



Shinhan
Securities

MORNING CALL

01/12/2023

“The market lacks the momentum to rise”

- ❑ World stocks: US stocks rise, led by technology stocks
- ❑ Vietnamese stocks: The market lacks the momentum to rise
- ❑ Business news: #VND, #FRT, #PVS #TCB #POM, #IHV
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

[Analysts]

Tien Le

☎ (84-28) 037 639 1443

✉ tien.ld@shinhan.com

Nam Hoang

☎ (84-28) 6299 8004

✉ nam.h@shinhan.com

Following SSV's Zalo,
Catching the latest report



Please click or scan

Major stocks market

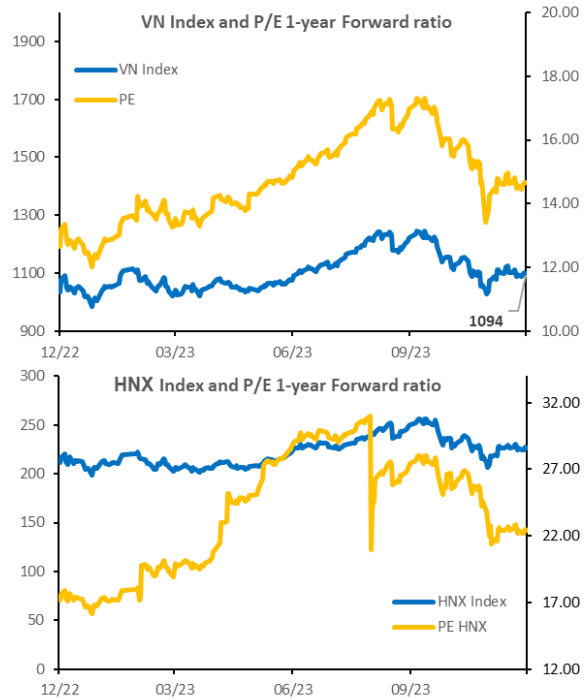
- In regular trading on Thursday, the Dow surged 1.5%, the S&P 500 added 0.4%, while the Nasdaq dipped 0.2%, propelled by a remarkable 9.2% jump in Salesforce shares and a slowdown in PCE inflation measures. October saw a deceleration in all PCE inflation measures, coupled with a moderation in personal spending, while continuing jobless claims reached a two-year high.
- The Eurozone's Stoxx 50 added 0.3% and the pan-European Stoxx 600 advanced 0.5%, both at their highest since early August, with the latter recording its best month since January. Preliminary figures showed both headline and core inflation rates for the Euro Area fell more than anticipated to 2.4% and 3.6% respectively. The headline rate is now approaching the ECB target of 2% and investors bet the first ECB rate cut could happen as early as April, even though central bank policymakers have been reiterating that borrowing costs need to stay elevated for some time.
- The Nikkei 225 Index fell 0.1% to around 33,450 while the broader Topix Index gained 0.35% to 2,383 in mixed trade on Friday, with Japanese shares struggling for direction as investors assessed a raft of economic reports. Final data showed that Japan's manufacturing activity contracted for the sixth straight month in November. Meanwhile, the country's unemployment rate edged down to 2.5% in October from 2.6% in September, while capital spending increased 3.4% in the third quarter.
- WTI crude futures fell more than 3% to \$75 a barrel on Thursday, ending a two-day upward trend as investors digest the latest OPEC+ meeting. While the cartel collectively agreed to an additional 1 million barrel-a-day output reduction, individual members will announce their specific cuts.

Market

	Close	%1D	%1M	%1Y
VN-Index	1,094	-0.79%	5.24%	5.58%
S&P 500 Index	4,568	0.38%	8.92%	11.95%
Dow Jones Index	35,951	1.47%	8.77%	3.94%
GP 100	7,454	0.41%	1.52%	-1.39%
Nikkei 225	33,465	-0.07%	5.90%	18.56%
SHCOMP Index	3,030	0.26%	0.22%	-4.29%
STOXX 600	462	0.55%	5.74%	3.98%
KOSPI Index	2,511	-0.97%	9.08%	1.24%
Hang Seng	17,043	0.29%	-0.34%	-9.04%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	103.30	-0.19%	-3.35%	-1.36%
USD/VND	24,262.00	0.00%	1.34%	1.06%
EUR/USD	1.09	0.18%	3.20%	3.69%
USD/CNY	7.14	-0.12%	2.54%	-0.60%
Brent	80.71	-0.19%	-4.63%	-7.10%
WTI	75.87	-0.12%	-5.68%	-6.59%
Natural gas	2.81	0.29%	-19.58%	-58.30%
Coal	132.15	3.36%	9.12%	-66.84%
Gold	2,042.10	0.28%	3.00%	13.25%



