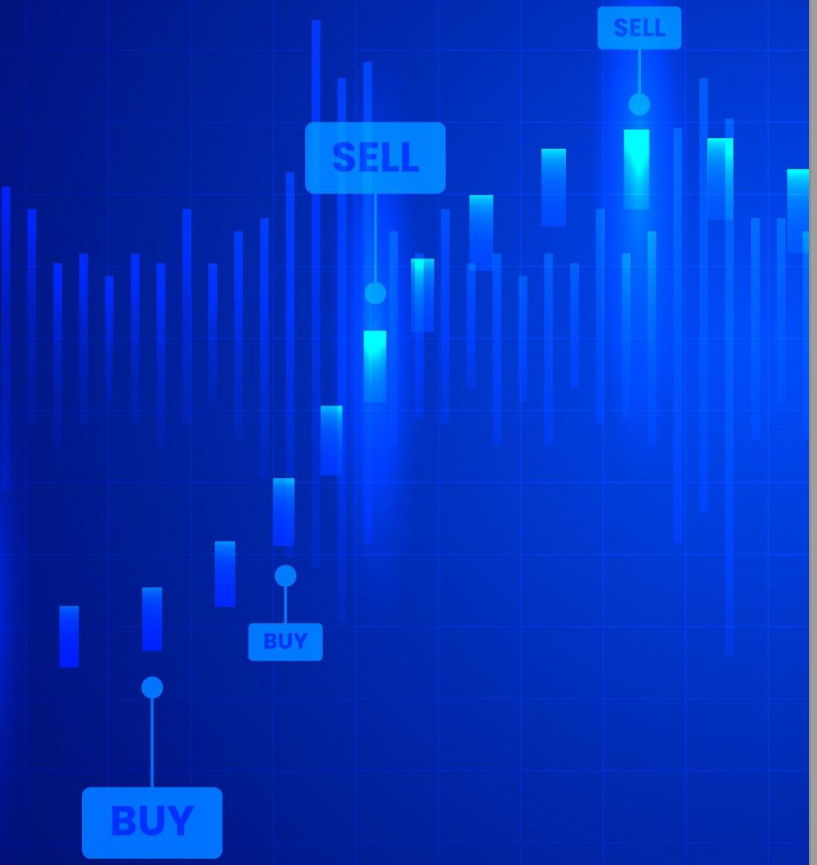
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MORNING CALL

15/08/2024

“Indecisive battle at 1,230”

- ❑ World stocks: Inflation news keeps boosting US stocks
- ❑ Vietnamese stocks: Indecisive battle at 1,230
- ❑ Macro news
- ❑ Business news: #VCB, #VHC, #STK, #CSV, #PVD, #TNG
- ❑ 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

- US stocks finished in the positive territory on Wednesday as traders assessed the latest Consumer Price Index data. The S&P 500 rose 0.4% booking its 5th winning streak, the Dow Jones advanced 242 points, while the Nasdaq closed marginally higher. The CPI data revealed a 2.9% year-over-year increase in consumer prices for July, marking the first time since 2021 that headline inflation fell below 3%. This data reassured investors and sparked speculation that the Federal Reserve might begin cutting interest rates as early as next month.
- Both the STOXX 50 and the STOXX 600 were up 0.4% on Wednesday, extending gains from the previous session, with traders keeping an eye on inflation updates. The US CPI report is due later in the day but figures for the UK came softer-than-expected, raising bets the BoE will continue to cut interest rates.
- The Nikkei 225 Index rose 0.4% to above 36,500 while the broader Topix Index gained 0.5% to 2,595 on Thursday, with both benchmarks rising for the fourth straight session after Japan's GDP growth exceeded forecasts. Data showed that Japan's economy expanded 0.8% QoQ in the second quarter, reversing from a 0.6% contraction in the first quarter and beating expectations of 0.5%.
- WTI crude oil futures dropped 1.7% to settle at $76.98 per barrel, marking the second consecutive day of losses, after President Biden's comments suggesting that Iran might not attack Israel if a cease-fire is reached in Gaza

