



Shinhan
Securities

MORNING CALL

12/12/2023

“A modest rise with low liquidity”

- ❑ World stocks: Positive while awaiting inflation news
- ❑ Vietnamese stocks: A modest rise with low liquidity
- ❑ Business news: #POW, #FLC, #SAB, #BCG, #HVN, #KDH
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

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Following SSV's Zalo,
Catching the latest report



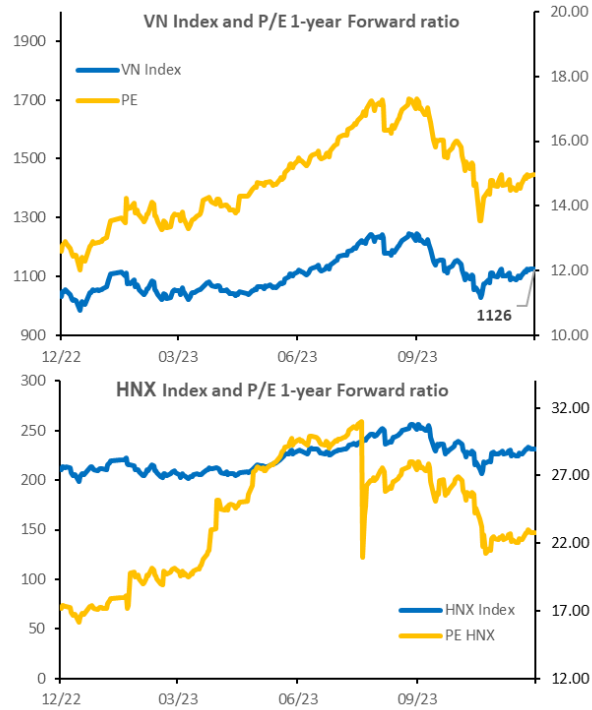
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Major stocks market

- In regular trading on Monday, the Dow rose 0.43%, the S&P 500 gained 0.39% and the Nasdaq Composite added 0.2%. Investors' attention shifted toward the upcoming Federal Reserve interest rate meeting and US inflation data scheduled for later in the week. While a pause in rate hikes is already priced in, higher-than-anticipated inflation figures could dampen the expectation of earlier rather than later rate reductions
- The Nikkei 225 Index climbed 0.7% to above 33,000 while the broader Topix Index gained 0.3% to 2,365 on Tuesday, with Japanese shares rising for the second straight session and reversing losses from last week as the Bank of Japan pushed back against bets of interest rate hikes. Producer prices in Japan rose 0.3% year-on-year in November 2023, slowing from an upwardly revised 0.9% gain in October but coming in above market expectations for a 0.1% rise. This was the lowest producer inflation since a deflation in February 2021, marking the 11th straight month of a slowdown in the reading
- European markets finished broadly higher today with shares in France leading the region. The CAC 40 is up 1.66% while Germany's DAX is up 0.99% and London's FTSE 100 is up 0.09%. The FTSE 100 maintained its muted momentum through the session and closed below the flatline at 7,545 on Monday, underperforming its European counterparts amid pressure from commodity-backed giants, while investors refrained from taking large equity positions ahead of a key of central bank decisions this week, including that from the Bank of England.
- WTI crude futures erased early gains and fell below the \$71 per barrel mark on Monday, maintaining its weak momentum following seven consecutive weeks of decline as concerns of low demand and relatively ample production offset purchasing from the US government

Market	Close	%1D	%1M	%1Y
VN-Index	1,126	0.09%	2.16%	9.05%
S&P 500 Index	4,622	0.39%	4.69%	17.49%
Dow Jones Index	36,405	0.43%	6.19%	8.75%
GP 100	7,545	-0.13%	2.50%	1.33%
Nikkei 225	33,024	0.71%	1.40%	18.61%
SHCOMP Index	2,991	0.74%	-1.56%	-5.90%
STOXX 600	474	0.30%	6.86%	8.40%
KOSPI Index	2,535	0.38%	5.20%	6.82%
Hang Seng	16,201	-0.81%	-5.82%	-16.76%

