MORNING CALL
03/01/2024

"The market is consolidating at the resistance level of 1,130"

- World stocks: Global markets fell as investors took profits.
- Vietnam stocks: The market is consolidating at the resistance level of 1,130.
- Business news: #VJC, #GMD, #VPG, #KDH, #IDC, #HVN
- Key highlights: Overview of the macroeconomic in 2023
- Technical perspective and updated recommendations
- Event calendar
- Q&A

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PART
-01-

Global Market Review 02/01 - 05/01/2024

Shinhan Securities

Major stocks market

- In regular trading on Tuesday, the S&P 500 rose 0.42% and the Nasdaq Composite gained 0.54%, scaling their highest levels since January 2022. The Dow also climbed 0.43%, within a hair's breadth of another all-time closing high. Those moves came as further signs of easing inflationary pressures in the US reinforced interest rate cut expectations from the Federal Reserve next year.
- The Nikkei 225 Index jumped 1.1% to above 33,600 while the broader Topix Index gained 0.6% to 2,352 on Wednesday, hitting their highest levels in a week and taking cues from a strong lead on Wall Street as cooling US inflation bolstered interest rate cut bets from the Federal Reserve next year.
- The Shanghai Composite fell 0.68% to close at 2,899 while the Shenzhen Component dropped 1.07% to 9,157 on Tuesday, erasing gains from the previous session as caution dominated sentiment amid a lack of market-moving cues.
- WTI crude futures rose toward $76 per barrel on Tuesday, extending a 2.5% gain in the previous week, though trading volume is expected to remain thin amid ongoing holidays in some markets. Investors continued to monitor geopolitical developments in the Middle East as recent Houthi attacks on ships disrupted global trade.

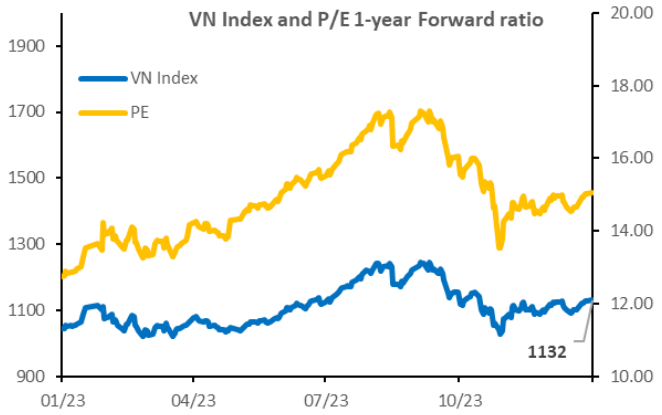
Market

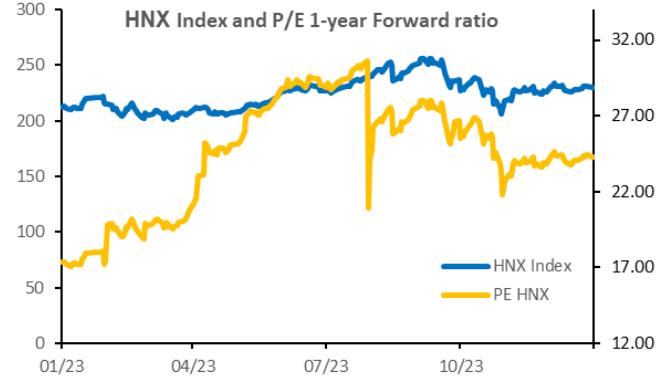
	Close	%1D	%1M	%1Y
VN-Index	1,132	0.16%	2.68%	8.41%
S&P 500 Index	4,743	-0.57%	3.23%	23.53%
Dow Jones Index	37,715	0.07%	4.05%	13.78%
GP 100	7,722	-0.15%	2.55%	2.22%
Nikkei 225	33,464	-0.22%	0.10%	28.24%
SHCOMP Index	2,962	-0.43%	-2.29%	-4.95%
STOXX 600	479	-0.11%	2.64%	10.21%
KOSPI Index	2,623	-1.77%	4.69%	18.20%
Hang Seng	16,789	-1.52%	-0.25%	-16.66%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	102.16	-0.04%	-1.07%	-2.26%
USD/VND	24,327.00	0.03%	-0.31%	-3.22%
EUR/USD	1.09	0.06%	1.04%	3.80%
USD/CNY	7.14	-0.60%	0.00%	-3.42%
Brent	75.89	-1.49%	-3.79%	-11.66%
WTI	70.52	0.20%	-4.79%	-8.33%
Natural gas	2.57	0.16%	-8.60%	-35.51%
Coal	127.75	-6.72%	-4.31%	-68.39%
Gold	2,060.27	0.06%	1.52%	12.00%

