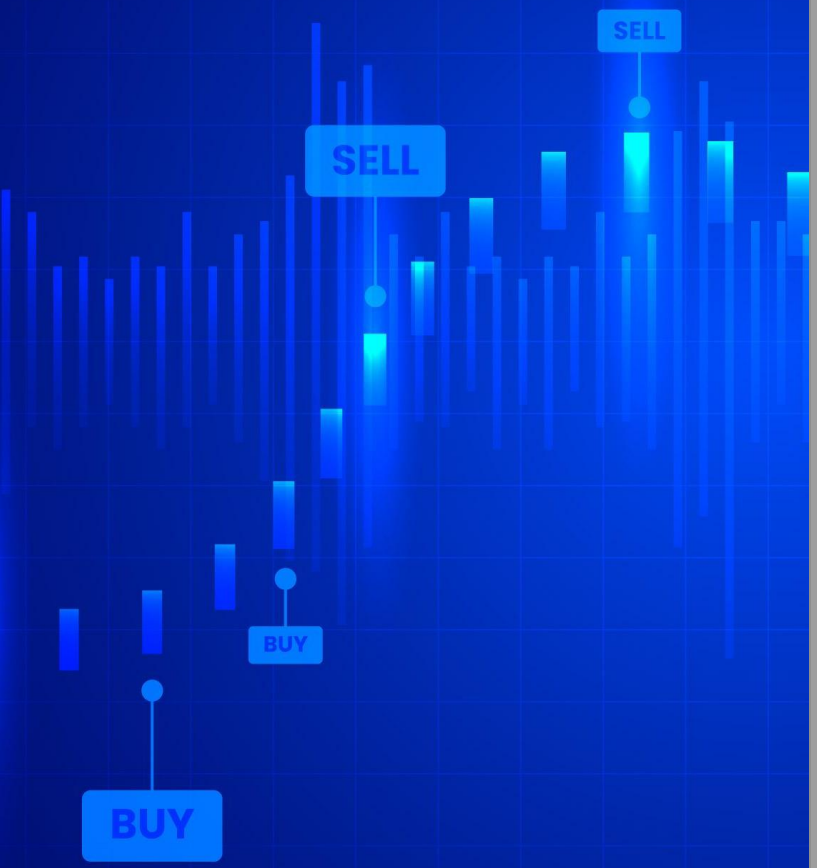
Shinhan Securities



MORNING CALL

30/10/2024

"Money flow is chasing opportunities"

- ❑ World stocks: Waiting for a lot of US economic data this weekend
- ❑ Vietnamese stocks: Money flow is chasing opportunities
- ❑ Macro news
- ❑ Business news: #VPB, #HDB, #MBB, #GMD, #FTS, #OCB
- ❑ Event calendar
- ❑ Q&A

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Following SSV's Zalo,
Catching the latest report



Please click or scan

Shinhan Securities

Global Market Review 28/10 – 1/11/2024

Major stocks market

- In regular trading on Tuesday, the Dow declined by 0.36%, while the S&P 500 and Nasdaq Composite rose by 0.16% and 0.78%, respectively, with technology stocks outperforming the broader market. On the economic front, a preliminary reading of GDP will be released later today, while the PCE price index report on Thursday and the monthly jobs report on Friday will also attract attention
- European markets closed lower on Tuesday, reversing earlier gains, with the Stoxx 50 down 0.4% and the Stoxx 600 down 0.6%. Most sectors finished in the red, although bank and mining stocks recorded modest increases. Travel and leisure stocks declined by 1.5%.
- The Nikkei 225 Index climbed 0.9% to around 39,250 on Wednesday, while the broader Topix Index increased 0.6% to 2,697, marking a third consecutive day of gains for Japanese shares. Technology stocks drove the rise, benefiting from strong quarterly earnings reports from major US tech companies that boosted investor sentiment.
- WTI crude futures held around $67.3 per barrel on Tuesday after plunging over 6% in the previous session, its largest daily loss in two years and hovering at four-week lows. The decline followed reports that Israel's retaliatory strike targeted military sites across Iran on Saturday, avoiding oil and nuclear facilities.

