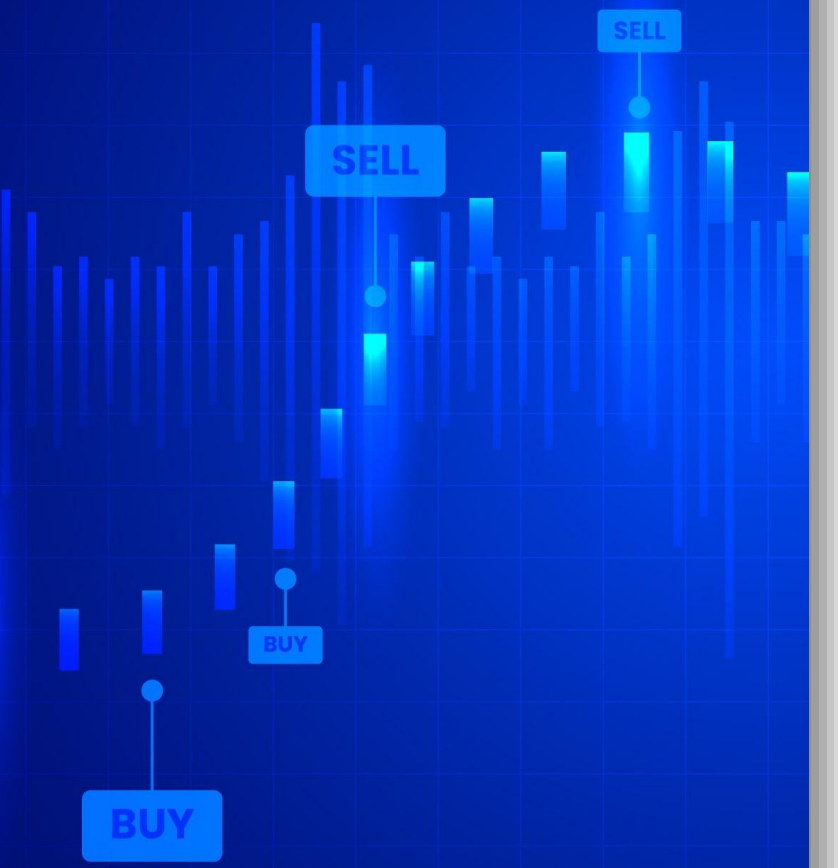
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MORNING CALL

06/05/2024

"Price increases but liquidity is still questionable"

- ❑ World stocks: U.S. job data falls short of expectations
- ❑ Vietnamese stocks: Price increases but liquidity is still questionable.
- ❑ Macro news
- ❑ Business news: #TCB, #MPC, #FOX, #HVN, #FMC, #TMS
- ❑ Technical perspective and updated recommendations #MSN, #NLG
- ❑ Event calendar
- ❑ Q&A

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Global Market Review 06/05 - 10/05/2024

Major stocks market

- Last week, the Dow rose 1.14%, the S&P 500 gained 0.55% and the Nasdaq Composite climbed 1.43%, with the Nasdaq Composite closing above its 50-day moving average for the first time in three weeks. Data released on Friday showed that the US economy added 175K jobs in April, falling short of the estimated 243K and signaling a significant slowdown from March's addition of 315K jobs.
- European equities closed firmly higher on Friday, tracking high demand for US stocks after a cold US jobs report increased expectations of more than one rate cut by the Fed this year. The Stoxx 50 added 0.5% to close at 4,919, and the Stoxx 600 added 0.4% to 505.
- The Nikkei 225 Index fell 0.1% to close at 38,236 while the broader Topix Index inched down 0.03% to 2,729 on Thursday, with Japanese shares sliding for the second straight session as market sentiment remained fragile. Those moves came as US stocks ended mixed overnight after the US Federal Reserve held interest rates steady and Fed Chair Powell ruled out the possibility of another rate hike.
- WTI crude futures dropped to $78.3 per barrel on Friday, heading for their largest weekly drop in three months as investors reacted to weaker-than-expected U.S. jobs data and a cooling in annual wage gains, increasing bets that the Federal Reserve could implement its first interest rate cut this year in September

Market	Close	%1D	%1M	%1Y
VN-Index	1,221	0.38%	-2.72%	17.37%
S&P 500 Index	5,128	1.26%	-1.47%	23.97%
Dow Jones Index	38,676	1.18%	-0.59%	14.85%
GP 100	8,213	0.51%	3.82%	5.59%
Nikkei 225	38,236	-0.10%	-3.08%	31.13%
SHCOMP Index	3,105	-0.26%	0.89%	-6.57%
STOXX 600	506	0.46%	-0.20%	8.64%
KOSPI Index	2,677	-0.26%	-1.38%	7.02%
Hang Seng	18,476	1.48%	10.48%	-7.85%

