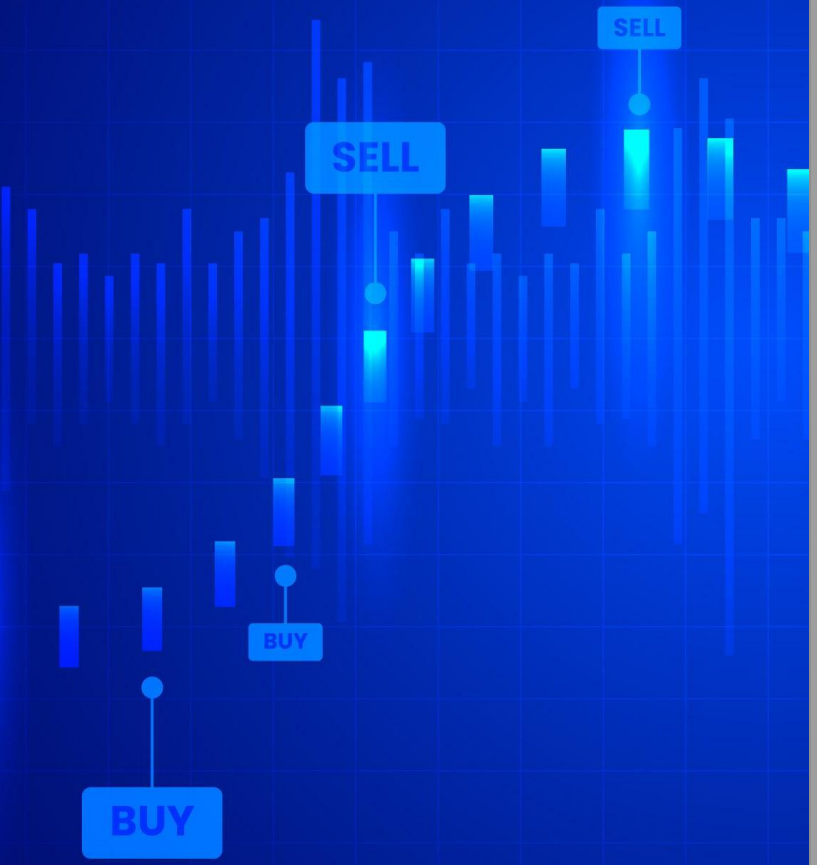
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# MORNING CALL

19/03/2024

# "The market reversed, liquidity increased suddenly"

- ❑ World stocks: Slightly increased after falling sessions
- ❑ Vietnam stocks: Market reversed, liquidity increased suddenly
- ❑ Macro news
- ❑ Business news: #MBB, #SZC, #VIC, #VRE, #FPT, #VGR, #HAH
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

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# Global Market Review 18/03 – 22/03/2024

## Major stocks market

- In regular trading on Monday, the Dow rose 0.2%, the S&P 500 gained 0.63% and the Nasdaq Composite jumped 0.82%. Nine out of the 11 S&P sectors finished higher, led by communication services, consumer staples and consumer discretionary.
- The STOXX 50 erased early gains to close virtually unchanged at 4,986 points on Monday, while the broader STOXX 600 edged down by 0.1% to 504 points, as investors braced themselves for upcoming central bank meetings in major economies such as the US, UK, and Japan.
- The Nikkei 225 Index fell 0.6% to around 39,500 on Tuesday, giving back some gains from the previous session as investors geared up for the Bank of Japan's policy decision later today. Markets are speculating that the BOJ could decide to exit its negative interest rate policy today due to rising wages, high inflation and a stable economy.
- The Shanghai Composite rose 0.99% to close at 3,085 while the Shenzhen Component gained 1.46% to 9,753 on Monday, with both benchmark indexes hitting their highest levels in nearly four months as investors cheered better-than-expected Chinese economic numbers. Data showed that retail sales, industrial production and fixed asset investment increased more than expected in the first two months of the year.
- WTI crude futures rose 2% to settle at $82.72 per barrel on Monday, the highest since October, building on gains from previous week. The rise was underpinned by lower crude exports from Iraq and Saudi Arabia, alongside indications of stronger demand and economic growth in both China and the United States.

