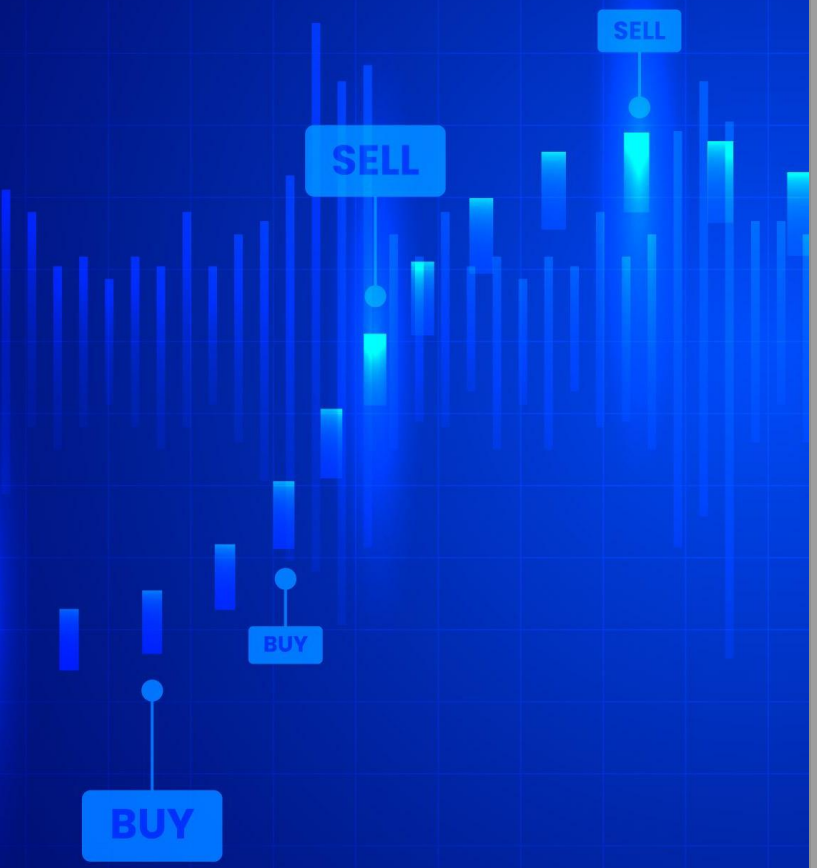
Shinhan Securities



MORNING CALL

22/07/2024

"Trading sideways around 1,250-1,280"

- ❑ World stocks: Concerns about potential trade barriers from the US
- ❑ Vietnamese stocks: Trading sideways around 1,250-1,280
- ❑ Macro news
- ❑ Business news: #DLG, #VND, #VPBankS, #CTD, #BAF, #HNA
- ❑ 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 22/07 - 26/07/2024

Major stocks market

- Last week, the S&P 500 and Nasdaq Composite tumbled 1.97% and 3.65%, respectively. Meanwhile, the Dow edged up 0.72% and the small-cap focus Russell 2000 gained 1.7%. Those moves came as investors rotated out of mega-cap technology names into smaller cap stocks. Traders also adjusted portfolios ahead of an expected interest rate cut from the Federal Reserve in September.
- The Eurozone's Stoxx 50 slipped 0.9% to close at 4,823, marking a 4.3% plunge on the week. The pan-European Stoxx 600 lost 0.8% to close at 510, a 2.7% decline on the week. European stocks closed firmly lower on Friday, marking their fifth consecutive session of losses, the longest streak since October 2023 amid sustained pressure from potential trade barriers by the United States as traders assessed the impact of a global tech outage caused by issues from Crowdstrike that hampered Microsoft products.
- The Nikkei 225 Index fell 1% to below 39,700 while the broader Topix Index dropped 1% to 2,833 on Monday, with both benchmarks hitting their lowest levels in three weeks as investors digested news that US President Joe Biden dropped out of the 2024 race and endorsed Vice President Kamala Harris as the Democratic nominee
- WTI crude futures slid 3.2% to settle at $80.13 per barrel on Friday, and marked the second consecutive weekly loss, down 2.5%.

