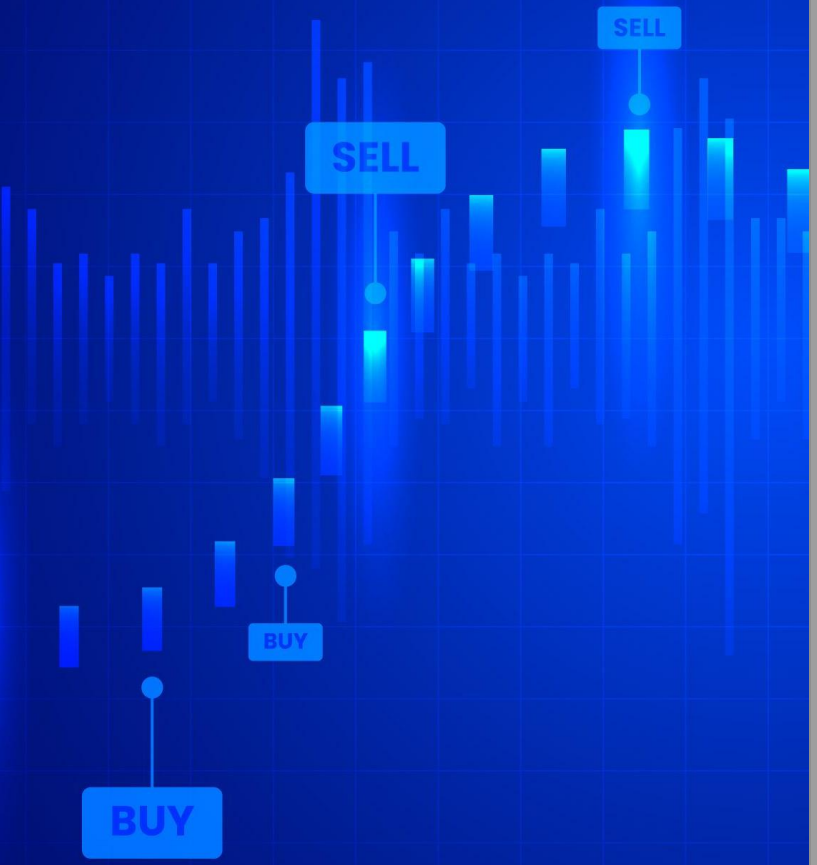
Shinhan Securities



MORNING CALL

23/05/2024

"Necessary market correction"

- ❑ World stocks: Hawkish signals from the latest Fed meeting
- ❑ Vietnamese stocks: Necessary market correction
- ❑ Macro news
- ❑ Business news: #PVT, #PC1, #SAB, #MSB, #PSI, #ABB
- ❑ 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 20/05 – 24/05/2024

Major stocks market

- US stocks extended their lower momentum to close in the red on Wednesday, with key indices easing further from their recent peaks as markets digested hawkish signals from the Fed's last meeting. The S&P 500 and the Nasdaq retreated 0.3% and 0.2%, respectively from their record highs yesterday, while the Dow lost 0.5%. Minutes showed that the FOMC grew more concerned about the lack of progress on curbing inflation in the US economy, and various policymakers noted they are willing to tighten monetary policy further if needed.
- European stocks closed lower on Wednesday. The Eurozone's Stoxx 50 dropped 0.4% to 5,025, and the pan-European Stoxx 600 fell 0.4% to 521.
- The Nikkei 225 Index fell 0.85% to close at 38,617 while the broader Topix Index lost 0.81% to 2,737 on Wednesday, with Japanese shares sliding for the second straight session as a wave of profit-taking hit technology stocks. Investors also reacted to data showing Japan's exports rose less than expected in April, while imports increased the most in 14 months.
- WTI crude futures fell to around $77.5 per barrel on Wednesday, following a surprise rise in US crude stockpiles. Crude oil inventories in the US rose by 1.825 million barrels last week, compared with market expectations of a 2.55 million barrel decline, as per EIA.

