



Shinhan
Securities

MORNING CALL

April 21th, 2023

“Matched value declines on derivative expiration date ”

- ❑ World stocks kept in red
- ❑ Domestic stocks are less positive on derivatives maturity date
- ❑ Real estate policy
- ❑ Update Business Results #CTG #VNS #LTG
- ❑ Technical perspective and recommendation update #TNG
- ❑ Economic calendar
- ❑ Q&A

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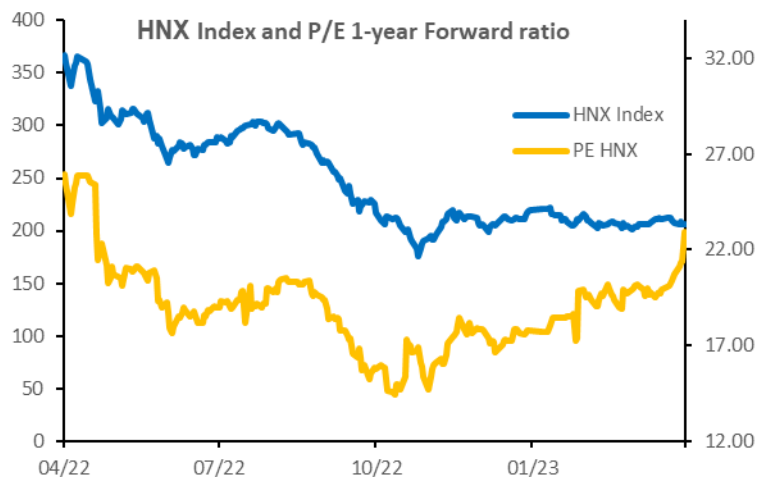
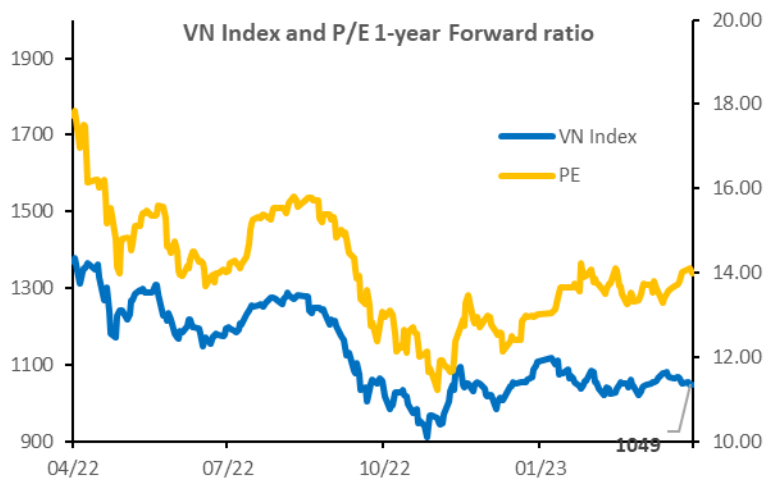


Major stocks market kept in red

- The major averages are on track to end the week in the red, with the Dow and S&P 500 on track to post disappointing weekly performance since March.
- Asian shares weakened after technology shares sent Wall Street lower, with risk appetite softening after data showed US manufacturing activity and the labor market weakened.
- Shares in Australia and Japan opened lower while Hong Kong stock futures fell. The US benchmark was little changed. The tech-heavy Nasdaq 100 fell on Thursday, with Tesla Inc. lost almost 10% after signaling that they will continue to cut prices to stimulate demand. The S&P 500 fell before the option expired on Friday.
- The dollar was little changed after falling against developed market currencies on Thursday, as traders eased expectations of a Federal Reserve rate hike. The yield on the policy-sensitive two-year Treasury note steadied after falling 10 basis points to 4.14% on Thursday.
- Cleveland Federal Reserve President Loretta Mester signals support for another rate hike to quell inflation while also warning of the need to watch recent banking stress that could dent credit and weaken the economy. His Dallas counterpart, Lorie Logan, said inflation was "too high" and outlined measures to watch.
- The yen strengthened after data from Japan showed a key gauge of inflation far outstripped forecasts ahead of next week's Bank of Japan meeting.
- WTI crude oil futures fell nearly 3% to around \$77 a barrel on Thursday, the lowest in nearly three weeks, pressured by lingering concerns that higher interest rates could dent growth and affect demand. The US Federal Reserve is likely to issue another rate hike in May, while the ECB is expected to raise borrowing costs at least twice this year.