Vietnam Market Snapshot 02/01/2024





	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,131.72	15.06	1.79	0.16	721	15,768
HNX INDEX	229.99	24.30	-1.05	-0.45	61	1,156

Money flow and sector rotation (VND bn)

Sector	%1D	1/2/2024	12/29/2023	20-session Average
Industrial Goods & Services	112.69	1,539	723	869
Financial Services	78.61	3,456	1,935	2,345
Retail	44.07	443	307	483
Health Care	26.68	28	22	20
Chemicals	17.27	559	477	432
Automobiles & Parts	15.02	155	135	187
Food and Beverage	13.98	1,367	1,199	1,256
Basic Resources	12.88	1,255	1,111	1,279
Real Estate	9.67	2,765	2,522	2,836
Construction & Materials	1.59	864	850	796
Technology	0.51	237	236	223
Banks	-2.3	2,533	2,592	2,050
Oil & Gas	-8.4	101	110	116
Insurance	-16.7	14	16	18
Utilities	-20.7	160	202	147
Personal & Household Goods	-28.1	133	185	148
Media	-39.6	12	21	14
Travel & Leisure	-53.1	120	255	121

Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Market Snapshot 02/01/2024

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	(137)	70	66
Basic Resources	(12)	(7)	1	5
Media	-	(0)	0	0
Industrial Goods & Services	1	15	(21)	5
Health care	-	(9)	10	(0)
Chemicals	2	25	(29)	4
Financial Services	122	(265)	224	42
Travel & Leisure	1	8	(5)	(3)
Banks	(85)	(13)	221	(208)
Construction & Materials	11	(4)	(5)	9
Food and Beverage	42	24	(61)	36
Retail	(13)	17	12	(29)
Utilities	6	(8)	25	(17)
Personal & Household Goods	(3)	2	(25)	23
Technology	(3)	5	(7)	2
Automobiles & Parts	1	1	(2)	1
Insurance	(0)	(3)	3	(0)
Oil & Gas	12	(5)	(10)	15

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- 2023 was a record-breaking year for the transportation industry in Vietnam. In just one year, the industry put into operation 475 kilometers of highways, the largest amount ever. In addition, as of December 2023, the Ministry of Transportation had disbursed about 90% of its allocated budget (VND 94.161 trillion), the highest in history and the leading unit in the country in terms of disbursement rate. The total length of national highways has reached 1,892 kilometers at this point. Previously, Prime Minister Phạm Minh Chính directed the Ministry of Transportation and localities to strive to have about 3,000 kilometers of highways nationwide by 2025 and increase it to 5,000 kilometers by 2030.

- The Import-Export Department (Ministry of Industry and Trade), citing statistics from the General Department of Customs, estimated that Vietnam's rubber exports in 2023 reached about 2.14 million tons, worth USD 2.89 billion, down 0.04% in volume and 12.7% in value from 2022. The average export price was USD 1,350/ton, down 12.7% from 2022. In 2023, Vietnam's rubber exports faced many difficulties due to the sharp decline in export rubber prices, so the value of rubber exports was much lower than the same period of the previous year. Meanwhile, the recovery of manufacturing activity in China was weaker than expected, resulting in low levels of both consumption and rubber sales.

