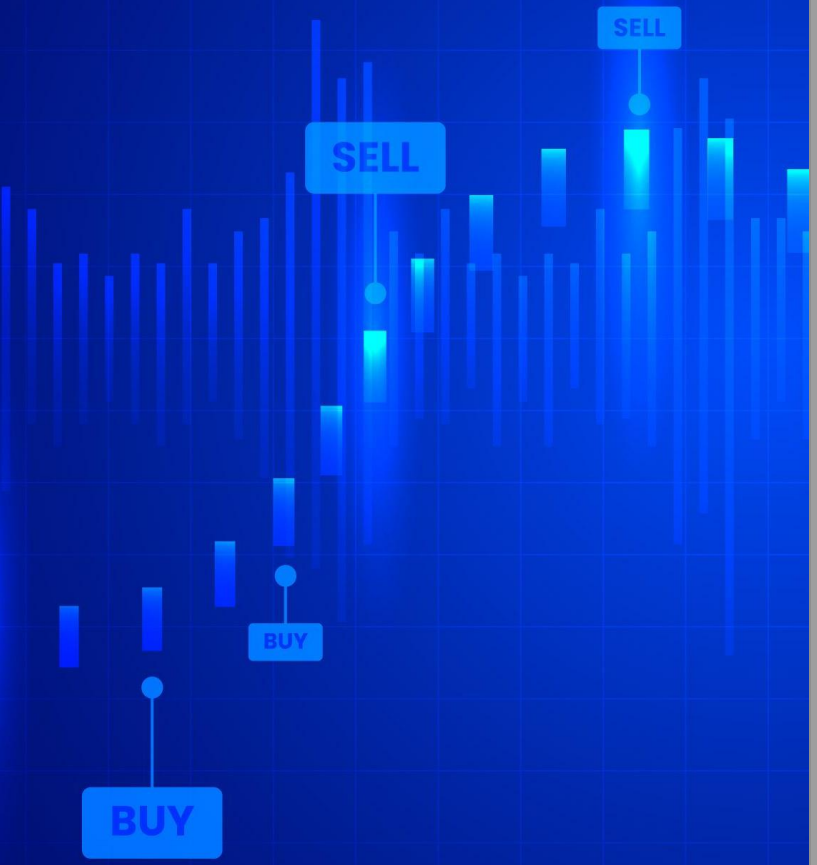
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MORNING CALL

29/03/2024

"Approaching the psychological resistance zone of 1,300"

- ❑ World stocks: Slight increase, waiting for information from the FED
- ❑ Vietnamese stocks: Approaching the psychological resistance zone of 1,300
- ❑ Macro news
- ❑ Business news: #VND, #MWG, #MBS, #IBC, #FPT, #PNJ
- ❑ Featured news: Visit Dung Quat project – Hoa Phat Group Joint Stock Company
- ❑ 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

- Stocks in the US closed mixed on the last trading day of Q1, just ahead of the Easter break. The S&P 500 added 0.1%, hitting new high, the Dow Jones gained 47 points, while the Nasdaq ended 0.1% lower, as investors awaited the release of the Fed's preferred inflation measure and Chair Jerome Powell's comments the following day.
- European stocks closed marginally higher on Thursday, the last trading day of the quarter due to a shortened week, extending their strong momentum amid continued support from the dovish turn for major central banks earlier in the month. The Eurozone's Stoxx 50 closed marginally above the flatline to mark a new 23-year high of 5,085, while the pan-European Stoxx 600 gained 0.2% to book a new record high of 513.
- The Nikkei 225 Index rose 0.5% to above 40,300 while the broader Topix Index gained 0.7% to 2,770 on Friday, recouping some losses from the previous session, with nearly all sectors participating in the rebound.
- The Shanghai Composite rose 0.59% to close at 3,011 while the Shenzhen Component gained 1.31% to 9,343 on Thursday, with mainland stocks rebounding from one-month lows on bets that Chinese authorities will ramp up policy support to bolster the economy.
- WTI crude futures rose above $82 per barrel on Thursday, marking a third consecutive monthly increase fueled by optimism around continued production cuts by the OPEC+ alliance.