Market	Close	%1D	%1M	%1Y
VN-Index	1,265	-0.76%	-1.34%	6.65%
S&P 500 Index	5,505	-0.71%	0.74%	21.35%
Dow Jones Index	40,288	-0.93%	2.90%	14.36%
GP 100	8,156	-0.60%	-1.00%	6.42%
Nikkei 225	39,629	-1.08%	2.68%	22.68%
SHCOMP Index	2,982	0.17%	-0.53%	-5.85%
STOXX 600	510	-0.77%	-0.99%	9.59%
KOSPI Index	2,763	-1.15%	-0.75%	5.89%
Hang Seng	17,465	0.27%	-3.12%	-8.44%

Commodity	Close	%1D	%1M	%1Y
Brent	83	0.44%	-2.64%	2.37%
WTI	80	0.45%	-0.30%	4.44%
Gasoline	245	0.11%	-2.41%	-12.44%
Natural gas	2	1.41%	-20.22%	-20.46%
Coal	135	0.07%	0.75%	2.35%
Gold	2,410	0.40%	3.25%	23.32%
China HRC	3,635	-0.05%	-3.40%	-6.22%
Steel rebar	3,228	-0.62%	-6.35%	-13.85%
BDI Index	1,902	-0.52%	-4.76%	94.48%

Currency	Close	%1D	%1M	%1Y
Dollar Index	104	-0.12%	-1.44%	3.17%
USD/VND	25,327	0.02%	0.51%	-6.51%
EUR/USD	1	0.11%	1.50%	-1.54%
USD/JPY	157	0.01%	1.37%	-10.15%
USD/CNY	7	-0.02%	-0.17%	-1.16%
USD/GPB	1	-0.09%	-1.85%	-0.74%
USD/KRW	1,389	0.14%	0.03%	-7.83%
USD/AUD	1	-0.05%	-0.47%	0.76%
USD/CAD	1	0.10%	-0.43%	-4.00%

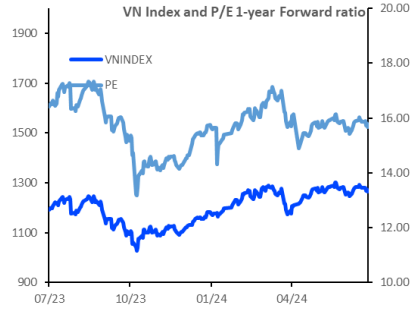
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 19/07/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,264.78	15.68	-9.66	-0.76	680	17,113
HNX INDEX	240.52	17.18	-1.97	-0.81	68	1,193





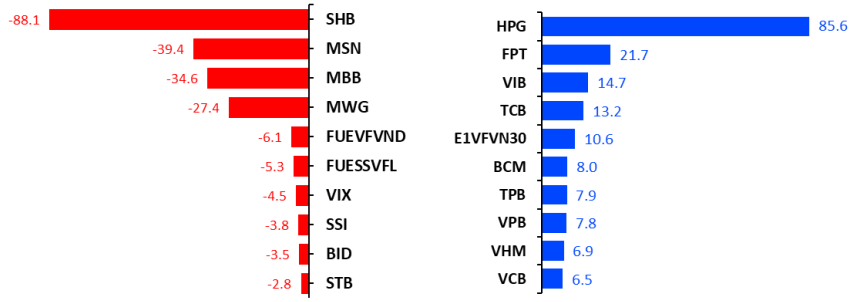
Money flow and sector rotation (VND bn)

Sector	%1D	7/19/2024	7/18/2024	20-session Average
Financial Services	84.04	2,338	1,270	1,394
Retail	70.80	1,271	744	852
Banks	46.35	5,096	3,482	3,141
Insurance	16.96	58	49	73
Utilities	15.39	503	436	409
Real Estate	-11.0	1,922	2,160	2,319
Food and Beverage	-15.6	1,156	1,369	1,248
Industrial Goods & Services	-16.0	893	1,062	1,215
Construction & Materials	-19.0	552	681	707
Oil & Gas	-24.7	170	226	190
Personal & Household Goods	-25.6	221	298	328
Chemicals	-28.3	694	969	1,128
Media	-32.0	29	43	17
Travel & Leisure	-35.6	234	364	275
Automobiles & Parts	-36.1	222	347	334
Basic Resources	-38.4	736	1,194	1,183
Technology	-40.1	918	1,532	1,138
Health Care	-43.1	74	130	80

