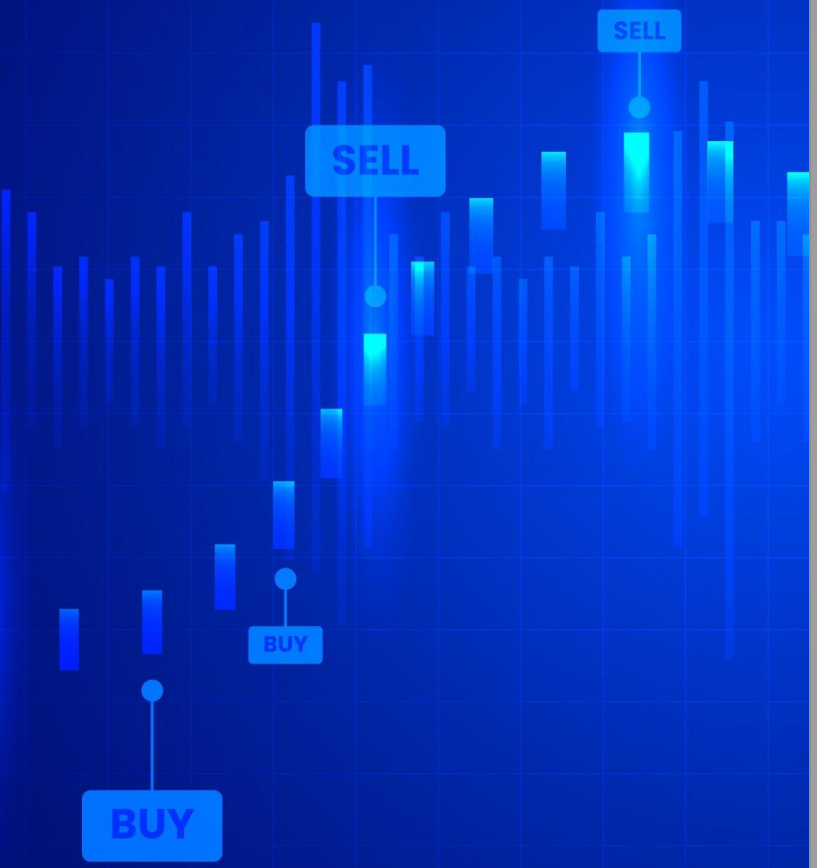
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MORNING CALL

06/08/2024

"A strong bearish market sentiment"

- ❑ World stocks: Widespread market panic
- ❑ Vietnamese stocks: A strong bearish market sentiment
- ❑ Macro news
- ❑ Business news: #DHG, #ABI, #HDG, #HAH, #FMC, #FTS
- ❑ 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 05/08 - 09/08/2024

Major stocks market

- US stocks closed sharply lower on Friday, with the S&P 500 down 1.8%, the Nasdaq sinking 2.4%, and the Dow Jones plunging nearly 610 points due to a weaker-than-expected jobs report that raised concerns about a slowing economy. Nonfarm payrolls increased by just 114,000, well below the forecast of 175,000, while the unemployment rate unexpectedly rose to 4.3%, the highest since October 2021.
- Both the STOXX 50 and the STOXX 600 extended their plunge and closed 2.8% lower Friday after the jobs report for the US came in weaker-than-expected, adding to further concerns over a slowing US economy. Early, an unexpected big contraction in the US manufacturing sector and a series of mixed earnings results from Apple and Amazon were already weighing on investors' moods.
- The Nikkei 225 Index sank 5.81% to close at 35,910 while the broader Topix Index tumbled 6.14% to 2,538 on Friday, hitting their lowest levels in six months as investors sold off Japanese equities following a hawkish shift in Bank of Japan monetary policy. Earlier this week, the BOJ raised its policy rate to 0.25% and signaled willingness to hike rates further
- WTI crude futures fell by more than 3% to below $74 per barrel on Friday, the lowest in 2 months, and extending the losses from the previous session, as global oil demand concerns outweighed supply risks from rising geopolitical tensions in the Middle East. Data released on Friday showed US jobs growth slowed sharply, the jobless rate increased to 4.3% and wage growth slowed. This comes on top of weak manufacturing data.