Market	Close	%1D	%1M	%1Y
VN-Index	1,262	0.56%	-2.03%	21.05%
S&P 500 Index	5,833	0.16%	1.22%	39.98%
Dow Jones Index	42,233	-0.36%	-0.23%	28.26%
GP 100	8,220	-0.80%	-0.21%	12.18%
Nikkei 225	39,207	0.78%	3.40%	27.72%
SHCOMP Index	3,286	-1.08%	-1.50%	8.77%
STOXX 600	518	-0.57%	-0.94%	20.15%
KOSPI Index	2,609	-0.35%	0.60%	12.91%
Hang Seng	20,701	0.49%	-2.05%	18.93%

Commodity	Close	%1D	%1M	%1Y
Brent	71	0.35%	-0.56%	-18.39%
WTI	67	0.36%	-1.06%	-18.05%
Gasoline	196	0.24%	-0.29%	-11.87%
Natural gas	3	0.94%	-1.27%	-13.90%
Coal	145	0.52%	3.94%	7.43%
Gold	2,777	0.10%	5.42%	39.14%
China HRC	3,594	-0.06%	8.45%	-6.38%
Steel rebar	3,305	-0.03%	-0.66%	-10.26%
BDI index	1,382	-1.99%	-33.69%	-7.99%

Currency	Close	%1D	%1M	%1Y
Dollar Index	104	-0.07%	3.43%	-1.77%
USD/VND	25,305	0.00%	-2.91%	-2.92%
EUR/USD	1	0.06%	-2.78%	1.98%
USD/JPY	153	0.14%	-6.21%	-2.64%
USD/CNY	7	0.00%	-1.55%	2.55%
USD/GPB	1	-0.03%	2.73%	-6.52%
USD/KRW	1,383	0.22%	-4.94%	-2.32%
USD/AUD	2	-0.12%	5.24%	-2.96%
USD/CAD	1	0.04%	-2.76%	-0.60%

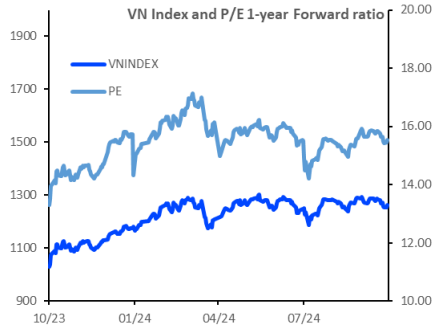
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 29/10/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,261.78	15.53	7.01	0.56	453	11,593
HNX INDEX	225.56	18.00	0.96	0.43	41	568





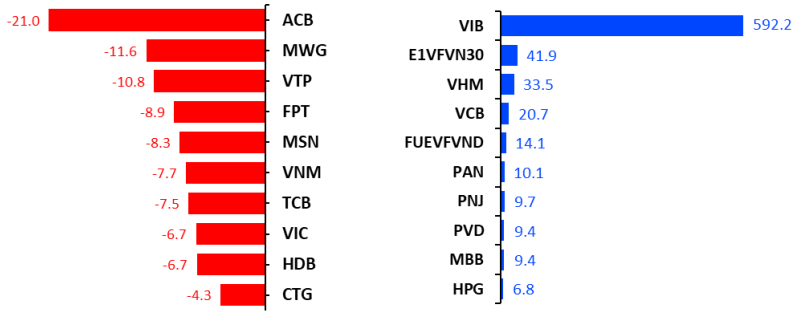
Money flow and sector rotation (VND bn)

Sector	%1D	10/29/2024	10/28/2024	20-session Average
Automobiles & Parts	127.66	166	73	171
Chemicals	111.78	734	346	564
Retail	97.44	747	378	728
Industrial Goods & Services	94.91	860	441	609
Travel & Leisure	85.36	203	109	140
Technology	81.09	406	224	465
Media	75.25	35	20	16
Personal & Household Goods	62.36	205	126	167
Construction & Materials	56.65	483	309	504
Health Care	31.98	32	24	48
Real Estate	27.94	2,585	2,021	2,334
Banks	19.95	2,716	2,264	4,285
Insurance	12.52	13	12	21
Utilities	12.40	101	90	144
Basic Resources	9.79	612	558	829
Oil & Gas	-15.0	73	85	157
Financial Services	-15.5	991	1,174	1,685
Food and Beverage	-29.7	623	885	1,124