Commodity	Close	%1D	%1M	%1Y
Brent	83	0.49%	-8.56%	10.72%
WTI	79	0.55%	-9.63%	10.09%
Gasoline	256	0.03%	-8.34%	7.44%
Natural gas	2	0.65%	20.78%	0.89%
Coal	145	-1.76%	11.96%	-19.63%
Gold	2,305	0.14%	-1.46%	14.04%
China HRC	3,817	0.00%	2.17%	-3.81%
Steel rebar	3,520	-0.11%	4.27%	-0.11%
BDI index	1,876	5.75%	15.23%	20.41%

Currency	Close	%1D	%1M	%1Y
Dollar Index	105	0.04%	0.74%	3.81%
USD/VND	25,412	0.01%	-1.72%	-7.72%
EUR/USD	1	0.07%	-0.83%	-2.14%
USD/JPY	153	-0.29%	-1.09%	-11.98%
USD/CNY	7	-0.17%	-0.14%	-4.54%
USD/GPB	1	-0.06%	0.80%	0.50%
USD/KRW	1,363	0.94%	-1.04%	-1.83%
USD/AUD	2	-0.15%	-0.24%	2.46%
USD/CAD	1	0.04%	-0.79%	-2.24%

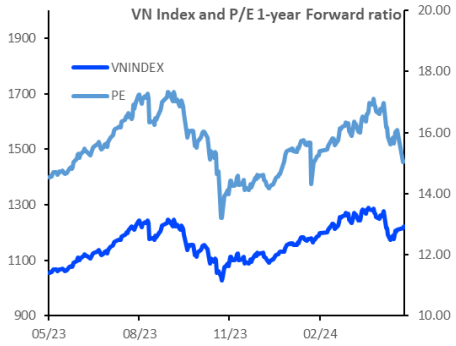
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 03/05/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,221.03	15.07	4.67	0.38	521	15,021
HNX INDEX	228.22	16.19	0.73	0.32	68	1,113





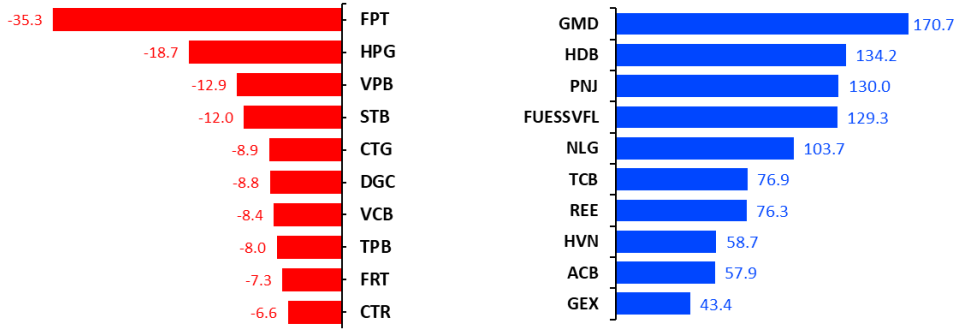
Money flow and sector rotation (VND bn)

Sector	%1D	5/3/2024	5/2/2024	20-session Average
Basic Resources	102.79	911	449	771
Personal & Household Goods	63.49	315	192	206
Banks	43.66	3,009	2,095	3,014
Industrial Goods & Services	40.74	1,259	895	845
Food and Beverage	35.40	1,122	829	1,013
Oil & Gas	35.01	130	96	152
Retail	33.17	1,910	1,435	786
Travel & Leisure	13.32	130	115	104
Health Care	8.12	20	18	20
Financial Services	0.93	1,434	1,421	1,958
Real Estate	0.0	2,531	2,531	2,914
Automobiles & Parts	-1.8	270	275	253
Chemicals	-7.0	628	675	544
Technology	-9.4	462	510	374
Construction & Materials	-11.3	567	639	614
Utilities	-24.0	162	213	160
Insurance	-24.8	27	36	18
Media	-54.3	2	4	5

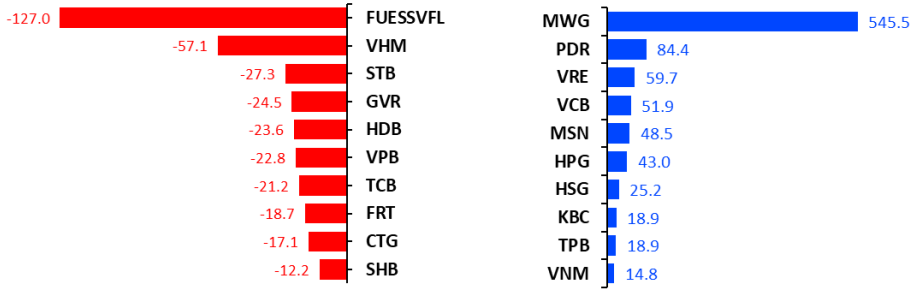
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 03/05/2024

