

MORNING CALL

01/07/2024

“Breaking below the critical support level of 1,250”

- World stocks: Looking ahead to US PMI data
- Vietnamese stocks: Breaking below the critical support level of 1,250
- Macro news
- Business news: [#LTG](#), [#VHM](#), [#SGN](#), [#POW](#), [#HSG](#), [#GMC](#)
- Technical perspective and updated recommendations
- Event calendar
- Q&A

Thao Nguyen

☎ (84-28) 6299 8004
✉ thao.np@shinhan.com

Nam Hoang

☎ (84-28) 6299 7603
✉ nam.h@shinhan.com

Following SSV's Zalo,
Catching the latest report



Please click or scan

Global Market Review 01/07 – 05/07/2024

Major stocks market

- On Friday, the Dow fell 0.12%, the S&P 500 lost 0.41% and the Nasdaq Composite tumbled 0.71%. Investors now look ahead to US manufacturing PMI data on Monday for more insight on the economy.
- The Eurozone's Stoxx 50 closed 0.2% lower at 4,890, marking a near 4% decline in the second quarter, while the pan-European Stoxx 600 eased by 0.2% to 511, little changed since the end of March. The drop for equities occurred despite a favorable PCE price index print in the US, which favored expectations that the Federal Reserve will cut rates in September.
- The Nikkei 225 Index rose 0.3% to three-month highs around 39,700 while the broader Topix Index scaled new all-time highs above 2,820 on Monday, as upbeat business confidence readings in Japan lifted market sentiment. Data showed that confidence among large Japanese manufacturing firms rose to plus 13 in the second quarter of 2024 from plus 11 in the previous quarter, hitting the highest level in two years amid an improving economic outlook.
- WTI crude futures slipped 0.2% to settle at \$81.54 per barrel on Friday as investors weighed weak U.S. fuel demand and took some profits at the quarter's end. Meanwhile, fresh data showed the U.S. Personal Consumption Expenditures (PCE) price index, the Federal Reserve's preferred measure of inflation, remained flat in May, boosting hopes for rate cuts in September

Market	Close	%1D	%1M	%1Y
VN-Index	1,245	-1.09%	-1.30%	11.17%
S&P 500 Index	5,460	-0.41%	3.47%	22.70%
Dow Jones Index	39,119	-0.12%	1.12%	13.69%
GP 100	8,164	-0.19%	-1.34%	8.40%
Nikkei 225	39,758	0.44%	3.30%	19.79%
SHCOMP Index	2,967	0.73%	-3.87%	-7.33%
STOXX 600	511	-0.23%	-1.30%	10.71%
KOSPI Index	2,794	-0.12%	5.99%	8.98%
Hang Seng	17,719	0.01%	-2.00%	-6.33%

Commodity	Close	%1D	%1M	%1Y
Brent	85	0.33%	4.48%	13.86%
WTI	82	0.36%	6.29%	15.84%
Gasoline	253	0.98%	4.12%	-4.10%
Natural gas	3	-0.62%	-0.08%	-7.61%
Coal	133	0.45%	-6.46%	4.14%
Gold	2,326	-0.04%	-1.06%	21.03%
China HRC	3,708	-0.24%	-3.74%	-3.94%
Steel rebar	3,326	-0.24%	-5.48%	-11.21%
BDI index	2,050	0.94%	12.95%	87.90%

