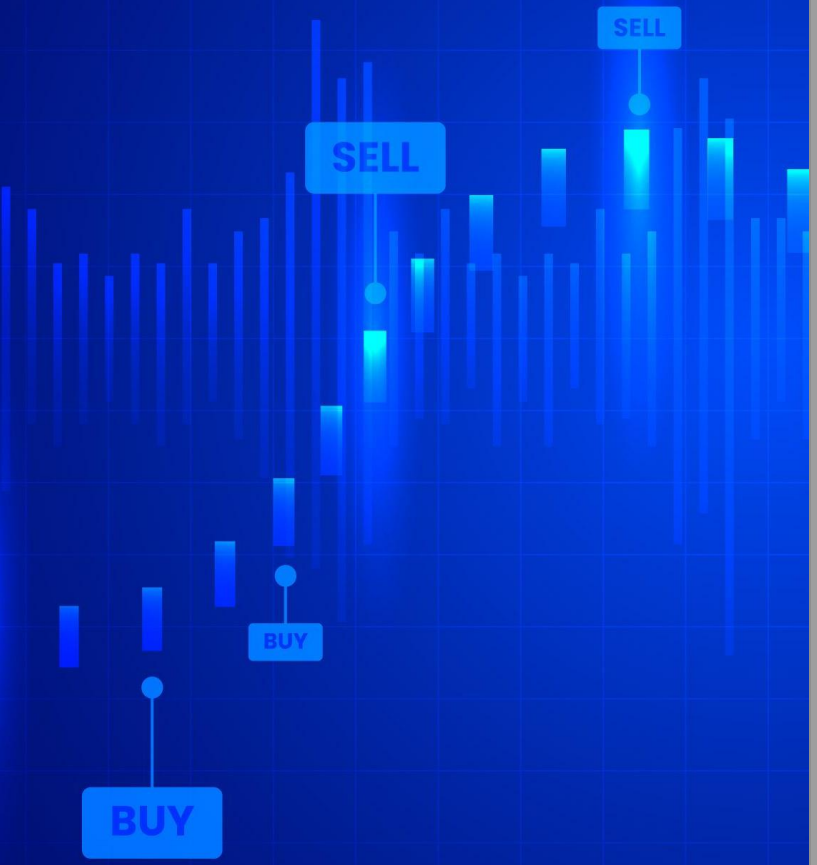
Shinhan Securities




# MORNING CALL

## 24/06/2024

# "Sideways but highly differentiated"

- ❑ World stocks: Waiting for PCE data this weekend
- ❑ Vietnamese stocks: Sideways but highly differentiated
- ❑ Macro news
- ❑ Business news: #ACV, #HVN, #FRT, #PNJ, #VGT, #VNA
- ❑ Technical perspective and updated recommendations #KDH
- ❑ Event calendar
- ❑ Q&A

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Following SSV's Zalo,
Catching the latest report




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# Global Market Review 24/06 - 28/06/2024

## Major stocks market

- Last week, the S&P 500 and Nasdaq Composite reached all-time highs as technology stocks continued to rally despite uncertainties around the economic outlook and Federal Reserve interest rate cuts. Meanwhile, the Dow gained 1.5% last week as traders rotated into more reasonably valued sectors like financials, consumer staples and energy. Investors now look ahead to the Fed-preferred PCE inflation data this week for further guidance.
- European equities closed firmly lower on Friday, capping a relatively volatile week as markets digested a batch of alarming economic data in the Eurozone. The Stoxx 50 closed 0.7% lower at 4,912, while the pan-European Stoxx 600 fell 0.7% to close at 515. PMI data showed that private sector activity in the currency bloc slowed much more than markets expected in June.
- The Nikkei 225 Index rose 0.4% to above 38,700 while the broader Topix Index gained 0.5% to 2,738 on Monday, recouping losses from last week as the yen depreciated toward 160 per dollar, potentially sinking again to over three-decade lows.
- WTI crude futures fell 0.7% to settle at $80.73 per barrel on Friday amid concerns that global oil demand growth could be impacted by a strong U.S. dollar and escalating conflict in the Middle East. This decline came despite signs of improving U.S. oil demand and falling fuel inventories, which pushed crude prices to a seven-week high the previous day.

