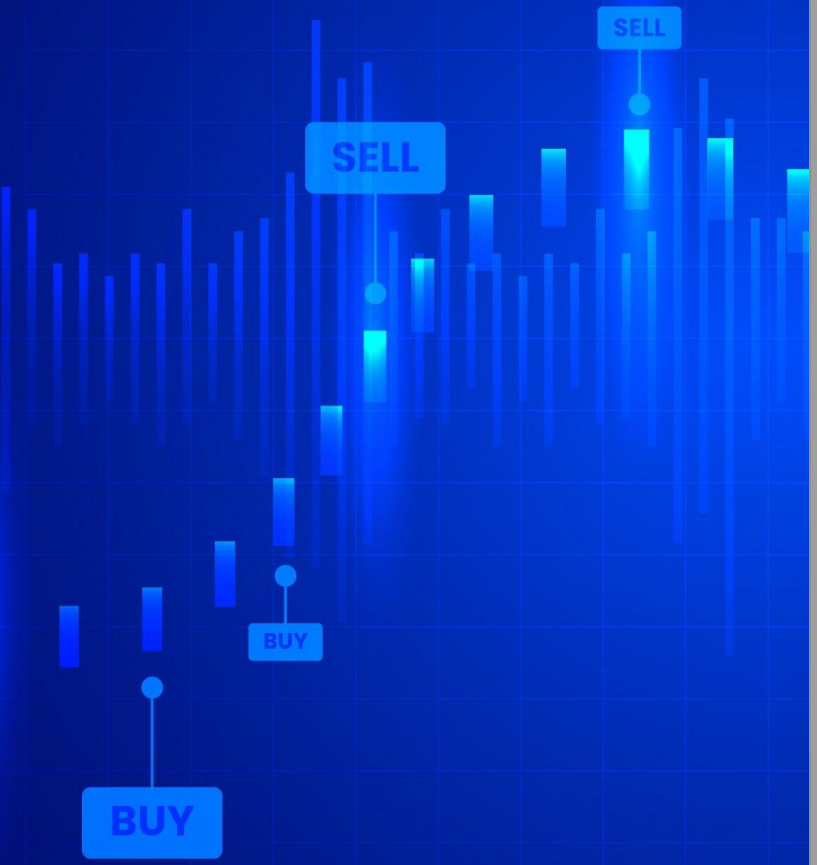
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MORNING CALL

03/06/2024

"Selling pressure from large-cap banks"

- ❑ World stocks: US core PCE price index increases below market expectations
- ❑ Vietnamese stocks: Selling pressure from large-cap banks
- ❑ Macro news
- ❑ Business news: #LPB, #DCM, #ACV, #SAB, #FRT, #HHV
- ❑ 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 03/06 - 07/06/2024

Major stocks market

- The S&P 500 closed 0.8% higher on Friday, while the Dow surged by 574 points. Investors were assessing the potential timing of Federal Reserve rate cuts, especially after PCE inflation figures aligned with expectations. The US core PCE price index, the Federal Reserve's preferred gauge to measure inflation, rose by 0.2% from the previous month in April of 2024 after a 0.3% increase in March, the slowest increase so far in 2024, and below market expectations of a 0.3% rise
- European stocks closed a choppy session with mixed performances as investors parsed a batch of economic data for insights on the policy outlook for major central banks. The Stoxx 50 dropped 0.1% to close at 4,977, while the Stoxx 600 increased by 0.2% to close at 518. Both the headline and core inflation rates rose more than expected in the Eurozone, raising concerns that the European disinflation trend may not continue as expected.
- The Nikkei 225 Index jumped 1.2% to above 38,900 while the broader Topix Index gained 1.1% to 2,802 on Monday. Investors digested data showing Japanese companies increased spending on plant and equipment by 6.8% year-on-year in the first quarter of 2024, rising for the twelfth consecutive quarter but slowing from a 16.4% gain in the fourth quarter of 2023.
- WTI crude futures fell over 1.1% to settle at $76.99 per barrel on Friday, marking a 6% decline for the month, the worst performance since November.

