Shinhan Securities

MORNING CALL

19/07/2024

"Bottom buying force appears"

- World stocks: ECB kept interest rates unchanged
- Vietnamese stocks: Bottom buying force appears
- Macro news
- Business news: #VHM, #CII, #VDN, #Aseansc, #SCS, #HQC
- Technical perspective and updated recommendations
- Event calendar
- Q&A

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Catching the latest report

Zalo

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Global Market Review 15/07 - 19/07/2024

Major stocks market

- In regular trading on Thursday, the Dow fell more than 500 points, ending a six-day winning streak and retreating sharply from all-time highs. The S&P 500 and Nasdaq Composite also lost 0.78% and 0.7%, respectively.
- The Nikkei 225 Index rose 0.1% to around 40,170 while the broader Topix Index fell 0.2% to 2,863 in mixed trade on Friday, with Japanese shares struggling for clear direction as investors reacted to the latest inflation figures. Data showed that Japan's headline inflation rate remained unchanged at 2.8% in June, while the core inflation rate rose to 2.6% from 2.5%.
- The Eurozone's Stoxx 50 closed 0.3% lower at 4,877 and the pan-European Stoxx 600 closed just below the flatline at 514. The ECB kept its main interest rates unchanged, as expected, and signaled that upcoming policy decisions will depend on future data, adding that September's decision is wide open.
- WTI crude futures steadies around $82.5 per barrel on Thursday after a 2.6% rise the previous day, the biggest daily gain in over a month. EIA data showed US crude stocks fell by 4.87 million barrels to the lowest since February, surpassing forecasts of a 0.8 million barrel drop.

Market	Close	%1D	%1M	%1Y
VN-Index	1,274	0.46%	-0.42%	8.65%
S&P 500 Index	5,545	-0.78%	1.05%	21.44%
Dow Jones Index	40,665	-1.29%	4.71%	15.98%
GP 100	8,205	0.21%	0.00%	8.13%
Nikkei 225	40,102	-0.06%	3.97%	21.91%
SHCOMP Index	2,977	0.48%	-1.36%	-6.93%
STOXX 600	514	-0.16%	-0.02%	11.26%
KOSPI Index	2,794	-1.07%	-0.12%	7.13%
Hang Seng	17,778	0.22%	-3.54%	-6.19%

Commodity	Close	%1D	%1M	%1Y
Brent	85	-0.59%	-0.54%	6.48%
WTI	82	-0.81%	0.71%	9.02%
Gasoline	250	-0.48%	0.85%	-7.94%
Natural gas	2	-1.36%	-27.95%	-19.48%
Coal	135	0.19%	0.82%	0.48%
Gold	2,430	-0.62%	4.37%	22.93%
China HRC	3,637	-1.14%	-3.37%	-6.02%
Steel rebar	3,256	0.49%	-6.49%	-12.47%
BDI index	1,912	1.16%	-1.60%	90.44%

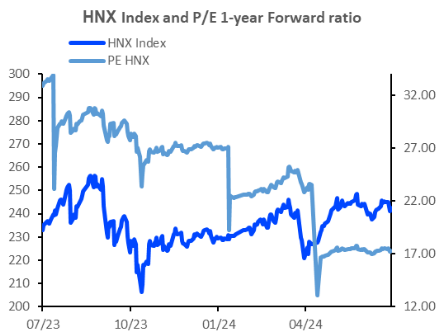
Currency	Close	%1D	%1M	%1Y
Dollar Index	104	0.03%	-1.00%	3.91%
USD/VND	25,318	0.12%	0.53%	-6.61%
EUR/USD	1	-0.05%	1.38%	-2.76%
USD/JPY	157	0.08%	0.53%	-11.19%
USD/CNY	7	0.00%	-0.11%	-1.04%
USD/GPB	1	0.00%	-1.73%	-0.03%
USD/KRW	1,385	-0.12%	-0.25%	-8.63%
USD/AUD	1	0.10%	-0.39%	1.08%
USD/CAD	1	0.00%	0.01%	-3.95%

