MORNING CALL
13/07/2023

Shinhan Securities

"The domestic stock market faces profit-taking pressure, while the global market increases."

- World market: US stocks surged ahead of lower-than-expected CPI data.
- Vietnam market: The domestic market is experiencing a volatile and uncertain movement.
- Business News: #POW #CTG #NLG #BWE #PHR #TVB
- Technical view and recommendation update
- Event calendar
- Q&A

[Analysts]

Nam Hoang
☎ (84-28) 6299 4233
✉ nam.h@shinhan.com

Tien Le
☎ (84-28) 037 639 1443
✉ tien.ld@shinhan.com

Mở tài khoản

Global Market Review - Week 10 - 14/07/2023

Major stocks market

- The Dow rose 0.25%, the S&P 500 gained 0.74% and the Nasdaq Composite rallied 1.15%. US stocks surged on Wednesday after both headline and core inflation fell more than expected in June, reinforcing the view the Federal Reserve may stop the tightening campaign sooner than expected. Specifically, the CPI inflation rate for June decreased to 3.0%, below the expected rate of 3.1%. The core CPI inflation rate decreased to 4.8%, below the expected rate of 5.0%. This is the first time the core CPI has been below 5.0% since December 2021.
- European markets closed sharply higher today with shares in London leading the region. The FTSE 100 is up 1.83% while France's CAC 40 is up 1.57% and Germany's DAX is up 1.47% amid sharp gains for its heavyweight financial sector as markets digested the soft US inflation print. The 10-year bond yield of the United Kingdom has decreased below the threshold of 4.6% due to positive information
- The Nikkei 225 Index fell 0.81% to close at 31,944 while the broader Topix Index lost 0.67% to 2,221 on Tuesday. Domestically, investors assessed data showing Japanese producer inflation rose the least in 26 months in June, while machinery orders fell sharply in May. The Shanghai Composite fell 0.78% to close at 3,196 while the Shenzhen Component dropped 0.99% to 10,919 on Wednesday.
- WTI crude futures rose nearly 1% to above $75.5 a barrel on Wednesday, hovering at the highest levels in over two months, as investors welcomed signs of cooling inflation in the US, which offered some support the Fed's tightening cycle may be close to an end..