**Market**

| | Close | %1D | %1M | %1Y |
|---|---|---|---|---|
| VN-Index | 1,282 | -0.02% | 1.59% | 13.52% |
| S&P 500 Index | 5,465 | -0.16% | 3.01% | 25.67% |
| Dow Jones Index | 39,150 | 0.04% | 0.21% | 16.08% |
| GP 100 | 8,238 | -0.42% | -0.96% | 10.40% |
| Nikkei 225 | 38,752 | 0.40% | 0.27% | 18.21% |
| SHCOMP Index | 2,998 | -0.24% | -2.94% | -6.25% |
| STOXX 600 | 515 | -0.73% | -1.05% | 13.68% |
| KOSPI Index | 2,772 | -0.45% | 3.13% | 7.84% |
| Hang Seng | 18,029 | -1.67% | -3.12% | -4.56% |

**Commodity**

| | Close | %1D | %1M | %1Y |
|---|---|---|---|---|
| Brent | 85 | -0.48% | 3.30% | 14.87% |
| WTI | 80 | -0.48% | 3.37% | 16.17% |
| Gasoline | 250 | -0.57% | 0.61% | -0.71% |
| Natural gas | 3 | -0.78% | 6.51% | -1.65% |
| Coal | 132 | -1.38% | -7.04% | 6.36% |
| Gold | 2,323 | 0.04% | -0.47% | 20.78% |
| China HRC | 3,754 | -0.13% | -2.19% | -3.07% |
| Steel rebar | 3,416 | -0.90% | -5.22% | -9.12% |
| BDI index | 1,997 | 0.66% | 11.13% | 61.05% |

**Currency**

| | Close | %1D | %1M | %1Y |
|---|---|---|---|---|
| Dollar Index | 106 | 0.03% | 1.06% | 2.84% |
| USD/VND | 25,455 | 0.00% | 0.06% | -7.55% |
| EUR/USD | 1 | -0.02% | -1.44% | -1.97% |
| USD/JPY | 160 | 0.04% | -1.72% | -10.16% |
| USD/CNY | 7 | -0.01% | -0.32% | -1.12% |
| USD/GPB | 1 | 0.03% | 0.76% | 0.57% |
| USD/KRW | 1,390 | -0.14% | -1.50% | -6.06% |
| USD/AUD | 2 | 0.12% | -0.08% | 0.63% |
| USD/CAD | 1 | -0.07% | -0.26% | -3.99% |

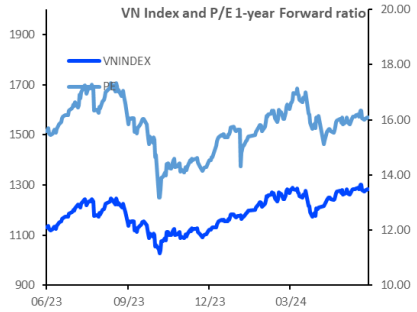
Source: Bloomberg. Shinhan Securities Vietnam

# Vietnam Market Snapshot 21/06/2024

## Market data

| | Close | PE | Change | %1D | Trading volume (mn stocks) | Trading value (VND bn) |
|---|---|---|---|---|---|---|
| VNI NDEX | 1,282.02 | 16.10 | -0.28 | -0.02 | 667 | 18,586 |
| HNX INDEX | 244.36 | 17.45 | 0.39 | 0.16 | 75 | 1,316 |



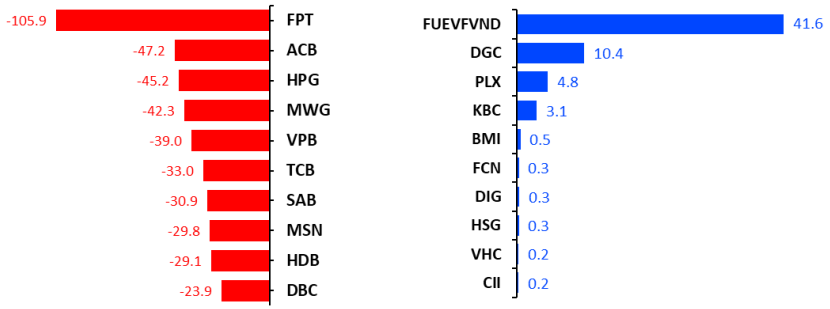

## Money flow and sector rotation (VND bn)

| Sector | %1D | 6/21/2024 | 6/20/2024 | 20-session Average |
|---|---|---|---|---|
| Retail | 57.65 | 834 | 529 | 832 |
| Oil & Gas | 47.74 | 175 | 119 | 237 |
| Utilities | 12.27 | 362 | 322 | 541 |
| Food and Beverage | 10.33 | 1,670 | 1,513 | 1,739 |
| Construction & Materials | 8.66 | 1,017 | 936 | 959 |
| Personal & Household Goods | 6.96 | 426 | 398 | 396 |
| Chemicals | 3.96 | 1,273 | 1,225 | 1,317 |
| Real Estate | 1.00 | 2,650 | 2,624 | 2,820 |
| Travel & Leisure | 0.58 | 401 | 399 | 289 |
| Health Care | -3.7 | 93 | 96 | 51 |
| Financial Services | -5.1 | 1,856 | 1,956 | 2,293 |
| Technology | -16.2 | 1,357 | 1,619 | 1,140 |
| Media | -20.2 | 5 | 6 | 15 |
| Banks | -28.1 | 3,517 | 4,888 | 3,921 |
| Basic Resources | -29.6 | 1,183 | 1,680 | 1,371 |
| Industrial Goods & Services | -32.6 | 1,281 | 1,901 | 1,718 |
| Insurance | -43.6 | 45 | 79 | 84 |
| Automobiles & Parts | -48.4 | 431 | 836 | 355 |

