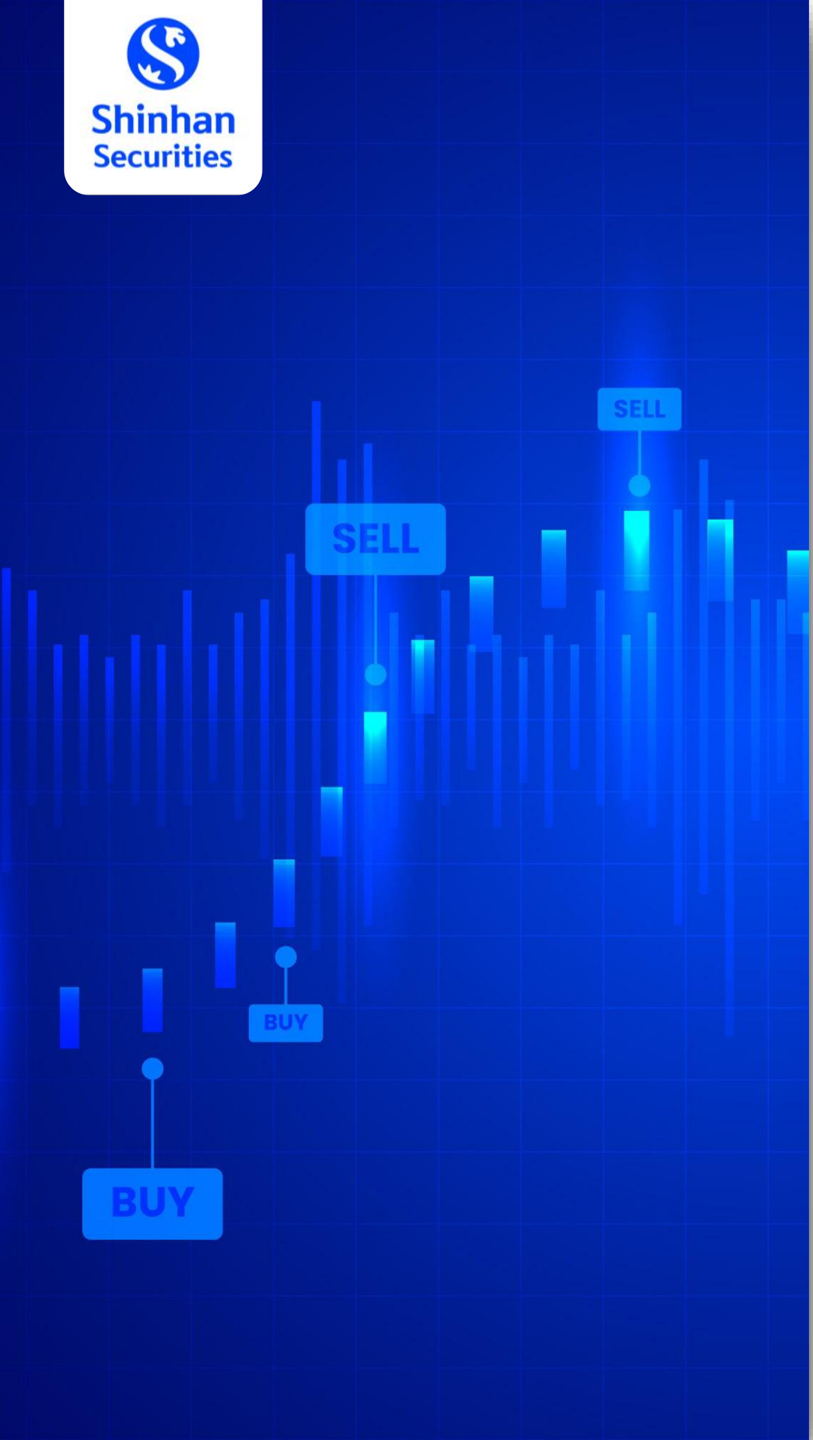

MORNING CALL

21/02/2024

“Market rotates, trying to hold points”

- ❑ World stocks: Global stock market is slightly down, waiting for the minutes of the FED meeting
- ❑ Vietnam stocks: Market rotates, trying to hold points
- ❑ Macro news
- ❑ Business news: #STB, #POM, #VGC, #ELC, #DPM, #MCM
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

