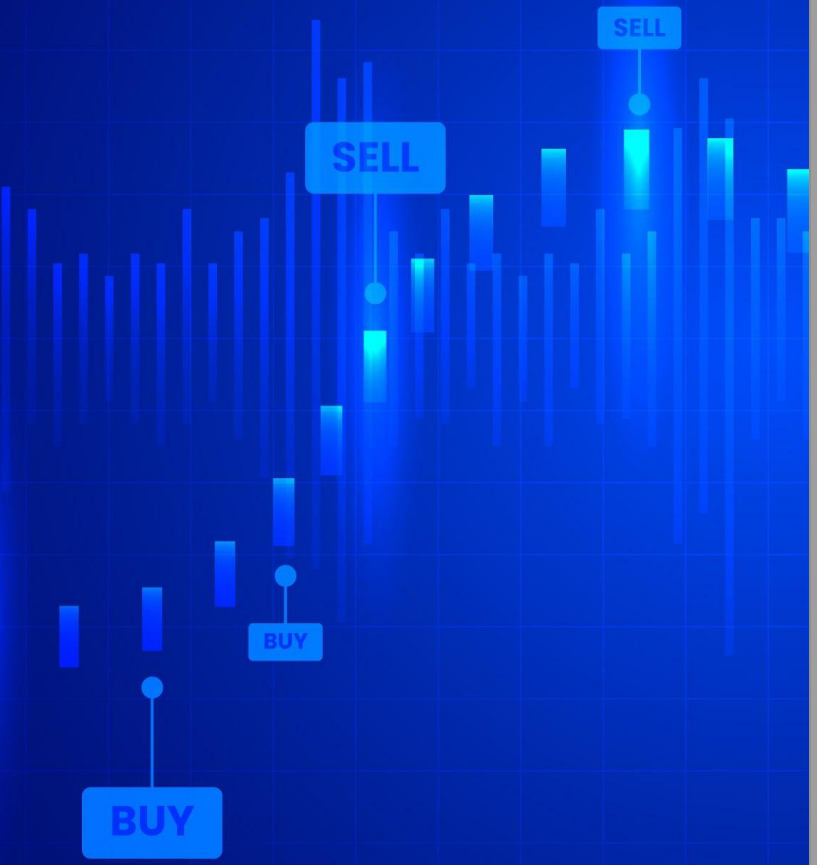
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MORNING CALL

10/06/2024

“Flickering red and green”

- ❑ World stocks: Stronger-than-expected jobs data for the US
- ❑ Vietnamese stocks: Flickering red and green
- ❑ Macro news
- ❑ Business news: #LHG, #PVD, #ACV, #OIL, #DBC, #GIL
- ❑ 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 10/06 – 14/06/2024

Major stocks market

- US equities finished in the red on Friday, with the S&P 500 closing 0.1% lower, below its all-time high of 5,374. The Nasdaq retreated by 0.2% and Dow Jones lost 87 points, after the robust jobs report alleviated concerns about an economic slowdown even though this might result in a possible postponement of Federal Reserve rate cuts. Nonfarm payrolls increased by 272K in May, surpassing the 185K estimate and April's 175K gain.
- European stocks closed slightly lower on Friday, trimming the sharp increases from the two prior sessions after a strong jobs report in the United States backed a hawkish outlook for the Federal Reserve. The Stoxx 50 eased 0.3% from the 23-year peak in the prior session to close at 5,053, while the Stoxx 600 edged below the flatline to close at 524, less than one point away from its record high
- The Nikkei 225 shed 0.05% to close at 38,684 while the broader Topix lost 0.08% to 2,755 on Friday, giving back some gains from the previous session. Japan's GDP shrank 0.5% qoq in Q1 of 2024, matching flash data while reversing from an upwardly revised 0.1% growth in Q4.
- WTI crude futures declined by around 2% to $75.5 per barrel this week, the third consecutive week of losses, driven by increasing expectations that borrowing costs could remain elevated for an extended period, negatively impacting the demand outlook.