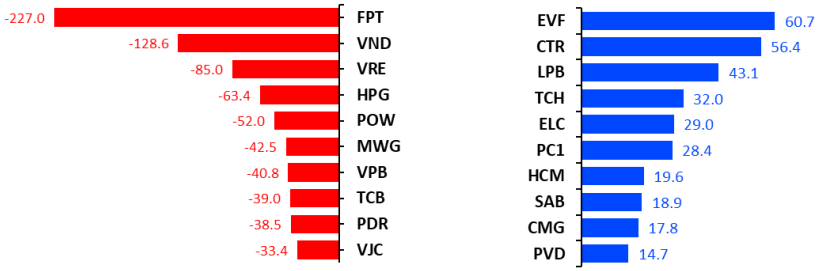
Source: Bloomberg. Shinhan Securities Vietnam

# Vietnam Market Snapshot 21/06/2024

### 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 | (67) | (268) | 363 | (95) |
| Basic Resources | (46) | (84) | 77 | 7 |
| Media | - | (0) | 0 | (0) |
| Industrial Goods & Services | (33) | (2) | (2) | 3 |
| Health care | (5) | (4) | 8 | (4) |
| Chemicals | 5 | (71) | 81 | (9) |
| Financial Services | 20 | (169) | 179 | (10) |
| Travel & Leisure | (13) | (50) | 64 | (14) |
| Banks | (283) | (122) | 386 | (264) |
| Construction & Materials | (3) | 81 | (59) | (22) |
| Food and Beverage | (102) | (75) | 199 | (124) |
| Retail | (59) | (50) | 115 | (65) |
| Utilities | (10) | (49) | 100 | (51) |
| Personal & Household Goods | (23) | (18) | 21 | (3) |
| Technology | (118) | (181) | 331 | (150) |
| Automobiles & Parts | (1) | 37 | (38) | 1 |
| Insurance | 1 | (9) | 8 | 1 |
| Oil & Gas | 4 | 29 | (37) | 8 |
| **Total** | **(735)** | **(1,006)** | **1,797** | **(791)** |

Source: Fiinpro. Shinhan Securities Vietnam

# Breaking News



## Macro

- In its latest evaluation, the US has made positive assessments of Vietnam's monetary and exchange rate policies and has confirmed that the country does not engage in currency manipulation. Accordingly, the bilateral goods trade surplus with the US cannot exceed $15 billion, and the current account surplus cannot exceed 3% of GDP. The third criterion relates to the central bank's net foreign exchange purchases over 12 months. If a country violates two of these three criteria, it will be placed on the "watch list". Currently, Japan, Taiwan, Vietnam, and Germany all violate the criteria of having a trade surplus with the US and a current account surplus exceeding 3% of GDP.

- Prime Minister: Oil, gas and energy cooperation is an important pillar of Vietnam - Russia economic cooperation. Emphasizing that oil, gas and energy cooperation is an important pillar of Vietnam - Russia economic cooperation, the Prime Minister proposed that the two sides coordinate closely and find timely solutions to quickly remove difficulties to improve efficiency. results of cooperative oil and gas exploration and exploitation projects, affirming that Vietnam is ready to create favorable conditions for the operations of Vietsovpetro Joint Venture as well as Russian oil and gas enterprises such as Zarubezhneft and Gazprom to expand their operations in Vietnam.

- For the past several days, the price of raw pangasius catfish in Dong Thap province has remained low, causing many farmers to suffer losses. According to many pangasius catfish farmers in Chau Thanh district, the current price of raw pangasius catfish is 26,500 dong - 27,200 dong per kg, down 500 dong per kg compared to the previous month. The price of pangasius catfish has decreased due to slow consumption in importing countries. Farmers hope that the pangasius catfish market will have positive changes in the near future so that they can continue to re-produce

# Breaking News



## Business news

- **ACV:** Long Thanh International Airport project exceeds progress after 9 months of constructionTwo packages of the Long Thanh International Airport project have exceeded their progress targets: the passenger terminal is 10 days ahead of schedule, and the runway (No. 1) is 2 months ahead of schedule. The runway is expected to be ready for technical exploitation by the end of April 2025. After 9 months since construction began, the pile foundation of the passenger terminal has been completed, and the drainage subgrade work has also been basically completed.