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	146	81	(440)	359
Basic Resources	(26)	70	(25)	(45)
Media	-	(0)	1	0
Industrial Goods & Services	300	(8)	(325)	333
Health care	-	3	(3)	(0)
Chemicals	(8)	(1)	14	(13)
Financial Services	122	(150)	5	145
Travel & Leisure	56	5	(49)	44
Banks	208	(40)	(83)	123
Construction & Materials	5	(15)	(4)	19
Food and Beverage	(8)	68	(77)	9
Retail	(13)	522	383	(905)
Utilities	3	4	12	(16)
Personal & Household Goods	130	0	(192)	192
Technology	(35)	(4)	101	(97)
Automobiles & Parts	2	14	(29)	15
Insurance	(0)	6	(4)	(2)
Oil & Gas	(4)	6	(8)	2
Total	**878**	**560**	**(725)**	**166**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- Proposal to bring the Real Estate Business Law and the Housing Law into effect 6 months earlier.The Real Estate Business Law and the Housing Law were passed by the National Assembly at the November 2023 session, both with an effective date of January 1, 2025. However, the government is proposing to bring these two laws into effect 6 months earlier, coinciding with the Land Law 2024, which is also being submitted to the government for approval by the National Assembly with an effective date of July 1, 2024.

- Vietnam's exports in April 2024 declined by 8.1% compared to the previous month. However, due to a strong surge in the first quarter, overall exports in the first four months of 2024 still rose by 15% compared to the same period last year. With this result, the trade balance continues to tilt towards a trade surplus of 8.4 billion USD.

- Prime Minister orders immediate inspection of gold market and gold trading businessesThis is one of the contents of Directive No. 14/CT-TTg dated May 2, 2024, by Prime Minister Pham Minh Chính on the implementation of monetary policy management tasks in 2024, focusing on removing difficulties for production and business, promoting growth, and stabilizing the macroeconomy.

- UOB: USD/VND exchange rate may rise to 25,600 VND in the second quarter of 2024 and weaken. According to the latest global foreign exchange and exchange rate forecast report of UOB's Global Economic & Market Research Department updated on May 3, 2024, UOB expects VND to receive support from the following factors: Solid fundamentals and subsequent CNY recovery.

Breaking News



Business news

- **TCB:** Techcombank to distribute nearly VND 5,300 billion in dividends in early June. This is the first year Techcombank has paid cash dividends after a decade of retaining profits to strengthen its capital base and develop its business. In addition to paying cash dividends to shareholders, Techcombank's Board of Directors has also approved a resolution to implement the 100% bonus share issuance plan approved by the 2024 Annual General Meeting of Shareholders. Specifically, Techcombank plans to issue over 3.5 billion bonus shares. The implementation ratio is 1:1 (shareholders holding 1 share will receive 1 new share).

- **MPC:** Net revenue in the first quarter of 2024 reached VND 1,316 billion, up 34% over the same period last year (YoY). Cost of goods sold during the period increased by 37%, to 1,215 billion VND. Gross profit was also at 101.4 billion VND, up 7.7% YoY. MPC's profit after tax reached 24.8 billion VND, down 34% over the same period last year. At the end of the period, businesses no longer have bank deposits with a term of less than 3 months, while at the beginning of 2024 this amount is at VND 228 billion.

- **FOX:** In 2024, FPT Telecom sets its business target with revenue of VND 17,600 billion and pre-tax profit of VND 3,510 billion, up 11.4% and 15.4% respectively compared to the previous year's realization. Since the beginning of the year, FOX's stock price has increased by 43%. Previously, in 2023, this stock also witnessed a 60% increase in one year. FPT Telecom's market capitalization has reached VND 35,600 billion (about USD 1.4 billion), up nearly VND 11,000 billion compared to the beginning of the year. The stock's rally was actively supported by positive business results. According to the consolidated financial statements for the first quarter of 2024, FPT Telecom recorded net revenue of VND 4,012 billion, up 6% over the same period in 2022. Profit after tax attributable to shareholders of the parent company reached VND 653 billion, up nearly 12.7% over the same period last year.