Market				
	Close	%1D	%1M	%1Y
VN-Index	1,049	0.03%	1.63%	-23.42%
S&P 500 Index	4,130	-0.60%	3.17%	-6.01%
Dow Jones Index	33,787	-0.33%	3.77%	-2.89%
GP 100	7,903	0.05%	4.86%	3.60%
Nikkei 225	28,632	-0.09%	6.26%	3.92%
SHCOMP Index	3,367	-0.09%	3.42%	9.33%
STOXX 600	467	-0.15%	4.69%	1.27%
KOSPI Index	2,538	-0.98%	6.27%	-6.97%
Hang Seng	20,397	0.14%	5.91%	-1.38%

Currency & Commodity				
	Close	%1D	%1M	%1Y
Dollar Index	101.85	0.01%	-1.37%	1.26%
USD/VND	23,490.00	0.07%	0.41%	-2.17%
EUR/USD	1.10	-0.02%	1.86%	1.24%
USD/CNY	6.87	0.15%	0.04%	-6.62%
Brent	80.86	-0.30%	7.36%	-25.36%
WTI	77.17	-0.26%	11.31%	-25.65%
Natural gas	2.20	-2.27%	-6.39%	-68.41%
Coal	191.75	-0.39%	11.32%	-41.24%
Gold	2,003.96	-0.04%	3.29%	2.68%



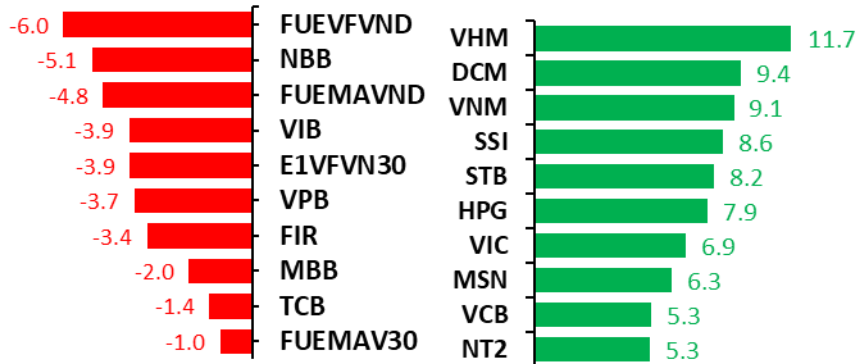
	Close	PE	Difference	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI INDEX	1,049.25	13.80	0.27	0.03	324	5,618
HNX INDEX	206.61	24.39	0.76	0.37	76	857

Money flow and sector rotation (VND bn)

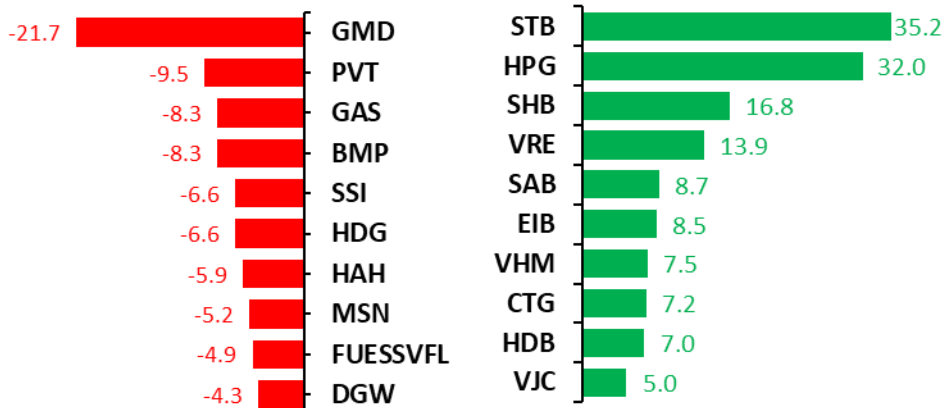
Sector	%1D	4/20/2023	4/19/2023	20-session Average	
Personal & Household Goods		68.62	119	70	109
Industrial Goods & Services		10.57	297	268	382
Oil & Gas		9.34	57	52	112
Health Care		2.29	23	22	20
Travel & Leisure	-4.7		63	66	59
Media	-8.8		1	1	1
Technology	-10.9		39	44	62
Food and Beverage	-14.8		649	762	664
Basic Resources	-26.4		336	456	855
Construction & Materials	-30.1		341	487	770
Automobiles & Parts	-36.3		55	87	100
Utilities	-37.8		95	154	172
Insurance	-38.5		17	28	26
Chemicals	-38.5		201	327	348
Financial Services	-38.6		740	1,206	1,609
Banks	-38.8		1,189	1,943	2,276
Real Estate	-41.8		1,211	2,082	2,144
Retail	-63.5		185	507	298