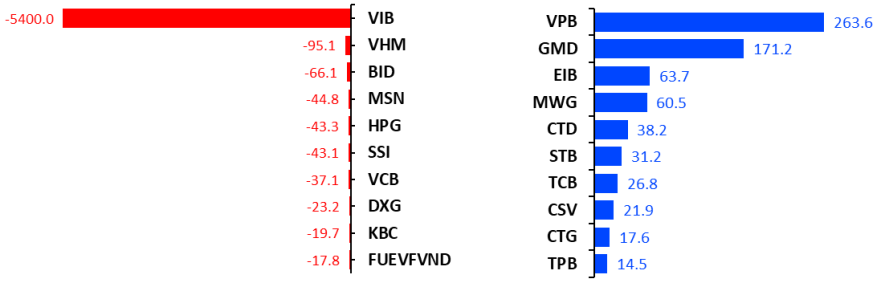
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 29/10/2024

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	31	(166)	(239)	405
Basic Resources	9	(41)	(23)	64
Media	-	3	(3)	0
Industrial Goods & Services	(1)	174	(13)	(161)
Health care	-	(1)	0	1
Chemicals	5	30	(35)	5
Financial Services	59	(82)	78	4
Travel & Leisure	(4)	(8)	13	(5)
Banks	585	(5,052)	3,125	1,927
Construction & Materials	0	46	(45)	(1)
Food and Beverage	(6)	(69)	111	(43)
Retail	(12)	62	(27)	(34)
Utilities	5	(11)	25	(14)
Personal & Household Goods	10	2	(32)	30
Technology	(9)	(3)	(6)	9
Automobiles & Parts	(0)	4	4	(7)
Insurance	(0)	1	(1)	(0)
Oil & Gas	8	(16)	16	(1)
Total	**679**	**(5,126)**	**2,948**	**2,178**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- On the morning of October 29th, the National Assembly listened to the presentation and evaluation report of the draft law amending 7 laws. While there is a general consensus on the amendments to the provisions in the draft law, the Finance and Budget Committee proposed a careful evaluation of the use of local budgets to support other localities, as well as the addition of several cases where departure is temporarily suspended due to tax debts
- The UAE aims to establish a transshipment and storage center for petroleum products in Vietnam. Reviewing the efforts of both sides to reach the signing of the Vietnam-UAE Comprehensive Economic Partnership Agreement (CEPA), the Minister expressed a desire to promote cooperation with Vietnam in various fields, especially energy cooperation, including oil refineries, liquefied natural gas (LNG), and particularly renewable energy projects such as wind and solar power. The UAE Minister of Industry and Advanced Technology stated that the UAE has the capacity to develop high-tech industries, artificial intelligence, productivity enhancement, and technology optimization; and expressed the desire for both sides to establish a contact point to promote cooperation in the proposed areas
- To address the inadequacies in the policy towards the fertilizer production industry in recent times, the Standing Committee of the National Assembly would like to maintain the proposal to apply a 5% VAT rate to fertilizers, as proposed by the Government in the 7th session of the National Assembly.Explaining this issue, the Standing Committee of the National Assembly stated that the value-added tax on fertilizers was amended in 2014 by the Value Added Tax Law No. 71/2014/QH13, shifting from a 5% rate to a zero-rate. This policy has had a very negative impact on domestic fertilizer producers over the past period, as the input VAT of these enterprises cannot be deducted and must be included in costs, including a very large input tax on investment and fixed asset purchases, increasing domestic production costs and making it impossible to compete with imports