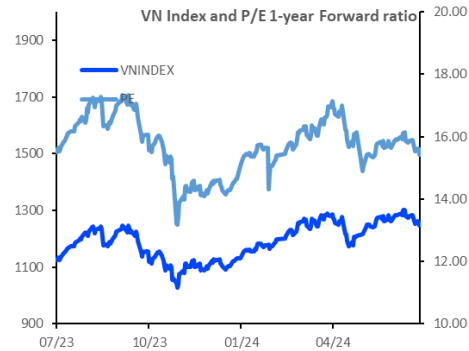
Currency	Close	%1D	%1M	%1Y
Dollar Index	106	-0.22%	0.92%	2.65%
USD/VND	25,451	0.02%	-0.05%	-7.04%
EUR/USD	1	0.34%	-1.42%	-1.49%
USD/JPY	161	-0.02%	-3.01%	-10.09%
USD/CNY	7	0.02%	-0.32%	-0.39%
USD/GBP	1	-0.10%	1.18%	0.28%
USD/KRW	1,380	-0.27%	-0.30%	-5.23%
USD/AUD	1	0.01%	0.31%	0.05%
USD/CAD	1	0.05%	-0.33%	-3.09%

Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Market Snapshot 28/06/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI INDEX	1,245.32	15.43	-13.77	-1.09	621	16,437
HNX INDEX	237.59	16.97	-2.48	-1.03	77	1,247



Money flow and sector rotation (VND bn)

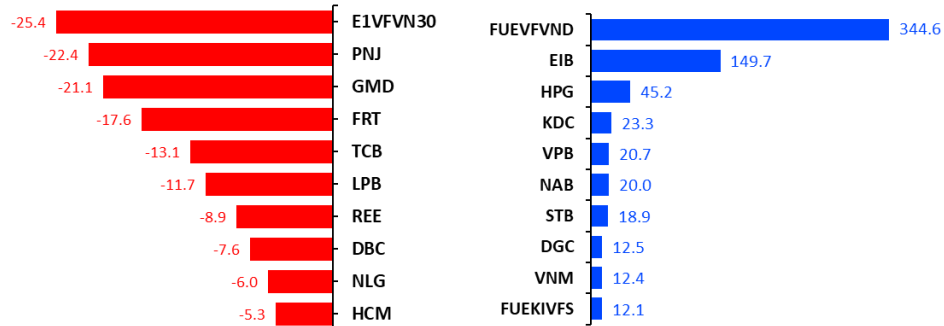
Sector	%1D	6/28/2024	6/27/2024	20-session Average	
Media		170.80	8	3	15
Oil & Gas		132.55	190	82	212
Automobiles & Parts		107.80	548	264	381
Health Care		98.94	62	31	59
Industrial Goods & Services		98.93	1,497	753	1,675
Basic Resources		82.28	1,359	746	1,459
Financial Services		77.09	1,578	891	2,126
Food and Beverage		47.95	1,334	902	1,636
Banks		37.17	3,115	2,271	3,861
Chemicals		34.34	1,237	921	1,313
Construction & Materials		26.64	834	658	925
Travel & Leisure		14.20	246	216	294
Technology		11.67	1,088	974	1,295
Real Estate		10.71	2,051	1,852	2,656
Retail	-4.2		637	664	757
Personal & Household Goods	-17.0		249	300	371
Utilities	-20.2		296	371	484
Insurance	-56.1		81	184	78

