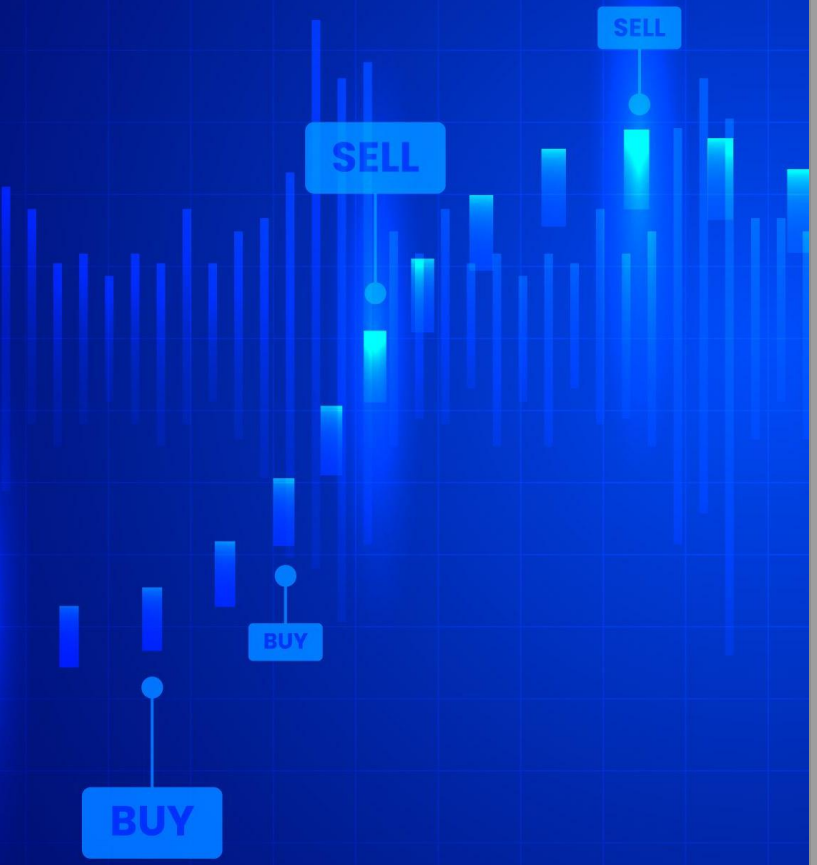
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MORNING CALL

20/08/2024

“A market full of enthusiasm”

- ❑ World stocks: Positive developments in global markets
- ❑ Vietnamese stocks: A market full of enthusiasm
- ❑ Macro news
- ❑ Business news: #PDR, #MWG, #HAX, #DCM, #BWE, #GEG
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

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Catching the latest report



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Global Market Review 19/08 – 23/08/2024

Major stocks market

- In regular trading on Monday, the S&P 500 and Nasdaq Composite rallied 0.97% and 1.39%, respectively, extending their winning streaks to an eighth day, the longest in 2024. The Dow also gained 0.58% for its fifth straight winning session. Optimism among investors was high as they anticipated a potential interest rate cut from the Federal Reserve, with a key speech by Fed Chair Jerome Powell at the upcoming Jackson Hole symposium in focus. In extended trading, cybersecurity firm Palo Alto Networks jumped 2% on better-than-expected quarterly earnings and revenue.
- European stocks gained traction and closed firmly in the green during afternoon trading on Monday, extending last week's rebound from the stock rout earlier in the month amid hopes that cheaper credit this year will support corporate performance. The Eurozone's Stoxx 50 added 0.7% to 4,875 and the pan-European Stoxx 600 added 0.6% to 515, both reaching their highest since July 31st.
- The Nikkei 225 Index jumped 1.2% to above 37,800 while the broader Topix Index climbed 0.9% to 2,665 on Tuesday, recouping losses from the previous session and tracking a tech-led rally on Wall Street overnight. Those moves came as investors look forward to Fed Chair Jerome Powell's speech at Jackson Hole, Wyoming at the end of the week for clues on the timing of interest rate cuts
- WTI crude oil futures fell more than 2.5% below $75 per barrel on Monday, continuing a 1.9% decline from the previous session amid ongoing cease-fire talks in Gaza and concerns about weakening demand, particularly from China.

