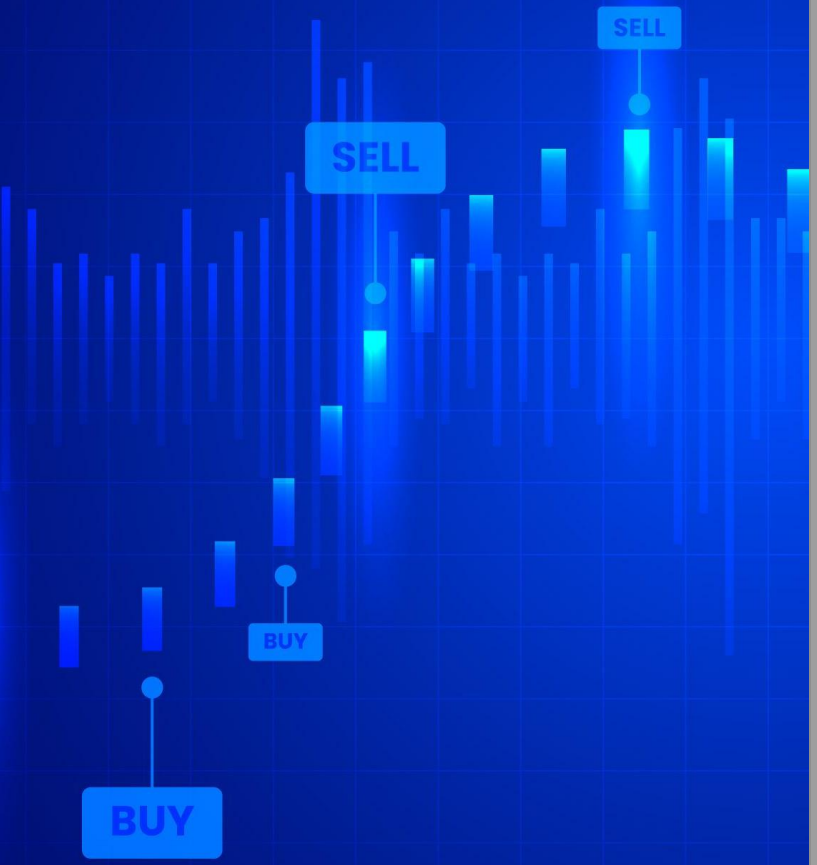
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MORNING CALL

25/10/2024

"The last straw"

- ❑ World stocks: Mixed results ahead of earnings season"
- ❑ Vietnamese stocks: The last straw
- ❑ Macro news
- ❑ Business news: #BSR, #REE, #MPC, #MSN, #HCM, #PNJ
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

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Global Market Review 21/10 – 25/10/2024

Major stocks market

- In regular trading on Thursday, the Dow fell 0.33% for its fourth straight down session. Meanwhile, the S&P 500 and Nasdaq Composite gained 0.21% and 0.76%, respectively, as technology stocks outperformed. Investors reacted to the latest earnings and a pullback in Treasury yields. The S&P Global US Composite PMI rose to 54.3 in October 2024, up from 54.0 in September, signaling solid business activity growth at the start of the fourth quarter, preliminary data showed.
- European stocks closed slightly higher on Thursday, supported by upbeat corporate results as investors parsed the latest leading indicators of the Eurozone's economy. The Stoxx 50 added 0.3% to close at 4,935 while the Stoxx 600 closed marginally above the flatline at 519. On the data front, the Eurozone's PMI continued to indicate contracting private sector activity in October.
- The Nikkei 225 Index fell 0.8% to below 37,900 while the broader Topix Index dropped 0.8% to 2,615 on Friday, with both benchmarks set for sharp weekly losses as investors geared up for Japan's general election this weekend where the coalition government could lose its majority in the parliament.
- WTI crude oil futures fell toward $70 per barrel on Thursday, continuing a decline after a 1.4% drop in the previous session due to oversupply concerns.