Source: Bloomberg. Shinhan Securities Vietnam

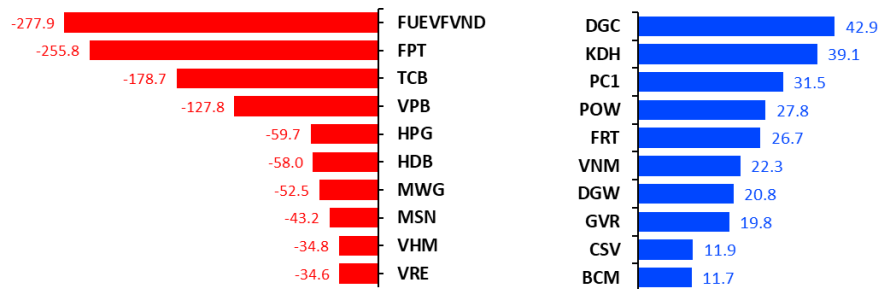


Vietnam Market Snapshot 28/06/2024

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	16	(70)	64	6
Basic Resources	46	(74)	(17)	91
Media	-	0	(0)	(0)
Industrial Goods & Services	(26)	(22)	11	11
Health care	-	(2)	2	1
Chemicals	11	58	(94)	36
Financial Services	318	(324)	27	297
Travel & Leisure	6	(28)	33	(4)
Banks	217	(419)	387	33
Construction & Materials	2	11	62	(73)
Food and Beverage	33	(65)	(100)	165
Retail	(15)	(5)	(23)	28
Utilities	5	26	(29)	3
Personal & Household Goods	(22)	5	(26)	21
Technology	(3)	(251)	308	(57)
Automobiles & Parts	(2)	(13)	26	(12)
Insurance	(1)	9	(9)	(0)
Oil & Gas	4	(8)	7	1
Total	588	(1,176)	629	546

Source: Fiiipro. Shinhan Securities Vietnam



Macro

- Vietnam wants to learn from China's experience and cooperate with China to develop strategic transport infrastructure. The two sides have not yet been able to implement large and typical strategic transport infrastructure projects; at the same time, they have not yet fully completed the removal of obstacles in a number of old cooperation projects. The number of Chinese enterprises participating in the construction of strategic transport infrastructure projects is still very modest, and there are no enterprises participating in the form of public-private partnership (PPP). The mechanism for mobilizing resources is difficult (not flexible, effective, and there are many obstacles). The specific framework for cooperation between the two countries in the field of strategic transport infrastructure has not been fully researched.
- Vietnam only has 5,000 businesses that are truly involved in the global supply chain. According to data from the Ministry of Industry and Trade, the country currently has about 2,000 businesses producing components and spare parts, of which only about 300 businesses participate in the supply chain. After nearly 40 years of business development, the proportion of Vietnamese businesses that have truly become a part of the global supply chain is very low.
- New life insurance premium revenue falls over 30% in the first four months of the year. According to the Department of Insurance Supervision and Management (Ministry of Finance), new life insurance premium revenue in the first four months of 2024 is estimated to reach VND 7,290 billion, continuing to decrease by 31.6% compared to the same period last year. This figure reflects that market confidence has not yet recovered after a series of collapses. Bao Viet Life Insurance leads in new life insurance premium revenue, with a market share of 17.9%. The rankings in the life insurance market have also changed significantly, with Dai-ichi (15.3%) and Prudential (14.6%) following suit.



Business news

- **LTG:** Operating losses, debts to farmers, and new members on the Board of Directors. Despite being a reputable company in the agricultural production sector, Lộc Trời Group Corporation is facing numerous difficulties with consecutive quarters of operating losses. Since the beginning of 2023, out of 5 business quarters, Lộc Trời has reported losses in 3 quarters. The peak was in Quarter 3/2023, when Lộc Trời reported a loss of VND 327 billion. This is the highest loss record that Lộc Trời has ever had since its listing on the Vietnam Stock Exchange.
- **VHM:** Recently, Vinhomes JSC has announced a resolution to issue a private bond tranche with a total value of VND 2,500 billion. Each bond has a face value of VND 100 million and a maximum term of 24 months. This is a non-convertible bond, not accompanied by warrants, secured by assets and with a fixed interest rate. Previously, in the period from April 2024 to May 2024, Vinhomes successfully issued 5 bond tranches with a total value of VND 10,000 billion, with an interest rate of 12% per year. The terms of the above bond tranches range from 24 to 36 months.
- **SGN:** "Foreign shark" America LLC wants to own more than 23% of SAGS' capital. SAGS is a subsidiary of Vietnam Airports Corporation (UPCoM: ACV). Currently, SAGS has 3 major shareholders: ACV owns 48.03% of capital, AMERICA LLC owns 22.42% and VJC owns 9.11%. Compared to the target of bringing in VND 240 billion in profit this year, this aviation service company has completed 28% of the plan after the first quarter of the year. Despite suspending services for Bamboo Airways since 1/1/2024 and a decrease in output for domestic flights, SAGS's business results still grew thanks to the relatively high output for international routes. In addition, the company has just signed additional service contracts with a number of new international customers.



