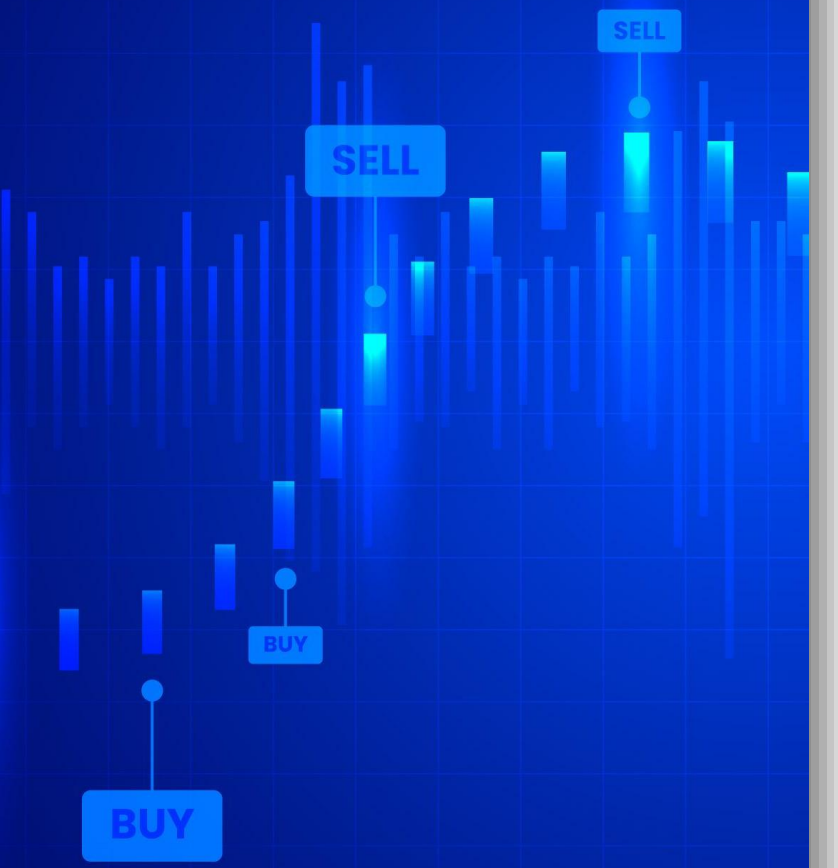


MORNING CALL

13/05/2024

"Has the market found its direction?"

- ❑ World stocks: Dow's 8th consecutive winning streak
- ❑ Vietnamese stocks: Has the market found its direction?"
- ❑ Macro news
- ❑ Business news: #BAF, #PVD, #PLX, #SHS, #HDG, #MBB
- ❑ 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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Shinhan Securities

Global Market Review 13/05 – 17/05/2024

Major stocks market

- On Friday, the Dow gained 0.32%, rising for the eighth straight session and posting its best week for the year. The S&P 500 also rose 0.17%, while the Nasdaq Composite shed 0.03%. Those moves came as investors reacted to a raft of central bank commentary, with several Fed officials advocating for a cautious stance on lowering interest rates. Wall Street also found support from a strong earnings season, with about 80% of firms that have reported so far surpassing market expectations.
- European stocks closed firmly higher on Friday, receiving prolonged support from expectations of incoming rate cuts by major central banks and robust corporate results. The Eurozone's Stoxx 50 added 0.5% to close at a 23-year high of 5,081, notching a 3.2% jump on the week, while the pan-European Stoxx 600 jumped by 0.7% to close at a fresh record of 521, marking a 3% increase on the week. Minutes from the ECB's latest meeting showed that the bank's Governing Council expects a faster convergence of inflation to its 2% target, allowing for a June rate cut to address growth concerns.
- The Nikkei 225 Index rose 0.41% to close at 38,229 while the broader Topix Index gained 0.54% to 2,728 on Friday, with Japanese shares heading toward one-month highs and taking cues from a strong lead on Wall Street.
- Oil prices dropped by more than 1% to settle at $78.26 per barrel on Friday, gaining over 1% on the week, following comments from US central bank officials suggesting that interest rates could remain higher for longer, potentially curbing demand from major crude consumers.

