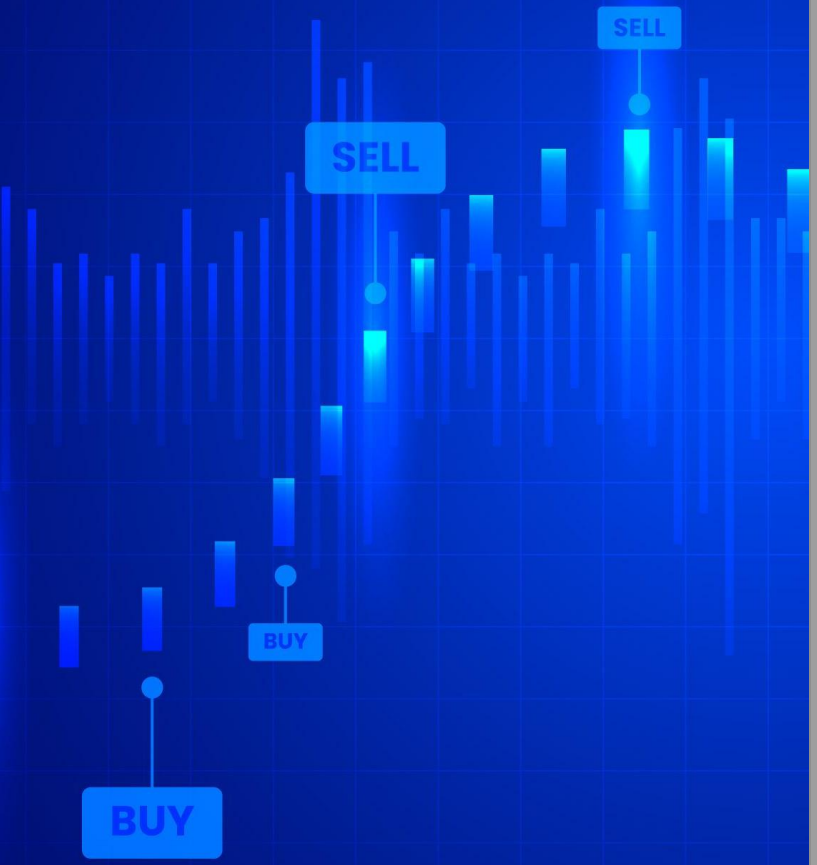
Shinhan Securities



MORNING CALL

09/04/2024

“Bank stocks alone cannot lift VN-Index”

- ❑ World stocks: Waiting for the CPI report
- ❑ Vietnamese stocks: Bank stocks alone cannot lift VN-Index
- ❑ Macro news:
- ❑ Business news: #HPG, #PLX, #SSB, #TV2, #BAF, #PDR
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

Thao Nguyen ☎ (84-28) 6299 8004 ✉ thao.np@shinhan.com

Nam Hoang ☎ (84-28) 6299 7603 ✉ nam.h@shinhan.com

Following SSV's Zalo,
Catching the latest report



Please click or scan

Shinhan Securities

Global Market Review 08/04 – 12/04/2024

Major stocks market

- In regular trading on Monday, the Dow and S&P 500 shed 0.03% and 0.04%, respectively, while the Nasdaq Composite inched up 0.03%. Those moves came as the 10-year Treasury yield topped 4.4%, keeping investors at bay. Investors now await Wednesday's consumer price index report for further insight into Federal Reserve monetary policy, as well as other key economic data and the start of the first quarter earnings season.
- The STOXX 50 index increased by 0.8% on Monday, and the STOXX 600 rose by 0.5% driven by a 1.7% surge in mining shares. The CAC 40 rose by 0.72% to close at 8,119 on Monday, bouncing back from a dip of over 1% the previous week. . The upcoming ECB meeting is expected to keep rates steady but may hint at potential rate cuts in June. UK GDP data, US inflation figures, and the Fed's March meeting minutes will also be closely watched for insights into future central bank policies.
- The Nikkei 225 Index jumped 0.91% to close at 39,347 while the broader Topix Index climbed 0.95% to 2,728 on Monday, with Japanese shares rising from three-week lows, helped by a strong rebound in the technology sector. Japanese shares also tracked gains on Wall Street Friday as higher-than-expected US jobs growth pointed to a robust economy, supporting the outlook for corporate earnings growth.
- WTI crude futures fell more than 1% to below $86 per barrel on Monday as the easing of Middle East tensions outweighed expectations of tighter global supply.

