



Shinhan
Securities

MORNING CALL

16/11/2023

“The market returned to MA 200”

- ❑ World stocks: Stable in facing of macro news
- ❑ Vietnamese stocks: The market returned to MA 200
- ❑ Business news: #SMC, #GMD, #DXG, #BMC, #MSN, #BID
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

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Following SSV's Zalo,
Catching the latest report



Please click or scan

Major stocks market

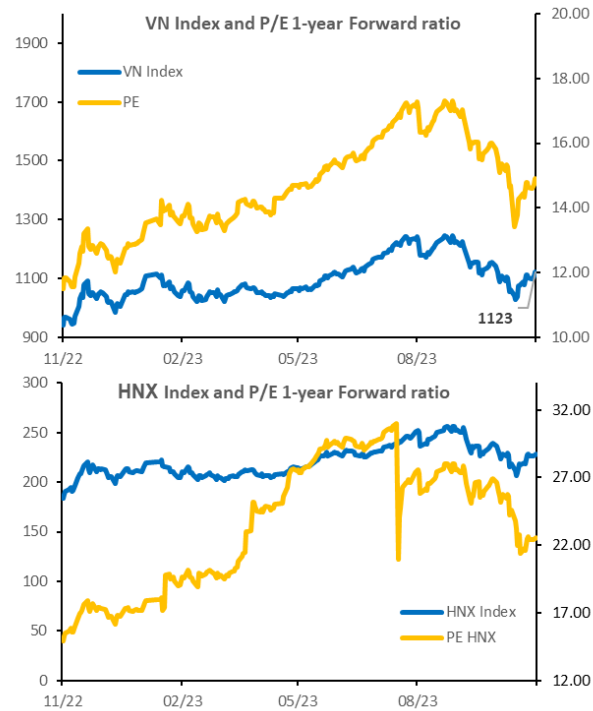
- In regular trading on Thursday, the Dow gained 0.47%, the S&P 500 rose 0.16% and the Nasdaq Composite inched up 0.07%. Those moves came as data showed that US producer prices declined 0.5% in October, the biggest drop since April 2020, in another indication that inflationary pressures are finally easing. Retail sales in the United States decreased by 0.1% month-over-month in October 2023, putting an end to a six-month streak of increases and compared with the market consensus of a 0.3% decline.
- European stocks closed higher on Wednesday, with the Stoxx 50 advancing 0.6% to its highest level since August and the Stoxx 600 increasing 0.4% to reach a one-month high. The CAC 40 index closed 0.33% higher at 7210 on Wednesday as equities continued to benefit from hopes that the Federal Reserve and other key central banks will refrain from delivering additional rate hikes.
- The Nikkei 225 Index rose 0.1% to around 33,560 while the broader Topix Index gained 0.4% to 2,383 on Thursday, hitting their highest levels since September as investors reacted to data showing Japan's trade deficit narrowed sharply in October amid robust exports and declining imports. On Wednesday, data showed that Japan's economy shrank faster than expected in the third quarter amid slowing global demand and rising domestic inflation. Elsewhere, investors continued to assess the implications of easing US inflation and weighed the impact of high-level discussions between the US and China.
- WTI crude futures fell below \$77 per barrel on Wednesday due to conflicting perspectives on global oil supply and demand. The International Energy Agency's announcement that the oil market won't be as tight as initially thought for the current quarter, attributed to better-than-expected production growth in the US and Brazil.

Market













	Close	%1D	%1M	%1Y
VN-Index	1,123	1.15%	-1.66%	19.05%
S&P 500 Index	4,503	0.16%	4.05%	12.81%
Dow Jones Index	34,991	0.47%	3.92%	4.16%
GP 100	7,487	0.62%	-1.88%	1.85%
Nikkei 225	33,486	-0.10%	5.77%	19.47%
SHCOMP Index	3,073	0.55%	-0.03%	-1.51%
STOXX 600	455	0.42%	0.96%	5.66%
KOSPI Index	2,491	0.17%	2.25%	0.55%
Hang Seng	18,079	3.92%	2.49%	-0.97%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	104.37	-0.02%	-1.76%	-1.80%
USD/VND	24,285.00	0.05%	0.78%	2.08%
EUR/USD	1.08	-0.02%	2.71%	4.34%
USD/CNY	7.25	0.08%	0.89%	-2.78%
Brent	80.80	-0.47%	-9.87%	-12.99%
WTI	76.28	-0.50%	-11.98%	-10.88%
Natural gas	3.14	-1.47%	1.09%	-49.31%
Coal	123.25	0.61%	-14.32%	-63.86%
Gold	1,958.69	-0.06%	2.00%	10.42%