| Market | Close | %1D | %1M | %1Y |
|---|---|---|---|---|
| VN-Index | 1,244 | -1.60% | 1.52% | 18.99% |
| S&P 500 Index | 5,149 | 0.63% | 2.87% | 31.48% |
| Dow Jones Index | 38,790 | 0.20% | 0.42% | 21.75% |
| GP 100 | 7,723 | -0.06% | -0.08% | 5.28% |
| Nikkei 225 | 39,466 | -0.69% | 2.59% | 44.39% |
| SHCOMP Index | 3,085 | 0.99% | 5.99% | -5.10% |
| STOXX 600 | 504 | -0.17% | 2.35% | 15.50% |
| KOSPI Index | 2,662 | -0.89% | -0.69% | 11.11% |
| Hang Seng | 16,737 | 0.10% | 3.60% | -14.25% |

| Commodity | Close | %1D | %1M | %1Y |
|---|---|---|---|---|
| Brent | 87 | -0.08% | 3.90% | 18.98% |
| WTI | 83 | -0.11% | 4.34% | 23.81% |
| Gasoline | 274 | -0.61% | 17.32% | 9.56% |
| Natural gas | 2 | 0.94% | 6.84% | -26.48% |
| Coal | 130 | -0.95% | 8.81% | -25.00% |
| Gold | 2,160 | 0.01% | 7.10% | 9.18% |
| China HRC | 3,781 | -0.29% | -6.41% | -14.15% |
| Steel rebar | 3,468 | 1.23% | -6.40% | -18.01% |
| BDI index | 2,374 | 1.02% | 45.73% | 54.66% |

| Currency | Close | %1D | %1M | %1Y |
|---|---|---|---|---|
| Dollar Index | 104 | 0.05% | -0.62% | -0.08% |
| USD/VND | 24,720 | 0.02% | -0.78% | -4.58% |
| EUR/USD | 1 | -0.02% | 0.84% | 1.39% |
| USD/JPY | 149 | -0.07% | 0.58% | -12.02% |
| USD/CNY | 7 | -0.02% | 0.00% | -4.46% |
| USD/GPB | 1 | 0.06% | -1.00% | -3.48% |
| USD/KRW | 1,338 | -0.31% | -0.21% | -2.05% |
| USD/AUD | 2 | 0.14% | -0.16% | 2.56% |
| USD/CAD | 1 | -0.07% | -0.39% | 0.89% |

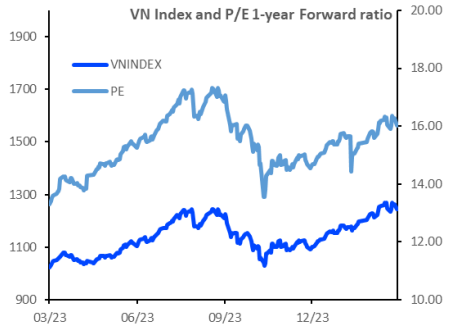
Source: Bloomberg. Shinhan Securities Vietnam

# Vietnam Market Snapshot 18/03/2024

## Market data

| | Close | PE | Change | %1D | Trading volume (mn stocks) | Trading value (VND bn) |
|---|---|---|---|---|---|---|
| VNI NDEX | 1,243.56 | 16.01 | -20.22 | -1.60 | 1,519 | 40,030 |
| HNX INDEX | 236.68 | 23.11 | -2.86 | -1.19 | 187 | 3,782 |



