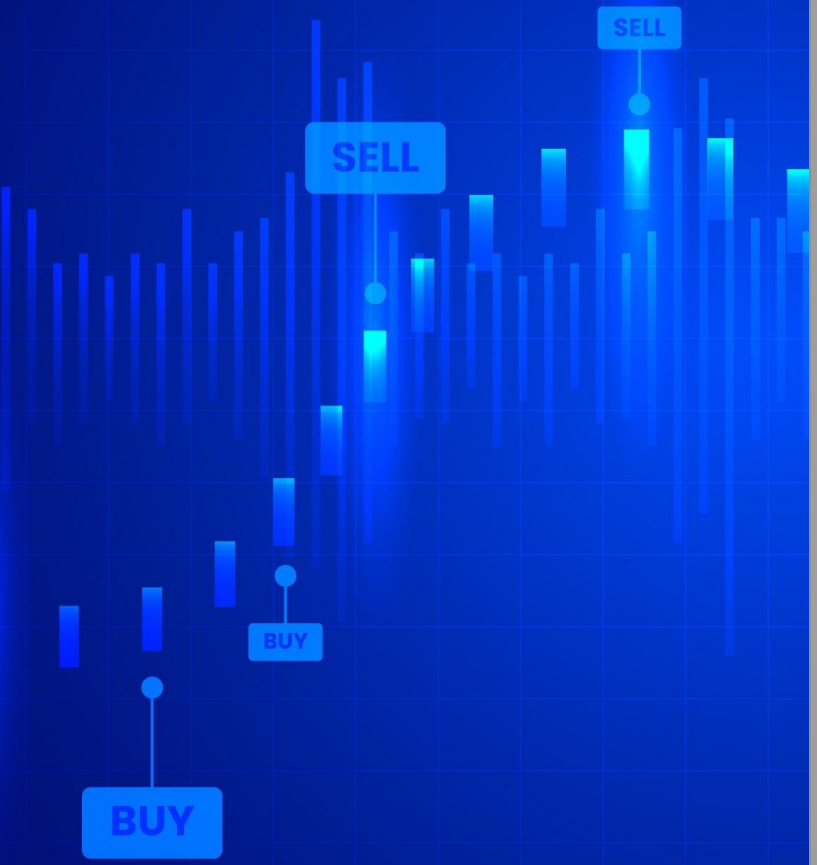
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MORNING CALL

14/10/2024

"A stepping stone"

- ❑ World stocks: Green covers everywhere
- ❑ Vietnamese stocks: A stepping stone
- ❑ Macro news
- ❑ Business news: #VTP, #HCM, #SBT, #HIO, #HPG, #PDR
- ❑ Technical perspective and updated recommendations #HPG
- ❑ Event calendar
- ❑ Q&A

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Shinhan Securities

Global Market Review 14/10 – 18/10/2024

Major stocks market

- The financial sector powered the Dow to new record highs, jumping 0.97% on Friday. The S&P 500 and Nasdaq Composite also gained 0.61% and 0.33%, respectively. Investors also remained cautious about the upcoming US presidential election, uncertainty about the pace of Federal Reserve rate cuts and escalating geopolitical risks in the Middle East.
- European stocks closed higher on Friday, benefitting from a positive start of the session for North American counterparts with support from a positive start of the earnings season in the US, while investors assessed a batch of economic data. The French budget for 2025, with its proposed spending reductions and tax increases on businesses, the wealthy, and energy, was also being closely scrutinized. The Eurozone's Stoxx 50 advanced 0.7% to close at 5,003, and the pan-European Stoxx 600 added 0.5% to close at 522.
- China's annual inflation rate stood at 0.4% in September 2024, below market forecasts and August's figure of 0.6%. This was the 8th month of consumer inflation but was the lowest print since June, highlighting the need for more policy support from Beijing to address growing deflation risks
- The Nikkei 225 Index climbed 0.57% to close at 39,606 on Friday, rising for the third straight session and reaching its highest levels in two weeks. Those moves came even after Wall Street tumbled overnight following hotter-than-expected inflation data and disappointing jobless claims numbers in the US.
- WTI crude oil futures dipped by 0.3% to settle at $75.5 on Friday as investors considered the potential supply disruptions from the Middle East conflict and the effects of Hurricane Milton on fuel demand in Florida

