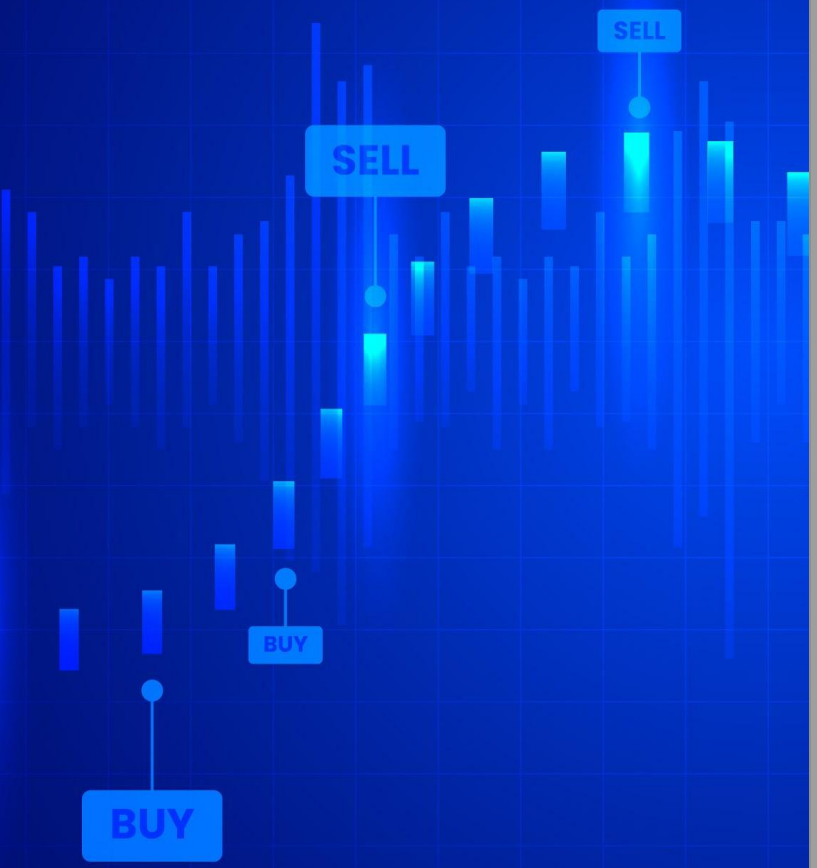
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# MORNING CALL

28/05/2024

# "Strong differentiation"

- ❑ World stocks: Positive movements
- ❑ Vietnamese stocks: Strong differentiation
- ❑ Macro news
- ❑ Business news: #NTC, #CNG, #AAA, #OCB, #HVN, #ACB
- ❑ 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

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Catching the latest report




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# Global Market Review 27/05 - 31/05/2024

## Major stocks market

- US stock futures rose on Tuesday as investors return from a holiday-extended weekend, while looking ahead to another batch of economic reports this week that could guide the interest rate outlook. Dow and S&P 500 futures edged up 0.1%, while Nasdaq 100 futures gained 0.2%.
- European stocks closed firmly higher on Monday, trimming losses from the prior week as expectations of eased monetary restriction in the Euro Area gained further momentum. The Eurozone's Stoxx 50 added 0.4% to 5,054, and the pan-European Stoxx 600 edged 0.3% higher to 522, 0.5% below its record high this month. The ECB is expected to cut interest rates next week, and confidence in disinflation from its Governing Council raised equity investors' hopes that the ECB may continue to lower interest rates in the third quarter.
- The Nikkei 225 Index fell 0.1% to below 38,860 while the broader Topix Index rose 0.05% to 2,768 in mixed trade on Tuesday, with Japanese shares struggling for clear direction as investors continued to assess the interest rate outlook globally.
- WTI crude oil futures gained traction from a muted morning and rose toward the $79 per barrel mark, extending the rebound from the three-month low of $76.9 touched on May 23rd as markets assessed this year's supply outlook ahead of the OPEC+ meeting this weekend.

| Market | Close | %1D | %1M | %1Y |
|---|---|---|---|---|
| VN-Index | 1,268 | 0.46% | 4.81% | 19.17% |
| S&P 500 Index | 5,305 | 0.70% | 4.01% | 26.14% |
| Dow Jones Index | 39,070 | 0.01% | 2.17% | 18.06% |
| GP 100 | 8,318 | -0.26% | 2.18% | 9.05% |
| Nikkei 225 | 38,831 | -0.18% | 2.36% | 25.60% |
| SHCOMP Index | 3,124 | 1.14% | 1.15% | -2.75% |
| STOXX 600 | 522 | 0.32% | 2.80% | 13.18% |
| KOSPI Index | 2,723 | 0.02% | 2.52% | 6.43% |
| Hang Seng | 18,827 | 1.17% | 6.66% | 0.43% |

