & Leisure	11.65	137	123	143	-
Health Care	-9.0	16	18	33	-
Utilities	-11.3	166	187	218	-
Insurance	-25.0	40	53	68	-
Financial Services	-33.2	1,716	2,571	2,117	-
Oil & Gas	-53.2	188	403	170	-
Media	-55.8	1	1	2	-

Source: Bloomberg, Shinhan Securities Vietnam

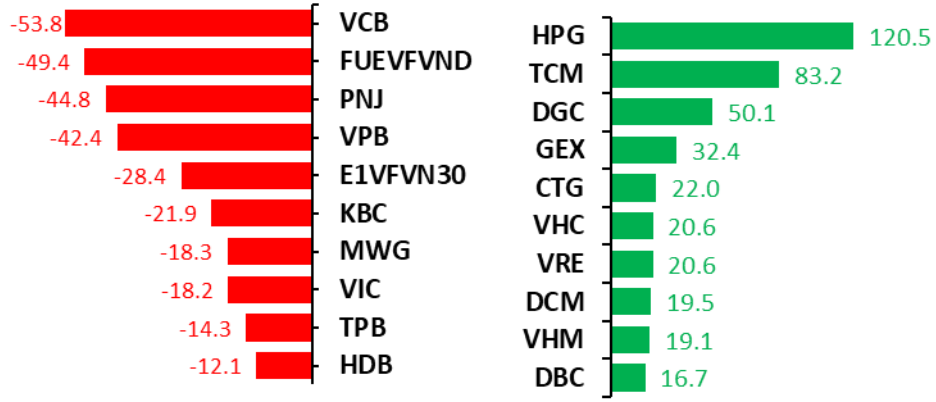
Vietnam Market Snapshot 04/07/2023

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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	27	20	44	(63)
Basic Resources	(21)	115	(93)	(22)
Media	-	(0)	0	-
Industrial Goods & Services	113	50	(133)	83
Health care	-	1	(1)	0
Chemicals	(6)	83	(126)	44
Financial Services	(71)	(82)	(52)	134
Travel & Leisure	1	(2)	7	(5)
Banks	127	(90)	279	(189)
Construction & Materials	1	(2)	(63)	65
Food and Beverage	10	35	7	(42)
Retail	42	0	(13)	13
Utilities	6	(9)	7	2
Personal & Household Goods	(3)	44	(36)	(9)
Technology	(13)	3	66	(69)
Automobiles & Parts	(0)	2	(1)	(1)
Insurance	0	7	(11)	4
Oil & Gas	(2)	10	17	(27)

Source: Fiinpro, Shinhan Securities Vietnam

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Breaking News

Macro

Positive

- The Institute of Economics and Finance has forecasted inflation to be around 2.5%, making it unlikely to exceed 3% and thereby achieving the inflation target. According to Dr. Nguyen Duc Do, the average inflation for the entire year 2023 is expected to be at 2.5%.
- Vietnam continues to emerge as a prominent destination for foreign direct investment (FDI) in the manufacturing sector, as stated in a report by DBS Singapore. Vietnam has jumped from the 123rd position to the 28th position, a remarkable leap of 95 places in the ranking of attracting foreign investment worldwide during the period of 1989 to 2022. Furthermore, foreign investment in Vietnam has increased by 4,634 times during the same period of 1989 to 2022.

Less positive

- The Governor of the State Bank of Vietnam has revealed that credit for real estate business has increased by 14% in the first five months of the year. However, credit for real estate consumer loans has declined by 1.32% during the same period, compared to a significant increase of 15% in the corresponding period last year.
- The supply of new housing units continues to decrease. In Hanoi and its surrounding areas, there are not many new projects being launched, with the focus mainly on existing projects. In Ho Chi Minh City and its surrounding regions, the primary inventory comes from the apartment segment in the eastern part of the city, which has experienced a 70% decrease compared to the same period last year.