- As a result, the Vietnam Manufacturing Purchasing Managers' Index (PMI) reached 48.9 points in December, which is still below the 50-point threshold and indicates that business conditions in the sector have declined for the fourth consecutive month. However, the index has increased from 47.3 points in November, indicating a slower pace of decline.

Business news

VJC: Vietjet will offer 18.5 million shares (equivalent to 3.42% of the outstanding shares) at a price of 100,000 VND/share. The principle for determining the offer price is based on the average closing price of 120 consecutive trading sessions from June 15, 2023 to December 1, 2023, which is 100,011 VND/share. The book value per share according to the latest audited consolidated financial statements is 27,470 VND/share. The expected offering period is in the first or second quarter of 2024.With the expected proceeds of 1,850 billion VND, Vietjet said it will use 70% to pay the deposit for the purchase of aircraft; the remaining 30% will be used to pay for aircraft leasing fees to leasing units and aircraft engine leasing. The Vietjet Board of Directors also publicly announced two professional investors, Leadvisors Fund Management JSC and FPT Capital Investment Management JSC. Both of these investors did not own VJC shares before the offering.

GMD: The Board of Directors of Gemadept Joint Stock Company (Gemadept Port, GMD stock code - HoSE) has just approved a plan to issue nearly 4.6 million GMD shares in the form of ESPP (Employee Stock Purchase Plan) for company employees who have outstanding achievements in 2022 at a price of 10,000 VND/share. The number of shares issued by Gemadept Port this time is equivalent to 1.5% of the total number of GMD shares currently in circulation on the market.

VPG: On the first day of 2024, the People's Committee of Ha Long City, Viet Phat Group (stock code: VPG) and Aeon Mall Vietnam Co., Ltd. held a ceremony to launch the largest shopping center project in the North at Bach Chau ward, Ha Long, Quang Ninh. Mr. Nguyen Van Binh, Chairman of the Board of Directors of Viet Phat - the developer of the Ha Long City shopping center project, said that the project has a total investment of over 5,200 billion VND and is expected to open on January 1, 2026.

Breaking News



Business news

KDH: Khang Dien Development and Investment Joint Stock Company (KDH) has sold 600 apartments at its The Privia project since it was launched in late November 2023. By mid-December 2023, the top floors of the towers in the project had been completed. The project was officially launched at the end of November 2023 and the absorption rate in the first launch reached 90% of the total number of apartments launched, reaching about 600 apartments.

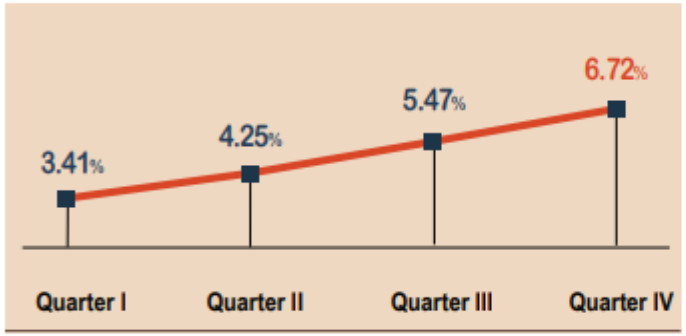
IDC: IDICO Corporation expects to hand over approximately 95 hectares of land to customers in the fourth quarter of 2023 and the first half of 2024. Data shows that IDICO Corporation's industrial park land leasing activities continue to thrive. As of the first nine months of 2023, the total area of industrial park land leased by the company has reached 121.7 hectares, completing 122% of the annual plan. The new industrial land lease area of IDICO Corporation mainly comes from: Hựu Thạnh Industrial Park (47.5 hectares); Phú Mỹ II Industrial Park (24.9 hectares); and Cầu Nghìn Industrial Park (18.2 hectares). In 2024, the net profit of IDICO Corporation could recover by more than 45%, reaching 2,061 billion VND thanks to the recognition of large industrial land lease areas and the results of the project transfer to AEON Vietnam Group.