Market

	Close	%1D	%1M	%1Y
VN-Index	1,230	0.00%	-3.86%	-0.30%
S&P 500 Index	5,455	0.38%	-3.13%	22.92%
Dow Jones Index	40,008	0.61%	-0.51%	14.49%
GP 100	8,281	0.56%	1.20%	12.06%
Nikkei 225	36,639	0.54%	-11.05%	13.65%
SHCOMP Index	2,851	-0.60%	-4.15%	-10.25%
STOXX 600	504	0.49%	-2.82%	10.65%
KOSPI Index	2,645	0.88%	-7.56%	2.86%
Hang Seng	17,113	-0.35%	-5.01%	-7.90%

Commodity

	Close	%1D	%1M	%1Y
Brent	80	0.19%	-5.82%	-5.87%
WTI	77	0.27%	-5.76%	-4.69%
Gasoline	232	0.03%	-6.81%	-18.46%
Natural gas	2	-0.05%	2.78%	-16.59%
Coal	146	-0.78%	8.89%	-0.51%
Gold	2,451	0.12%	1.18%	28.85%
China HRC	3,256	-1.90%	-11.18%	-17.21%
Steel rebar	2,818	-1.64%	-14.58%	-21.70%
BDI index	1,728	3.47%	-13.30%	48.20%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	103	0.09%	-1.47%	-0.53%
USD/VND	25,050	-0.03%	1.28%	-4.34%
EUR/USD	1	-0.06%	1.02%	0.92%
USD/JPY	147	-0.09%	7.18%	-1.29%
USD/CNY	7	-0.23%	1.41%	1.83%
USD/GPB	1	0.04%	1.12%	-0.93%
USD/KRW	1,361	0.41%	1.67%	-2.22%
USD/AUD	2	0.00%	2.45%	-2.16%
USD/CAD	1	-0.03%	-0.27%	-1.62%

Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 14/08/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,230.36	14.84	-0.06	0.00	403	10,769
HNX INDEX	229.68	15.36	-0.50	-0.22	43	781





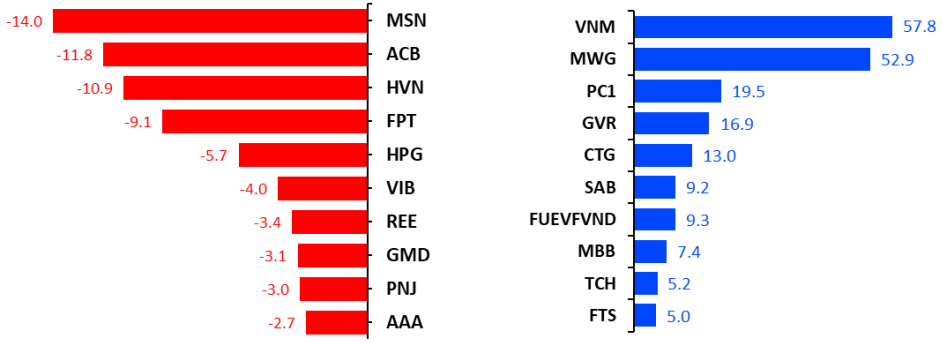
Money flow and sector rotation (VND bn)

Sector	%1D	8/14/2024	8/13/2024	20-session Average
Media	128.03	8	4	14
Food and Beverage	34.18	1,756	1,309	1,451
Health Care	29.76	32	25	51
Oil & Gas	29.76	232	178	205
Chemicals	29.26	794	614	823
Automobiles & Parts	19.08	268	225	285
Real Estate	11.49	1,677	1,504	2,023
Insurance	2.58	30	29	42
Industrial Goods & Services	-13.3	547	631	866
Banks	-14.9	1,685	1,978	3,095
Financial Services	-18.8	1,089	1,341	1,525
Travel & Leisure	-19.1	102	126	217
Construction & Materials	-19.6	401	499	570
Utilities	-22.6	311	402	341
Technology	-25.6	439	589	754
Retail	-28.7	600	841	792
Basic Resources	-36.1	597	935	912
Personal & Household Goods	-41.3	191	326	254

