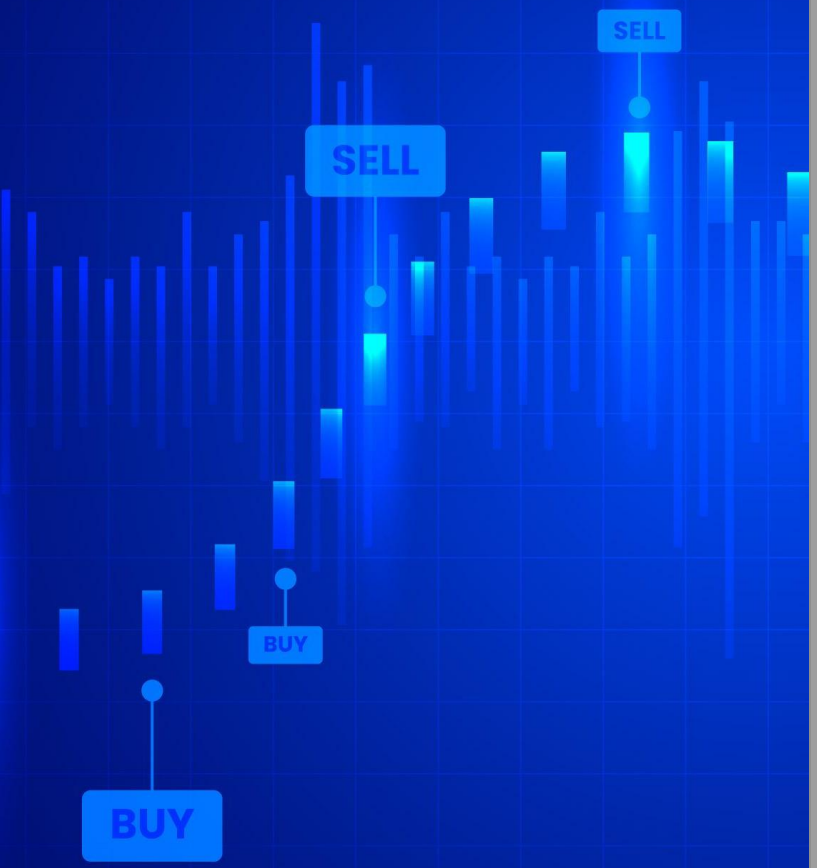
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MORNING CALL

02/08/2024

"Lost the recovery momentum"

- ❑ World stocks: DJI dropped nearly 500 points
- ❑ Vietnamese stocks: Lost the recovery momentum
- ❑ Macro news
- ❑ Business news: #HPG, #SIP, #OIL, #PLX, #DPM, #VSC
- ❑ 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 29/07 - 02/08/2024

Major stocks market

- In regular trading on Thursday, the Dow fell 1.21%, the S&P 500 dropped 1.37% and the Nasdaq Composite tumbled 2.3% as the latest US manufacturing and labor market data raised concerns about the economy's health. Those losses also came even after the Federal Reserve signaled an impending reduction in borrowing costs on Wednesday.
- European stocks sharply closed lower on Thursday, trimming the gains from the two prior sessions as markets parsed the latest corporate results and the Federal Reserve's policy decision from after yesterday's closing bell. The Eurozone's Stoxx 50 slumped 2.2% to 4,760 and the pan-European Stoxx 600 fell 1.3% to close at 511. DHL and Safran plummeted 7% and 5%, respectively, to set the pace for industrials after delivering disappointing corporate results
- The Nikkei 225 Index sank as much as 5% to below 36,500 on Friday, hitting its lowest levels in nearly six months as investors sold off Japanese equities following a hawkish shift in Bank of Japan monetary policy. The broader Topix Index also tumbled 4.8% to 2,573, the lowest since February
- WTI crude futures pared early gains and fell about 1% to $77 a barrel on Thursday as mounting concerns about slowing demand offset worries about possible supply disruptions arising from the conflict in the Middle East.