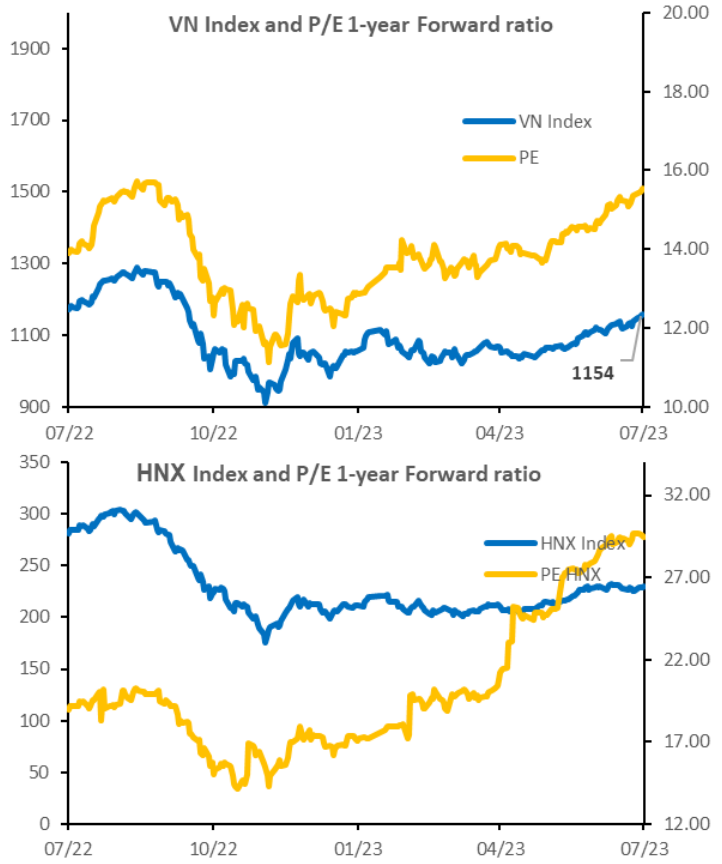
Market

	Close	%1D	%1M	%1Y
VN-Index	1,154	0.21%	3.39%	-1.15%
S&P 500 Index	4,472	0.74%	2.36%	17.63%
Dow Jones Index	34,347	0.25%	0.40%	11.62%
GP 100	7,416	1.83%	-2.35%	3.63%
Nikkei 225	32	0.10%	-2.05%	22.14%
SHCOMP Index	3	-0.78%	-0.38%	-1.92%
STOXX 600	459	1.51%	-1.02%	11.08%
KOSPI Index	2,598	0.90%	-1.52%	11.57%
Hang Seng	19	1.08%	-1.02%	-7.10%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	100.51	-0.01%	-2.73%	-6.90%
USD/VND	23,650.00	0.10%	-0.66%	-1.18%
EUR/USD	1.11	0.12%	3.23%	10.77%
USD/CNY	7.17	-0.10%	-0.09%	-6.33%
Brent	80.36	0.31%	8.17%	-19.29%
WTI	75.94	0.25%	9.39%	-21.14%
Natural gas	2.65	0.80%	13.38%	-60.34%
Coal	129.05	-1.49%	-3.69%	-69.71%
Gold	1,959.87	0.13%	0.83%	12.93%

Vietnam Market Snapshot 12/07/2023



	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNINDEX	1,154.20	15.75	2.43	0.21	662	14,311
HNX INDEX	228.88	29.31	-0.33	-0.15	101	1,519

Money flow and sector rotation (VND bn)

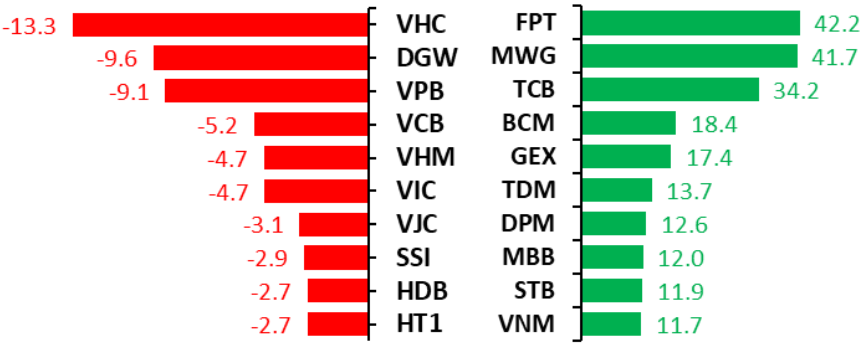
Sector	%1D	7/12/2023	7/11/2023	20-session Average
Insurance	27.14	112	88	75
Media	7.09	1	1	1
Real Estate	4.04	2,600	2,499	2,846
Automobiles & Parts	0.78	182	180	121
Chemicals	-1.6	853	868	752
Basic Resources	-10.4	1,263	1,409	1,291
Utilities	-10.9	218	244	219
Banks	-14.7	2,958	3,466	2,603
Financial Services	-15.1	2,064	2,430	2,192
Travel & Leisure	-15.1	130	153	142
Oil & Gas	-16.9	157	188	189
Technology	-21.7	89	114	107
Health Care	-21.9	18	23	25
Construction & Materials	-24.7	1,000	1,328	1,212
Industrial Goods & Services	-27.6	696	961	899
Retail	-27.9	523	726	467
Personal & Household Goods	-29.3	173	244	189
Food and Beverage	-29.8	1,271	1,809	1,297