Market

	Close	%1D	%1M	%1Y
VN-Index	1,290	0.55%	2.99%	22.14%
S&P 500 Index	5,254	0.11%	3.10%	30.45%
Dow Jones Index	39,807	0.12%	2.08%	21.67%
GP 100	7,953	0.26%	4.23%	5.13%
Nikkei 225	40,301	0.33%	2.90%	44.53%
SHCOMP Index	3,011	0.59%	-0.15%	-7.08%
STOXX 600	513	0.18%	3.65%	13.87%
KOSPI Index	2,751	0.18%	4.11%	12.56%
Hang Seng	16,541	0.91%	0.18%	-18.08%

Commodity

	Close	%1D	%1M	%1Y
Brent	87	1.86%	3.97%	10.62%
WTI	83	2.24%	5.90%	13.62%
Gasoline	272	1.82%	19.80%	0.31%
Natural gas	2	2.62%	-6.47%	-13.15%
Coal	132	0.69%	1.93%	-25.21%
Gold	2,230	1.60%	9.60%	12.99%
China HRC	3,764	-0.92%	-6.39%	-13.45%
Steel rebar	3,369	-0.06%	-12.31%	-18.23%
BDI index	1,845	-7.24%	-12.60%	31.13%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	105	0.01%	0.38%	1.86%
USD/VND	24,783	0.00%	-0.54%	-5.20%
EUR/USD	1	-0.06%	-0.20%	-0.56%
USD/JPY	151	0.01%	-0.92%	-12.23%
USD/CNY	7	-0.01%	-0.40%	-4.85%
USD/GPB	1	-0.04%	-0.03%	-2.49%
USD/KRW	1,348	-0.17%	-1.26%	-3.37%
USD/AUD	2	0.04%	-0.25%	2.62%
USD/CAD	1	0.01%	0.30%	0.16%

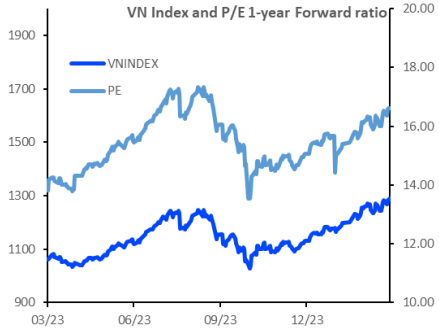
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 29/03/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,290.18	16.60	7.09	0.55	820	22,703
HNX INDEX	243.92	23.98	1.07	0.44	87	1,777





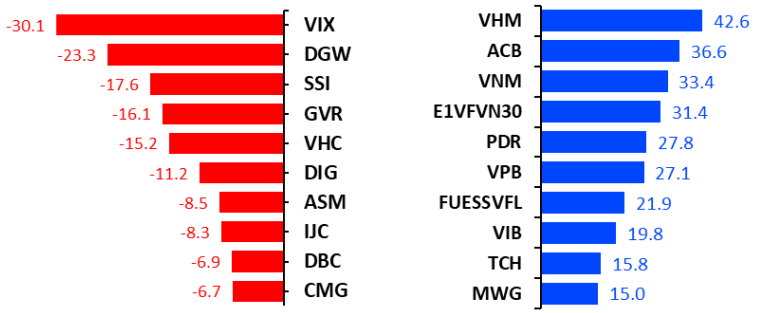
Money flow and sector rotation (VND bn)

Sector	%1D	3/28/2024	3/27/2024	20-session Average
Technology	84.31	358	194	443
Banks	83.24	5,176	2,824	4,314
Food and Beverage	50.04	2,019	1,346	1,924
Financial Services	47.66	4,446	3,011	4,284
Chemicals	32.13	851	644	1,162
Health Care	15.75	16	14	32
Real Estate	3.75	4,624	4,457	5,098
Retail	-0.1	967	968	1,054
Travel & Leisure	-0.9	87	88	90
Media	-11.0	19	21	20
Automobiles & Parts	-13.6	187	217	280
Insurance	-17.2	29	35	44
Oil & Gas	-19.8	173	215	294
Personal & Household Goods	-21.8	222	284	345
Industrial Goods & Services	-22.9	1,165	1,511	1,530
Utilities	-23.0	175	227	289
Basic Resources	-34.9	1,243	1,909	1,689
Construction & Materials	-35.7	905	1,407	1,582

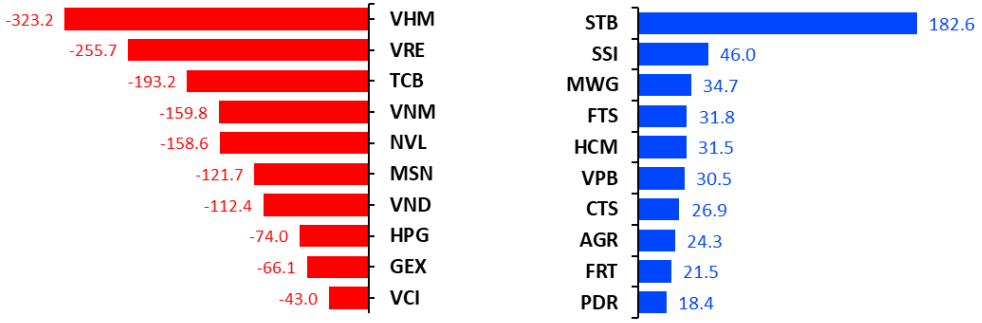
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 29/03/2024

