MORNING CALL
03/01/2024

“Officially surpassed the 1130 resistance zone"

- ❑ World stocks: Global stock markets fell
- ❑ Vietnam stocks: Officially surpassed the 1130 resistance zone
- ❑ Business news: #HVN, #POM, #DIG, #FMC, #DBC, #FLC
- ❑ Technical perspective and updated recommendations #SSI
- ❑ Event calendar
- ❑ Q&A

Tien Le ☎ (84-28) 037 639 1443
✉ tien.ld@shinhan.com

Nam Hoang ☎ (84-28) 6299 8004
✉ nam.h@shinhan.com

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Catching the latest report



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

Major stocks market

- In regular trading on Wednesday, the Dow and S&P 500 fell 0.76% and 0.8%, respectively, with the latter sliding for the third straight session. The Nasdaq Composite also dropped 1.18%, extending its losing streak to a fourth day. Those moves came as the dollar and Treasury yields gained some ground, with traders paring back aggressive bets on Federal Reserve interest rate cuts this year. Fed policymakers viewed the policy rate as near its peak for this tightening cycle, though they noted that the actual policy path will depend on how the economy evolves, minutes from the last FOMC meeting in December 2023 showed.
- European equity markets extended losses on Wednesday afternoon, with the STOXX 50 closing 1.5% lower and the broader STOXX 600 falling 0.9% from recent multi-year highs as bond yields rose and investors digested a slew of key economic data. Meanwhile, in the US, job openings continued to decline, reaching a 31-month low in November, and the country's factory activity remained deep in contractionary territory in December
- The Nikkei 225 Index dropped 2% to around 32,800 while the broader Topix Index tumbled 1.3% to 2,336 in post-holiday trade on Thursday, hitting their lowest levels in at least a week as Japanese markets play catch up with global peers that saw heavy losses this week.
- WTI crude futures climbed higher to $73 per barrel on Wednesday, the biggest daily gain since mid November. It was supported by supply concerns following the oilfield shutdown in Libya and continuing tension in Middle East tensions.

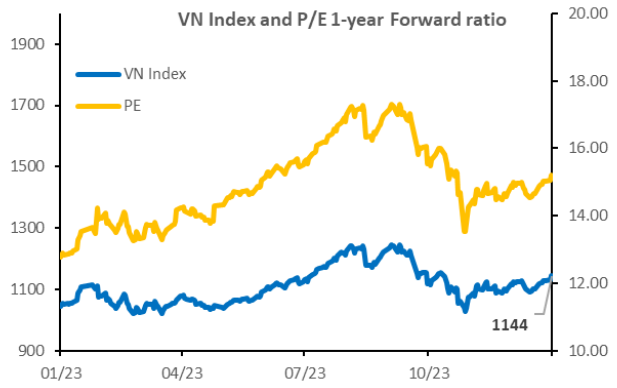
Market

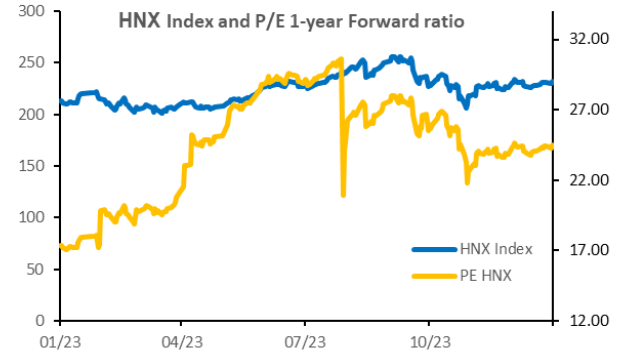
	Close	%1D	%1M	%1Y
VN-Index	1,144	1.10%	2.11%	9.35%
S&P 500 Index	4,705	-0.80%	2.40%	23.03%
Dow Jones Index	37,430	-0.76%	3.27%	12.96%
GP 100	7,682	-0.51%	2.25%	1.28%
Nikkei 225	32,791	-2.01%	-1.92%	25.66%
SHCOMP Index	2,967	0.17%	-1.84%	-5.00%
STOXX 600	474	-0.86%	1.85%	7.77%
KOSPI Index	2,600	-0.30%	3.36%	15.23%
Hang Seng	16,646	-0.85%	0.00%	-19.94%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	102.49	0.29%	-0.75%	-1.94%
USD/VND	24,363.00	0.02%	-0.46%	-3.45%
EUR/USD	1.09	0.00%	0.79%	3.00%
USD/CNY	7.15	-0.09%	-0.08%	-3.28%
Brent	78.25	3.11%	-0.80%	-4.69%
WTI	72.96	0.36%	-0.11%	0.16%
Natural gas	2.69	0.64%	-0.33%	-35.64%
Coal	128.50	0.59%	-3.75%	-67.31%
Gold	2,042.32	0.04%	0.64%	10.12%

