MORNING CALL
26/01/2024

"The correction process is still ongoing"

- World stocks: Positive ahead of US Q4 GDP data
- Vietnam stocks: The correction process is still ongoing
- Business news: #BVB, #FRT, #VOS, #TCB, #LPB, #BMP
- Technical perspective and updated recommendations
- 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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Global Market Review 22/01 - 26/01/2024

Major stocks market

- In regular trading on Thursday, the Dow rose 0.64%, the S&P 500 gained 0.53% and the Nasdaq Composite added 0.18%. Those moves came as higher-than-expected US economic growth in the fourth quarter bolstered hopes that the economy has avoided a deep recession, boding well for corporate America. The US economy expanded an annualized 3.3% in Q4 2023, much better than forecasts of a 2% rise, and following a 4.9% rate in Q3, according to the advance estimate.
- European stocks reversed from early losses during afternoon trading to close higher on Thursday, tracking Wall Street after a batch of data showed that the US economy continued to grow at a sharp rate in the fourth quarter despite a fresh slowdown in their PCE prices. The Eurozone's Stoxx 50 added 0.4% to close at 4,582 and the Pan-European Stoxx 600 edged 0.3% higher to 478. The FTSE 100 closed at 7530, the highest in over one week. Frankfurt's DAX erased earlier losses and closed slightly above the flatline at another record high of 16,912 on Thursday, tracking the afternoon support for European stocks after evidence of slowing prices and strong growth in the United States ramped up demand for equities.
- The Nikkei 225 Index fell 0.7% to below 36,000 while the broader Topix Index dropped 0.9% to 2,509 on Friday, erasing gains from the previous session, with nearly all sectors participating in the decline.
- Brent crude futures jumped over 3% to above $82 per barrel on Thursday, nearing a two-month high, due to increased demand expectations driven by strong U.S. economic growth and stimulus measures in China.

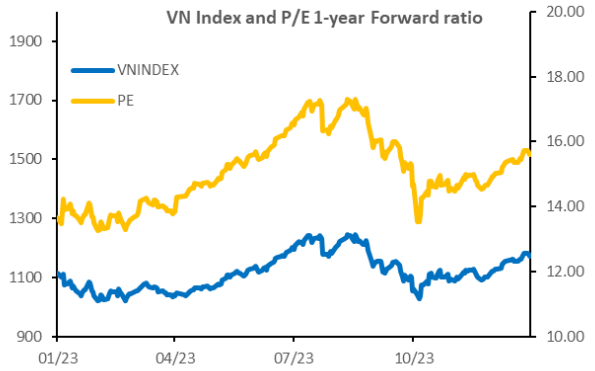
Market

	Close	%1D	%1M	%1Y
VN-Index	1,170	-0.22%	4.29%	5.62%
S&P 500 Index	4,894	0.53%	2.93%	21.86%
Dow Jones Index	38,049	0.64%	1.77%	12.76%
GP 100	7,530	0.03%	-2.18%	-2.98%
Nikkei 225	35,915	-0.89%	7.83%	31.25%
SHCOMP Index	2,906	3.03%	0.25%	-10.99%
STOXX 600	479	0.30%	0.19%	5.41%
KOSPI Index	2,494	0.98%	-4.15%	1.05%
Hang Seng	16,212	1.96%	-0.79%	-28.16%

Currency & Commodity

	Close	%1D	%1M	%1Y
Dollar Index	103.52	-0.05%	2.02%	1.65%
USD/VND	24,613.00	-0.01%	-1.24%	-4.73%
EUR/USD	1.08	0.00%	-1.78%	-0.42%
USD/CNY	7.17	-0.22%	-0.52%	-5.43%
Brent	82.10	-0.40%	1.27%	-6.14%
WTI	76.94	-0.54%	1.81%	-5.02%
Natural gas	2.59	0.54%	1.37%	-12.19%
Coal	126.80	-0.31%	-12.85%	-64.18%
Gold	2,023.17	0.12%	-2.16%	4.87%

Vietnam Market Snapshot 25/01/2024



	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,170.37	15.57	-2.60	-0.22	431	9,949
HNX INDEX	228.52	24.11	-0.01	0.00	45	714

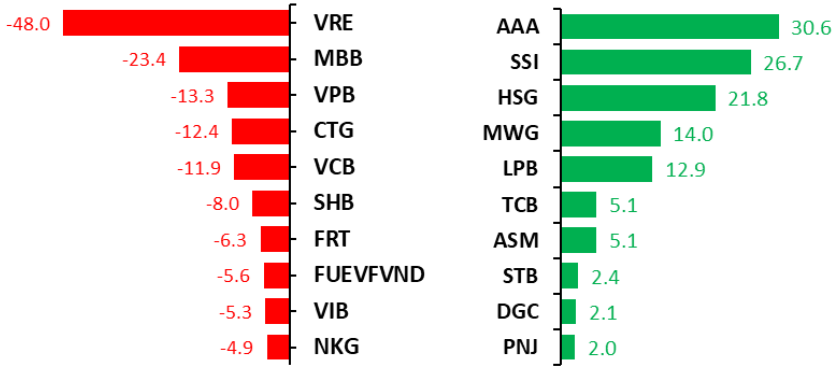
Money flow and sector rotation (VND bn)