Market	Close	%1D	%1M	%1Y
VN-Index	1,257	-1.06%	-2.34%	14.14%
S&P 500 Index	5,810	0.21%	1.53%	38.77%
Dow Jones Index	42,374	-0.33%	1.10%	28.27%
GP 100	8,269	0.13%	0.01%	11.53%
Nikkei 225	37,834	-0.81%	-0.09%	20.99%
SHCOMP Index	3,280	-0.68%	13.26%	10.29%
STOXX 600	519	0.03%	-0.03%	19.23%
KOSPI Index	2,601	0.77%	0.18%	10.06%
Hang Seng	20,490	-1.30%	7.11%	19.93%

Commodity	Close	%1D	%1M	%1Y
Brent	75	0.47%	1.73%	-17.09%
WTI	71	0.47%	1.19%	-17.41%
Gasoline	204	0.47%	1.87%	-10.81%
Natural gas	3	0.95%	-3.45%	-15.42%
Coal	146	0.17%	4.30%	6.59%
Gold	2,734	-0.07%	2.92%	38.12%
China HRC	3,471	-0.52%	10.19%	-7.96%
Steel rebar	3,241	1.03%	2.53%	-10.20%
BDI index	1,417	-1.94%	-29.71%	-22.65%

Currency	Close	%1D	%1M	%1Y
Dollar Index	104	0.04%	3.16%	-2.28%
USD/VND	25,413	-0.06%	-3.23%	-3.31%
EUR/USD	1	-0.04%	-2.78%	2.44%
USD/JPY	152	-0.09%	-4.74%	-1.14%
USD/CNY	7	0.14%	-1.24%	2.69%
USD/GPB	1	0.04%	2.73%	-6.62%
USD/KRW	1,380	0.03%	-3.23%	-2.22%
USD/AUD	2	0.07%	2.82%	-4.93%
USD/CAD	1	0.04%	-2.63%	-0.38%

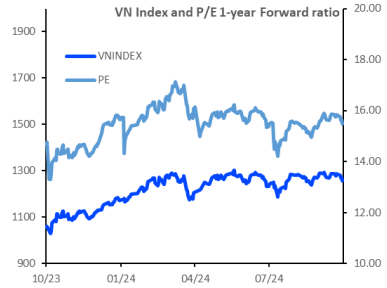
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 24/10/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,257.41	15.47	-13.49	-1.06	530	13,980
HNX INDEX	224.69	17.93	-1.81	-0.80	38	614





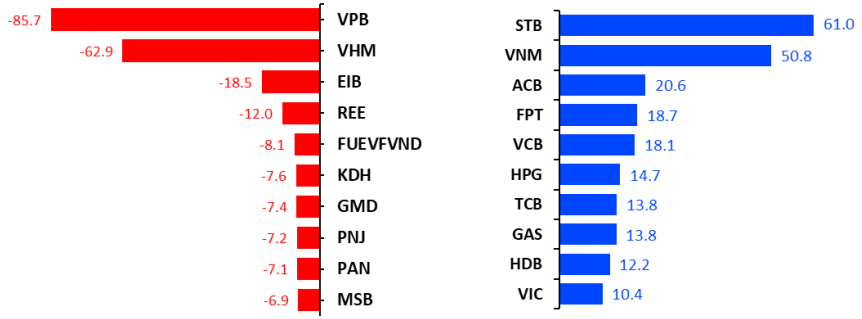
Money flow and sector rotation (VND bn)

Sector	%1D	10/24/2024	10/23/2024	20-session Average
Food and Beverage	38.90	1,145	824	1,138
Banks	32.10	4,619	3,497	4,738
Financial Services	29.54	1,613	1,245	1,875
Oil & Gas	29.04	103	80	171
Basic Resources	27.35	740	581	985
Health Care	25.93	39	31	49
Chemicals	21.26	524	432	603
Travel & Leisure	7.34	110	102	135
Industrial Goods & Services	0.05	478	477	620
Media	-8.1	10	11	14
Automobiles & Parts	-9.9	95	105	178
Real Estate	-15.2	2,988	3,524	2,366
Utilities	-15.3	128	151	155
Personal & Household Goods	-16.5	128	153	189
Construction & Materials	-18.1	447	545	547
Insurance	-19.8	11	14	24
Technology	-20.2	345	432	504
Retail	-20.9	454	575	771