Currency & Commodity	Close	%1D	%1M	%1Y
Dollar Index	104.03	-0.07%	-1.73%	-1.05%
USD/VND	24,227.00	0.13%	0.64%	-2.15%
EUR/USD	1.08	0.01%	0.64%	2.17%
USD/CNY	7.17	-0.05%	1.60%	-2.74%
Brent	76.03	0.25%	-6.63%	-0.09%
WTI	71.41	0.13%	-7.46%	-2.41%
Natural gas	2.43	-0.12%	-19.95%	-63.14%
Coal	152.50	0.99%	23.73%	-62.11%
Gold	1,985.80	0.19%	2.00%	11.47%



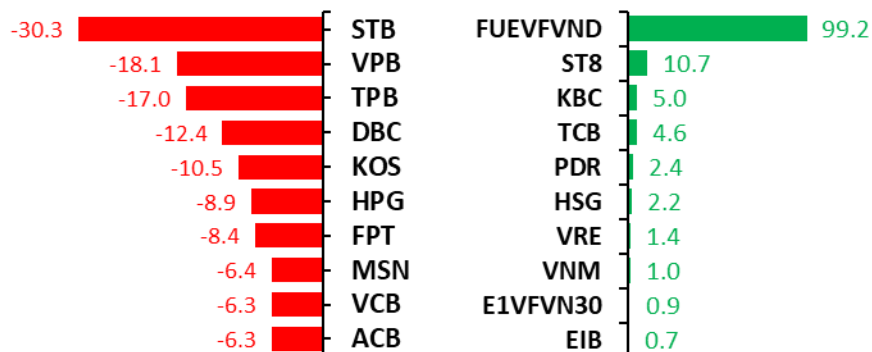
	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,125.50	14.97	1.06	0.09	567	12,434
HNX INDEX	231.37	22.78	0.17	0.07	79	1,514

Money flow and sector rotation (VND bn)

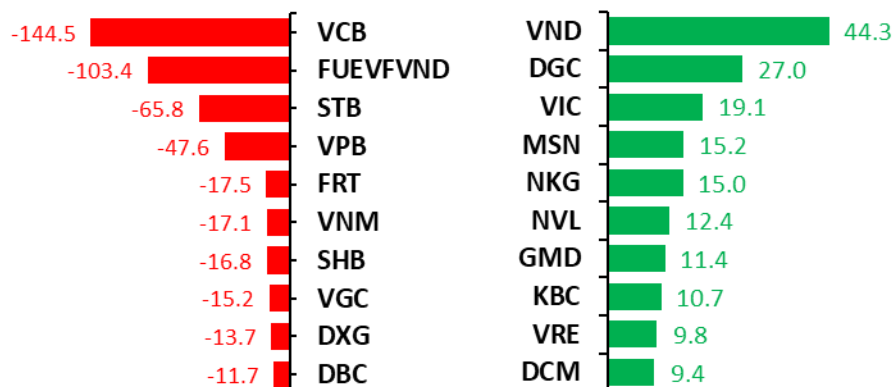
Sector	%1D	12/11/2023	12/8/2023	20-session Average	
Insurance		62.56	20	12	20
Media		37.07	19	14	12
Personal & Household Goods		27.60	135	106	118
Financial Services		21.40	2,742	2,258	3,099
Food and Beverage		13.76	1,423	1,251	1,111
Travel & Leisure	-0.1		99	99	104
Technology	-15.8		161	191	233
Health Care	-17.8		14	17	15
Banks	-18.3		1,789	2,189	2,243
Real Estate	-20.7		2,841	3,582	3,806
Industrial Goods & Services	-21.8		652	834	980
Construction & Materials	-24.7		567	753	1,010
Chemicals	-29.8		288	410	549
Oil & Gas	-43.0		77	135	179
Automobiles & Parts	-43.6		158	281	175
Utilities	-45.3		108	198	138
Retail	-58.3		383	918	535
Basic Resources	-59.1		937	2,294	1,423