Source: Bloomberg, Shinhan Securities Vietnam

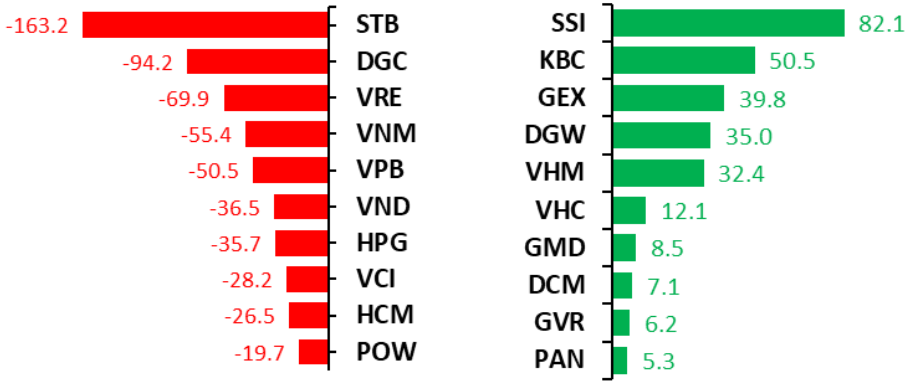
Vietnam Market Snapshot 12/07/2023

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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	4	(15)	62	(47)
Basic Resources	8	(42)	47	(4)
Media	-	(0)	0	0
Industrial Goods & Services	14	47	(33)	(14)
Health care	-	1	2	(3)
Chemicals	14	(94)	92	2
Financial Services	(1)	(14)	(1)	15
Travel & Leisure	(3)	(5)	7	(3)
Banks	53	(263)	217	46
Construction & Materials	(7)	(13)	9	4
Food and Beverage	6	(42)	(46)	88
Retail	32	39	(73)	33
Utilities	17	(20)	4	16
Personal & Household Goods	1	(7)	(4)	11
Technology	42	(2)	(12)	13
Automobiles & Parts	(0)	1	(16)	15
Insurance	(1)	(5)	5	(0)
Oil & Gas	(2)	(5)	(4)	9

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

Positive

- Interest rates on deposits with a term of less than 6 months may decrease to 4% by the end of the year: Experts from Techcombank forecast that money supply will continue to increase in the near future, and interest rates will continue to decline. The expected exchange rate will hover around 1% compared to the current level, which means it may reach 24,000 dong/USD and then stabilize towards the end of 2023.
- Remittances to Ho Chi Minh City estimated at 4.4 billion USD in the first 6 months: Mr. Nguyen Duc Lanh, Deputy Director of the State Bank of Vietnam's Ho Chi Minh City branch, stated that remittances in the city for the first 6 months of 2023 are estimated at 4.4 billion USD, equal to 66% compared to 2022. Over the past 5 years, remittances to Ho Chi Minh City have consistently shown year-on-year growth and account for a high proportion compared to the whole country.

Less Positive

- Continued difficulties in the aviation industry: According to statistics from the Civil Aviation Authority of Vietnam, the domestic aviation market grew by 13% in the first 6 months of 2023 compared to 2019, but only increased by 2% compared to the same period last year. If we only consider the months of April, May, and June 2023, the market experienced a significant decline of 13%-18% compared to the same period. During the recent holidays on April 30th and May 1st, the domestic aviation market experienced low passenger numbers, leading airlines to reduce airfares at the last minute to stimulate demand.

Business news

- **POW:** PV Power is estimated a revenue of 9.143 trillion Vietnamese dong in the second quarter, the highest since the fourth quarter of 2019. Vietnam Oil and Gas Power Corporation (PV Power, stock symbol: POW) has recently announced its estimated business results for the first six months of the year, with a projected revenue of 16.567 trillion Vietnamese dong, representing a 14% increase compared to the same period last year. The electricity output in the first half of the year is estimated to be around 8.31 million kWh.
- **CTG:** Vietbank allocates 1,000 billion Vietnamese dong to support business development. On July 11, 2023, Vietbank, along with other partner banks, signed a credit agreement to support businesses and individual entrepreneurs in accessing credit capital with suitable interest rates, serving their production and business needs in 2023.
- **NLG:** Ho Chi Minh City Stock Exchange (HoSE) has announced the trading reports of shares of Mrs. Ngo Thi Ngoc Lieu - the mother of Mr. Cao Tan Thach, a member of the Board of Directors of Nam Long Investment Corporation (stock symbol: NLG). Specifically, on July 10-11, Mrs. Lieu sold her entire registered 210,800 shares of NLG through matched orders and agreements, reducing her ownership in Nam Long to 1.2 million shares.

Breaking News



Business news

- **BWE:** Binh Duong Water Environment Joint Stock Company (Biwase - stock symbol: BWE) has announced its business results for the first six months with a total revenue of 1,736 billion Vietnamese dong and a post-tax profit of 332 billion Vietnamese dong, representing a decrease of 7% and 4% respectively compared to the same period last year. The company stated that these results do not include a revenue of 88.7 billion Vietnamese dong from the waste treatment sector.

- **PHR:** Phuoc Hoa Rubber Joint Stock Company (stock symbol: PHR) has released the second quarter 2023 financial report of its parent company. Accordingly, in the second quarter, the parent company generated a net revenue of 168.7 billion Vietnamese dong, a decrease of 29.3% compared to the same period last year. Although the cost of goods sold decreased less than the decline in revenue, the gross profit reached 11.6 billion Vietnamese dong, a decrease of 30.5% compared to the second quarter of 2022.

