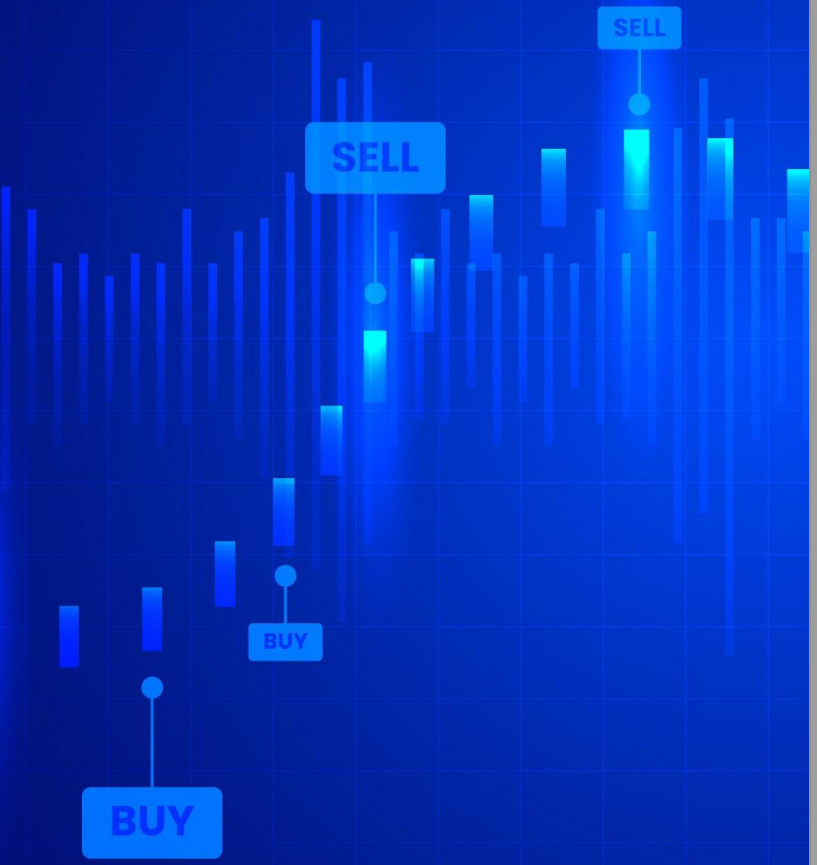
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MORNING CALL

04/06/2024

“VN-Index 'on a wide road' to its old peak?”

- ❑ World stocks: US ISM manufacturing PMI index is below the market expectation
- ❑ Vietnamese stocks: VN-Index 'on a wide road' to its old peak?
- ❑ Macro news
- ❑ Business news: #TV2, #PVS, #DGC, #FMC, #ANV, #NCG
- ❑ Technical perspective and updated recommendations #VIB, #SZC
- ❑ 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 03/06 - 07/06/2024

Major stocks market

- In regular trading on Monday, the Dow fell 0.3%, while the S&P 500 and Nasdaq Composite gained 0.11% and 0.56%, respectively. Those moves came as weak US manufacturing data for May weighed on market sentiment, while investors continued to assess the chances of Federal Reserve interest rate cuts. Investors now look ahead to US job opening factory order data for April on Tuesday, as well as the highly anticipated month jobs report on Friday. The ISM Manufacturing PMI unexpectedly edged lower to 48.7 in May 2024 from 49.2 in April, below forecasts of 49.6.
- European stocks experienced a positive day on Monday, with the Stoxx 50 index rising by 0.4% to surpass the 5000 mark. The DAX index increased by 0.6% to 18,610 on Monday. The FTSE 100 index erased its early gain to close slightly below the flatline at 3,270
- The Nikkei 225 Index fell 0.7% to below 38,700 while the broader Topix Index lost 0.25% to 2,791 on Tuesday, with Japanese shares snapping a two-day advance and taking cues from a weak lead on Wall Street as disappointing US manufacturing data weighed on market sentiment.
- WTI crude oil futures dropped by more than 3% to under $74 per barrel on Monday, reaching their lowest point in four months after OPEC+ announced a gradual plan to ease some of its oil production cuts.