Breaking News



Business news

- **VPB:** VPBank continues to maintain a strong growth momentum in its profits quarter-over-quarter. However, with a target of increasing profits by 144% compared to the previous year, the bank has only achieved 66% of its plan after nine months. The bank's consolidated operating income increased by nearly 23% in the first nine months, reaching over 44.6 trillion VND. The standalone bank recorded a higher growth rate of over 26%, reaching 32 trillion VND, with interest income as the main growth driver. The bank's cost-to-income ratio (CIR) was optimized at 24% due to comprehensive digitalization and automation processes
- **HDB:** Ho Chi Minh City Development Joint Stock Commercial Bank (HDBank - Stock code: HDB) has announced its 9-month business results, with pre-tax profit reaching 12,655 billion VND, a 46.6% increase year-on-year. The return on equity (ROE) is at a robust 26.7%, while the bad debt ratio (as per the State Bank's regulations) remains low at only 1.46%. The bank is currently implementing a stock dividend plan at a rate of 20%.
- **MBB:** The entire group's pre-tax profit reached 20,736 billion VND, an increase of 3.6% compared to the same period in 2023; of which, the bank alone achieved 20,030 billion VND, growing by 6.2% year-on-year. Credit in the first nine months of 2024 for MB alone grew by 13.5% compared to 2023 - this is a good credit growth rate compared to the market. Outstanding loans to customers of the bank alone grew well, reaching 664,452 billion VND, an increase of 15% compared to 2023, mainly concentrated in manufacturing, business, and supporting industries

Breaking News



Business news

- **GMD:** Gemadept Corporation (stock code: GMD) announced its Q3/2024 financial report, revealing a revenue of 1,264 billion VND, a 27% increase compared to the same period last year. The company's revenue growth is attributed to increased port operations and logistics activities. Gross profit surged by 25% to reach 581 billion VND. Notably, Gemadept recorded an extraordinary loss of over 75 billion VND due to the reversal of accrued liabilities but also recognized significant profits from joint ventures and associates, amounting to 222 billion VND, more than four times the same period last year
- **FTS:** FPTS's Board of Directors has approved the business plan for the 4th quarter of 2024 with total operating revenue and financial operating revenue of 246 billion VND and pre-tax profit of 120 billion VND. Compared to the results achieved in the 4th quarter of 2023, this plan has decreased by 3% and 9%, respectively. Regarding the situation in the 3rd quarter of 2024, FPTS's pre-tax profit decreased by 19% to nearly 113 billion VND, affected by the decline in overall market liquidity and the application of many fee waivers and margin interest rate reductions
- **OCB:** Oriental Commercial Joint Stock Bank (HOSE: OCB) has just announced its business results for the first nine months of 2024, recording a profit of VND 2,553 billion. This demonstrates sustained growth from core business activities, coupled with continuous expansion in scale, setting a foundation for sustainable development. Market 1 mobilization reached VND 176,287 billion, recovering positively thanks to OCB's restructuring of its mobilization structure to optimize costs. Customer deposits maintained positive results at VND 136,535 billion, an increase of 8.4% compared to the end of 2023.

Technical view

Trend: Short term correction

- VNINDEX closed at 1,261.78 (+7.01 points, +0.56%) with lower-than-average trading volume over the past 20 sessions. The market saw 244 gainers and 132 decliners. Stocks contributing to the market's uptrend included HVN, HPG, and HDB, while VNM, PDR, and VIC weighed on the market. The banking sector continued to support the market's green color. Foreign investors net sold over 5.252 billion dong, mainly due to a put-through in VIB.
- **Technical Analysis:** The VN-Index recorded its second consecutive trading session with an increase and improved liquidity compared to yesterday, indicating that cash flow has provided support. The market showed a clear divergence as funds flowed into stocks with positive business results. Under a positive scenario, the index will test the resistance level around 1270. If successfully conquered, the index will aim for 1,280. Under a negative scenario, if buying pressure continues to be weak, the index is likely to return to test the 1,250 region to attract new cash flow
- **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

Economic calendar

November 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
27	28	29 Vietnam macroecnomic data in October	30 US GDP Growth Rate QoQ Adv Q3	31 US Personal Income MoM SEP	1 _ Non-Farm Payrolls _ Unemployment Rate (US) ISM Services PMI _ PMI VN and US	2
3	4	5 _ US Presidential Election _ US ISM Services PMI OCT	6	7	8 Fed Interest Rate Decision	9
10	11	12	13 US Core Inflation Rate MoM OCT _ US Inflation Rate OCT	14 _ US PPI MoM OCT	15 US Retail Sales MoM OCT	16
17	18	19 Building Permits Prel OCT	20	21 _ Expiration of futures contract VN30F1M expires	22	23
24	25	26	27 _ US GDP Growth Rate QoQ 2nd EST _ Personal Income MoM OCT	28 FOMC Minutes	29 Vietnam macroecnomic data in October	30

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Q&A

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