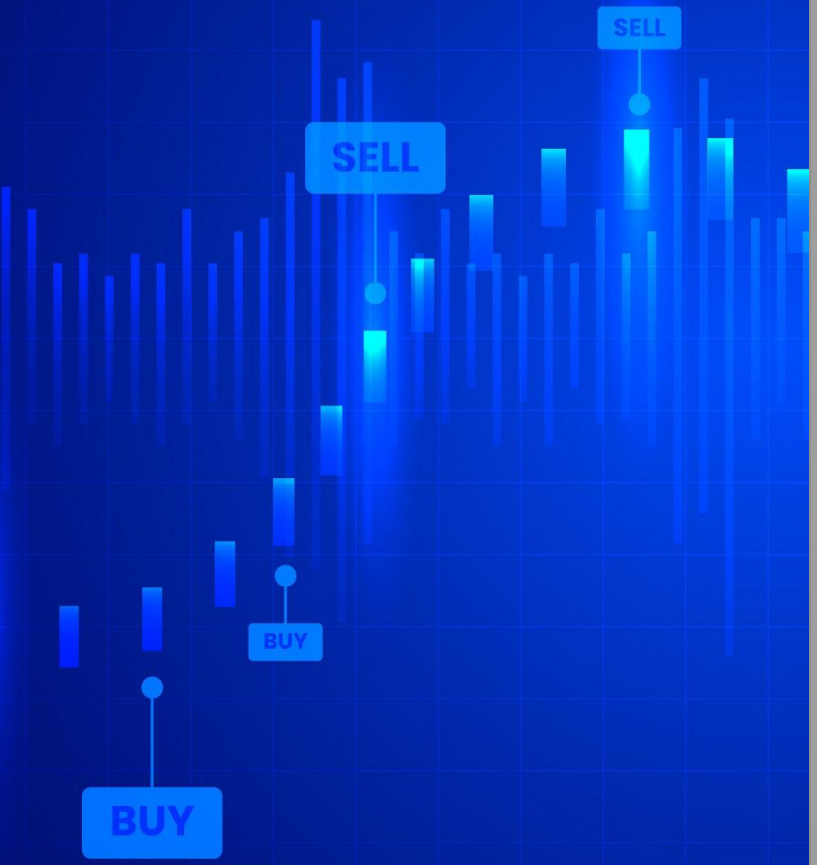
Shinhan Securities



MORNING CALL

26/03/2024

“Weak sentiment weighs on market rally”

- ❑ World stocks: Take profits off the table
- ❑ Vietnam stocks: Weak sentiment weighs on market rally
- ❑ Macro news
- ❑ Business news: #VND, #STB, #HDB, #HPX, #TIN, #ADS
- ❑ 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 25/03 – 29/03/2024

Major stocks market

- In regular trading on Monday, the Dow and S&P 500 fell 0.41% and 0.31%, respectively, with both benchmarks sliding for the second straight session. The Nasdaq Composite also lost 0.27%, snapping a five-day advance. Those moves came as investors took some profits off the table, while continuing to assess the economic and interest rate outlook in the US.
- European equity markets booked gains on Monday to extend the strong momentum, continuing to benefit from a wave of dovish turns in key central bank meetings last week. The Eurozone's Stoxx 50 index edged 0.4% higher to 5,046, less than 10 points away from the 23-year high touched on Thursday, while the pan-European Stoxx 600 edged above the flatline to marginally increase its record-high close to 510
- The CAC 40 recording slight gains and closed at 8,156 on Monday. The FTSE 100 closed slightly lower, ending 0.2% below at 7916 to kick off a holiday-shortened week, following a 2.6% surge last week that sent the benchmark index to levels not seen in over a year, with traders taking a breath and awaiting further catalysts.
- The Nikkei 225 Index rose 0.2% to around 40,500 while the broader Topix Index was flat on Tuesday, with Japanese stocks recouping some losses from the previous session, helped by gains in the technology sector.
- WTI crude futures rose slightly to above $82 per barrel on Monday, recouping some losses from last week as various supply-side disruptions continued to upend oil markets. On Friday, Russia launched the largest aerial bombardment of Ukraine's energy system.

