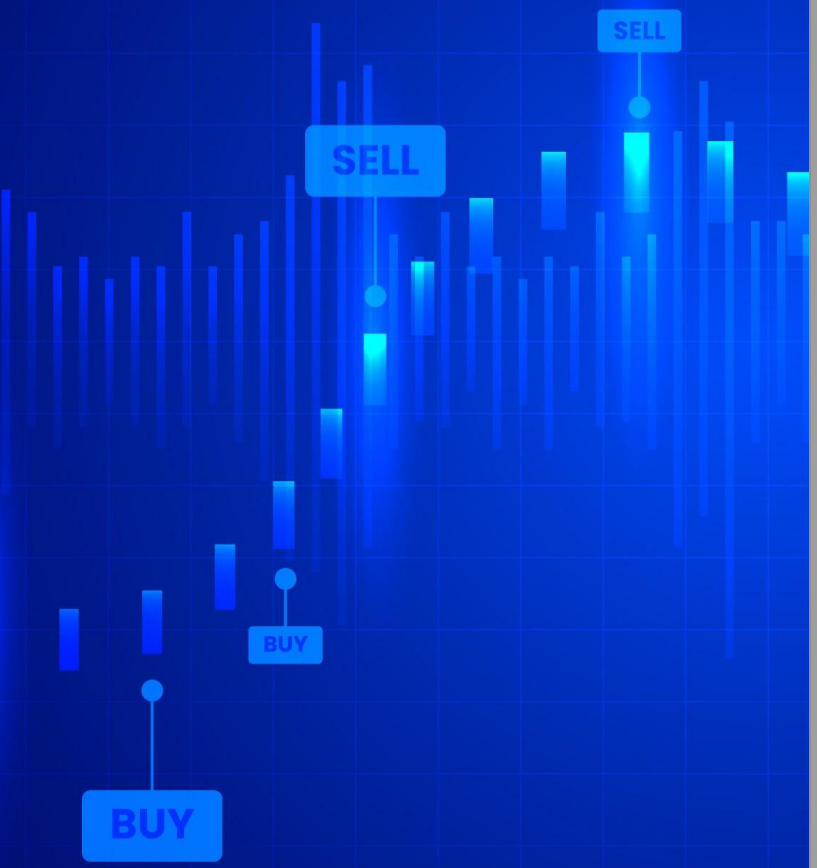


MORNING CALL

28/06/2024

"Pervasive pessimism, sluggish liquidity"

- ❑ World stocks: Maintain a stable recovery trend
- ❑ Vietnamese stocks: Pervasive pessimism, Sluggish liquidity
- ❑ Macro news
- ❑ Business news: #BCM, #TNH, #HVN, #CII, #DGC, #VHC
- ❑ Technical perspective and updated recommendations #HPG
- ❑ Event calendar
- ❑ Q&A

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Following SSV's Zalo,
Catching the latest report



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Shinhan Securities

Global Market Review 24/06 – 28/06/2024

Major stocks market

- In regular trading on Thursday, the S&P 500 and Nasdaq Composite rose 0.09% and 0.3%, respectively, extending gains for a third day. The Dow also edged up 0.09% for its second winning day. Those moves came as bond yields retreated after fresh data pointed to a continued slowdown in economic activity, bolstering rate cut bets. Initial claims fell for a second week but continuing claims rose to 2021-highs, suggesting a cool down in the labor market. GDP growth however, was revised slightly higher to 1.4% from 1.3%.
- European stocks closed lower for the third session on Thursday, remaining under pressure from muted risk sentiment ahead of the key US PCE report and inflation figures for major Eurozone members due tomorrow, followed by the French parliamentary elections over the weekend. The Eurozone's Stoxx 50 dropped 0.3% to 4,900, and the pan-European Stoxx 600 lost 0.4% to close at 513.
- The Nikkei 225 Index fell 0.82% to close at 39,341 while the broader Topix Index lost 0.33% to 2,794 on Thursday, with Japanese shares retreating from three-month highs as investors reassessed the outlook for Bank of Japan monetary policy in light of a sharp yen depreciation which sank to a 38-year low. Industrial production in Japan grew by 2.8% month-over-month in May 2024, beating market forecasts of 2.0% while shifting from a 0.9% fall in the prior month, flash data showed
- WTI crude oil futures rose to around $81.7 per barrel on Thursday, nearing a two-month high as supply concerns due to escalating conflict in the Middle East outweighed a surprise increase in US stockpiles.