Vietnam Market Snapshot 03/01/2024





Money flow and sector rotation (VND bn)

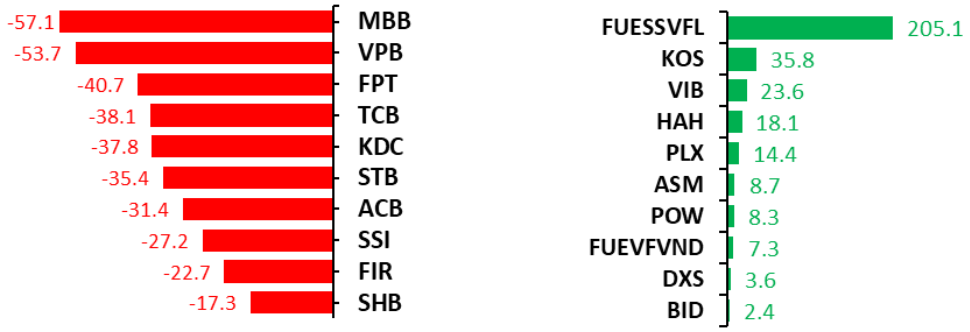
Sector	%1D	1/3/2024	1/2/2024	20-session Average
Media	72.00	21	12	15
Retail	57.71	698	443	496
Construction & Materials	49.21	1,324	888	826
Personal & Household Goods	42.81	190	133	150
Travel & Leisure	19.56	143	120	123
Automobiles & Parts	18.18	183	155	189
Oil & Gas	10.13	111	101	109
Banks	7.69	2,728	2,533	2,100
Health Care	5.91	30	28	21
Technology	-3.8	229	237	216
Utilities	-11.2	142	159	146
Insurance	-12.3	12	14	17
Basic Resources	-14.3	1,075	1,255	1,271
Chemicals	-18.2	457	559	424
Real Estate	-19.5	2,225	2,765	2,748
Food and Beverage	-28.4	995	1,391	1,275
Industrial Goods & Services	-47.2	812	1,539	849
Financial Services	-51.8	1,666	3,456	2,283

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,144.17	15.22	12.45	1.10	612	13,020
HNX INDEX	231.64	24.47	1.65	0.72	61	1,056

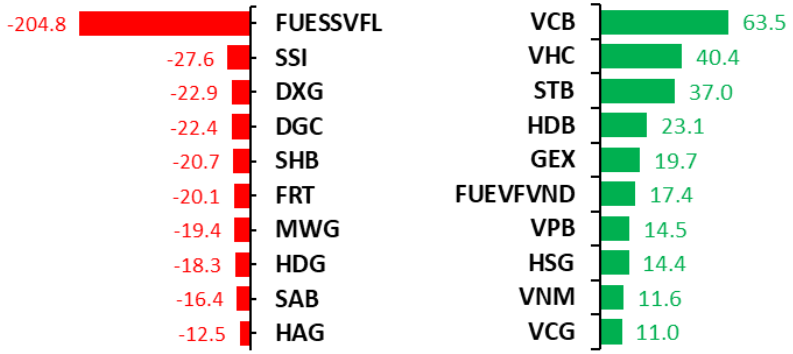
Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Market Snapshot 03/01/2024