Market

	Close	%1D	%1M	%1Y
VN-Index	1,188	-3.92%	-7.40%	-3.09%
S&P 500 Index	5,186	-3.00%	-6.84%	15.82%
Dow Jones Index	38,703	-2.60%	-1.71%	10.37%
GP 100	8,008	-2.04%	-2.39%	5.87%
Nikkei 225	34,653	10.16%	-15.30%	7.64%
SHCOMP Index	2,861	-1.54%	-3.02%	-13.00%
STOXX 600	487	-2.17%	-5.72%	6.05%
KOSPI Index	2,559	4.80%	-10.60%	-1.69%
Hang Seng	16,698	-1.46%	-6.19%	-14.54%

Commodity

	Close	%1D	%1M	%1Y
Brent	77	1.45%	-10.55%	-10.24%
WTI	74	1.71%	-10.79%	-10.42%
Gasoline	237	1.38%	-7.55%	-14.99%
Natural gas	2	1.54%	-14.96%	-23.48%
Coal	144	-0.28%	5.86%	4.89%
Gold	2,416	0.23%	2.42%	24.77%
China HRC	3,466	-0.23%	-6.85%	-14.59%
Steel rebar	3,015	-0.07%	-10.93%	-18.20%
BDI index	1,677	0.12%	-14.70%	47.62%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	103	0.06%	-2.03%	0.72%
USD/VND	25,107	-0.02%	1.24%	-5.50%
EUR/USD	1	0.06%	1.25%	-0.39%
USD/JPY	145	-0.68%	10.79%	-1.84%
USD/CNY	7	0.46%	1.80%	0.75%
USD/GPB	1	-0.15%	0.08%	-0.09%
USD/KRW	1,370	-0.09%	0.97%	-4.67%
USD/AUD	2	-0.51%	3.15%	0.64%
USD/CAD	1	0.17%	-1.20%	-3.12%

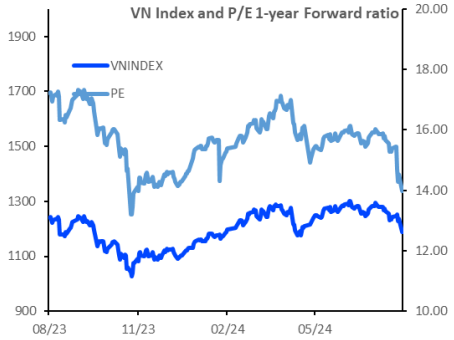
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 05/08/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,188.07	13.97	-48.53	-3.92	866	21,101
HNX INDEX	222.71	14.07	-8.85	-3.82	87	1,515





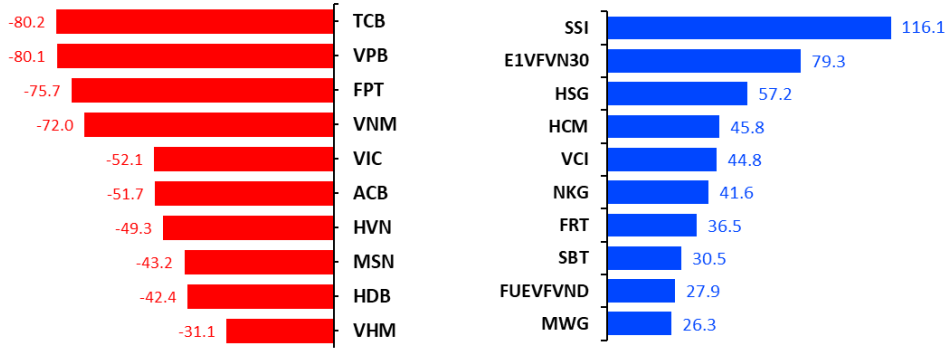
Money flow and sector rotation (VND bn)

Sector	%1D	8/5/2024	8/2/2024	20-session Average
Basic Resources	105.37	1,783	868	1,099
Insurance	70.59	65	38	59
Construction & Materials	61.14	937	581	675
Retail	50.01	1,002	668	836
Banks	45.74	5,031	3,452	3,539
Oil & Gas	37.37	307	223	204
Real Estate	32.41	2,766	2,089	2,276
Financial Services	32.14	2,211	1,673	1,519
Automobiles & Parts	32.10	317	240	291
Travel & Leisure	31.83	261	198	256
Utilities	30.27	427	328	381
Chemicals	27.64	1,035	811	1,005
Food and Beverage	18.28	2,094	1,770	1,431
Media	16.63	14	12	21
Industrial Goods & Services	16.26	1,090	938	1,136
Technology	6.35	1,370	1,288	869
Health Care	-1.6	52	53	77
Personal & Household Goods	-6.8	318	342	318