Market	Close	%1D	%1M	%1Y
VN-Index	1,227	-1.96%	-3.37%	0.54%
S&P 500 Index	5,447	-1.37%	-1.13%	20.68%
Dow Jones Index	40,348	-1.21%	2.58%	14.36%
GP 100	8,283	-1.01%	2.00%	9.54%
Nikkei 225	36,153	-5.18%	-9.79%	10.53%
SHCOMP Index	2,932	-0.22%	-2.16%	-10.10%
STOXX 600	512	-1.23%	0.18%	11.06%
KOSPI Index	2,708	-2.49%	-2.60%	3.52%
Hang Seng	17,305	-0.23%	-2.61%	-11.34%

Commodity	Close	%1D	%1M	%1Y
Brent	80	0.49%	-7.34%	-3.95%
WTI	77	0.56%	-7.33%	-3.46%
Gasoline	241	0.33%	-6.51%	-13.32%
Natural gas	2	0.30%	-18.93%	-20.31%
Coal	143	1.75%	7.91%	6.10%
Gold	2,439	-0.31%	4.69%	26.06%
China HRC	3,474	0.64%	-6.31%	-14.52%
Steel rebar	2,980	-0.47%	-11.31%	-21.06%
BDI index	1,668	-2.34%	-23.45%	48.53%

Currency	Close	%1D	%1M	%1Y
Dollar Index	104	-0.05%	-1.28%	1.74%
USD/VND	25,206	0.06%	0.99%	-5.83%
EUR/USD	1	0.00%	0.43%	-1.34%
USD/JPY	150	-0.22%	7.85%	-4.26%
USD/CNY	7	-0.25%	0.32%	-0.93%
USD/GPB	1	0.14%	-0.28%	-0.08%
USD/KRW	1,376	-0.43%	0.83%	-5.61%
USD/AUD	2	0.12%	2.67%	0.68%
USD/CAD	1	-0.01%	-1.42%	-3.79%

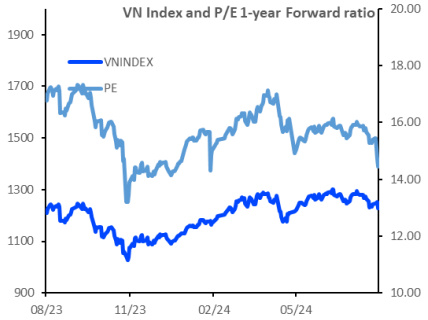
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 01/08/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,226.96	14.45	-24.55	-1.96	788	20,111
HNX INDEX	229.23	16.38	-6.13	-2.61	104	1,807





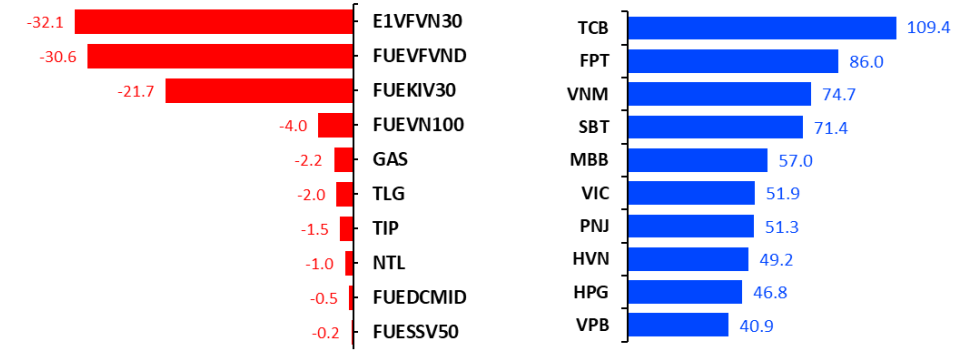
Money flow and sector rotation (VND bn)

Sector	%1D	8/1/2024	7/31/2024	20-session Average
Automobiles & Parts	183.17	484	171	300
Technology	122.89	975	437	843
Financial Services	89.95	2,219	1,168	1,433
Personal & Household Goods	82.93	540	295	323
Industrial Goods & Services	75.62	1,641	934	1,170
Chemicals	74.98	1,135	649	1,060
Media	67.30	13	8	22
Real Estate	48.35	2,707	1,825	2,326
Oil & Gas	45.26	308	212	204
Travel & Leisure	34.26	254	189	273
Construction & Materials	25.30	798	637	663
Retail	18.25	983	832	841
Insurance	18.01	46	39	60
Banks	15.80	4,143	3,578	3,394
Health Care	-5.8	55	59	81
Basic Resources	-6.2	1,480	1,578	1,085
Utilities	-10.0	372	414	380
Food and Beverage	-13.0	1,933	2,221	1,373

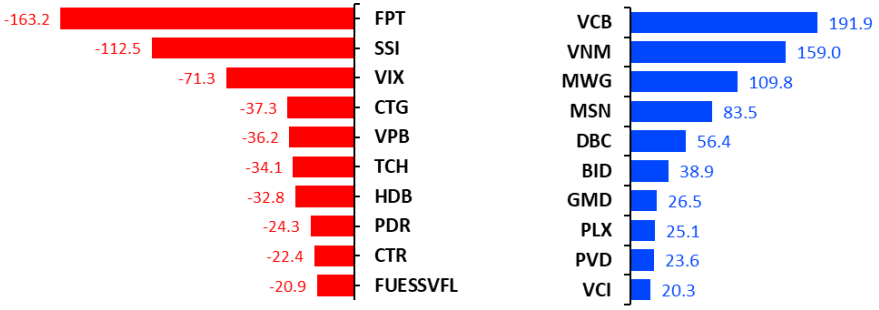
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 01/08/2024