Market

	Close	%1D	%1M	%1Y
VN-Index	1,288	0.16%	2.93%	11.58%
S&P 500 Index	5,815	0.61%	3.36%	34.37%
Dow Jones Index	42,864	0.97%	3.55%	27.30%
GP 100	8,254	0.19%	-0.23%	8.61%
Nikkei 225	39,606	0.57%	8.27%	22.56%
SHCOMP Index	3,218	-2.55%	19.00%	4.20%
STOXX 600	522	0.55%	1.17%	16.21%
KOSPI Index	2,614	0.65%	1.49%	6.42%
Hang Seng	21,252	2.98%	24.22%	18.77%

Commodity

	Close	%1D	%1M	%1Y
Brent	78	-1.61%	8.60%	-14.44%
WTI	74	-1.65%	8.24%	-15.26%
Gasoline	212	-1.61%	9.67%	-6.55%
Natural gas	3	-1.48%	12.49%	-19.87%
Coal	147	-0.88%	5.54%	4.41%
Gold	2,646	-0.39%	2.47%	37.81%
China HRC	3,617	-0.28%	17.70%	-4.94%
Steel rebar	3,370	-0.44%	10.96%	-3.74%
BDI index	1,809	1.06%	-4.29%	-6.99%

Currency

	Close	%1D	%1M	%1Y
Dollar Index	103	0.18%	1.94%	-3.35%
USD/VND	24,814	0.00%	-1.09%	-1.37%
EUR/USD	1	-0.14%	-1.90%	3.43%
USD/JPY	149	-0.05%	-5.75%	0.21%
USD/CNY	7	0.14%	0.74%	3.31%
USD/GPB	1	0.14%	1.30%	-6.37%
USD/KRW	1,353	-0.16%	-1.44%	0.04%
USD/AUD	1	0.28%	0.30%	-5.78%
USD/CAD	1	-0.15%	-1.41%	-1.24%

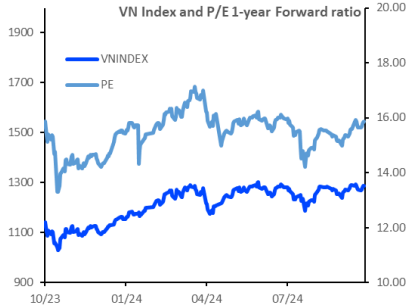
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 11/10/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,288.39	15.86	2.03	0.16	437	11,896
HNX INDEX	231.37	18.43	0.08	0.04	46	702





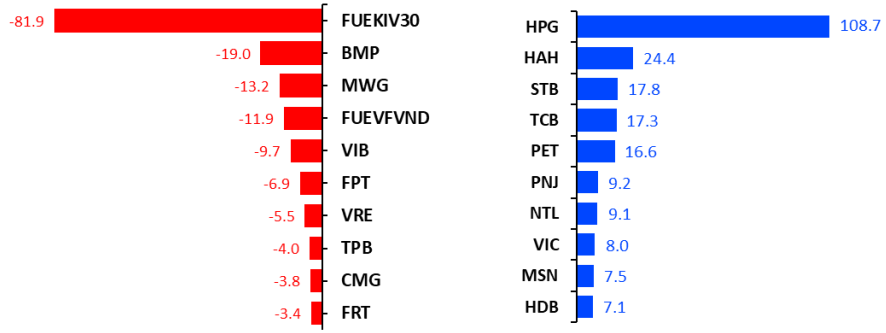
Money flow and sector rotation (VND bn)