Chỉ số chứng khoán	Giá đóng cửa	%1D	%1M	%1Y
VN-Index	1,288	0.31%	3.45%	16.26%
S&P 500 Index	5,347	-0.11%	3.19%	24.38%
Dow Jones Index	38,799	-0.22%	-1.81%	14.53%
GP 100	8,245	-0.48%	-2.23%	9.03%
Nikkei 225	38,865	0.47%	1.19%	20.46%
SHCOMP Index	3,051	0.08%	-3.27%	-5.57%
STOXX 600	524	-0.22%	1.64%	13.81%
KOSPI Index	2,700	-0.85%	-0.18%	2.21%
Hang Seng	18,367	-0.59%	-3.15%	-5.28%

Hàng hóa	Giá đóng cửa	%1D	%1M	%1Y
Brent	80	0.05%	-3.78%	6.51%
WTI	76	0.07%	-3.42%	7.71%
Gasoline	241	0.44%	-4.26%	-7.71%
Natural gas	3	2.23%	32.46%	32.34%
Coal	131	-2.16%	-10.21%	-3.35%
Gold	2,332	0.04%	-2.78%	17.21%
China HRC	3,796	0.58%	-1.43%	-0.32%
Steel rebar	3,463	0.23%	-2.37%	-0.32%
BDI index	1,881	0.64%	-11.65%	78.29%

Tiền tệ	Giá đóng cửa	%1D	%1M	%1Y
Dollar Index	104	0.17%	-0.23%	1.45%
USD/VND	25,416	-0.01%	0.14%	-7.60%
EUR/USD	1	-0.22%	0.06%	0.19%
USD/JPY	157	-0.10%	-0.72%	-11.03%
USD/CNY	7	-0.04%	-0.40%	-1.56%
USD/GPB	1	-0.04%	-1.57%	-1.69%
USD/KRW	1,379	-0.94%	-0.76%	-6.55%
USD/AUD	2	0.05%	0.38%	2.61%
USD/CAD	1	-0.01%	-0.68%	-2.89%

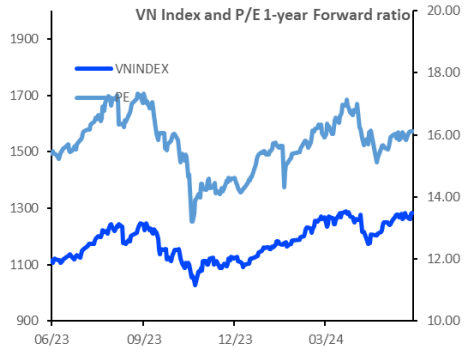
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 07/06/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,283.56	16.11	-0.79	-0.06	748	19,640
HNX INDEX	244.18	20.24	-0.31	-0.13	68	1,336





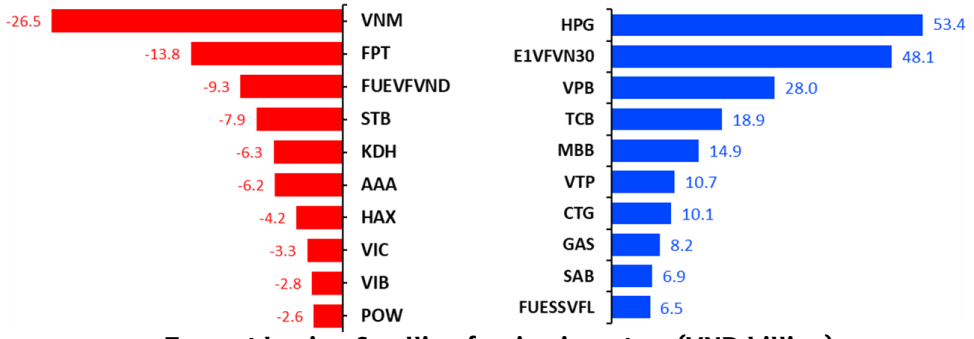
Money flow and sector rotation (VND bn)

Sector	%1D	6/7/2024	6/6/2024	20-session Average
Media	60.40	44	28	14
Industrial Goods & Services	33.15	2,051	1,540	1,644
Insurance	17.98	77	65	84
Health Care	-7.3	33	36	38
Oil & Gas	-17.4	167	201	284
Financial Services	-19.0	1,437	1,773	2,472
Travel & Leisure	-19.1	276	341	263
Utilities	-19.4	359	445	464
Chemicals	-20.1	1,122	1,404	1,273
Real Estate	-20.3	2,168	2,719	3,126
Food and Beverage	-20.6	1,336	1,683	1,827
Technology	-26.0	743	1,005	891
Basic Resources	-32.0	890	1,309	1,384
Construction & Materials	-33.3	674	1,010	972
Automobiles & Parts	-33.7	221	333	373
Personal & Household Goods	-34.4	339	517	408
Banks	-36.9	2,815	4,464	3,705
Retail	-37.4	478	764	944