Market	Close	%1D	%1M	%1Y
VN-Index	1,267	-0.80%	7.60%	18.86%
S&P 500 Index	5,307	-0.27%	4.66%	28.02%
Dow Jones Index	39,671	-0.51%	3.03%	20.01%
GP 100	8,370	-0.55%	4.05%	7.82%
Nikkei 225	38,771	0.40%	3.25%	25.24%
SHCOMP Index	3,159	0.02%	4.52%	-2.70%
STOXX 600	521	-0.34%	2.64%	11.82%
KOSPI Index	2,716	-0.27%	3.55%	5.78%
Hang Seng	19,196	-0.13%	14.06%	-1.21%

Commodity	Close	%1D	%1M	%1Y
Brent	81	-0.65%	-7.97%	5.90%
WTI	77	-0.72%	-7.62%	5.62%
Gasoline	247	0.08%	-9.38%	-7.23%
Natural gas	3	-1.83%	53.97%	20.21%
Coal	142	0.25%	9.96%	-11.19%
Gold	2,380	0.05%	2.49%	20.49%
China HRC	3,860	0.57%	0.70%	1.63%
Steel rebar	3,602	-0.47%	0.67%	1.07%
BDI index	1,804	-1.37%	0.00%	33.83%

Currency	Close	%1D	%1M	%1Y
Dollar Index	105	-0.02%	-0.72%	1.38%
USD/VND	25,460	0.01%	-0.06%	-7.79%
EUR/USD	1	0.04%	1.18%	0.53%
USD/JPY	157	-0.06%	-1.31%	-11.66%
USD/CNY	7	-0.05%	0.03%	-2.89%
USD/GPB	1	-0.04%	-2.14%	-2.42%
USD/KRW	1,366	-0.24%	0.89%	-3.93%
USD/AUD	2	-0.01%	-2.01%	-0.16%
USD/CAD	1	0.04%	-0.19%	-1.35%

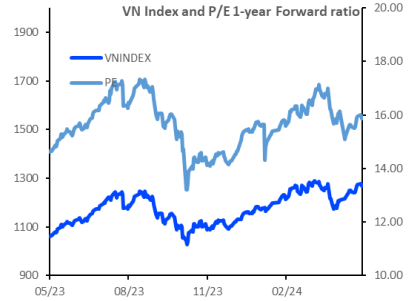
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 22/05/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,266.91	15.86	-10.23	-0.80	927	24,089
HNX INDEX	245.15	20.19	1.86	0.76	139	2,664





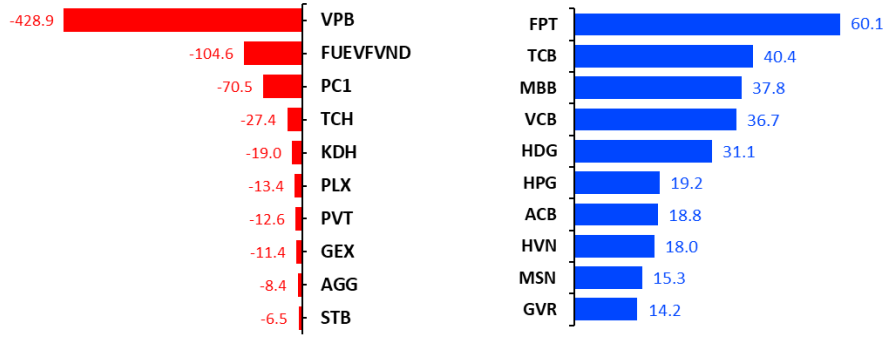
Money flow and sector rotation (VND bn)

Sector	%1D	5/22/2024	5/21/2024	20-session Average
Basic Resources	75.80	1,990	1,132	1,031
Financial Services	47.93	3,691	2,495	1,824
Retail	34.17	862	643	859
Real Estate	28.38	4,706	3,666	2,420
Travel & Leisure	22.00	269	220	215
Food and Beverage	20.15	2,372	1,974	1,341
Technology	16.30	807	694	495
Utilities	14.27	312	273	181
Industrial Goods & Services	11.97	1,710	1,527	1,163
Banks	7.12	4,018	3,751	2,700
Oil & Gas	-1.0	274	277	188
Insurance	-5.0	61	64	27
Automobiles & Parts	-7.1	469	504	306
Construction & Materials	-9.4	1,017	1,123	641
Chemicals	-19.4	1,046	1,298	800
Media	-23.9	15	20	10
Health Care	-34.8	42	64	28
Personal & Household Goods	-41.8	423	725	262

