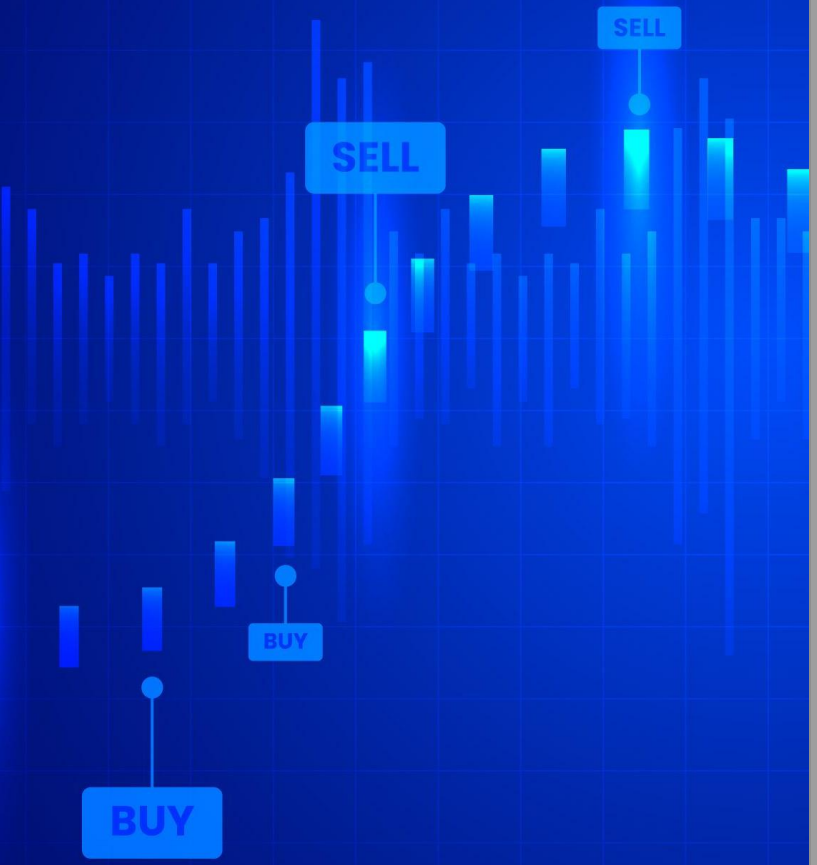
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MORNING CALL

23/10/2024

"Sudden drop"

- ❑ World stocks: Cautious development
- ❑ Vietnamese stocks: Sudden drop
- ❑ Macro news
- ❑ Business news: : #LTG, #NLG, #DHG, #VIB, #DGC, #HAX
- ❑ 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 21/10 – 25/10/2024

Major stocks market

- In regular trading on Tuesday, the Dow and S&P 500 inched down 0.02% and 0.05%, respectively. Those moves came as investors navigated concerns about rising Treasury yields and mixed earnings results. The benchmark 10-year US yields topped 4.2% on Tuesday for the first time since late July amid robust economic data and deficit worries. Investors now look ahead to earnings reports from major firms such as AT&T, Boeing and Tesla on Wednesday.
- European stock markets experienced minimal changes Tuesday, tracking a general cautious mood, as hopes for a swift decrease in interest rates by the Fed diminish. At the same time, traders focus on corporate results. The technology sector performed the best, rising 0.9%.
- The Nikkei 225 Index rose 0.2% to around 38,480 while the broader Topix Index gained 0.1% to 2,655 on Wednesday, with Japanese shares stabilizing after falling steadily over the past week amid hopes that earnings growth could support local equities
- WTI crude oil futures advanced 2.1% to close at $72.1 per barrel on Tuesday, rising for a second straight session, as traders discounted the likelihood of a Middle East ceasefire, instead shifting their focus to the tightening global supply and demand balance.

Market	Close	%1D	%1M	%1Y
VN-Index	1,270	-0.77%	0.11%	16.13%
S&P 500 Index	5,851	-0.05%	2.32%	38.75%
Dow Jones Index	42,925	-0.02%	1.90%	30.33%
GP 100	8,307	-0.14%	0.57%	12.63%
Nikkei 225	38,444	0.08%	1.91%	24.01%
SHCOMP Index	3,286	0.54%	19.53%	11.79%
STOXX 600	520	-0.21%	0.79%	20.13%
KOSPI Index	2,574	0.14%	-1.07%	9.22%
Hang Seng	20,499	0.10%	12.34%	19.37%

Commodity	Close	%1D	%1M	%1Y
Brent	76	-0.36%	2.53%	-15.65%
WTI	71	-0.38%	1.56%	-16.40%
Gasoline	207	-0.29%	3.78%	-11.30%
Natural gas	2	-0.87%	-12.32%	-21.70%
Coal	145	-0.62%	3.73%	4.86%
Gold	2,742	-0.25%	4.32%	39.00%
China HRC	3,491	-0.85%	9.88%	-7.99%
Steel rebar	3,225	0.12%	5.53%	-9.21%
BDI index	1,480	-4.27%	-25.96%	-26.62%