Sector	%1D	10/11/2024	10/10/2024	20-session Average
Industrial Goods & Services	65.55	921	556	618
Real Estate	46.60	2,092	1,427	2,310
Media	31.26	21	16	10
Health Care	21.55	46	38	49
Utilities	18.98	218	183	175
Construction & Materials	13.11	453	401	585
Retail	10.41	846	766	724
Automobiles & Parts	-3.4	94	98	132
Insurance	-21.8	42	54	27
Travel & Leisure	-23.8	199	261	133
Financial Services	-29.7	1,416	2,015	2,069
Oil & Gas	-31.2	100	146	186
Personal & Household Goods	-32.1	139	205	234
Basic Resources	-39.5	637	1,053	1,079
Banks	-47.0	2,761	5,206	4,589
Food and Beverage	-56.7	999	2,307	1,057
Chemicals	-58.0	320	760	698
Technology	-63.2	581	1,579	505

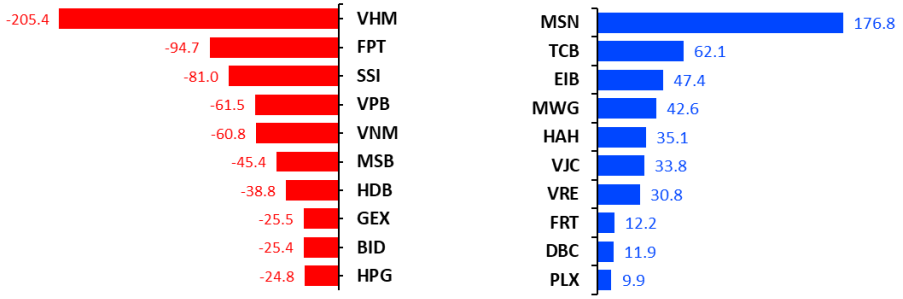
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 11/10/2024

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	22	(156)	147	9
Basic Resources	110	(39)	17	23
Media	5	1	(6)	5
Industrial Goods & Services	32	14	(16)	2
Health care	(0)	2	(1)	(2)
Chemicals	2	(20)	28	(8)
Financial Services	(3)	(91)	108	(17)
Travel & Leisure	4	26	(19)	(7)
Banks	46	(122)	164	(42)
Construction & Materials	(19)	(10)	44	(34)
Food and Beverage	12	124	(130)	6
Retail	0	54	(36)	(17)
Utilities	3	(8)	41	(33)
Personal & Household Goods	9	0	(11)	11
Technology	(11)	(94)	133	(39)
Automobiles & Parts	(0)	2	0	(3)
Insurance	6	3	(13)	10
Oil & Gas	0	6	(3)	(2)
Total	**219**	**(308)**	**447**	**(139)**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- The Ministry of Transport has recently reported to the Government a proposal to postpone the completion of the Long Thanh International Airport project to 2026, instead of 2025. According to Deputy Minister of Transport Le Anh Tuan, the adjustment to move the construction of the third runway from the project's phase 3 to phase 1 is a change compared to the National Assembly's Resolution No. 94/2015/QH13 and is a change in the scale of phase 1. According to the provisions of the Public Investment Law of 2019, this case falls under the category of adjusting the investment decision.
- As of the end of the third quarter of 2024, Petrovietnam has fully achieved all 6 financial targets for the entire year of 2024, finishing ahead of schedule by 3 to 5 months. Over the past 9 months, Petrovietnam has maintained stable production and business operations. Its projects and plants have operated continuously, efficiently, and safely, contributing to the Group's exceeding of its 9-month production targets by 1.3% to 19%.
- According to the General Department of Customs, Vietnam's imports of Hot Rolled Coil (HRC) steel surged to 1.2 million tons in September, representing a 34% increase compared to the previous month and more than double the domestic production. This significant surge occurred despite ongoing anti-dumping investigations. Of this total, China accounted for a substantial 72%, equating to 6.3 million tons, far surpassing the consumption of domestic steel producers. Prior to this, on July 26th, the Ministry of Industry and Trade officially launched an anti-dumping investigation into certain types of HRC steel imported from China and India.