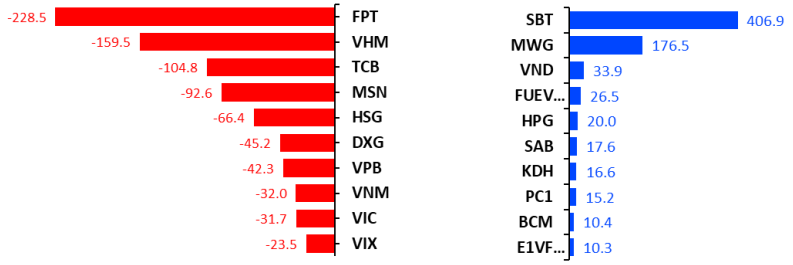
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 19/07/2024

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	21	(239)	250	(11)
Basic Resources	89	(63)	47	16
Media	-	(2)	2	0
Industrial Goods & Services	13	(49)	41	7
Health care	-	0	(1)	1
Chemicals	(3)	(34)	63	(29)
Financial Services	(13)	34	13	(47)
Travel & Leisure	(0)	(12)	29	(17)
Banks	(69)	(215)	282	(67)
Construction & Materials	0	3	3	(6)
Food and Beverage	(32)	296	(256)	(39)
Retail	(29)	193	(36)	(157)
Utilities	1	(3)	(10)	13
Personal & Household Goods	(1)	(5)	(4)	8
Technology	22	(234)	232	1
Automobiles & Parts	(0)	(5)	(0)	6
Insurance	(0)	(1)	9	(8)
Oil & Gas	(0)	(28)	25	3
Total	**(2)**	**(364)**	**687**	**(323)**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- General Secretary Nguyễn Phú Trọng has passed away. General Secretary of the Central Committee of the Communist Party of Vietnam Nguyễn Phú Trọng passed away at 1:38 pm on July 19, 2024, due to old age and illness, at the age of 80. According to the Professional Council for the Health Protection of Central Cadres, General Secretary Nguyen Phu Trong passed away at Central Military Hospital 108 after a period of illness, despite receiving treatment from the Party, the State, and a collective of professors and doctors. The doctor... dedicatedly treated him, and his family wholeheartedly took care of him.
- Vietnam's iron and steel imports increased to a record. In the first 6 months of the year, Vietnam imported more than 8.2 million tons of iron and steel, equivalent to more than 5.9 billion USD, up 48% in volume and 25% in value compared to the same period last year. According to statistics from the General Department of Customs, iron and steel imports to Vietnam in June reached more than 1.2 million tons with a value of more than 934 million USD, down 17% in volume and down 17.3% in value compared to the previous month.
- The USD exchange rate today (July 22), on the free market, dropped sharply compared to the previous session. Commercial banks list equal buying and selling prices for USD. The average exchange rate is 24,246 VND. The USD exchange rate on the free market this morning suddenly dropped sharply compared to the previous session. In the Hanoi market, at 6:27 a.m., the USD traded (buying - selling) was around 25,604 - 25,674 VND/USD, down sharply by 58 VND/USD on the buying side and down 11 VND/USD on the selling side compared to with the previous trading session.

Breaking News



Business news

- **DLG**: DLG was asked to open bankruptcy proceedings again. The People's Court of Gia Lai province issued notice No. 01/PS-TBTA dated July 12 accepting a request to open bankruptcy procedures for Duc Long Gia Lai Group Joint Stock Company (HOSE: DLG) at the request of the Company. CP Lilama 45.3. Previously, in July 2023, Lilama 45.3 also filed a request to open bankruptcy proceedings for Duc Long Gia Lai and the People's Court of Gia Lai province issued a decision to open bankruptcy proceedings No. 01/2023/QD-MTTPS .
- **VND:** VNDIRECT has the lowest profit quarter in a year, self-trading is losing 40% per rice share. VNDIRECT Securities Joint Stock Company (HOSE: VND) has just announced the results of the second quarter of 2024, with the lowest net profit in the past 1 year reaching 345 billion VND, down 18% over the same period. Stock investment portfolio as of June 30, 2024, temporarily recorded profits with codes HSG, HPG, ACB, on the contrary, suffered losses with LTG, VPB, STB and C4G.
- **VPBankS**: VPBankS holds more than 10 trillion VND in bonds, with a second quarter profit of more than 250 billion. VPBank Securities Joint Stock Company (VPBankS) said that because market interest rates decreased over the same period, financial asset profits decreased. This reason causes net profit in the second quarter of 2024 to decrease to 254 billion VND. According to the financial statements of the second quarter of 2024, VPBankS's operating revenue reached nearly 647 billion VND, an increase of 36% over the same period. The strongest growth was in the brokerage segment, recording revenue of more than 66 billion VND, an increase of 224%; followed by depository revenue growth at 145%, worth nearly 7 billion VND.

