Shinhan Securities

MORNING CALL

04/10/2024

“It takes more than just bank stocks trying”

- World stocks: Geopolitical risk
- Vietnamese stocks: It takes more than just bank stocks trying
- Macro news
- Business news: #FRT, #BSR, #SGP, #MCH, #TLG, #BMC
- 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

Shinhan Securities

Global Market Review 30/09 - 04/10/2024

Shinhan Securities

Major stocks market

- US stocks extended losses on Thursday amid increased geopolitical tension in the Middle East, while markets assessed the latest data for hints on the Fed's policy outlook. The S&P 500 and the Nasdaq 100 were down by 0.3% each, and the Dow was down over 200 points. Risk assets came under selling pressure after President Biden said he is discussing whether the US would support Israel striking Iran's oil assets as retaliation against the latter's missile attack this week, spurring heightened concerns of more aggressive warfare in the region.
- European stocks extended their early losses and closed sharply lower on Thursday, pressured by increasing geopolitical tensions in the Middle East as investors reconsider the impact that Chinese stimulus may have on corporate performance in Europe. The Eurozone's Stoxx 50 fell 1% to close at 4,916, and the pan-European Stoxx 600 lost 1% to close at 516.
- The Nikkei 225 Index rose 0.3% to above 38,600 while the broader Topix Index added 0.5% to 2,697 on Friday, extending gains from the previous session as a weaker yen bolstered the outlook for Japan's export-heavy industries, supporting local shares
- WTI crude oil futures surged 5% to $73.7 per barrel on Thursday, extending the week's surge to a one-month high after US President Biden refrained from outright condemning the possibility that Israel may attack Iran's oil facilities.

Market	Close	%1D	%1M	%1Y
VN-Index	1,278	-0.76%	0.18%	13.24%
S&P 500 Index	5,700	-0.17%	3.26%	33.68%
Dow Jones Index	42,012	-0.44%	2.53%	26.81%
GP 100	8,283	-0.10%	0.16%	11.74%
Nikkei 225	38,508	-0.11%	3.94%	26.15%
SHCOMP Index	3,336	8.06%	17.39%	7.27%
STOXX 600	516	-0.93%	0.29%	17.32%
KOSPI Index	2,576	0.55%	-3.33%	4.50%
Hang Seng	22,114	-1.47%	26.67%	28.60%

Commodity	Close	%1D	%1M	%1Y
Brent	78	-0.05%	6.71%	-9.59%
WTI	74	0.00%	6.52%	-12.48%
Gasoline	209	0.08%	6.75%	-4.72%
Natural gas	3	-0.30%	38.04%	-0.03%
Coal	141	0.39%	-0.85%	-5.91%
Gold	2,658	0.08%	6.50%	45.93%
China HRC	3,675	10.89%	13.71%	-5.41%
Steel rebar	3,327	4.16%	6.77%	-8.17%
BDI index	1,941	-1.87%	2.05%	9.17%

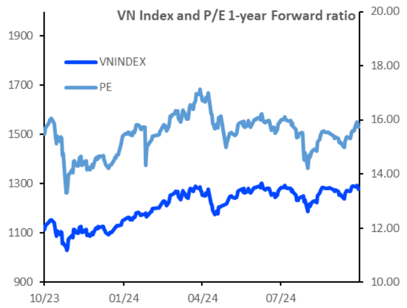
Currency	Close	%1D	%1M	%1Y
Dollar Index	102	-0.08%	0.54%	-4.58%
USD/VND	24,755	0.00%	0.44%	-1.41%
EUR/USD	1	0.02%	-0.44%	5.04%
USD/JPY	147	0.24%	-1.94%	1.73%
USD/CNY	7	-0.11%	1.40%	3.98%
USD/GPB	1	-0.03%	0.14%	-7.56%
USD/KRW	1,333	-0.78%	0.16%	2.26%
USD/AUD	1	-0.08%	-1.77%	-7.60%
USD/CAD	1	0.03%	-0.33%	1.43%

Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 03/10/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI INDEX	1,278.10	15.73	-9.74	-0.76	914	21,481
HNX INDEX	233.35	18.59	-1.70	-0.72	73	1,310



Money flow and sector rotation (VND bn)

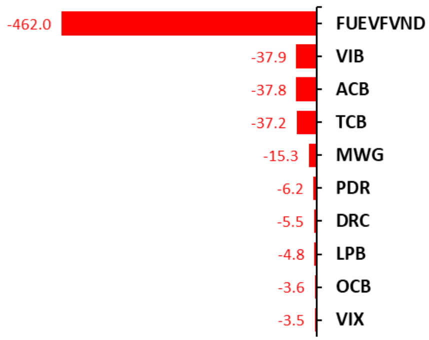
Sector	%1D	10/3/2024	10/2/2024	20-session Average
Automobiles & Parts	99.73	275	137	140
Retail	84.05	1,169	635	654
Food and Beverage	68.10	1,273	757	972
Real Estate	55.03	4,032	2,601	2,488
Construction & Materials	54.26	821	532	576
Banks	52.69	7,237	4,739	3,952
Technology	35.41	365	269	491
Utilities	34.34	211	157	196
Chemicals	33.23	876	657	737
Basic Resources	30.15	1,386	1,065	992
Oil & Gas	27.49	192	150	160
Travel & Leisure	26.89	148	117	121
Financial Services	25.11	2,546	2,035	1,939
Industrial Goods & Services	12.69	661	586	575
Insurance	0.99	29	29	30
Health Care	-12.7	37	43	52
Media	-36.6	8	12	8
Personal & Household Goods	-37.2	203	323	227