Market

	Close	%1D	%1M	%1Y
VN-Index	1,280	1.45%	4.83%	17.34%
S&P 500 Index	5,283	0.11%	3.03%	23.38%
Dow Jones Index	38,571	-0.30%	-0.27%	14.24%
GP 100	8,263	-0.15%	0.60%	8.62%
Nikkei 225	38,760	-0.42%	1.37%	22.95%
SHCOMP Index	3,078	-0.27%	-0.85%	-4.69%
STOXX 600	520	0.32%	2.83%	12.49%
KOSPI Index	2,667	-0.59%	-0.37%	2.51%
Hang Seng	18,403	1.79%	-0.39%	-2.89%

Commodity

	Close	%1D	%1M	%1Y
Brent	78	-0.31%	-5.83%	2.61%
WTI	74	-0.30%	-5.26%	3.15%
Gasoline	233	-0.24%	-8.81%	-6.82%
Natural gas	3	0.25%	28.99%	27.21%
Coal	140	-0.39%	-3.41%	7.02%
Gold	2,351	0.00%	1.15%	19.82%
China HRC	3,800	-0.52%	-0.45%	1.69%
Steel rebar	3,503	-0.45%	-0.60%	4.07%
BDI index	1,815	0.78%	-3.25%	97.50%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	104	-0.11%	-0.96%	0.01%
USD/VND	25,431	0.03%	-0.20%	-7.59%
EUR/USD	1	0.08%	1.34%	1.87%
USD/JPY	156	-0.19%	-1.57%	-10.74%
USD/CNY	7	0.00%	-0.01%	-1.93%
USD/GPB	1	-0.03%	-1.93%	-2.91%
USD/KRW	1,373	0.25%	-0.70%	-4.69%
USD/AUD	1	0.04%	-0.91%	-1.04%
USD/CAD	1	0.00%	0.29%	-1.34%

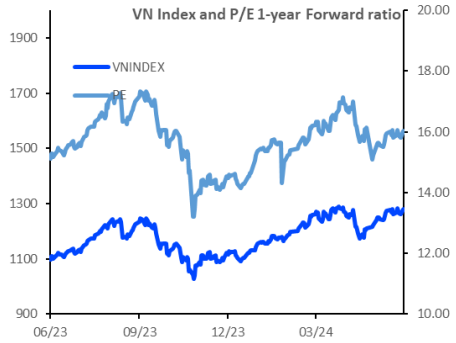
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 03/06/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,280.00	16.04	18.28	1.45	877	23,077
HNX INDEX	244.72	20.27	1.63	0.67	105	1,758





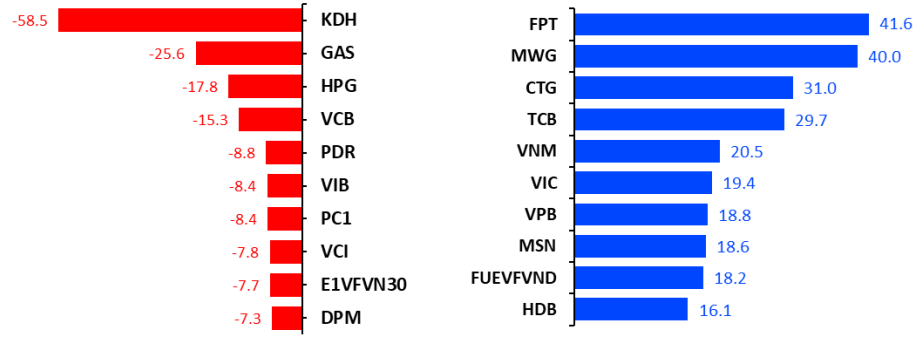
Money flow and sector rotation (VND bn)

Sector	%1D	6/3/2024	5/31/2024	20-session Average
Technology	222.40	1,494	463	790
Chemicals	174.45	2,183	795	1,240
Oil & Gas	115.08	286	133	293
Utilities	110.99	858	407	399
Construction & Materials	98.69	1,170	589	920
Real Estate	70.10	3,882	2,282	3,147
Banks	65.13	4,630	2,804	3,561
Financial Services	45.78	2,286	1,568	2,451
Travel & Leisure	40.86	290	206	273
Basic Resources	26.28	1,118	885	1,329
Automobiles & Parts	19.65	337	281	395
Food and Beverage	18.80	1,739	1,464	1,797
Health Care	18.70	33	27	37
Industrial Goods & Services	5.23	1,443	1,371	1,575
Insurance	2.10	58	57	68
Personal & Household Goods	-22.1	461	591	380
Retail	-44.2	799	1,431	945
Media	-64.0	4	11	13