Following SSV's Zalo,
Catching the latest report

Le Duc Tien ☎ (84-28) 037 639 1443
✉ tien.ld@shinhan.com

Nam Hoang ☎ (84-28) 6299 8004
✉ nam.h@shinhan.com

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Global Market Review 19/02 - 23/02/2024

Major stocks market

- In regular trading on Tuesday, the Dow shed 0.17%, the S&P 500 lost 0.6% and the Nasdaq Composite tumbled 0.92%, with all three benchmarks sliding for the second straight day. Ten out of the 11 S&P sectors ended lower, led to the downside by technology, consumer discretionary and energy. Markets also look ahead to the latest Federal Reserve minutes for clues on the path for monetary policy.
- European stocks slipped on Tuesday, with the STOXX 50 edging 0.2% lower at 4,760 points, as investors assessed a slew of corporate updates and key eurozone wage data.
- The Nikkei 225 Index fell 0.3% to below 38,300 while the broader Topix Index lost 0.1% to 2,629 on Wednesday, extending losses from the previous session
- The Shanghai Composite rose 0.43% to close at 2,923 while the Shenzhen Component inched up 0.04% to 8,906 on Tuesday, extending gains from the previous session as investors reacted to the latest central bank decision.
- WTI crude futures declined toward $77 per barrel amidst concerns about prolonged high interest rates impacting market sentiment, despite signs of a tightening physical oil market. Geopolitical tensions in the Middle East, including the Israel-Hamas conflict, have added some risk premium to crude futures contracts.

Market	Close	%1D	%1M	%1Y
VN-Index	1,230	0.42%	4.11%	13.66%
S&P 500 Index	4,976	-0.60%	2.80%	21.98%
Dow Jones Index	38,564	-0.17%	1.85%	14.00%
GP 100	7,719	-0.12%	3.45%	-3.24%
Nikkei 225	38,258	-0.27%	6.38%	39.26%
SHCOMP Index	2,923	0.42%	3.19%	-11.61%
STOXX 600	492	-0.10%	4.83%	6.07%
KOSPI Index	2,647	-0.41%	7.04%	7.64%
Hang Seng	16,248	0.57%	6.13%	-20.86%

Commodity	Close	%1D	%1M	%1Y
Brent	82	0.12%	4.94%	-0.73%
WTI	77	0.09%	5.04%	1.25%
Gasoline	230	0.87%	6.22%	-4.90%
Natural gas	2	7.30%	-32.87%	-18.43%
Coal	120	0.00%	-6.56%	-41.84%
Gold	2,024	0.00%	0.13%	10.31%
China HRC	4,041	-0.83%	-0.07%	-6.46%
Steel rebar	3,799	-0.99%	-0.45%	-10.19%
BDI index	1,629	1.18%	8.38%	174.24%

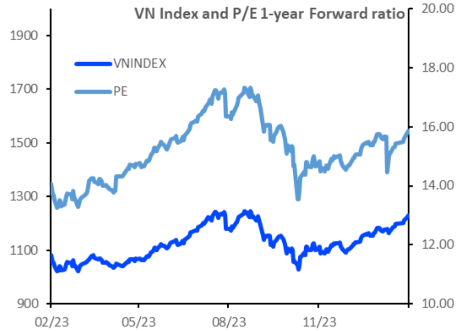
Currency	Close	%1D	%1M	%1Y
Dollar Index	104.05	-0.02%	0.74%	-0.12%
USD/VND	24,528	0.00%	0.12%	-2.90%
EUR/USD	1.08	-0.01%	-0.70%	1.49%
USD/JPY	150	-0.03%	-1.30%	-10.02%
USD/CNY	7.19	0.08%	-0.02%	-4.69%
USD/GPB	0.79	0.00%	0.69%	-4.05%
USD/KRW	1,337	0.06%	0.15%	-3.05%
USD/AUD	1.53	-0.06%	0.26%	4.59%
USD/CAD	1.35	-0.01%	-0.34%	0.10%

Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 20/02/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI INDEX	1,230.06	15.87	5.09	0.42	771	18,832
HNX INDEX	233.50	22.49	0.13	0.05	98	1,729



Money flow and sector rotation (VND bn)