Currency	Close	%1D	%1M	%1Y
Dollar Index	104	0.11%	3.31%	-1.28%
USD/VND	25,405	0.00%	-3.10%	-3.27%
EUR/USD	1	-0.03%	-2.84%	1.18%
USD/JPY	152	-0.40%	-5.32%	-1.30%
USD/CNY	7	-0.09%	-1.10%	2.50%
USD/GPB	1	0.05%	2.86%	-5.61%
USD/KRW	1,385	-0.53%	-3.56%	-2.23%
USD/AUD	1	0.18%	2.52%	-5.00%
USD/CAD	1	-0.06%	-2.06%	-0.98%

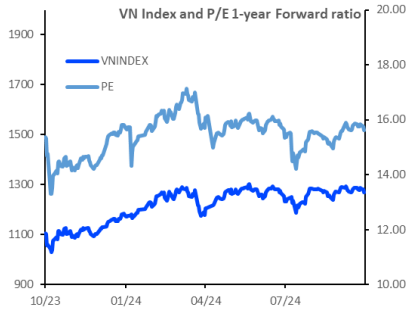
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 22/10/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,269.89	15.63	-9.88	-0.77	662	17,335
HNX INDEX	225.50	18.00	-1.92	-0.85	55	995





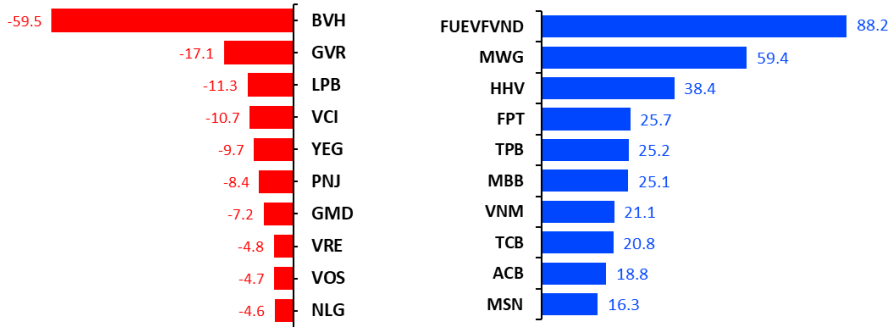
Money flow and sector rotation (VND bn)

Sector	%1D	10/22/2024	10/21/2024	20-session Average
Retail	130.71	961	416	779
Chemicals	108.91	964	462	655
Personal & Household Goods	100.60	215	107	210
Technology	90.21	855	450	519
Utilities	81.71	189	104	166
Banks	48.84	5,541	3,723	5,050
Construction & Materials	33.01	692	521	574
Food and Beverage	31.79	1,171	888	1,152
Basic Resources	20.40	756	628	1,062
Financial Services	7.91	2,090	1,937	2,005
Travel & Leisure	7.32	151	141	140
Insurance	7.21	14	13	25
Real Estate	3.71	2,766	2,667	2,331
Oil & Gas	-8.3	125	136	183
Automobiles & Parts	-21.8	179	229	189
Media	-24.6	19	26	14
Industrial Goods & Services	-24.8	592	788	641
Health Care	-51.8	47	98	51

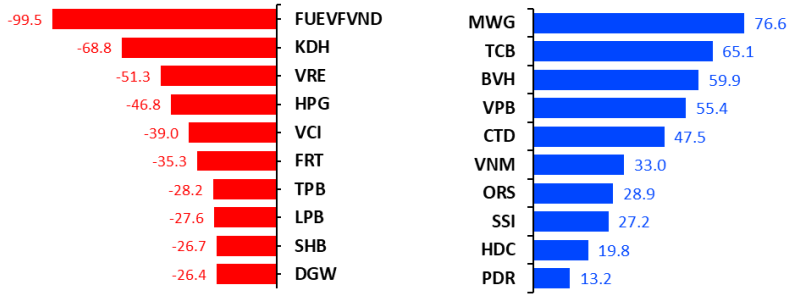
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 22/10/2024