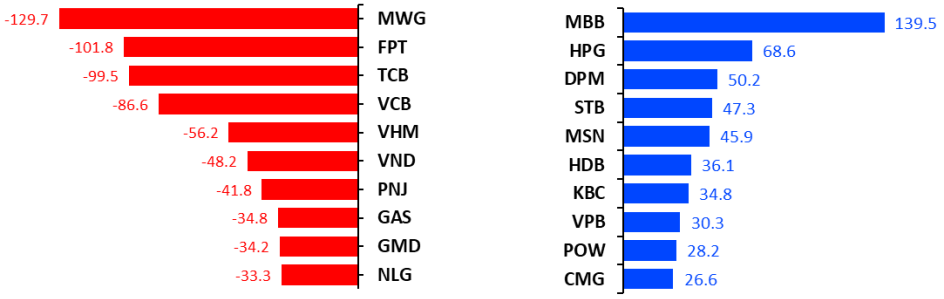
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 03/06/2024

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	(27)	(53)	119	(67)
Basic Resources	(19)	36	(21)	(15)
Media	-	(0)	0	0
Industrial Goods & Services	5	2	(219)	218
Health care	-	1	0	(1)
Chemicals	(8)	66	26	(92)
Financial Services	7	(60)	44	16
Travel & Leisure	9	5	(24)	20
Banks	114	4	148	(152)
Construction & Materials	(14)	(21)	11	11
Food and Beverage	54	65	(142)	76
Retail	40	(138)	37	101
Utilities	(23)	8	(3)	(5)
Personal & Household Goods	1	(46)	64	(18)
Technology	42	(79)	123	(44)
Automobiles & Parts	0	(15)	14	1
Insurance	(0)	0	(1)	1
Oil & Gas	(1)	(21)	34	(13)
Total	**180**	**(247)**	**211**	**36**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- Vietnam's manufacturing sector improves slightly in May 2024, with new orders continuing to rise.The S&P Global Vietnam Manufacturing Purchasing Managers' Index (PMI) remained unchanged at 50.3 in May, signaling a second consecutive marginal monthly improvement in business conditions in the sector. The health of the manufacturing sector has fluctuated only fractionally through the opening five months of 2024.New orders continued to rise sharply in May as strong demand conditions helped companies attract new customers and new orders. However, the pace of increase was slightly slower than in April.

- Shrimp exports unlikely to reach $10 billion target.Vietnam has become the world's second largest shrimp exporter, accounting for 13-14% of the global shrimp export value. However, it can be affirmed at this point that the export target of $10 billion set out in the National Action Plan for Development of Vietnam's Shrimp Industry by 2025 will be difficult to achieve. According to estimates from the Vietnam Association of Seafood Processors and Exporters (VASEP), shrimp exports in May 2024 reached $361 million, bringing the total shrimp export value in the first 5 months of 2024 to $1.3 billion. In 2024, the shrimp industry is striving to achieve an export turnover of $4-4.3 billion.

- Pangasius exports on the rise, opportunities for acceleration at the end of the year.According to VASEP, pangasius export turnover in the first 5 months of 2024 is estimated to reach USD 725 million, up 2% compared to the same period in 2023. In detail, pangasius export in April 2024 reached USD 168 million, up 13% compared to April 2023 and May 2024 reached USD 146 million, up 8% compared to May 2023. The Vietnam Association of Seafood Exporters and Processors (VASEP) said that the largest pangasius import market in Vietnam in the first 5 months of the year was still the United States, followed by China, then Europe and some other South American markets.

Breaking News



Business news

- **TV2:** TV2 projects 2024 revenue of nearly 1.3 trillion dong, up 16% from the previous year. Pre-tax profit is projected to remain flat at 66 billion dong. TV2's Q1/2024 results show a bright outlook with revenue increasing by nearly 92% to over 238 billion dong; net profit of over 11 billion dong, up 34%. The company attributed the strong Q1 results to the EPC contract for the Hau Giang Biomass Power Plant project entering a peak construction phase to meet the COD target in December 2024 as committed.