- **HVN:** Projected for 2024, HVN expects to transport 22.64 million passengers, an increase of 7.6% over the same period and 99% compared to 2019. Of which, international passenger traffic will reach 7.64 million passengers (including charter flights), an increase of 120.2% over the same period and 84.4% compared to 2019. Domestic passenger traffic will reach 15 million passengers, an increase of 2.2% over the same period and 8.7% compared to 2019. Vietnam Airlines has a strong foundation to fulfill its business plan for 2024, as in the first quarter, HVN recorded net revenue of VND 27,964 billion, an increase of 19% compared to the first quarter of 2023. Along with VND 3,030 billion in income from debt cancellation, Vietnam Airlines' pre-tax profit in the first three months of the year reached VND 4,528 billion, much higher than the profit of VND 19.3 billion in the first quarter of 2023.

- **FRT:** FPT Digital's Deputy General Director believes that the secret to expanding to 1,600 stores and making Long Chau the leading pharmacy chain in Vietnam lies in digital transformation. The company recognized that consumer trends were changing in the wake of the COVID-19 pandemic. Consumers are changing the way they shop, seeking convenience and unique shopping experiences, and demanding sustainable products. This challenge requires businesses to optimize their sales processes.

# Breaking News



## Business news

- **PNJ:** Phú Nhuận Jewelry Joint Stock Company (HOSE: PNJ) has just announced its consolidated business results for the first 5 months of 2024, with net revenue and after-tax profit reaching VND 19,547 billion and VND 1,051 billion, respectively.In the revenue structure for the first 5 months of the year, the retail jewelry segment grew by 13% compared to the same period last year, thanks to flexible business strategies and efforts to launch new collections that meet customer tastes. At the same time, PNJ has successfully implemented many effective marketing campaigns and sales programs, increasing new customers and strengthening the return rate of old customers. Wholesale jewelry revenue in the 5 months also increased by more than 16% compared to the same period.

- **VGT:** In the context of a volatile market, businesses in Vinatex's system have made many improvements in production and business activities. Most garment enterprises have had enough production orders until the end of the third quarter. 2024 and continue to negotiate and sign for the fourth quarter of 2024 (peak production season for Christmas and New Year orders).

- **VNA**: After 13 years of not receiving dividends, Vinaship shareholders are about to receive a 70% bonus stock dividend, and the stock price has skyrocketed to the ceiling. Recently, Vinaship successfully sold the Vinaship Star ship with a deadweight of 23,949 DWT built in Japan in 1996. The ship sales contract was signed on May 6, 2024. The ship was handed over to the buyer at Vung Tau anchorage on June 12. In terms of business results, in the first quarter of 2024, Vinaship recorded revenue of VND 34 billion, down 25% from the same period last year, and after-tax profit of over VND 274 million, down 70% from the same period last year.

# Technical view

## Trend: Short term correction

- The VNINDEX closed at 1,282.02 (-0.28 points, -0.02%), with liquidity decreasing. The market had 185 gainers and 234 losers. The stocks that contributed to the market's gain included LPB, FPT, and GVR, while TCB, HPG, and HDB contributed to the market's decline. Foreign investors net sold approximately VND 1,005 billion.
- **Technical view:** VN-Index closes with a doji candlestick, indicating a balanced supply and demand situation. The market is still under selling pressure but there is some differentiation. Industry groups take turns leading the index and VN-Index continues to trade in a tight sideway range around the MA20. The market needs to continue to accumulate before breaking through 1,300 more convincingly. Support 1 corresponding to the zone 1,280 - EMA 20 still plays a good role in supporting prices, support 2 is the zone 1,260 corresponding to EMA 50.
- **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

24/06/2024 9:00 AM

Unit: VND thousand

## Today's watchlist

| | Recommendation | Buying price (+/- 1%) | Target | Cut loss | Upside | Downside | Current price | Signals | Note |
|---|---|---|---|---|---|---|---|---|---|
| KDH | Buy | 37.3 | 39.7 | 36.3 | 6% | -2.7% | 37.5 | Strong accumulation at price 37 | |

## 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% | 75.1 | 3 | 2.60% | 19/06/2024 | |
| SZC | Hold | 42.7 | 46.2 | 41.2 | 8% | -3.5% | 42.9 | 14 | 0.47% | 04/06/2024 | |
| VIB | Hold | 22.3 | 24.2 | 21.9 | 8% | -1.8% | 21.8 | 14 | -2.24% | 04/06/2024 | |
| VHC | Hold | 76.4 | 81.9 | 73.5 | 7% | -3.8% | 73.8 | 3 | -3.40% | 19/06/2024 | Ready to sell when hit the stoploss |

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# Economic calendar

## June 2024

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

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# Q&A

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