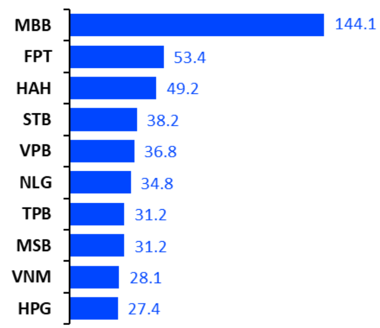
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 03/10/2024

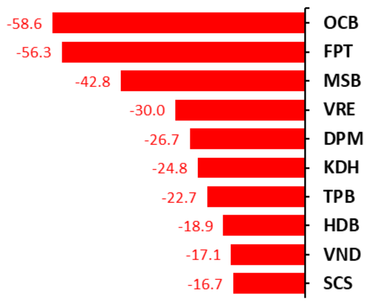
Shinhan Securities

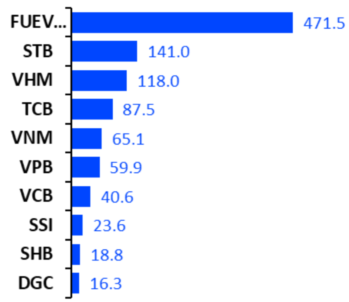
Top net buying & selling of proprietary trading (VND billion)





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	65	28	(62)	34
Basic Resources	26	(17)	41	(24)
Media	5	(0)	(5)	5
Industrial Goods & Services	83	(5)	(73)	78
Health care	10	3	(3)	(0)
Chemicals	4	(13)	66	(53)
Financial Services	(458)	486	(21)	(464)
Travel & Leisure	12	(19)	9	9
Banks	257	194	(659)	465
Construction & Materials	4	(21)	65	(44)
Food and Beverage	35	43	(27)	(16)
Retail	6	(14)	(104)	118
Utilities	5	(11)	(314)	325
Personal & Household Goods	24	(4)	(14)	18
Technology	58	(54)	81	(26)
Automobiles & Parts	(6)	(6)	20	(14)
Insurance	5	1	(6)	5
Oil & Gas	0	(17)	18	(0)
Total	**136**	**574**	**(988)**	**414**

Source: Fiinpro. Shinhan Securities Vietnam

Macro

- Hanoi: 9-month credit growth reaches 12.59%.Within this growth, short-term loans reached 1,736 trillion VND, increasing by 0.47% and 15.38%. Meanwhile, medium and long-term loans reached 2,336 trillion VND, increasing by 1.01% and 10.59%. Regarding interest rates, throughout the first nine months of 2024, credit institutions within the city have strictly adhered to the interest rate regulations set by the State Bank of Vietnam. The average lending interest rate of domestic commercial banks for both new loans and existing loans with outstanding balances is between 6.9% and 9.3% per annum.
- Given the forecast that Ho Chi Minh City's economic growth would only reach slightly over 7% at the end of the third quarter, Chairman of the People's Committee, Phan Van Mai, stated that if the city aims to achieve a 7.5% growth rate for the entire year of 2024, it must achieve a growth rate of over 9% in the fourth quarter. Industrial production, consumption, and exports remain the three main pillars driving economic growth in the locality. The citywide industrial production index increased by 6.9% in the first nine months compared to the same period last year, reflecting rising market demand, and the year-end production cycle is expected to provide momentum for the industrial sector
- A series of global energy giants are successively withdrawing from the Vietnamese market. Offshore wind power projects continue to face numerous challenges, particularly in terms of mechanisms. Orsted (Denmark), Equinor (Norway), and most recently Enel (Italy) are preparing to exit Vietnam, according to three sources revealed by Reuters. The Ministry of Industry and Trade has also acknowledged that offshore wind power is still encountering a multitude of obstacles related to planning; principles and investor selection; market access conditions for foreign investors; and public-private partnership (PPP) investments... In addition, issues such as national security, defense, sovereignty; electricity prices; credit; and standards for equipment, construction, and fire safety are also facing many difficulties.