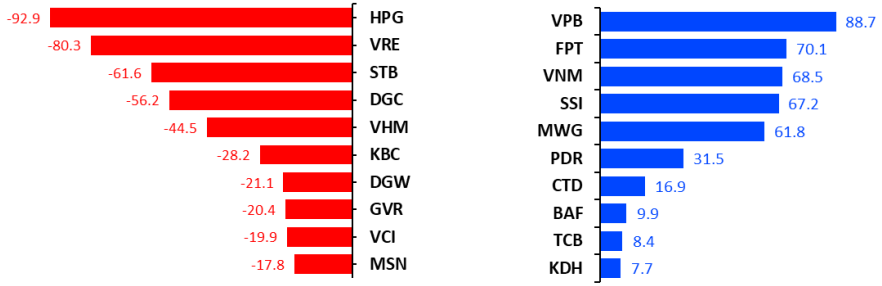
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 24/10/2024

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	(57)	(133)	(337)	470
Basic Resources	15	(105)	76	29
Media	-	0	(0)	0
Industrial Goods & Services	(14)	(12)	19	(7)
Health care	-	3	(2)	(1)
Chemicals	(1)	(81)	124	(43)
Financial Services	(12)	21	44	(65)
Travel & Leisure	8	(4)	6	(3)
Banks	41	(35)	(4)	40
Construction & Materials	5	(2)	(4)	6
Food and Beverage	47	23	(28)	4
Retail	7	41	(29)	(12)
Utilities	15	(14)	(6)	20
Personal & Household Goods	(7)	2	(28)	26
Technology	19	65	(61)	(4)
Automobiles & Parts	(0)	(1)	1	(0)
Insurance	0	1	(4)	3
Oil & Gas	3	(5)	9	(4)
Total	**69**	**(236)**	**(224)**	**460**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- As of October 24, 2024, 587 listed companies, representing 28.2% of the total market capitalization, have announced their third-quarter business results. This includes 9 out of 27 banks, 30 out of 35 securities companies, and 541 out of 1,483 non-financial enterprises, according to FiinTrade statistics. The total after-tax profit in the third quarter of 2024 for these 587 companies maintained high year-on-year growth of 22% but slightly decreased by 6% compared to the previous quarter, indicating a slowdown in the recovery momentum. With the total market profit expected to grow by a double-digit figure in the third quarter, around 15-18%, the P/E ratio of the entire market could reach around 12.5x-13x, equivalent to the recent bottom set at the end of October 2023 (12.6x)
- There is a growing presence of e-commerce platforms on social media that exhibit signs of unfair competition. A prime example of this is advertising and promotions that exceed 50% of the value of goods and services. The Ho Chi Minh City Department of Industry and Trade has recently sent a document to the Ministry of Industry and Trade proposing several solutions to manage and promote the development of e-commerce. To protect consumer rights and ensure fair competition among domestic and foreign businesses, the Ho Chi Minh City Department of Industry and Trade believes that it is necessary to resolutely prevent the display of advertisements and promotions that violate regulations on websites, e-commerce platforms, and social networks...
- The global USD price has been continuously rising in recent trading sessions. Domestically, both the central exchange rate and commercial bank USD prices have yet to cease their upward trend. Compared to the beginning of the year, the USD price has increased by 1,042 dong, representing a growth of over 4.2%, exceeding the expected 3% increase. The exchange rate is currently being influenced by both global and domestic factors.On the international market, the US Dollar Index (DXY), which measures the greenback's fluctuations against six major currencies (EUR, JPY, GBP, CAD, SEK, CHF), is currently at 104.42 points, up 0.35%. The USD has recorded its fourth consecutive week of gains as a series of positive economic data has reduced expectations for the scale and pace of interest rate cuts by the US Federal Reserve (Fed), which has pushed US Treasury yields higher