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	(8)	(76)	132	(55)
Basic Resources	(9)	13	(20)	7
Media	-	(1)	1	0
Industrial Goods & Services	15	24	(62)	38
Health care	2	(0)	(3)	4
Chemicals	2	(25)	18	6
Financial Services	154	(201)	118	83
Travel & Leisure	(4)	(5)	9	(4)
Banks	(279)	87	84	(170)
Construction & Materials	2	10	(79)	69
Food and Beverage	(57)	26	190	(216)
Retail	(6)	(38)	15	22
Utilities	11	(10)	7	2
Personal & Household Goods	(3)	3	(22)	19
Technology	(41)	3	31	(34)
Automobiles & Parts	(0)	(2)	3	(1)
Insurance	(1)	(1)	2	(1)
Oil & Gas	14	(10)	5	4

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- Loan Growth Surges to 13.5%. In just December 2023, loans grew 4.35% from the previous month, bringing the annual growth rate to 13.5%. Some experts believe that with GDP growth of only 5.05%, but loans growing to 13.5%, it is an important factor to consider for inflation control next year. At a press conference on January 3, Deputy Governor of the State Bank of Vietnam Đào Minh Tú said that by the end of 2023, loan growth had increased by 13.5% from the end of 2022. Previously, the State Bank of Vietnam said that as of November 30, 2023, total system loans had increased by 9.15% from the end of 2022. In addition, Circular 26 is considered to have a positive impact on system liquidity, as it allows for part of the term deposits of the State Treasury at commercial banks to be counted as part of the system's additional lending room, thereby partially reducing pressure on lending rates. Previously, the old regulation did not allow for treasury deposits to be included in the total mobilization component when calculating the LDR ratio.

- Total telecommunications revenue in 2023 only increased by 0.41%. In 2023, total telecommunications service revenue is estimated to have reached 139.26 billion dong, up 0.41% from the same period in 2022 and reaching 99.5% of the 2023 plan. The above figure as well as statistical data from previous years in the 2023 summary report of the Ministry of Information and Communications show that telecommunications revenue in the past year has almost not grown, and is at the lowest level in many years.

- Direction for gold market management in 2024. The key to managing the gold market is to prevent gold from affecting important macroeconomic balances, for the benefit of the entire economy, of 100 million people rather than for the benefit of gold businesses.

Business news

HVN: Vietnam Airlines may be able to stay on the HOSE even after three consecutive years of losses thanks to the "special circumstances" provision in the draft amendment to Decree 155? With the newly released audited financial statements for 2022, Vietnam Airlines has lost money for three consecutive years and has negative equity, leading to the risk of delisting Vietnam Airlines (HVN) stock on the Ho Chi Minh Stock Exchange (HOSE) according to regulations. In the draft amendment to some provisions of Decree No. 155/2020/ND-CP dated December 31, 2020 of the Government detailing the implementation of some provisions of the Securities Law, the compulsory delisting item has been added with Clause 7, stipulating "Special cases that need to be maintained for listing are considered and decided by the Government."

POM: The Ho Chi Minh Stock Exchange (HOSE) has just announced that Ms. Do Thi Kim Ngoc, the sister of Mr. Do Duy Thai, Chairman of the Board of Directors of Pomina Steel Joint Stock Company (POM stock code), has successfully sold 3.9 million shares, out of 5.5 million POM shares registered for sale.