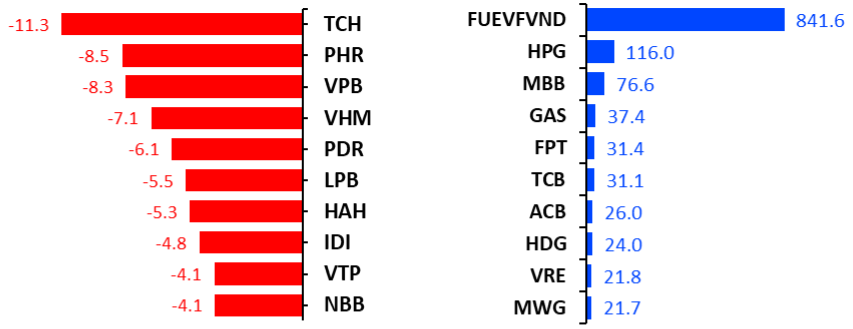

## Money flow and sector rotation (VND bn)

| Sector | %1D | 3/18/2024 | 3/15/2024 | 20-session Average |
|---|---|---|---|---|
| Chemicals | 178.92 | 3,048 | 1,093 | 1,269 |
| Oil & Gas | 145.19 | 554 | 226 | 303 |
| Automobiles & Parts | 118.88 | 776 | 355 | 224 |
| Financial Services | 70.08 | 7,006 | 4,120 | 4,135 |
| Construction & Materials | 64.51 | 2,823 | 1,716 | 1,584 |
| Personal & Household Goods | 52.82 | 558 | 365 | 310 |
| Technology | 52.12 | 774 | 509 | 460 |
| Real Estate | 49.10 | 9,672 | 6,487 | 4,559 |
| Industrial Goods & Services | 44.86 | 2,248 | 1,552 | 1,348 |
| Banks | 35.24 | 5,336 | 3,945 | 4,498 |
| Food and Beverage | 33.98 | 2,692 | 2,009 | 1,970 |
| Retail | 32.26 | 1,433 | 1,083 | 1,013 |
| Basic Resources | 26.99 | 2,391 | 1,883 | 1,697 |
| Utilities | 18.73 | 466 | 393 | 298 |
| Health Care | 17.33 | 83 | 71 | 33 |
| Media | 4.91 | 42 | 40 | 22 |
| Insurance | -7.9 | 65 | 71 | 44 |
| Travel & Leisure | -18.4 | 96 | 118 | 87 |

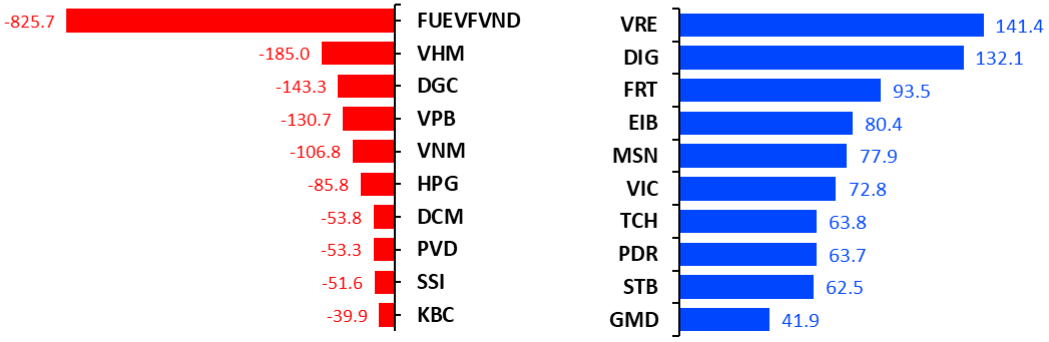
Nguồn: Bloomberg. Shinhan Securities Vietnam