Business news

- **HBC**: HBC: Hoa Binh Construction Group Joint Stock Company recently announced a series of BOD resolutions on the appointment of important positions. Notably, many new people appeared. Specifically, Mr. Le Van Nam and Ms. Nguyen Thi Luot were both appointed as members of the Board of Directors. Previously, Mr. Nam was the General Director of HBC and Ms. Vu Thi Hoa was appointed as an independent member of the Board of Directors. Ms. Luot and Ms. Hoa are both new members of the Board of Directors of HBC
- **SIP:** The Saigon VRG Investment Corporation (SIP), has issued an official announcement stating that it will undertake the cancellation of registration for trading more than 90.9 million shares on the UpCOM exchange in order to transfer them for listing on the Ho Chi Minh City Stock Exchange (HoSE), effective from August 1st. It is worth noting that HoSE had previously granted approval for the listing of the aforementioned 90.9 million SIP shares on June 29th. Currently, on the UpCOM exchange, SIP has witnessed a significant increase of 75% since the beginning of the year, presently trading around a nine-month peak. With a market price of approximately 115,000 VND/share, SIP's market capitalization is estimated to be over 10,000 billion VND.

- **SSB**: SeABank (SSB) has announced its intention to conduct a private placement of a maximum of 94.6 million shares, representing approximately 4.63% of the total outstanding SSB shares, to be offered for sale to a professional securities investor, namely Norfund. The exact offering price will be determined by the BOD, subject to the negotiation process and agreement with the investor. This transaction is projected to generate a minimum of 1,217 billion VND and a maximum of 3,503 billion VND in proceeds for SeABank.

Breaking News



Business news

- **DSC**: DSC Securities Joint Stock Company (DSC) has announced that they will finalize the shareholder list to solicit opinions via written communication on August 21th. The subject of the proposal is the listing of DSC shares on HOSE (Ho Chi Minh City Stock Exchange). DSC also seeks shareholder approval for a strategic investor search plan through a company proposal..
- **BFC:** Binh Dien Fertilizer Company has recently released its estimated business results for the 2nd quarter, reporting a total revenue of 2,372 billion VND, 28.4% increase YoY. However, the pre-tax profit decreased by 10.5% to 88.2 billion VND. After a quarter of losses, the company has returned to profitability. For the 3rd quarter, BFC plans to achieve a revenue of 1,869 billion VND, a decrease of 26.7% YoY. However, the estimated pre-tax profit is 66 billion VND, which is 9.5 times higher than the 3rd quarter of the previous year.
- **GEG**: Gia Lai Electricity Joint Stock Company - July 6th is the ex-dividend date for the dividend payment of 2022, and the last registration date is July 7th. Accordingly, the dividend will be paid in the form of shares at a ratio of 100:6 (shareholders will receive 6 shares for every 100 shares owned). This translates to GEG issuing over 19.31 million new shares in this round.

Technical view



Trend: Correction

- The market increased by 2.62 points (0.23%) to close at 1,134.62 points. The session started with a gap-up opening, but selling pressure increased towards the end of the afternoon session. While the VN-Index was restrained by some large-cap stocks, the rest of the market showed positive growth.

- Technically: , the index continued to open with a slight gap-up, but the trend slowed down as it approached the resistance zone of 1,140-1,150. The VNINDEX will need further consolidation before advancing towards the 1200 zone.

- Strategy: Investors should exercise caution with strong gap-up sessions in the morning and limit new purchases at this time. It is advisable to patiently wait for corrections towards the price range of the 10-day and 20-day moving averages (MA) for clearer investment opportunities with attractive reward-to-risk ratios.

• Scenario:

- Positive (40%): The index surpasses the strong resistance level of 1,150 points and moves towards the next resistance level at 1,200 points.
- Less positive (60%): The index retraces to retest the 1100 zone and trades sideways within the range of 1,100-1,150.

Recommended stocks

6/7/2023

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
CMX	Buy	10	12.1	9.4	21%	-6%	9.97	8	-0.30%	25/06/2023	
TAR	Buy	16.1	19.3	15.2	20%	-6%	16.2	8	0.62%	26/06/2023	
CEO	Buy	26	30.7	24.5	18%	-6%	23.8	8	-8.46%	26/06/2023	
KDH	Buy	31.2	34.95	30	12%	-4%	30.75	8	-1.44%	26/06/2023	
PET	Buy	27.3	30	26	10%	-5%	27.9	10	2.20%	22/06/2023	
REE	Buy	62.8	68.6	60.5	9%	-4%	65.6	16	4.46%	14/06/2023	
VHC	Sell	60	67.8	57	13%	-5%	71.3	15.6	18.83%	07/06/2023	

Economic calendar

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July 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
25	26	27	28	29	30	1
2	3	4 Australia interest rate hike	5	6 FOMC Minute	7 Unemployed rate of US and Canada	8
9	10 China Inflation rate	11 England Unemployement rate	12 England Unemployement rate	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

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Q&A

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