Market

	Close	%1D	%1M	%1Y
VN-Index	1,262	0.75%	-0.25%	7.10%
S&P 500 Index	5,608	0.97%	1.88%	28.34%
Dow Jones Index	40,897	0.58%	1.51%	18.54%
GP 100	8,357	0.55%	2.47%	15.07%
Nikkei 225	37,865	1.27%	-5.49%	20.39%
SHCOMP Index	2,894	0.49%	-2.97%	-7.61%
STOXX 600	515	0.61%	0.89%	14.75%
KOSPI Index	2,691	0.62%	-3.74%	7.45%
Hang Seng	17,570	0.80%	0.87%	-2.12%

Commodity

	Close	%1D	%1M	%1Y
Brent	78	0.05%	-5.97%	-8.37%
WTI	74	-0.50%	-7.65%	-8.92%
Gasoline	226	0.00%	-7.62%	-19.81%
Natural gas	2	0.49%	5.55%	-11.96%
Coal	147	-0.17%	8.44%	-2.01%
Gold	2,505	0.05%	4.54%	32.22%
China HRC	3,122	-0.64%	-14.11%	-20.74%
Steel rebar	3,046	1.70%	-6.22%	-16.13%
BDI index	1,708	1.01%	-10.20%	38.08%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	102	-0.09%	-2.49%	-1.53%
USD/VND	24,973	0.00%	1.45%	-4.63%
EUR/USD	1	0.01%	1.79%	1.74%
USD/JPY	146	0.25%	7.40%	0.00%
USD/CNY	7	0.28%	1.83%	2.01%
USD/GPB	1	0.00%	-0.44%	-1.80%
USD/KRW	1,328	0.42%	4.52%	1.08%
USD/AUD	1	0.01%	-1.30%	-4.69%
USD/CAD	1	0.02%	0.92%	-0.64%

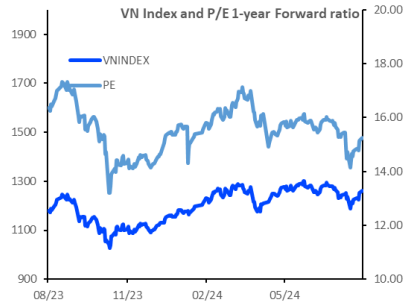
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 19/08/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,261.62	15.24	9.39	0.75	557	14,401
HNX INDEX	236.01	15.80	0.86	0.37	59	1,102





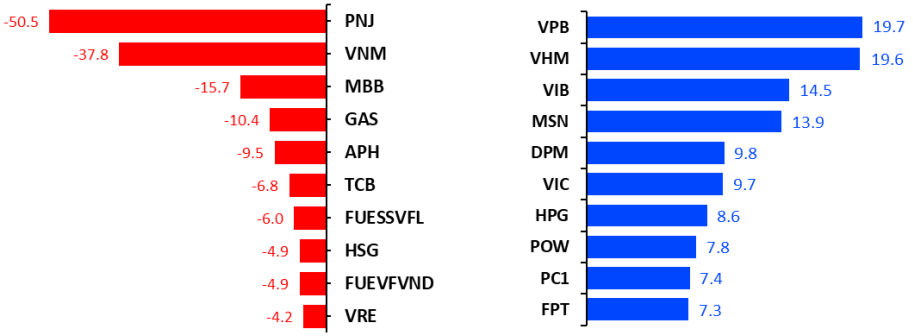
Money flow and sector rotation (VND bn)

Sector	%1D	8/19/2024	8/16/2024	20-session Average
Personal & Household Goods	90.51	694	364	274
Utilities	12.35	459	408	321
Insurance	5.15	55	52	39
Food and Beverage	-4.3	1,596	1,667	1,475
Industrial Goods & Services	-5.7	976	1,035	820
Banks	-21.7	2,585	3,302	2,796
Basic Resources	-24.1	1,105	1,456	926
Health Care	-29.0	41	57	43
Construction & Materials	-33.3	626	938	566
Chemicals	-33.6	881	1,326	815
Real Estate	-40.3	2,373	3,977	2,096
Automobiles & Parts	-44.8	217	393	276
Travel & Leisure	-46.3	106	198	200
Technology	-49.1	384	755	661
Financial Services	-57.1	1,494	3,485	1,538
Oil & Gas	-57.6	155	366	207
Retail	-60.1	611	1,531	795
Media	-63.6	5	13	10