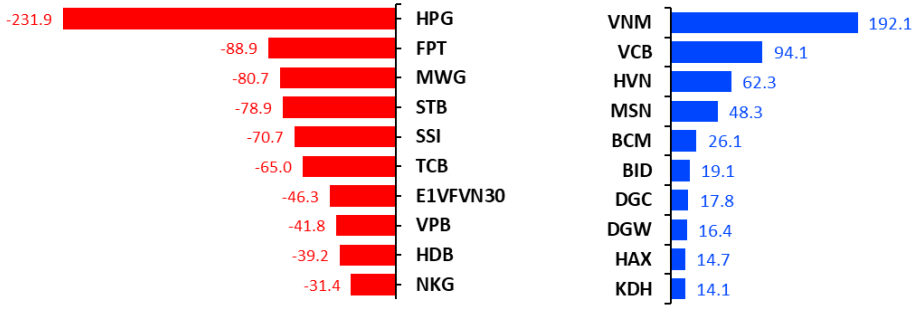
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 05/08/2024

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	(72)	(82)	165	(83)
Basic Resources	116	(278)	(13)	292
Media	-	0	1	(1)
Industrial Goods & Services	(11)	(33)	28	5
Health care	-	(5)	3	2
Chemicals	15	(39)	46	(7)
Financial Services	311	(214)	1	213
Travel & Leisure	(64)	49	10	(60)
Banks	(339)	(155)	444	(290)
Construction & Materials	4	(59)	78	(19)
Food and Beverage	(100)	235	(149)	(87)
Retail	71	(72)	(168)	239
Utilities	(9)	(25)	29	(4)
Personal & Household Goods	(3)	(3)	(2)	5
Technology	(64)	(85)	135	(50)
Automobiles & Parts	(15)	16	(5)	(12)
Insurance	4	4	(7)	3
Oil & Gas	(2)	6	(12)	6
Total	**(157)**	**(738)**	**585**	**153**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- In the regular Government meeting in July 2024 on the morning of August 5, Prime Minister Pham Minh Chinh clearly stated the goal of continuing to maintain macroeconomic stability and control inflation; At the same time, promoting stronger growth, ensuring major balances and higher surpluses, good control of public debt, government debt, foreign debt, and budget overspending; maintain political stability, social order and safety, and national border sovereignty.
- Textile businesses are proactively adapting to green economy and circular economy standards - one of Vietnam's concrete steps towards achieving its "net zero carbon" commitment by 2050. To meet export market demands, many textile businesses are accelerating the green transformation of their production, adapting to green standards and regulations on the origin of goods. However, Vietnamese textile businesses are facing numerous challenges in greening their supply chains and addressing carbon border adjustment mechanisms
- The Government has just issued Decree No. 105/2024/ND-CP dated August 1, 2024, amending and supplementing a number of articles of Decree No. 96/2022/ND-CP dated November 29, 2022, which stipulates the functions, tasks, powers, and organizational structure of the Ministry of Industry and Trade, and Decree No. 26/2018/ND-CP dated February 28, 2018, on the Charter of Organization and Operation of the Vietnam Electricity Group (EVN). Decree No. 105/2024/ND-CP takes effect from August 1, 2024

Breaking News



Business news

- **DHG:** Hau Giang Pharmaceutical Joint Stock Company (HOSE: DHG) has cited several reasons for the decline in its second quarter of 2024 results compared to the same period last year. These include decreased purchasing power, interest rates, and costs associated with the newly operational Betalactam plant. In the second quarter, DHG achieved a revenue of over 1.1 trillion VND, slightly lower than the same period last year. Conversely, the cost of goods sold increased by 3%. After deductions, gross profit stood at 498 billion VND, 11% lower year-on-year. Financial revenue for the quarter declined sharply by 40% to 35 billion VND. Selling expenses remained high at 225 billion VND, although down by 6%. Together with other losses of 5.5 billion VND, DHG's after-tax profit was 192 billion VND, a decrease of 27%.

