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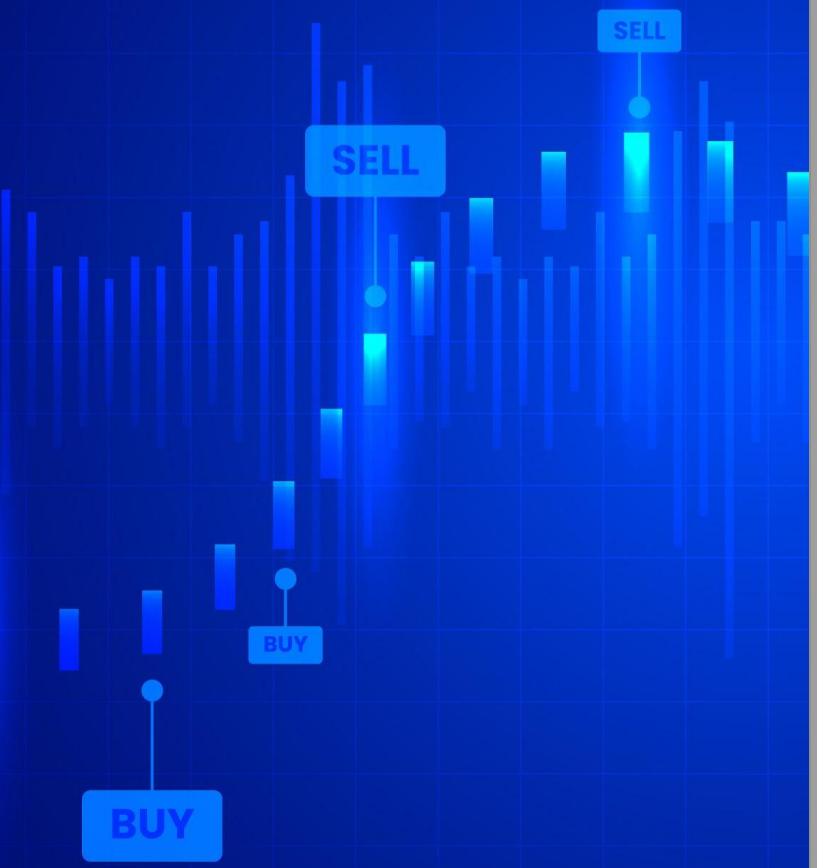

MORNING CALL

02/02/2024

"Industrial real estate sector leads the market"

- ❑ World stocks: Stable sentiment in the market
- ❑ Vietnam stocks: Industrial real estate sector leads the market
- ❑ Macro news
- ❑ Business news: #DGW, #MSH, #HSG, #NCG, #DPM, #FRT
- ❑ Technical perspective and updated recommendations #QNS
- ❑ Event calendar
- ❑ Q&A

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Following SSV's Zalo,
Catching the latest report

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Global Market Review 29/01 - 02/02/2024

Major stocks market

- On Thursday, the Dow Jones Industrial Average rose 0.97%, the S&P 500 gained 1.25%, and the Nasdaq Composite added 1.3%. This came despite data showing that initial jobless claims rose for the second straight week to a two-month high, while labor costs slowed and layoffs surged.
- European stocks fell on Thursday, with the STOXX 50 index down 0.1% and the STOXX 600 off 0.5%. Investors were digesting the latest inflation data from the euro zone and the Bank of England's latest monetary policy report.
- The Nikkei 225 index rose 0.5% to above 36,100, while the broader Topix index added 0.1% to 2,535 on Friday. This recouped some of the previous session's losses and tracked a Wall Street rebound.
- The Shanghai Composite index fell 0.64% to close at 2,771, while the CSI300 index of the largest listed companies in Shanghai and Shenzhen ended up 0.34% at 8,240 in mixed trading on Thursday. Investors were reacting to better-than-expected Chinese factory activity data for January, which showed the sector grew for the third straight month in January, reversing a contraction in the previous month.
- Oil futures reversed earlier gains to fall nearly 3% to below $74 per barrel on Thursday as traders closely watched ceasefire brokerage efforts in the Israel-Hamas conflict. There was some optimism that a deal could be reached.