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	79	(795)	717	77
Basic Resources	2	(86)	152	(66)
Media	-	(0)	0	-
Industrial Goods & Services	8	(85)	170	(85)
Health care	0	(0)	(1)	1
Chemicals	(19)	16	43	(59)
Financial Services	20	(61)	51	10
Travel & Leisure	1	(17)	17	(0)
Banks	129	(80)	232	(152)
Construction & Materials	5	(30)	20	10
Food and Beverage	2	(258)	239	19
Retail	(7)	59	(139)	80
Utilities	1	(0)	12	(11)
Personal & Household Goods	5	4	(15)	11
Technology	(13)	10	(20)	10
Automobiles & Parts	16	2	(1)	(1)
Insurance	(6)	6	(4)	(2)
Oil & Gas	11	(13)	19	(6)
Total	**234**	**(1,329)**	**1,492**	**(163)**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- The Chairman of the National Assembly welcomed and highly appreciated the cooperation and valuable contributions of Keidanren as well as the role of the two Presidents and leaders of Japanese corporations and businesses in promoting relations between the two countries. A bridge to help Japanese businesses invest more in Vietnam... On March 28, at the National Assembly House, National Assembly Chairman Vuong Dinh Hue received Mr. Fujimoto Masayoshi and Mr. Hyodo Masayuki, Chairman of the Economic Committee Japan - Vietnam of the Japan Federation of Economic Organizations (Keidanren) and a number of leaders of leading Japanese corporations that are members of Keidanren came to Vietnam to attend the high-level meeting to kick off phase 1, the Vietnam - Japan common vision in the new era.
- IFC actively tested a building resilience assessment tool in Vietnam. On March 27, the International Finance Corporation (IFC) organized a workshop on "Resisting & mitigating the effects of climate change for construction projects & Research on climate risks: Typical examples situation of Vietnam", to update the application of the Building Resilience Index (BRI) assessment tool developed by IFC in Vietnam and discuss in-depth about climate adaptation in the built environment .
- Awareness of sustainable industrial park development is still vague. 50% of industrial parks have not heard of the concept of sustainable industrial parks; 77% of industrial parks do not have enterprise-level audit information on financial, social and environmental aspects... According to data given at the forum "Promoting sustainable development of Vietnam's industrial parks" On March 28, 2024, organized by Business Forum Magazine (Federation of Commerce and Industry), the country now has 418 established industrial parks. The total industrial land area is about 89.2 thousand hectares. Among the established industrial parks, 298 industrial parks have come into operation with a total natural land area of about 92.2 thousand hectares.

Breaking News



Business news

- MWG: “Shrimp king" Minh Phu wants to return to the domestic market after 15 years of failure thanks to new "weapons" that help lower prices. Recently, Bach Hoa Xanh has just signed a strategic agreement with Minh Phu Seafood Group (known as the 'king of shrimp', stock code MPC) to sell shrimp according to export standards to the domestic market. According to the signing minutes, Minh Phu will provide shrimp to Bach Hoa Xanh with quality that meets Japanese, US and EU export standards, raised in Minh Phu's antibiotic-free and chemical-free environment.

- VND: On March 28, 2024, VNDirect Securities is expected to conduct a clearance check with stock exchanges. VNDirect said that currently the company and security experts are still reviewing security vulnerabilities (if any) to ensure the system is securely protected. To carry out transactions, VNDirect needs approval from the two Exchanges. From there, the company will continue to prepare for the trading system to return as soon as possible.

- MBS: On the morning of March 28, MB Securities (MBS) held its 2024 annual shareholder meeting. At the meeting, Mr. Phan Phuong Anh, General Director of MBS said that MBS's first quarter business targets were achieved quite positively with minimum growth rate of 30% over the same period last year. Regarding the 2024 business plan, MBS targets total revenue in 2024 to reach VND 2,786 billion and pre-tax profit to reach VND 930 billion, increasing by 53% and 36% respectively compared to the previous year. If successful, this will be the highest profit MBS has ever recorded in its history.

Breaking News



Business news

- **IBC**: Recently, the news that Mr. Nguyen Ngoc Thuy (Shark Thuy) was arrested immediately became a topic of concern. Mr. Nguyen Ngoc Thuy was accused by many investors of "Fraudulent appropriation of assets" through the transfer of shares of Egroup Education Group Joint Stock Company.