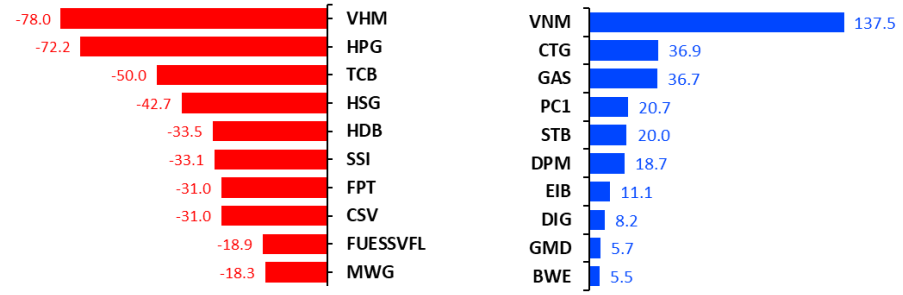
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 19/08/2024

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	27	(163)	86	77
Basic Resources	(0)	(116)	172	(55)
Media	-	(0)	0	-
Industrial Goods & Services	(11)	0	29	(29)
Health care	-	(2)	2	(0)
Chemicals	14	(11)	(36)	47
Financial Services	1	(66)	33	33
Travel & Leisure	4	(8)	4	4
Banks	31	(49)	(0)	49
Construction & Materials	10	3	(12)	9
Food and Beverage	(18)	131	(135)	4
Retail	6	(26)	7	18
Utilities	(1)	46	(47)	1
Personal & Household Goods	(51)	(1)	75	(74)
Technology	7	(30)	21	9
Automobiles & Parts	(2)	(11)	14	(3)
Insurance	(1)	1	(2)	1
Oil & Gas	0	(10)	10	(1)
Total	**17**	**(311)**	**219**	**92**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- Vietnam's steel industry is facing an unstable outlook due to oversupply and intense pressure from imported steel. While domestic steel production and consumption show positive signs, the recovery remains uncertain. Enterprises need to address challenges from the market and steel imports to sustain long-term growth.According to the General Department of Customs, in the first seven months of 2024, Vietnam spent 10.557 billion USD on importing various types of steel and steel products, leading to a steel trade deficit of nearly 2.6 billion USD. Specifically, steel imports reached 9.5 million tons, valued at 6.91 billion USD, increasing by 42.2% and 23.4%, respectively, compared to the same period last year. This is a major factor contributing to the oversupply in the steel industry, causing fierce competition in the domestic market.
- According to the General Department of Customs, Vietnam's seafood exports in the first 7 months reached 5.33 billion USD, an increase of 8% compared to the same period last year. Meanwhile, in the first 6 months of 2024, seafood exports brought in over 4.4 billion USD, up nearly 7% compared to the same period in 2023. Seafood exports in the first 7 months of 2024 to major markets such as the United States reached 964 million USD, a 12.8% increase; Japan reached 840 million USD, a 0.1% increase; China reached 837 million USD, a 11.6% increase; and the EU (27 countries) reached 596 million USD, a 9.4% increase compared to the same period last year
- Vietnamese rice prices have surged back and are now the highest in the world. Despite this, our traditional partners have surprisingly announced larger-than-expected rice imports, which could potentially lead to record-breaking rice exports in terms of both volume and value this year. According to the Vietnam Food Association, in the past 7 months, Vietnam has exported over 5.1 million tons of rice, generating a revenue of 3.2 billion USD, representing a 25% increase in volume and a 5.8% increase in value compared to the same period last year.

Breaking News



Business news

- **PDR:** Recently, Phat Dat Real Estate Development Corporation (HOSE: PDR) has affirmed that it is not involved in the Vịnh Xuân Đài project and currently has no plans to invest in this area. According to the Phú Yên Department of Construction, the Bắc Lục Khẩu New Urban Area is being developed by Viet Long Phu Yen Limited Company with a total area of 16.9 hectares, located in Xuân Phú Ward, Sông Cầu Town, Phú Yên Province. Some websites introduce the project as including a commercial center, a school, and 466 plots of land for building townhouses and villas, with a total investment of over 240 billion đồng, with a construction period from December 2016 to December 2018. However, in a recent report in July, the Department of Construction stated that the project has not yet been granted a business license
- **MWG:** According to MWG's leadership, the revenue of EraBlue stores at the mini and supermini scale is significantly higher, ranging from 1.5 to 2 times that of similarly sized Điện máy Xanh stores in Vietnam. Specifically, each mini store generates over 4 billion VND, while supermini stores bring in over 2.5 billion VND.A member of MWG's Board of Directors shared that the EraBlue chain aims to achieve company-level profitability before the fourth quarter of this year, and everything is still on track. He also emphasized that MWG has a strategic partner, Erajaya, in Indonesia, helping to address the specific characteristics of that market.
- **HAX:** "The ceiling price session helped HAX reach its highest price in a month, bringing it closer to its 2-year peak. The strong upward momentum of HAX shares was supported by the company's impressive business results in the second quarter of 2024. Specifically, net revenue reached 1,123 billion VND, representing a 41% increase year-on-year. After deducting expenses, Hang Xanh Automobile reported a pre-tax profit of over 28 billion VND, a 530% increase compared to the same period in 2023. For the first half of the year, HAX's pre-tax profit reached over 69 billion VND, a remarkable increase of 585% year-on-year