Market

	Close	%1D	%1M	%1Y
VN-Index	1,245	-0.32%	-2.50%	16.67%
S&P 500 Index	5,223	0.16%	1.94%	26.64%
Dow Jones Index	39,513	0.32%	4.03%	18.65%
GP 100	8,434	0.63%	5.48%	8.76%
Nikkei 225	38,176	-0.14%	-3.41%	29.90%
SHCOMP Index	3,155	0.01%	4.47%	-3.60%
STOXX 600	521	0.77%	3.07%	11.87%
KOSPI Index	2,733	0.20%	1.91%	10.41%
Hang Seng	18,964	2.30%	13.41%	-3.38%

Commodity

	Close	%1D	%1M	%1Y
Brent	82	-0.41%	-8.84%	11.16%
WTI	78	-0.41%	-9.01%	11.28%
Gasoline	250	-0.02%	-10.84%	2.84%
Natural gas	2	-0.62%	26.44%	-1.24%
Coal	144	-0.38%	12.81%	-13.51%
Gold	2,359	-0.05%	-1.01%	17.00%
China HRC	3,807	-0.24%	0.95%	-2.43%
Steel rebar	3,483	-0.43%	1.22%	1.13%
BDI index	2,129	-1.71%	23.13%	36.65%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	105	0.05%	-0.64%	2.61%
USD/VND	25,451	0.00%	-1.08%	-7.83%
EUR/USD	1	-0.01%	1.37%	-0.96%
USD/JPY	156	0.02%	-0.94%	-12.60%
USD/CNY	7	-0.10%	0.10%	-4.10%
USD/GPB	1	0.03%	-0.61%	0.05%
USD/KRW	1,371	-0.19%	0.98%	-2.47%
USD/AUD	2	0.15%	-2.30%	1.61%
USD/CAD	1	-0.10%	0.75%	-1.59%

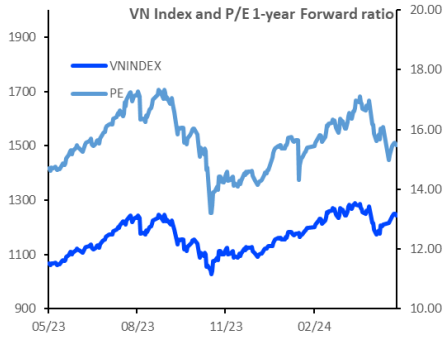
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 10/05/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,244.70	15.48	-3.94	-0.32	555	14,585
HNX INDEX	235.68	19.35	1.10	0.47	94	1,750





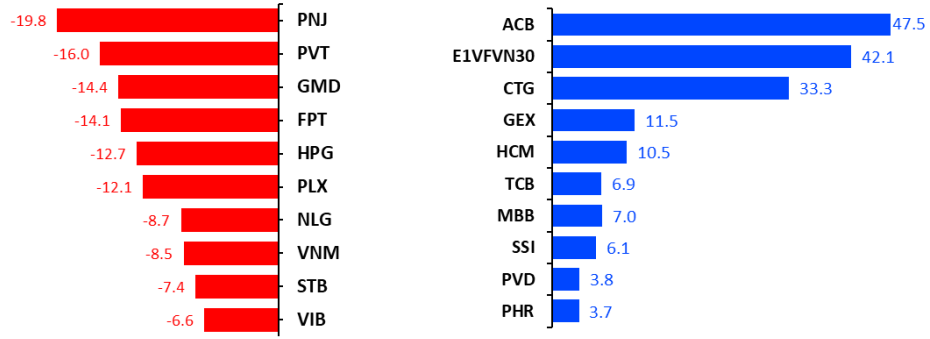
Money flow and sector rotation (VND bn)

Sector	%1D	5/10/2024	5/9/2024	20-session Average
Technology	98.53	807	407	447
Oil & Gas	57.38	307	195	143
Personal & Household Goods	45.95	340	233	206
Insurance	26.73	21	16	20
Health Care	25.38	35	28	22
Automobiles & Parts	12.99	372	329	278
Real Estate	4.36	2,642	2,531	2,625
Media	4.14	28	27	7
Utilities	-1.5	168	171	152
Basic Resources	-6.0	963	1,025	842
Retail	-6.3	819	874	806
Financial Services	-11.7	1,807	2,045	1,855
Banks	-17.0	2,236	2,695	2,728
Industrial Goods & Services	-22.5	1,097	1,416	912
Food and Beverage	-26.4	1,355	1,842	1,090
Construction & Materials	-28.1	551	766	600
Travel & Leisure	-40.3	180	302	176
Chemicals	-43.5	847	1,500	627

