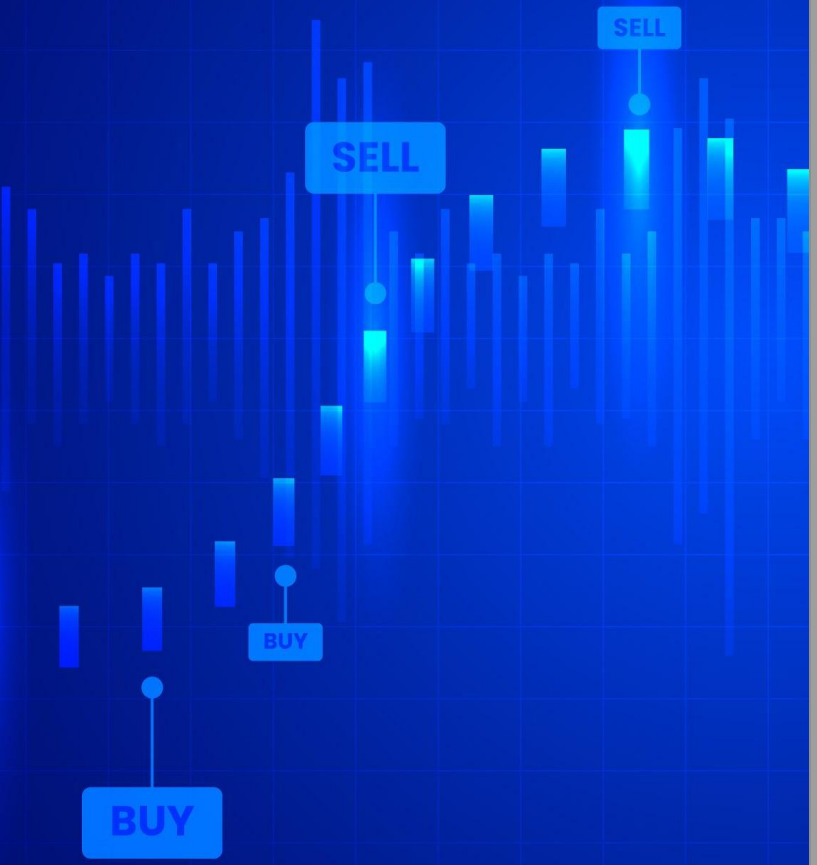
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MORNING CALL

30/05/2024

"Accumulate in range"

- ❑ World stocks: Experienced an all-round decline
- ❑ Vietnamese stocks: Accumulate in a range
- ❑ Macro news
- ❑ Business news: #HUT, #PMS, #SCL, #QNS, #CTG, #PTI
- ❑ Attending the 2024 AGM of PetroVietnam Power Nhon Trach 2 JSC (NT2)
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

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Following SSV's Zalo,
Catching the latest report



Please click or scan

Shinhan Securities

Global Market Review 27/05 – 31/05/2024

Major stocks market

- US stocks closed sharply lower on Wednesday as rising bond yields continued to slash risk appetite following disappointing bond auctions. The S&P 500 and the Nasdaq retreated by 0.7% and 0.6%, respectively, the Dow Jones tumbled 400 points. Investors were concerned about a surge in US bond yields after a government debt auction flopped, reflecting worries that the Federal Reserve will keep rates higher for longer, especially after US consumer confidence unexpectedly increased in May.
- European equities extended their losses to close at their lowest in over three weeks on Wednesday, pressured by losses for government bonds as markets continued to assess the monetary policy outlook for major central banks. The Eurozone's Stoxx 50 dropped 1.3% to 4,965, while the pan-European Stoxx 600 lost 1.1% to 514.
- The Nikkei 225 Index dropped 2.4% to below 38,000 while the broader Topix Index fell 1.4% to 2,703 on Thursday, with Japanese shares hitting one-month lows and taking cues from a weak lead on Wall Street as surging global bond yields pressured equity markets.
- WTI crude futures dropped 0.75% to settle at $79.23 per barrel on Wednesday due to concerns over weak U.S. gasoline demand and economic data suggesting the Federal Reserve might maintain higher interest rates for an extended period, which could slow economic growth and reduce oil demand.