Money flow and sector rotation (VND bn)

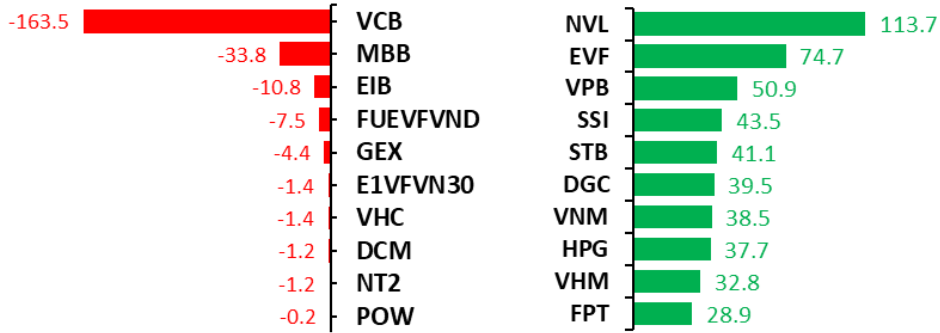
Sector	%1D	11/15/2023	11/14/2023	20-session Average
Food and Beverage	 63.30	1,384	848	833
Health Care	 60.10	16	10	16
Utilities	 57.45	233	148	143
Insurance	 47.47	31	21	21
Oil & Gas	 39.79	178	127	181
Basic Resources	 36.99	1,779	1,298	1,091
Technology	 26.08	257	204	236
Construction & Materials	 24.38	1,137	914	925
Real Estate	 20.95	3,893	3,219	3,135
Travel & Leisure	 18.36	118	100	110
Financial Services	 16.51	3,036	2,606	2,542
Automobiles & Parts	 15.18	145	126	118
Chemicals	 13.96	570	500	633
Banks	 13.46	3,882	3,422	2,183
Media	 2.16	6	6	8
Industrial Goods & Services	 -14.9	858	1,008	844
Retail	 -20.7	599	755	623
Personal & Household Goods	 -29.1	92	129	94

Source: Bloomberg, Shinhan Securities Vietnam

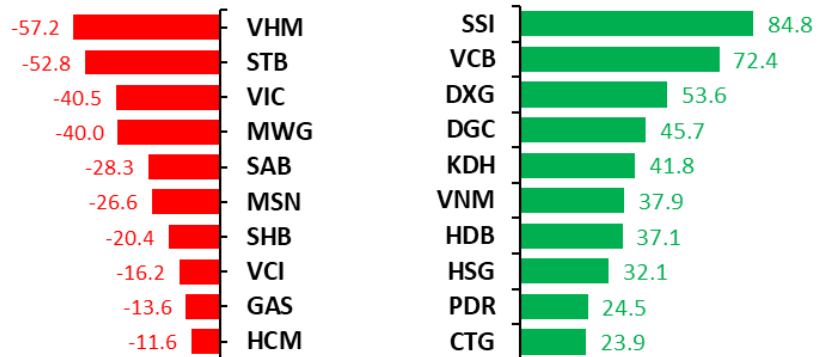
Trading volume Trading value

	Close	PE	Change	%1D	(mn stocks)	(VND bn)
VNI NDEX	1,122.50	14.90	12.77	1.15	798	18,221
HNX INDEX	227.88	22.57	0.45	0.20	117	2,060