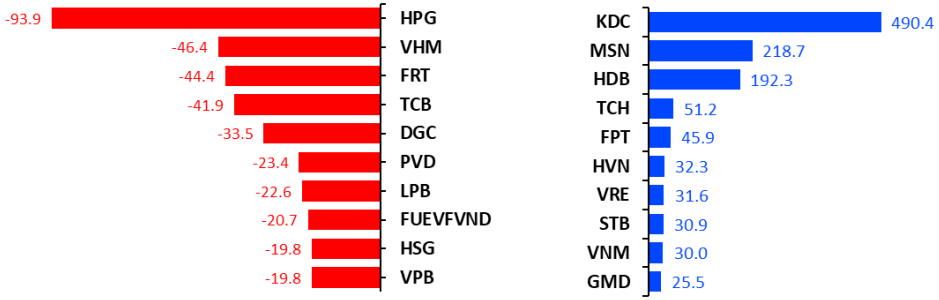
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 14/08/2024

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	0	(67)	76	(9)
Basic Resources	(3)	(123)	157	(33)
Media	-	(1)	1	-
Industrial Goods & Services	(6)	47	(45)	(2)
Health care	-	(0)	0	-
Chemicals	14	(39)	(14)	53
Financial Services	17	(57)	29	28
Travel & Leisure	(12)	20	5	(25)
Banks	6	126	(183)	57
Construction & Materials	21	(28)	(5)	33
Food and Beverage	53	751	(831)	80
Retail	53	(18)	16	2
Utilities	0	20	(17)	(2)
Personal & Household Goods	(3)	(6)	2	3
Technology	(9)	25	70	(95)
Automobiles & Parts	5	48	(57)	9
Insurance	1	(6)	9	(3)
Oil & Gas	(2)	(6)	11	(5)
Total	**135**	**686**	**(776)**	**89**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- Ho Chi Minh City aims to achieve a GRDP growth rate of at least 7.5% in 2024 and between 8% and 8.5% in 2025. Chairman of Ho Chi Minh City People's Committee Phan Van Mai has just signed and issued Directive No. 12 on the implementation of tasks and solutions to boost Ho Chi Minh City's economic growth until 2025, outlining specific targets.To achieve these set goals, the People's Committee of Ho Chi Minh City requires heads of departments, agencies, and local People's Committees to develop plans that clearly define tasks, solutions, resources required, and expected outcomes. These plans must be detailed into specific goals, tasks, and implementation measures, with regular monitoring and updates on the progress and results of annual work programs.
- The Vietnamese retail market is considered to have great potential due to its large population, rapid urbanization, and the strong growth of the middle class. However, recent growth rates have been slowing down and have not met expectations. This situation has raised concerns not only for domestic businesses but also for international investors interested in the Vietnamese market.There are many domestic and international factors that have contributed to the slowdown of the Vietnamese retail market. One of the main reasons is the decline in domestic consumption. When the economy faces difficulties, people's incomes decrease, leading to a tightening of consumption. Consumers tend to focus on essential goods and reduce purchases of non-essential products, which directly affects retail sales
- By 2025, the digital economy is projected to contribute approximately 20% to the country's GDP. As of the end of 2023, e-commerce has already accounted for a significant 15-17% of the total value of the national digital economy. A key strategy in this growth is the development of e-government, aiming to empower every farmer and every business to establish their own online store, thereby enhancing their marketing and promotional capabilities

