MORNING CALL
19/01/2024

“The real estate sector is booming”

- ❑ World stocks: Positive sentiment on a global scale
- ❑ Vietnam stocks: The real estate sector is booming
- ❑ Business news: #VCG, #VIX, #TVB, #VTP, #QCG, #PSD
- ❑ Technical perspective and updated recommendations #VPB
- ❑ Event calendar
- ❑ Q&A

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Global Market Review 15/01 – 19/01/2024

Major stocks market

- In regular trading on Thursday, the Dow rose 0.54%, the S&P 500 gained 0.88% and the Nasdaq Composite jumped 1.35%. Meanwhile, hawkish signals from Fed officials and strong US data lifted Treasury yields and reduced expectations of a rate cut in March.
- European stocks closed sharply higher on Thursday, recovering from multi-week lows and erasing the sharp losses from yesterday as markets continued to assess the economic backdrop for hints on the extent of monetary easing from the ECB this year. The Stoxx 50 added 1.1% to close at 4,452, while the Stoxx 600 rose by a softer 0.6% to 470. Minutes from the ECB's latest meeting indicate that Governing Council members were confident that inflation in the Eurozone's economy is softening back to its target
- The Nikkei 225 Index jumped 1.5% to around 36,000 while the broader Topix Index gained 0.7% to 2,510 on Friday, with Japanese shares snapping a three-day decline as easing inflationary pressures in the country reinforced a dovish outlook on Bank of Japan monetary policy. Data showed that Japan's headline inflation rate fell to a 17-month low of 2.6% in December from 2.8% in November, while the core inflation print dropped to an 18-month low of 2.3%.
- WTI crude futures rose to $74 per barrel on Thursday, continuing their upward trend due to strong demand estimates from both the IEA and OPEC. The IEA revised its 2024 oil demand growth projection to 1.24 million bpd, up by 180,000 bpd, citing improved economic growth and lower crude prices in Q4.

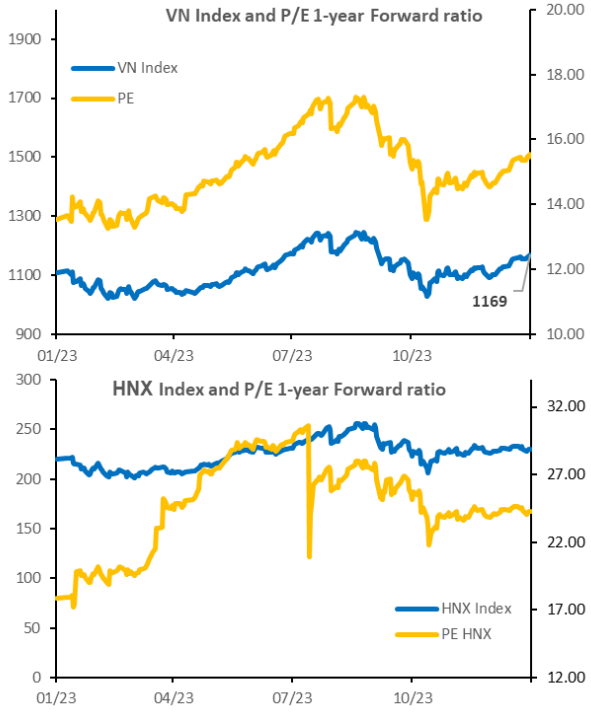
Market

	Close	%1D	%1M	%1Y
VN-Index	1,169	0.56%	6.64%	5.50%
S&P 500 Index	4,781	0.88%	0.85%	21.69%
Dow Jones Index	37,469	0.54%	0.44%	12.53%
GP 100	7,459	0.17%	-2.34%	-3.72%
Nikkei 225	36,047	1.64%	8.51%	36.51%
SHCOMP Index	2,846	0.43%	-2.95%	-12.17%
STOXX 600	470	0.59%	-1.38%	4.44%
KOSPI Index	2,473	1.34%	-3.73%	3.88%
Hang Seng	15,392	0.75%	-6.74%	-28.91%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	103.37	-0.16%	1.18%	1.29%
USD/VND	24,533.00	0.00%	-0.72%	-4.44%
EUR/USD	1.09	0.04%	-0.92%	0.43%
USD/CNY	7.20	0.00%	-0.91%	-6.09%
Brent	79.10	1.57%	1.48%	-6.92%
WTI	74.23	0.20%	1.08%	-7.59%
Natural gas	2.70	0.15%	8.39%	-17.53%
Coal	128.90	-0.46%	-10.95%	-64.97%
Gold	2,024.00	0.03%	-0.80%	4.75%