Breaking News



Business news

- **VTP:** After more than 2 months, the share price of Viettel Post (VTP) has increased by 20%, reaching its highest level since mid-July. Consequently, the market capitalization has recovered to approximately 10,000 billion VND, marking a nearly 50% increase compared to the beginning of the year, although it remains 13% below the record high achieved in mid-June. The renewed positive growth of VTP shares occurs amidst the e-commerce market's preparation for the peak shopping season. With the second-largest market coverage in the delivery industry, Viettel Post's net profit is expected to surge significantly in the second half of this year
- **HCM:** After a period of lagging behind in capital augmentation, HSC is now taking proactive steps to regain its leading position in the securities industry. In an announcement on HoSE, Ho Chi Minh City Securities Corporation (HSC, stock code HCM) has stated that it will hold an extraordinary general meeting of shareholders on the afternoon of December 4th via an online format. The record date for shareholders eligible to attend the meeting is October 30th. The meeting's agenda includes a plan to issue shares to existing shareholders and other matters within the competence of the general meeting of shareholders, if any
- **SBT:** TTC AgriS aims to increase its ownership in Betrimex to invest in the company's strategic portfolio for the period 2025-2030. Specifically, TTC AgriS plans to acquire a 40% stake in Betrimex to invest in a strategic business segment during the 2025-2030 period. The transaction value will be determined based on an agreement with the seller, with reference to a third-party valuation and in compliance with applicable laws. The deal is expected to be finalized in the 2024-2025 fiscal year.