Market

	Close	%1D	%1M	%1Y
VN-Index	1,268	-1.09%	3.57%	21.12%
S&P 500 Index	5,218	-0.31%	2.93%	31.41%
Dow Jones Index	39,314	-0.41%	0.63%	21.95%
GP 100	7,918	-0.17%	3.04%	6.92%
Nikkei 225	40,519	0.26%	3.28%	47.96%
SHCOMP Index	3,026	-0.71%	1.66%	-7.33%
STOXX 600	510	0.04%	2.91%	15.85%
KOSPI Index	2,766	1.04%	4.50%	14.54%
Hang Seng	16,474	-0.16%	-0.97%	-17.28%

Commodity

	Close	%1D	%1M	%1Y
Brent	87	0.08%	5.20%	15.78%
WTI	82	0.17%	5.81%	18.52%
Gasoline	275	0.05%	19.26%	6.23%
Natural gas	2	-0.56%	-3.19%	-27.53%
Coal	129	0.98%	8.00%	-26.46%
Gold	2,171	-0.04%	6.88%	10.96%
China HRC	3,902	1.56%	-2.84%	-9.93%
Steel rebar	3,503	-0.60%	-8.78%	-13.53%
BDI index	2,196	-1.96%	17.37%	47.48%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	104	-0.05%	0.34%	1.03%
USD/VND	24,754	0.02%	-0.37%	-4.99%
EUR/USD	1	0.03%	-0.10%	0.39%
USD/JPY	151	0.08%	-0.40%	-13.04%
USD/CNY	7	0.25%	-0.19%	-4.57%
USD/GPB	1	-0.04%	0.36%	-2.80%
USD/KRW	1,337	0.41%	-0.43%	-2.64%
USD/AUD	2	-0.05%	-0.04%	1.65%
USD/CAD	1	0.04%	-0.56%	0.59%

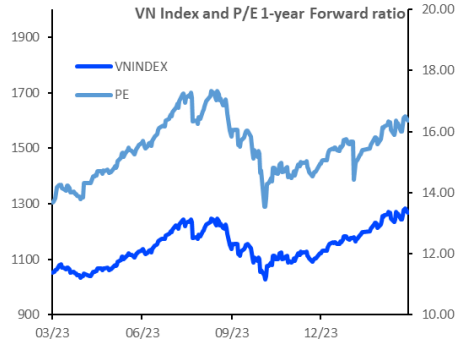
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 25/03/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,267.86	16.51	-13.94	-1.09	1,097	27,095
HNX INDEX	240.81	23.59	-0.87	-0.36	131	2,869





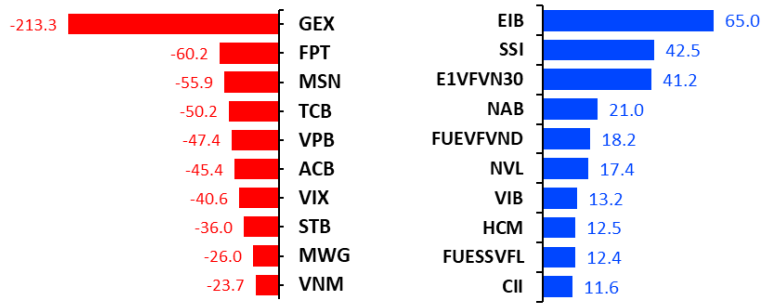
Money flow and sector rotation (VND bn)