Market

	Close	%1D	%1M	%1Y
VN-Index	1,259	-0.17%	-1.77%	10.61%
S&P 500 Index	5,483	0.09%	3.33%	25.27%
Dow Jones Index	39,164	0.09%	0.80%	15.69%
GP 100	8,180	-0.55%	-0.90%	9.06%
Nikkei 225	39,713	0.95%	2.21%	19.64%
SHCOMP Index	2,946	-0.90%	-5.27%	-7.64%
STOXX 600	513	-0.43%	-1.25%	12.40%
KOSPI Index	2,784	0.01%	2.25%	8.58%
Hang Seng	17,716	-2.06%	-5.87%	-7.59%

Commodity

	Close	%1D	%1M	%1Y
Brent	87	0.23%	2.81%	16.97%
WTI	82	0.35%	2.76%	17.93%
Gasoline	255	0.29%	1.75%	-1.94%
Natural gas	3	0.63%	4.32%	3.80%
Coal	133	0.57%	-7.04%	3.79%
Gold	2,320	-0.33%	-1.75%	21.64%
China HRC	3,717	0.41%	-3.38%	-3.23%
Steel rebar	3,338	-0.98%	-6.58%	-11.15%
BDI index	2,031	3.41%	13.85%	78.47%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	106	0.11%	1.35%	3.03%
USD/VND	25,458	-0.01%	-0.02%	-7.49%
EUR/USD	1	-0.09%	-1.50%	-2.01%
USD/JPY	161	-0.17%	-2.40%	-10.28%
USD/CNY	7	-0.03%	-0.33%	-0.61%
USD/GPB	1	0.09%	1.06%	0.06%
USD/KRW	1,388	-0.13%	-2.12%	-5.78%
USD/AUD	2	0.29%	0.34%	-0.41%
USD/CAD	1	-0.18%	-0.58%	-3.41%

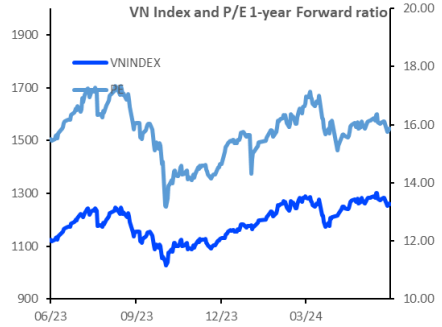
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 27/06/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,261.24	15.85	4.68	0.37	544	15,015
HNX INDEX	239.68	17.12	-0.51	-0.21	52	994





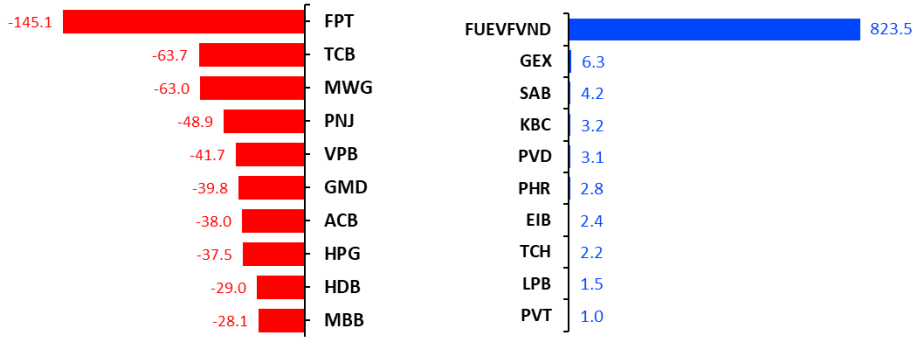
Money flow and sector rotation (VND bn)

Sector	%1D	6/27/2024	6/26/2024	20-session Average
Insurance	335.75	184	42	77
Real Estate	7.41	1,852	1,725	2,667
Personal & Household Goods	3.93	300	288	388
Construction & Materials	3.60	658	635	912
Retail	-1.2	664	672	796
Travel & Leisure	-2.1	216	220	292
Technology	-11.2	974	1,098	1,264
Banks	-17.4	2,271	2,750	3,846
Food and Beverage	-24.3	902	1,192	1,643
Utilities	-24.7	371	493	490
Chemicals	-30.8	921	1,330	1,291
Financial Services	-34.1	891	1,353	2,126
Industrial Goods & Services	-38.6	754	1,228	1,668
Basic Resources	-40.5	746	1,252	1,436
Automobiles & Parts	-42.4	264	458	367
Health Care	-48.8	31	61	57
Oil & Gas	-52.2	82	171	209
Media	-75.0	3	12	15