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	142	(62)	17	45
Basic Resources	57	(3)	42	(39)
Media	-	(0)	0	(0)
Industrial Goods & Services	39	12	(33)	21
Health care	-	(1)	1	0
Chemicals	13	7	(15)	8
Financial Services	(10)	(173)	174	(2)
Travel & Leisure	63	(2)	(72)	74
Banks	422	73	(678)	605
Construction & Materials	25	(37)	38	(1)
Food and Beverage	180	299	(496)	197
Retail	33	125	(168)	44
Utilities	1	(11)	24	(13)
Personal & Household Goods	49	(6)	(47)	53
Technology	88	(173)	123	50
Automobiles & Parts	14	(38)	36	2
Insurance	2	3	(6)	3
Oil & Gas	3	49	(87)	39
Total	**1,121**	**61**	**(1,146)**	**1,085**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- According to the Ho Chi Minh City Statistics Office, the total retail sales of goods and consumer services revenue in July 2024 is estimated at 102,806 billion VND, increasing by 4.3% compared to the previous month and 10.6% compared to the same period last year. In the first 7 months of 2024, the total retail sales of goods and consumer services revenue is estimated at 661,521 billion VND, increasing by 10.3% compared to the same period. Retail sales of goods in July 2024 are estimated at 48,487 billion VND, accounting for 47.2% of the total retail sales of goods and consumer services revenue, increasing by 4.6% compared to the previous month and 13.0% compared to the same period.
- Vietnam's manufacturing Purchasing Managers' Index (PMI) remained unchanged at 54.7 in July, indicating that business conditions in Vietnam's manufacturing sector continued to improve significantly across all segments of consumer goods, intermediate goods, and capital goods. On August 1, 2024, S&P Global released its manufacturing PMI report for Vietnam in July 2024, highlighting three key points: output grew at the fastest pace since March 2011; purchasing activity and employment increased; and finished goods inventories declined to near record lows
- Da Nang: All real estate segments record significant growth. In Da Nang's real estate market, the number of condominium listings in the second quarter of 2024 increased by 56% compared to the first quarter; interest levels and asking prices rose by 39% and 14%, respectively. Similarly, the growth rate of interest in both land plots and individual houses in the locality is also among the highest in the country, with searches for land plots and individual houses increasing by 41% and 55%, respectively, compared to the first quarter of 2023.

Breaking News



Business news

- **HPG** Despite the ongoing challenges in the steel market, Hòa Phát Group (HOSE: HPG) is still strongly focusing on its flagship project - Hòa Phát Dung Quất 2 Steel Complex. According to the second-quarter report, the group has invested over 42,000 billion VND in this project, aptly named the "steel punch." Dung Quất 2 is more than just a regular investment project. With a capacity of 5.6 million tons of hot-rolled coils per year, this project plays a pivotal role in Hòa Phát's development strategy. As of the end of the second quarter of 2024, the project has achieved 80% completion in phase 1 and 50% in phase 2. Hòa Phát expects to introduce the first products from phase 1 to the market by the end of 2024
- **SIP:** Sai Gon VRG Investment Corporation (HOSE: SIP) reported a 16% increase in net profit in Q2 2024, driven by growth in revenue from industrial park utility services and gains from the sale of investments. The company has achieved nearly 75% of its full-year 2024 plan in the first six months.In Q2, SIP recorded consolidated revenue of over VND 1,937 billion and net profit of nearly VND 298 billion, representing increases of 17% and 16%, respectively, compared to the same period last year.Explaining these results, SIP attributed the profit growth to increased revenue from industrial park utility services and gains from the sale of investments.
- **OIL**: In Q2 2024, OIL's revenue surged by 56% to nearly 34.8 trillion VND. However, the cost of goods sold also climbed significantly by 59%, reaching almost 33.7 trillion VND. As a result, the gross profit remained relatively flat at 1.08 trillion VND. Financial income for the period declined by 29% to 169 billion VND, while financial expenses increased by 41% to 146 billion VND. Additionally, selling expenses continued to be high at 721 billion VND, up 10%. Ultimately, the company's net profit was 79 billion VND, a decrease of 49%.OIL attributed this to the adjustment in the base price management frequency from 10 days/time in Q2 2023 to 7 days/time in Q2 2024. Therefore, although global oil prices moved downward as in the same period last year, the pace of price reduction in this quarter was faster, causing the gross profit margin to narrow significantly