Breaking News



Business news

- **VCB:** The Board of Directors of Vietnam Joint Stock Commercial Bank for Foreign Trade (Vietcombank - VCB) has just issued a resolution approving the withdrawal of the content "Approving the plan to issue private shares to increase charter capital", and will not include it in the agenda of the extraordinary General Meeting of Shareholders in August 2024.It is known that the plan to sell 6.5% of shares privately has been proposed by Vietcombank since 2019 but has not been able to proceed. Specifically, the bank plans to offer 307.6 million shares privately to Mizuho Bank (46.1 million shares) and other investors (261.4 million shares).
- **VHC:** Vinh Hoan's total revenue in July 2024 surged by 30% compared to the same period last year, primarily driven by a significant increase in revenue from pangasius products. Conversely, revenue from the sale of by-products decreased by 10%. While sales to China declined by 17% year-on-year, the bulk of Vinh Hoan's revenue growth in July stemmed from exports to the United States, with sales in this market surpassing the previous year by 92%. The business performance of Vietnam's largest pangasius exporter has been improving recently. Both the first and second quarters of 2024 witnessed revenue growth compared to the corresponding periods in the previous year and the preceding quarter
- **STK:** With its stock price plummeting over 25% in just one month, Century Corporation is gearing up to offer 13.5 million shares at a minimum price of 27,500 VND per share. This offering is expected to raise over 371 billion VND.Of this amount, Century Corporation will contribute 122 billion VND to Unitex Textile Dyeing Co., Ltd. (a wholly-owned subsidiary) to cover costs related to the factory and equipment. The remaining 249 billion VND will be used to supplement the company's working capital

Breaking News



Business news

- **CSV:** CSV's stock price has been continuously breaking records, setting historical highs, helping shareholders of Southern Basic Chemicals record a profit of over 170% since the beginning of this year. On the company's side, there has not been too much recent information. The main driving force behind CSV's stock price is believed to come from the strong business results in the second quarter of 2024. In 2024, CSV plans to achieve a revenue target of 1,640 billion VND, an increase of over 3% compared to the previous year, but pre-tax profit is expected to decrease by 10% compared to 2023, reaching 261 billion VND - the lowest profit level in the last 4 years
- **PVD:** Recently, the Malaysia Petroleum Management (MPM) conducted a comprehensive assessment of the development drilling project at the Bokor Drilling Platform Echo (BODP-E) located in the waters off Sarawak state, East Malaysia. The assessment, published in MPM's magazine, The Well Voice, highlighted the successful positioning of the PV DRILLING VI rig at BODP-E on January 3, 2024, as a crucial key that unlocked the opportunity to execute the project after years of interruption.
- **TNG:** For Q2/2024, TNG recorded net revenue of 2,173 billion VND, a 9% increase. This is the highest quarterly revenue ever for this garment manufacturer. Gross profit increased by 48% to 358 billion VND, helping the gross profit margin expand gradually from 12% to 16.5%. TNG stated that the significant increase in net profit in Q2/2024 is thanks to the focus on exploiting complex, difficult product lines and expanding export markets. Export orders to new markets have significantly contributed to revenue growth.

Technical view

Trend: Technical recovery

- The VNINDEX closed at 1,230.36 points (-0.06 points, +0.0%) with lower-than-average trading volume over the past 20 sessions. The market saw 243 decliners and 163 gainers. Stocks contributing to the market's gains included VHM, MSN, and BID, while VCB, VPB, and MBB weighed on the market. Sector performance was mixed. Foreign investors continued to be net buyers, with a net purchase value of over 600 billion VND
- **Technical view:** The market has been consolidating for three consecutive sessions, indicating the significant psychological pressure investors are facing at this specific price level. Over the past month, the 1,240-1,250 range has experienced two declines of more than 20 points, while buying pressure to recover has been quite weak. In a positive scenario, the market needs to establish a solid base around 1,220-1,230 before a breakout can be considered convincing. The wave structure still suggests a primary downtrend, despite the recent recovery to above the 200-day EMA
- **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

15/08/2024 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%	76.5	4	2.68%	09/08/2024	
DHC	Hold	37.4	40.8	35.8	9%	-4%	37.95	3	1.47%	12/08/2024	
REE	Hold	66.9	74	64.6	11%	-3%	68.9	3	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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