Market

	Close	%1D	%1M	%1Y
VN-Index	1,173	0.75%	3.65%	8.86%
S&P 500 Index	4,906	1.25%	2.86%	19.11%
Dow Jones Index	38,520	0.97%	2.20%	12.98%
GP 100	7,622	-0.11%	-1.29%	-2.53%
Nikkei 225	36,239	0.63%	8.29%	32.25%
SHCOMP Index	2,771	-0.64%	-6.47%	-15.67%
STOXX 600	484	-0.37%	1.12%	5.37%
KOSPI Index	2,577	1.34%	-3.49%	4.36%
Hang Seng	15,566	0.52%	-7.28%	-29.11%

Commodity

	Close	%1D	%1M	%1Y
Brent	79	0.70%	4.43%	-3.55%
WTI	74	0.58%	5.50%	-2.15%
Gasoline	220	0.16%	4.94%	-10.36%
Natural gas	2	0.49%	-19.78%	-16.12%
Coal	116	-0.43%	-20.77%	-53.04%
Gold	2,055	0.00%	-0.19%	7.44%
China HRC	4,055	-0.25%	-0.56%	-4.54%
Steel rebar	3,742	-0.05%	-7.38%	-7.90%
BDI index	1,398	0.07%	-33.21%	118.44%

Currency

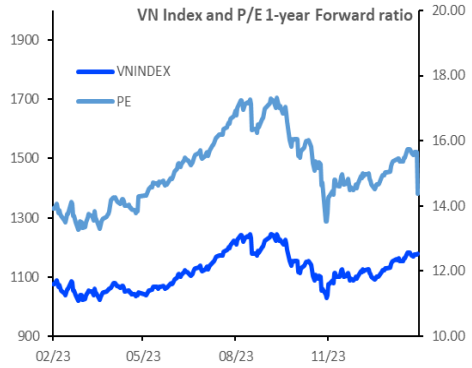
	Close	%1D	%1M	%1Y
Dollar Index	103.05	0.00%	0.83%	1.28%
USD/VND	24,406	0.02%	-0.29%	-3.92%
EUR/USD	1.09	0.03%	-0.61%	-0.32%
USD/JPY	146	0.10%	-2.94%	-12.04%
USD/CNY	7.18	-0.16%	-1.12%	-6.10%
USD/GPB	0.78	-0.03%	-1.02%	-4.10%
USD/KRW	1,327	0.38%	-1.98%	-8.02%
USD/AUD	1.52	-0.18%	2.69%	7.48%
USD/CAD	1.34	0.07%	-0.41%	-0.45%

Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 01/02/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI NDEX	1,173.02	15.02	8.71	0.75	527	12,866
HNX INDEX	230.57	21.06	1.40	0.61	53	1,146



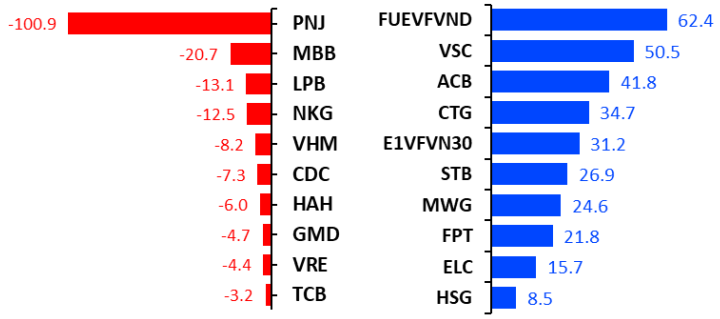
Money flow and sector rotation (VND bn)

Sector	%1D	2/1/2024	1/31/2024	20-session Average
Technology	346.55	904	203	237
Media	59.69	13	8	9
Automobiles & Parts	28.32	320	250	166
Health Care	11.71	20	17	16
Retail	9.80	697	635	584
Chemicals	-0.3	641	643	503
Insurance	-9.6	27	30	27
Travel & Leisure	-19.5	85	105	83
Real Estate	-25.9	2,563	3,459	2,588
Food and Beverage	-28.7	925	1,297	972
Utilities	-29.1	105	148	159
Construction & Materials	-31.4	1,022	1,490	978
Personal & Household Goods	-33.9	210	317	171
Industrial Goods & Services	-34.9	597	917	709
Oil & Gas	-39.9	76	126	129
Basic Resources	-53.9	780	1,691	1,270
Banks	-58.1	2,351	5,613	3,674
Financial Services	-64.4	1,499	4,207	2,202

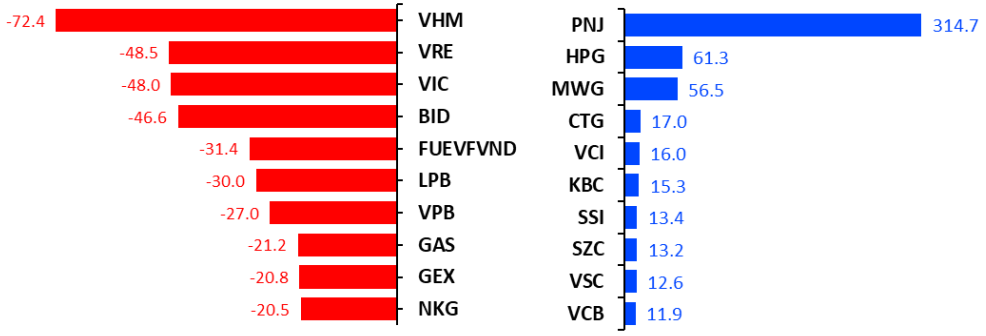
Nguồn: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 01/02/2024