Market

	Close	%1D	%1M	%1Y
VN-Index	1,273	-0.71%	5.22%	18.05%
S&P 500 Index	5,267	-0.74%	4.59%	25.24%
Dow Jones Index	38,442	-1.06%	1.65%	16.34%
GP 100	8,183	-0.86%	0.48%	8.79%
Nikkei 225	37,729	-2.15%	-1.76%	20.43%
SHCOMP Index	3,111	0.05%	0.20%	-3.51%
STOXX 600	513	-1.08%	1.70%	12.44%
KOSPI Index	2,650	-1.01%	-1.55%	2.50%
Hang Seng	18,477	-1.83%	4.02%	-0.64%

Commodity

	Close	%1D	%1M	%1Y
Brent	84	-0.05%	-4.89%	13.63%
WTI	79	0.01%	-3.28%	14.08%
Gasoline	246	-0.36%	-9.42%	-5.41%
Natural gas	3	-0.26%	33.55%	14.27%
Coal	142	0.00%	3.64%	1.24%
Gold	2,336	-0.08%	2.19%	19.24%
China HRC	3,832	-0.52%	0.39%	1.16%
Steel rebar	3,588	1.38%	1.82%	5.00%
BDI index	1,790	0.34%	6.23%	59.39%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	105	0.03%	-1.00%	0.95%
USD/VND	25,456	0.01%	-0.48%	-7.75%
EUR/USD	1	-0.05%	1.22%	0.57%
USD/JPY	157	0.17%	0.27%	-11.18%
USD/CNY	7	-0.07%	-0.28%	-2.46%
USD/GPB	1	0.05%	-1.59%	-2.21%
USD/KRW	1,375	-0.73%	0.52%	-3.63%
USD/AUD	2	0.01%	-2.07%	-1.40%
USD/CAD	1	-0.02%	0.42%	-0.87%

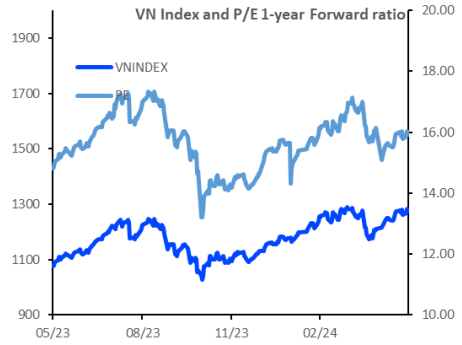
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 29/05/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,272.64	15.93	-9.09	-0.71	932	22,821
HNX INDEX	244.15	20.23	-1.44	-0.58	99	1,773





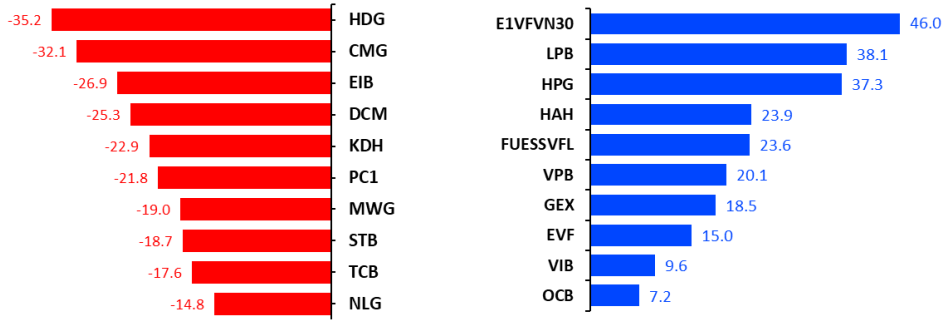
Money flow and sector rotation (VND bn)