Business news

- **DCM:** With 193,530 tons of urea exported in the first seven months of 2024, Dam Cau Mau has contributed 18% to the total fertilizer export of the country. It is forecasted that in August 2024, urea production will decrease by 52% to 40,860 tons due to the plant's maintenance from August 16th to September 1st. NPK production will also decrease by 37% to 8,000 tons. DCM aims to consume 70,000 tons of urea this month, a 65% increase, with exports reaching 15,000 tons. The consumption of NPK is expected to reach 20,000 tons, a 6.7-fold increase compared to the previous month
- **BWE:** In the first seven months of 2024, Binh Duong Water and Environment Joint Stock Company (Biwase, HOSE: BWE) is estimated to have achieved a total revenue of VND 2,104 billion and after-tax profit of VND 357 billion, representing increases of 6% and decreases of 7%, respectively, compared to the same period last year. The company reported that as of July, nearly VND 222 billion in revenue from waste treatment and wastewater treatment had not yet been recorded. If this is included, the estimated total revenue would be nearly VND 2,326 billion, reaching 57% of the annual plan. In July alone, Biwase's estimated total revenue was VND 230 billion and after-tax profit was VND 55 billion
- **GEG:** GEG has achieved approximately 40% of its revenue target and around 47% of its profit plan in the first six months of the year. However, this plan is based on the assumption that 2024 will fully recognize revenue from the Tan Phu Dong 1 Wind Power Project (TPĐ1, which started operation in the third quarter of 2023) and is expected to recognize retroactive revenue for 2023 as well as assuming that the 2024 electricity price will be calculated at the ceiling price of nearly 1,816 VND/kWh. However, due to the fact that electricity price negotiations depend on the policies and guidance of the Ministry of Industry and Trade and the implementation process of EVN, the specific completion time and revenue recognition have not been determined. The company stated that the retroactive amount is expected to be carried out in 2024, and the progress of completing the electricity price negotiation will affect the company's 2024 business plan

Technical view

Trend: Technical recovery

- VNINDEX closed at 1,261 points (+9.39 points, +0.75%) with higher-than-average trading volume over the past 20 sessions. The market saw 152 decliners and 267 advancers. Stocks contributing to the market's gain included VNM, GAS, and VCB, while HVN, SSI, and GEE contributed to the decline. Telecommunication and consumer goods stocks gained strongly. Foreign investors continued to net sell over 311 billion dong
- **Technical view:** The market opened with an upward gap of nearly 10 points, swiftly reclaiming the MA50 line. This indicates a strong investor sentiment following the robust gains seen last weekend. However, there are signs of a slowdown in cash flow towards the end of the session. With the VNI index approaching resistance levels, the market may experience a consolidation phase in the coming sessions. For the market to resume a sustained uptrend, it would need more time to accumulate around the new support zone of 1230-1240 or lower, to absorb selling pressure and strengthen the foundation for the subsequent phase.
- **Strategy**: Investors can wait for a correction and a rebound at the support level of 1,240 – 1,250 to initiate new purchases. As the price continues to rise, selling pressure at the 1,280 level is starting to emerge. Therefore, it is recommended that investors avoid chasing the price



Scenarios:

- Positive: The market is expected to break through 1,300
- Base: The market is expected to trade in 1,250 area
- Negative: The market breaks the support zone to the 1,220

Recommended stocks

20/08/2024 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%	77.8	7	4.43%	09/08/2024	
DHC	Hold	37.4	40.8	35.8	9%	-4%	38.5	6	2.94%	12/08/2024	
REE	Hold	66.9	73.8	64.6	10%	-3%	70.3	6	5.08%	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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