Market

	Close	%1D	%1M	%1Y
VN-Index	1,250	-0.38%	0.24%	16.89%
S&P 500 Index	5,202	-0.04%	1.54%	26.73%
Dow Jones Index	38,893	-0.03%	0.44%	16.15%
GP 100	7,943	0.41%	3.70%	2.61%
Nikkei 225	39,564	0.55%	-0.31%	43.77%
SHCOMP Index	3,047	-0.72%	0.03%	-8.43%
STOXX 600	509	0.47%	1.13%	10.89%
KOSPI Index	2,732	0.51%	1.91%	9.68%
Hang Seng	16,733	0.05%	2.32%	-17.70%

Commodity

	Close	%1D	%1M	%1Y
Brent	91	0.48%	10.64%	6.68%
WTI	87	0.46%	11.31%	7.60%
Gasoline	276	0.28%	9.06%	-2.03%
Natural gas	2	0.60%	2.77%	-7.76%
Coal	128	-0.70%	-4.61%	-33.83%
Gold	2,343	0.16%	7.33%	17.63%
China HRC	3,722	-0.53%	-5.36%	-13.16%
Steel rebar	3,350	-0.77%	-9.07%	-15.60%
BDI index	1,594	-2.09%	-32.03%	2.18%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	104	0.01%	1.40%	2.29%
USD/VND	24,961	0.05%	-1.26%	-6.05%
EUR/USD	1	-0.01%	-0.62%	-0.01%
USD/JPY	152	-0.05%	-3.25%	-12.04%
USD/CNY	7	0.03%	-0.60%	-4.79%
USD/GPB	1	0.00%	1.26%	-2.15%
USD/KRW	1,354	-0.04%	-3.22%	-2.52%
USD/AUD	2	0.01%	0.16%	0.57%
USD/CAD	1	-0.03%	-0.69%	-0.49%

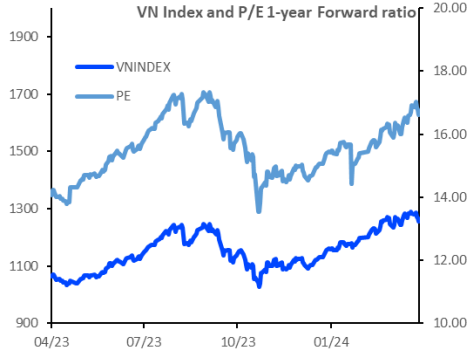
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 08/04/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,250.35	16.56	-4.76	-0.38	732	18,376
HNX INDEX	238.08	23.77	-1.60	-0.67	116	1,827





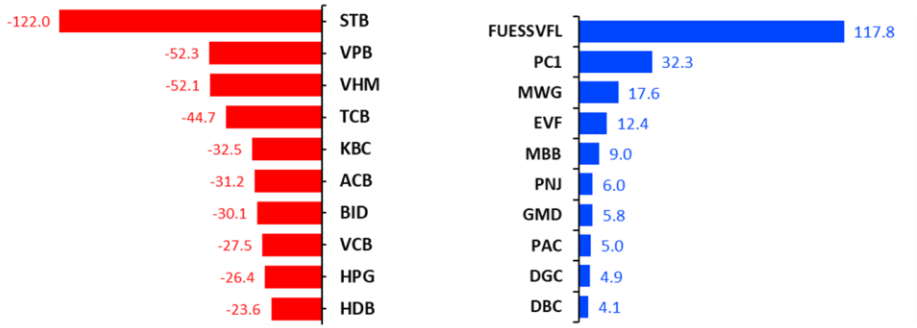
Money flow and sector rotation (VND bn)

Sector	%1D	4/8/2024	4/5/2024	20-session Average
Personal & Household Goods	33.24	236	177	311
Health Care	20.29	16	13	28
Travel & Leisure	-4.1	108	112	102
Banks	-5.3	3,735	3,943	4,255
Insurance	-7.5	25	27	34
Retail	-13.9	601	697	952
Food and Beverage	-14.9	1,483	1,743	1,808
Chemicals	-16.5	909	1,089	1,117
Industrial Goods & Services	-17.2	1,279	1,545	1,567
Technology	-20.8	315	398	403
Real Estate	-29.4	4,395	6,229	5,295
Financial Services	-31.6	2,780	4,066	3,997
Construction & Materials	-34.3	931	1,418	1,525
Media	-36.8	11	18	20
Utilities	-38.2	192	311	272
Basic Resources	-40.9	872	1,476	1,532
Automobiles & Parts	-49.3	250	494	341
Oil & Gas	-55.8	192	435	308

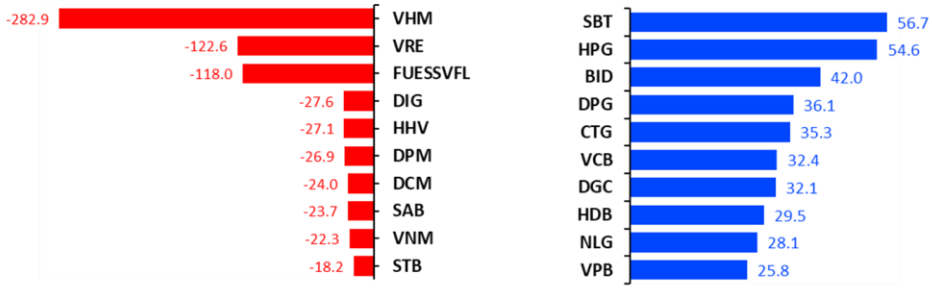
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 08/04/2024