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	23	18	(36)	17
Basic Resources	8	30	(29)	(0)
Media	-	0	(0)	(0)
Industrial Goods & Services	9	(36)	24	12
Health care	-	(1)	1	(0)
Chemicals	10	(5)	(14)	19
Financial Services	1	(10)	16	(6)
Travel & Leisure	3	3	(2)	(1)
Banks	9	82	2	(84)
Construction & Materials	(0)	(11)	16	(6)
Food and Beverage	16	(10)	(5)	15
Retail	(0)	(4)	8	(4)
Utilities	10	(9)	0	8
Personal & Household Goods	(1)	5	(4)	(1)
Technology	5	(1)	(1)	2
Automobiles & Parts	(0)	(2)	(1)	3
Insurance	0	1	1	(2)
Oil & Gas	6	2	(12)	10

Source: Fiinpro, Shinhan Securities Vietnam



- The two main types of policies affecting the banking and real estate industries are:

1) Monetary Policy

- 2) Group of policies to create a legal corridor to remove bottlenecks in the relationship between real estate enterprises and banks.

- Regarding monetary policy, earlier this year, the SBV issued Circular 26 stipulating how to calculate the ratio of LDR - Lending to total deposits. Term deposits at the state treasury are added to the total deposit. This helps to support a large number of accounts for the market. "This policy immediately creates VND 150,000 billion for banks to better aggregate accounts and lend in the future. These policies are those that have an immediate impact on the market. On December 31, 2022 this policy was introduced, many bank stocks increased very well.
- In addition, recently, the State Bank has also reduced the operating interest rate twice. The above move of the operator has reduced the impact of the reduction in deposit and lending interest rates, thereby reducing the cost pressure of businesses. However, the above interest rate reduction is expected to support many bank stocks. The Government has issued Resolution 08. This policy has opened a legal corridor for banks and businesses in dealing with bonds. In fact, many of the major bond problems have already been solved.
- Besides, the Government has made many moves to warm up the real estate market, but this policy is creating more impetus for banks. Because banks are holding most of the collateral assets are real estate with transparency and high legality. "The more real estate policies are introduced, the more this channel is expanded, the more banks will benefit. Therefore, instead of choosing the real estate channel, investors can choose to invest in bank stocks with attractive P/B (price to book value) and their own story. solutions to solve difficulties in the real estate market. This is a more appropriate move than expecting rates to continue falling."

=> In the coming time, there will be many policies to support and remove difficulties for businesses and the economy..

Macro

Positive

- GDP in the first quarter increased by 3.32%
- Interbank interest rates decreased slightly, the State Bank net absorbed more than 3,133 billion dong
- Vietnam's steel exports to Türkiye and India increased sharply in the first quarter of 2023

Less positive

- The number of Covid cases continued to increase, on April 19, the whole country recorded 2,162 new infections.-
- Exports are showing signs of improvement when 41/45 commodity groups have increased value

Business news

- Pork price recovered on a large scale, livestock enterprises HAG, DBC, and BAF stocks had a positive response

The company has a long history in the pig industry when it was established in 1996. **DBC** has now completed the closed pig raising process, with a large-scale feed processing segment and a livestock segment (pork and chicken). The company also accumulated a relative land fund in Bac Ninh province.

Start later, but **HAG** has the advantage of taking advantage of waste bananas as animal feed, thereby significantly reducing costs. In the context of high feed prices, pig prices dropped sharply, thanks to self-control in feed, HAGL's pig segment did not lose money

- **CTG:** Vietinbank sets a target of less than 1.8% bad debt, plans to pay dividends in shares

According to the 2022 profit distribution report, VietinBank's 2022 individual profit after tax is VND 16,379 billion. The bank will deduct 5% for the fund to supplement charter capital, 10% for the financial reserve fund and more than 2,300 billion VND for the bonus and welfare fund.

- **VNS:** Vinasun had a strong rebirth before the taxi "Pham Nhat Vuong" entered the city market. Ho Chi Minh City: Interest is 8 times higher, every 5 seconds, someone orders an app

After consecutive losses of more than 200 billion, approximately 300 billion in two years 2020 and 2021, Vinasun rebounded with a profit of 185 billion dong in 2022, nearly 8 times higher than the plan, net revenue reached 1,089 billion dong. VND, more than 2 times last year. With strong growth results, in 2023, Vinasun expects total revenue and other income to increase to VND 1,377 billion (up 23%) and profit after tax to VND 209 billion (up 13%). revenue from taxi business is about 1,345 billion dong.

- **PDR:** The market went bad, Phat Dat reported a profit of just over 22 billion dong in the first quarter. In the first 3 months of the year, Phat Dat recorded VND 192 billion in revenue, down 69% from the same period last year, since then, gross profit also decreased by more than 67% to VND 172 billion.