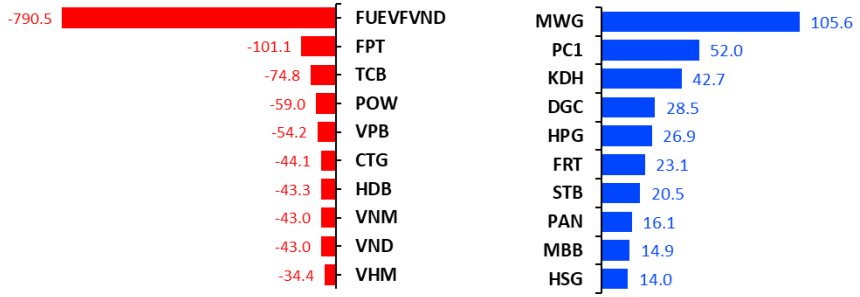
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 27/06/2024

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	(66)	(33)	104	(71)
Basic Resources	(37)	32	(1)	(31)
Media	-	(0)	1	(1)
Industrial Goods & Services	(53)	3	(91)	89
Health care	-	(3)	3	0
Chemicals	2	19	(86)	67
Financial Services	791	(853)	48	806
Travel & Leisure	(11)	(5)	19	(15)
Banks	(283)	(212)	366	(154)
Construction & Materials	(10)	36	(6)	(30)
Food and Beverage	(39)	(62)	106	(44)
Retail	(73)	140	(15)	(125)
Utilities	(9)	(78)	33	45
Personal & Household Goods	(49)	3	29	(33)
Technology	(145)	(109)	330	(221)
Automobiles & Parts	(3)	(14)	10	3
Insurance	(5)	16	(5)	(11)
Oil & Gas	3	(21)	17	5
Total	**15**	**(1,142)**	**861**	**281**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- The Government has proposed to the National Assembly to allow the use of more than VND 18,000 billion from the source of increased budget revenue for 14 national key transport projects, construction of key highways, and transport projects... Under the authority of the National Assembly, VND 18,220 billion is expected to be allocated from the source of increased budget revenue in 2023 for 14 projects that need to be reported to the National Assembly to supplement the investment plan for the medium-term public investment period 2021-2025 from the common reserve fund corresponding to the increased budget revenue in 2023.
- National Assembly Delegate: Absolutely do not put prescription drugs on the list of goods distributed through e-commerce. Concerned about the potential risks of selling drugs online, especially counterfeit drugs and drugs of poor quality, delegates proposed that the need to consider and have stricter, more cautious and stringent regulations for this new business model. On the other hand, the situation of counterfeit goods being sold on the internet is currently very complicated, especially for pharmaceuticals. According to statistics, 80-90% of counterfeit goods are bought and sold online. This is a challenge for law enforcement because it is already difficult to handle in the real world, and it is even more difficult to detect and handle violations in cyberspace.
- Unify Principles for Handling Projects Where Land Prices Have Not Been DeterminedUnder the new regulations, land prices will be calculated by multiplying the land price table issued by the provincial People's Committee in effect at the time of actual land handover with the corresponding land price adjustment coefficient. Regarding the principle of exemption or reduction of land use fees and land rent for investment projects, there are opinions that it is necessary to clarify "what is exemption and what is reduction", thereby identifying cases where land is granted or leased without auction or bidding, ensuring compatibility with the provisions of investment laws. The Ministry of Natural Resources and Environment and the Ministry of Construction will work together to unify the mechanism for monitoring and updating the "address number" of the land plot and assets attached to the land in real time.