| Commodity | Close | %1D | %1M | %1Y |
|---|---|---|---|---|
| Brent | 83 | 0.01% | -7.14% | 8.01% |
| WTI | 79 | 1.31% | -6.09% | 8.35% |
| Gasoline | 251 | 0.99% | -9.26% | -7.20% |
| Natural gas | 3 | 0.16% | 56.38% | 15.73% |
| Coal | 143 | 0.00% | 10.06% | -10.75% |
| Gold | 2,350 | -0.05% | 0.60% | 20.92% |
| China HRC | 3,847 | -0.16% | 0.50% | 4.00% |
| Steel rebar | 3,590 | -0.06% | 0.56% | 4.00% |
| BDI index | 1,797 | 0.06% | 4.42% | 53.33% |

| Currency | Close | %1D | %1M | %1Y |
|---|---|---|---|---|
| Dollar Index | 105 | -0.07% | -1.34% | 0.30% |
| USD/VND | 25,470 | -0.07% | -0.49% | -7.84% |
| EUR/USD | 1 | 0.07% | 1.36% | 1.48% |
| USD/JPY | 157 | 0.01% | -0.33% | -10.47% |
| USD/CNY | 7 | -0.01% | -0.21% | -2.39% |
| USD/GPB | 1 | -0.04% | -1.66% | -3.29% |
| USD/KRW | 1,363 | 0.07% | 1.05% | -2.81% |
| USD/AUD | 2 | -0.04% | -1.35% | -1.77% |
| USD/CAD | 1 | 0.04% | 0.25% | -0.26% |

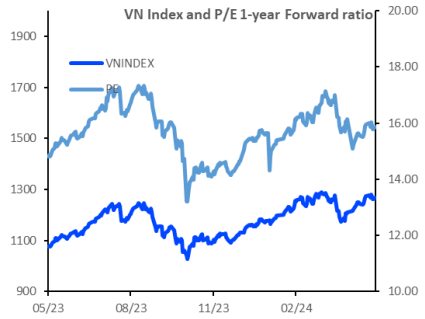
Source: Bloomberg. Shinhan Securities Vietnam

# Vietnam Market Snapshot 27/05/2024

## Market data

| | Close | PE | Change | %1D | Trading volume (mn stocks) | Trading value (VND bn) |
|---|---|---|---|---|---|---|
| VNI NDEX | 1,267.68 | 15.87 | 5.75 | 0.46 | 563 | 14,776 |
| HNX INDEX | 242.83 | 20.06 | 1.11 | 0.46 | 76 | 1,245 |



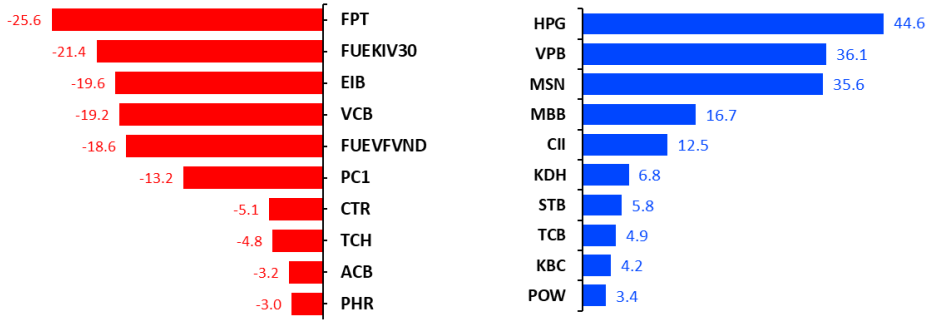

## Money flow and sector rotation (VND bn)

| Sector | %1D | 5/27/2024 | 5/24/2024 | 20-session Average |
|---|---|---|---|---|
| Utilities | 57.58 | 764 | 485 | 262 |
| Insurance | 12.62 | 164 | 145 | 50 |
| Travel & Leisure | -4.7 | 252 | 265 | 238 |
| Media | -13.6 | 12 | 14 | 12 |
| Industrial Goods & Services | -44.9 | 1,224 | 2,219 | 1,330 |
| Construction & Materials | -49.9 | 645 | 1,288 | 750 |
| Health Care | -51.2 | 27 | 55 | 32 |
| Basic Resources | -51.9 | 812 | 1,689 | 1,180 |
| Automobiles & Parts | -53.6 | 324 | 697 | 349 |
| Financial Services | -54.1 | 1,944 | 4,240 | 2,128 |
| Chemicals | -55.2 | 1,096 | 2,446 | 974 |
| Food and Beverage | -55.6 | 1,019 | 2,297 | 1,496 |
| Oil & Gas | -55.7 | 260 | 588 | 241 |
| Technology | -57.9 | 858 | 2,037 | 617 |
| Retail | -59.3 | 589 | 1,447 | 889 |
| Real Estate | -60.0 | 2,161 | 5,400 | 2,732 |
| Personal & Household Goods | -60.4 | 241 | 608 | 303 |
| Banks | -62.2 | 2,379 | 6,295 | 3,010 |

