



Shinhan
Securities

MORNING CALL

08/06/2023

“Be careful when liquidity increases sharply”

- ❑ World stocks: US Treasury yields rise
- ❑ Vietnam securities: Real estate, steel attract cash flow
- ❑ Business News **#KDH #VIB #DPM #HDB**
- ❑ Technical perspective and recommendation update
- ❑ Event calendar
- ❑ Q&A

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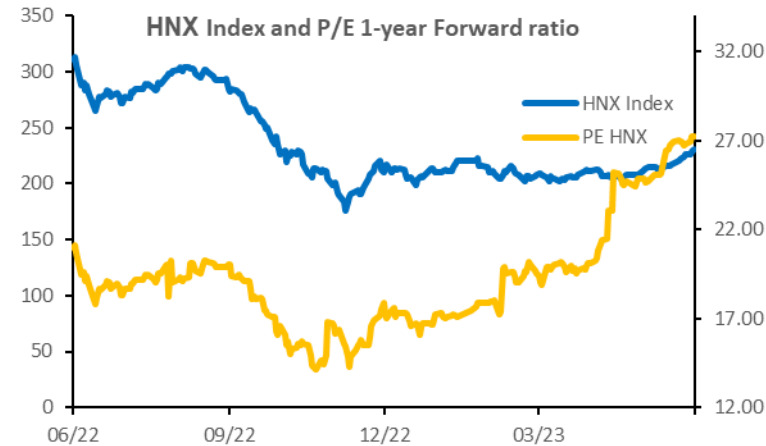
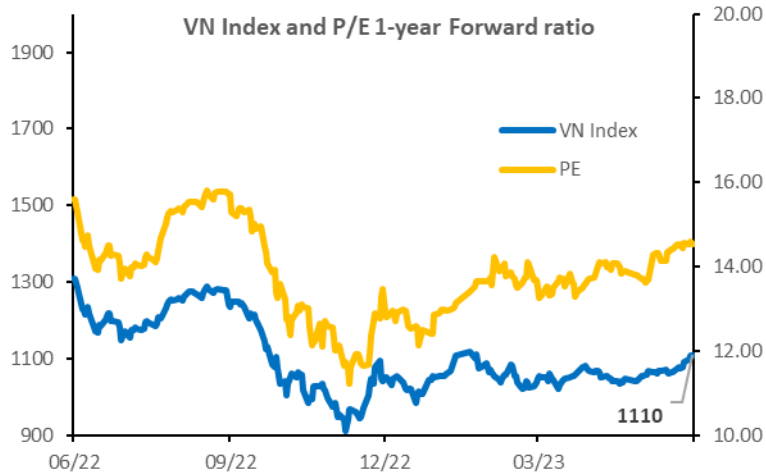


Major stocks market

- US stocks Nasdaq and S&P 500 ended lower on Wednesday, with Nasdaq falling more than 1%, as large-cap technology stocks fell as Treasury yields rose. Shares of tech giants Microsoft and Google fell 2.7% and 3.3%, respectively. Several technology-related semiconductor companies also saw shares drop after last week's gains, with Nvidia losing 1.1% and Qualcomm down 1.2%.
- Stoxx600 fell 0.19% as healthcare stocks fell after Tuesday's strong gains. Investors refrained from large trades amid uncertainty surrounding the economic outlook and the prospect of further rate hikes when the ECB meets next week.
- The Nikkei 225 fell 593.04 points (1.82%) to 31,913.74 points, as investors sold out to take profits after the Nikkei 225 index hit a three-decade high in recent sessions. The Shanghai Composite in Shanghai rose 2.42 points (0.08%) to 3,197.76 points thanks to the recovery of technology stocks.
- WTI oil prices rose 1.1%, reaching \$72.53 a barrel on Tuesday. The gain was largely driven by the EIA's weekly storage report showing a surprise drop in US crude inventories by 452,000 barrels and a sharp increase in gasoline demand from last week to 9.2 million barrels per day.


















Market				
	Close	%1D	%1M	%1Y
VN-Index	1,110	0.11%	5.33%	-15.17%
S&P 500 Index	4,268	-0.38%	3.13%	3.69%
Dow Jones Index	33,665	0.27%	0.14%	2.29%
GP 100	7,624	-0.05%	-1.98%	0.41%
Nikkei 225	32,015	0.32%	10.59%	13.39%
SHCOMP Index	3,198	0.08%	-5.81%	-2.02%
STOXX 600	461	-0.19%	-1.31%	4.64%
KOSPI Index	2,607	-0.34%	3.73%	-0.74%
Hang Seng	19,252	0.80%	-5.15%	-12.55%

Currency & Commodity				
	Close	%1D	%1M	%1Y
Dollar Index	104.04	-0.06%	2.62%	1.46%
USD/VND	23,491.00	-0.01%	-0.18%	-1.26%
EUR/USD	1.07	0.09%	-2.68%	-0.07%
USD/CNY	7.14	-0.24%	-3.09%	-6.51%
Brent	76.84	-0.14%	-0.22%	-37.82%
WTI	72.46	-0.10%	-0.96%	-40.66%
Natural gas	2.32	-0.21%	3.84%	-73.28%
Coal	136.00	1.15%	-19.83%	-65.74%
Gold	1,946.23	0.32%	-3.71%	5.01%



