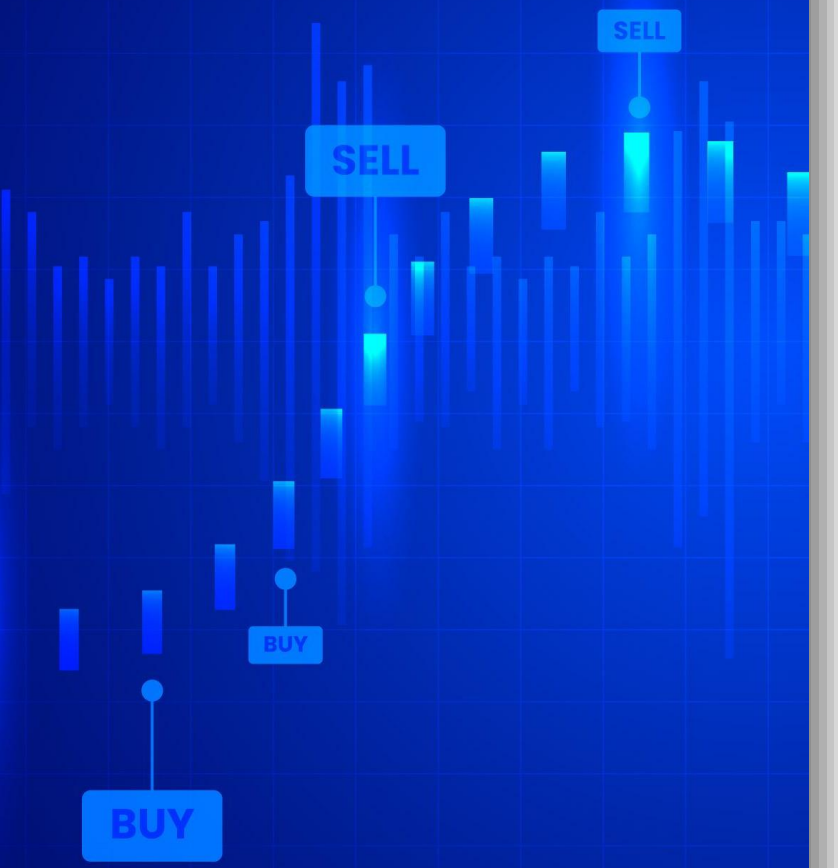


MORNING CALL

14/08/2024

"Many resistance zones ahead"

- ❑ World stocks: US PPI data came in below expectations
- ❑ Vietnamese stocks: Many resistance zones ahead
- ❑ Macro news
- ❑ Business news: #TCM, #FMC, #NT2, #PDR, #BSR, #GEG
- ❑ Technical perspective and updated recommendations
- ❑ 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 12/08 – 16/08/2024

Major stocks market

- In regular trading on Tuesday, the Dow and S&P 500 gained 1.04% and 1.69%, respectively, while the tech-heavy Nasdaq Composite rallied 2.43%. Those moves came as investors cheered cooler-than-expected producer inflation data that supported bets for a larger interest rate cut from the Federal Reserve in September. Year-on-year, producer inflation decreased to 2.2% from an upwardly revised 2.7% in June.
- European stocks were firmly higher on Tuesday, extending the rebound since the sharp equity selloff that bottomed last week as markets assessed the magnitude of slowing growth risks in Europe and the outlook of borrowing costs ahead of key US price data this week. The Eurozone's Stoxx 50 added 0.5% to above 4,690, and the pan-European Stoxx 500 jumped 0.4% to cross the 500 threshold.
- The Nikkei 225 Index rose 0.4% to around 36,390 while the broader Topix Index added 1% to 2,579 on Wednesday, extending gains from the previous session and tracking Wall Street higher as softer-than-expected US producer inflation data supported bets for Federal Reserve interest rate cuts. Investors now look ahead to US consumer inflation data on Wednesday for confirmation that price growth is moderating.
- WTI crude oil futures dropped below $79 per barrel on Tuesday, ending a five-day winning streak. Traders weighed the potential for a surplus against escalating Middle East tensions.

