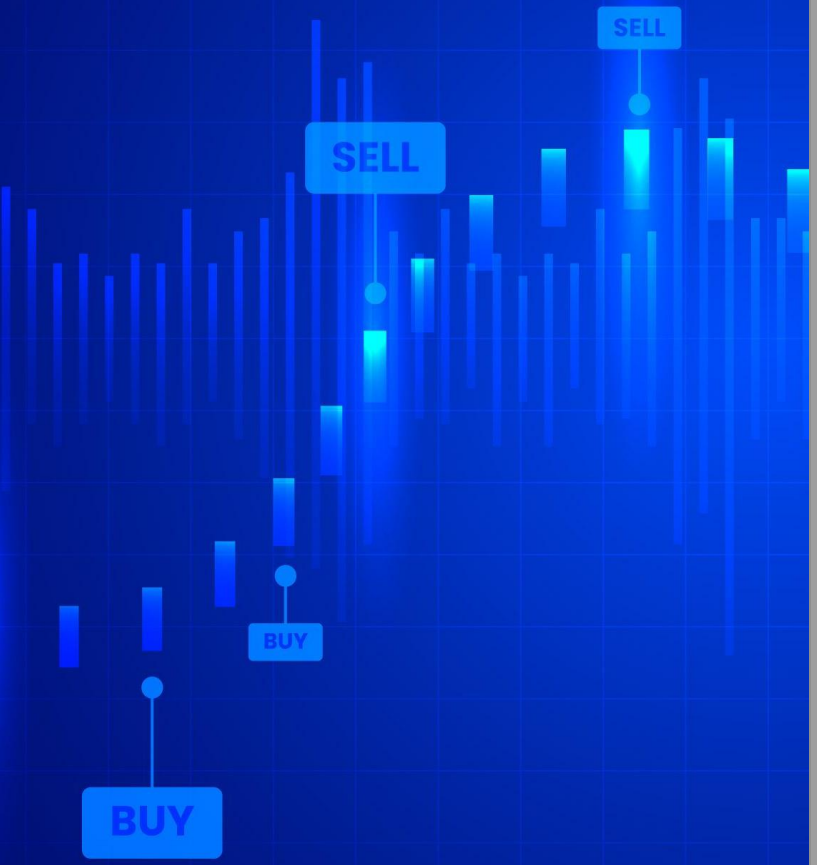
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MORNING CALL

20/03/2024

“Supply and demand balance, liquidity decline”

- ❑ World stocks: Gained points before the interest rate announcement
- ❑ Vietnam stocks: Supply and demand balance, liquidity decline
- ❑ Macro news
- ❑ Business news: #REE, #VHM, #VHC, #KBC, #VIB, #VDS
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

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Following SSV's Zalo,
Catching the latest report



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

Major stocks market

- In regular trading on Tuesday, the Dow rose 0.83%, the S&P 500 gained 0.56% and the Nasdaq Composite added 0.39%. Nine out of the 11 S&P sectors advanced, led by energy, utilities and consumer discretionary. Investors braced for the latest Federal Reserve policy decision. The central bank is widely expected to maintain interest rates at their current levels, while markets will focus on the "dot plot" for indications regarding the frequency and timing of potential rate cuts in the coming months.
- The STOXX 50 surged by over 2% to close at an over 23-year high of 5,007 points on Tuesday, while the broader STOXX 600 rose 0.2% to 505 points, as data pointing to a slowdown in Q4 wage growth reinforced the expectation that the ECB might deliver its first interest rate cut in June.
- The Nikkei 225 Index rose 0.66% to close at 40,004 while the broader Topix Index gained 1.06% to 2,751 on Tuesday, with Japanese shares climbing back toward all-time highs even after the Bank of Japan raised interest rates from -0.1% to 0%, hiking for the first time since 2007 and ending eight years of negative rates amid rising wages and high inflation.
- WTI crude futures traded above $83.4 per barrel on Tuesday, marking the highest level since late October, driven by ongoing supply-side concerns and an optimistic demand outlook. Iraq announced plans to reduce its crude exports to 3.3 million bpd in the coming months to comply with its OPEC+ quota, while Saudi Arabia experienced a second consecutive monthly decline in crude exports.