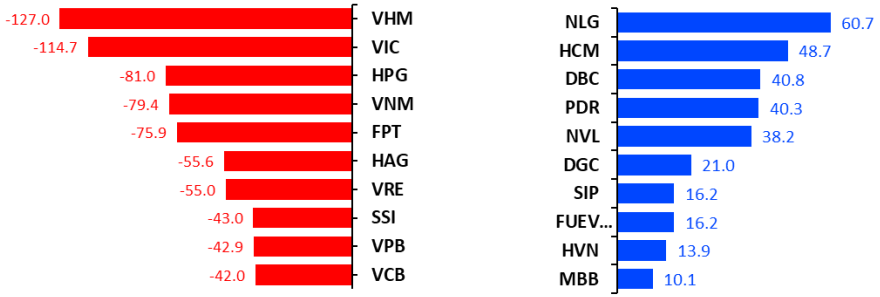
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 22/05/2024

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	1	(205)	142	63
Basic Resources	20	(83)	(50)	134
Media	-	(0)	1	(0)
Industrial Goods & Services	(12)	(77)	173	(96)
Health care	-	(15)	15	0
Chemicals	20	(25)	24	1
Financial Services	(108)	(37)	(79)	116
Travel & Leisure	21	11	(76)	65
Banks	(277)	(140)	323	(183)
Construction & Materials	(69)	(11)	66	(54)
Food and Beverage	29	(110)	33	76
Retail	6	(36)	(108)	144
Utilities	3	(3)	17	(14)
Personal & Household Goods	5	(4)	10	(6)
Technology	63	(102)	238	(137)
Automobiles & Parts	(28)	(24)	50	(26)
Insurance	(2)	2	0	(2)
Oil & Gas	(17)	1	18	(19)
Total	**(344)**	**(859)**	**798**	**62**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- Vietnam's total trade value reached an impressive US$270.82 billion in the first half of 2024, driven by strong performances in both exports (US$138.59 billion) and imports (US$132.23 billion). This resulted in a continued trade surplus of US$6.36 billion. Notably, exports increased by 16.1% (US$19.17 billion) compared to the same period in 2023, while imports grew by 17.5% (US$19.7 billion). These figures highlight Vietnam's robust economic recovery and the increasing strength of its foreign trade sector.

- Interest rate: On May 22, the State Bank net injected more than VND22,958 billion through the open market, more than 17 times the scale of the last 3 sessions (about 1,300 billion VND/session). VND interbank interest rates for some key terms are close to 5%/year. On May 22, the State Bank lent a total of nearly 25,000 billion VND to 9 members through the valuable paper mortgage channel (OMO) with an interest rate of 4.5%/year, 7-day term. This is the second time the State Bank has increased OMO interest rates within the past month. Previously, in the April 23 session, the State Bank raised the winning interest rate on the OMO channel from 4% to 4.25%/year and this interest rate was maintained until the May 21 session.

- US: According to the Wall Street Journal, the US is calling for Europe's support to fight the wave of exporting cheap goods from China globally, especially after Washington decided to increase tariffs on nearly 18 countries. billion dollars of imports from China into the US last week. According to analysts, although the European Union (EU) has recently shown a tougher stance towards China, many officials in this bloc are still skeptical about whether Washington's approach to the Asian country will be effective, whether it goes against global trade regulations or not. Meanwhile, many experts believe that the EU is seeking to preserve good relations with China – a major trading partner of the region.

Breaking News



Business news

- **PVT:** The expansion of PV Trans's fleet is gradually indicating the company's pivot from transporting refined oil products to chemicals. Out of the 12 new vessels added in 2023, 6 are chemical tankers. This year, it is expected that 3-4 more chemical tankers will join PV Trans's fleet. Based on current market conditions, Rong Viet Securities (VDSC) projects that PV Trans's total revenue for this year could increase by 4% compared to 2023, reaching VND 9,931 billion; and after-tax profit could increase by 11%, reaching VND 1,075 billion.