- **ABI:** At the end of Q2 2024, the insurance business recorded positive results with gross premium revenue increasing by 17% year-on-year to over 590 billion VND. Meanwhile, slower growth in insurance claims and other expenses contributed to a 21% increase in gross profit, reaching nearly 227 billion VND. However, financial revenue, primarily interest income, decreased by 12% year-on-year to nearly 38 billion VND, resulting in an 11% decline in operating profit to over 38 billion VND

- **HDG**: HDG's net revenue in the first 6 months of 2024 reached nearly 1.408 billion VND, down 10% year-on-year. Among the segments, the most positive performance came from the real estate business, which generated nearly 399 billion VND in revenue, almost 2.2 times higher. Conversely, revenue from construction and renewable energy (hydropower, wind power, solar power) decreased significantly by more than 96% and nearly 19%, to just over 8 billion VND and nearly 762 billion VND, respectively. However, after deducting corporate income tax and distributing profits to non-controlling shareholders, net profit in the first half of the year decreased by 13% year-on-year to nearly 296 billion VND.

Breaking News



Business news

- **HAH**: Mr. Vu Ngoc Son, a senior advisor at Hai An Transport and Stevedoring Joint Stock Company (HAH), recently registered to purchase 2 million HAH shares with the aim of increasing his investment. Mr. Son is the father of Mr. Vu Thanh Hai, the Chairman of HAH's Board of Directors. Mr. Son had held this position for many years before "retiring." The transaction is expected to be carried out through the matching or negotiation method, from August 7th to September 5th, 2024. If the transaction is successful, Mr. Son will increase his ownership from over 2 million shares (1.695%) to over 4 million shares (3.343%).
- **FMC:** With a consolidated total revenue of $31.25 million, July 2024 was Sao Ta's highest-grossing month since the beginning of the year. According to Sao Ta Food Corporation (HoSE: FMC), the company's total revenue in July 2024 increased by 8.5% compared to the same period last year. In July 2024, both production volume and sales of Sao Ta products increased in line with the increase in processing output. The company's finished shrimp production volume in the month increased by as much as 75% compared to the same period last year, reaching 4,098 tons; while finished agricultural product output decreased by 70% to 20 tons
- **FTS**: After recording a 15% profit growth in the second quarter of 2024, FPT Securities Joint Stock Company (stock code: FTS) has "cautiously" set a target of a 43% decrease in profit for the third quarter of 2024 compared to the same period last year.The Board of Directors of FPT Securities Joint Stock Company (stock code: FTS - HoSE) has just approved the business plan for the third quarter of 2024. Accordingly, total operating revenue and financial revenue are expected to reach 231 billion dong, and pre-tax profit is expected to reach 120 billion dong

Technical view

Trend: Downtrend

- The VNINDEX closed at 1,188 points, down 48.53 points (-3.92%) with increased trading volume. The market saw 448 declining stocks and 24 advancing stocks. Stocks contributing to the market's increase included HNA, SVC, and EIB, while VCB, BID, and GVR contributed to the decline. All sectors were down. Foreign investors were net sellers of about 730 billion VND
- **Technical view:** "The VN-Index opened with a significant downward gap and selling pressure continued to intensify in the afternoon session, causing the index to plunge relentlessly, negating all the gains of the previous Friday. At the close, the VN-Index decreased by nearly 50 points, losing the MA200 level - equivalent to 1200 points. The short-term trend of the market remains bearish. In a less favorable scenario, the market will need to retest demand at the 1150 - 1170 range. This is also the area corresponding to the old support zone and the Fibonacci 0.5-0.618 levels.
- **Strategy**: We recommend that investors take advantage of these rallies to sell stocks that have violated stop-loss levels. Prioritize holding more cash and selectively choosing stocks with strong fundamentals.



Scenarios:

- Positive: The market is expected to recover in the 1,220 area.
- Base: The market is expected to trade 1,150-1,1170
- Negative: The market continues to trade in the 1,100-1,120 range

Recommended stocks

06/08/2024 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
ACB	Sell	23.9	25.3	23.5	6%	-1.7%	23.2	7	-2.93%	26/07/2024	Reach the cutloss, already sold
CTG	Sell	32	33.9	31.1	6%	-2.9%	30.2	6	-5.78%	26/07/2024	Reach the cutloss, already sold

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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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