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	(14)	(159)	238	(80)
Basic Resources	(6)	30	(25)	(5)
Media	-	1	(1)	0
Industrial Goods & Services	47	(16)	(133)	149
Health care	-	(1)	(0)	2
Chemicals	7	5	(15)	10
Financial Services	95	20	18	(38)
Travel & Leisure	0	(3)	3	0
Banks	70	(130)	376	(247)
Construction & Materials	(2)	(25)	53	(28)
Food and Beverage	9	4	(17)	13
Retail	25	59	(82)	23
Utilities	(0)	(23)	23	1
Personal & Household Goods	(101)	316	(104)	(212)
Technology	38	2	(8)	7
Automobiles & Parts	5	3	(15)	12
Insurance	(1)	2	(1)	(1)
Oil & Gas	(1)	(1)	(5)	6
Total	**171**	**83**	**305**	**(388)**

Nguồn: Fiinpro. Shinhan Securities Vietnam

Macro

- VND130 trillion needed to clear land for road safety corridors, with priority given to compensation in some locations. The Ministry of Transport said that the cost of compensating and supporting the clearance of land for road safety corridors nationwide is very large, estimated at about VND129,277 billion. Therefore, currently, priority is only given to compensation and clearance of land for road protection, maintenance and road safety corridors at intersections, traffic black spots, etc.
- State Bank of Vietnam: No ban on lending for future home purchases. The State Bank of Vietnam affirmed that the new regulation does not restrict the rights of homebuyers in the future and is also not contrary to current regulations. The State Bank of Vietnam affirmed that the new regulation does not restrict the rights of homebuyers in the future and is also not contrary to current regulations. "The condition that the house has been completed according to the house purchase and sale contract only applies to home mortgage loans (which are applied a lower risk coefficient than other receivables secured by real estate). In case organizations and individuals have the need to build, buy houses in the future to mortgage this future house, it will belong to the case of real estate secured loans as prescribed in Clause 10, Article 2 of Circular 41 and apply the corresponding risk coefficient according to regulations in Clause 10, Article 9 of Circular 41."
- A clear mechanism is needed to encourage businesses to use land effectively. Businesses all expect the new Land Law to come into effect soon. Businesses also hope that the mechanisms and policies need to be clear and transparent to encourage the effective use of land resources. At the seminar: "Land Law 2024: Legal foundation for a new development stage of Vietnam's real estate market", on the afternoon of January 31, business representatives all expected the law to come into effect soon, creating a clear mechanism for effective use of land resources.

Business news

- **DGW:** In 2023, Digiworld recorded VND18,818 billion in revenue and VND354 billion in profit. The company achieved 94% of its revenue plan and 89% of its annual plan. Digiworld Corporation (DGW) announced its business results for the fourth quarter of 2023 with net revenue of VND4,849 billion and profit of VND90 billion. Throughout 2023, despite the general economic situation in the country and the world still in a downward trend in all aspects, Digiworld still ended the year with the fourth quarter with most industries having impressive double-digit growth, notably the consumer goods industry. increased by 57%, at the same time the company also achieved total annual revenue growth of 19% compared to the same period last year. In addition, Digiworld also recorded continuous growth when comparing between consecutive quarters in 2023.
- **MSH:** A company on the stock exchange has a unique and "warm" Tet bonus: Some people can't hold it, it's full of the car to carry home. In the context of many businesses having to close or cut staff, cut year-end bonuses, and owe salaries to workers, it is a good thing for employees to have salaries, bonuses, and gifts.
- **HSG:** Dragon Capital 'collects' another 3 million HSG shares of Hoa Sen Group Dragon Capital 'collects' another 3 million HSG shares of Hoa Sen Group Dragon Capital has just bought an additional 3 million HSG shares, thereby increasing its ownership rate at Hoa Sen Group to over 11.3%. According to the Ho Chi Minh City Stock Exchange (HoSE), Dragon Capital has just reported the purchase of 3 million shares of HSG of Hoa Sen Group Corporation (Hoa Sen Group, MCK: HSG).