HVN: The estimated total consolidated revenue reached approximately 92,000 billion VND, exceeding the plan by 1.4%, an increase of nearly 30% over the same period last year. Thus, in the fourth quarter alone, the airline's consolidated revenue was approximately 23,911 billion VND, an increase of 22% over the fourth quarter of 2022. In 2023, the airline has restored its operating activities and carried out 130,000 flights, opened 4 new international routes and transported over 21 million passengers; reaching 92% compared to 2019.

Key Highlights: Overview of the macroeconomic in 2023

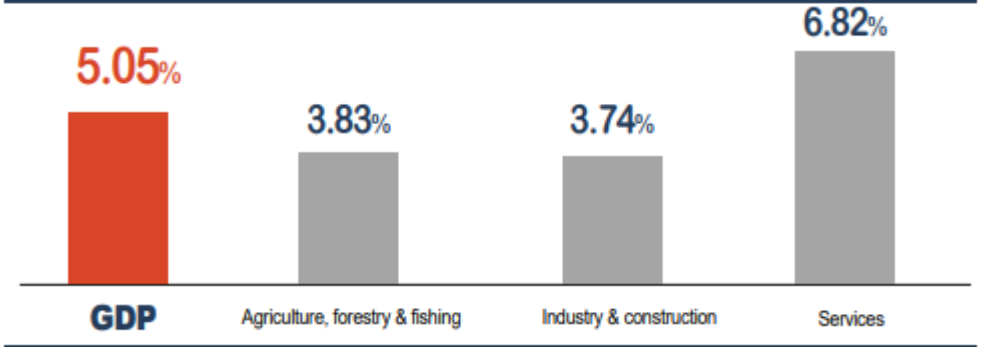
GROSS DOMESTIC PRODUCT

GDP growth rate in the quarters of 2023



GDP growth rate in the 4th quarter of 2023	
GDP	6.72%
Agriculture, forestry and fishing	4.13%
Industry and construction	7.35%
Services	7.29%