Sector	%1D	2/20/2024	2/19/2024	20-session Average
Construction & Materials	14.38	1,545	1,351	1,090
Industrial Goods & Services	11.87	1,122	1,003	718
Automobiles & Parts	4.89	167	159	169
Retail	4.70	598	571	574
Technology	0.41	263	262	269
Personal & Household Goods	-3.0	153	158	173
Travel & Leisure	-5.9	87	93	85
Media	-9.0	13	14	9
Health Care	-11.5	19	21	14
Banks	-13.8	3,495	4,053	3,520
Financial Services	-15.5	3,272	3,872	2,359
Real Estate	-15.7	4,267	5,059	2,818
Chemicals	-19.8	963	1,200	622
Food and Beverage	-33.5	1,385	2,083	1,113
Basic Resources	-45.7	1,087	2,001	1,223
Insurance	-48.8	34	66	28
Oil & Gas	-53.7	128	278	126
Utilities	-54.1	248	541	165

Nguồn: Bloomberg. Shinhan Securities Vietnam

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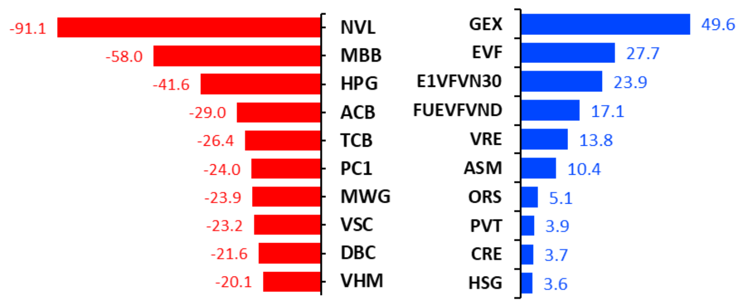
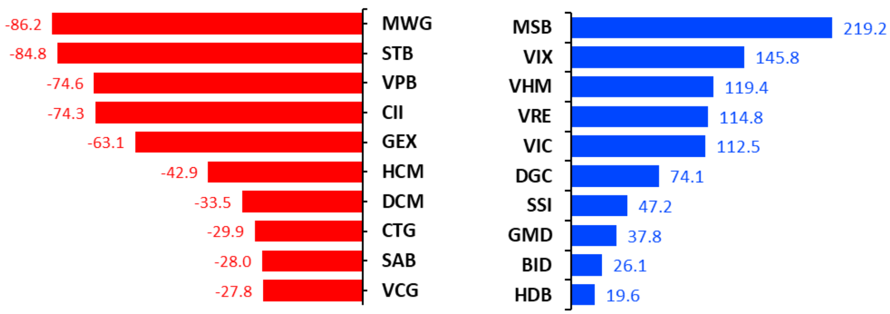
Top net buying & selling of proprietary trading (VND billion)



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	(109)	269	(255)	(14)
Basic Resources	(38)	(63)	114	(51)
Media	-	(2)	3	(0)
Industrial Goods & Services	31	(43)	(4)	47
Health care	-	(2)	2	0
Chemicals	(15)	32	(7)	(25)
Financial Services	42	224	(277)	54
Travel & Leisure	(10)	(5)	10	(5)
Banks	(193)	8	278	(285)
Construction & Materials	(26)	(117)	140	(23)
Food and Beverage	(40)	(65)	63	1
Retail	(27)	(90)	79	10
Utilities	(6)	(5)	9	(4)
Personal & Household Goods	(4)	(5)	7	(2)
Technology	(9)	2	21	(23)
Automobiles & Parts	5	4	(4)	0
Insurance	(1)	(3)	4	(1)
Oil & Gas	(3)	(16)	17	(1)
Total	**(402)**	**123**	**199**	**(322)**

Nguồn: Fiinpro. Shinhan Securities Vietnam

Breaking News

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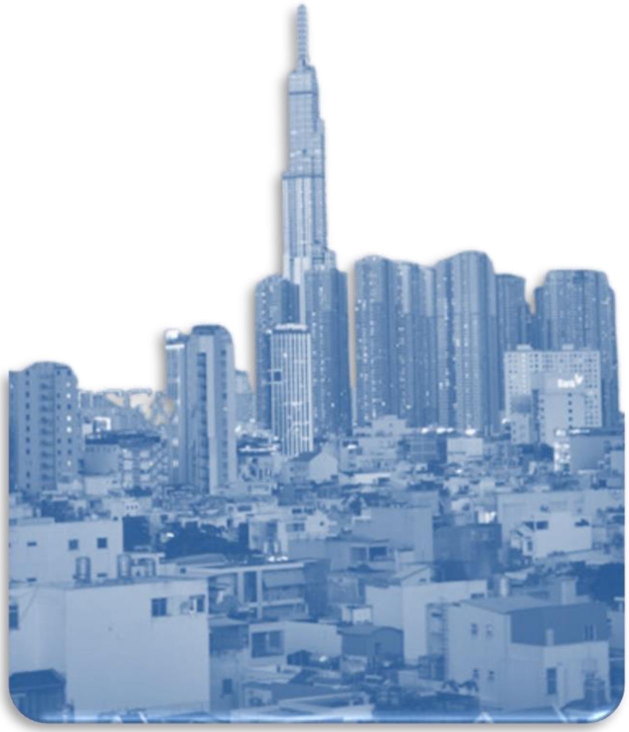
Macro