Sector	%1D	3/25/2024	3/22/2024	20-session Average
Media	77.36	19	11	21
Real Estate	26.27	7,115	5,635	4,988
Insurance	26.08	46	37	44
Financial Services	13.36	5,110	4,508	4,284
Technology	9.93	364	331	464
Oil & Gas	5.91	314	296	326
Travel & Leisure	5.10	83	79	89
Food and Beverage	0.23	1,947	1,943	1,973
Chemicals	-3.8	919	955	1,196
Automobiles & Parts	-5.6	315	334	266
Construction & Materials	-6.4	1,767	1,888	1,609
Personal & Household Goods	-11.0	270	304	342
Utilities	-14.2	242	282	296
Retail	-17.0	758	914	1,048
Health Care	-26.1	27	37	36
Banks	-30.2	4,386	6,287	4,421
Industrial Goods & Services	-33.2	1,816	2,718	1,514
Basic Resources	-40.5	1,520	2,554	1,811

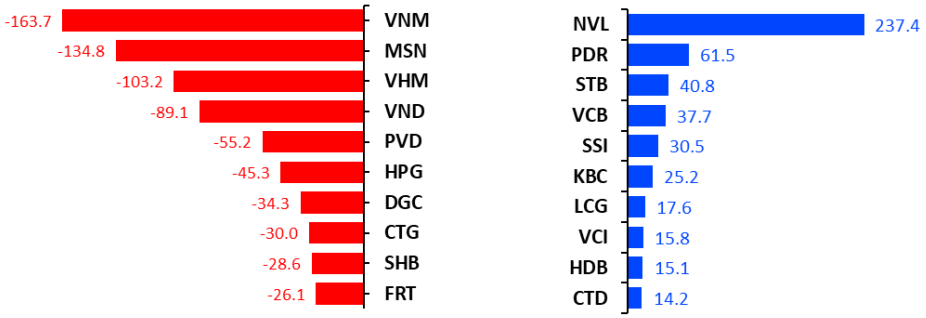
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 25/03/2024

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	(27)	140	140	(280)
Basic Resources	(10)	(72)	106	(33)
Media	-	(0)	0	-
Industrial Goods & Services	(215)	(19)	218	(198)
Health care	0	(5)	3	2
Chemicals	(3)	(61)	43	18
Financial Services	97	(84)	21	63
Travel & Leisure	(11)	(9)	23	(14)
Banks	(157)	31	221	(252)
Construction & Materials	11	1	(20)	19
Food and Beverage	(77)	(335)	443	(108)
Retail	(26)	(38)	90	(53)
Utilities	(6)	2	6	(8)
Personal & Household Goods	(1)	(4)	12	(8)
Technology	(60)	(3)	85	(82)
Automobiles & Parts	4	(22)	24	(2)
Insurance	(1)	(2)	2	(0)
Oil & Gas	(0)	(59)	66	(6)
Total	**(481)**	**(539)**	**1,482**	**(943)**

Nguồn: Fiinpro. Shinhan Securities Vietnam



Macro

- Lack of implementation plan: Power Plan 8 remains "on paper". The National Power Development Plan for the period 2021-2030, with a vision to 2050 (Power Plan 8) was approved by the Prime Minister on May 15, 2023. However, after more than 10 months, it has not yet been implemented due to the lack of an implementation plan. This delay will cause consequences for the security of electricity supply in the future. The conclusion of the Government Standing Committee on the implementation plan of Power Plan 8 in late February 2024 clearly stated that the completion of the plan is a very important and urgent requirement. It must not be delayed, as it will affect the implementation of projects and the supply of sufficient electricity for production, business, and consumption of the people. For example, according to Power Plan 8, 22,400 MW of liquefied natural gas (LNG) power will be invested and built by 2030. Although the projects have been listed as priority projects for investment, so far only two projects are under construction in the South, namely Nhơn Trạch 3 and Nhơn Trạch 4 (1,500 MW) and Hiệp Phước 1 (1,200 MW).
- Vietnam and Finland strengthen cooperation in various fields. Vietnam is ready to create favorable conditions for Finnish goods and technologies to enter Vietnam and hopes that Finland will continue to facilitate the export of Vietnam's key products such as: steel products, machinery, equipment, means of transport and spare parts, textiles and garments and accessories, footwear, etc. At the invitation of National Assembly Chairman Vuong Dinh Hue, Speaker of the Parliament of the Republic of Finland Jussi Halla-aho paid an official visit to Vietnam from March 24-26. On the morning of March 25, at the National Assembly, National Assembly Chairman Vuong Dinh Hue presided over the official welcoming ceremony for Speaker Jussi Halla-aho. After the welcoming ceremony, the two sides held talks.
- Proposal to adjust the minimum wage regions. The Ministry of Labor - Invalids and Social Affairs is drafting a Decree stipulating the minimum wage for employees working under labor contracts. In addition to the minimum wage increase per month and per hour, the agency also proposes to adjust the applicable localities to suit the socio-economic situation.