Sector	%1D	1/25/2024	1/24/2024	20-session Average
Chemicals	77.92	599	337	499
Oil & Gas	11.05	66	60	135
Basic Resources	3.87	972	936	1,303
Construction & Materials	-3.9	670	698	981
Food and Beverage	-4.5	863	903	1,093
Retail	-4.8	603	634	577
Personal & Household Goods	-7.7	88	95	160
Travel & Leisure	-10.5	73	81	102
Automobiles & Parts	-12.1	62	70	144
Real Estate	-21.8	1,589	2,031	2,673
Banks	-26.3	2,484	3,370	3,744
Utilities	-26.9	96	131	169
Health Care	-35.5	9	14	18
Industrial Goods & Services	-36.9	380	603	811
Technology	-39.2	161	265	221
Insurance	-43.4	12	22	27
Media	-51.5	4	7	12
Financial Services	-59.5	1,228	3,035	2,390

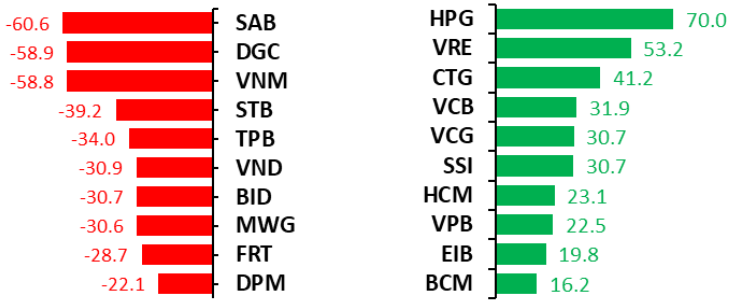
Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Market Snapshot 25/01/2024

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	(50)	52	(38)	(14)
Basic Resources	15	87	(148)	61
Media	-	(0)	0	-
Industrial Goods & Services	2	17	(11)	(5)
Health care	-	(0)	0	0
Chemicals	33	(84)	44	41
Financial Services	22	53	(101)	48
Travel & Leisure	0	(1)	0	1
Banks	(65)	1	93	(94)
Construction & Materials	1	15	(33)	18
Food and Beverage	5	(163)	205	(42)
Retail	8	(61)	58	3
Utilities	2	(28)	21	7
Personal & Household Goods	2	(6)	6	0
Technology	1	1	13	(14)
Automobiles & Parts	1	(15)	17	(2)
Insurance	0	(3)	4	(1)
Oil & Gas	(0)	(1)	3	(2)
Total	**(25)**	**(136)**	**131**	**5**

Source: Fiinpro, Shinhan Securities Vietnam

Breaking News

Macro

- Price of the US dollar in the free market has increased by 1.7% since the beginning of 2024. After relatively stable months in late 2023, supported by many positive news, the VND/USD exchange rate has "heated up" in January 2024. This is partly due to increased demand ahead of Lunar New Year, coupled with uncertain factors about the Fed's interest rate cut schedule. However, experts have all concluded that the pressure to increase the exchange rate is only temporary.

- Ho Chi Minh City calls for nearly 160,000 billion dong in investment for green growth. The Ho Chi Minh City People's Committee has just issued a list of 28 projects calling for investment in green growth development under public-private partnership models with a total capital of nearly 160,000 billion dong. These projects were invited by the city to invest at the Ho Chi Minh City Investment Conference for Green Growth Development held on January 24. In the list of 28 projects invited to invest at this conference, the transport sector has 9 projects. The Ho Chi Minh City Department of Transport said that these are all key, urgent, priority infrastructure projects that need to be completed before 2030, which need to be invited to invest.

- Overcoming many challenges, aviation will break the loss chain and fully recover by the end of 2024. Although the recovery is slow and there are still many potential risks, according to the forecast of the Civil Aviation Authority of Vietnam, the Vietnamese aviation market is in the general trend of the Asia-Pacific region, can break the loss chain and fully recover by the end of 2024. The aviation industry is expected to welcome 84.2 million passengers, up 6% from the pre-pandemic period. However, the Civil Aviation Authority of Vietnam also said that in addition to the opportunities and opportunities that are expected, there are still challenges, existing risks that may increase and potential risks that may arise in 2024 that the aviation industry must face, can directly impact, threaten the recovery and development according to the forecast scenario.