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	(106)	(392)	528	(135)
Basic Resources	(19)	40	(41)	2
Media	-	0	0	(0)
Industrial Goods & Services	(13)	(0)	27	(27)
Health care	-	0	0	(0)
Chemicals	10	(6)	(0)	6
Financial Services	113	(27)	(140)	167
Travel & Leisure	(11)	3	5	(7)
Banks	(372)	157	460	(617)
Construction & Materials	39	27	(52)	24
Food and Beverage	(35)	33	4	(37)
Retail	20	(3)	(16)	19
Utilities	(4)	5	2	(7)
Personal & Household Goods	6	6	(2)	(3)
Technology	(11)	(7)	4	3
Automobiles & Parts	2	11	(23)	12
Insurance	0	(2)	1	0
Oil & Gas	3	5	(7)	2
Total	**(379)**	**(152)**	**751**	**(600)**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- Exchange rates are under pressure due to maturing government bonds. Starting from April 8th, a significant amount of VND will return to the market as government bonds issued by the State Bank of Vietnam mature. In response to this news, the spread between the exchange rates in the free market has widened to 40 VND/USD, while the selling prices at banks are not moving in the same direction. From March 11th to April 5th, the State Bank of Vietnam issued about 173 trillion VND of government bonds to absorb excess liquidity of VND in the interbank market. The maturity of these bonds is 28 days, with interest rates ranging from 1.3% to 2.7%. This move by the State Bank of Vietnam took place in the context of a sharp increase in the USD/VND exchange rate and excess liquidity in the market due to weak credit demand. As a result, the amount of VND from the maturing government bonds of the State Bank of Vietnam will start to return to the market today.

- As of March 31, 2024, the stock market had 7.69 million accounts, an increase of nearly 164,000 accounts compared to the previous month. Of which, the number of domestic individual investor accounts reached 7.63 million, accounting for 99.2% of the total number of accounts and an increase of more than 163,000.

- The Business Confidence Index (BCI) for the first quarter of 2024 released by the European Chamber of Commerce in Vietnam (EuroCham) on April 8th signaled strong confidence in the Vietnamese economy. According to the report, the BCI for the first quarter of 2024 reached 52.8, the highest level since 2022. This figure shows a clear sign of increasing confidence in the European business community in Vietnam. The report also emphasizes that Vietnam's highly skilled workforce is a major attraction for European investors, with 75% of EuroCham members employing 76% or more local staff.

Breaking News



Business news

- **HPG**: In March 2024, Hoa Phat Group produced 741,000 tons of crude steel, an increase of 7% compared to the previous month. Sales volume of hot rolled coil (HRC) steel products, construction steel, high quality steel and billet steel reached 693,000 tons, an increase of 34% compared to February 2024. Of which, Hoa Phat supplied 381,000 tons of construction steel and high quality steel to the domestic and foreign markets, an increase of 80% compared to February. The increase in sales volume was mainly due to the domestic market entering the construction season, and the export market increased by 76% compared to the previous month.

- **PLX:** Petrolimex sets 2024 revenue target at VND188 trillion, down 32%.The Vietnam National Oil and Gas Group (Petrolimex, stock code: PLX) has set a revenue target of VND188 trillion for 2024, down 32% year-on-year. After-tax profit is targeted at VND2,900 billion, down 26% compared to 2023. Petrolimex plans to pay a cash dividend of 15% for 2023. This is the highest payout since 2019. According to Petrolimex's leadership, the global economy is gradually recovering but still faces many uncertainties as consumer demand is declining in many countries. The group's business situation is therefore forecast to have many unfavorable factors.

- **SSB**: SeABank announces impressive business results in Q1/2024. Southeast Asia Commercial Joint Stock Bank (SeABank, stock code SSB) announces its consolidated business results for Q1 2024 with profit before tax (PBT) reaching VND 1,506 billion, up nearly 41% year-on-year (YoY). Total operating income reached VND 2,706 billion, up 19.54%; total revenue reached VND 6,438 billion, up 4.6%. At the same time, SeABank's net interest income (NOII) also recorded an impressive growth of nearly 51% YoY, reaching VND 705 billion. SeABank is submitting to the 2024 Annual General Meeting of Shareholders a plan to increase capital to VND 30,000 billion, including: Issuing shares to pay dividends and bonus shares from equity sources with a total ratio of approximately 14%.