Vietnam Market Snapshot 18/01/2024



	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,162.53	15.47	-0.59	-0.05	635	14,947
HNX INDEX	229.50	24.25	0.00	0.00	78	1,389

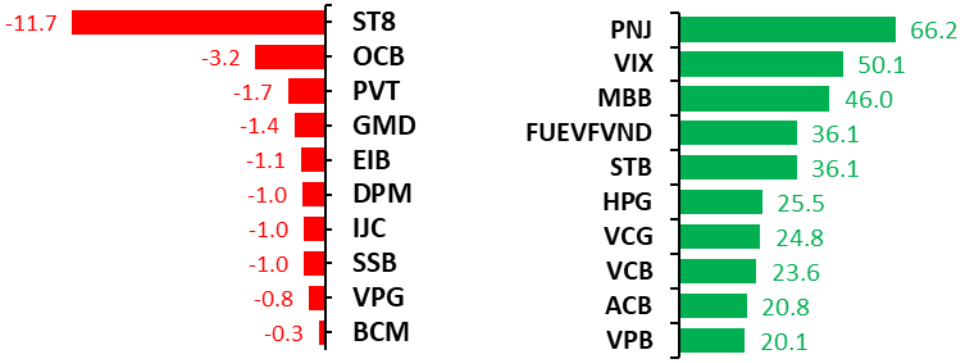
Money flow and sector rotation (VND bn)

Sector	%1D	1/18/2024	1/17/2024	20-session Average
Real Estate	20.56	2,842	2,358	2,649
Health Care	18.63	13	11	19
Automobiles & Parts	16.85	121	104	170
Construction & Materials	13.23	876	773	927
Travel & Leisure	-6.7	81	86	111
Technology	-7.8	174	189	224
Banks	-8.2	3,158	3,440	3,303
Food and Beverage	-9.0	651	716	1,132
Utilities	-11.4	136	154	169
Chemicals	-14.0	318	370	476
Basic Resources	-23.9	1,019	1,339	1,245
Retail	-25.6	533	716	537
Personal & Household Goods	-26.3	211	286	179
Industrial Goods & Services	-27.0	490	671	895
Oil & Gas	-27.8	106	146	130
Media	-42.9	9	16	14
Insurance	-44.9	19	34	25
Financial Services	-53.6	1,603	3,454	2,353

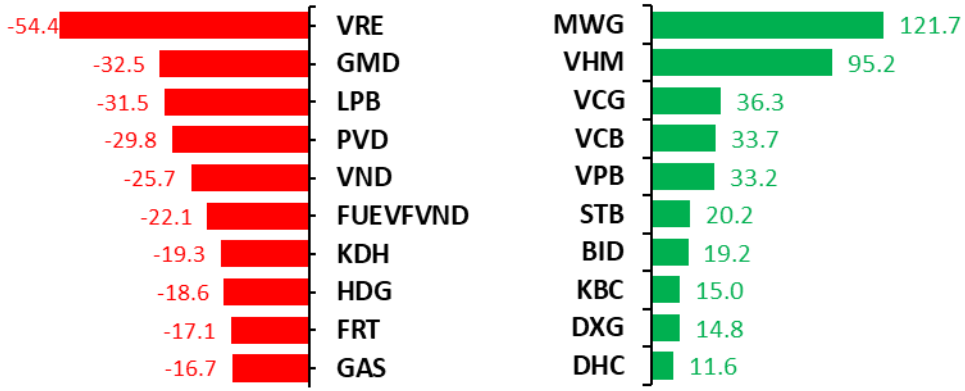
Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Market Snapshot 18/01/2024

