MORNING CALL
07/07/2023

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"Both the domestic and global markets are in agreement on the correction phase"

- World stocks: The US stock market experienced a decline in response to more certain information regarding the FED's interest rate hikes.
- Vietnam stocks: The domestic market is facing selling pressure, with an increase in trading volume
- Business News #GAS #VTP #VHC #ACV #HVN #NVL #ACB #MBB
- Technical perspective and recommended update
- Event calendar
- Q&A

[Analysts]

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Mở tài khoản

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

Major stocks market

- The Dow slumped 1.07%, the S&P 500 dropped 0.79% and the Nasdaq Composite tumbled 0.82%. Those losses came as data from ADP showed that private sector employers added 497,000 jobs in June, far exceeding the 220,000 estimate and reinforcing expectations for a Fed rate hike this month.
- European markets finished sharply lower today with shares in France leading the region. The CAC 40 is down 3.13% while Germany's DAX is off 2.57% and London's FTSE 100 is lower by 2.17%.
- The Shanghai Composite fell 0.54% to close at 3,206 while the Shenzhen Component lost 0.55% to 10,968 on Thursday, extending losses from the previous session and tracking global peers lower, as heightened global economic uncertainties and the prospect of further monetary tightening from major central banks weighed on sentiment. The Nikkei 225 index decreased by 1.7%, closing at 32,773, while the broader Topix index also declined by 1.26% to reach 2,277 on Thursday. This marks the third consecutive session of decline as investors took profits from high-performing technology stocks.
- WTI crude futures steadied near $72 per barrel on Friday and were set to post weekly gains, as the prospect of tighter global supplies outweighed concerns about higher interest rates that could dampen global growth and energy demand. Earlier this week, Saudi Arabia said it would extend a July production cut of 1 million barrels per day through August, while Russia said it would cut exports by 500,000 barrels per day.

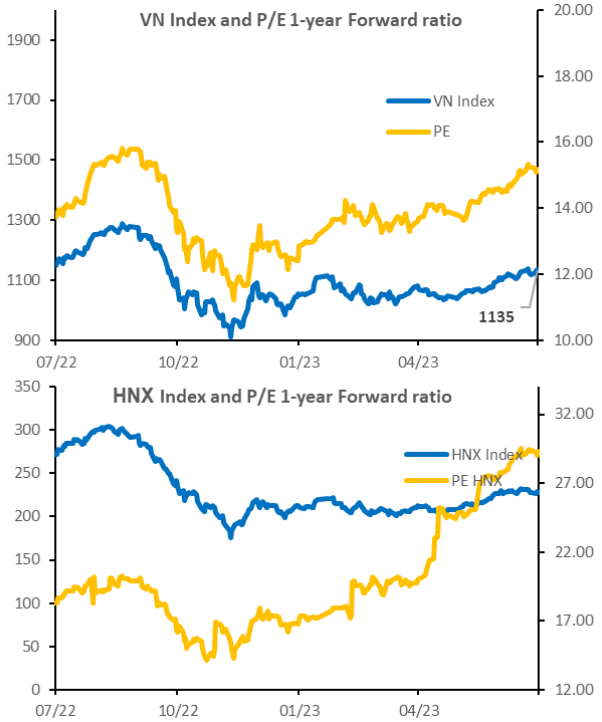
Market

	Close	%1D	%1M	%1Y
VN-Index	1,126	-0.74%	1.50%	-3.45%
S&P 500 Index	4,412	-0.79%	2.98%	14.73%
Dow Jones Index	33,922	-1.07%	1.04%	9.29%
GP 100	7,281	-2.17%	-4.51%	1.27%
Nikkei 225	32,458	-0.96%	1.71%	22.53%
SHCOMP Index	3,206	-0.54%	0.24%	-4.72%
STOXX 600	447	-2.34%	-2.95%	7.76%
KOSPI Index	2,534	-0.87%	-3.12%	8.56%
Hang Seng	18,533	-3.02%	-3.73%	-14.37%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	103.16	-0.01%	-0.91%	-3.71%
USD/VND	23,675.00	0.16%	-0.78%	-1.25%
EUR/USD	1.09	-0.04%	1.74%	7.14%
USD/CNY	7.25	0.03%	-1.54%	-7.53%
Brent	76.59	0.09%	-0.47%	-26.81%
WTI	71.89	0.13%	-0.88%	-30.02%
Natural gas	2.63	0.92%	13.05%	-58.19%
Coal	139.65	-3.56%	3.87%	-65.06%
Gold	1,910.50	-0.02%	-1.52%	9.79%