Market

	Close	%1D	%1M	%1Y
VN-Index	1,262	-0.36%	3.33%	15.66%
S&P 500 Index	5,278	0.80%	2.92%	23.24%
Dow Jones Index	38,686	1.51%	0.03%	14.58%
GP 100	8,275	0.54%	0.75%	8.78%
Nikkei 225	38,941	1.18%	1.84%	23.53%
SHCOMP Index	3,087	-0.16%	-0.58%	-4.44%
STOXX 600	518	0.32%	2.50%	12.12%
KOSPI Index	2,675	1.44%	-0.08%	2.81%
Hang Seng	18,080	-0.83%	-2.15%	-4.59%

Commodity

	Close	%1D	%1M	%1Y
Brent	81	-0.14%	-2.36%	6.40%
WTI	77	-0.10%	-1.54%	7.21%
Gasoline	242	0.05%	-5.34%	-3.28%
Natural gas	3	4.56%	26.28%	24.54%
Coal	141	0.36%	-1.05%	4.26%
Gold	2,328	0.03%	1.14%	18.66%
China HRC	3,820	-0.78%	0.08%	3.35%
Steel rebar	3,500	-0.54%	-0.68%	3.98%
BDI index	1,815	0.78%	-3.25%	97.50%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	105	-0.13%	-0.47%	0.50%
USD/VND	25,450	0.02%	-0.45%	-7.70%
EUR/USD	1	0.08%	0.89%	1.34%
USD/JPY	157	0.13%	-2.58%	-11.16%
USD/CNY	7	-0.13%	-0.01%	-1.84%
USD/GPB	1	-0.10%	-1.63%	-2.49%
USD/KRW	1,379	0.47%	-1.12%	-5.10%
USD/AUD	2	-0.15%	-0.79%	-0.68%
USD/CAD	1	0.14%	0.57%	-1.21%

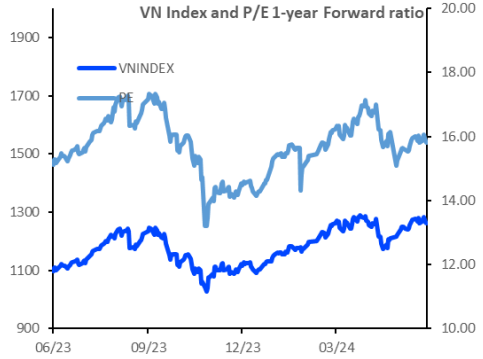
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 31/05/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,261.72	15.80	-4.60	-0.36	576	15,373
HNX INDEX	243.09	20.10	-0.92	-0.38	78	1,358





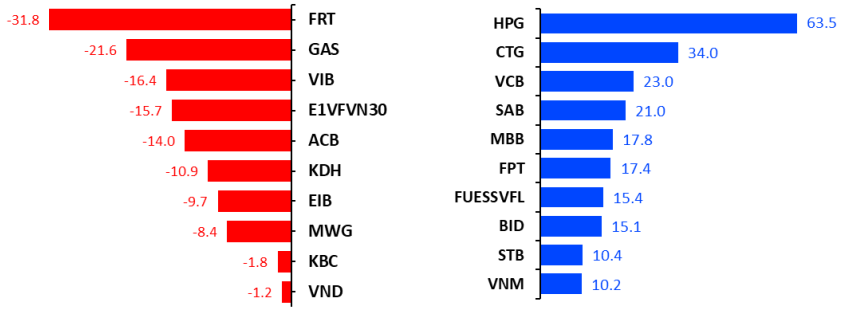
Money flow and sector rotation (VND bn)

Sector	%1D	5/31/2024	5/30/2024	20-session Average
Media	51.38	11	7	13
Personal & Household Goods	32.50	591	446	368
Retail	12.45	1,431	1,273	948
Health Care	-9.2	27	30	37
Travel & Leisure	-21.2	206	261	273
Automobiles & Parts	-28.8	281	395	396
Banks	-29.2	2,804	3,960	3,473
Industrial Goods & Services	-32.0	1,371	2,017	1,557
Basic Resources	-33.0	885	1,320	1,334
Real Estate	-34.2	2,282	3,469	3,086
Utilities	-36.0	407	636	366
Food and Beverage	-37.3	1,464	2,333	1,777
Financial Services	-48.3	1,568	3,032	2,473
Chemicals	-50.3	795	1,600	1,173
Construction & Materials	-52.4	589	1,237	897
Insurance	-54.1	57	124	67
Technology	-58.9	463	1,128	736
Oil & Gas	-59.5	133	329	286

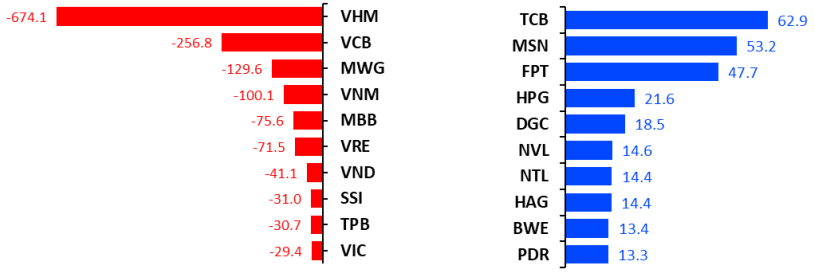
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 31/05/2024