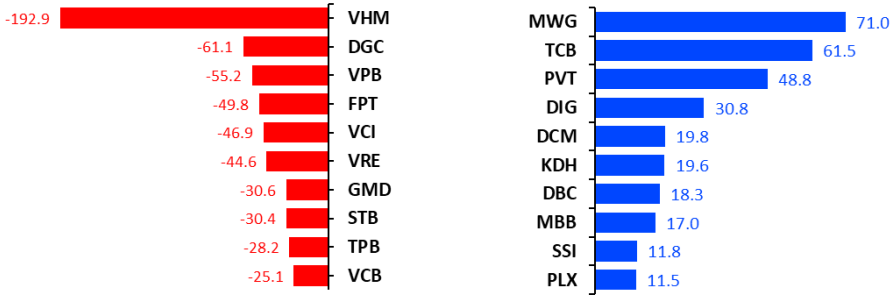
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 10/05/2024

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	(19)	(244)	322	(78)
Basic Resources	(12)	(28)	39	(11)
Media	-	(1)	1	0
Industrial Goods & Services	(22)	26	56	(82)
Health care	-	(1)	0	1
Chemicals	6	(28)	(8)	36
Financial Services	65	(40)	13	27
Travel & Leisure	0	6	14	(20)
Banks	75	(138)	187	(49)
Construction & Materials	(2)	(0)	31	(31)
Food and Beverage	(9)	(2)	41	(39)
Retail	(2)	45	(83)	38
Utilities	(1)	(13)	25	(12)
Personal & Household Goods	(20)	(8)	61	(53)
Technology	(14)	(69)	87	(17)
Automobiles & Parts	4	(7)	14	(7)
Insurance	(0)	(1)	1	0
Oil & Gas	(8)	4	(11)	7
Total	**41**	**(500)**	**789**	**(289)**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- Real estate corporate bond repayment pressure is immense, exceeding VND 100 trillion from now until the end of the year. The private corporate bond market in April 2024 recorded the largest issuance value since the beginning of the year.Data as of May 2, 2024, shows that in April the market received 13 new issuances with a total value of VND 13.9 trillion, up 29.1% from the previous month and 5.2 times higher than the same period last year. Banks are stepping up bond issuance amid signs of a decline in market liquidity, as reflected in overnight interbank rates jumping above 4% in April. This is a result of the State Bank of Vietnam's continuous liquidity withdrawal through open market operations (OMO) in recent times. At the same time, deposit mobilization from individuals by credit institutions also slowed down in Q1/2024, recording a decrease of 0.76% compared to the end of 2023, according to data from the General Statistics Office.

- The average temperature across the country is expected to be 1.5 - 2.5 degrees Celsius higher than the average for many years.As a result, electricity demand will continue to rise, with average daily power consumption across the system expected to reach 913.6 million kWh/day, an increase of 12.24% over the same period last year. Peak power could reach 49,000 MW, with 24,500 MW in the North alone.

- Global gold prices surged after US jobs report, domestic prices exceed 90 million dong/tael. In the past 2 days, SJC gold bullion prices have increased by about 3.3 million dong/tael, while gold ring prices have increased by about 1-1.1 million dong/tael. Compared to the converted world gold price, the retail price of SJC gold bullion is 18.3 million dong/tael higher

Breaking News



Business news

- **BAF:** BAF Vietnam plans to sell over 68 million shares at only 35% of market price. BAF Vietnam intends to issue nearly 24.4 million shares as a stock dividend at a ratio of 100:17. This means that shareholders holding 100 shares will receive 17 new shares. Any fractional shares (if any) will be canceled.

- **PVD:** According to new data released by PV Drilling (stock code PVD), the company has captured 25% of the drilling market share in Malaysia and will become the largest drilling contractor in Indonesia from next year. Currently, PV Drilling is the second largest provider of jack-up rigs in Malaysia, after Velesto and far ahead of other international contractors. Notably, in the Indonesian market, PV Drilling's rig PV DRILLING III achieved an operating efficiency of 98% in 2023 and PV Drilling's service market share is on par with other international drilling contractors such as Japan Drilling and Borr Drilling.