Vietnam Market Snapshot 04/07/2023



Money flow and sector rotation (VND bn)

Sector	%1D	7/6/2023	7/5/2023	20-session Average
Insurance	238.75	135	40	72
Financial Services	132.07	3,983	1,716	2,139
Automobiles & Parts	121.11	220	100	114
Utilities	67.99	279	166	212
Travel & Leisure	57.05	216	137	145
Health Care	52.71	25	16	31
Oil & Gas	38.44	261	188	175
Personal & Household Goods	22.30	242	198	183
Banks	16.66	2,961	2,538	2,522
Real Estate	0.75	2,490	2,472	2,972
Industrial Goods & Services	0.43	1,000	996	895
Construction & Materials	-6.9	1,092	1,173	1,209
Media	-9.6	1	1	1
Food and Beverage	-9.8	1,441	1,598	1,252
Technology	-13.5	139	161	102
Basic Resources	-20.9	1,340	1,694	1,277
Retail	-22.5	490	632	431
Chemicals	-27.3	911	1,253	737

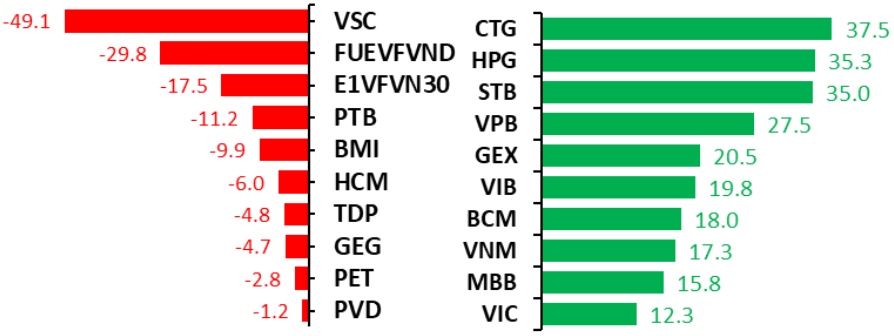
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNINDEX	1,126.22	15.37	-8.40	-0.74	841	17,227
HNX INDEX	225.08	28.82	-2.76	-1.21	120	1,699

Source: Bloomberg, Shinhan Securities Vietnam

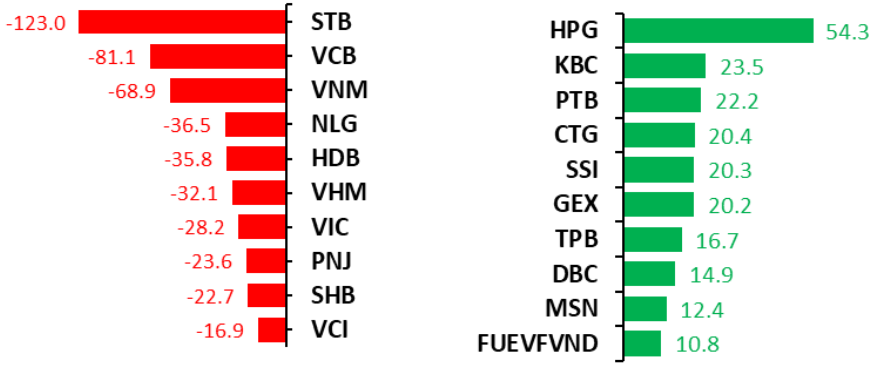
Vietnam Market Snapshot 06/07/2023

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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	61	(86)	66	20
Basic Resources	24	73	(148)	75
Media	-	0	(0)	-
Industrial Goods & Services	(33)	16	19	(35)
Health care	-	5	(5)	0
Chemicals	1	7	(36)	29
Financial Services	(43)	(14)	152	(138)
Travel & Leisure	6	(0)	(2)	2
Banks	181	(219)	283	(64)
Construction & Materials	0	1	(24)	24
Food and Beverage	28	(52)	58	(6)
Retail	6	(8)	(2)	10
Utilities	(2)	(15)	49	(35)
Personal & Household Goods	1	(31)	(120)	151
Technology	1	0	24	(25)
Automobiles & Parts	0	2	(2)	0
Insurance	(11)	14	(13)	(0)
Oil & Gas	(2)	(11)	23	(11)