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	52	37	(147)	110
Basic Resources	28	24	(9)	(15)
Media	-	(0)	(0)	0
Industrial Goods & Services	21	(28)	10	18
Health care	-	(0)	1	(1)
Chemicals	3	(38)	32	6
Financial Services	97	(62)	(46)	108
Travel & Leisure	6	(18)	13	5
Banks	174	71	(344)	273
Construction & Materials	33	52	(96)	43
Food and Beverage	22	(33)	25	9
Retail	3	105	(114)	9
Utilities	7	(18)	(11)	28
Personal & Household Goods	66	(1)	(65)	66
Technology	3	0	(5)	5
Automobiles & Parts	1	1	(2)	1
Insurance	(0)	2	(2)	(0)
Oil & Gas	1	(32)	26	6

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- Vietnamese shipping companies are expected to face more difficulties in 2024. Major challenges from the Red Sea. Recent attacks on ships in the Red Sea are suffocating the Suez Canal, one of the world's major trade routes. Container ships have therefore had to avoid the Suez Canal, disrupting global supply chains and driving up product prices at a time when the world is fighting inflation. The Suez Canal currently contributes 10-15% of global trade and about 30% of the world's container shipping volume. It is a route connecting Asia to Europe, considered the lifeline of international trade. According to reports from shipping companies, the fuel costs of ship owners have increased to up to 2 million USD for each round-trip when they diverted to the Suez Canal, and freight rates between Asia and Europe have more than doubled from the average level in 2023 to 3,500 USD/40-foot container.

- National Assembly Chairman: Extraordinary Session a success, meeting urgent needs. The National Assembly Chairman said that at the Session, the National Assembly voted to pass the passage of the amended Land Law; the amended Law on Credit Institutions; Resolution on a number of special mechanisms and policies for implementing national target programs; Resolution on the use of general reserve, central budget reserve of the medium-term public investment plan for the 2021-2025 period for ministries, central agencies, localities, and the Vietnam Electricity Group with a high approval rate.

- National Assembly agrees to use nearly 64,000 billion VND in public investment for ministries, central agencies, and localities. On the morning of January 18, the National Assembly officially passed the draft resolution on the use of general reserve, central budget reserve of the medium-term public investment plan for the 2021-2025 period...

Business news

VCG: Vinaconex (VCG) partners with Chinese conglomerate to study investment in two transportation projects worth VND85,000 billion. The preliminary total investment for the project to build Thuy Lien Bridge and the road from Thuy Lien Bridge to the Hanoi-Thai Nguyen expressway is estimated at VND20,000 billion. The preliminary total investment for the project to build Line 5 of the Hanoi urban railway, section Van Cao - Ngoc Khanh - Lang - Hoa Lac, is estimated at VND65,000 billion.

VIX: In 2023, VIX Securities (VIX) reported a three-fold increase in pre-tax profit from the previous year thanks to the positive market performance. VIX will launch a new trading system in late January 2024 to continue to conquer the mass customer segment. VIX Securities has just announced its 2023 business figures in the market. According to the recently released financial report, VIX recorded total revenue of VND1,624 billion in 2023, up 36.7%, and pre-tax profit of VND1,198.8 billion, up three times from the previous year (in 2022, the company reported pre-tax profit of VND376.3 billion). Previously, in September 2023, VIX Securities approved a plan to increase pre-tax profit to VND1,150 billion, up 70.1% from the initial plan (the initial pre-tax profit plan was VND676 billion). As a result, the company has completed 104% of the adjusted plan.

TVB: A securities company stock is removed from the restricted trading list and immediately shoots up to the ceiling. In the latest announcement, the Ho Chi Minh City Stock Exchange (HoSE) has decided to move TVB shares of Tri Viet Securities JSC from the restricted trading list to the monitoring list as of January 19, 2024. The reason is that Tri Viet Securities has rectified the situation of securities being restricted from trading in accordance with Article 39, Clause 5, but has not yet met the requirements of Article 38, Clause 4, Point đ of the Listing and Trading Regulations of Listed Securities.