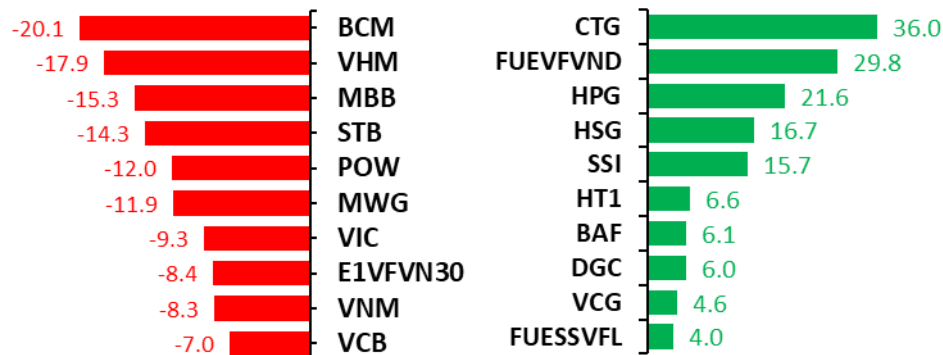
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI INDEX	1,109.54	15.12	1.23	0.11	908	16,456
HNX INDEX	230.33	29.02	1.61	0.71	117	1,824

Money flow and sector rotation (VND bn)

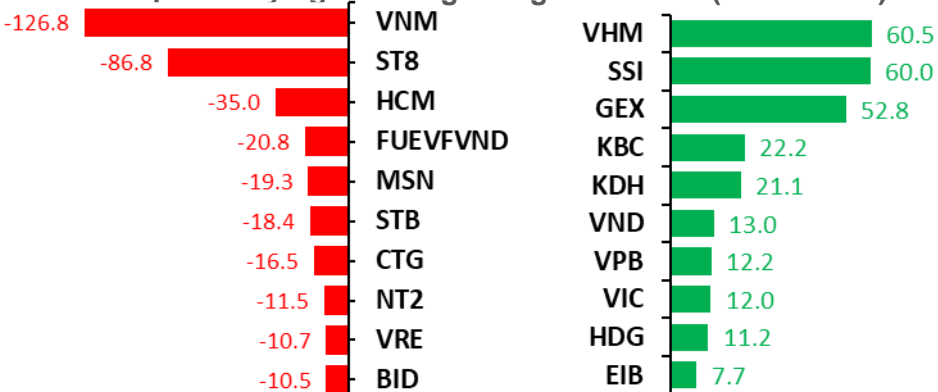
Sector	%1D	6/7/2023	6/6/2023	20-session Average	
Media		200.55	3	1	2
Basic Resources		143.36	2,185	898	1,006
Real Estate		59.00	3,737	2,351	2,522
Technology		55.06	91	59	100
Automobiles & Parts		40.66	153	109	131
Industrial Goods & Services		38.76	968	697	653
Chemicals		31.27	789	601	549
Utilities		30.38	301	231	236
Oil & Gas		18.66	139	117	164
Food and Beverage		10.45	1,130	1,023	812
Health Care		10.26	23	21	30
Construction & Materials		7.00	1,349	1,261	1,160
Personal & Household Goods		5.57	169	160	131
Retail		2.01	431	422	315
Travel & Leisure		-2.9	101	104	121
Banks		-9.4	3,003	3,315	2,404
Insurance		-34.3	41	63	46
Financial Services		-35.6	1,842	2,862	1,928

Source: Bloomberg, Shinhan Securities Vietnam

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	(56)	123	84	(207)
Basic Resources	39	(5)	(75)	80
Media	-	0	(0)	0
Industrial Goods & Services	4	44	(15)	(29)
Health care	-	0	(0)	0
Chemicals	(1)	(12)	(25)	37
Financial Services	39	8	(95)	87
Travel & Leisure	(4)	(4)	15	(11)
Banks	(10)	(43)	304	(261)
Construction & Materials	11	16	(19)	3
Food and Beverage	(12)	(166)	215	(49)
Retail	(12)	(15)	29	(14)
Utilities	(14)	(15)	118	(103)
Personal & Household Goods	(2)	(8)	20	(12)
Technology	(4)	(86)	111	(25)
Automobiles & Parts	-	(1)	8	(7)
Insurance	(0)	(1)	12	(11)
Oil & Gas	1	(4)	8	(4)

Source: Fiinpro, Shinhan Securities Vietnam

Macro

Positive

- Credit growth in the first 5 months reached 2.43%.
- PYN Elite Fund: Margin lending has increased by 30-40% compared to the beginning of the year, investors have started to transfer money from banks to securities.
- Interest rates plummeted, personal cash flow poured into stocks, the number of new accounts opened was 5 times higher than in April 2023.

Less positive

- Bad debt alarm increased in some banks.
- GDP growth in the second quarter is forecast to be below 5%, near the lowest in 13 years.
- The Northern electricity system will be short of about 4,350 MW with an average daily output of about 30.9 million kWh.