- **PC1:** The US and EU have officially banned the import of nickel and copper from Russia. This, along with ongoing violence in New Caledonia, has caused global nickel and copper prices to skyrocket. According to financial institutions, PC1 Group's nickel segment is expected to continue its positive growth trajectory in the coming period, as the US and EU ban on nickel, copper, and aluminum imports from Russia took effect on April 12, 2024. This has forced international customers to seek new sources of nickel. Prior to the outbreak of the Russia-Ukraine war in February 2022, Russia was the world's fourth-largest nickel producer.

- **SAB:** Saigon Beer-Alcohol-Beverage Corporation (Sabeco, code: SAB) has announced a resolution of the Board of Directors on the appointment of high-level executives. Specifically, on May 21, 2024, the Sabeco Board of Directors decided to appoint Mr. Lee Chio Lim Larry and Ms. Lim Pei Chi Patsy to the positions of Deputy General Directors of Sabeco, effective from June 27, 2024.

Breaking News



Business news

- **MSB:** MSB has fully redeemed the VND 1,000 billion MSBL2225002 bond issue, which was issued on May 17, 2022, with a term of 3 years. In terms of MSB's business results for the first quarter of 2024, net interest income remained the main driver of growth, reaching nearly VND 2,366 billion, up 9.6% from the same period last year. Service income increased by 11% to VND 300 billion thanks to an increase in fees for payment services, letters of credit, and foreign exchange services. Notably, MSB's foreign exchange trading business saw a sharp increase of nearly VND 592 billion, 4.3 times higher than the same period last year. As a result, MSB's pre-tax profit for the first quarter of 2024 reached over VND 1,530 billion, achieving 22.5% of the VND 6,800 billion profit plan set for the whole year of 2024.

- **PSI:** On May 20, the Hanoi Tax Department issued a decision to impose administrative sanctions for tax and invoice violations on PetroVietnam Securities Corporation (PSI, code: PSI). Specifically, PSI was found to have made incorrect tax declarations and issued invoices at the wrong time in violation of regulations. The company's repeated issuance of invoices at the wrong time and the large scale of the violations were considered aggravating factors.

- **ABB:** On May 22, 2024, the International Finance Corporation (IFC) completed the sale of over 84 million ABB shares, equivalent to an 8.2% stake in An Binh Joint Stock Commercial Bank (ABBANK), in line with its agreed divestment plan. After the completion of the transaction, the largest foreign shareholder in ABBANK is now Maybank – Malaysia's largest bank – with a 16.4% stake.

Technical view

Trend: Short-term correction

- VNINDEX closed at 1,266.91 (-10.23 points, -0.80%) with liquidity remaining above the 20-session average. The market has 173 green codes and 291 red codes. The group of stocks contributing to the market's rising momentum includes FPT, HVN, and LPB. On the contrary, the groups of stocks contributing to the market's decline were VPB, VIC and CTG. Foreign net selling is about -856 billion.
- **Technical view**: VN-Index falls more than 10 points under profit-taking pressure at the short-term old peak with increasing liquidity. We believe that the market may continue to have correction sessions in the coming time. The nearest support zone of the VN-Index is 1,240-1,250 corresponding to the EMA 50 and EMA 20. If the VN-Index can hold this support zone and accumulate successfully, the index may continue its upward trend. In the worst case, the next support zone is 1,190 points, corresponding to the EMA200 of the index.
- **Strategy**: Investors are pausing new purchases as the market has been continuously overheating. Prioritize holding and consider reducing portfolio weight if short-term support is broken. If accumulation is successful and the upward trend continues, investors can gradually buy around the EMA50 zone of the index.



Scenarios:

- Positive (60%): The market will rebound and move towards the 1,225 – 1,300 area.
- Less positive (40%): The market corrected to the 1,200 area.

Recommended stocks

23/05/2024 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
PDR	Hold	25.5	27.9	23.9	9%	-6%	26.5	1	3.92%	22/05/2024	
DGW	Sell	60.9	65.1	58.9	7%	-3%	63.8	12	4.76%	07/05/2024	Hit the target in 23/05/2024
BSI	Hold	57.6	63.1	54.3	10%	-6%	59.6	5	3.47%	16/05/2024	
MBB	Hold	22.9	24.5	22.1	7%	-3%	22.7	4	-0.88%	17/05/2024	Price adjustment for the Ex-Dividend date

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

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

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.