- **FPT**: According to Mr. Pham Minh Tuan, General Director of FPT Software, FPT is moving beyond the group of small and medium-sized IT service companies globally and starting a new race with the nearest finish line being the USD 5 billion revenue by 2030. In 2023, FPT Joint Stock Company recorded that the business had overcome the "headwinds" of the market, continuing to record revenue growth exceeding the plan, reaching 19.6%, led by all three sectors: Technology (up 22.1%), Telecommunications (up 7.3%) and Education, Investment, Others (up 52.5%)

- **PNJ**: According to the 2024 Annual General Meeting of Shareholders meeting documents, Phu Nhuan Jewelry Joint Stock Company (stock code: PNJ) sets a business target of VND 37,147 billion in revenue, an increase of 12% YoY. In particular, Profit after tax is expected to increase by 6% to VND 2,089 billion. The expected dividend for 2024 continues to be 20% in cash.

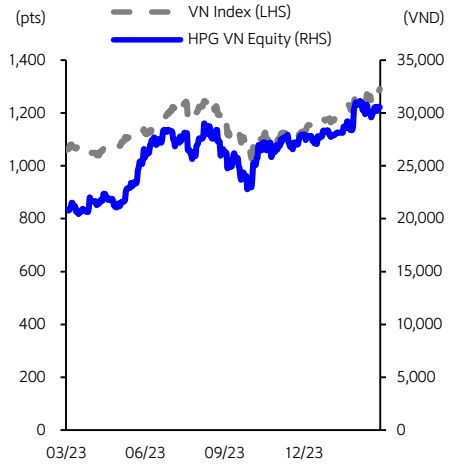
Breaking News – Visit Dung Quat project - Hoa Phat Group

TARGET PRICE (VND)	Hold
31,400	

CURRENT PRICE (VND)	UP/DOWNSIDE
30,550	3%

VNINDEX	1,290
Market P/E (x)	12.0
Market Cap. (bn VND)	177,642
Outstanding Shares (mn)	5,815
Free Floating Shares (mn)	3,172
Free Floating (%)	54.5
52-Wk High (VND)	31,400
52-Wk Low (VND)	20,350
3M Avg. Trading Vol. (mn)	26.13
3M Avg. T/O (bn VND)	769
Beta (12M)	1.4

	3M	6M	12M
Absolute	9.3	14.8	47.6
Rel. to VNINDEX	-5.7	3.0	25.0



Visit Dung Quat project – Hoa Phat Group Joint Stock Company, March 26, 2024

Overview of the Dung Quat project

- The Hoa Phat – Dung Quat Complex project has a total area of 700 hectares, with a total design capacity of up to 11.6 million tons of steel per year. The Dung Quat project is divided into two phases 1 and 2.
- The Dung Quat 1 project has a total area of 376 hectares, with a total capacity of 3 million tons/year of construction steel and 3 million tons/year of HRC steel, the project was completed in 2020.
- The Dung Quat 2 project has a total area of 280 hectares, with a total capacity of 5.6 million tons/year of HRC steel. The project was started in 2022 and is expected to be completed in 2025. In particular, the Dung Quat 2 project Quat 2 will be divided into 2 phases with phase 1 being completed in Q4/2024 with a capacity of 2 million tons of HRC steel. Phase 2 is expected to be completed in Q3/2025 with a capacity of 3.6 million tons of HRC steel.

Dung Quat 2 project details:

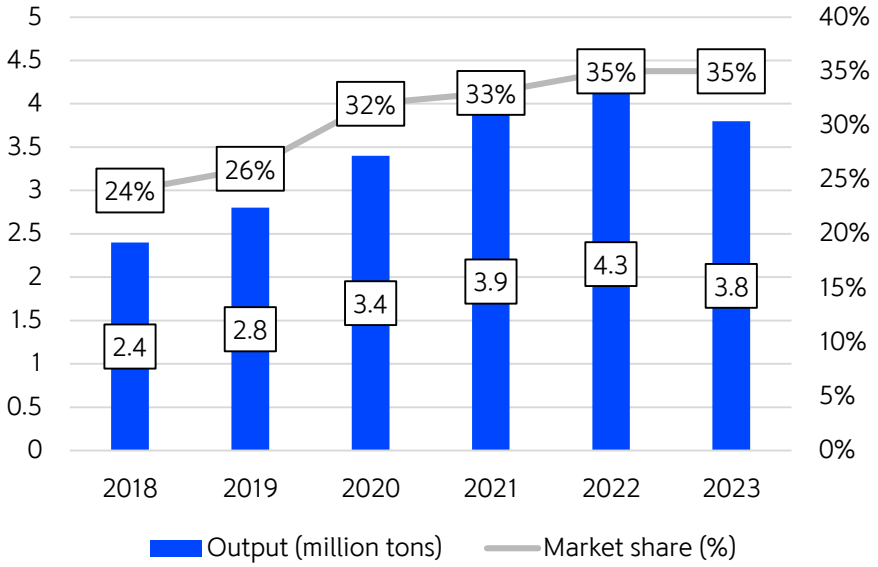
- The Dung Quat 2 project is expected to have a total of 2 blast furnaces with more modern technology and greater capacity than the blast furnaces used for the Dung Quat 1 project, thereby production costs for each product. In addition, the quality of HRC steel is assessed to have higher quality standards, therefore allowing it to be exported to markets that require high standards such as the EU. HRC steel at Dung Quat 2 project can be applied to the production of structural steel, U-shaped steel, V-shaped steel. In particular, HRC steel from the Dung Quat 2 project can be used to produce machine component.
- As of early 2024, the Dung Quat 2 project has reached 50% progress on main items and is currently promoting equipment installation. The first product is expected to be available in Q1/2025.