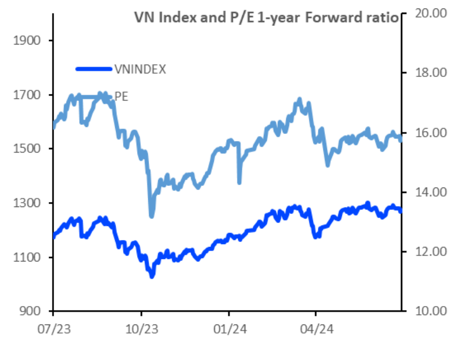
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 18/07/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI INDEX	1,274.44	15.80	5.78	0.46	608	16,383
HNX INDEX	242.49	17.32	1.59	0.66	56	959





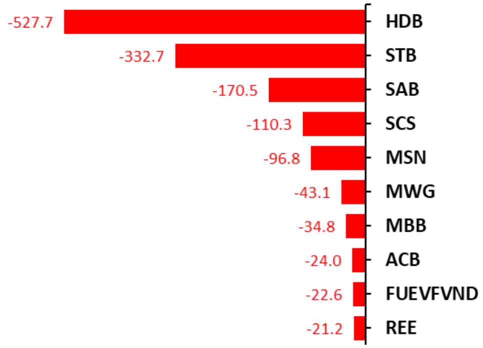
Money flow and sector rotation (VND bn)

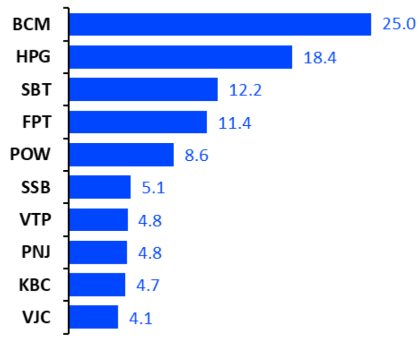
Sector	%1D	7/18/2024	7/17/2024	20-session Average
Media	72.06	43	25	16
Technology	37.33	1,532	1,116	1,161
Travel & Leisure	-7.0	364	392	284
Food and Beverage	-9.2	1,369	1,508	1,283
Personal & Household Goods	-22.2	298	383	346
Health Care	-23.7	130	171	81
Basic Resources	-28.6	1,194	1,672	1,206
Oil & Gas	-30.6	226	325	190
Financial Services	-34.8	1,270	1,948	1,372
Construction & Materials	-40.8	681	1,151	732
Automobiles & Parts	-43.0	347	610	352
Utilities	-45.1	436	794	402
Industrial Goods & Services	-46.7	1,062	1,991	1,274
Real Estate	-48.7	2,160	4,209	2,363
Chemicals	-49.3	969	1,910	1,162
Retail	-49.8	744	1,482	842
Banks	-56.8	3,482	8,055	3,144
Insurance	-57.8	49	117	73

Source: Bloomberg. Shinhan Securities Vietnam

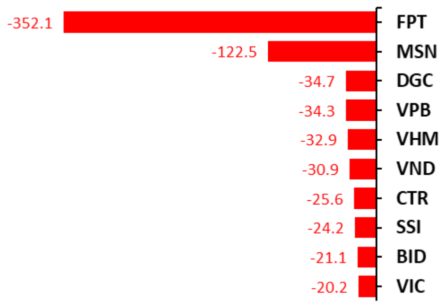
Vietnam Market Snapshot 18/07/2024

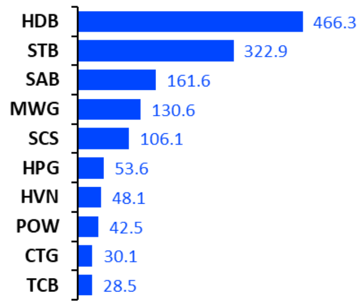
Top net buying & selling of proprietary trading (VND billion)