Sector	%1D	5/29/2024	5/28/2024	20-session Average
Chemicals	92.00	1,897	988	1,118
Automobiles & Parts	87.64	524	279	390
Health Care	73.18	47	27	36
Basic Resources	44.06	1,311	910	1,291
Oil & Gas	35.96	387	285	275
Utilities	35.19	810	599	333
Technology	29.89	1,004	773	705
Food and Beverage	25.50	2,101	1,674	1,684
Real Estate	18.54	3,466	2,924	3,051
Banks	14.36	4,046	3,538	3,390
Industrial Goods & Services	14.06	1,764	1,546	1,495
Personal & Household Goods	13.47	401	354	341
Financial Services	2.94	2,621	2,546	2,386
Construction & Materials	0.80	1,161	1,152	866
Retail	-8.9	870	956	980
Travel & Leisure	-14.0	299	348	270
Insurance	-20.3	95	119	61
Media	-31.2	10	14	13

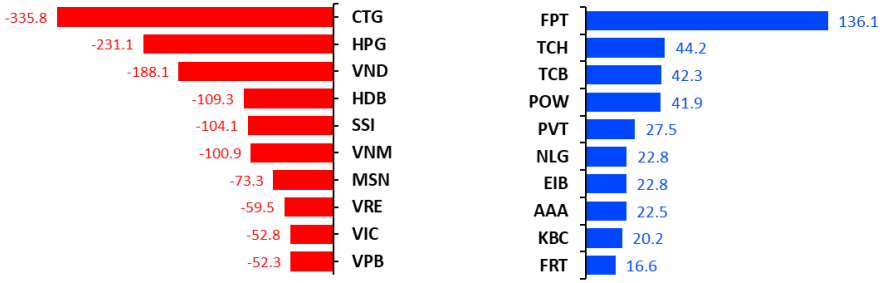
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 29/05/2024

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	(104)	(169)	339	(170)
Basic Resources	37	(265)	343	(78)
Media	-	(0)	0	(0)
Industrial Goods & Services	23	(45)	(38)	83
Health care	(0)	1	(0)	(1)
Chemicals	(47)	(84)	101	(17)
Financial Services	79	(417)	301	115
Travel & Leisure	(6)	(22)	55	(34)
Banks	(31)	(538)	767	(230)
Construction & Materials	(17)	(13)	40	(27)
Food and Beverage	(5)	(224)	245	(21)
Retail	(19)	(33)	61	(28)
Utilities	(5)	22	78	(100)
Personal & Household Goods	(8)	(7)	5	2
Technology	(39)	108	5	(112)
Automobiles & Parts	(6)	36	(17)	(19)
Insurance	2	(0)	6	(6)
Oil & Gas	3	(6)	(11)	17
Total	**(141)**	**(1,656)**	**2,281**	**(625)**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- Vietnam: According to data released by the General Statistics Office on the morning of May 29, the industrial production index (IIP) in May 2024 is estimated to increase by 3.9% over the previous month and by 8.9% over the previous month. in the same period last year. In particular, compared to the same period last year, the processing and manufacturing industry increased by 10.6%; Electricity production and distribution increased by 11.4%; Water supply industry, waste and wastewater management and treatment activities increased by 7.4%; Mining industry alone decreased by 9.4%

- Vietnam: Data released by the General Statistics Office on the morning of May 29 shows that in May 2024, import and export turnover of goods is estimated to reach 66.62 billion USD, up 9.1% over the previous month and up 22.6%. compared to the same period last year. Regarding the export and import market of goods in the first 5 months of 2024, the United States is Vietnam's largest export market with an estimated turnover of 44.0 billion USD. China is Vietnam's largest import market with an estimated turnover of 54.9 billion USD.

- China: According to the latest forecast of the International Monetary Fund (IMF) released on Wednesday (May 29), the Chinese economy is expected to grow by 5% this year but will grow more slowly in the coming years. The IMF has revised up both China's 2024 and 2025 GDP targets by 0.4 percentage points but warned that growth in the country will slow to 3.3% in 2029 due to an aging population and energy shortage. rate increases more slowly.