Business news

BVB: BVBank's credit growth is nearly 14% in 2023, 70% of loans transferred to the individual customer group. In 2023, BVBank's credit portfolio grew by nearly 14% to 58,000 billion dong. This growth was driven by a shift in the bank's focus to the retail segment. In 2023, 70% of BVBank's loans were to individual customers, up from 54% in the previous three years.

FRT: FPT Retail and Thế Giới Di Động shares surge ahead of earnings release. Shares of FPT Retail and Thế Giới Di Động surged ahead of the release of their fourth-quarter earnings results. This suggests that investors are optimistic about the results of the two retailers. In the context of a broader market sell-off on January 25, the retail sector was a bright spot. FPT Retail's stock FRT was the standout, soaring to its daily limit with a surge in trading volume. FRT even closed with no sell orders. This strong breakout ended a period of consolidation and brought the stock back to its all-time high.

VOS: Vosco's net profit soars to 105 billion dong in Q4 on restructuring and ship sale gains. Vosco's net profit soared to 105 billion dong in the fourth quarter of 2023, up 4.8 times from the same period a year earlier and the highest level in the past five quarters. Vosco's revenue in the fourth quarter of 2023 rose 48% to 910 billion dong, mainly due to additional revenue from its trading business (410 billion dong). The trading business was profitable due to the sale of the Neptune Star ship.

Breaking News



Business news

TCB: Techcombank to pay dividends of about 20% of profits in 2024 Techcombank CEO Jens Lottner announced that the bank plans to pay dividends of about 20% of profits in 2024, equivalent to a dividend yield of about 4-5% per year. Lottner said: "For the past 10 years, Techcombank has been consistent with a policy of retaining all profits for reinvestment. But this is the time for us to reconsider." He also said: "If we have too much capital and are not using it effectively, we will pay dividends." Lottner explained that the decision to change the dividend policy was based on the bank's potential for profits, balance sheet position, capital situation, and policy changes. Techcombank believes that it can maintain its 20% growth rate with a capital adequacy ratio of 14-15%. Therefore, the bank is considering a dividend policy.

LPB: LPBank sets date for 2024 annual general meeting. The Board of Directors (BOD) of LienViet Post Bank (LPBank, ticker: LPB) approved the plan to hold its 2024 annual general meeting (AGM) in April 2024. The last day for shareholders, groups of shareholders to nominate candidates for election of additional members of the Board of Directors for the fourth term and attend the 2024 annual general meeting is February 15, 2024.

BMP: Binh Minh Plastic's Q4 profit rises slightly. Binh Minh Plastic Joint Stock Company (BMP, ticker: BMP, HoSE) has just announced its Q4 2023 financial report with Q4 2023 profit rising slightly from the same period last year. Specifically, Binh Minh Plastic's Q4 2023 net revenue from sales and services reached VND1,454 billion, slightly higher than VND1,407 billion in the same period last year. Accumulated net revenue for the whole year of 2023 reached VND5,157 billion, down from VND5,808 billion in the whole year of 2022.

Technical view



Trend: Correction in shorterm

- VNINDEX closed at 1,170.37 (-2.6 points, -0.22%) with declining liquidity. The market had 140 green and 301 red codes. The stock groups that contributed the most to the market's rise were MWG, FRT, and MSN. On the other hand, the stock groups that contributed to the market's decline were BID, SAB, and VHM. Foreigners continued to net buy around VND140 billion. There was a strong differentiation in the rise and fall of the industry groups.
- Technical analysis: The market continues to adjust but has not seen any significant changes in the main uptrend. This is a period when money flows are circulating through different industry groups but lack consensus, so it is necessary to observe the reaction of the money flow at the 1160 zone. The RSI index after entering the overbought zone has cooled down, indicating that short-term price momentum is weakening. The corresponding support and resistance zones are 1160 (corresponding to the EMA 20) and 1220.
- Strategy: The appropriate strategy is still to prioritize holding and not chasing into the banking group because the pressure to reverse and decline points can occur at any time.

Scenario:

- Positive (50%): The market will maintain its upward momentum to the 1,220 area.
- Less positive (50%): The market corrected to the 1,160 area.

Recommended stocks

26/01/2024 9:00 AM

Unit: VND thousand

Today's watchlist

Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals

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%	30.3	23	-4.42%	26/12/2023	
VHC	Hold	62.0	69.9	59.1	13%	-5%	62.8	20	1.29%	29/12/2023	
SSI	Hold	33.0	36.0	31.7	9%	-4%	34.0	16	3.03%	04/01/2024	
VPB	Hold	19.4	21.4	18.7	10%	-4%	19.7	5	1.29%	19/01/2024	

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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				

Shinhan Securities

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



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