FY	2020	2021	2022	2023	2024F
Revenue (bn VND)	90,119	149,680	141,409	118,953	148,111
OP (bn VND)	17,123	37,664	13,078	9,669	18,115
OP margin (%)	19.0	25.2	9.2	8.1	12.2
NP (bn VND)	13,450	34,478	8,484	6,835	15,899
NP margin (%)	14.9	23.0	6.0	5.7	10.7
EPS (VND)	2,191	5,512	1,452	1,175	2,734
ROE (%)	23.9	42.8	9.0	6.9	13.9
P/E (x)	10.8	6.5	12.4	23.8	11.2
P/B (x)	2.3	2.3	1.1	1.7	1.6

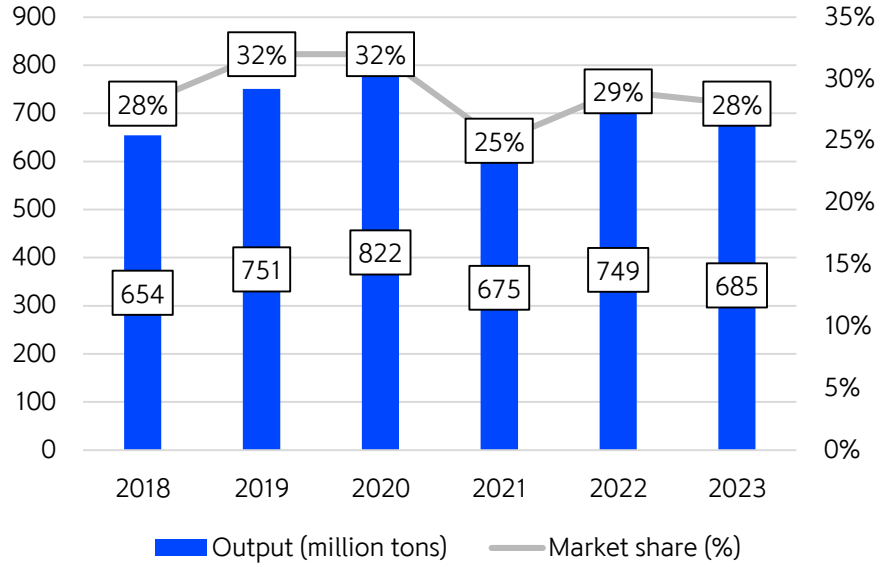
Source: Bloomberg, Shinhan Securities, Data as of March 29, 2024

