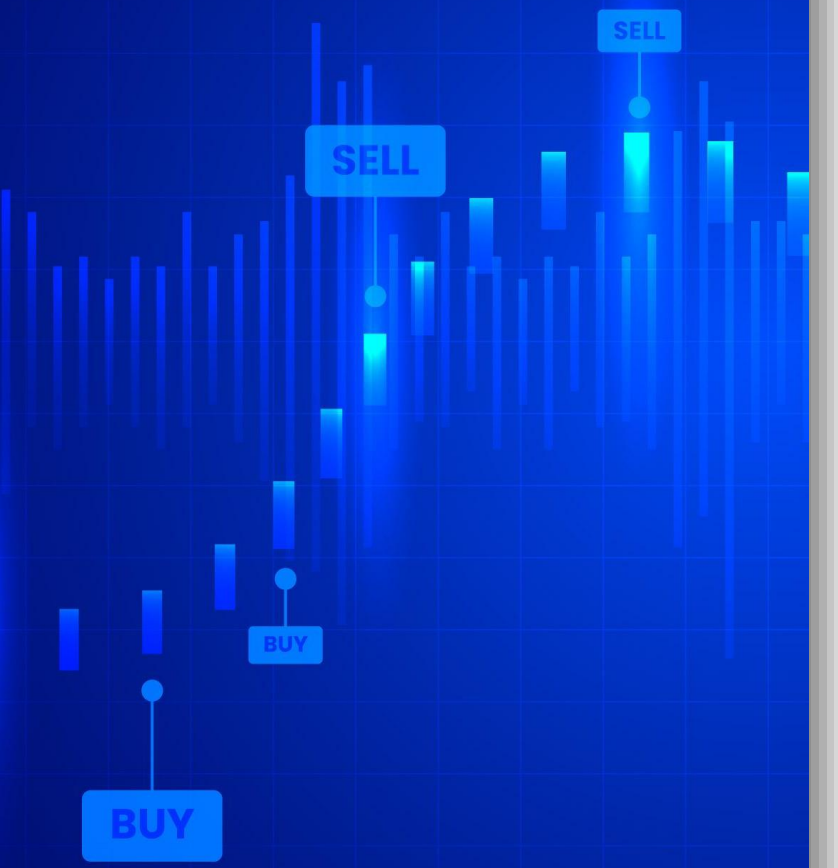
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MORNING CALL

21/06/2024

"Pulling up the pillars to hold the index"

- ❑ World stocks: Mixed movements
- ❑ Vietnamese stocks: Pulling up the pillars to hold the index
- ❑ Macro news
- ❑ Business news: #VTP, #MBB, #VEA, #GEX, #BCM, #GEG
- ❑ 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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Shinhan Securities

Global Market Review 17/06 – 21/06/2024

Major stocks market

- The S&P 500 closed 0.2% lower on Thursday after briefly peaking at a new high of 5,500. Similarly, the Nasdaq retreated by 0.8% from earlier record levels, reflecting a pullback in the performance of tech megacaps. Investors took advantage of the sector's strong momentum and cashed their gains while continuing to speculate on how far megacaps that lead the AI rally can continue to carry major stock indices, as economic data shows growing evidence that the US economy is slowly losing its resilience to higher interest rates by the Fed.
- European stocks closed firmly higher on Thursday, erasing losses from the prior session to reach a one-week high amid support from an improved credit conditions outlook following decisions by major monetary authorities in Europe. The Eurozone's Stoxx 50 added 1.2% to close at 4,946, and the pan-European Stoxx 600 rose by 0.8% to 518.
- The Nikkei 225 Index rose 0.16% to close at 38,633 while the broader Topix Index lost 0.11% to 2,726 in mixed trade on Thursday, with Japanese stocks struggling for direction as caution dominated sentiment ahead of key economic data in the country.
- WTI crude futures rose to over $82 per barrel on Thursday, the highest in seven weeks, fueled by a larger-than-anticipated drop in US crude stocks