Breaking News



Business news

- **BSR:** BSR representatives have confirmed that the company has secured sufficient crude oil to meet its gasoline and oil production needs until the end of 2024. To ensure a stable supply of crude oil for the first quarter of 2025, BSR has been actively purchasing domestic Vietnamese crude oil and importing according to plan. The company prioritizes purchasing Vietnamese crude oil to enhance its resilience against geopolitical fluctuations, natural disasters, and epidemics. Regarding domestic Vietnamese crude oil, BSR has signed long-term contracts for Bach Ho, Dai Hung, and Te Giac Trang crude oil, with a total volume accounting for nearly 50% of the company's capacity.
- **REE:** Platinum Victory Pte. Ltd., the largest shareholder of Cơ điện lạnh (REE), has announced the results of its tender offer for REE shares. The foreign investor successfully acquired 4 million shares (0.85% of the total outstanding shares) at a price of VND 80,000 per share, amounting to a total value of VND 320 billion. This means that the foreign investor agreed to pay a premium of up to 26% compared to the current market price to increase its ownership in REE. In fact, the offer price is even higher than the stock's previous peak.
- **MPC:** Minh Phu Seafood Corporation (UPCOM: MPC) recently announced its consolidated financial statements for the parent company in Q3/2024, reporting a net revenue of VND 2,700 billion, a 35% increase compared to the same period last year. Although the gross profit margin decreased from 9% to 7%, the company's gross profit still increased by nearly 9% to VND 202 billion. Notably, financial revenue in Q3/2024 was nearly 32 times higher than the same period last year, reaching VND 319 billion, mainly due to Minh Phu receiving dividends from its subsidiaries. In the first nine months of 2024, Minh Phu recorded a net revenue of VND 6,207 billion, a 33.5% increase compared to the same period in 2023. The company's after-tax profit reached VND 135 billion, nearly 17 times higher than the same period in 2023