DIG: DIC Corp fined VND470 million for violating disclosure requirements in the securities sector. The State Securities Commission of Vietnam (SSC) has just issued a decision to impose administrative fines for violations in the securities and securities market against the Construction Development Investment Joint Stock Corporation (DIC Corp - DIG stock code) with a total of VND470 million. Specifically, DIC Corp was fined VND85 million for not disclosing information that must be disclosed according to legal regulations. Accordingly, DIC Corp did not disclose the Board of Directors' Resolution on changing the use of capital raised from the private placement of shares.

Breaking News



Business news

FMC said that it faced some significant challenges that it could not avoid. However, the company said that it had minimized the negative impact. Sales in 2023 fell primarily due to a 10% decline in average selling prices. Profits in 2023 could reach over VND300 billion thanks to FMC's aquaculture segment, which had a relatively favorable outcome, helping to reduce the cost of finished products, leading to a relatively stable profit level.

DBC: Dabaco Vietnam Group sets 2024 revenue target of $1.1 billion. Dabaco Vietnam Group (DBC) has just announced a resolution approving its 2024 production and business plan with a target total revenue of VND25,380 billion ($1.1 billion) and net profit of nearly VND730 billion. It is worth noting that this is the third consecutive year that Dabaco has set a revenue target of $1 billion, but in reality, in 2022, Dabaco only achieved less than half of its revenue target, with net profit of only over VND5 billion against a target of VND918 billion. In the first 9 months of 2023, Dabaco's revenue was VND8,798 billion, reaching nearly 36% of its revenue target, and net profit was VND18.6 billion, only equal to 3% of the target profit.

FLC: Extraordinary general meeting fails due to low turnout. On January 2, FLC Group (FLC) failed to hold an extraordinary general meeting due to a low turnout. According to the results of the shareholder qualification check announced by FLC representatives before the opening, only 94 people attended the extraordinary general meeting on the morning of January 2. These shareholders hold more than 227 million shares, equivalent to about 32% of the total number of shares with voting rights. The meeting was scheduled to discuss a number of important issues, including the appointment of new members to the board of directors and the supervisory board, the review and adjustment of the company's business plan, and the approval of a number of other important matters.

Technical view



Trend: Return to the uptrend

- VNINDEX closed at 1,144.17 (+12.45 points, 1.1%), with liquidity still on an improving trend. The market had 395 green stocks and 106 red stocks. The stocks that contributed the most to the market's rise were VCB, BID, GVR, and ACB. On the other hand, the stocks that contributed to the market's decline were SSB, BCM, and BMP. Most sectors rose, with telecommunications, tourism, and chemicals leading the way. Foreign investors continued to sell net.
- Technical analysis: In terms of the index, VNINDEX has officially surpassed the 1,130 resistance zone after nearly 2 months of sideways trading. The market has changed its wave structure to a medium-term uptrend, however, the market could sideways or correct slightly around the 1,130-1,140 range as the STOCH RSI indicator is showing signs of about to cut down the signal line.
- Strategy: Investors can start buying new or increase their positions with stocks that have rebounded from the bottom.

Scenario:

- Positive (60%): The market will consolidate around the 1,130-1,140 range.
- Negative (40%): The market will break 1,130 and return to 1,100.

Recommended stocks

4/1/2024

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
SSI	Buy	32.95	36	31.7	9.3%	-3.8%	33.0	Bounce off the MA20 support

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%	19.2	22	6.39%	05/12/2023	
MWG	Hold	39.9	43.8	36.0	10%	-10%	43.2	22	8.27%	05/12/2023	
TV2	Hold	38.2	43.2	36.6	13%	-4%	39.4	7	3.01%	26/12/2023	
KBC	Hold	31.7	35.1	30.1	11%	-5%	31.9	7	0.63%	26/12/2023	
VHC	Hold	74.2	82.8	71.3	12%	-4%	75.5	4	1.75%	29/12/2023	
DCM	Hold	32.3	36.0	31.4	11%	-3%	32.5	2	0.62%	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

Shinhan Investment Network

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