- **PVS:** A subsidiary of Petrovietnam Technical Services Corporation (stock code PVS) has been awarded the EPCIC contract for the design, fabrication, and installation of a central processing platform with a total weight of 11,000 tons for the Lac Da Vàng field development project. While detailed contract information has not been disclosed, according to current estimates from some financial institutions, the value of the central processing platform and ancillary works at the Lac Da Vàng field project is estimated to be over USD 100 million.

- **DGC:** Clarification on Vinachem's Divestment and Share TransferDuc Giang Chemicals Group Corporation (DGC) has sent a letter to a newspaper requesting a correction to the article "Audit recommends investigating Vinachem's divestment at Duc Giang Chemicals" published on May 31, 2024. DGC stated that the article contained false information when it stated that "Vinachem has announced the transfer of all of its shares to the transferee, Duc Giang Chemicals". According to DGC, this information is completely incorrect. Vinachem's divestment was carried out through order matching on the Ho Chi Minh City Stock Exchange, and DGC did not receive any share transfer.

Breaking News



Business news

- **FMC:** Sao Ta Foods Joint Stock Company (HoSE: FMC) has just released basic information on its business performance in May 2024.In May, Sao Ta's processed shrimp production reached 2,389 tons, down 13% from the same period last year. Processed shrimp consumption was 1,419 tons, up 53% from May 2023. For agricultural products, production reached 202 tons and consumption reached 123 tons, up 65% and 7% respectively compared to the same period. As a result, Sao Ta Foods' monthly sales reached 15.55 million USD (equivalent to 357 billion VND), up 43% from the same period.

- **ANV:** In 2024, the company sets a target of total sales revenue of VND 5,000 billion and pre-tax profit of VND 360 billion, 5.5 times higher than the profit achieved in 2023. Navico will also submit to shareholders a plan to issue shares to increase charter capital from equity sources for existing shareholders with a ratio of 1:1. Previously, this plan was submitted and approved at the 2023 Annual General Meeting of Shareholders, however, due to the fact that the company has not been able to implement it, it will be resubmitted to shareholders at this meeting.

- **NCG:** After a long period of bottom fishing, Nova Consumer Group Corporation's stock NCG suddenly surged to the ceiling price of VND 10,400/share, but the liquidity of this stock was only modest at more than 120,000 units. Notably, NCG is also "out of stock" with no sell orders. In 2024, Nova Consumer plans to achieve net revenue of VND 5,056.8 billion, up 22.09% compared to 2023. After-tax profit reached nearly VND 26.35 billion, a significant improvement compared to the loss of VND 951 billion in 2023.

Technical view

Trend: Accumulation

- VNINDEX closed at 1,280.0 (+18.28 points, +1.45%), with liquidity higher than the 20-session average. The market had 367 gainers and 96 losers. Most sectors were up, with the most notable being telecommunications, finance, and consumer goods. Stocks that contributed to the market's gain included VCB, MBB, and CTG, while GVR, DHG, and EIB contributed to the market's decline. Foreigners continued to net sell lightly, around VND 244 billion.
- **Technical view:** VN-Index rose for most of the session and closed right at the 1,280-1,300 resistance zone after gaining more than 18 points. The medium- to long-term trend is still bullish, but in the short term the market is consolidating at 1,250-1,280. Therefore, investors should only buy when the market corrects to the support zone and avoid buying at high prices.
- **Strategy:** Investors should buy at support zones corresponding to the 1,250 zone of the market if consolidation is successful. Consider reducing holdings if VN-Index breaks below the 1,240-1,250 support level.



Scenarios:

- Positive (60%): The market will trade in the 1,250 – 1,280 area.
- Less positive (40%): The market corrected to the 1,200-1,220 area.

Recommended stocks

04/06/2024 9:00 AM

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals	Note
SZC	Buy	42.7	46.2	41.2	8%	-3.5%	42.8	Good accumulation at EMA 50	
VIB	Buy	22.3	24.2	21.5	8%	-3.6%	22.3	Bounce off from EMA 50	

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%	26.0	9	1.96%	22/05/2024	
BSI	Hold	57.6	63.1	55.5	10%	-4%	59.4	13	3.13%	16/05/2024	
HAH	Hold	42.0	44.7	40.9	6%	-3%	42.8	4	1.90%	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

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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