Breaking News



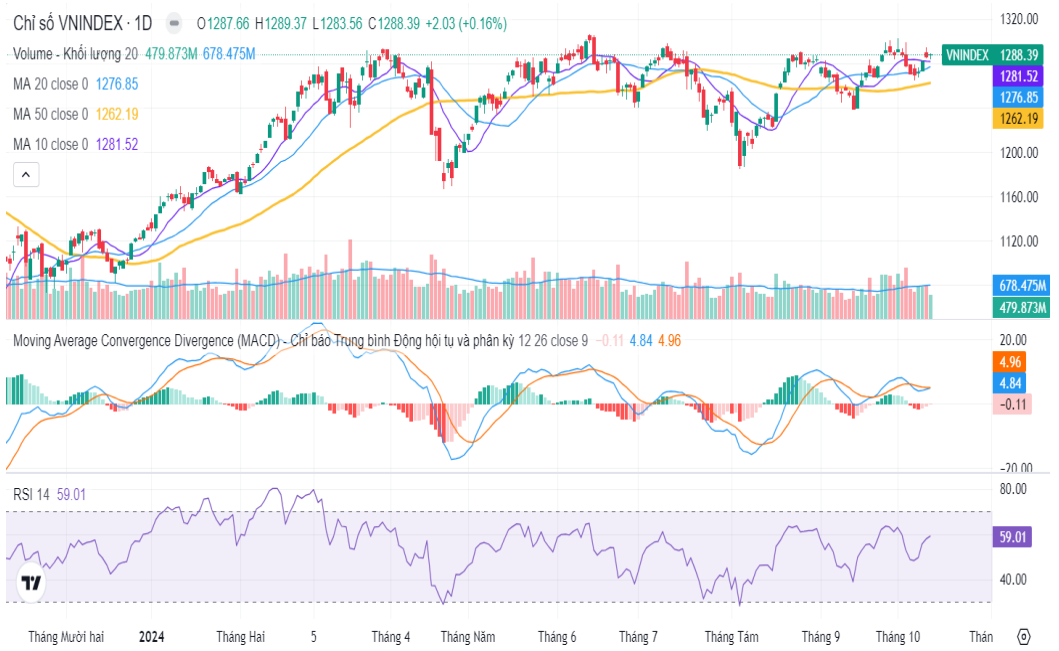
Business news

- **HIO:** To take over nearly 60% of the charter capital of the investor in the Thuan Minh 2 Solar Power Plant. Upon receiving the transfer, Helio Energy will use nearly 40% of the total transferred shares as collateral for the bank. Helio Energy was formerly Alpha Solar 1 Company Limited, established in 2020 with an initial registered capital of 10 billion VND. Through just one capital increase in 2021 via the conversion of the business type to a joint stock company and a capital increase agreement among the founding shareholders, the company's registered capital has increased to 210 billion VND and has remained the same until now
- **HPG:** Hoa Phat achieved 34 trillion VND in revenue in the third quarter, with the Dung Quat 2 plant set to undergo a trial run by the end of this year. Accumulatively in the first nine months, Hoa Phat recorded over 105 trillion VND in revenue, a 23% increase compared to the same period last year, completing 75% of the 2024 annual plan. Hoa Phat is currently focusing on the construction of the Dung Quat 2 Steel Complex project, with a capacity of 5.6 million tons of hot-rolled coils per year. Currently, this mega project has reached 80% completion for phase 1 and 50% for phase 2. According to this schedule, phase 1 is expected to have its first hot rolling furnace trial run by the end of 2024
- **PDR:** Phat Dat Real Estate Development Corporation (stock code: PDR) recently announced its Q3/2024 financial report, revealing a revenue of only about VND 2.6 billion, a 99% decrease compared to the previous year. However, the company's after-tax profit recorded over VND 51 billion. Financial activities revenue continued to be the company's primary source of income. According to the financial statements, on June 24th, Phat Dat transferred 25% of its stake in BIDICI to Mr. Nguyen Tra Giang for a value of nearly VND 770 billion.

Technical view

Trend: Financial group is leading the way

- The VNINDEX closed at 1,288.39 points (+2.03 points, +0.16%) with lower-than-average trading volume over the past 20 sessions. The market saw 195 gainers and 160 decliners. Stocks contributing to the market's gain included VHM, MSN, and VJC, while FPT, VCB, and BID contributed to the decline. Foreign investors net sold over 320 billion dong.
- **Technical Analysis:** Trading is taking place within a narrow range with significantly reduced liquidity. This indicates that buyers are becoming cautious as the market approaches a crucial trading zone that could signal a new trend. Despite positive signs, the VN-Index needs a strong cash flow session to break through the negative divergence of the MACD. If it continues to violate the MA20 level, the index will retest the MA50 level around 1,240-1,250 points, and the market will require more sessions to rebalance.
- **Strategy:** Investors should observe at this price range, increasing their holdings if the VN-Index successfully surpasses 1,300 points with improved liquidity and a wide range.



Scenarios:

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

Recommended stocks

14/10/2024 9:00 AM

Unit: VND thousand

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals	Note
HPG	Prepare to buy	26.95	29.2	26	8%	-4%	27.3	Increase above EMA 200	

Ticker	Recommendation	Buying price	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
KBC	Hold	27.7	32	26.8	16%	-3%	27.95	11	0.90%	27/9/2024	
POW	Hold	13	15	12.5	15%	-4%	12.6	9	-3.08%	1/10/2024	Prepare to sell when reaching stoploss
PVD	Hold	27.7	32.05	26.6	16%	-4%	27.55	5	-0.54%	7/10/2024	
MBB	Hold	25.5	27.7	24.75	9%	-3%	25.55	2	0.20%	10/10/2024	
MBS	Hold	29.9	34.5	29.3	15%	-2%	29.5	2	-1.34%	10/10/2024	

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Economic calendar

October 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
29	30	1 Fed Chair Powell Speech US ISM Manufacturing PMI SEP	2	3 US ISM Services PMI SEP	4 US Non Farm Payrolls SEP US Unemployment Rate SEP	5
6	7	8	9	10 Inflation Rate MoM SEP FOMC Minutes	11 Unemployment Rate (US) US PPI MoM SEP	12
13	14	15	16	17 US Retail Sales MoM SEP Expiration date of future contract VN30F2410	18 Japan inflation rate YoY	19
20	21 Announcement of Diamond index stock portfolio	22	23	24	25 US Durable Goods Orders MoM SEP	26
27	28	29 Vietnam macroecnomic data in October	30 US GDP Growth Rate QoQ Adv Q3	31 US Personal Income MoM SEP	1	2
3	4					

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Q&A

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