- Wood and wood products exports reach $1.49 billion in January 2024. According to statistics from the Ministry of Agriculture and Rural Development, wood and wood product exports from Vietnam reached $1.49 billion in January 2024, an increase of 72.5% compared to the same period in 2023. Wood and wood products are also the only commodity with an export turnover of over $1 billion in just one month, accounting for 29% of the total export turnover of the entire agricultural sector. According to congthuong.vn, the four main export markets for wood and wood products from Vietnam are currently the US, China, Japan and South Korea. In 2023, these markets accounted for 85% of the total export turnover of the entire wood and wood products industry in Vietnam.
- Credit growth slows down in January 2024. According to the figures just announced by the State Bank of Vietnam (SBV) at the Online Conference on Promoting Bank Credit in 2024, by the end of 2023, credit growth for the whole economy increased by 13.71% compared to the end of 2022. However, in January 2024, credit growth of the whole system decreased by 0.6% compared to the end of 2023. Previously, credit had increased sharply in the last weeks of 2023. In December alone, the outstanding credit balance of the whole economy increased by 4.56% (equivalent to more than VND540,000 billion), accounting for 1/3 of the total increase for the whole year of 2023.
- Vietnamese stock market continues to rise, VN-Index hits 5-month high. The Vietnamese stock market has just extended its winning streak to 6 consecutive sessions, pushing the VN-Index to its highest level in 5 months. The upward trend actually started in mid-December 2023 and has been almost uninterrupted, except for a short break at the end of January. After only 2 months, the VN-Index has increased by more than 130 points (+12%). The capitalization value of HoSE also increased by about VND550,000 billion (~US$23 billion), reaching nearly VND5 million billion. In total, for the three exchanges, the capitalization of the entire Vietnamese stock market has increased by about VND660,000 billion (~US$27.5 billion) after 2 months of continuous growth



Business news

- **ELC**: According to the Consolidated Report, in the fourth quarter of 2023, Elcom Technology - Telecommunications Joint Stock Company (ELC) achieved revenue of over 522 billion VND, nearly 2.2 times higher than the same period last year. Profit after tax in the fourth quarter of 2023 reached over 40 billion VND, nearly 40 times higher than the same period. Accumulated for the whole year, Elcom's revenue reached over 980 billion VND, profit after tax reached over 84 billion VND, up 14% and 150% respectively compared to the same period in 2022. In 2023, Elcom set a plan for net revenue of 850 billion VND and profit after tax of 56 billion VND. Thus, by the end of 2023, the Company has exceeded 15% of the revenue target and 1.5 times the profit target for the year.
- **DPM:** The Corporation will carry out the procedures for notifying the closing date of the shareholder list at the Vietnam Securities Depository and Clearing Center (VSDC) and other related procedures as prescribed. The last registration date is February 23, 2024. The meeting date is expected to be within the prescribed time and before April 30, 2024. DPM has just signed a Memorandum of Understanding (MoU) with three parties including the representative of Iksan City Government (Jeollabuk Province, South Korea) and Aton Industry Company on urea supply. From November 2023 to now, DPM has signed contracts to export about 55,000 tons of urea to the Korean market as raw material for the production of diesel engine exhaust treatment solution.
- **MCM**: Moc Chau Dairy Cow Breeding Joint Stock Company has just announced its financial report for the fourth quarter of 2023. Accordingly, in the last 3 months of the year, MCM recorded net revenue of 794.6 billion VND, a slight increase of nearly 1% compared to the same period in 2022. Thanks to the breakthrough in the first 3 quarters of 2023, Moc Chau Milk's after-tax profit for the whole year of 2023 was over 374 billion VND, an increase of 8% compared to 2022. This is also the company's highest profit ever.