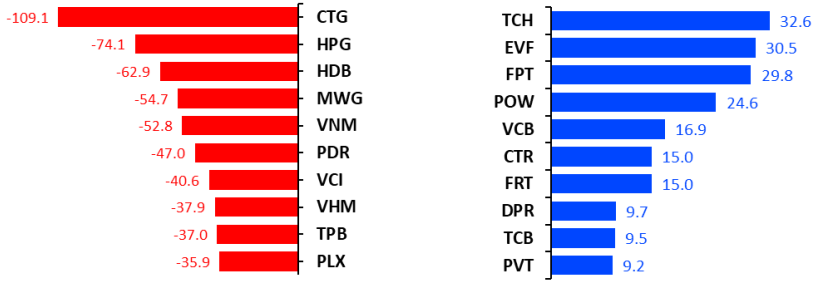
Source: Bloomberg. Shinhan Securities Vietnam

# Vietnam Market Snapshot 27/05/2024

### 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 | 5 | (169) | 172 | (3) |
| Basic Resources | 45 | (76) | 9 | 67 |
| Media | - | (0) | 0 | 0 |
| Industrial Goods & Services | 1 | 31 | (119) | 88 |
| Health care | - | 1 | (0) | (1) |
| Chemicals | (3) | 17 | 18 | (35) |
| Financial Services | (19) | (65) | 166 | (101) |
| Travel & Leisure | 0 | (10) | (2) | 12 |
| Banks | 15 | (234) | 713 | (478) |
| Construction & Materials | (6) | 40 | (52) | 13 |
| Food and Beverage | 33 | (27) | 15 | 11 |
| Retail | 3 | (40) | 46 | (6) |
| Utilities | 2 | 2 | (26) | 25 |
| Personal & Household Goods | 1 | 1 | (1) | (1) |
| Technology | (26) | 16 | 22 | (38) |
| Automobiles & Parts | (2) | 39 | (26) | (12) |
| Insurance | (2) | (1) | (16) | 17 |
| Oil & Gas | (1) | (56) | 55 | 1 |
| **Total** | **47** | **(531)** | **973** | **(442)** |

Source: Fiinpro. Shinhan Securities Vietnam



## Macro

- May 2024: FDI capital adjusted to increase sharply. According to the Foreign Investment Department (Ministry of Planning and Investment), May 2024 recorded the largest increase in adjusted investment capital in the first months of 2024 with more than USD800 million. This is an impressive number compared to the first months of the year. Specifically, the amount of adjusted investment capital in May 2024 is 2.8 times higher than in April 2024, up 72% compared to March 2024, 4.1 times higher than in February 2024 and more than 3.6 times higher than in January 2024.

- Late on the evening of May 27, the State Bank suddenly announced that it would stop bidding to sell gold bars and would soon deploy another plan to stabilize the market, expected to start from June 3, 2024. After 9 bidding sessions, there were 6 successful sessions, with more than 48,000 taels of gold bars released to the market by the operator. As time goes on, the volume of successful gold auctions increases. The most recent session held on May 23 had 11 banks and businesses buying 13,400 taels, accounting for nearly 80% of the bidding scale. At the same time, bidding is only a temporary solution, in the longer term, when amending Decree 24, the State Bank needs to consider a plan to abolish the monopoly on SJC gold bars.

- The State Bank net injected VND 99.165 billion, interbank interest rates exceeded 5%. Exchange rates on the free market only fluctuated slightly over the past week. Closing the session on May 24, the free exchange rate decreased by VND20 on the buying side and VND50 on the selling side compared to the previous weekend session, trading at 25,730 VND/USD and 25,770 VND/USD. The increase in interbank exchange rates closely follows the ceiling exchange rate of the State Bank. At the end of the May 24 session, the interbank exchange rate closed at 25,477 VND/USD, exactly equal to the ceiling rate, an increase of 27 VND compared to the previous weekend session.

# Breaking News



## Business news

- **NTC:** Nam Tan Uyen Industrial Park Joint Stock Company (stock code NTC) is expected to sublease 90 hectares of industrial park land this year, thereby this year's revenue target is estimated to increase by 45% compared to 2023. Nam Tan Uyen plans a business plan for 2024 with a revenue target of 698 billion VND, an increase of 45% compared to the level realized in 2023. However, profit after tax is expected to decrease by 7%, to 278 billion VND. At the same time, this year, Nam Tan Uyen also plans to spend nearly 428 billion VND on investment and basic construction projects. Specifically, the company plans to spend 112 billion VND to contribute more capital to Bac Dong Phu Industrial Park Joint Stock Company.