Market	Close	%1D	%1M	%1Y
VN-Index	1,230	0.01%	-3.93%	-0.52%
S&P 500 Index	5,434	1.68%	-3.22%	21.04%
Dow Jones Index	39,766	1.04%	-0.59%	12.63%
GP 100	8,235	0.30%	-0.21%	9.70%
Nikkei 225	36,488	0.70%	-11.42%	13.81%
SHCOMP Index	2,868	0.34%	-3.48%	-9.77%
STOXX 600	502	0.52%	-4.28%	9.09%
KOSPI Index	2,644	0.84%	-7.47%	2.83%
Hang Seng	17,174	0.36%	-6.12%	-8.52%

Commodity	Close	%1D	%1M	%1Y
Brent	81	0.50%	-4.63%	-5.94%
WTI	79	0.57%	-4.15%	-4.50%
Gasoline	239	0.56%	-5.06%	-17.83%
Natural gas	2	0.79%	-7.04%	-22.54%
Coal	147	0.10%	9.75%	2.01%
Gold	2,472	0.29%	2.07%	29.64%
China HRC	3,319	-0.30%	-9.47%	-16.10%
Steel rebar	2,930	-0.68%	-11.19%	-18.61%
BDI index	1,670	0.91%	-16.37%	47.14%

Currency	Close	%1D	%1M	%1Y
Dollar Index	103	0.09%	-1.39%	-0.52%
USD/VND	25,087	0.15%	1.13%	-5.03%
EUR/USD	1	0.02%	0.93%	0.82%
USD/JPY	147	-0.07%	7.56%	-0.95%
USD/CNY	7	0.28%	1.44%	1.43%
USD/GPB	1	-0.03%	0.79%	-1.42%
USD/KRW	1,360	0.47%	1.73%	-2.16%
USD/AUD	2	-0.09%	1.80%	-2.30%
USD/CAD	1	-0.01%	-0.18%	-1.79%

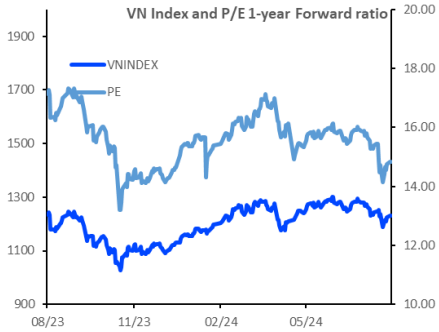
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 13/08/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,230.42	14.84	0.14	0.01	445	11,569
HNX INDEX	230.18	15.37	-0.59	-0.25	46	831





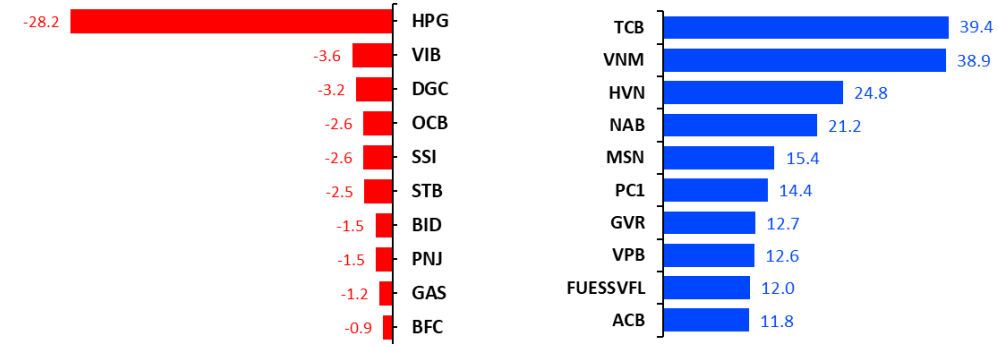
Money flow and sector rotation (VND bn)