Business news

- **NCG**: Nova Consumer (NCG) records a record loss since IPO, stock price "evaporates" 66% of market value after nearly 3 months of listing on the stock exchange. In the fourth quarter of 2023, Nova Consumer recorded a net loss of more than 173 billion VND, the largest since its IPO in early 2022. With a loss in all 4 quarters, the net loss of this enterprise in 2023 reached 247.7 billion VND. Nova Consumer Group JSC (code NCG) has just announced its financial report for the fourth quarter of 2023 with net revenue of 947 billion VND, down 34% compared to the same period of 2022. After deducting cost of goods sold, gross profit reached 80.3 billion VND, down nearly 41% compared to the fourth quarter of 2022. Gross profit margin narrowed from 9.5% in the same period of 2022 to 8.5%.
- **DPM:** "Big brother" Phu My Fertilizer (DPM) recorded a "evaporation" of more than 90% of after-tax profit in 2023, which is also the year with the lowest net profit since 2019. PetroVietnam Fertilizer and Chemicals Corporation (Phu My Fertilizer; HoSE: DPM) has just announced its consolidated financial statements for the fourth quarter of 2023, recording gross profit from sales down 79.18% compared to the same period, to 332 billion VND. After-tax profit reached nearly 107 billion VND, down 90.44% compared to the fourth quarter of 2022.
- **FRT:** Digital Retail Corporation (FPT Retail) has just reported its business results for the fourth quarter of 2023 with a consolidated pre-tax loss of 97 billion VND; accumulated in 2023, FPT Retail had a pre-tax loss of 294 billion VND. The reason for the loss in the quarter of 2023 was explained by FPT Retail mainly due to the occurrence of expenses for business performance bonuses, opening about 100 more pharmacies compared to the target set at the beginning of the year, the cost of destroying near-expiry goods of Long Chau, the cost of closing 36 FPT Shop stores that were not operating effectively was fully recognized in the fourth quarter, and the cost of investing in the vaccine injection center and investing in digital transformation.

Technical view

Trend: Correction

- VNINDEX closed at 1,164.3 (+8.71 points, +0.75%) with liquidity one and a half times higher than the average of 30 sessions. The market had 270 green stocks and 177 red stocks. The stocks that contributed to the market's uptrend were VCB, GVR and FPT. On the other hand, the stocks that contributed to the market's downtrend were BID, VPB and TCB. Most sectors increased strongly, with chemicals and technology increasing the most. Foreign investors net sold insignificantly today.
- Technical view: The market had a good recovery session after a sharp decline yesterday right at the EMA 20 zone - corresponding to 1160. The STOCH RSI indicator in the trend of crossing up the signal line shows that the support zone 1160 is gradually showing its firmness. The increase today mainly comes from the industrial real estate and technology groups. With the positive trend and psychology from the cash flow, it is highly expected that VNINDEX will conquer the 1220 zone. The corresponding support and resistance are 1160 and 1220.
- Strategy: Investors should prioritize holding and wait for confirmation signals of the maintenance of the medium-term trend to make appropriate decisions.

Scenarios:

- Positive (40%): The market will maintain its upward momentum to the 1,220 area.
- Less positive (60%): The market corrected to the 1,160 area.

Recommended stocks

02/02/2024 9:00 AM

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
QNS	Buy	46.4	50	44.4	7.8%	-4.3%	46.6	Liquidity increases

Trading portfolio

Ticker	Recommendation	Buying price	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
VHC	Hold	62.0	66.7	59.1	8%	-5%	64.5	25	4.03%	29/12/2023	Prepare to sell
SSI	Hold	33.0	35.5	31.7	8%	-4%	34.7	21	5.16%	04/01/2024	Prepare to sell
VPB	Hold	19.4	21.4	18.7	10%	-4%	19.2	10	-1.29%	19/01/2024	
KSB	Hold	28.7	32.69	27.2	14.1%	-5.1%	28.7	4	3.66%	29/01/2024	
DHC	Hold	40.5	45	39.4	11.1%	-2.7%	46.6	2	3.83%	31/01/2024	

Economic calendar

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
28	29	30	31	1 Fed Interest Rate Decision ISM Manufacturing PMI JAN	2 US Non Farm Payrolls JAN US Unemployment Rate JAN	3
4	5 US ISM Services PMI JAN	6	7	8 Lunar New Year	9 Lunar New Year	10 Lunar New Year
11 Lunar New Year	12 Lunar New Year	13 Lunar New Year Core Inflation Rate MoM YoY JAN	14 Lunar New Year	15 US Retail Sales MoM JAN	16 _ US Michigan Consumer Sentiment Prel FEB _ US PPI MoM JAN	17
18	19	20	21	22 FOMC Minutes	23	24
25	26 New Home Sales US JAN	27 US Durable Goods Orders MoM JAN	28	29 US Personal Spending MoM JAN US Core PCE Price Index MoM JAN ETF Ishare MSCI restructures the portfolio	1	2

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Q&A

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