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	12	(4)	59	(55)
Basic Resources	17	50	3	(53)
Media	-	3	(3)	0
Industrial Goods & Services	(15)	(12)	40	(28)
Health care	-	4	(2)	(1)
Chemicals	(5)	13	37	(51)
Financial Services	(55)	(20)	90	(69)
Travel & Leisure	(106)	148	(37)	(111)
Banks	(958)	789	160	(949)
Construction & Materials	(3)	(15)	19	(4)
Food and Beverage	(267)	73	169	(242)
Retail	(46)	146	(70)	(76)
Utilities	8	46	(51)	6
Personal & Household Goods	5	4	(10)	6
Technology	11	(326)	354	(28)
Automobiles & Parts	(1)	3	(0)	(3)
Insurance	(1)	4	2	(6)
Oil & Gas	0	8	(8)	(1)
Total	**(1,403)**	**915**	**750**	**(1,665)**

Source: Fiinpro. Shinhan Securities Vietnam

Breaking News

Macro

- Changing land use purpose to implement Southeast Asia Industrial Park Project, Long An. The Deputy Prime Minister requested the People's Committee of Long An province to be responsible for the content and data of the report, organize inspection and review of the current land use status, ensure consistency of records and fieldwork, and in accordance with land targets. Rice cultivation is allocated by the Prime Minister; Take full responsibility before the law and the Prime Minister for deciding to change the use purpose of rice land in accordance with the provisions of land law and other relevant laws; ensure economical and effective use of land.
- Wood and furniture exports in 2024 could set a record of 17.5 billion USD. According to data from the General Department of Customs, in the first 6 months of 2024, Vietnam's export of wood and wood products reached 7.5 billion USD (if including non-wood forest products, it is nearly 8 billion USD), an increase of 23.1% compared to the previous year. same period in 2023; The wooden furniture group alone reached 5,066 billion USD, up 22.2% over the same period last year. Wood and wood products are exported the most to the US market, reaching 4.1 billion USD, up 24.5% over the same period in 2023. Next is the Chinese market reaching 1.05 billion USD, up 49.3%; Japan reached 796.8 million USD, down 2.2%; Korea reached 389.2 million USD, down 1.4%
- Two banks have just sharply increased savings interest rates, and 13 banks have raised deposit interest rates since the beginning of July. Prosperity and Development Joint Stock Commercial Bank (PGBank) has just announced a new deposit mobilization interest rate schedule, applying Use from July 18. In particular, this bank has sharply increased deposit interest rates at some terms. Specifically, the 3-month term interest rate increased by 0.2%/year to 3.7%/year; 6-9 month term increased by 0.5%/year to 5%/year; 12-month term increased by 0.2%/year to 5.5%/year and 24-month term increased by 0.3%/year to 5.6%/year.

Breaking News

Business news

- **VHM**: With the real estate market improving, Vinhomes recorded sales reaching 51,710 billion VND in the first 6 months of the year. The company aims to complete its business goals in 2024 when key projects such as Vinhomes Ocean Park 3 and Vinhomes Royal Island ensure both sales speed and handover schedule.
- **CII:** CII has poured nearly 2 trillion for NBB to invest in the De Lagi project. As of the end of June 2024, development investment costs at NBB's De Lagi project are 1,027 trillion VND, an increase of more than 20% compared to the beginning of the year. This is also the project with the greatest value in NBB's inventory. In addition, by the end of June, Nam Bay Bay Investment Joint Stock Company (HOSE: NBB) recorded investment cooperation with Ho Chi Minh City Technical Infrastructure Investment Joint Stock Company (HOSE: CII) at the resort project. luxury resort combined with De Lagi residential area, in which CII makes a short-term contribution of 1,437 billion VND, for a period of 12 months; long-term cooperation contribution of VND 485 billion, valid until December 13, 2030.
- **VDN**: At the end of the session on July 18, the stock price of Vinatex Da Nang Joint Stock Company (UPCoM: VDN) increased 2.13% to 24,000 VND/share, an increase of 60% in the past quarter. This is the highest level of VDN since trading on the UPCoM market in 2010. By the end of 2023, the largest shareholder owning 28.64% of VDN capital, Vietnam Textile and Garment Group (Vinatex, UPCoM: VGT), will receive about 1.8 billion VND in dividends. Next, 4M Joint Stock Company holds 22.84%, Mr. Le Thuc Duc holds 15.59%, Mr. Nguyen Xuan Dong and Ms. Tran Linh Trang simultaneously hold 7.82%, respectively receiving 1.4 billion VND, 980 million VND and 492 million VND.