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	2	(735)	777	(42)
Basic Resources	66	28	(39)	12
Media	-	(1)	1	0
Industrial Goods & Services	13	4	2	(6)
Health care	-	1	(2)	1
Chemicals	9	1	(15)	14
Financial Services	18	(143)	73	70
Travel & Leisure	2	(14)	36	(22)
Banks	95	(380)	1,057	(677)
Construction & Materials	3	(4)	14	(10)
Food and Beverage	41	(56)	(53)	109
Retail	(40)	(149)	149	1
Utilities	(19)	(14)	13	1
Personal & Household Goods	10	(3)	(25)	28
Technology	17	46	(50)	4
Automobiles & Parts	1	(17)	13	4
Insurance	(0)	(1)	0	0
Oil & Gas	1	4	(2)	(2)
Total	**220**	**(1,433)**	**1,948**	**(515)**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- According to the Ministry of Finance's report on the disbursement of state budget investment capital, the disbursement rate in the first five months of the year has only reached approximately 21% of the total plan. Compared to the plan assigned by the Prime Minister, the disbursement rate is slightly over 22%. Previously, the disbursement situation in the same period of 2023 was also the same. The report pointed out that 11/44 ministries, central agencies, and 31/63 localities have an estimated disbursement rate that exceeds the national average.

- Vietnamese Rice Prices Plummet After Businesses Submit Low Bids for Indonesia ExportsFollowing Indonesia's announcement that Vietnamese companies had won bids for large rice lots at the lowest prices, Vietnamese rice prices on the export market have continuously declined sharply. Currently, Vietnamese rice prices have dropped by as much as USD 14/ton, significantly lower than Thai and Pakistani rice.In response to Vietnamese businesses winning bids to export 150,000 tons of rice at low prices, the Ministry of Industry and Trade (MOIT) has requested the Vietnam Food Association (VFA) to verify the information. According to the MOIT, Indonesia is a traditional and key export market for Vietnamese rice, so measures need to be taken to protect the market and ensure export efficiency.

- Latest update on the over 53,000 billion dong steel super project in Binh Dinh.After the provincial planning was approved, the Binh Dinh Provincial People's Committee issued a document on the detailed planning for the construction of the Hoai My Industrial Zone at a scale of 1/2000. It is planned that the Long Son Steel Complex project will be built on an area of nearly 470 hectares, with a total investment of over 53,000 billion dong (divided into 3 investment stages), with a capacity of 5.4 million tons/year.

Breaking News



Business news

- **LPB:** LPB diligently conquers new peaks. Since reaching its historical peak in mid-April 2024, LPB shares of Lien Viet Post Bank (LPBank - HoSE: LPB) have gained points in 17/27 sessions, pushing LPBank's market capitalization to over VND 66,000 billion.In terms of the bank's operations, at the 2024 Annual General Meeting of Shareholders held on April 17, LPB shareholders approved a plan to increase charter capital to VND 33,576 billion by offering 800 million shares to existing shareholders. The offering price is VND 10,000/share.

- **DCM:** Cà Mau Fertilizers Lowers 2024 Profit TargetCà Mau Fertilizers JSC (DCM) is planning to submit a proposal to its annual general meeting of shareholders to lower its revenue target for 2024 to nearly VND 11.9 trillion (US$510 million), a 6% decrease from the previous year's realization. The company also plans to lower its after-tax profit target to nearly VND 795 billion (US$34.2 million), a decrease of more than 28%. The budget payment target is set at nearly VND 228 billion (US$9.8 million).DCM's first-quarter 2024 results were bright compared to the low base of the previous year. In the first quarter, DCM achieved more than VND 2.7 trillion (US$116 million) in revenue, nearly unchanged from the same period last year; net profit reached VND 346 billion (US$15 million), up more than 51%. The company achieved 24% of its annual revenue plan and 44% of its after-tax profit target.

- **ACV:** Long Thanh International Airport is expected to turn a profit after 1-2 years of operation.Long Thanh International Airport is expected to start operating in 2026. In the second phase, the airport will be expanded with an additional open-configuration runway and terminal to reach a capacity of 50 million passengers per year. ACV forecasts that international arrivals to Vietnam by air will reach 30.7 million in 2024, up 22.5% from 2023. Meanwhile, domestic passengers will number over 72 million, down 10% from 2023, due to the weakening of the fleets of Vietnamese airlines.