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

- **GAS:** On July 6th, PV Gas announced that they are engaged in separate negotiations with energy giants ExxonMobil (USA) and Novatek (Russia) for a natural gas liquefaction (LNG) cooperation project. The objective is to ensure a long-term gas supply for Vietnam's future natural gas-fired power plants.
- **VTP**: Viettel Post Joint Stock Corporation (Viettel Post - stock symbol: VTP) has passed a resolution by its Board of Directors regarding the dividend payment plan for the year 2022, with a total dividend payout ratio of 19.11%, consisting of cash and shares.
- **VHC:** Vinh Hoan Corporation intends to issue over 37 million shares to pay dividends for the year 2022 and nearly 4 million ESOP (Employee Stock Ownership Plan) shares at a price of 10,000 Vietnamese dong per share. Upon completion, Vinh Hoan's charter capital will increase from 1,833 billion to over 2,244 billion Vietnamese dong.
- **ACV:** Airports Corporation of Vietnam (ACV) plans to commence the construction and installation of passenger terminal facilities for Phase 1 of the Long Thanh Airport project in August. To ensure construction progress, ACV needs to acquire the land for the connecting transportation route. The total investment scale amounts to 35,000 billion Vietnamese dong.

Breaking News



Business news

- **NVL:** Nova Real Estate Investment Group Joint Stock Company (Novaland) - Ms. Bui Cao Ngoc Quynh, the daughter of Mr. Bui Thanh Nhon - Chairman of the Board of Directors, has purchased over 3.04 million NVL shares through an agreement method from June 2nd to June 30th. As a result, the ownership in NVL has increased to over 24.67 million shares, equivalent to a 1.26% stake.

- **ACB:** The Ho Chi Minh City Stock Exchange has approved the securities listing change request of Asia Commercial Bank (stock symbol: ACB). After the change, the total number of ACB shares in circulation in the market is 3,884,050,358 shares.

- **MBB:** Military Commercial Joint Stock Bank (MB) plans to issue over 680 million common shares to pay dividends (at a rate of 15%) to existing shareholders, thereby increasing the charter capital by an additional 6,800 billion Vietnamese dong. The source of implementation will be from the accumulated retained earnings until 2022. Regarding the cash dividend plan at a rate of 5%, MBB has also announced that June 14th, 2023, is the ex-dividend date. The expected payment date is July 10th, 2023.

- **HVN:** Right after HOSE's decision to transfer HVN shares from the control category to the restricted trading category, effective from July 12th, 2023, Vietnam Airlines has actively implemented some solutions to promptly bring the company's shares back to normal trading status.

Technical view



Trend: Correction

- The VN-Index closed the session with a decline of 8.4 points (equivalent to 0.7%), reaching 1,126 points. Liquidity increased compared to the previous trading session, with a trading value on HOSE reaching 18,604 billion Vietnamese dong.
- Technically, the index is still in an upward trend but is facing short-term correction pressure. The current index is consistently testing the 10-day moving average (MA) area, which corresponds to the 1,120-point zone.
- Strategy: Investors should wait for correction sessions to approach the support zone of 1,100 - 1,115 points and accumulate positions to seek new investment opportunities. Stocks that break below the support level should be sold quickly to protect the portfolio. In a more optimistic scenario, investors can wait for the index to surpass the 1,140 level and participate in new buying opportunities. However, this scenario is relatively less likely to occur.

• 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

7/7/2023

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%	9.9	9	-1.00%	25/06/2023	
TAR	Buy	16.1	19.3	15.2	20%	-6%	16.2	9	0.62%	26/06/2023	
CEO	Buy	26	30.7	24.5	18%	-6%	23.8	9	-8.46%	26/06/2023	Cutloss
KDH	Buy	31.2	34.95	30	12%	-4%	30.2	9	-3.21%	26/06/2023	
PET	Buy	27.3	30	26	10%	-5%	28	11	2.56%	22/06/2023	
REE	Buy	62.8	68.6	60.5	9%	-4%	65.1	17	3.66%	14/06/2023	
VHC	Sell	60	67.8	57	13%	-5%	71.5	15.6	19.17%	07/06/2023	Take Profit

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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