Breaking News – Visit Dung Quat project - Hoa Phat Group

Construction steel output and market share 2018 – 2023



Steel pipe output and market share 2018 – 2023

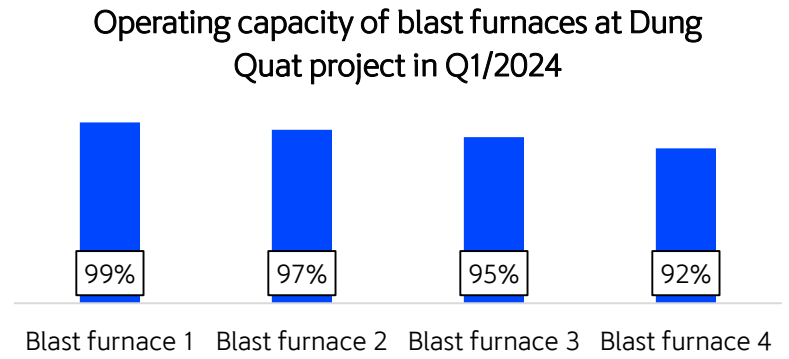


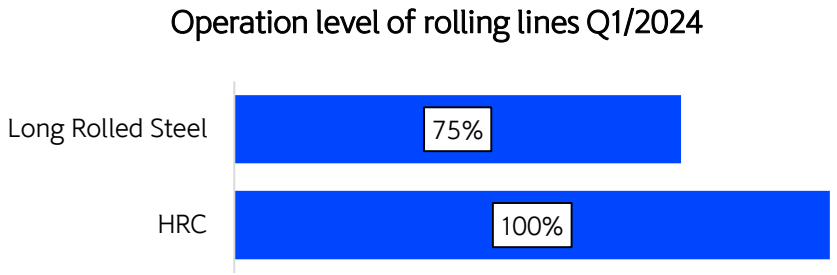
Source: Company report, Shinhan Securities, Data as of March 29, 2024

Breaking News – Visit Dung Quat project - Hoa Phat Group



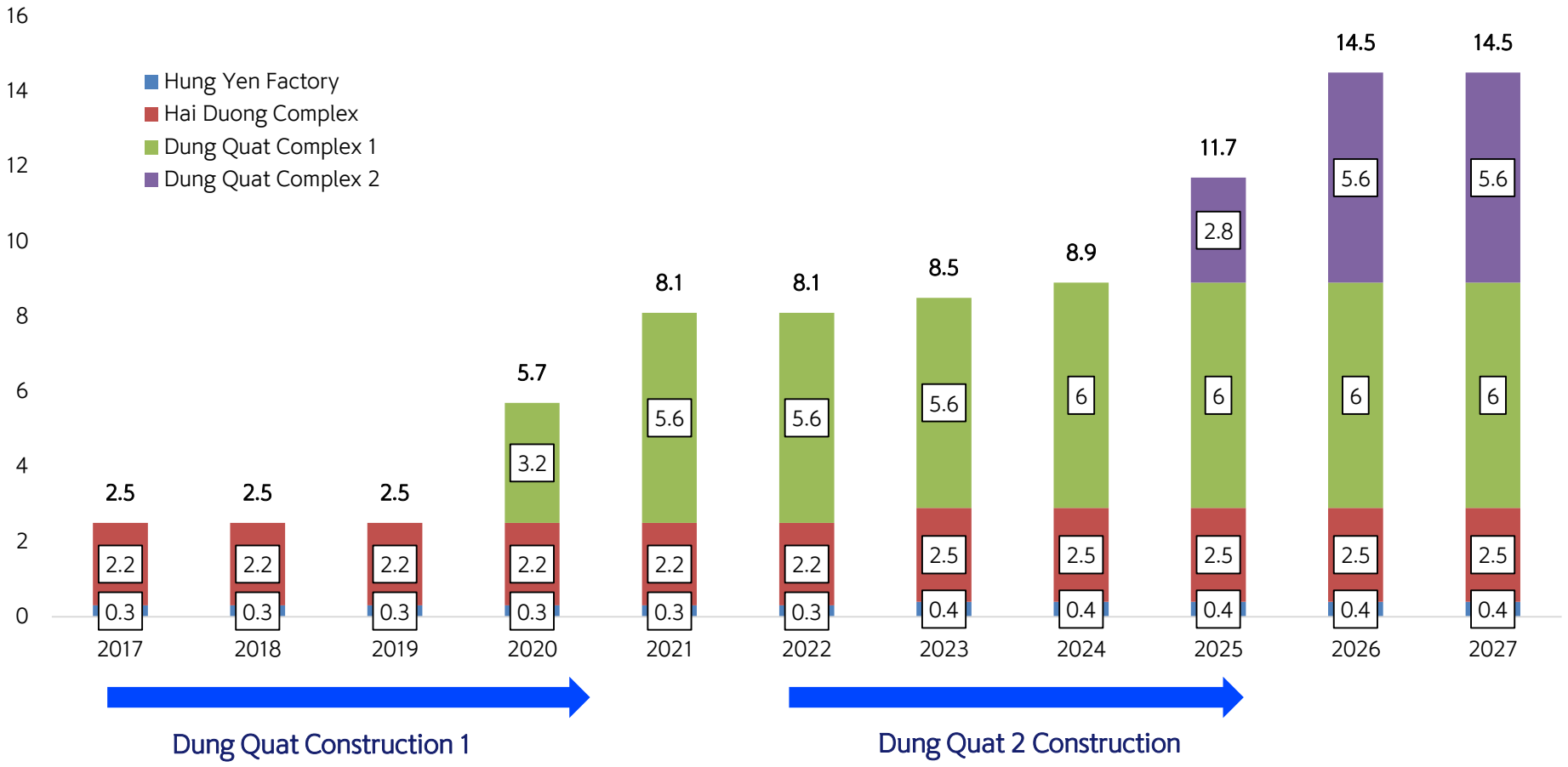
Source: Company report, Shinhan Securities, Data as of March 29, 2024