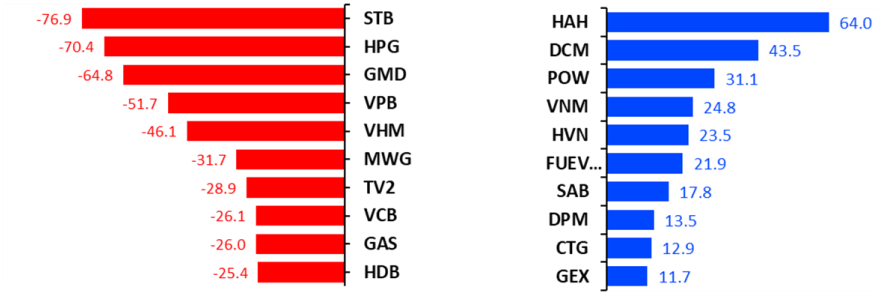
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 07/06/2024

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	(9)	(88)	150	(61)
Basic Resources	54	(105)	14	91
Media	-	8	(9)	0
Industrial Goods & Services	16	(19)	139	(120)
Health care	-	1	(8)	7
Chemicals	(1)	62	(44)	(18)
Financial Services	51	(67)	71	(4)
Travel & Leisure	0	2	18	(19)
Banks	69	(232)	293	(62)
Construction & Materials	1	(12)	10	2
Food and Beverage	(22)	55	(100)	45
Retail	1	(25)	68	(42)
Utilities	5	12	(24)	12
Personal & Household Goods	5	(17)	20	(3)
Technology	(15)	(44)	132	(89)
Automobiles & Parts	(5)	(8)	17	(9)
Insurance	1	(3)	(2)	5
Oil & Gas	3	3	0	(4)
Total	**153**	**(476)**	**746**	**(270)**

Source: Fiinpro. Shinhan Securities Vietnam



Macro

- Deputy Prime Minister Tran Hong Ha said that in June 2024, the Government will issue a Decree on extending the deadline for paying corporate income tax and personal income tax; Reduce registration fees for domestically produced and assembled cars; Reduce land and water surface rent to support businesses and people to develop production, business and consumption.

- The foreign exchange market is being supported by capital flows from exports, FDI, and economic recovery. The exchange rate is forecast to peak in early Q3 and then decline, as the USD cools down and the Fed may reconsider maintaining its high-interest-rate policy as inflation eases. In addition, the foreign exchange market will be supported by capital flows from exports, FDI, and expectations of economic recovery towards the end of the year. Although there was a trade surplus of about USD 8 billion in the first five months of the year, the exchange rate is still under pressure as the surplus mainly comes from the FDI sector, while the domestic sector still has an import surplus of about USD 10 billion. The current USD/VND exchange rate is being affected in the short term by three main factors: the continuous strength of the USD globally, the raw material import cycle, and the profit repatriation cycle of foreign companies.

- Although credit has begun to show signs of increasing faster in May 2024, the total system for the first five months of 2024 has only reached about 2.41%, which is quite far from the target of 15% assigned by the State Bank of Vietnam (SBV) this year. In 2024, although the SBV assigned the credit growth target for the entire system of 15% from the beginning of the year, according to the data, credit growth for the entire system was still negative in the first two months of the year. Credit growth for the entire system only started to turn positive again from March and reached about 0.26% at the end of the first quarter of 2024. This low growth not only reflects the general difficulties in credit expansion activities of businesses and people but also reflects the offset of a part of the sharp increase in credit in the last month of 2023

Breaking News



Business news

- **LHG:** Long Hau Corporation (stock code LHG) has just announced its divestment from Saigon - Hiep Phuoc Port Joint Stock Company. Recently, Long Hau has also approved the postponement of the implementation of 2 major projects. This year, Long Hau sets a target of achieving revenue of VND 744 billion, an increase of 53% compared to 2023. However, after-tax profit is expected to decrease by 21% to VND 131 billion. In terms of business activities, in the first quarter of 2024, Long Hau recorded revenue of VND 76.3 billion, down 34% compared to the same period last year, mainly due to a decrease in revenue from industrial park land leasing. Accordingly, after-tax profit decreased by 32% to VND 31.5 billion.