Money flow and sector rotation (VND bn)

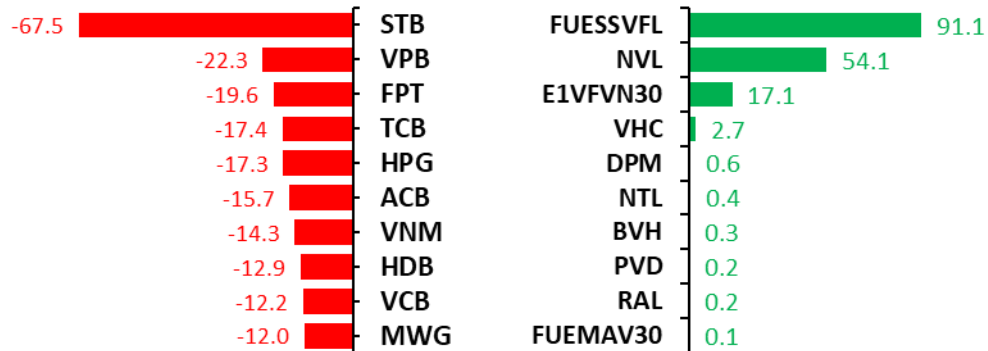
Sector	%1D	11/30/2023	11/29/2023	20-session Average
Health Care		182.80	33	12
Technology		69.05	219	130
Automobiles & Parts		54.94	133	86
Insurance		42.78	23	16
Financial Services		38.00	2,624	1,901
Media		32.21	14	11
Construction & Materials		29.96	829	638
Real Estate		25.77	3,208	2,551
Food and Beverage		19.56	1,177	984
Travel & Leisure		16.51	113	97
Chemicals		14.87	460	400
Banks		14.11	1,671	1,465
Utilities		0.97	110	109
Personal & Household Goods	-4.5	99	104	109
Industrial Goods & Services	-7.5	722	780	950
Basic Resources	-10.4	1,161	1,297	1,365
Retail	-31.9	305	449	560
Oil & Gas	-56.4	183	419	172

Source: Bloomberg, Shinhan Securities Vietnam

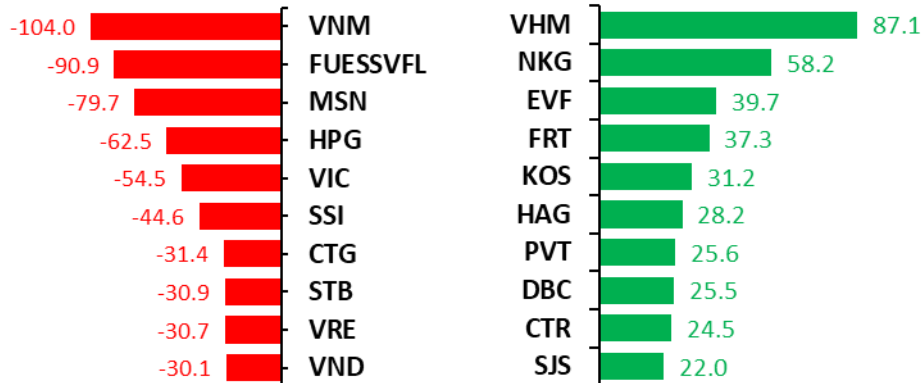
Trading volume Trading value

	Close	PE	Change	%1D	(mn stocks)	(VND bn)
VNI NDEX	1,094.13	14.66	-8.67	-0.79	604	13,080
HNX INDEX	226.15	22.40	-0.88	-0.39	99	1,971

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	15	56	(81)	25
Basic Resources	(17)	(14)	12	2
Media	-	(6)	5	1
Industrial Goods & Services	(3)	22	(20)	(2)
Health care	-	18	(6)	(12)
Chemicals	(0)	20	(19)	(1)
Financial Services	75	(170)	144	26
Travel & Leisure	(6)	(29)	41	(12)
Banks	(196)	(126)	405	(279)
Construction & Materials	(1)	33	(82)	48
Food and Beverage	(23)	(191)	189	2
Retail	(12)	32	(12)	(20)
Utilities	(11)	(19)	18	1
Personal & Household Goods	(2)	(0)	(7)	7
Technology	(20)	1	31	(32)
Automobiles & Parts	(0)	18	(18)	(1)
Insurance	0	(11)	10	1
Oil & Gas	(0)	(19)	35	(16)