Market

	Close	%1D	%1M	%1Y
VN-Index	1,282	0.20%	0.40%	14.65%
S&P 500 Index	5,473	-0.25%	2.85%	25.37%
Dow Jones Index	39,135	0.77%	-1.85%	15.27%
GP 100	8,272	0.82%	-1.71%	9.44%
Nikkei 225	38,650	0.04%	-0.76%	15.12%
SHCOMP Index	3,005	-0.42%	-4.83%	-6.02%
STOXX 600	519	0.93%	-0.77%	13.54%
KOSPI Index	2,786	-0.76%	2.28%	7.88%
Hang Seng	18,335	-0.52%	-4.61%	-4.59%

Commodity

	Close	%1D	%1M	%1Y
Brent	86	-0.14%	3.27%	10.98%
WTI	81	-0.11%	2.45%	11.95%
Gasoline	250	-0.18%	-0.55%	-4.87%
Natural gas	3	-0.77%	1.83%	4.74%
Coal	134	-0.15%	-5.04%	5.81%
Gold	2,363	0.11%	-2.41%	22.26%
China HRC	3,759	-0.11%	-2.11%	-3.24%
Steel rebar	3,471	-0.12%	-2.66%	-7.66%
BDI index	1,984	2.11%	8.47%	74.34%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	106	0.07%	0.96%	3.52%
USD/VND	25,453	0.00%	0.03%	-7.58%
EUR/USD	1	0.06%	-1.35%	-2.53%
USD/JPY	159	-0.09%	-1.82%	-10.81%
USD/CNY	7	-0.05%	-0.34%	-1.10%
USD/GPB	1	0.00%	0.42%	0.89%
USD/KRW	1,390	-0.37%	-1.91%	-7.04%
USD/AUD	2	-0.02%	0.13%	2.11%
USD/CAD	1	0.00%	-0.26%	-3.84%

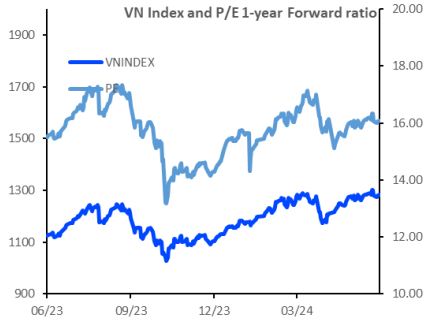
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 20/06/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,282.30	16.10	2.51	0.20	767	21,134
HNX INDEX	243.97	17.40	0.40	0.16	74	1,348





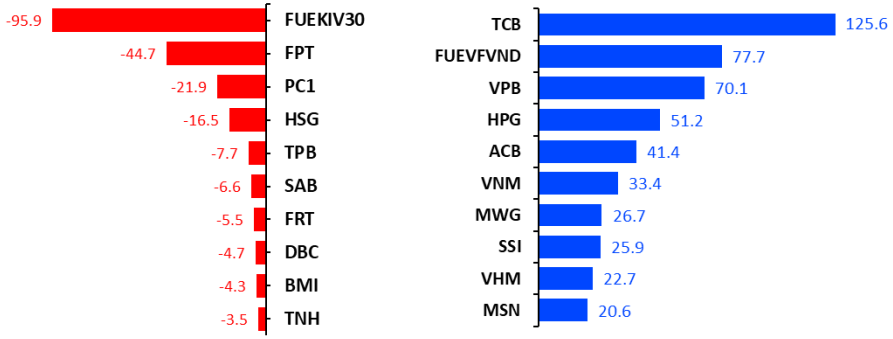
Money flow and sector rotation (VND bn)

Sector	%1D	6/20/2024	6/19/2024	20-session Average
Automobiles & Parts	70.65	836	490	369
Insurance	36.27	79	58	89
Basic Resources	25.11	1,680	1,343	1,397
Personal & Household Goods	21.36	398	328	405
Health Care	19.67	96	80	49
Banks	13.44	4,888	4,309	4,060
Real Estate	10.55	2,624	2,374	2,957
Travel & Leisure	8.67	399	367	283
Technology	6.44	1,619	1,521	1,174
Industrial Goods & Services	3.27	1,901	1,841	1,765
Oil & Gas	2.73	119	115	258
Financial Services	-1.4	1,956	1,983	2,412
Construction & Materials	-6.4	936	1,000	973
Chemicals	-10.8	1,225	1,373	1,376
Utilities	-17.6	322	391	547
Retail	-22.0	529	678	862
Food and Beverage	-32.5	1,513	2,244	1,770
Media	-54.2	6	13	16