Business news

- **MWG:** In 2024, EraBlue plans to expand but not exceed 100 stores. Next year, the chain may start accelerating to expand towards the goal of having 500 stores by 2027. EraBlue is gradually realizing its ambition to become the leading electronics retailer in Indonesia. The EraBlue chain is a new experiment by Mobile World since the end of 2022, a joint venture with PT Erafone Artha Retailindo Company (Erafone) – a subsidiary of Erajaya Group and Mobile World holds 45% of the shares. EraBlue is built as a chain of stores specializing in retailing consumer electronics in Indonesia similar to the Dien May Xanh model in Vietnam.
- **HSG:** Hoa Sen Group and SP Group signed a strategic cooperation agreement to develop clean energy. Determining that sustainable development must be associated with environmental protection and the conversion to clean energy is a very important part of Hoa Sen Group's long-term sustainable development strategy, while contributing to Vietnam's common national goal of net zero emissions (Net Zero) by 2050. Accordingly, SP Group will be the consulting unit on converting to clean energy, investing in power grid infrastructure, cooling systems and energy saving solutions, along with other projects in infrastructure and buildings. Hoa Sen Group's machines nationwide.
- **GMC:** To liquidate unused assets, Garmex Saigon Joint Stock Company (HOSE: GMC) has found all familiar and friendly resources, willing to pay "commissions" to brokers... but many times sold them for billions. low success rate. Describing the net loss of VND 52 billion in 2023, Mr. Nguyen Viet Cuong – Chairman of the Board of Directors of Garmex emphasized that if the company does not restructure, the loss could double. By the end of the first quarter of 2023, the company had just restructured, the loss was mainly due to costs related to restructuring such as employee support, depreciation costs of machinery and equipment... but in 2024 the expenses This fee will be much less.

Trend: Accumulation

- VNINDEX closed at 1,245 points (-13.77 points, -1.09%), liquidity was low. The market had 79 green stocks and 335 red stocks. The stock groups that contributed to the market's increase were EIB, VIC and VNM, while GVR, BID and HPG contributed to the market's decline. Most industry groups fell, with the oil and gas group falling the most. Foreign investors net sold about VND 1,167 billion.
- **Technical view:** VN-Index fluctuated sideways in the morning session and then suddenly dropped sharply in the afternoon session. Negative sentiment and selling pressure caused the market to lose the important support level of 1250. As such, the short-term upward trend of the index has reversed and risks have increased. Investors are watching the nearest support level around the 1,200 - 1,230 zone
- **Strategy:** Investors need to wait further because the selling pressure is still potential. The group of stocks that hold the EMA 50 and the uptrend will be the stocks that are focused on by cash flow in the near future. Groups of stocks are expected to benefit in the near future: real estate, insurance



Scenarios:

- Positive: The market is expected to trade in the 1,300 - 1,340 area.
- Base: The market is expected to trade 1,250-1,280
- Negative: The market continues to trade in the 1,200-1,220 range

Recommended stocks

01/07/2024 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
PTB	Hold	73.2	79.0	70.0	8%	-4.4%	71.1	8	-2.87%	19/06/2024	
KDH	Hold	37.3	39.7	36.0	6%	-3.5%	36.9	8	-1.07%	19/06/2024	
CTD	Sell	73.1	77.9	71.4	7%	-2.3%	70.1	2	-4.10%	27/06/2024	Reach cutloss
BFC	Sell	38.6	42.2	36.7	9%	-4.9%	36.6	2	-5.18%	27/06/2024	Reach cutloss
HPG	Hold	28.8	31.0	28.1	8%	-2.4%	28.3	1	-1.74%	28/06/2024	

Note: All opinions and estimates regarding the company and its securities are accurate representations of the covering analyst's judgments as of this date and may differ from actual results. This report is intended to provide information to assist investment decisions only and should not be used or considered an offer or the solicitation of an offer to sell or to buy any securities. Stock selection and final investment decisions should be made at the client's own discretion. Please see the "Compliance notice and Disclaimer" section at the end of this report for more details.