Breaking News

Business news

- **Aseansc:** Asean Securities Joint Stock Company (Aseansc) has just announced positive results for the second quarter of 2024, reaching 44.2 billion VND in net profit, 47 times higher than the same period last year. The company is "holding" three stock codes that temporarily calculate profits by times including SGP, TCB and ABI. In the second quarter of 2024, Aseansc recorded operating revenue of nearly 83 billion VND, more than 3 times higher than the same period last year. The main growth was due to profits from FVTPL financial assets reaching nearly 60 billion VND, while in the same period this number was negative 21.5 billion VND, mainly due to the difference in revaluation of FVTPL financial assets.

- **SCS**: Saigon Cargo Services Joint Stock Company (HOSE: SCS), an enterprise specializing in transporting goods by air, has just announced impressive business results in the second quarter of 2024, amid the recovery of freight demand. , while sea transport faces congestion. In the second quarter of 2024, this air cargo enterprise recorded net revenue of 264 billion VND and net profit of 190 billion VND, an increase of 53% and 47% respectively over the same period.

- **HQC**: Hoang Quan Real Estate (HQC) spoke up when Chairman of the Board of Directors Truong Anh Tuan was suspended from leaving the country. Hoang Quan Can Tho currently owes taxes in the city. Can Tho with an amount of more than 6.1 billion VND as of May 31, 2024, this is not a large amount, but due to delays in accounting and debt reconciliation, Hoang Quan Can Tho is late in paying taxes. "Hoang Quan Can Tho will fully fulfill tax obligations before July 25, 2024," Hoang Quan Real Estate added.

Trend: Support zone 1,250-1,260 points

- VNINDEX closed at 1,274.44 (+5.78 points, +0.46%), liquidity decreased significantly compared to the previous session. The market has 285 green codes and 158 red codes. The group of stocks contributing to the market's increase includes PLX, BID and CTG, whereas FPT, HVN and MSN contributed to the market's decrease. Many industry groups recovered after the previous session's sharp decline. Foreign investors net bought about 900 billion VND.
- **Technical view:** The market reacted completely opposite to the previous session, when the market spent most of the time in the red but buying force suddenly appeared at the end of the session to help VN-Index increase again. Reduced liquidity after an spike in volume session is a common occurrence. Buyers appear when the Index fell below 1,260 point area. The 1,250-1,260 area will be an important support area for VN-Index in the short term. In the following sessions, the market reaction will determine the trend for the rest of the year. If the buying force is strong enough to absorb the selling force in the 1,250-1,260 point area, the uptrend of VN-Index will still be the main trend. VN-Index ended the session above EMA50 with a Hammer candle, which was a positive point in short term.
- **Strategy**: Short-trading investors can consider lowering the stock positive to ensure safety and wait for a buy signal when the VN-Index returns to EMA50. With the strategy of holding according to the trend, investors can continue to hold and wait for a complete break of 1,300 to increase their proportion.

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

19/07/2024 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	72.9	74.0	69.7	2%	-4.4%	72.3	22	-0.82%	19/06/2024	
TIP	Hold	25.7	27.0	24.6	5%	-4.3%	26.0	5	1.17%	12/07/2024	
HPG	Hold	28.8	31.0	28.1	8%	-2.4%	28.4	15	-1.39%	28/06/2024	
MSB	Hold	14.6	15.7	14.1	8%	-3.4%	14.8	12	1.03%	03/07/2024	
PNJ	Hold	94.6	101.0	93.1	7%	-1.6%	96.0	11	1.48%	04/07/2024	

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 Announcement of stock composition in VN30	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 Announcement of Vietnam's economic data for July	30 US JOLTs Job Openings JUN	31	1	2	3

Q&A

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