- **TVB:** Tri Viet Securities Joint Stock Company (stock symbol: TVB) has announced measures and a roadmap to address the securities warning situation. According to the company's assessment, it is expected to recover from 100 billion to 150 billion Vietnamese dong in 2023. The remaining debt is projected to be fully recovered by 2024. Once all the debts are recovered, the provisions will be reversed back into the financial results, and the company's post-tax profit will increase again," as stated in TVB's document.

Technical view



Trend: Upward

- VNINDEX closed higher at 1,154 (+0.21%), with decreased liquidity and a trading value of 16.668 trillion. The market was led VHM, VCB, and VIC, while HPG experienced a decrease as investors continued to take profits from this stock.

- Technically, the market formed a candlestick with the opening price equal to the closing price, and the price fluctuated between 1,149 and 1,157 during the session, with decreased liquidity. The market is still in an upward trend, indicated by the candlestick and the MA lines arranged in an upward direction. The RSI is gradually entering the overbought zone.

- Strategy: Investors should be cautious with significant price increases that deviate far from the support levels of the MA 10 and MA 20. The MA 20 is considered as a reference support level for the medium-term upward trend at the moment. New buying positions can be considered when the stock returns to the MA 20 level and resumes its upward movement.

• Scenario:

- Positive (40%): The index surpasses the strong resistance level of 1,150 points and advances towards the next resistance level at 1,200.
- Negative (60%): The market adjusts and returns to backtest the range of 1,120-1,130.

Recommended stocks

13/7/2023

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%	10.45	13	4.50%	25/06/2023	
TAR	Buy	16.1	19.3	15.2	20%	-6%	16.4	13	1.86%	26/06/2023	
KDH	Buy	31.2	34.95	30	12%	-4%	30.55	13	-2.08%	26/06/2023	
REE	Buy	62.8	68.6	60.5	9%	-4%	65	21	3.50%	14/06/2023	
DIG	Buy	21.35	23.9	20.5	12%	-4%	21.05	3	-1.41%	10/07/2023	

Economic calendar

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 US inflation rate	13 Producer Price Index (PPI) of the US	14	15
16	17 Re-evaluate component of stocks in VN30	18	19	20 Futures contract maturity in July (VN30)	21	22
23	24	25	26	27 Fed announces interest rates US preliminary GDP"	28 Announcement of new stock composition in VN30	29
30	31					

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Q&A

Shinhan Investment Network

SEOUL

Shinhan Securities Co., Ltd
Shinhan Investment Tower
70, Youido-dong, Yongdungpo-gu,
Seoul, Korea 150-712
Tel : (82-2) 3772-2700, 2702
Fax : (82-2) 6671-7573

NEW YORK

Shinhan Investment America Inc.
1325 Avenue of the Americas Suite 702,
New York, NY 10019
Tel : (1-212) 397-4000
Fax : (1-212) 397-0032

HONG KONG

Shinhan Investment Asia Ltd.
Unit 7705 A, Level 77
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong
Tel : (852) 3713-5333
Fax : (852) 3713-5300

INDONESIA

PT Shinhan Sekuritas Indonesia
30th Floor, IFC 2, Jl. Jend. Sudirman Kav.
22-23, Jakarta, Indonesia
Tel : (62-21) 5140-1133
Fax : (62-21) 5140-1599

SHANGHAI

Shinhan Investment Corp.
Shanghai Representative Office
Room 104, Huaneng Union Mansion No.958,
Luijiazui Ring Road, PuDong, Shanghai, China
Tel : (86-21) 6888-9135/6
Fax : (86-21) 6888-9139

HO CHI MINH

Shinhan Securities Vietnam Co., Ltd.
22nd Floor, Centec Tower, 72-74 Nguyen Thi Minh Khai Street,
District 3, Ho Chi Minh City, Vietnam
Tel : (84-8) 6299-8000
Fax : (84-8) 6299-4232

HA NOI

Shinhan Securities Vietnam Co., Ltd.
Hanoi Branch
2nd Floor, Leadvisors Building, No. 41A Ly Thai To,
Ly Thai To Ward, Hoan Kiem District,
Hanoi, Vietnam.
Tel : (84-8) 6299-8000

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