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	(21)	(182)	205	(23)
Basic Resources	15	(27)	63	(36)
Media	-	(0)	0	(0)
Industrial Goods & Services	(7)	1	29	(30)
Health care	-	(7)	8	(1)
Chemicals	(1)	37	2	(39)
Financial Services	137	(44)	(95)	140
Travel & Leisure	(4)	(6)	10	(4)
Banks	(79)	(137)	(28)	166
Construction & Materials	2	14	16	(30)
Food and Beverage	(2)	(107)	116	(9)
Retail	11	19	(52)	33
Utilities	(1)	(25)	40	(14)
Personal & Household Goods	(4)	(0)	23	(23)
Technology	(6)	7	(30)	24
Automobiles & Parts	(5)	1	(6)	5
Insurance	(0)	(0)	1	(0)
Oil & Gas	(0)	7	(10)	3

Source: Fiinpro, Shinhan Securities Vietnam

Macro

- With the view of considering Vietnam as his home, the CEO of NVIDIA hopes to establish a center, a stronghold in Vietnam to attract talent from all over the world, contributing to the development of the semiconductor and artificial intelligence ecosystem. On the afternoon of December 10, 2023, Prime Minister Pham Minh Chinh received Mr. Jensen Huang, CEO of NVIDIA Corporation (USA), the world's most valuable chip manufacturing company with a market capitalization of nearly \$1.2 trillion. At the meeting, the Prime Minister said that he highly valued the working visit of the CEO of NVIDIA, expressing his high trust and support for Vietnam, contributing to concretizing the high-level agreements during the official visit of President Joe Biden to Vietnam, promoting the Comprehensive Strategic Partnership between Vietnam and the United States and the agreements reached by the two sides during the Prime Minister's working trip to the United States recently.
- The Chairman of the National Assembly Wan Muhamad Noor Matha agreed with the Chairman of the National Assembly Vuong Dinh Hue on the close cooperation of the two sides, creating favorable legal corridors to promote the successful implementation of the "Three connections" Strategy, namely: Connecting supply chains; Connecting businesses and localities of the two countries; Connecting sustainable growth strategies. The visit of General Secretary Xi Jinping will deepen the Comprehensive Strategic Partnership between the two countries.
- The visit took place at a very meaningful time, right on the occasion of the two countries celebrating the 15th anniversary of the establishment of the comprehensive strategic partnership, as a continuation of the high-level exchanges between the two Parties and the two countries since the historic visit to China of General Secretary Nguyen Phu Trong (October 30-November 1, 2022), expressing the importance of the Communist Party of China and the State Council of China and the personal importance of General Secretary and President of China Xi Jinping to the Vietnam-China relationship.

Business news

POW: Vietnam Electricity and Petroleum Corporation (PV Power – ticker POW) announced its business results for November 2023, recording a total electricity generation from power plants of about 1.18 billion kWh. Revenue in November is estimated to reach 2,460 billion dong, up about 10% from the previous month but down 11% from the same period last year. Compared to the monthly plan of 2,710 billion, the company achieved 91% of the target. Accumulated from the beginning of 2023, POW's revenue is estimated to reach about 27,000 billion dong.

FLC: In the latest announcement, FLC Group Joint Stock Company (ticker: FLC) has set the time for the first extraordinary general meeting of shareholders in 2024, on the morning of January 2, 2024 at the meeting room on the 5th floor, FLC Landmark Tower (Nam Tu Liem, Hanoi City). Prior to that, FLC closed the list of shareholders participating on December 1, 2023.

SAB: It is estimated that Thai conglomerates have "pocketed" more than 1 billion USD in dividends from Vinamilk, Sabeco, Binh Minh Plastic, Sovi, Fimex, and this number will increase over the years. First, it must be mentioned Sabeco (SAB), one of the largest investments of Thais in Vietnam. After spending 5 billion USD to create the famous takeover deal in 2017, Thaibev of billionaire Charoen Sirivadhanabhakdi has taken control of 53.59% of Sabeco shares through its subsidiary Vietnam Beverage. Thaibev's ownership ratio has not changed after 6 years, but the market value of this investment is currently only about 1.8 billion USD. However, this is not a big problem because Thaibev invested in Sabeco with a long-term vision, with the ambition to dominate the Vietnamese beer market, thereby creating a springboard to the Southeast Asia region. In addition, the Thai billionaire also regularly receives over a thousand billion dong in dividends each year.