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Business news

- **STB:** Looking back at 2023, Saigon Thuong Tin Commercial Joint Stock Bank (Sacombank, STB) achieved good business results thanks to the completion of provisioning. In particular, in the fourth quarter and the whole year of 2023, Sacombank recorded a significant increase in profit, respectively 2,755 billion VND (+45%) and 9,595 billion VND (+51%), thanks to a sharp decrease in provisioning costs. Specifically, net interest income increased by 29% compared to the previous year, net interest margin (NIM) in 2023 continued to increase, reaching 3.8% (an increase of 0.4 percentage points compared to the previous year thanks to high asset yield of 9.6%). Sacombank is one of the few banks with an expanded NIM in 2023. Meanwhile, total operating income was flat compared to 2022, at 26,173 billion VND due to a decrease in service income.
- **POM**: Ms. Nguyen Thi Tuyet registers to sell all of her more than 8.16 million POM shares, accounting for 2.92% of the capital for investment. The transaction is expected to be carried out from February 23 to March 22, through the method of negotiated transaction and order matching on the floor. Based on the current trading price of VND 5,220/share, it is estimated that Ms. Tuyet can earn about VND 42.6 billion after divesting all of her capital from Pomina Steel Corporation. Regarding the relationship, Mr. Do Xuan Chieu is a member of the company's Board of Directors and is also the husband of Ms. Nguyen Thi Tuyet.
- **VGC:** At the kick-off ceremony after the Lunar New Year holiday, Viglacera Corporation - Joint Stock Company officially announced the investment and construction of Thuan Thanh Industrial Park I project (Bac Ninh) in the direction of green and smart industrial park with the trade name Thuan Thanh Eco-Smart IP. This is considered the starting project for the "year of action" towards the 50th anniversary of Viglacera's establishment (July 25, 1974 - July 25, 2024). Thuan Thanh Eco-Smart IP has an area of 262 hectares, with a total investment of up to nearly 3,000 billion VND. With a prime location, near major roads such as National Highway 17, National Highway 38 and Ring Road 4, it is convenient to connect to Noi Bai, Cat Bi, Van Don international airports, as well as Dinh Vu - Hai Phong and Cai Lan seaports - Quang Ninh.

Technical view

Trend: Uptrend

- VNINDEX closed at 1,230.06 (+5.09 points, +0.42%) with liquidity maintained at a level higher than the average of 20 sessions. The market had 245 gainers and 231 losers. The group of stocks contributing to the market's upward trend included VCB, VIC and GVR. On the other hand, the group of stocks contributing to the market's decline included GAS, VPB and CTG. The Vin group of stocks continued to play a role in supporting the market. Foreign investors continued to net buy for the second consecutive session at 135 billion VND.
- Technical view: VNINDEX continued to maintain an upward trend with high liquidity. However, the market was mainly supported by large-cap stocks. Besides, the index is heading towards the resistance zone of 1,250, showing that the risk is tending to increase. The RSI indicator is also heading away from the overbought zone, showing that the market has been overheated in the recent past.
- Strategy: The market may correct after a period of overheating, so investors should maintain a cautious position and take profits on stocks that have reached their targets. Limit buying when stocks are heading towards the resistance zone.

Scenarios:

- Positive (50%): The market will maintain its upward momentum to the 1,250 area.
- Less positive (50%): The market corrected to the 1,160 area.

Recommended stocks

21/02/2024 9:00 AM

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals

Trading portfolio

Ticker	Recommendation	Buying price	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
SSI	Sell	33.0	35.5	31.7	8%	-4%	35.3	34	7.13%	04/01/2024	Take profit
KSB	Hold	24.3	28.0	23.6	15%	-3%	25.8	17	6.22%	29/01/2024	
DHC	Hold	40.5	45.0	39.4	11%	-3%	41.6	15	2.72%	31/01/2024	
QNS	Hold	46.4	50.0	44.4	8%	-4%	48.0	13	3.45%	02/02/2024	
PTB	Hold	54.5	59.9	53.2	10%	-2%	54.7	11	0.37%	06/02/2024	
STB	Hold	30.7	33.0	29.2	7%	-5%	30.7	11	0.00%	06/02/2024	

Economic calendar

February 2024

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

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.
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

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