Business news

- **KDH:** KDH announces that it has received the decision to sanction tax administrative violations during the 5-year inspection period from 2018 to 2022 by the Tax Department of Ho Chi Minh City. In Q1/2023, KDH recorded a 198% increase in revenue to VND425 billion; profit decreased 32.9% yoy to 201 billion dong. The increase in revenue over the same period was mainly due to the handover at the Classia project. However, profit after tax decreased as profits are no longer supported by non-cash gains from cheap purchases as in Q1 2022.
- **HDB:** The State Bank of Vietnam has approved HDBank to increase its charter capital by a maximum of VND 3,772 billion from accumulated undistributed after-tax profits according to the Charter capital increase plan approved by HDBank's General Meeting of Shareholders.
- **VIB:** Ranked 2nd in APE insurance revenue in 2022, after MBBank and leading in efficiency of each branch. In 2023, VIB is expected to complete the renewal of the bancassurance contract with Prudential with an expected prepayment fee of USD 100 million, greatly supporting the bank to complete its business plan in 2023.
- **DPM:** PetroVietnam Fertilizer and Chemicals Corporation has just announced the documents of the Annual General Meeting of Shareholders in 2023. Accordingly, Phu My Fertilizer sets a target of total consolidated revenue this year at VND 17,372 billion and VND 17,372 billion. profit after tax is 2,250 billion dong, down 6.7% and more than 59% respectively compared to the exceptionally high base level last year.



Business news

- **MSN:** WinMart/WinMart+ system is expected to consume about 200 tons of lychee from Luc Ngan - Bac Giang. By the end of June 2023, this specialty fruit will be available at nearly 3,500 supermarkets and stores nationwide. This is the share of the representative of the General Commercial Service Joint Stock Company (WCM) at the Conference to promote lychee consumption in Luc Ngan district in 2023, taking place on June 6.
- **VCG:** From the second quarter of this year, Vinaconex will carry out the construction of items such as 14 km of roads and 56 km of water supply and drainage system... under the project of Hi-tech Industrial Park 2 - Hoa Lac Hi-Tech Park, The project will be completed and put into use from the fourth quarter of 2024.
- **CKG:** CIC Group approved the policy of suspending the implementation of the plan to offer 13 million individual shares to professional securities investors according to the Resolution of the General Meeting on June 17, 2022. The reason given by the Company is due to the adjustment of the business plan and financial plan to suit the actual development situation of the Company in the period from 2023 to 2024.
- **PSH:** Expected to issue more than 75.7 million individual shares (60% rate) for professional securities investors. Expected offering price is 14,000 VND/share, equivalent to more than 1,060 billion VND mobilized. If successful, PSH will raise charter capital from nearly 1,262 billion VND to more than 2,019 billion VND.

**Trend:**

- Vietnam market increased 1.23 points (0.11%) to close at 1,109.54, foreign investors net sold more than 150 billion. Steel group attracted cash flow with HPG having the highest liquidity on HOSE; Real estate group is also popular with NVL, PDR,....
- Technically: The index closed with the Doji Star Bearish candle, the MACD showing price momentum on the upside but leveling off. RSI is in the overbought zone. Although the index increased, the expensive leads could not maintain the gaining momentum, so the gaining momentum was limited and the profit-taking pressure appeared.
- Strategy: Investors should refrain from chasing strong gainers when the market is rising as fast as it is now. If yes, only disburse with recommended codes with reasonable buy zone, no margin.

Scenario:

- Positive (50%): The index continued to trade above 1,080 points and moved to the next resistance level at 1,125 points.
- Less positive (50%): After failing to test the 1,080 zone, the index returns to the next support zone at 1,060, even the psychological level of 1,020 if there is less positive information.

8/6/2023

Unit: VND thousand

Today's watchlist

Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
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Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
HPG	Hold	22	23.9	20.8	9%	-5%	22.6	1	2.73%	07/06/2023	
HSG	Hold	16.4	18.1	15	10%	-9%	16.75	1	2.13%	07/06/2023	
VHC	Hold	60	67.8	57	13%	-5%	60.7	1	1.17%	07/06/2023	
AAA	Hold	11.25	13	10.5	16%	-7%	11.7	5	4.00%	01/06/2023	
GEG	Hold	17	19.2	15.8	13%	-7%	17.1	5	0.59%	01/06/2023	
SBT	Hold	16.45	17.8	15.6	8%	-5%	16.8	6	2.13%	31/05/2023	
VPB	Hold	19.7	21.4	18.5	9%	-6%	19.9	12	1.02%	23/05/2023	
TCB	Hold	30.15	33	28.5	9%	-5%	32.6	12	8.13%	23/05/2023	
EIB	Hold	19.55	21.85	18	12%	-8%	21.45	20	9.72%	11/05/2023	
DGW	Hold	34.5	40	31	16%	-10%	38	20	10.14%	11/05/2023	

June 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
28	29	30	31	1 EA Inflation Rate EA Unemployment Rate	2 US Unemployment 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	NOTES				



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