Economic calendar

July 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
30	1 US ISM Manufacturing PMI JUN	2 _ Fed Chair Powell Speech _ US JOLTs Job Openings MAY	3 US ISM Services PMI JUN	4 FOMC Minutes	5 US Non Farm Payrolls JUN US Unemployment Rate JUN	6
7	8	9 Fed Chair Powell Testimony	10	11 _ US Core Inflation Rate MoM YoY JUN _ US Inflation Rate MoM YoY JUN	12	13
14	15 China GDP Growth Rate YoY Q2	16 US Retail Sales MoM JUN	17	18	19	20
21	22	23	24	25 _ VN Futures contract maturity in July (VN30) _ US Durable Goods Orders MoM JUN	26 US Core PCE Price Index MoM JUN	27
28	29	30 US JOLTs Job Openings JUN	31	1	2	3
4	5					



Shinhan
Securities



Q&A

Shinhan Investment Network

SEOUL

Shinhan Securities Co., Ltd
Shinhan Investment Tower
70, Youido-dong, Yongsongpo-gu,
Seoul, Korea 150-712
Tel : (82-2) 3772-2700, 2702
Fax : (82-2) 6671-7573

NEW YORK

Shinhan Investment America Inc.
1325 Avenue of the Americas Suite 702,
New York, NY 10019
Tel : (1-212) 397-4000
Fax : (1-212) 397-0032

HONG KONG

Shinhan Investment Asia Ltd.
Unit 7705 A, Level 77
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong
Tel : (852) 3713-5333
Fax : (852) 3713-5300

INDONESIA

PT Shinhan Sekuritas Indonesia
30th Floor, IFC 2, Jl. Jend. Sudirman Kav.
22-23, Jakarta, Indonesia
Tel : (62-21) 5140-1133
Fax : (62-21) 5140-1599

SHANGHAI

Shinhan Investment Corp.
Shanghai Representative Office
Room 104, Huaneng Union Mansion No.958,
Luijiazui Ring Road, PuDong, Shanghai, China
Tel : (86-21) 6888-9135/6
Fax : (86-21) 6888-9139

HCM

Shinhan Securities Vietnam Co., Ltd.
22nd Floor, Centec Tower, 72-74 Nguyen Thi Minh Khai Street,
District 3, HCM City, Vietnam
Tel : (84-8) 6299-8000
Fax : (84-8) 6299-4232

HA NOI

Shinhan Securities Vietnam Co., Ltd.
Hanoi Branch
2nd Floor, Leadvisors Building, No. 41A Ly Thai To,
Ly Thai To Ward, Hoan Kiem District,
Hanoi, Vietnam.
Tel : (84-8) 6299-8000



Compliance Notice

- Analyst Certification: We/I hereby certify the information and material presented in this report are accurate expressions of their views, and that we/I have not received internally or externally wrongful pressure to express such views.
- All opinions and estimates regarding the company and its securities are accurate representations of the covering analyst's judgments as of this date and may differ from actual results.
- This report is intended to provide information to assist investment decisions only and should not be used or considered an offer or the solicitation of an offer to sell or to buy any securities. Stock selection and final investment decisions should be made at the client's own discretion.
- This report is distributed to our clients only, and any unauthorized use, duplication, or redistribution of this report is strictly prohibited.

Disclaimers

- This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of Shinhan Securities Vietnam Ltd., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of Shinhan Securities Vietnam Ltd.
- This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. Shinhan Securities Vietnam Ltd. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. Shinhan Securities Vietnam Ltd., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or Shinhan Securities Vietnam Ltd. The final investment decision is based on the client's judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.
- Copyright © 2020 Shinhan Securities Vietnam Ltd. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of Shinhan Securities Vietnam Ltd.