Breaking News



Business news

- **BCM**: BCM aims to mobilize at least VND 33 trillion for the 2024-2025 period to serve the production and business investment needs of the Corporation. State-contributed capital ensures that it holds more than 65% of the charter capital. In addition, the goal is to be one of the 10 state-owned enterprises with a market capitalization of over USD 5 billion according to the Government's Resolution. BCM's stock market capitalization is expected to reach USD 7.1 billion in 2025 and USD 10.8 billion in 2026. Becamex IDC's 2024 target is cautious with total revenue of VND 9,000 billion, after-tax profit of VND 2,350 billion, up slightly by 2% and 3% compared to the results of 2023. The company also plans to distribute dividends in 2024 at a rate of 10%.
- **TNH:** As per the decision, Thai Nguyen International Hospital will proceed with the investment and implementation of the TNH Specialized Oncology Multidisciplinary Hospital Project in Da Nang City. Thai Nguyen International Hospital has presented to shareholders a revenue plan of VND 540 billion and after-tax profit of VND 155 billion, an increase of 15% and 3%, respectively, compared to the previous year. With the above plan, it is expected that the hospital will receive about 527,302 patients. Another important content is that the company's Board of Directors wants the General Meeting of Shareholders to consider and approve a plan to change the maximum foreign ownership ratio to 70%.
- **HVN**: Vietnam Airlines still faces a serious aircraft shortage. The causes of the aircraft shortage are disruptions in the global supply chain, strict control over the major aircraft manufacturer Boeing, and the recall of Pratt & Whitney engines on A321, 320 NEO aircraft. More than 1,500 aircraft worldwide have been affected by the recall order, of which 340 have been grounded. For Vietnam Airlines, the airline has 11 aircraft with recalled engines and is expected to ground 6 more by the end of the year.

Breaking News



Business news

- **CII:** Interest expenses increased by 30%, CII's real estate revenue halved again. CII recorded a nearly 50% drop in real estate revenue. The company has also just continued to buy back shares in NBB from its subsidiary. CII continues to increase its ownership in NBB.In CII's revenue structure, revenue from toll collection activities nearly doubled, reaching VND 678.9 billion. Meanwhile, revenue from real estate business continued to plummet by nearly half, to only VND 171.7 billion. Financial revenue surged to VND 532.3 billion, representing an increase of 145%. This surge in financial revenue is due to the recognition of valuation gains on investments in associates of VND 430.3 billion.

- **DGC**: The Duc Giang - Nghi Son Chemical Complex project of Duc Giang Chemicals Group (stock code DGC) is currently facing some difficulties that may cause the start date to be delayed to the fourth quarter of 2024, instead of June 2024 as initially planned. So far, the project still has some difficulties in completing the fire prevention and fighting dossier. The project belongs to industrial zone No. 15, but currently this zone has not yet been approved for the 1/2000 scale construction zoning plan, so there is no connection and drainage position close to the project boundary. Therefore,

- **VHC:** The cost of fingerlings and seafood feed in the first 5 months of this year has tended to decrease, down an average of 6% and 8% respectively compared to the same period in 2023. This has boosted Vinh Hoan Seafood's gross profit margin. Besides the recovery of the tra fish segment, Vinh Hoan Seafood's growth momentum in the coming time will also come from efforts to diversify the product structure. Specifically, the company is planning to promote development capacity in the Collagen and Gelatin (C&G) segment and miscellaneous product lines, which are currently contributing 8% and 17% to total revenue, respectively.

Technical view

Trend: Accumulation

- VNINDEX closed at 1,259 points (-2.15 points, -0.17%), liquidity low. The market had 175 green stocks and 214 red stocks. Groups of stocks that contributed to the market's growth included FPT MWG and BVH, while TCB BID and PLX contributed to the market's decline. Most industry groups declined, with the oil and gas group declining the most. Foreign investors sold net around VND 1143 billion.
- **Technical view:** VN-Index is consolidating tightly within a narrow range and absorbing selling pressure at the 1250 level with low liquidity, indicating that selling pressure has somewhat eased at present. However, the current recovery will lead to significant divergence as capital continuously rotates between industry groups, with a focus on real estate today. In a positive scenario, VN-Index needs to hold the important support level of 1250 and trade with thin liquidity to confirm a bottom before returning to the resistance zone of 1300.
- **Strategy**: Investors should monitor and process violating stocks. In addition, stocks that still hold the EMA 50 and have buy signals will be good choices for the next uptrend.



Scenarios:

- Positive: The market is expected to trade in the 1,300 - 1,340 area.
- Base: The market is expected to trade 1,250-1,280
- Negative: The market continues to trade in the 1,200-1,220 range

Recommended stocks

28/06/2024 9:00 AM

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals	Note
HPG	Buy	28.8	31.0	28.1	8%	-2.4%	28.9	Increase from the EMA 50	

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%	72.1	7	-1.50%	19/06/2024	
KDH	Hold	37.3	39.7	36.3	6%	-2.7%	37.5	7	0.54%	19/06/2024	
CTD	Hold	73.1	77.9	71.4	7%	-2.3%	72.7	1	-0.55%	27/06/2024	
BFC	Hold	38.6	42.2	36.7	9%	-4.9%	38.1	1	-1.42%	27/06/2024	

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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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