Breaking News



Business news

- **SAB:** Sabeco is working with the Vietnam Beer, Alcohol and Beverage Association to propose to the government to establish a reasonable blood alcohol concentration (BAC) limit, instead of the current regulation of zero alcohol content when driving. In parallel, SAB and other companies in the industry are also making efforts to propose a delay in the plan to increase the excise tax rate to reduce the financial burden on people. In the first quarter of 2024, SAB's net revenue reached VND 7,184 billion, an increase of 15.6% compared to the same period last year. This result helped the "beer industry giant" end a chain of 4 consecutive quarters of negative revenue growth compared to the same period.

- **FRT:** Dragon Capital's stake increases to over 10%, FPT Retail's stock sets a new record, up over 200% in a year.It is known that the draft Resolution will reduce the VAT rate by 2%, applicable to groups of goods and services that are currently subject to the 10% tax rate (down to 8%). However, the main reason for the strong rally in FRT stock in the recent period may come from investor expectations for the growth potential of the Long Chau pharmacy chain. In the first quarter of 2024, FPT Retail recorded consolidated revenue of VND 9,042 billion, up 17% year-on-year, completing 24% of the plan.

- **HHV:** In 2024, Deo Ca sets a revenue target of VND 3,146 billion, an increase of 17% compared to the achievement in 2023 (VND 2,685.5 billion) and after-tax profit of VND 404.1 billion, an increase of 11% compared to the result received in 2023 (VND 364.5 billion). As early as the first quarter of 2024, HHV's business and production results recorded positive indicators. Specifically, revenue in the first quarter of 2024 reached VND 690 billion, growing 28% over the same period. After-tax profit reached VND 114 billion, up 37% compared to the first quarter of 2023.

Technical view

Trend: Accumulation

- VNINDEX closed at 1,261.72 points (-4.6 points, -0.36%), with liquidity lower than the average of the last 20 sessions. The market had 198 gaining stocks and 222 losing stocks. Retail and textile stocks were bright spots in the trading session. Stocks that contributed to the market's gain included HPG, MWG, and VIC. On the other hand, stocks that contributed to the market's decline included VCB, BID, and GVR. Foreigners net sold around VND 1.434 billion.
- **Technical view**: The VN-Index continues to accumulate, with a positive sign coming from the fact that trading liquidity has not increased, indicating that selling pressure is not too strong. Selling pressure in the session mainly came from the VN30 group, with VCB being heavily sold by foreign investors. The signal line crossing below the MACD line indicates that the market will need time to accumulate before moving up. Investors should watch the nearest support at the 1,250 – 1,260 zone.
- **Strategy**: Investors should buy at support areas corresponding to the 1,250 area of the market if the market accumulates successfully. Consider lowering your weighting if VN-Index breaks support at 1,240-1,250 points.



Scenarios:

- Positive (60%): The market will rebound and move towards the 1,250 – 1,300 area.
- Less positive (40%): The market corrected to the 1,200-1,220 area.

Recommended stocks

03/06/2024 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	24.5	9%	-4%	25.2	8	-1.18%	22/05/2024	
BSI	Hold	57.6	63.1	55.5	10%	-4%	58.0	12	0.69%	16/05/2024	
HAH	Hold	42.0	44.7	40.9	6%	-3%	42.7	3	1.55%	29/05/2024	

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Economic calendar

June 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
26	27	28	29	30 _ GDP Growth Rate QoQ 2nd Est Q1	31 _ US Personal Income MoM APR _ US Core PCE Price Index MoM APR	1
2	3 _ US ISM Manufacturing PMI MAY _ MSCI restructure portfolio	4	5 _ US ISM Services PMI MAY	6 _ US Non Farm Payrolls MAY	7	8
9	10	11	12 _ US Core Inflation Rate MoM MAY	13 _ Fed Interest Rate Decision _ FOMC Economic Projections _ US PPI MoM MAY	14 _ US Michigan Consumer Sentiment Prel JUN _ Vaneck Fund announces the portfolio	15
16	17 _ GDP Growth Rate QoQ Final Q1 _ Durable Goods Orders MoM MAY	18 _ US Retail Sales MoM MAY	19	20 _ US Building Permits Prel MAY _ VN VN30F1M Future contract maturity	21 _ Vaneck Fund and FTSE restructure the portfolio	22
23	24	25	26	27	28 _ Core PCE Price Index MoM MAY _ Personal Income MoM MAY _ Vietnam MacroEconomic Data	29
30	1					

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Q&A

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