GDP growth rate in 2023



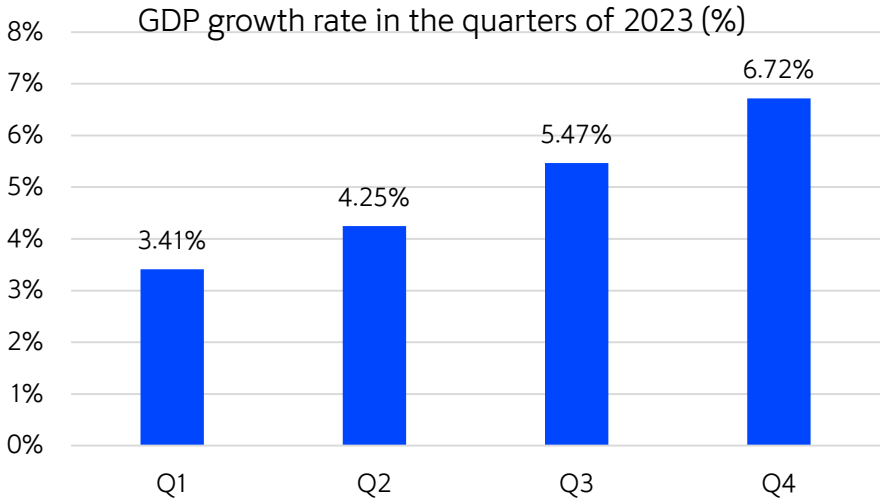
EXPORT AND IMPORT OF GOODS IN 2023

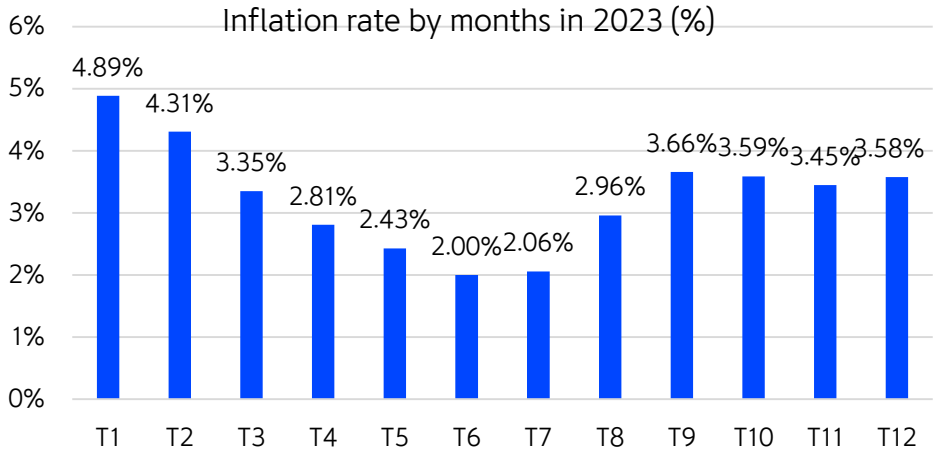


PRICE INDEX



Key Highlights: Overview of the macroeconomic in 2023





Technical view



Trend: Sideway

- VNINDEX closed at 1,131.7 (+1.79 points, 0.16%), with increased liquidity. The market had 197 green and 299 red stocks. The groups of stocks that contributed the most to the market's rise were VCB, ACB, MSN, and VNM. On the other hand, the groups of stocks that contributed to the market's decline were HPG, VPB, and VIC.
- Technical view: Regarding the index, VNINDEX closing above 1,130 is a positive signal that the market has broken through the 1,130 barrier. However, the spread of the rise on today's session is low, with 299 red stocks more than the number of green stocks, and the large-cap group has strong diversification. Combined with the momentum indicator STOCH RSI is showing signs of cutting down the signal line, indicating that the possibility of the market sideways or adjusting is high. Therefore, the base scenario is that the market will sideways in the 1,130 zone and then completely escape from this zone with the highest probability of occurrence.
- Strategy: Investors need to be patient and wait for the market to break through the 1,130 zone for the market to confirm the trend and increase investment weight

Scenario:

- Positive (50%): The market is likely to break through the 1130 level and open up a new rally.
- Negative (50%): The market is likely to return to the 1080 level once again.

Recommended stocks

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
MBB	Hold	18.0	19.0	17.4	6%	-3%	18.9	21	4.72%	05/12/2023	
MWG	Hold	39.9	43.8	36.0	10%	-10%	42.5	21	6.39%	05/12/2023	
TV2	Hold	38.2	43.2	36.6	13%	-4%	39.4	6	3.01%	26/12/2023	
KBC	Hold	31.7	35.1	30.1	11%	-5%	31.6	6	-0.47%	26/12/2023	
VHC	Hold	74.2	82.8	71.3	12%	-4%	75.2	3	1.35%	29/12/2023	
DCM	Hold	32.3	36.0	31.4	11%	-3%	32.4	1	0.15%	02/01/2024	

Economic calendar

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January 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
31	1	2	3 ISM Manufacturing PMI DEC (US)	4 FOMC Minutes	5 Non-farm payrolls, unemployment rate (US)	6
7	8	9	10	11 Inflation figures (US)	12 PPI MoM DEC (US) Inflation Rate YoY DEC (China)	13 Trade balance (China)
14	15	16 House Price Index YoY DEC (China)	17 Retail Sales, PPI (US) Unemployment rate, GDP growth Q4 (China)	18 Expiration of futures contract VN30F1M	19 Michigan Consumer Sentiment Prel JAN (US)	20
21	22	23 BoJ Interest Rate Decision	24	25 GDP Growth Rate QoQ Adv Q4 (US)	26 Core PCE Price Index MoM DEC (US)	27
28	29	30 JOLTs Job Openings DEC (US)	31	1	2	3

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Q&A

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