Breaking News



Business news

- **HUT:** Tasco Joint Stock Company (stock code HUT) has just announced a report to the General Meeting of Shareholders regarding VII Holding Joint Stock Company's registration to receive a transfer to own over 25% of Tasco's shares. Accordingly, VII Holding Joint Stock Company, with Mr. Vu Dinh Do as Chairman of the Board of Directors and owning 65% of charter capital, will receive the transfer of part or all of Tasco shares. Recently, Tasco has been restructuring to focus on core business segments including Tasco Auto - Non-stop toll collection VETC - Tasco Insurance. Tasco is in a key phase of building a foundation for sustainable development, preparing for strategic changes.

- **PMS:** On June 10, Petroleum Mechanical Joint Stock Company (code PMS) will finalize the list of shareholders to receive 2023 cash dividends at a rate of 33.5% (1 share receives 3,350 VND). Expected payment time is June 21, 2024. This is the highest dividend level of this business since it was listed in 2003. In recent years, PMS's business situation has been quite stable with annual after-tax profits of over 20 billion VND. In 2023, this enterprise's net profit was nearly 30 billion VND, an increase of 23% compared to 2022 despite a 9% decrease in net revenue. With the results achieved, PMS has exceeded the set plan.

- **SCL:** According to the transaction report, Ms. Kieu Thi Nhung, major shareholder of Song Da Cao Cuong Joint Stock Company (UPCoM: SCL) successfully sold more than 1 million SCL shares from May 16-22, 2024. After the transaction, Ms. Nhung's ownership ratio at SCL decreased from 7.56% to 2.19%, equivalent to 408,766 shares. Meaning, Ms. Nhung is no longer a major shareholder of the Company.

Breaking News



Business news

- **QNS:** Quang Ngai Sugar Joint Stock Company (UPCoM: QNS) has just announced cumulative business results for the first 4 months of 2024 with total revenue estimated at 3,500 billion VND, up 3% over the same period last year. Profit after tax is estimated to increase sharply by 38%, reaching 805 billion VND. Although sugar consumption in the first 4 months of the year decreased by 7% over the same period, reaching 70,000 tons, revenue from the sugar segment still grew by 7%, reaching 1,395 billion VND thanks to sugar prices continuing to be high. The company's leadership predicts that domestic sugar prices will remain high until the end of the year, helping pre-tax profits from the sugar segment in the first 4 months of the year increase by 58%, reaching VND 395 billion.

- **CTG:** VietinBank offers to sell 500 consumer loans. This VietinBank provides a list of 500 consumer loans with payment obligations to this bank according to signed credit contracts. These are debts without collateral. The lowest book value of these debts is nearly 197,000 VND and the highest is more than 140 million VND. The total value of these 500 debts is nearly 9.55 billion VND and is also the starting selling price of the bank.

- **PTI:** Post and Telecommunications Insurance Joint Stock Corporation (HNX: PTI) has just announced the Resolution of the Board of Directors on implementing the issuance of shares from the Corporation's equity capital. Accordingly, PTI plans to issue nearly 40.2 million additional shares with par value of 10,000 VND/share, total par value of nearly 402 billion VND. The implementation ratio is 2:1 (shareholders who own 1 share will have 1 right, for every 2 rights they will receive 1 additional share issued). The capital source for implementation is from the company's stock surplus according to the 2023 audited financial report of nearly 402 billion VND. The expected implementation time is in 2024, after receiving approval from the State Agency. competent country.