Business news

- **BCG:** Bamboo Capital is currently implementing the Khai Long wind farm project through its subsidiary, BCG Energy. The project has a capacity of 300 MW and a total investment of VND18,000 billion. The first phase of the project will involve the construction of 17 wind towers with a capacity of 100 MW, with an estimated investment of over VND6,300 billion. Bamboo Capital will continue to invest an additional VND11,700 billion for the remaining 200 MW in the second and third phases. Once all three Khai Long wind farms are fully operational, they are expected to generate about 760 million kWh of electricity per year, reduce CO2 emissions by about 500,000 tons per year, and contribute VND280 billion to the Ca Mau provincial budget annually.
- **HVN:** After nearly a year of delay, Vietnam Airlines (HVN) has released its audited financial statements for 2022, showing its third consecutive year of losses. Specifically, in 2022, Vietnam Airlines achieved consolidated revenue of over VND70,410 billion, which was 2.5 times higher than the figure for 2021. However, HVN still recorded a net loss of VND11,223 billion, up 8.2% from the consolidated accumulated loss in the Q4/2022 financial statements and an improvement from the VND13,279 billion loss in the same period of 2021. This is the third consecutive year that Vietnam Airlines has reported a loss. In 2020, the company reported a loss of VND11,178 billion.
- **KDH:** The CEO of Khang Dien House has resigned after nearly 10 years of association. The Board of Directors of Khang Dien House Investment and Trading Joint Stock Company (KDH) has just approved the resignation of Ms. Nguyen Thuy Trang from the position of Deputy General Director as of December 8. Prior to that, Ms. Trang had submitted a resignation letter due to personal reasons. Ms. Nguyen Thuy Trang was born in 1985 and holds a Bachelor of Finance and a Bachelor of Law. She has over 16 years of experience in the financial sector.



Trend: Accumulation for short-term up trend

- VNINDEX closed at 1,125.50 (+1.06 points, +0.09%) with a decrease in liquidity compared to the previous session with a trading value of VND 14 trillion. The market has 215 green tickers and 302 red tickers. The group of stocks that contributed the most to the market's increase were VHM, VIC, VNM. On the contrary, VCB, BID, VPB pulled the market down. Foreign investors recorded a strong net selling of VND -426 billion, focusing mainly on VCB, FUEVFVND, STB
- Technical: The market continues to maintain a sideways state in a narrow range from 1,120 to 1,125, this shows that the market is entering the accumulation phase before it can continue to maintain the short-term uptrend. The MA lines continue to show positive signals when the short-term MA lines in turn cut the long-term MA lines (MA10 cuts MA 20 and MA50, MA20 cuts MA50). Besides, indicators such as RSI and MACD continue to show positive signals, reinforcing the short-term uptrend.
- Strategy: Investors can take advantage of corrections during the trading session to increase the investment proportion of their portfolio.

Scenario:

- Positive (50%): The market will clearly break above the 1,130 level – corresponding to the MA200 – and create a new uptrend.
- Negative (50%): The market will consolidate in a narrow range of 1,080-1,130.

12/12/2023

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
BSR	Hold	18.9	19.9	18.2	5%	-4%	19.0	8	0.53%	30/11/2023	
MBB	Hold	18.0	19.0	17.4	6%	-3%	18.2	5	0.83%	05/12/2023	
MWG	Hold	39.9	45.2	36.0	13%	-10%	42.5	5	6.52%	05/12/2023	
POW	Hold	11.5	12.4	11.1	8%	-3%	11.6	5	0.87%	05/12/2023	
VHC	Hold	71.1	78.7	65.8	11%	-7%	75.8	4	6.61%	06/12/2023	
DGW	Hold	53.4	60.0	51.5	12%	-4%	53.2	3	-0.37%	07/12/2023	

December 2023

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



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Q&A

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