# Vietnam Market Snapshot 18/03/2024

### 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 | 32 | 266 | (210) | (57) |
| Basic Resources | 119 | (84) | (46) | 130 |
| Media | - | - | (1) | 1 |
| Industrial Goods & Services | 3 | 73 | (76) | 3 |
| Health care | 0 | (17) | 16 | 1 |
| Chemicals | 7 | (212) | 56 | 156 |
| Financial Services | 841 | (896) | 15 | 881 |
| Travel & Leisure | 5 | 0 | (3) | 3 |
| Banks | 171 | (51) | (317) | 368 |
| Construction & Materials | (6) | (36) | 51 | (14) |
| Food and Beverage | 27 | (34) | (43) | 77 |
| Retail | 22 | 98 | (129) | 31 |
| Utilities | 37 | (15) | (63) | 78 |
| Personal & Household Goods | 10 | (15) | (19) | 34 |
| Technology | 31 | (13) | (18) | 30 |
| Automobiles & Parts | (12) | 66 | (61) | (5) |
| Insurance | 1 | (8) | 4 | 4 |
| Oil & Gas | (1) | (52) | 28 | 23 |
| **Total** | **1,288** | **(929)** | **(816)** | **1,745** |

Nguồn: Fiinpro. Shinhan Securities Vietnam

# Breaking News



## Macro

- The Directorate of Fisheries quoted information from Undercurrent News saying that Vietnam remained the fourth largest shrimp supplier to the US in January, exporting 3,688 tons worth USD 35.7 million, but down 5% YoY in volume and down 12% YoY. The average price in January, based on UCN's Trade Portal, was $4.46/lb, down 9% from the average of $4.91/lb paid a year earlier and down 2% from the average of $4.55/lb a month earlier. Vietnam's total exports of whiteleg shrimp and black tiger shrimp jumped year-on-year in January, although this was mainly due to the Lunar New Year taking place in February this year instead of January like in 2023. Experts predict the first half of 2024 will be difficult.
- According to a report from the Ministry of Industry and Trade, on average, Vietnamese people only consume 23 liters of soft drinks per year. While world consumers use 40 liters/year, the potential of Vietnam's beverage market is still very large. Executive Director of market research company Nielsen Vietnam Louise Hawley said that Vietnam is a country with a young population, with the age group 15 - 54 accounting for nearly 62.2%, so there is a high demand for various types of beverage. In 2023 alone, Vietnam's beverage industry revenue reached USD 8.25 billion, expected to reach USD 10 billion by 2027.
- The Ministry of Construction said that in the fourth quarter of 2023, apartment prices continued to increase in Hanoi and Ho Chi Minh City, especially in the central areas. On the market there are almost no projects in the affordable segment (price below 25 million VND/m2) but mainly in the mid-end segment (price from 25 - 50 million VND/m2). According to Savills, primary apartment supply will record 10,700 units in 2023 - the lowest level in the past 10 years. In the context of scarce supply and expensive house prices, the market will only have 6,200 transactions in 2023. Accordingly, the number of apartment transactions has decreased by an average of 7% per year over the past 10 years. According to a report by the General Assembly. Statistics Department, the average income of Vietnamese workers in 2023 is 7.1 million VND/month, an increase of 6.9% compared to the previous year.

# Breaking News



## Business news

- MBB: Military Commercial Joint Stock Bank has just reported the results of its private stock offering. Accordingly, the bank successfully offered 73 million individual shares to two investors, the Military Industry and Telecommunications Group (Viettel) and the State Capital Investment and Trading Corporation (SCIC). Specifically, Viettel bought 43 million MBB shares, increasing the number of shares held from 737.1 million shares to more than 1 billion shares, corresponding to an increase in ownership ratio from 18,514% to 19,072%, continuing to be the largest shareholder of MB Bank. Meanwhile, SCIC bought an additional 30 million shares, increasing the number of MBB shares owned from 491.4 million shares to nearly 523 million shares, corresponding to an increase in ownership ratio from 9,425% to 9,862%.
- SZC: According to the 2024 General Meeting of Shareholders meeting documents of Sonadezi Chau Duc Joint Stock Company, this year the company targets revenue of more than VND 881 billion and profit after tax of VND 228 billion, respectively increasing 5.4% and 4.1% compared to the results achieved in 2023. The two main segments expected to bring main revenue to the company are industrial land leasing (about VND 626 billion) and residential real estate business. (about VND 119 billion), followed by Chau Duc golf course business of about VND 50 billion and other business activities, other revenue and other income of the company. This year, the company will continue to focus on promoting to attract investment in leasing industrial land.
- VIC & VRE: On March 18, Mr. Nguyen Viet Quang, Vice Chairman of the Board of Directors and General Director of Vingroup, said that on March 18, Vingroup and its subsidiary signed an agreement to sell their capital contribution up to 100% of charter capital in SDI company – the unit that owns 99% of charter capital of Sado Trading Business Joint Stock Company (Sado company), major shareholder of Vincom Retail (owner of shopping centers). The transaction is expected to be carried out from March 2024 to the third quarter of 2024. After this transaction is completed, SDI Company, Sado Company and Vincom Retail Company are no longer subsidiaries of Vingroup.