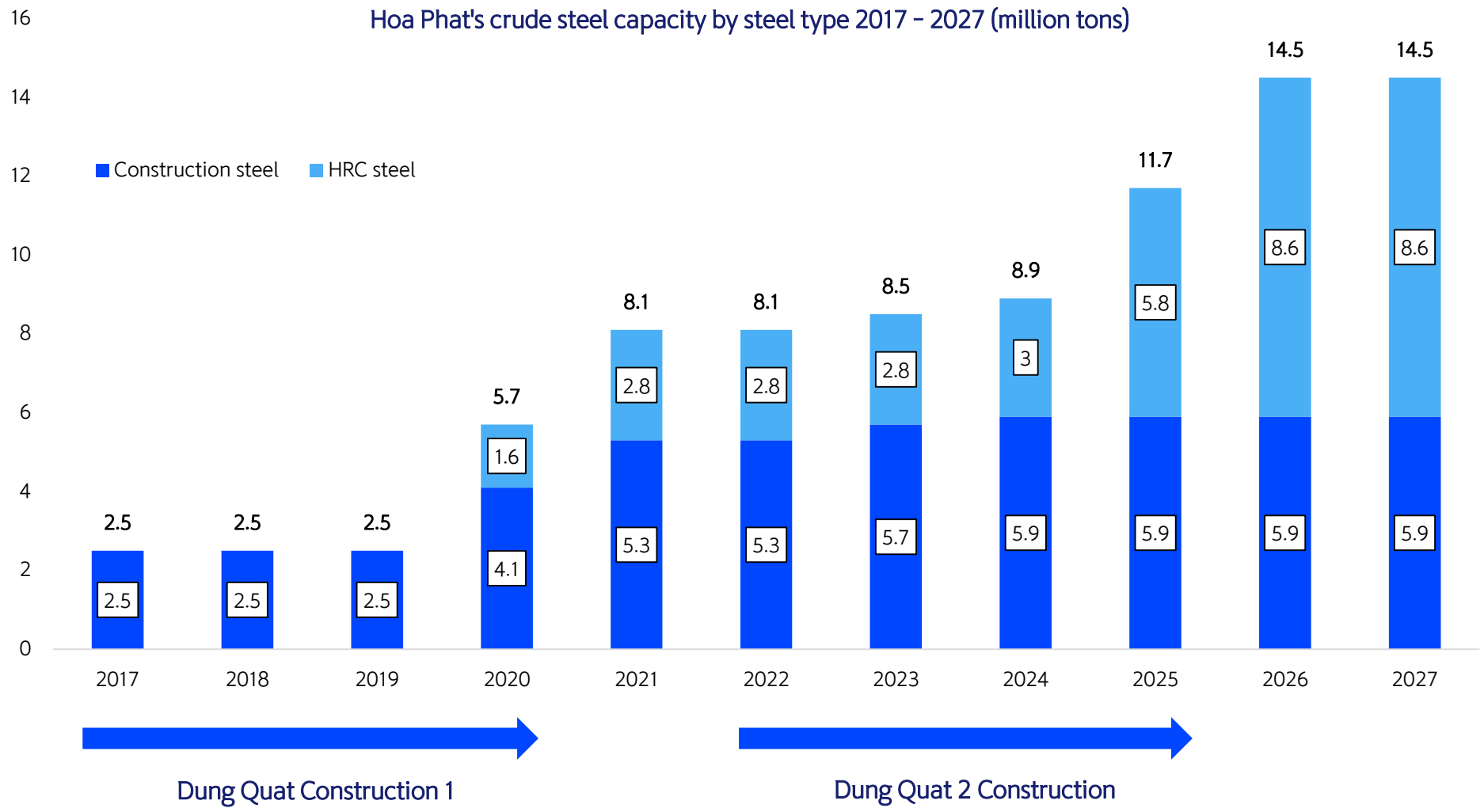
Breaking News – Visit Dung Quat project - Hoa Phat Group

Hoa Phat's crude steel capacity by factory 2017 – 2027 (million tons)