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	21	(99)	64	34
Basic Resources	8	(52)	49	3
Media	(10)	9	1	(10)
Industrial Goods & Services	(6)	17	(19)	2
Health care	-	1	2	(3)
Chemicals	(3)	8	111	(119)
Financial Services	74	(85)	9	76
Travel & Leisure	7	(21)	17	5
Banks	146	(56)	(41)	98
Construction & Materials	48	58	(98)	41
Food and Beverage	40	30	(40)	10
Retail	59	16	(68)	52
Utilities	3	(11)	39	(28)
Personal & Household Goods	(8)	0	19	(20)
Technology	26	(15)	99	(84)
Automobiles & Parts	(0)	(5)	6	(1)
Insurance	(60)	60	(3)	(57)
Oil & Gas	7	7	17	(24)
Total	**352**	**(138)**	**164**	**(26)**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- The People's Committee of Ho Chi Minh City has just issued Decision 79/2024/QD-UBND dated October 21, 2024, stipulating an adjusted land price list to be applied from October 31, 2024, to December 31, 2025. Accordingly, the adjusted land price list of Ho Chi Minh City has increased by 4 to 38 times compared to the land price in Decision No. 02/2020. According to the assessment of the Department of Natural Resources and Environment, if the land price according to Decision 02/2020 is about 30% of the market price in Ho Chi Minh City, the newly adjusted land price will be about 50%. Notably, the prices of commercial and service land have been significantly reduced.
- At the morning session on October 22nd, a National Assembly delegate proposed that the drafting board for the Law on Amending and Supplementing a number of articles of the Pharmaceutical Law should study and regulate more favorable incentives and policies for domestic pharmaceutical enterprises and chains. This is to ensure they can compete with foreign businesses and prevent future imbalances in the drug distribution market
- Recently, in an interview with the press, Vu Duc Giang, Chairman of the Vietnam Textile Association, revealed that most textile enterprises now have full export orders until the end of the year. The total export value of textiles this year will certainly reach the set target of 44 billion USD. Many businesses are actively negotiating export orders for the first quarter of 2025. The Strategy for Developing Vietnam's Textile and Footwear Industry by 2030 with a vision to 2035, recently approved by the Government, will be the foundation for attracting foreign investment in the yarn-weaving-dyeing sector, creating opportunities for the textile industry to take advantage of incentives from agreements

Breaking News



Business news

- **LTG:** Lộc Trời shares will only be traded on Fridays starting from October 24th. The LTG stock has plummeted nearly 80% over the past year. The reason is that Lộc Trời Group has delayed submitting its audited semi-annual financial report for 2024 by more than 45 days past the stipulated deadline. The company has explained that it is facing force majeure events and needs to focus on stabilizing its operating cash flow and addressing immediate financial issues.
- **NLG:** Nam Long Investment Corporation (stock code: NLG) has just released its Q3/2024 financial report, recording a revenue of over 370 billion VND, an increase of nearly 4% compared to the same period. Notably, in Q3, the company successfully handed over projects within the Mizuki Park and Southgate urban areas, contributing to the revenue growth. Conversely, increased cost of goods sold, along with higher management expenses, led to a post-tax loss of 52 billion VND for NLG. Accumulatively in the first 9 months, NLG's total revenue reached nearly 828 billion VND. Of which, revenue from the sale of land, apartments, townhouses, and villas still accounted for the largest proportion at over 678 billion VND.
- **DHG:** Hậu Giang Pharmaceutical Joint Stock Company (Code: DHG) has just announced its Q3 business results, revealing a significant decline in profit, marking the lowest level in the past 4 years. For the first 9 months of the year, DHG has only achieved 59% of its annual profit target.According to the consolidated financial statements for Q3/2024, DHG's net revenue remained flat compared to the same period last year at 1,062 billion VND. However, the gross profit margin decreased from 46.9% to only 43.4%. Accumulated revenue for the first 9 months of the year reached 3,426 billion VND, with after-tax profit of 571 billion VND, a decrease of 28% compared to the same period last year.