Breaking News

Business news

- **FRT:** FPT Retail (HOSE: FRT) announced the completion of using all contributed capital in FPT Pharma to establish FPT Long Châu Investment Company Limited. FPT Long Châu Investment has a charter capital of nearly VND 674 billion, 100% owned by FRT, contributed entirely by approximately 67.4 million common shares of FPT Pharma owned by FRT. After its establishment, FPT Long Châu Investment is assigned by FRT to manage the investment in FPT Pharma.
- **BSR:** On the verge of switching stock exchanges, Binh Son Refining and Petrochemical (BSR) estimates its revenue for the first nine months of the year to be nearly 89,000 billion VND. Compared to the same period in 2023, the revenue for the first nine months of 2024 decreased by 16%. The estimated revenue for the third quarter alone is more than 33,400 billion VND.In August 2024, BSR announced a Board of Directors Resolution on the listing of BSR shares on the Ho Chi Minh Stock Exchange (HOSE). Accordingly, the Board of Directors will carry out the work of finalizing the list of shareholders to establish a shareholder registry with the Vietnam Securities Depository (VSD); at the same time, prepare and carry out the necessary procedures for listing shares in 2024
- **SGP:** Nha Rong-Khanh Hoi Port is proposed to be upgraded into an international port spanning 68,618 square meters, with a total investment of 625 billion VND. The project is expected to have a total investment of around 625 billion VND, of which 30% is from the investor's equity and 70% is borrowed from commercial banks and other legal sources. The project is scheduled to be implemented over three years, from 2025 to 2027.

Business news

- **MCH:** Masan Consumer has approved a resolution to move the trading of its MCH shares from the UPCoM to the HoSE. The expected listing time is in 2025. On October 2nd, Masan Consumer continued to seek shareholder approval for an interim dividend payment for 2024, with a maximum rate of 100% (equivalent to 10,000 VND per share). At the same time, Masan Consumer is also seeking shareholder approval for a plan to offer additional shares to existing shareholders. The expected number of shares to be offered is over 326.8 million shares at an offer price of 10,000 VND/share, 95% lower than the current market price of MCH shares, which is 196,600 VND/share.
- **TLG:** Thiên Long Group (Code: TLG) has just announced its business results for August 2024.In August, the company recorded a revenue of 275 billion VND, down 6% compared to the same period last year. Gross profit decreased by 7% to 122 billion VND, corresponding to a gross profit margin of 44.3%. Although revenue declined, selling expenses and general and administrative expenses in August were well controlled, accounting for only 91 billion VND, a reduction of 7% compared to the same period.One of the notable highlights of Thiên Long Group in the recent period is the expansion of its export activities in the context of a saturated domestic stationery market.
- **BMC:** The Binh Dinh Provincial Development Fund, representing 25% of the capital of the Binh Dinh People's Committee at Binh Dinh Minerals Joint Stock Company (HOSE: BMC), will sell all of its nearly 3.1 million BMC shares at a starting price of VND 22,300 per share. This is expected to be carried out from the fourth quarter of 2024, through either matching or negotiated transactions

Technical view

Trend: Financial group accelerated

- VNINDEX closed at 1,278.1 (-9.74 points, -0.76%) with increased liquidity and above the 20-day moving average. The market had 106 gainers and 289 losers. Stocks contributing to the market's gains included VPB, OCB, and CTG, while VHM, TCB, and VIC contributed to the declines. Foreign investors were net buyers of over 575 billion VND.
- **Technical Analysis:** The market showed a significant correction session with increased liquidity indicating relatively strong selling pressure. Today, the VN-Index returned to fill the gap of 1280 on September 25th and is expected to fluctuate in the coming sessions. In a positive scenario, the market may consolidate again with the nearest support at 1270 to wait for consensus among sectors or the market needs a session to regain today's points for new cash flow to confidently enter. If it continues to fail in approaching the old peak, the index will return to retest the 1,240-1,250 point range.
- **Strategy:** Investors should observe at this price range, increasing their holdings if the VN-Index successfully surpasses 1,300 points with improved liquidity and a wide range.

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

04/10/2024 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
NLG	Sell	40.9	44.6	39.6	9%	-3%	40.2	16	-1.71%	12/9/2024	Restructure the portfolio
PHR	Hold	57.9	63.9	58.2	10%	1%	58.7	14	1.38%	16/9/2024	
KBC	Hold	27.7	32	26.8	16%	-3%	27.15	5	-1.99%	27/9/2024	
POW	Hold	13	15	12.5	15%	-4%	12.8	3	-1.54%	1/10/2024	

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

October 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
29	30	1	2	3	4	5
		Fed Chair Powell Speech US ISM Manufacturing PMI SEP		US ISM Services PMI SEP	US Non Farm Payrolls SEP US Unemployment Rate SEP	
6	7	8	9	10	11	12
				Inflation Rate MoM SEP FOMC Minutes	Unemployment Rate (US) US PPI MoM SEP	
13	14	15	16	17	18	19
				US Retail Sales MoM SEP Expiration date of future contract VN30F2410	Japan inflation rate YoY	
20	21	22	23	24	25	26
	Announcement of Diamond index stock portfolio				US Durable Goods Orders MoM SEP	
27	28	29	30	31	1	2
		Vietnam macroecnomic data in October	US GDP Growth Rate QoQ Adv Q3	US Personal Income MoM SEP		
3	4					

Q&A

Shinhan Securities

Shinhan Investment Network

SEOUL

Shinhan Securities Co., Ltd
Shinhan Investment Tower
70, Youido-dong, Yongdungpo-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.
18th Floor, The Mett Tower, 15 Tran Bach Dang, Thu Thiem Ward,
Thu Duc City, Ho Chi Minh 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.
-