Sector	%1D	8/13/2024	8/12/2024	20-session Average
Basic Resources	83.63	935	509	966
Personal & Household Goods	60.78	326	203	263
Media	53.00	4	2	15
Utilities	28.75	402	312	365
Insurance	26.19	29	23	46
Financial Services	18.63	1,341	1,130	1,568
Food and Beverage	18.11	1,309	1,108	1,438
Construction & Materials	-5.0	499	525	608
Banks	-5.9	1,978	2,103	3,413
Retail	-7.0	841	905	836
Automobiles & Parts	-9.1	225	248	302
Real Estate	-22.6	1,504	1,943	2,150
Industrial Goods & Services	-23.7	631	827	938
Chemicals	-24.6	614	814	878
Oil & Gas	-28.1	178	248	210
Travel & Leisure	-28.6	126	176	231
Technology	-31.2	589	857	788
Health Care	-43.0	25	43	58

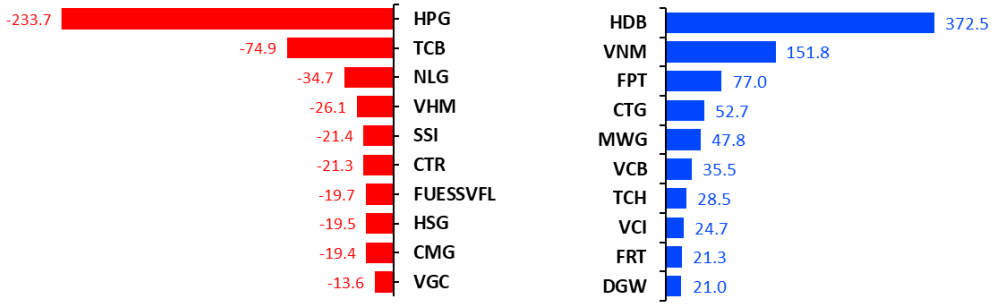
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 13/08/2024

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	35	(45)	20	25
Basic Resources	(27)	(271)	305	(35)
Media	-	(0)	1	(0)
Industrial Goods & Services	5	2	(14)	12
Health care	-	0	(0)	(0)
Chemicals	9	(14)	(57)	71
Financial Services	17	(18)	(9)	27
Travel & Leisure	29	4	(34)	30
Banks	114	390	(529)	140
Construction & Materials	15	(42)	8	35
Food and Beverage	67	150	(247)	97
Retail	1	90	(133)	43
Utilities	0	4	(5)	1
Personal & Household Goods	(1)	(15)	28	(13)
Technology	9	57	(97)	40
Automobiles & Parts	1	24	(42)	18
Insurance	1	(5)	9	(3)
Oil & Gas	(1)	7	(6)	(1)
Total	**273**	**317**	**(804)**	**487**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- Economic activities are gradually returning to normal with the recovery of production and exports, accompanied by inflationary risks. This is an indicator for policy adjustments in the near future. The economy is gradually returning to a growth trajectory while inflationary pressures remain. Hence, the possibility of a policy reversal scenario may occur. Specifically, once the economy has reached a normal state, economic stimulus policies will be scaled back to avoid overheating the economy. Accordingly, monetary and fiscal policies will end the easing phase as seen in the past two years, implying an increase in the policy interest rate and the end of tax and fee cuts
- The Ca Voi Xanh gas field and the associated 10 billion USD gas-electricity project in Quang Nam and Quang Ngai continues to face delays as Exxon Mobil loses interest. According to the Ministry of Industry and Trade, the main obstacle of the project is that Exxon Mobil is not prioritizing its implementation at this time due to the impact of the ongoing global energy transition. The project's timeline has been delayed by about 5 years (the first gas flow is now expected in 2028). According to PVN, the implementation progress of the Ca Voi Xanh project is slow due to ExxonMobil's lack of proactivity in carrying out the project's tasks. ExxonMobil has only carried out some tasks as per the approved Work Program and Budget and is awaiting a decision from the parent company. This significantly impacts the project's progress.
- Given the current challenges, experts and businesses in the beverage industry believe that increasing the special consumption tax on alcoholic beverages and sugary drinks should follow a suitable roadmap to avoid compounding difficulties. A rapid increase could be shocking and counterproductive