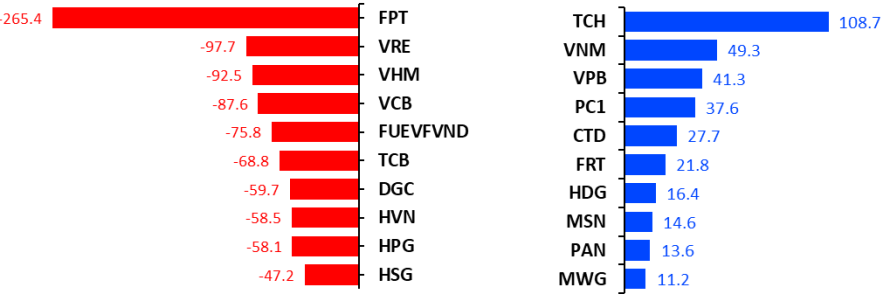
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 20/06/2024

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	46	(239)	185	54
Basic Resources	35	(142)	93	49
Media	-	(0)	0	0
Industrial Goods & Services	(2)	(54)	79	(25)
Health care	(3)	4	(4)	(1)
Chemicals	8	(60)	37	23
Financial Services	110	(193)	52	141
Travel & Leisure	12	(63)	47	16
Banks	353	(184)	(339)	524
Construction & Materials	(18)	54	(7)	(47)
Food and Beverage	43	42	(80)	38
Retail	21	33	(62)	29
Utilities	7	(18)	12	6
Personal & Household Goods	(3)	(4)	(15)	19
Technology	(48)	(276)	449	(173)
Automobiles & Parts	(2)	118	(115)	(3)
Insurance	(4)	(5)	7	(2)
Oil & Gas	1	(4)	7	(2)
Total	**557**	**(992)**	**347**	**645**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- Effective from August 1, 2024, the General Statistics Office of Vietnam will change the time of dissemination of monthly, quarterly, and annual socio-economic reports from the 29th of the reporting month to the 6th of the following month after the reporting period. This change is stipulated in the Decree No. 86/CP dated May 24, 2024, issued by the Government.The Decree aims to ensure that the collection and compilation of statistical information accurately, fully, and truthfully reflect the essence of a reporting period, especially the monthly reporting period, to serve promptly for the management and operation of Party agencies, the Government, the Prime Minister, and local authorities.

- The 6.5% growth target is difficult to achieve in 2024 despite positive economic improvements. Geopolitical instability and fragmentation trends pose many challenges for trade and investment activities, reducing opportunities for cooperation and technology sharing between countries. Competition to attract FDI is becoming increasingly fierce, especially as Vietnam's Global FDI Confidence Index fell in 2024 and the Vietnamese market is not yet attractive enough to attract high-tech investment. Climate change is creating new protectionist barriers related to greening, carbon credits, and protection hidden under industry policies. Significant investment pressure for renewable energy development

- The Government has just issued Decree No. 64/2024/NĐ-CP dated June 17, 2024, extending the deadline for payment of value-added tax, corporate income tax, personal income tax, and land rental fees in 2024. The Government has also issued Decree No. 65/2024/NĐ-CP extending the deadline for payment of special consumption tax on domestically manufactured and assembled automobiles. The decree specifies: extending the deadline for payment of special consumption tax on domestically manufactured or assembled automobiles for tax periods of May, June, July, August, and September 2024.

Breaking News



Business news

- **VTP:** Since the beginning of 2024, this stock has increased in value by 64%, bringing the company's market capitalization to nearly VND 11,400 billion. Recently, there has been a strong rise in the "Viettel family" of stocks. In particular, the stock of Viettel Post Corporation (VTP) continues to make a strong impression when it rose to the ceiling price of VND 93,400/share in the trading session on June 19, aiming to surpass the historical peak of VND 94,100/share set in mid-March 2024.

- **MBB:** By the end of June, MB expects to grow by 6-6.5%. With a growth target of around 15.5% this year, MB will achieve its target in early or mid-Q4. When setting credit growth targets, the most important thing that MB and banks expect is the absorption capacity of the economy. In addition to the absorption capacity of the economy, banks now all have comprehensive solutions, there is no single solution to ensure credit growth and market absorption. So far, banks have also cut interest rates the deepest, perhaps in the past 10 years.