Attending the 2024 AGM of PetroVietnam Power Nhon Trach 2 JSC (NT2)

	2024's plan	2023	+/-% yoy	Q1/2024	% 2024's plan	Update to 27/5/2024	Projected completion 1H/2024
Output (mn kWh)	3,200	2,889	*11%*	152	*5%*	834	1,173
Revenue(bn VND)	6,340	6,495	*-2%*	352	*6%*	1,730	2,364
NPAT (bn VND)	68	473	*-86%*	-158			

Business Results Update Q1/2024 and Q5/2024 Forecast::

_ Q1/2024 Results: Revenue: 352 billion VND (-84% YoY) Net Profit After Tax (NPAT): -158 billion VND (compared to 234 billion VND in the same period last year. The reasons are: (1) Electricity output reached only 151.5 million kWh (-86% YoY); (2)Average selling price was lower at 1,730 VND/kWh (-16% YoY); (3) Gas prices were higher at 9.3 USD/mmBTU (+5% YoY)

_ Other income increased by 70 billion VND compared to the same period last year due to the company's revaluation of spare parts inventory for maintenance after the cumulative operating hours reached 100,000. As of the end of May 2024, NT2 recorded electricity output of 834 million kWh (26% of the 2024 plan), revenue of 1,730 billion VND (27% of the 2024 plan), and net profit before tax (NPBT) of 95 billion VND. 1H2024 plan, expected output reaches 1.1 billion kWh, revenue reaches 2,364 billion VND, and just enough to break even. However, the third quarter will see a loss because output is expected to be low due to the rainy season.

Outlook of NT2:

_ In 2025, NT2 is expected to be highly mobilized again because Phu My 2.2's BOT contract expires on February 4, 2025, so the gas input will no longer be guaranteed. Meanwhile, the NT2's gas input which guaranteed by GAS, is 784 million m3/year by 2036, thereby helping to increase NT2's competitiveness.

_ We assess that 2024 will be the low year for NT2 and expect NT2 to recover in 2025, when: input gas will be more guaranteed when competition from Phu My 2.2 plant is reduced, Factory depreciation expense will end in October 2025, helping the company improve profit margins and the economic context will recover more clearly.

NT2's Perspective on Declining Gas Supply

_ The gas supply in the Southeast region is expected to decline from 3.06 billion m3 in 2024 to 2.5 billion m3 in 2025, 2.2 billion m3 in 2026, and 2.1 billion m3 in 2027. Meanwhile, the gas demand of power plants in the Southeast region is 5 billion m3/year. As a result, power plants (including NT2) located at the end of the gas pipeline will be disadvantaged due to high transportation costs. NT2 has a long-term gas supply contract with GAS for 784 million m3/year until 2036. NT2 is still obligated to pay for any unused gas, which can be used in the following four years without incurring additional costs. If gas is fully supplied and A0 is mobilized as in previous years, NT2 can generate 4 billion kWh each year.

Technical view

Trend: Testing the short-term peak

- VNINDEX closed at 1,272.64 (-9.09 points, -0.71%), liquidity higher than the 20-session average. The market has 182 green codes and 260 red codes. The VN30 group of large-cap stocks fell more sharply than the general market. The group of stocks contributing the most to market's increase includes HVN LPB and EIB. On the contrary, the stock groups contributing the most to the market's decline were VCB HPG and CTG. Foreign net sellers were about -1,656 billion VND.
- **Technical view**: Selling pressure reappeared at the 1,280 point resistance area at the end of the afternoon session, causing the market to drop more than 9 points. Capitalization groups are under pressure to take profits today, especially banking groups. In the base case, VN-Index continues to maintain within the range of 1,230-1,280 points with a cautious mentality maintained throughout many trading sessions. In a positive case, if VN-Index breaks above the 1,280-1,300 range, it will be a good buying signal for investors who are watching. VN-Index is trading above EMA50, showing that the main trend in the medium and long term is still an upward trend.
- **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

30/05/2024 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%	25.4	6	-0.39%	22/05/2024	
BSI	Hold	57.6	63.1	55.5	10%	-4%	58.3	10	1.22%	16/05/2024	
MBB	Hold	22.9	24.5	22.1	7%	-3%	22.3	9	-2.62%	17/05/2024	
HAH	Hold	42.0	44.7	40.3	6%	-4%	42.3	1	0.71%	29/05/2024	

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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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