## Business news

- **FPT**: FPT is expected to submit a business plan for 2024 with a business revenue target of VND 61,850 billion, an increase of 17.5% compared to the previous year's results, in which the technology sector still accounts for the largest proportion, expected to expected to reach VND 38,150 billion, followed by the telecommunications sector with expected revenue of VND 17,600 billion. Pre-tax profit of the business sector in 2024 is expected to reach VND 10,875 billion VND, an increase of 18.2% compared to 2023 results. The dividend rate is expected to remain at 20% in cash. The Board of Directors also presented a plan to pay cash dividends in 2023 of 20%. The company has advanced 10% in July 2023. The remaining cash dividends are expected to be deployed in the second quarter of 2024.
- **VGR**: The 2024 Annual General Meeting of Shareholders of VIP Green Port Joint Stock Company (code VGR) has approved a very high dividend payment of 70% in cash. According to the Company's post-audit financial report, by the end of 2023, the Company's total assets reached VND 1,264 billion, equity reached VND 1,174 billion, service provision revenue reached VND 895 billion, profit Pre-tax profit reached VND 307 billion. The Congress approved the 2023 profit distribution plan at a rate of 70% in cash, of which the Company advanced 10% on June 14, 2023. In 2024, Green VIP approved a revenue plan of VND 774 billion, pre-tax profit of VND 240 billion, and a dividend level of no less than 20% of charter capital.
- **HAH**: Hai An Transport and Stevedoring Joint Stock Company is expected to be a listed enterprise that directly benefits from the tension in the Red Sea area. Currently, 4 out of 12 ships of Hai An Stevedoring are being leased in the Middle East, close to the Red Sea area. In addition, high global freight rates will also create favorable conditions for Hai An Stevedoring's remaining ships, which are operating on both domestic and Intra-Asia routes, to offer higher freight rates than usual. Currently, the total transport capacity of Hai An Stevedoring reaches 18,000 TEU, accounting for nearly 40% of the total capacity of Vietnam's container transport industry. Notably, Hai An Stevedoring's fleet currently has an average age of only 16.3 years - the lowest in the entire Vietnamese container shipping industry.

# Breaking News – Vingroup sells 41.5% of charter capital of Vincom Retail




(Source: According to the meeting organized by Vingroup and Vincom Retail)

## Business news

- **1. Selling 100% capital at SDI Investment and Trade Development Company Limited:**

- SDI:

+ Holding 99% of SADO - Owner of 41.5% of VRE shares. At the same time, SDI will also hold minority shares in Vu Yen and Green Ha Long real estate projects.

- Deal structure:

+ 55% sold in March, value: VND 21.49 trillion.

+ The remaining 45% will be sold within 6 months: value VND 17.59 trillion.

-> Total value: VND 39.09 trillion, expected to record pre-tax profit of VND 21.52 trillion.

- VRE stock selling price: VND 32,000/share, no conditions attached.

- Investors: Domestic investors, no foreign investors.

- Purpose of using capital: There is no specific plan. This is the group's action to structure and circulate capital.

- **2. Changes after divestment:**

- There are not many changes in business orientation and operations.