Breaking News



Business news

- **TCM:** In the first seven months of 2024, the parent company of CTCP Dệt may - Đầu tư - Thương mại Thành Công (HOSE: TCM) generated over $91.4 million (nearly 2.3 trillion VND), a 16% increase compared to the same period last year and achieving 58% of the annual plan. Post-tax profit surged 32% to over $7 million (over 176 billion VND), exceeding the annual plan by 2%. In July, TCM's exports to the Asian market accounted for 62%, led by South Korea at nearly 36% and Japan at nearly 13%. The Americas market accounted for 37%, of which the US made up 24.7% and Canada about 11.4%. The European market accounted for over 1%
- **FMC:** Despite the challenges posed by disease outbreaks in farming areas, which hindered shrimp growth as expected, Sao Ta has reported 'fairly stable' farming results, contributing to positive business performance. The latest data reveals that in July 2024, the company's total sales reached 31.25 million USD, a significant increase compared to 21.3 million USD in the same period of 2023. Finished shrimp production reached nearly 4,100 tons, marking a 75% increase year-on-year.Regarding the ongoing anti-dumping lawsuit, the case is currently in its 19th administrative review (POR19) involving two mandatory respondents: Stapimex and Thong Thuan, both shrimp processing and exporting companies. Sao Ta has informed that 'the preliminary duty rate is expected to be announced as scheduled, possibly in early 2025'
- **NT2:** Shares of Nhon Trach 2 Petro Power Joint Stock Company (HOSE: NT2) have been added to the list of securities ineligible for margin trading by the Ho Chi Minh City Stock Exchange (HOSE). The reason is that the company incurred a loss based on its audited semi-annual financial report for 2024, which falls under the category of securities ineligible for margin trading according to regulations.In the second quarter of 2024, NT2 reported a slight increase in revenue compared to the same period last year, recording approximately 2.2 trillion VND. Net profit was 122 billion VND, down 15% year-on-year, but this represents a significant recovery from the loss incurred in the previous quarter. In the first quarter, the company recorded a net loss of over 158 billion VND.