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	204	19	(232)	213
Basic Resources	42	66	(131)	65
Media	-	-	-	-
Industrial Goods & Services	(2)	(29)	21	8
Health care	-	1	(8)	8
Chemicals	40	33	(67)	34
Financial Services	127	123	(219)	97
Travel & Leisure	17	4	(27)	23
Banks	1	97	(316)	219
Construction & Materials	0	15	17	(32)
Food and Beverage	68	(27)	(74)	101
Retail	28	(25)	89	(64)
Utilities	3	(25)	11	14
Personal & Household Goods	1	(5)	1	4
Technology	29	4	(52)	48
Automobiles & Parts	0	(3)	6	(4)
Insurance	1	(7)	4	3
Oil & Gas	4	1	(6)	5

Source: Fiinpro, Shinhan Securities Vietnam

Macro

- The Vietnamese dong strengthened, the State Bank of Vietnam pumped nearly 92,000 billion dong from the beginning of November. Positive news from the US October inflation report caused the USD-Index to fall sharply. In the domestic market, on the morning of November 15, although the State Bank of Vietnam only adjusted the central exchange rate down by 4 dong from the previous session, the bank and the free market USD prices fell by up to 120 dong. Data released last night showed that US inflation in October remained unchanged from the previous month and rose 3.2% year-on-year. This pace is slower than in September thanks to a sharp drop in oil prices. Core inflation (excluding food and fuel) also rose slightly by 0.2% in October from the previous month and rose 4% year-on-year. This slowdown is due to a decline in car and airfare prices while housing prices only rose slightly.
- The Vietnamese stock market will be an attractive destination for US investors. On the morning of November 14, 2023 (local time), the Financial Investment Promotion Conference in the United States was held in Los Angeles and attracted the participation of over 60 major financial institutions, representing investment funds in the United States. At the discussion session, many foreign investors expressed their interest in information related to the economic prospects of Vietnam, the tax incentive mechanism for foreign investors investing in the Vietnamese market, and the foreign investment attraction policy, especially the work of upgrading the Vietnamese stock market from a frontier market to an emerging market.
- Analyzing the business results of the third quarter of 2023 of 770 listed manufacturing and trading enterprises on the stock exchange (accounting for more than 41.3% of market capitalization), WiGroup said that the interest expense of this group of enterprises in the third quarter of 2023 decreased by 1,552 billion dong compared to the previous quarter (corresponding to a decrease of 11.2%)... Export "warming up" is expected to lead to credit demand. Currently, although new lending rates have fallen sharply, credit growth by the end of October 2023 is only around 7%.

Business news

- **BID:** BIDV to issue shares to pay dividends. The Bank for Investment and Development of Vietnam (BIDV) has announced that the record date for the issuance of shares to pay dividends is November 29, 2023. The issuance ratio is 12.69%, meaning that shareholders holding 100 shares at the time of the record date will receive 12.69 new shares. The expected number of shares to be issued is nearly 642 million shares. The source of funds for the issuance is from retained earnings after tax, after the establishment of funds in 2021. The expected time for the allocation of shares is in December 2023. Currently, BIDV's charter capital is VND50,585 billion. After the issuance of nearly 642 million shares to pay dividends, BIDV's charter capital will increase to VND57,004 billion.
- **MSN:** Masan's business results remain positive despite challenging macro environment. In the first 9 months of 2023, Masan's business results remained positive despite the challenging macro environment. Masan's net revenue reached VND57,470 billion in the first 9 months of 2023, up 3.5% from VND55,546 billion in the first 9 months of 2022. Masan's consumer business, which includes WinCommerce ("WCM"), Masan Consumer Holdings ("MCH"), Masan MEATLife ("MML") and Phúc Long Heritage ("PLH"), recorded a 45.5% increase in operating profit ("EBIT" or "earnings before interest, taxes, and depreciation") in the first 9 months of 2023 and 47.3% in Q3 2023 compared to the same period.
- **DXG:** Dat Xanh Group is in the process of dissolving 8 subsidiaries, with staff reduced by nearly 5,000 from its peak. According to the Q3 2023 financial statements of Dat Xanh Group Joint Stock Company (DXG), the real estate company is currently in the process of dissolving 8 subsidiaries. DXG has also significantly reduced its workforce. As of September 30, 2023, DXG had 2,484 employees, down 1,289 from the beginning of the year. However, this number has increased by nearly 100 in Q3 2023.