Source: Fiinpro, Shinhan Securities Vietnam

Macro

- The total export and import turnover of agriculture, forestry and fishery products in the first 11 months of 2023 is estimated to reach 85.13 billion USD. Of this, exports reached 47.84 billion USD and imports reached 37.29 billion USD. Thus, as of this point, the entire agriculture, forestry and fishery sector has a trade surplus of 10.55 billion USD, an increase of 33.7% over the same period last year...
- The State Bank of Vietnam has transferred credit "room" from where there is excess to where there is a shortage. The State Bank of Vietnam said it has proactively and flexibly adjusted the credit growth target in the whole system from credit institutions that have not used up their credit growth target to credit institutions that need to continue to expand credit growth.... The State Bank of Vietnam said it will continue to manage to ensure that credit growth in 2023 does not exceed the set target of 14%, while still ensuring the growth room to meet the credit capital demand of the economy and the safety of the credit institution system.
- Two regulations that help businesses that issue bonds "breathe a sigh of relief" due to debt extensions and successful asset swaps will continue to be extended to 2024. Meanwhile, three regulations that were "frozen" in effect at Decree 08 are expected to be mandatory. ... According to the regulations of Decree 08, businesses can negotiate with bondholders to repay the principal and interest of bonds due by other assets. In addition, bonds issued before the effectiveness of Decree 65 can be negotiated to extend the maturity period by a maximum of 02 years. At the same time, the effectiveness of the implementation of 03 contents stipulated in Decree 65 will be suspended until December 31, 2023, including: defining professional securities investors as individuals who buy individual corporate bonds, mandatory credit rating and reduced bond distribution time.

Business news

- **VND:** VNDirect Securities (VND) recently announced a resolution of the Board of Directors approving the transfer of all of its current capital contribution in I.P.A Investment Fund Management Company (IPAAM). IPAAM had the least optimistic business results in this ecosystem, reporting a loss of VND 334 million, compared to a loss of nearly VND 1.3 billion in the same period last year, due to insufficient revenue to cover costs.
- **FRT:** In February 2023, Long Châu surpassed Pharmacity to become the leading pharmacy chain in Vietnam, with 1,009 stores compared to Pharmacity's 936 stores. This marks a new era in the Vietnamese pharmacy market. After six years of FPT Retail's entry into the retail pharmacy market, Long Châu's revenue in the third quarter of 2023 reached VND 11,088 billion, an increase of 69% over the same period last year. Despite being smaller in scale, Long Châu's business indicators have already surpassed Pharmacity, as the company has been profitable. Currently, Long Châu reports that it is maintaining an average monthly revenue of VND 1.1 billion per pharmacy. Long Châu has also recently doubled its capital to invest heavily in its pharmacy chain, focusing on expanding into the provinces while improving customer experience.
- **PVS:** PVS's joint venture has also won a construction contract worth over USD 1 billion for the Lô B – Ô Môn gas power project. It is estimated that PVS will be responsible for the construction of this project in the first half of 2024, with a value of approximately USD 100 million. In particular, the key drivers of PVS's growth in the medium and long term will come from the services in which the company has strengths in terms of experience as well as almost exclusive supply capabilities, such as: the marine engineering, new construction and construction of offshore facilities (M&C) segment, and the FSO/FPSO floating storage service segment. PVS expects that the port and construction service segment will benefit from new offshore wind projects, the Lô B – Ô Môn project, and the Lạc Đà Vàng project in 2024.