Breaking News



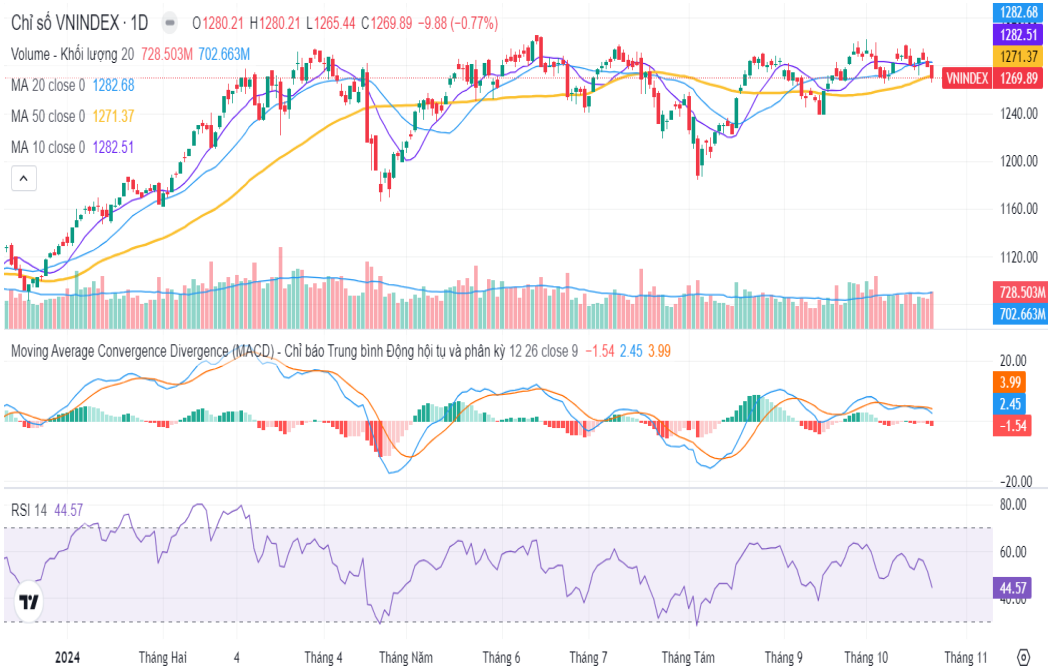
Business news

- **VIB:** After the first nine months of the year, VIB achieved a total revenue of 15,300 billion VND, with net interest income decreasing by 9% compared to the same period last year. VIB continued to maintain a cautious policy with a new provision of approximately 3,230 billion VND, an increase of 2%, and an improvement in coverage ratio compared to the same period. Additionally, in the context of improving asset quality, provisions in the third quarter decreased by more than 25% compared to the same period. In summary, VIB's pre-tax profit after the first nine months of the year reached 6,600 billion VND, a decrease of 21% compared to the same period. The return on equity (ROE) was approximately 19%
- **DGC:** Duc Giang Chemicals' Q3 2024 Business Results Show No Significant ChangesDuc Giang Chemicals Group Joint Stock Company (DGC) has just released its consolidated financial report for the third quarter of 2024. The company reported net revenue of VND 2,558 billion, a slight increase of 4% compared to the same period last year. Gross profit margin reached 34.4%, a slight improvement over the 34% recorded in the same period. As a result, DGC's after-tax profit was VND 738 billion, down 8% year-on-year.Despite a slight decrease in profit, the company maintains a healthy balance sheet with over VND 11,000 billion in idle cash.
- **HAX:** HAX has just released its consolidated financial report for the third quarter of 2024, showing a net revenue of 1,536 billion VND, an increase of nearly 38% compared to the same period last year. The slower increase in cost of goods sold compared to the revenue growth has helped improve the gross profit margin from 6% to over 11%, resulting in a gross profit of over 174 billion VND, nearly triple the 65 billion VND achieved in the same period last year.According to the explanatory note, Haxaco stated that along with the economic recovery and timely support policies from the government through the reduction of registration fees for domestically produced cars from September 1st to November 30th, 2024 (Decree 109/2024/ND-CP), it has stimulated a significant increase in consumer demand for luxury cars.

Technical view

Trend: Short term accumulation

- The VNINDEX closed at 1,269.89 points, down 9.88 points (-0.77%) with lower-than-average trading volume over the past 20 sessions. The market saw 107 gainers and 269 decliners. Stocks contributing to the market's gains included VHM, EIB, and MWG, while GVR, BID, and FPT weighed on the market. Most sectors declined. Foreign investors were net sellers of more than 137 billion dong
- **Technical Analysis:** After multiple unsuccessful attempts to break through the 1300 level, a sudden sell-off caused the VN-Index to drop nearly 10 points, temporarily losing the 1,270 mark. The market closed at the support of the MA50 and broke through previous trendlines. However, on the positive side, buying pressure emerged towards the end of the session, and the banking group remained resilient. The market's trend continues to consolidate within a wide range around 1,270 – 1,300 and will likely see further divergence. The nearest support for the market is at 1,260. If the EMA50 is breached, the index will retest the 1,240-1,250 zone, which corresponds to the EMA 200
- **Strategy:** Investors should maintain their holding positions while the market remains sideways. Buying is recommended when the market declines to the 1,270 range and shows signs of rebounding, or when it clearly breaks above 1,300.



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

23/10/2024 9:00 AM

Unit: VND thousand

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals	Note

Ticker	Recommendation	Buying price	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
KBC	Sell	27.7	32	26.8	16%	-3%	26.25	18	-5.23%	27/9/2024	Already sold when reaching the cutloss
MBB	Hold	25.5	27.7	24.75	9%	-3%	25.25	9	-0.98%	10/10/2024	
HPG	Hold	27.15	29.9	26.2	10%	-3%	26.65	3	-1.84%	18/10/2024	
HAH	Hold	42.5	47	40.4	11%	-5%	41.75	3	-1.76%	18/10/2024	
VHC	Hold	73.2	80.1	70	9%	-4%	72.5	1	-0.96%	22/10/2024	

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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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