Breaking News



Business news

- **VND:** The cyberattack on VNDirect's system was much more serious than the securities company announced. As of 5:00 pm on March 25, the website of VNDirect Securities Company (https://www.vndirect.com.vn) was still inaccessible, with the message "VNDirect system is currently being restored and reconnected." Earlier, VNDirect said that its system was attacked by an international organization, making all transactions impossible to perform throughout the day on March 25. Speaking to PV at the end of the same afternoon, a source from a cybersecurity expert who is directly involved in the response said that VNDirect's system was "very seriously attacked." This person also assessed that "there is a possibility that VNDirect's data has been encrypted by hackers."

- **HDB:** The difficult business environment and the trend of using artificial intelligence (AI) in many fields are creating many challenges in the labor market. However, overcoming all of these challenges, many employer brands in Vietnam have continued to improve the quality of the working environment and received "hearts" from employees.

- **STB:** Sacombank has just been upgraded by Moody's, the world's leading credit rating organization, to a higher level of Long-Term Domestic and Foreign Currency Issuer and Deposit Ratings. Specifically, Moody's upgraded Sacombank's Long-Term Domestic and Foreign Currency Issuer and Deposit Ratings by one notch from B3 to B2. Sacombank's Baseline Credit Assessment (BCA) and Adjusted BCA were upgraded from Caa1 to B3. At the same time, Moody's also upgraded Sacombank's Long-Term Domestic and Foreign Currency Counterparty Risk Ratings (CRR) and Counterparty Risk Ratings (CR) from B2 to B1.

Breaking News



Business news

- **HPX**: HPX stock of Hai Phat Investment Corporation (HPX - HoSE) opened the trading session on March 25, continuing to hit the ceiling price of VND 8,010/share - the highest level since early December 2022. From the bottom in September 2023, HPX stock has increased by nearly 60% in value after only 5 ceiling price sessions. Previously, the Ho Chi Minh City Stock Exchange (HoSE) had removed HPX shares of Hai Phat Investment Corporation from the suspension of trading list from March 20.

- **TIN**: VietCredit Finance Joint Stock Company (VietCredit), listed on the UpCoM market with the code TIN, has just announced its audited consolidated financial statements for the fiscal year 2023. The data shows that the company recorded pre-tax profit of VND 22.06 billion. The net profit after tax in the reporting period had a difference before and after audit of about 13.66% from VND 19.2 billion to VND 16.6 billion. Explaining this difference, VietCredit said that the company's interest income and service income decreased slightly, due to VietCredit continuing to pay additional income related to overdue loans to ensure compliance with the principle of prudence when recognizing revenue.

- **ADS**: In the first two months of 2024, Damsan Joint Stock Company (ADS) recorded impressive business results with growth in the export of Yarn and Fabric to the Chinese and Japanese markets. According to the General Statistics Office, in the first two months of 2024, the textile and garment group reached USD 5.2 billion in exports, up 15% over the same period last year, ranking 4th in the group of items with the highest turnover nationwide. This result was achieved thanks to the gradual recovery of the global textile and garment consumption market since the end of 2023.