Business news

- **TCB:** Techcombank is focusing on expanding its retail banking business for the middle-income segment. In an interview with the business magazine Business Times, Jens Lottner, CEO of Techcombank, said that the market is showing signs of recovery and the bank is confident in seizing long-term opportunities, focusing on areas driven by domestic consumption growth. Thanks to its investment in digitization, Techcombank's customer base has expanded. In the first 9 months of 2023, the bank added 2.2 million new customers, of which 44.4% were attracted through digital channels and 42.9% were attracted through the ecosystem of partners.
- **POM:** Family members of the chairman of the board of directors of Pomina Steel Corporation (POM) are still determined to sell all of their shares despite the stock price having continuously fallen in recent times. According to the latest quarterly financial statements, Pomina Steel achieved revenue of VND 503.5 billion, down 83.1% from the same period last year. Cost of goods sold of VND 508.7 billion resulted in a gross loss of VND 5.2 billion for the company.
- **HHV:** In the first 9 months of 2023, Ho Chi Minh City Infrastructure Investment Corporation (HHV) and its joint venture contractors have continuously won construction packages for major public investment projects with large values. Accumulated in the first 9 months, HHV's revenue reached VND 1,825 billion, up 23.5% from the same period last year. The Đồng Đăng – Trà Lĩnh expressway PPP project, which is scheduled to start construction at the end of 2023, is expected to contribute to HHV's breakthrough growth in the next phase. At the "HHV investment connection – reaching the international level" program held in early November 2023, HHV leaders shared that the government's determination to complete 5,000 km of expressways by 2030 is a great prospect for infrastructure development enterprises.



Trend: Sideway

- VNINDEX closed at 1094 (-8.6 points, -0.79%) with lower liquidity than the average of 30 sessions. The market had 138 green and 362 red codes. The group of stocks that contributed the most to the market's rise included VGC GVR SJS. On the other hand, MSN VIC HPG pulled the market down. Most sectors fell sharply. Foreign investors turned to net selling, with self-employed trading being insignificant.
- Technical: VNINDEX fell during most trading sessions, and has not yet shown a clear trend as the closing price is still around the 1080 zone. Overall, the market is still fluctuating in the 1080-1130 zone, so the uptrend has not yet been confirmed. The expectation in the base scenario is that the market will consolidate the 1080 zone. And when the market exceeds 1140, it will open a strong uptrend towards the 1250 zone. Corresponding support and resistance are 1080-1130.
- Strategy: Investors can take advantage of the rise from the corresponding base of the VNINDEX 1080 zone for short-term trading.

Scenario:

- Positive (50%): The market will trade sideways within the 1120-1080 range.
- Negative (50%): The market will break through the 1080 zone and return to the 1030 zone.

1/12/2023

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
BSR	Buy	18.9	19.9	18.2	5.3%	-3.7%	18.9				

December 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
26	27	28	29	30	1	2
				Core PCE Price Index m/m (USD) Personal Income MoM OCT	_ ISM Manufacturing PMI _ Fed Chair Powell Speech _ VN PMI _ FTSE publishes its index constituents.	
3	4	5	6	7	8	9
		_ US ISM Services PMI NOV _ US JOLTs Job Openings OCT		China Balance of Trade NOV	_ US Unemployment Rate NOV _ US Non Farm Payrolls NOV _ US Michigan Consumer _ Vaneck publishes its index constituents	China Inflation Rate YoY NOV
10	11	12	13	14	15	16
		CPI, Core CPI (US)	US PPI MoM NOV	_ Fed Interest Rate Decision _ US Retail Sales MoM NOV	_ China Industrial Production YoY NOV _ Vaneck and FTSE restructure its index	
17	18	19	20	21	22	23
		US Building Permits Prel NOV		US GDP Growth Rate QoQ Final Q3	_ US Personal Income MoM NOV _ Core PCE Price Index (US)	
24	25	26	27	28	29	30
				Monthly macroeconomic data release (Viet Nam)		



Shinhan
Securities



Q&A

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

HCM

Shinhan Securities Vietnam Co., Ltd.
22nd Floor, Centec Tower, 72-74 Nguyen Thi Minh Khai Street,
District 3, HCM 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



Compliance Notice

- Analyst Certification: We/I hereby certify the information and material presented in this report are accurate expressions of their views, and that we/I have not received internally or externally wrongful pressure to express such views.
- All opinions and estimates regarding the company and its securities are accurate representations of the covering analyst's judgments as of this date and may differ from actual results.
- This report is intended to provide information to assist investment decisions only and should not be used or considered an offer or the solicitation of an offer to sell or to buy any securities. Stock selection and final investment decisions should be made at the client's own discretion.
- This report is distributed to our clients only, and any unauthorized use, duplication, or redistribution of this report is strictly prohibited.

Disclaimers

- This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of Shinhan Securities Vietnam Ltd., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of Shinhan Securities Vietnam Ltd.
- This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. Shinhan Securities Vietnam Ltd. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. Shinhan Securities Vietnam Ltd., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or Shinhan Securities Vietnam Ltd. The final investment decision is based on the client's judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.
- Copyright © 2020 Shinhan Securities Vietnam Ltd. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of Shinhan Securities Vietnam Ltd.