- QNS: Cash dividend at the rate of 15%, ex-rights date April 17.
- RAL: Cash dividend at the rate of 25%, ex-rights date April 17.
- DSN: Cash dividend at the rate of 25%, ex-rights date April 18.
- OPC: Cash dividend at the rate of 10%, ex-rights date April 19.

Business news

- **LTG:** Financial picture of "rice king" Loc Troi: Set a revenue record of nearly 12,000 billion VND, targeting 1 billion USD in 2024
- Regarding business results in 2022, Loc Troi Group recorded high net revenue record, reaching 11,897 billion VND, up 14%. Despite tight credit, they have successfully cooperated with many domestic and foreign banks to sign capital financing cooperation, recorded bank loans and short-term finance leases of VND3,744 billion, up slightly by 5%.
- The Ho Chi Minh City Stock Exchange (HoSE) has just decided to put a series of stocks under warning, including many famous names such as NVL, HPX, HBC, IBC, POM, LDG from April 25. due to late submission of audited financial statements
- **LPB:** Q1 profit before tax reached VND 1,566 billion
- **MSR:** After information about cooperation to make batteries for VinFast, Masan's mineral stock jumped by nearly 30% in just 2 days
- **ORS:** Tien Phong Securities recorded a sharp decrease in profit before tax by 74% to VND 73 billion
- **VTP:** Viettel Post sets a profit target of 376 billion VND in 2023, continuing the plan to switch floors
- **NDN:** Da Nang House reported a sudden net profit of 106.2 billion dong, 4.5 times higher than the same period last year, thanks to the transfer of Monarchy B project apartments.
- **PHR:** Phuoc Hoa Rubber reported that Q1/2023 profit after tax decreased by 22% to VND 233.5 billion due to lower compensation for VSIP III project in the same period.
- **DRC:** Da Nang Rubber reported a loss of nearly 60% in Q1 profit to nearly VND 25 billion, the lowest in 4 years.



Trend: Retest support level

- The selling trend is still reflected in the session, the matching volume recorded the lowest level of 20 sessions, possibly due to the derivative expiration session today.
- Technically, the MACD still shows that the price momentum is in the selling side, the RSI has a slight downward trend.
- Strategy: Lower the proportion in the retracements in the session, limit disbursement at this time, wait until the market has more positive signals.

Scenario:

- Positive (30%): The index maintained its support around 1,040 – 1,050 points and created a recovery pace to 1,070 points, more optimistic than 1,100 points.
- Less positive (70%): The index fails to test and loses the threshold of 1,040 points, it will drop to the old bottom around 1,020 points and lower to the psychological level of 1,000 points.

19/4/2023

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
SZC	Watch							Trend breaks resistance zone 32, Bollinger Band widens
CTD	Waiting to buy	50	60	45	0.2	-0.1	51.3	Price bounced up when touching MA10, liquidity increased

Trading portfolio

Ticker	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
VGC	Buy	34.5	38	32.5	10%	-6%	35	10	1.45%	05/04/2023	
HPG	Buy	21.5	23.5	20	9%	-7%	20.95	10	-2.56%	05/04/2023	
HGD	Buy	32	35	31	9%	-3%	32	9	0.00%	06/04/2023	
NT2	Buy	30.5	33.95	29	11%	-5%	29.3	9	-3.93%	06/04/2023	
TCB	Buy	30	32.5	28.5	8%	-5%	29.15	9	-2.83%	06/04/2023	
CTR	Buy	64.2	70	62	9%	-3%	64.7	9	0.78%	06/04/2023	
HDB	Buy	19.7	21	19	7%	-4%	19.35	9	-1.78%	06/04/2023	
GVR	Buy	15.5	17	14.5	10%	-6%	15.5	8	0.00%	07/04/2023	
CII	Buy	14.9	16	14.5	7%	-3%	14.9	3	0.00%	14/04/2023	
LTG	Buy	28.3	31	27.5	10%	-3%	29.6	3	4.59%	14/04/2023	

April 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
26	27	28	29	30	31	1 PMI (EU, VN)
2	3 Caxin Manufacturing PMI (China)	4 PPI (EU)	5 Balance of Trade (US)	6 Initial Jobless Claims (US)	7 Non-farm payroll, unemployment rate (US)	8
9	10 Wholesale inventories in US	11 Retail sales (EU), Inflation rate (China)	12 Inflation (US)	13 Balance of Trade (China), FDI (China) PPI (US)	14	15
16	17	18 China macroeconomic data release	19 Inflation, PPI (GB)	20	21 Retail sales (GB)	22
23	24	25 House Price Index (US)	26	27 GDP growth rate (US)	28 GDP growth rate (EU)	29 Vietnam macroeconomic data
30 PMI (US)	1					



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Q&A

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