Breaking News



Business news

QCG: Mrs. Nguyen Thi Nhu Loan, Chairman of Quoc Cường Gia Lai Corporation (QCG), has filed a complaint with the Bà Rịa - Vũng Tàu Provincial Police Department against Mrs. Ngo Thi Minh Phuong and Mrs. Nguyen Thi Kim Lien, both residents of Vung Tau City, for fraud and theft of VND150 billion.

VTP: Viettel Post uses 200 robots to sort parcels, increasing productivity by 3.5 times and reducing manpower by 60%. Viettel Post, a subsidiary of Viettel Group, has introduced 200 robots to sort parcels at its warehouse in Ho Chi Minh City. The robots are capable of working in the dark and without air conditioning, and they can sort parcels three times faster than humans. The use of robots is part of Viettel Post's efforts to become a more professional, green, and efficient logistics company. The company has also developed a range of logistics technology solutions, including software for warehouse management, app/web systems, and weight monitoring, conveyor belt monitoring, and smart locks. Viettel Post says it is not only focused on its traditional delivery business, but is also expanding into other areas of logistics, such as logistics parks, smart border crossings, cross-border logistics infrastructure, and intermodal systems that connect major centers, industrial parks, aquaculture areas, and transportation hubs.

PSD: Petrosetco Distribution Services Joint Stock Company (PSD), a subsidiary of Petrosetco, specializes in the distribution of Samsung and non-iPhone Apple products (iPad, iMac, and MacBook, etc.). The company's financial statements for the fourth quarter of 2023 showed that net revenue was VND1,712 billion, down nearly 18% from the same period in 2022. Cost of goods sold fell more slowly, resulting in a significant decline in gross profit margin from 5.1% in the same period of the previous year to 4%. Gross profit was VND70 billion, down nearly 35% from the fourth quarter of 2022.

Technical view



Trend: Uptrend

- VNINDEX closed at 1,169.06 (+6.53 points, +0.56%) with declining liquidity. The market had 289 green and 167 red tickers. The groups of stocks that contributed the most to the market's rise were VHM, BID, and CTG. On the other hand, the groups of stocks that contributed to the market's decline were VHM, CTG, and VPB. Foreigners sold net in a negligible amount. Most industry groups rose sharply, with the real estate and retail sectors rising the most.
- Technical view: VNINDEX continued to rise after accumulating at 1,160. This time, the money flow flowed into the real estate and retail sectors to continue to pull the market up. The STOCH RSI indicator has turned back to the upward direction, indicating that price momentum is improving. It can be seen that money flow is circulating through different industry sectors to pull up the price level. It is expected that the market will pause when it approaches the 1,180 region, at the same time that the market is about to go on Tet holiday. If there is a sharp decline, VNINDEX will return to the 1,130 region, but the probability of the market breaking through this region is low.
- Strategy: Investors should maintain a state of observing the market, actively taking profits for stocks that have formed peaks, and maintaining a relatively high level of cash.

Scenario:

- Positive (60%): The market will maintain its upward trend to the 1180-1200 range.
- Negative (40%): The market will adjust back to the 1130 range to test again.

Recommended stocks

19/01/2024 9:00 AM

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
VPB	Buy	19.4	21.4	18.7	10%	-4%	19.5	

Trading portfolio

Ticker	Recommendation	Buying price	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
KBC	Hold	31.7	35.1	30.1	11%	-5%	31.4	18	-0.95%	26/12/2023	
VHC	Hold	62.0	69.9	59.1	13%	-5%	64.2	15	3.55%	29/12/2023	
SSI	Hold	33.0	36.0	31.7	9%	-4%	33.8	11	2.58%	04/01/2024	
PET	Hold	26.7	30.3	25.5	13.5%	-4.5%	26.6	5	-0.37%	12/01/2024	

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Economic calendar

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
4	5	NOTES				

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