- **PLX**: Petrolimex (PLX) announces positive Q1/2024 business results, pushing stock prices to a one-year highPLX has just released its consolidated financial statements for the first quarter of 2024, recording a 11% increase in net revenue to VND 75.106 billion compared to the same period last year. The company's gross profit reached VND 4.669 billion, up 31% year-on-year. After deducting expenses, PLX recorded a pre-tax profit of VND 1.441 billion, up nearly 72% year-on-year. PLX's after-tax profit reached VND 1.133 billion, up 70% year-on-year.According to PLX's management, the main reason for the increase in after-tax profit in Q1/2024 compared to the same period in 2023 is due to profitable petroleum trading activities, while business activities in other fields of the Group remained stable and grew compared to the same period.

Breaking News



Business news

- **SHS:** SHS Securities plans to raise capital to over VND 17,000 billion.According to its Q1/2024 financial report, SHS Securities recorded a nearly 17% decrease in operating revenue compared to the same period last year, to VND 565 billion. SHS Securities reported pre-tax profit of nearly VND 444 billion and after-tax profit of over VND 356 billion, both nearly 8 times higher than the same period last year. In 2024, SHS sets a target of total revenue and other income of VND 1,844 billion and pre-tax profit of VND 1,035 billion.

- **HDG:** Hado Group (stock code HDG) plans to open Phase 3 of the Hado Charm Villa Project (Hanoi) in late this year; at the same time, it is researching the development of 03 industrial park projects with a total scale of up to 900 ha. At the end of the first quarter of 2024, Hado Corporation (stock code HDG – HoSE) recorded net revenue of VND 849 billion and after-tax profit of VND 221 billion, down 11% and 27% respectively compared to the same period last year. The main reason was the sharp decline in the energy sector.

- **MBB:** Why did Military Commercial Bank's bad debt increase sharply in the first quarter of 2024?The leadership of Military Commercial Bank (stock code MBB) has just shared details about the reasons for the sharp increase in bad debt in the first quarter of 2024 as well as the debt situation of Novaland Group, Sungroup Group and Trung Nam Group. The Military Commercial Bank's leadership affirmed that it will thoroughly resolve the above issue in May 2024 with the ability to recover provisions related to large corporate customers. Novaland Group's outstanding debt at Military Commercial Bank has decreased by 50% compared to the previous year as Military Commercial Bank has collected VND 2,400 billion in 2023. At the same time, Novaland Group's debt is still classified as standard debt

Technical view

Trend: Short-term recovery

- VNINDEX closed at 1,244.7 points (-3.94 points, -0.32%) with slightly lower liquidity compared to the previous session. The market had 165 gainers and 261 losers. The groups of stocks that contributed to the market's decline included VCB, VHM, and BID. On the other hand, the groups of stocks that contributed to the market's increase included FPT, PDR, and CMG. Foreigners continued to net sell around VND 502 billion.
- **Technical view**: The market continued to fluctuate narrowly around the MA50 zone with liquidity lower than the 20-session average. In the morning session, there was some divergence in cash flow, with attention focused on the Oil and Gas group. In the afternoon, the highlight came from the Securities group when the reversal ended in green. We expect the market to continue to accumulate in a narrow range around the 1,230 - 1,280 zone and the group of leading stocks will gradually appear.
- **Strategy**: Investors are pausing new purchases as the market has been heating up continuously. They are prioritizing holding their existing holdings and waiting to take profits when they reach their profit targets.



Scenarios:

- Positive (60%): The market will rebound and move towards the 1,230 – 1,28 0 area.
- Less positive (40%): The market corrected to the 1,180 area.

Recommended stocks

13/05/2024 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
ACB	Hold	26.7	28.2	26.3	6%	-1%	27.7	14	3.75%	23/04/2024	
MSN	Hold	69.8	74.2	67.2	6%	-4%	70.8	5	1.43%	06/05/2024	
NLG	Hold	40.1	43.7	38.7	9%	-3%	41.4	5	3.12%	06/05/2024	
GVR	Hold	30.8	33.4	29.7	8%	-4%	31.7	4	2.76%	07/05/2024	
DGW	Hold	60.9	65.1	58.9	7%	-3%	60.4	4	-0.82%	07/05/2024	

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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

Shinhan Securities

Q&A

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