Market

	Close	%1D	%1M	%1Y
VN-Index	1,242	-0.09%	1.01%	21.44%
S&P 500 Index	5,179	0.56%	4.08%	31.05%
Dow Jones Index	39,111	0.83%	1.42%	21.29%
GP 100	7,738	0.20%	0.25%	4.52%
Nikkei 225	40,004	0.66%	4.27%	48.46%
SHCOMP Index	3,063	-0.72%	4.79%	-5.32%
STOXX 600	505	0.26%	2.71%	14.67%
KOSPI Index	2,683	1.00%	0.94%	12.75%
Hang Seng	16,529	-1.24%	1.74%	-13.01%

Commodity

	Close	%1D	%1M	%1Y
Brent	87	-0.23%	5.88%	18.15%
WTI	83	-0.42%	6.32%	22.89%
Gasoline	274	-0.64%	20.51%	8.22%
Natural gas	2	0.63%	11.36%	-21.05%
Coal	129	-0.27%	8.19%	-25.20%
Gold	2,158	0.00%	6.58%	9.03%
China HRC	3,808	0.71%	-6.55%	-13.53%
Steel rebar	3,502	0.75%	-8.73%	-17.13%
BDI index	2,419	1.90%	48.22%	56.87%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	104	0.04%	-0.21%	0.56%
USD/VND	24,722	0.11%	-0.78%	-4.59%
EUR/USD	1	-0.02%	0.52%	1.33%
USD/JPY	151	-0.22%	-0.78%	-13.14%
USD/CNY	7	-0.01%	-0.02%	-4.48%
USD/GPB	1	0.03%	-0.74%	-3.45%
USD/KRW	1,338	0.17%	-0.02%	-2.03%
USD/AUD	2	-0.01%	0.25%	2.84%
USD/CAD	1	-0.05%	-0.38%	0.66%

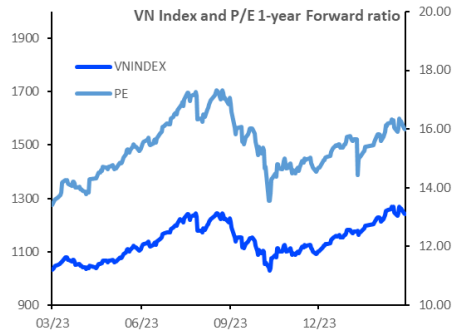
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 19/03/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,242.46	16.00	-1.10	-0.09	729	18,892
HNX INDEX	236.17	23.07	-0.51	-0.22	87	1,624





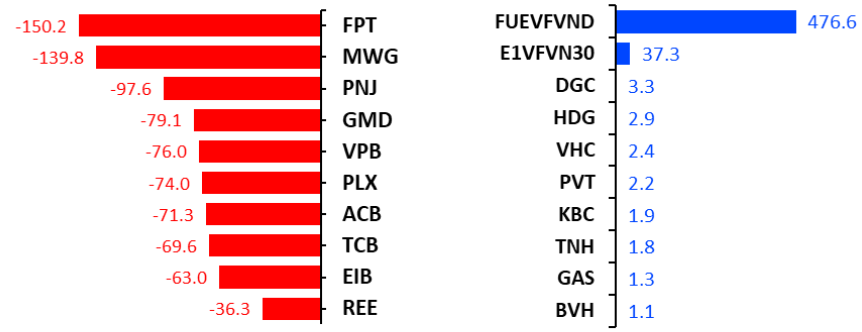
Money flow and sector rotation (VND bn)

Sector	%1D	3/19/2024	3/18/2024	20-session Average
Basic Resources	-12.5	2,091	2,391	1,748
Travel & Leisure	-25.8	71	96	87
Media	-28.2	30	42	23
Construction & Materials	-42.4	1,627	2,823	1,585
Banks	-44.1	2,985	5,336	4,472
Health Care	-45.6	45	83	34
Technology	-45.9	419	774	467
Personal & Household Goods	-46.0	301	558	318
Oil & Gas	-47.8	289	554	311
Retail	-53.7	663	1,433	1,016
Real Estate	-54.5	4,403	9,672	4,566
Food and Beverage	-56.4	1,174	2,692	1,956
Industrial Goods & Services	-56.7	973	2,248	1,341
Utilities	-57.8	197	466	295
Insurance	-59.4	26	65	44
Automobiles & Parts	-65.5	268	776	229
Financial Services	-65.9	2,390	7,006	4,091
Chemicals	-68.2	969	3,048	1,269