- **VEA:** VEAM maintains its 2024 revenue target of VND 6,413.8 billion and after-tax profit of VND 5,488.9 billion, down 19% from 2023. The parent company aims to achieve high growth in revenue from industrial product sales, with a focus on promoting sales of existing and new vehicle models. Notably, VEAM continues to urge the Ministry of Finance and the government to consider adjusting the value-added tax (VAT) policy for domestically manufactured agricultural machinery (no VAT) compared to imported machinery (0% VAT).

Breaking News



Business news

- **GEX:** Sembcorp Solar Vietnam Pte Ltd has announced the completion of its acquisition of majority stakes in three subsidiaries of GELEX Group Joint Stock Company (GELEX) in the renewable energy sector. As part of the acquisition, Sembcorp will also acquire a 73% stake in a subsidiary of GELEX that owns a 49MW hydropower plant. Upon completion of the entire acquisition, Sembcorp's total renewable energy capacity in Vietnam will reach 455MW, while the Group's total global renewable energy capacity will reach 14.4GW

- **BCM:** Deputy Prime Minister Le Minh Khai has just signed Decision 426 approving the ratio of State capital held at the Industrial Investment and Development Corporation - Becamex IDC (BCM Code - HoSE) until 2025. Deputy Prime Minister Le Minh Khai Government has just signed Decision 426 approving the ratio of State capital held at the Industrial Investment and Development Corporation - Becamex IDC (BCM Code - HoSE) until 2025. At the same time, the content on the plan is abolished. Arrangement plan for Becamex IDC (serial number 29) in Section 2 Plan to retain State capital in Appendix III of Plan for divestment implementation and retention of State capital for the period 2022-2025 issued together according to Decision No. 1479 of the Prime Minister.

- **GEG**: GEG (Gia Lai Electricity Joint Stock Company) to accelerate M&A of energy projects and focus on completing legal procedures for wind power and hydrogen production projects this year.GEG has announced plans to actively pursue mergers and acquisitions (M&A) of energy projects and prioritize the completion of legal procedures for a wind power and hydrogen production project this year. The company has set ambitious business targets for 2024, aiming to achieve revenue of VND 3,120 billion and pre-tax profit of VND 335 billion, representing respective increases of 38% and 72% compared to 2023 results. Hydropower revenue in 2024 is projected to reach VND 364 billion, a 2% decline from 2023, while solar power revenue is expected to grow by 6% to VND 856 billion.

Technical view

Trend: Short term correction

- VNINDEX closed at 1,282.3 (+2.51 points, +0.2%), with average liquidity. The market had 189 gainers and 242 losers. The stocks that contributed to the market's gain included VPB, FPT, and TCB, while BID, VCB, and CTG contributed to the market's decline. Most sectors fell, with the telecommunications sector rising the most. Foreigners net sold around VND 991 billion.
- **Technical view:** VN-Index forms a bullish engulfing candlestick pattern with positive momentum concentrated mainly in the VN30 group. However, the index remained unchanged as buying demand was only willing to buy at lower levels. The market was highly differentiated, with some stocks surpassing their peaks such as FPT, DGC, VTP, while the Midcap group was under profit-taking pressure. Currently, the index is still moving around the MA20 indicator and the market needs to re-accumulate before heading towards the 1300 resistance.
- **Strategy**: Investors should observe and can consider buying stocks with good fundamentals that have a tendency to bounce from the support zone.



Scenarios:

- Positive (60%): The market will trade in the 1,300 – 1,340 area.
- Less positive (40%): The market will continue to trade in the 1,260-1,280 area.

Recommended stocks

21/06/2024 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
PTB	Hold	73.2	79.0	69.2	8%	-5.5%	75.4	2	3.01%	19/06/2024	
BSI	Sell	57.6	63.1	56.8	10%	-1.4%	56.8	26	-1.39%	16/05/2024	Restructure the portfolio
SZC	Hold	42.7	46.2	41.2	8%	-3.5%	42.3	13	-1.05%	04/06/2024	
VIB	Hold	22.3	24.2	21.9	8%	-1.8%	22.0	13	-1.35%	04/06/2024	
VHC	Hold	76.4	81.9	73.7	7%	-3.5%	75.1	2	-1.70%	19/06/2024	

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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

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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