- **PVD:** In the second quarter of 2024, the onshore drilling rig PV DRILLING 11 is currently suspended and waiting to sign a new contract expected in September 2024 with a rig rate of approximately USD 23,000 - USD 25,000/day. However, the revenue is offset by the two outsourced rigs Hakuryu 11 and BORR-THOR. The rental price of these rigs is estimated at USD 110,000/day, but as they are outsourced rigs, the profit margin is quite low, only about 2-3%. Therefore, PV Drilling estimates that the profit in the second quarter of 2024 will be equivalent to the first quarter of 2024 and the same period last year. In the first quarter of this year, the company recorded after-tax profit of VND 149 billion.

- **ACV:** Since the beginning of 2024, the stock price on the UPCoM exchange has increased by more than 73%, with a market capitalization of VND 249.479 billion (~USD 10 billion). This figure far surpasses the rest of the UPCoM, putting ACV in the 4th position in the list of the largest companies on the entire stock exchange, surpassing a series of "famous" names such as FPT, Hoa Phat, Vingroup, Vinamilk, VPBank... and only behind the "Big 2" of the banking industry, Vietcombank and BIDV, along with the name belonging to the telecommunications technology group Viettel Global (VGI).

Breaking News



Business news

- **OIL:** The General Assembly of Shareholders has approved the 2024 plan with a consolidated total revenue of VND 31,746 billion, equivalent to 2023, and a consolidated profit before tax of VND 5,477 billion, an increase of 41.2% compared to 2023. Viettel Global also aims to increase at least 2 million telecom subscribers and at least 6 million digital subscribers; continue to maintain good business operations for traditional telecom services (mobile, fixed broadband); at the same time expand the space, promote the development of new services (superapp, e-wallet).

- **DBC:** CTCP Tập đoàn Dabaco Việt Nam (HOSE: DBC) plans to offer 80.7 million shares to existing shareholders at a price of VND15,000 per share, a 58% discount to the current market price. The company said it will use the proceeds to invest in Dabaco Vegetable Oil Co., Ltd. to implement the Dabaco Soybean Oil Pressing and Refining Plant project. Of which, priority is given to using about VND795 billion for investment, payment for equipment and fixed assets for the project (disbursement from Q3/2024 to Q3/2025); the remaining more than VND535 billion to invest in initial working capital to operate the project (disbursement from Q1-4/2025).

- **GIL:** A member of the Board of Directors has registered to sell 193,000 shares of Binh Thanh Production, Business and Import-Export Joint Stock Company (Gilimex, code GIL - HOSE exchange), reducing ownership to 2% of charter capital. In terms of business activities, in the first quarter of 2024, Gilimex recorded revenue of VND 221.5 billion, an increase of 41.2% over the same period, after-tax profit recorded a profit of VND 7.22 billion compared to a loss of VND 38.62 billion in the same period, an increase of VND 45.84 billion. Thus, the profit return in the first quarter of 2024 is mainly due to revenue growth, and the Company no longer does business below cost.

Technical view

Trend: Accumulation

- VNINDEX closed at 1,287.58 (+4.02 points, +0.31%), liquidity was low with an average of 20 sessions. The market had 235 green stocks and 178 red stocks. The stock groups that contributed to the market's increase were TCB, SAB, and FPT, while VCB, BID, and VPB contributed to the market's decline. Foreigners continued to net sell around VND 475 billion.
- **Technical view:** The VN-Index continues to fluctuate within a narrow range, and the main trend of the market is still accumulation. Low liquidity indicates that selling pressure is not too strong, which is a positive signal when the market is trading in a strong resistance zone. Short-term moving averages continue to slope upwards, indicating that the trend shows no signs of weakening. In a positive scenario, the market will continue to accumulate around 1,250 - 1280 with low liquidity before entering the next upward wave.
- **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

10/06/2024 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%	25.6	13	0.39%	22/05/2024	
BSI	Hold	57.6	63.1	55.5	10%	-4%	58.3	17	1.22%	16/05/2024	
HAH	Hold	42.0	47.0	40.9	12%	-3%	44.3	8	5.36%	29/05/2024	
SZC	Hold	42.7	46.2	41.2	8%	-4%	42.2	4	-1.29%	04/06/2024	
VIB	Hold	22.3	24.2	21.5	8%	-4%	22.4	4	0.45%	04/06/2024	

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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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