- **CNG:** CNG VN shareholders unanimously approved the 2024 business plan with the target revenue reaching 3,062 billion VND and profit after tax reaching 88.8 billion VND, down 2.5% and 19% respectively compared to the year's performance. 2023. Regarding the dividend plan, CNG will simultaneously pay a 12% dividend for both 2023 and 2024. CNG Vietnam has officially supplied LNG to the market for the first time since mid-March. LNG imported to Vietnam is distributed to customers by two methods, including pipeline and tank truck.

- **AAA:** The Congress approved the 2024 business plan with the target of consolidated revenue of VND 12,000 billion, profit after tax of VND 377 billion (an increase of 22% of realized profit in 2023). At the Congress, the Board of Directors also informed about the investment situation and project implementation. Accordingly, the An Vinh industrial packaging factory expansion project and the plastic pellets and plastic products factory project (Factory project 8) will officially come into operation in 2025, the next term. Expected to bring in more than VND 1,300 billion in annual revenue when operating at maximum capacity. As for the real estate segment, An Phat 1 Industrial Park has officially come into operation in 2023, up to now the occupancy rate has reached 85%.

# Breaking News



## Business news

- **OCB:** Orient Commercial Joint Stock Bank (OCB) in Ho Chi Minh City is about to receive an additional investment of 150 million USD in the form of a loan from the International Finance Organization IFC. In early April, in Ho Chi Minh City, where OCB has its Head Office, this bank and IFC signed an agreement on consulting on green banking transformation and digital banking services for retail and small and medium enterprises (SME). , aiming at the goal of sustainable and effective development for banks, customers and society.

- **HVN:** The first Vietnamese airline to use sustainable fuel SAF. This is an important step forward for the Vietnamese aviation industry in general and the National Airlines in particular in the journey to becoming a "Green Aviation", contributing to the goal of reducing net emissions to "0" (or also known as "Net zero") by 2050 as committed by Vietnam at the 2021 United Nations Climate Change Summit (COP26). The implementation of this green flight takes place in the context that earlier this year, the Singapore Government said it plans to require all flights departing from Singapore to use SAF from 2026.

- **ACB:** ACB Bank is preparing to pay dividends in cash and shares, at a rate of 25%. Accordingly, ACB Bank plans to pay 2023 dividends in cash at a rate of 10% on June 13, equivalent to shareholders owning 01 share will receive 1,000 VND in dividends. With nearly 3.9 billion outstanding shares, ACB Bank will need to spend VND 3,884 billion for this dividend. At the same time, ACB Bank also plans to issue 582.6 million shares to pay dividends in 2023. The ratio of exercising rights is 100:15, corresponding to shareholders owning 100 shares will receive 15 new shares. However, the bank has not announced the implementation date for this plan.

# Technical view

## Trend: Short-term correction

- VNINDEX closed at 1,267.68 (+5.75 points, +0.46%), liquidity decreased after a strong selling session last weekend. The market has 233 green codes and 1198 red codes. Most industry groups increased slightly, with the insurance and electricity groups having the strongest increases. Stock groups contributing to the market's increase include GAS GVR and HVN. On the contrary, the stock groups contributing to the market's decline were BID HDB and MWG. Foreign net sellers were about VND -531 billion.
- **Technical view**: VN-Index had a trading session with low liquidity, fluctuated in a narrow range and ended the session above EMA20. If liquidity in the next sessions remains low, the selling supply does not increase at the support area of 1,240-1,250 points, which will support the upward price trend after successful accumulation of VN-Index. In a less positive case, if selling pressure increases and VN-Index loses support at 1,240-1,250 points, the market will likely adjust further and move towards the 1,200 point area. The price momentum indicator has weakened over the last 5 sessions, showing that the cumulative sideways trend or continued adjustment will likely continue in the short term.
- **Strategy**: Investors should buy at support areas corresponding to the 1,250 area of the market if the market accumulates successfully. Consider lowering your weight if VN-Index breaks support at 1,240-1,250 points




## 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

28/05/2024 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% | 25.5 | 4 | -0.20% | 22/05/2024 | |
| BSI | Hold | 57.6 | 63.1 | 55.5 | 10% | -4% | 57.4 | 8 | -0.35% | 16/05/2024 | |
| MBB | Hold | 22.9 | 24.5 | 22.1 | 7% | -3% | 22.5 | 7 | -1.97% | 17/05/2024 | |

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# Economic calendar

## May 2024

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

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# 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



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