Breaking News



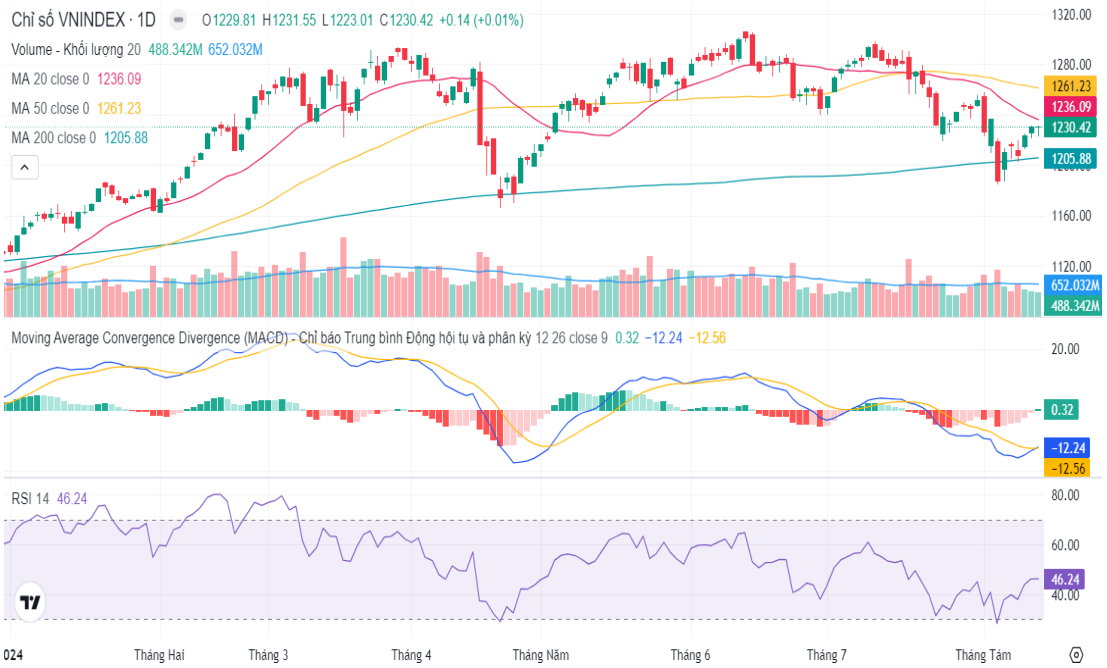
Business news

- **PDR:** Phat Dat Real Estate Development Corporation (stock code: PDR) has announced that the Bac Ha Thanh Urban Area project in Binh Dinh province is currently under construction ahead of schedule and is expected to be launched in early Q3 2024.Located in Phuoc Thuan Commune, Tuy Phuoc District, Binh Dinh Province, the Bac Ha Thanh Urban Area project covers an area of 43.16 hectares with a total investment of approximately VND 2,343 billion.With a total of 1,422 products, this project is one of the three key projects that Phat Dat Real Estate will launch in 2024, alongside the Thuận An 1 & 2 project (Binh Duong province) and the Cadia Quy Nhon project (Binh Dinh province).
- **BSR:** Binh Son Refining and Petrochemistry Joint Stock Company (BSR) has just announced a Board of Directors Resolution regarding the listing of BSR shares on the Ho Chi Minh Stock Exchange (HoSE). Accordingly, the Board of Directors will carry out the work of finalizing the list of shareholders to establish a shareholder register with the Vietnam Securities Depository (VSDC); at the same time, prepare to submit documents and carry out related procedures for listing shares in 2024. Currently, the leadership of Binh Son Refining and Petrochemistry expects BSR shares to be officially listed on HoSE in late 2024 or early 2025.
- **GEG:** Dien Gia Lai (GEG) has a significant debt structure, making interest expenses a constant burden on its business operations. GEG's net profit after tax in Q2/2024 plunged 83% compared to the same period last year, reaching only 1.2 billion VND. Dien Gia Lai's debt structure has seen a substantial increase over the past two years, which is also the primary reason for the company's high interest expenses. In the first six months of 2024 alone, interest expenses amounted to 405.2 billion VND, equivalent to GEG paying 2.2 billion VND in interest each day. Compared to another significant expense, administrative expenses which stood at 72.6 billion VND, interest expenses were 5.5 times higher.

Technical view

Trend: Technical recovery

- The VN-Index closed at 1,230.4 points (+0.14 points, +0.01%) with lower-than-average trading volume over the past 20 sessions. The market saw 234 decliners and 162 gainers. Stocks contributing to the market's uptrend included VCB, VNM, and NAB, while HPG, GAS, and TCB weighed on the index. The telecommunications sector bucked the trend and posted strong gains. Foreign investors were net buyers of about 300 billion dong.
- **Technical view:** The market faced relatively strong selling pressure around the 1230-point mark. Although the VN-Index closed with a doji candle, the market has not yet to show a change in trend compared to yesterday's session. The 1240-point level is a resistance that needs to be reclaimed in the coming trading sessions with more convincing trading volume. Therefore, before aiming for the 1240-1250 range, we expect the market to have a period of sustainable accumulation and a broader distribution of cash flow among different sectors. The current reference support and resistance levels are 1,200 and 1,250, respectively
- **Strategy:** Investors should continue to monitor market developments and wait for the market to establish a new equilibrium price range. Investors should only participate with a low proportion as the 1,250 level is a relatively strong resistance level.



Scenarios:

- Positive: The market is expected to recover to the 1,250 area.
- Base: The market is expected to retest the 1,200 area.
- Negative: The market breaks the support zone to the 1,100-1,120 range.

Recommended stocks

13/08/2024 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
MSN	Hold	74.5	79.7	70.7	7%	-5%	75.2	2	0.94%	09/08/2024	
DHC	Hold	37.4	40.8	35.8	9%	-4%	37.95	1	1.47%	12/08/2024	
REE	Hold	66.9	74	64.6	11%	-3%	68.9	1	2.99%	12/08/2024	

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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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