Business news

- **SMC:** Bad debt is one of the reasons why SMC suffered heavy losses in the first 9 months of the year, wiping out more than VND300 billion in undistributed profits on the balance sheet before. On November 14, the Board of Directors of SMC Trading and Investment Joint Stock Company (SMC) issued a resolution on the unification of the transfer of the right to use leased land, equipment, and architecture on land at SMC Binh Duong - Dong An Industrial Park. The land plot has an area of 6,197 square meters, with an estimated selling price of VND49 billion. This is seen as a concrete action to implement the resolution that was passed by the Board of Directors in October to downsize production and business activities, personnel throughout the system, and reduce all incurred costs. Due to its characteristic of trading steel, SMC's accounts receivable from customers often have a large proportion of total assets, and also are where risks arise when partners are real estate developers.
- **GMD:** GMD stock breaks out to an all-time high, "giant" in the port industry Gemadept "knocks on the door" of the USD billion capitalization club. According to the assessment of many securities companies, Gemalink and Nam Dinh Vu Phase 2 will be Gemadept's "trump card" in the medium term. After a short rebound at the beginning of November, the stock market is consolidating around the 1,100-point threshold waiting to confirm the new trend. In this context, Gemadept stock (GMD) has quietly broken out and thus reached a new all-time high at VND71,000/share.
- **BMC:** Binh Dinh Province proposes to sell 25% of capital at a business that once had a stock price of nearly VND1 million, the most expensive on the Vietnamese stock market in the past. Binh Dinh Province plans to implement the divestment of all state capital at this enterprise, with the estimated completion of cost settlement in 2024 instead of March 2025 as announced earlier.



Trend: Accumulation

- VNINDEX closed at 1122.5 (+12.7 points, +1.15%), up slightly with sustained liquidity. The market had 414 green codes and 122 red codes. The leading stocks on the market were VCB, BID, and MSN, while PVT and PVD fell slightly. Most of the sectors that increased strongly were food and beverages, banking, and financial services. Foreign investors turned to net buying slightly while self-managed continued to sell net.
- Technical: VNINDEX followed international stocks and opened higher at 1122 and reached 1132 at one point. At the end of the session, the market formed a doji candle with the closing price close to the opening price, showing that the selling pressure of investors is always ready and the amount of demand to participate is also cautious. However, the trend of recovery from the bottom of the market still maintains. We expect the market to accumulate in the MA 200 area in the coming time to regain the momentum of strong growth in 2024.
- Strategy: Traders can take advantage of trading within the range when the market adjusts to the support area of 1080 and has signs of rebounding again.

Scenario:

- Positive (50%): The market will surpass 1140, opening a new uptrend period
- Less positive (50%): The market will accumulate more and fluctuate in the 1020-1120 range for a longer time.

16/11/2023

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
VHC	Hold	69.0	75.0	67.5	9%	-2%	73.0	8	5.80%	06/11/2023	
HHV	Sell	14.5	15.9	14.0	10%	-3%	15.5	8	6.55%	06/11/2023	Take Profit

November 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
29	30	31	1	2	3	4
			US ISM Purchasing Managers Index (PMI) VN PMI	FED's interest rate decision	Non-Farm Payrolls Unemployment Rate (US) ISM Services PMI	
5	6	7	8	9	10	11
		Balance of Trade of China		Inflation rate of China YoY	Michigan Consumer Sentiment	
12	13	14	15	16	17	18
		US Core inflation and inflation rate MSCI review	PPI MoM Retail Sales MoM	Expiration of futures contract VN30F1M expires		
19	20	21	22	23	24	25
			Durable Goods Orders MoM of US	FOMC Meeting Minutes	Tokyo Core CPI y/y	
26	27	28	29	30	1	2
	Diamond Index Structure		US GDP Growth Rate QoQ 2nd EST	Core PCE MoM Personal Income of US MoM Personal Spending of US MoM		



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