Breaking News



Business news

- **TV2:** TV2's stock price "fluctuates" after receiving a warning from the Ministry of Industry and Trade. The Ministry of Industry and Trade has just issued a document reminding TV2 about the issue of being unable to arrange finances ahead of schedule in the contract for the BOT project of the Song Hau 2 Thermal Power Plant. According to research, the Song Hau 2 Thermal Power Plant project is being implemented under the BOT form in Chau Thanh district, Hau Giang province, invested by Toyo Ink Group Berhad (Malaysia). Previously, in March 2023, Power Engineering Consultants 2 and Sunway Construction (Malaysia) signed a contract package to develop the Song Hau 2 thermal power plant project (2,012MW) with a total value of about 2.42 billion USD, the value of TV2's contract in the On the above bidding consortium, it is estimated at about 45%. The project operates on imported coal. According to the plan, Unit 1 of the plant will start commercial operation in the second quarter of 2021 and the entire plant will start commercial operation in the second quarter of 2022. However, the Song Hau 2 Thermal Power Plant is behind schedule because the project is still in the process of counting to implement compensation and resettlement support.

- **VNM:** BAF plans to profit VND306 billion in 2024, a 10-fold increase compared to 2023; sets a target to sell about 584,771 pigs, including 24,738 breeding pigs. At the same time, in 2024, the company plans to double the total herd by the end of 2024 compared to the end of 2023, increasing the total herd to 75,000 sows and 800,000 pigs.

- **PDR:** he company has set a target of VND 2,982 billion in revenue and VND 880 billion in after-tax profit for this year, an increase of 383% and 29% respectively compared to the same period last year. Regarding the profit distribution plan for 2023, the company plans to issue nearly 131 million shares to pay dividends to shareholders at a rate of 15% (ie shareholders owning 100 shares will receive an additional 15 new shares). The payment time is expected in 2024.

Technical view

Trend: The appearance of risk

- VNINDEX closed at 1,250.35 (-4.76 points, -0.38%) with slightly lower liquidity than the previous session. The market had 112 green stocks and 355 red stocks. The group of stocks contributing to the market's decline included GAS, VRE, and VNM. On the other hand, the group of stocks contributing to the market's increase were BID, CTG, and HDB. Most industry groups fell, with the technology and telecommunications groups falling the most.
- Technical view: VN-Index struggled with selling pressure dominating, pushing the index down and closing in the red. Liquidity also fell below the 20-session average, showing the caution of cash flow on the buying side. Some bank stocks recovered technically but were not enough to support the VN-Index. The downward MACD shows that the correction process is still ongoing. Overall, the picture is still unclear and the market needs time to find a balance point. The nearest support for the trend is the psychological threshold of 1,240 – 1,250 points.
- Strategy: Investors should reduce their weight or sell stocks that have violated technical indicators. It is important to maintain a state of observation and not rush to open positions.



Scenarios:

- Positive (30%): The market will rebound and move towards the 1,300 area.
- Less positive (70%): The market corrected to the 1,250 area.

Recommended stocks

09/04/2024 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
HAH	Sell	42.9	46.0	41.3	7.2%	-3.7%	40.9	13	-4.7%	21/03/2024	Break the EMA 50
PC1	Hold	28.5	30.9	27.3	8.4%	-4.2%	27.8	5	-2.6%	02/04/2024	
DHC	Sell	43.8	47.0	42.3	7.4%	-3.3%	42.2	4	-3.7%	03/04/2024	Break the EMA 50

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

April 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
31	1 ISM Manufacturing PMI MAR	2 JOLTs Job Openings FEB	3 ISM Services PMI MAR Fed Chair Powell Speech	4	5 Non-farm payroll, unemployment rate	6
7	8	9 JP Consumer Confidence MAR	10 Inflation and core inflation MoM YoY (US)	11 FOMC Minutes PPI MoM	12	13
14	15 Wholesale inventories in US	16 GDP Growth China IIP YoY China	17	18 VN Futures contract maturity	19	20
21	22	23	24 Durable goods order MoM March US	25 GPD Growth US Adv Q1	26 PCE MoM Personal Spending MoM US	27
28	29	30	1	2	3	4

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



Compliance Notice

- Analyst Certification: We/I hereby certify the information and material presented in this report are accurate expressions of their views, and that we/I have not received internally or externally wrongful pressure to express such views.
- 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.
- This report is distributed to our clients only, and any unauthorized use, duplication, or redistribution of this report is strictly prohibited.

Disclaimers

- This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of Shinhan Securities Vietnam Ltd.., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of Shinhan Securities Vietnam Ltd.
- This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. Shinhan Securities Vietnam Ltd. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. Shinhan Securities Vietnam Ltd.., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or Shinhan Securities Vietnam Ltd. The final investment decision is based on the client's judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.
- Copyright ⓒ 2020 Shinhan Securities Vietnam Ltd. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of Shinhan Securities Vietnam Ltd.