Breaking News



Business news

- **HVN:** HVN stock soars amid positive business developments for Vietnam Airlines.In the first quarter of 2024, the airline recorded revenue of nearly VND 28.27 trillion, up over 25% from the same period last year and the highest quarterly figure since Vietnam Airlines converted into a joint-stock company in 2015. According to the company's explanation, the sharp increase in profit in this quarter compared to the same period last year was mainly due to the fact that the parent company, Pacific Airlines, and its subsidiaries all operated profitably compared to the same period last year. In addition, the airline's other consolidated income surged in the first quarter of 2024 due to income from the cancellation of debt in connection with the return of aircraft under a lease agreement
- **FMC:** According to information from Sao Ta Food JSC (HoSE: FMC), Sao Ta's total revenue in April 2024 reached USD 16.32 million, up 17% compared to the same period last year. The company's finished shrimp production in April reached 2,130 tons, up 50% year-on-year (YoY); finished agricultural product production reached 216 tons, equivalent to the same period last year. Finished shrimp consumption reached 1,435 tons, up 22% YoY; finished agricultural product consumption reached 42 tons, down 55%.
- **TMS:** TMS's Q1 net profit drops 28% amid cost pressures and losses from associatesIn the first quarter, TMS's net profit decreased by 28% to VND 152.5 billion (US$6.5 million) from VND 308.3 billion (US$13.2 million) in the same period last year, primarily due to cost pressures and losses from associates. Revenue from freight forwarding, logistics services, warehousing, and barges rose 33% to over VND 524 billion (US$22.6 million), while revenue from office and ship rentals surged 171% to over VND 31 billion (US$1.3 million). Revenue from other services also increased by 144% to nearly VND 141 billion (US$6.1 million). In addition to its core business, TMS also invested over VND 210 billion (US$9.1 million) in short-term listed stocks and deposited nearly VND 299 billion (US$12.9 million) in short-term bank deposits. As of the end of the first quarter, TMS's cash and cash equivalents increased by 19% to nearly VND 531 billion (US$23 million), accounting for 7% of total assets.

Technical view

Trend: Short-term recovery

- VNINDEX closes at 1,221 (+4.67 points, +0.38%) with sideways liquidity compared to the previous session. The market has 223 green stocks and 200 red stocks. The groups of stocks contributing to the market's decline are GVR, FPT, and LPB. On the contrary, the groups of stocks contributing to the market's growth are TCB, VCB, and MSN. Foreigners net buy about 552 billion during the VnDiamond restructuring period.
- **Technical view**: VN-Index fluctuates with low liquidity as it approaches the MA20 resistance at 1,230. Capital flow remains cautious and there is no leading sector. If there is no large capital flow to help VN-Index overcome the 1,230 resistance, the market is likely to continue to fluctuate in the coming time. MACD has formed a bottom 1 and needs more time to consider the possibility of forming a bottom 2. In a positive scenario, VN-Index will create a higher bottom after 1,170 and continue to accumulate upwards to form a new uptrend.
- **Strategy**: Short trading strategies with low upside potential will be prioritized. Therefore, investors need to be more cautious as the market has not yet confirmed a clear uptrend.



Scenarios:

- Positive (60%): The market will rebound and move towards the 1,190 – 1,230 area.
- Less positive (40%): The market corrected to the 1,180 area.

Recommended stocks

06/05/2024 9:00 AM

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals	Note
MSN	Buy	69.8	74.2	67.2	6%	-4%	69.8	Bounce back from the lows with high liquidity	
NLG	Buy	40.1	43.7	38.7	9%	-3%	40.8	Bounce back from the lows with high liquidity	Prepare to buy

Trading portfolio

Ticker	Recommendation	Buying price	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
ACB	Hold	26.7	28.5	26.3	7%	-1%	27.5	9	3.00%	23/04/2024	
REE	Sell	61.2	65.9	59.2	8%	-3%	65.9	2	7.68%	02/05/2024	Take profit early because the stock is rising rapidly
DCM	Hold	32.0	33.8	30.7	6%	-4%	32.0	1	0.00%	03/05/2024	

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Economic calendar

May 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
28	29	30	1 _ US ISM Manufacturing PMI APR _ US JOLTs Job Openings MAR	2 US Fed Rate Decision	3 US Non Farm Payrolls APR US Unemployment Rate APR	4
5	6	7	8	9	10 Michigan Consumer Sentiment Prel MAY	11
12	13	14 US PPI MoM APR	15 _ US Core Inflation Rate MoM APR _ US Retail Sales MoM APR	16 VN30F1M Future contract maturity	17	18
19	20	21	22	23 FOMC Minutes	24 _ US Durable Goods Orders MoM APR _ ETF Ishare MSCI restructure portfolio	25
26	27	28	29 VN Macroeconomics in MAY	30 US GDP Growth Rate QoQ 2nd Est Q1	31 _ US Personal Income MoM APR _ US Personal Spending MoM APR	1

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Q&A

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