- There will be no change of the BOM, however the Board of Directors can change it.

- Relationship with VIC, VHM: VIC expects to keep the remaining shares intact. Capital transfers between the two parties will be settled in the next 6 months. Projects currently in the implementation plan will not change, other projects will be discussed and re-discussed between the parties.

# Technical view

## Trend: Correction

- VNINDEX closed at 1,243.56 (-20.22 points, -1.6%) with strongly increased liquidity. The market has 103 green tickers and 407 red tickers. Stock groups contributing to the market's increase include VRE, VIC, DHG. On the contrary, the groups of stocks contributing to the market's decline were GVR, CTG, and VCB. Foreign countries continued to net sell strongly, with a total value of VND 947 billion.
- Technical: After forming a divergence signal, the market reversed and formed a double top pattern, thereby confirming the end of the short-term uptrend. In the medium term, the market still maintains the trend as it shows signs of rebounding from the 1,220 area. Technical indicators continue to maintain negative signals as MACD has crossed the Signal line. The RSI indicator also formed a head and shoulders pattern, thereby confirming the downtrend of the RSI indicator.
- Strategy: Increased market risk has been shown in our recent reports, investors should continue to prioritize profit taking and risk management for their investment portfolios.




## Scenarios:

- Positive (50%): The market will rebound and move towards the 1,300 area.
- Less positive (50%): The market corrected to the 1,210 area.

# Recommended stocks

19/03/2024 9:00 AM

Unit: VND thousand

## Today's watchlist

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

## Trading portfolio

| Ticker | Recommendation | Buying price | Target | Cut loss | Upside | Downside | Current price | T+ | Profit/Loss | Date | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|
| NTL | Sell | 34.4 | 36.9 | 32.5 | 7% | -6% | 36.9 | 4 | 7.27% | 13/03/2024 | Sold in session |
| PC1 | Sell | 28.9 | 31.1 | 27.7 | 8% | -4% | 27.7 | 4 | -3.99% | 13/03/2024 | Cut lost |
| STB | Hold | 30.7 | 33.0 | 29.2 | 7% | -5% | 30.3 | 30 | -1.47% | 06/02/2024 | |
| SSI | Sell | 35.1 | 38.0 | 33.8 | 8% | -4% | 38.0 | 15 | 8.26% | 27/02/2024 | Sold in session |
| MWG | Hold | 46.4 | 51.3 | 43.7 | 11% | -6% | 45.9 | 13 | -1.08% | 29/02/2024 | |

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# Economic calendar

## March 2024

| SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|
| 25 | 26 | 27 | 28 | 29<br>Core PCE Price Index MoM JAN | 1<br>US ISM Manufacturing PMI FEB<br>Japan Consumer Confidence FEB | 2 |
| 3 | 4 | 5<br>ISM Services PMI FEB | 6<br>JOLTS Job Openings | 7 | 8<br>Non-Farm Employment Change, Unemployment Rate (US) | 9 |
| 10 | 11 | 12<br>CPI and core CPI (US) | 13 | 14<br>US PPI and Core PPI m/m<br>US Retail Sales and Core Retail Sales m/m | 15<br>Michigan Consumer Sentiment Prel MAR | 16 |
| 17 | 18<br>China Industrial Production YoY JAN-FEB<br>China Retail Sales YoY JAN-FEB | 19<br>Building Permits Prel FEB | 20<br>CPI and core CPI (UK) | 21<br>VN30F1M Futures contract maturity<br>Fed Interest Rate Decision<br>FOMC Economic Projections<br>BoE Interest Rate Decision | 22<br>Japan Inflation Rate YoY FEB | 23 |
| 24 | 25 | 26<br>US Durable Goods Orders MoM FEB | 27<br>Vietnam macroeconomic data | 28<br>US GDP Growth Rate QoQ Final Q4 | 29<br>US Core PCE Price Index MoM FEB<br>Personal Income MoM FEB | 30 |

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# Q&A

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