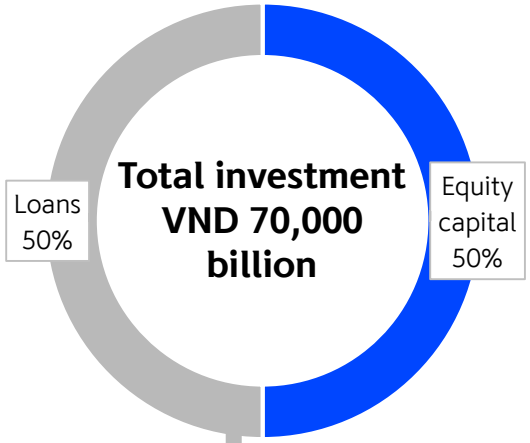
Source: Company report, Shinhan Securities, Data as of March 29, 2024

Breaking News – Visit Dung Quat project - Hoa Phat Group



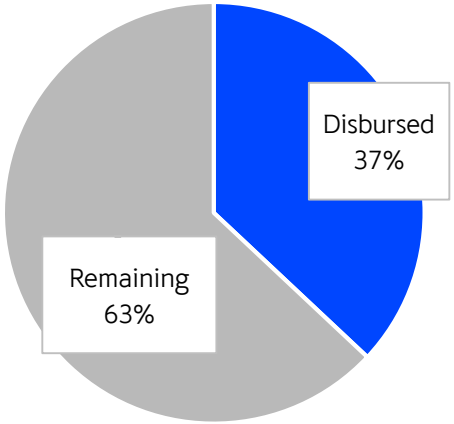
Source: Company report, Shinhan Securities, Data as of March 29, 2024

Breaking News – Visit Dung Quat project - Hoa Phat Group

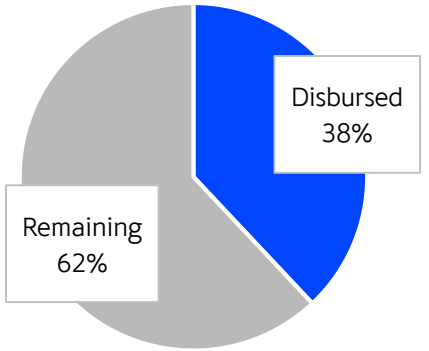


Of which 35,000 billion VND is funded by syndicated loans from the 8 largest banks in Vietnam with VCB as the leader.

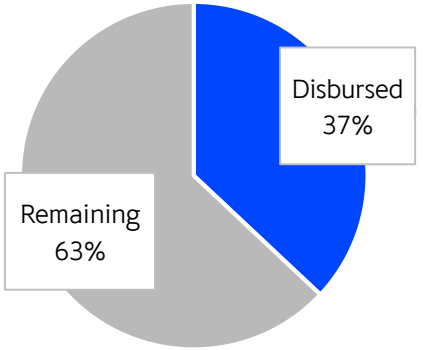
Disbursement ratio over total investment (%)



Construction disbursement progress (%)



Disbursement progress of machinery and equipment (%)



Source: Company report, Shinhan Securities, Data as of March 29, 2024

Technical view

Trend: Sideway up

- VNINDEX closed at 1,290.18 (+7.09 points, +0.55%) with relative liquidity. The market has 254 green tickers and 209 red tickers. The groups of stocks contributing to the market's increase include TCB VHM and FPT. On the contrary, the group of stocks contributing to the market's decline were BVR NVL and VRE. Most industry groups increased. Foreign countries continued to strongly net sell about VND 1,300 billion.
- Technical: VNINDEX maintains good upward momentum as cash flow is led by the banking group. Foreign selling force is quite strong but is still well absorbed by individual investors. In general, after having an accumulation period in the 1,230-1,280 area, the market has continued its uptrend. Investors should note this area as a support zone in the near future and consider the next resistance levels at 1,300 and 1,400 respectively.
- Strategy: Investors can absolutely hold stocks and observe the support areas of 1,250 and 1,220 to be able to sell stocks in case the market breaks these support levels.



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

29/03/2024 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	51.0	21	9.91%	29/02/2024	Ready to take profit in session
STB	Hold	30.7	33.0	29.2	0.1	0.0	32.0	38	4.23%	06/02/2024	
REE	Hold	62.1	67.5	60.5	0.1	0.0	63.9	6	2.90%	21/03/2024	
HAH	Hold	42.9	46.0	41.6	0.1	0.0	43.6	6	1.52%	21/03/2024	
HDG	Hold	29.2	31.6	28.4	0.1	0.0	29.5	2	1.03%	27/03/2024	

Note: All opinions and estimates regarding the company and its securities are accurate representations of the covering analyst's judgments as of this date and may differ from actual results. This report is intended to provide information to assist investment decisions only and should not be used or considered an offer or the solicitation of an offer to sell or to buy any securities. Stock selection and final investment decisions should be made at the client's own discretion. Please see the “Compliance notice and Disclaimer" section at the end of this report for more details.

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

Shinhan Securities

Q&A

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