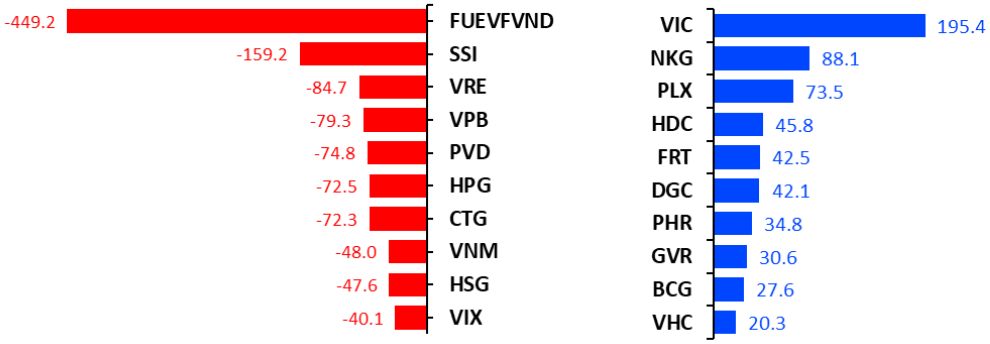
Nguồn: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 19/03/2024

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	(74)	162	(37)	(125)
Basic Resources	(21)	(24)	53	(29)
Media	-	(6)	6	0
Industrial Goods & Services	(116)	(10)	100	(90)
Health care	2	(2)	1	2
Chemicals	3	83	(23)	(60)
Financial Services	497	(720)	324	396
Travel & Leisure	(8)	(5)	14	(9)
Banks	(499)	(257)	823	(566)
Construction & Materials	(5)	(42)	9	34
Food and Beverage	(82)	(35)	44	(10)
Retail	(147)	(0)	140	(140)
Utilities	0	(9)	11	(2)
Personal & Household Goods	(98)	(12)	92	(80)
Technology	(150)	5	167	(172)
Automobiles & Parts	(1)	(1)	(4)	5
Insurance	(12)	6	6	(13)
Oil & Gas	(74)	(1)	83	(82)
Total	**(785)**	**(867)**	**1,807**	**(941)**

Nguồn: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- On March 19, the State Bank offered VND 10,000 billion through the treasury bill channel, still with a 28-day term, but the winning interest rate decreased slightly by 0.05 percentage points, extending a series of 7 consecutive withdrawal sessions. Cumulatively from March 11 to 19, the State Bank continuously absorbed a net of VND 100 trillion through issuing 28-day T-bills. Analysts say that the State Bank's move to issue bills can be seen as a way to adjust short-term liquidity in the system, reduce pressure on exchange rate speculation, and is a common activity from central banks. This does not mean that the State Bank has reversed monetary policy.
- The IPO market is gloomy throughout 2023, with only three companies carrying out successful IPOs, raising a total capital of VND 173 billion (~USD 7 million), down 90% YoY. In 2024, DNSE became the first successful IPO company, raising about VND 900 billion (USD 36 million). Other successful listings include Hua Na Hydropower Joint Stock Company (HNA), Quy Nhon Port Joint Stock Company (QNP) and Taseco Real Estate Investment Joint Stock Company (TAL). VnDirect believes that the outlook for the IPO market will remain gloomy in the near future not only due to the illiquid market but also due to stricter regulations from the State Securities Commission (SSC).
- From the beginning of March 2024 until now, rubber prices on Asian exchanges have tended to increase in the context of high oil prices and weather concerns in Thailand, causing limited supply. In that trend, Vietnam's export rubber prices also increased, opening up positive prospects for Vietnam's rubber industry. According to the Import-Export Department (Ministry of Industry and Trade), natural rubber prices are currently rising to the highest level in the past 7 years due to increasing demand from China's electric vehicle industry, along with poor output in Thailand and Indonesia. Regarding the rubber export situation, citing statistics from the General Department of Vietnam Customs, the Import-Export Department said that cumulatively in the first 2 months of 2024, rubber exports reached 298.24 thousand tons, worth 426.92 million USD, up 12.1% YoY in volume and 16.1% YoY in value. Regarding export prices, in February 2024, the average export rubber price reached 1,481 USD/ton, up 5% compared to January /2024 and an increase of 4.9% compared to February 2023..