Breaking News



Business news

- **PLX:** Strong revenue growth has helped the Vietnam Petroleum Corporation (Petrolimex, HOSE: PLX) increase its net profit in the second quarter of 2024, and its cumulative results have exceeded the annual plan. In the second quarter, PLX witnessed a 12% increase in revenue compared to the same period, reaching nearly 74 trillion dong. After deducting the cost of goods sold, the company's gross profit was over 4.6 trillion dong, an 18% increase compared to the same period. Regarding other indicators, finance costs increased by 5% to 373 billion dong, despite a 23% decrease in interest expense. Selling expenses increased by 8% to over 3.2 trillion dong, and general and administrative expenses increased by 15% to 253 billion dong. Notably, Petrolimex recorded 121 billion dong in other income, three times that of the same period.
- **DPM:** Petroleum Fertilizer and Chemicals Corporation (PVFCo, HOSE: DPM) has just announced impressive business results for the second quarter of 2024, reflecting a strong recovery in Vietnam's fertilizer industry. In just half a year, this fertilizer giant has achieved 93% of its profit plan for 2024.According to the latest financial report, Dam Phu My's net revenue reached nearly 3,950 billion VND, a 6% increase compared to the same period last year. More notably, net profit soared 129% to 231 billion VND.
- **VSC:** Vietnam Container Corporation (HOSE: VSC) reports a Q2 2024 net profit of VND 68 billion, a 3.4-fold increase year-on-year, driven by robust growth in core operations and a significant reduction in financial losses.According to the Q2 2024 financial statements, VSC's net revenue reached nearly VND 718 billion, up 34% compared to the same period last year. Gross profit margin improved by 3 percentage points to 30.8%, contributing to a 49% increase in the company's gross profit to over VND 221 billion. Although financial activities still recorded a loss of over VND 17 billion, this was a significant improvement compared to the loss of over VND 38 billion in the same period last year.VSC attributed this improvement to increased financial income from the optimization of short-term idle capital, while financial expenses decreased.

Technical view

Trend: Downtrend

- The VNINDEX closed at 1,221 points, down 24.55 points (-1.96%) with increased trading volume. The market saw 423 decliners and 45 gainers. Stocks contributing to the market's decline included GVR, FPT, and MBB, while VCB was among the few gainers. All sectors experienced declines. Foreign investors were net buyers of approximately 60 billion VND
- **Technical view:** The VN-Index declined throughout most of today's session and closed near its low, erasing all recovery efforts from the previous week. The widespread selling pressure indicates the sellers' determination and the buyers' pessimism. As a result, the index has returned to the 200-day EMA level, equivalent to 1,220 points. In a less positive scenario, if the VNINDEX breaks below this threshold, the possibility of a further decline to the 1,180 level is relatively high. The 200-day EMA is now a critical support level that needs to be closely monitored
- **Strategy**: Investors should continue to monitor the market's performance around the 1,220-point support level to make appropriate decisions. It is recommended to maintain a defensive portfolio with a low equity allocation



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

02/08/2024 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
NLG	Sell	41.5	44.4	40.4	7%	-2.7%	39.3	6	-5.30%	25/07/2024	Reach the cutloss, already sold
HAH	Sell	42.7	46.8	41.4	10%	-3.0%	39.5	5	-7.49%	26/07/2024	Reach the cutloss, already sold
ACB	Hold	23.9	25.3	23.5	6%	-1.7%	24.0	5	0.21%	26/07/2024	
CTG	Hold	32	33.9	31.1	6%	-2.9%	31.5	4	-1.72%	26/07/2024	

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Economic calendar

August 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
28	29 Announcement of Vietnam's economic data for July	30 US JOLTs Job Openings JUN	31	1 _ Fed Interest Rate Decision _ US ISM Manufacturing PMI JUL _ PMI VN	2 _ US Non Farm Payrolls JUL _ US Unemployment Rate JUL	3
4	5 _ ISM Services PMI JUL	6	7	8 US Initial Jobless Claims	9	10
11	12 MSCI's restructure portfolio announcement	13	14 _ US Core Inflation& Inflation Rate MoM JUL	15 _ Expiration date of future contract VN30F2408 _ US Retail Sales MoM JUL	16 _ Michigan Consumer Sentiment Prel AUG	17
18	19	20	21	22 _ FOMC Minutes	23 ETF Share MSCI restructure the portfolio	24
25	26	27	28	29 _ US GDP Growth Rate QoQ 2nd Est Q2 _ Vietnam macroeconomic data in August	30	31

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Q&A

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