Breaking News



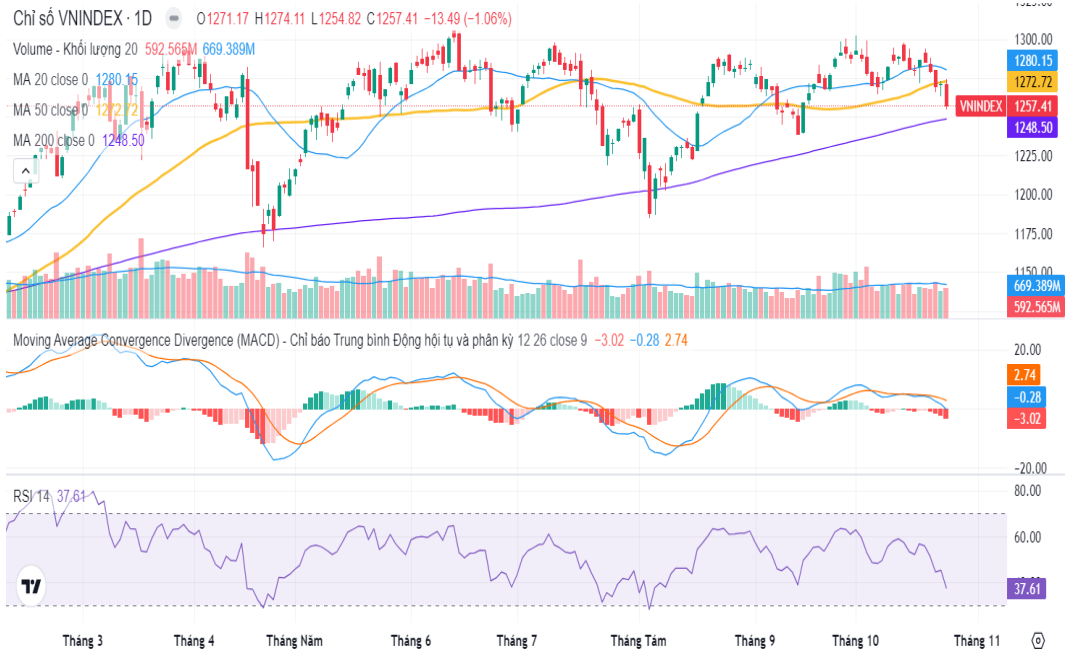
Business news

- **MSN:** Masan reported positive results from its consumer retail segment and achieved savings on interest expenses. In the third quarter of 2024, Masan Group's net revenue reached 21,487 billion VND, up 6.6% compared to the same period last year. This growth was driven by the consumer retail business segments, which offset the restructuring activities of Masan MeatLife's poultry farming segment and the temporary disruption of Masan High-Tech Materials' operations. Net profit attributable to the parent company reached 701 billion VND, an increase of nearly 1,400% compared to the same period last year. This result is attributed to the strong profitability of the consumer retail business segments
- **HCM:** As of the end of the third quarter of 2024, HSC held 5,200 billion VND in listed bonds and private bonds, a 4,000 billion VND increase compared to the beginning of the year. Notably, the company's financial debt increased by nearly 6,000 billion VND compared to the previous quarter, reaching 22,148 billion VND. For the first nine months of this year, HSC achieved operating revenue of 3,095 billion VND, an increase of over 50%, and after-tax profit increased by 64% year-on-year to 813 billion VND
- **PNJ:** Phu Nhuan Jewelry Joint Stock Company (code: PNJ) has released its Q3/2024 financial statements, reporting a revenue of 7,130 billion VND, a 3% increase compared to the same period last year. Gross profit margin has slightly improved from 17.3% to 17.5%. Variable costs remained relatively unchanged, and the company recorded a pre-tax profit of 318 billion VND, similar to the same period last year. However, current income tax expense increased significantly from 60 billion VND to 102.6 billion VND. Net profit decreased by 15% to 216 billion VND. This is the lowest quarterly profit of the company since Q3/2021

Technical view

Trend: Short term correction

- The VNINDEX closed at 1,257.41 points, down 13.49 points (-1.06%) with lower trading volume compared to the 20-day average. The market saw 102 gainers and 284 decliners. Stocks contributing to the market's gains included VNM, VCB, and KDH, while VHM, STB, and VIC contributed to the declines. Most industry groups declined. Foreign investors were net sellers of over 234 billion dong.
- **Technical Analysis:** After yesterday's consolidation session, the VN-Index today lost its critical support at the MA50, declining by more than 13 points to close at 1,257. The main pressure on the market came from VN30 stocks and a few banking stocks. Trading volume remained low, indicating that selling pressure only appeared locally in a few large-cap stocks. The short-term trend is bearish with the nearest support level on the daily chart around the MA100 – 1250. With the strong selling pressure in the afternoon session, in the coming sessions, the index is likely to retest the 1,240-1,250 zone to find a new equilibrium.
- **Strategy:** Investors should maintain their current holdings while the market remains in a sideways trend. Purchase recommendations should wait for the market to move towards the 1,270 level and show signs of a rebound, or for a clear breakout 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

25/10/2024 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
MBB	Sell	25.5	27.7	24.75	9%	-3%	24.7	11	-3.14%	10/10/2024	Reach cutloss
HPG	Hold	27.15	29.9	26.2	10%	-3%	26.45	5	-2.58%	18/10/2024	
HAH	Hold	42.5	47	40.4	11%	-5%	41.45	5	-2.47%	18/10/2024	
VHC	Hold	73.2	80.1	70	9%	-4%	71.1	3	-2.87%	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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