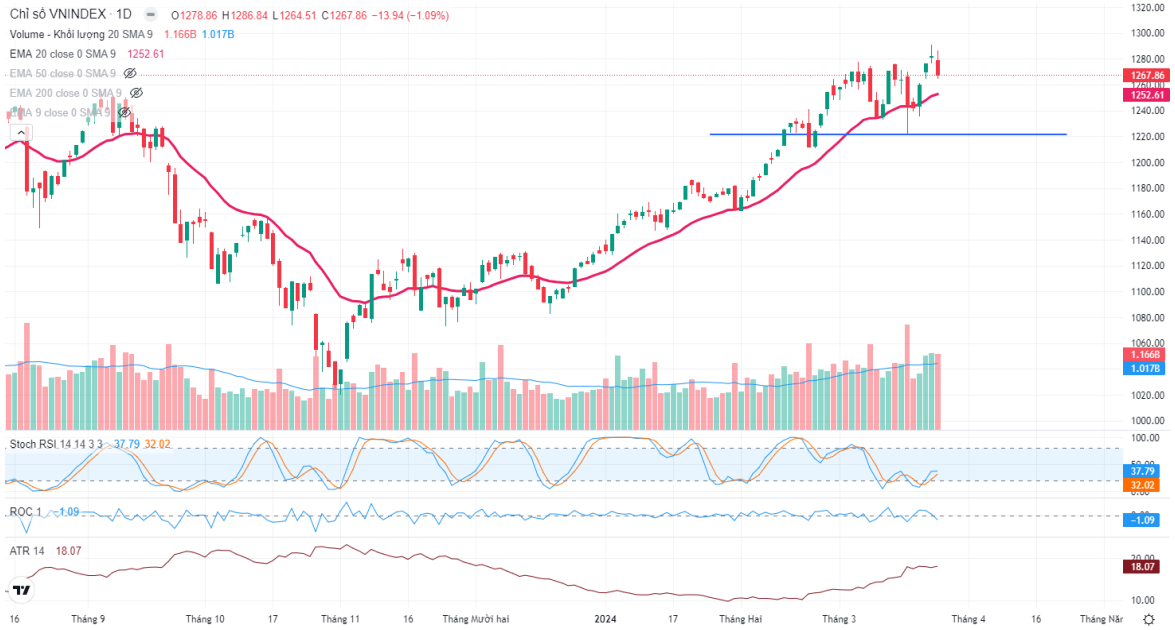
Technical view

Trend: Sideway up

- VNINDEX closed at 1,267.8 (-13.9 points, -1.09%) with 119 green codes and 351 red codes. Liquidity was higher than the average of the last 30 sessions. Most sectors fell, with the retail and chemical sectors falling the most. Foreigners continued to net sell about 500 billion VND.

- Technical view: With the session on Friday of the previous week, VNINDEX formed a doji candlestick at the peak of 1,275 and the market was under relatively selling pressure today, showing that risks are increasing. It is necessary to follow the two support levels of 1,250 corresponding to EMA 20 and 1,220 corresponding to EMA 50, which is also the area where the market formed a candlestick with a long wick on March 18.

- Strategy: Investors should observe the reaction of VNINDEX to be able to act appropriately with each market scenario. In case VNINDEX breaks through 1,220, it will confirm that the market has returned to a downtrend in the medium term.



Scenarios:

- Positive (40%): The market will rebound and move towards the 1,300 area.
- Less positive (60%): The market corrected to the 1,250 area.

Recommended stocks

26/03/2024 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
MWG	Hold	46.4	51.3	43.7	0.1	-0.1	48.3	18	4.09%	29/02/2024	
STB	Hold	30.7	33.0	29.2	0.1	0.0	30.9	35	0.49%	06/02/2024	
REE	Hold	62.1	67.5	60.5	0.1	0.0	63.5	3	2.25%	21/03/2024	
HAH	Hold	42.9	46.0	41.6	0.1	0.0	42.5	3	-1.05%	21/03/2024	

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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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