Breaking News



Business news

- **CTD:** On July 20, Coteccons Construction Joint Stock Company (HOSE: CTD) issued a statement regarding the arbitration ruling on the dispute with partner BOHO DECOR Co., Ltd. (Boho). Specifically, before 2020, Coteccons and Boho had signed and implemented contracts. In particular, Boho plays a role as a subcontractor for Coteccons in designing, supplying and completing interior construction at construction investment projects.

- **BAF**: According to the announcement of the results of the offering of common shares to existing shareholders, BAF Vietnam Agriculture Joint Stock Company (HOSE: BAF) said it has distributed nearly 99% of the issued shares, and also successfully processed the amount of shares issued. Small shares are not fully distributed. Specifically, BAF offered to sell more than 68.4 million common shares at a price of 10,000 VND/share, 47% lower than the market price on July 19 (19,000 VND/share). These shares are offered for sale by exercising the right to buy, with a ratio of 1:0.476767, equivalent to shareholders owning 10 shares being able to buy nearly 4.8 new shares.

- **HNA:** Hua Na Hydropower Joint Stock Company (code HNA) has just announced its second quarter financial statements with net revenue reaching 103 billion VND, up 16% over the same period last year. HNA said that in the second quarter, the average water flow to the lake reached 18.93 m3/s, equal to 55.13% compared to the same period in 2023 (34.34 m3/s), but the electricity output in the second quarter of this year reached 82.33 million kWh, 1.6 million kWh higher than the same period last year, helping to increase revenue.

Technical view

Trend: Support zone 1,250-1,260 points

- VNINDEX closed at 1,264.78 (-9.66 points, -0.76%), liquidity decreased significantly compared to the previous session. The market has 126 green codes and 324 red codes. The group of stocks contributing to the market's uptrend includes MBB, VHM and ACB, whereas GVR, BID and HVN contributed to the market's downtrend. Most industry groups were in the red in the weekend session. Foreign investors net sold about 363 billion VND.
- **Technical view:** VNINDEX had a down trading week with higher than average liquidity. On the weekly chart, VNINDEX closed at 1,264 (-15.97 points, -1.25%). Foreign investors showed signs of bottom-fishing in some sessions when prices fell to low areas. The banking group increased prices well to support the market, while the real estate group was sold strongly. Thus, VNINDEX failed three times to conquer the 1,300 point area, then violated EMA 50 and showed signs of returning to the 1,250 area to continue testing demand again. In general, over the past 5 months, the market has still traded in the 1,250 – 1,300 range.
- **Strategy**: Short-trading investors can consider lowering the proportion of stocks to ensure safety. Wait for a buy signal when VN-Index returns to EMA50 or bounces up from the support level of 1,250 points. With the strategy of holding according to the trend, investors can continue to hold and wait for a complete break of 1,300 to increase their proportion.



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

19/07/2024 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	72.9	74.0	69.7	2%	-4.4%	72.3	22	-0.82%	19/06/2024	
TIP	Hold	25.7	27.0	24.6	5%	-4.3%	26.0	5	1.17%	12/07/2024	
HPG	Hold	28.8	31.0	28.1	8%	-2.4%	28.4	15	-1.39%	28/06/2024	
MSB	Hold	14.6	15.7	14.1	8%	-3.4%	14.8	12	1.03%	03/07/2024	
PNJ	Hold	94.6	101.0	93.1	7%	-1.6%	96.0	11	1.48%	04/07/2024	

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Economic calendar

July 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
30	1 US ISM Manufacturing PMI JUN	2 _ Fed Chair Powell Speech _ US JOLTs Job Openings MAY	3 US ISM Services PMI JUN	4 FOMC Minutes	5 US Non Farm Payrolls JUN US Unemployment Rate JUN	6
7	8	9 Fed Chair Powell Testimony	10	11 _ US Core Inflation Rate MoM YoY JUN _ US Inflation Rate MoM YoY JUN	12	13
14	15 China GDP Growth Rate YoY Q2	16 US Retail Sales MoM JUN	17	18	19	20
21	22 Announcement of stock composition in VN30	23	24	25 _ VN Futures contract maturity in July (VN30) _ US Durable Goods Orders MoM JUN	26 US Core PCE Price Index MoM JUN	27
28	29 Announcement of Vietnam's economic data for July	30 US JOLTs Job Openings JUN	31	1	2	3

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Q&A

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