Breaking News



Business news

- **REE**: The newly announced 2023 annual report of Refrigeration Electrical Engineering Joint Stock Company has revealed the company's 2024 revenue plan to reach VND 10,588 billion, an increase of 24% compared to 2023 performance. Target profit after tax is more than VND 2,409 billion, an increase of 10.1% compared to last year's performance. In particular, the core refrigeration mechanical segment is expected to have a revenue of VND 3,245 billion, an increase of 22%, while in the same period in 2023, this segment lost VND 9 billion. In 2024, REE M&E will focus on public investment projects and key infrastructure projects with state budget capital. Real estate is also expected to change strongly with VND 2,137 billion in revenue, an increase of 2 times the previous year, and VND 852 billion in profit (an increase of nearly 52%).
- **VHM**: The Department of Planning and Investment of Long An province has just announced the minutes of opening registration documents to implement the Tan My New Urban Area project, Duc Hoa district, recording that the only investor submitting the application is a joint venture of Thai Son Construction Investment JSC and Dai An Construction Investment Joint Stock Company. Tan My new urban area has a population of nearly 81,000 people, land use scale of 931 hectares, of which commercial housing area is about 647 hectares, social housing is nearly 50.5 hectares, and resettlement housing is 11.6 hectares. ha. Total investment of the project is 74,406 billion VND, including 60,196 billion VND in implementation costs and 14,210 billion VND in compensation and resettlement support costs. The joint venture Thai Son Construction Investment JSC and Dai An Construction Investment JSC are subsidiaries of Vinhomes JSC with the same 100% voting rate (as of the end of 2023).
- **VHC**: After the first month of 2024 recording a strong increase in revenue, Vinh Hoan JSC began to record a slowdown in revenue growth in February 2024. In February 2024, Vinh Hoan recorded total revenue of VND 801 billion, an increase of 6% YoY. Of which, the Chinese market increased by 91%, to VND 134 billion; The domestic market increased by 11%, to VND 210 billion; The US market increased by 13%, to VND 222 billion. In contrast, the European market decreased by 29%, to VND 138 billion and other markets decreased by 10%, to VND 97 billion.



Business news

- **KBC**: Kinh Bac Urban Development Corporation (stock code KBC) announced the Board of Directors resolution dated March 18, 2024 on investment in construction and business of infrastructure of Phu Binh Industrial Park, in Phu district Binh, Thai Nguyen province. The project has a scale of 675 hectares, total investment capital of VND 8,958 billion. Of which, the investor's contributed capital is VND 1,343.7 billion, loan capital is VND 6,720.6 billion and other mobilized capital is VND 1,343.7 billion (capital is formed from sources such as fixed asset depreciation value, interest deductions).
- **VIB**: VIB Bank has just released its 2023 annual report and has approved this year's business plan based on the strategic orientation for the period 2022-2026 and assessment of the business environment. Accordingly, VIB targets pre-tax profit in 2024 to reach VND 12,045 billion, an increase of 13% compared to the results achieved in 2023; Total assets reached VND 492,000 billion, an increase of 20%; Total outstanding credit balance reached VND 320,600 billion, an increase of 20% and capital mobilization is expected to reach VND 315,200 billion, an increase of 21%. VIB also said that the growth of Total Assets, Total Credit Outstanding and Capital Mobilization can be adjusted depending on the credit growth rate allowed by the State Bank.
- **VDS**: The Company's Board of Management has set a plan for total revenue of VND 983 billion and pre-tax profit of VND 360 billion, an increase of 18% and a decrease of 13% respectively compared to the previous year's results. Regarding the business plan, VDS sets a revenue target of VND 983 billion, an increase of 18% compared to 2023. However, the profit after tax target is more conservative with the figure of VND 288 billion, a decrease of 13%; due to an estimated cost increase of 49%. Regarding profit distribution, VDSC presented shareholders with a plan to pay dividends in 2023 in shares at a rate of 11.5%. The expected dividend rate in 2024 is 10%. The Board of Directors submitted to shareholders for approval 2 share issuances with a maximum total number of 114 million shares, thereby increasing charter capital from the current VND 2,110 billion to VND 3,240 billion.

Technical view

Trend: Correction

- VNINDEX closed 1,243.56 (-1.10 points, -0.09%) with reduced liquidity. The market has 216 green tickers and 242 red tickers. The group of stocks contributing to the market's increase includes VHM, VIC, PLX. On the contrary, the group of stocks contributing to the market's decline were VCB, BID, VRE. Foreign countries continued to sell strongly, with a total value of VND 865 billion.
- Technical: VNINDEX has a low trading range today with low liquidity showing that supply and demand are hesitant and investors are indecisive. Part of the market's downward momentum seems to be slowing down due to the strong support of VIC and VHM. Currently, the market is still trading around the EMA 20 area, equivalent to 1,240 points. The STOCH indicator still shows sign of supporting correction. Investors should be concerned when the market trend is still unclear.
- Strategy: Investors continue to prioritize risk management and portfolio structure, increase the cash ratio to ensure safety and be ready to participate when the correction trend ends.



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

20/03/2024 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
STB	Hold	30.7	33.0	29.2	7%	-5%	30.4	31	-0.98%	06/02/2024	
MWG	Hold	46.4	51.3	43.7	11%	-6%	45.5	14	-1.94%	29/02/2024	

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Economic calendar

March 2024

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

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Q&A

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