Shinhan Securities

MORNING CALL

24/04/2024

"Differentiation by business performance"

- ❑ World stocks: Recovery driven by technology stocks
- ❑ Vietnamese stocks: Differentiation by business performance
- ❑ Macro news:
- ❑ Business news: #FPT, #ANV, #CSV, #BSC, #FMC, #IJC
- ❑ Technical perspective and updated recommendations
- ❑ Event calendar
- ❑ Q&A

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Following SSV's Zalo,
Catching the latest report

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Global Market Review 22/04 - 26/04/2024

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Major stocks market

- In regular trading on Tuesday, the Dow rose 0.69%, the S&P 500 gained 1.2% and the Nasdaq Composite rallied 1.59%. Tesla surged 12% after the company said it will start producing more affordable electric vehicles in 2025. More than 20% of S&P 500 companies have now reported earnings, with more than 75% of those exceeding market expectations. The dollar index dropped below 105.7 on Tuesday after data showing a slowdown in US manufacturing and services sectors boosted expectations for interest rate cuts.
- European equity markets rose on Tuesday, with the STOXX 50 up 1.4% to 5,008 points and the broader STOXX 600 gaining about 1.1%, as investors digested flash PMI data for the Eurozone and a slew of earnings reports.
- The Nikkei 225 Index jumped 2% to around 38,300 while the broader Topix Index gained 1.3% to 2,700 on Wednesday, with Japanese shares rising for the third straight session, helped by a rebound in technology stocks.
- WTI crude futures rebounded toward $83 per barrel on Tuesday, after falling to as low as $80.85 earlier in the session driven by optimism that disappointing PMI data might prompt interest rate cuts to pick up pace and boost oil demand.

Market	Close	%1D	%1M	%1Y
VN-Index	1,177	-1.08%	-8.14%	13.06%
S&P 500 Index	5,071	1.20%	-3.13%	22.56%
Dow Jones Index	38,504	0.69%	-2.46%	13.66%
GP 100	8,045	0.26%	1.44%	1.68%
Nikkei 225	38,272	1.92%	-6.40%	33.85%
SHCOMP Index	3,022	-0.74%	-0.85%	-7.74%
STOXX 600	508	1.09%	-0.36%	8.28%
KOSPI Index	2,669	1.74%	-2.91%	5.75%
Hang Seng	16,829	1.92%	2.00%	-15.69%

Commodity	Close	%1D	%1M	%1Y
Brent	88	0.07%	3.57%	6.95%
WTI	83	0.12%	3.51%	5.97%
Gasoline	273	0.04%	-0.49%	3.59%
Natural gas	2	1.16%	10.49%	-19.36%
Coal	130	0.19%	1.61%	-31.84%
Gold	2,322	-0.02%	6.89%	16.71%
China HRC	3,829	-0.10%	-0.34%	-7.82%
Steel rebar	3,566	-0.34%	0.65%	-5.13%
BDI index	1,882	-1.93%	-14.30%	24.06%

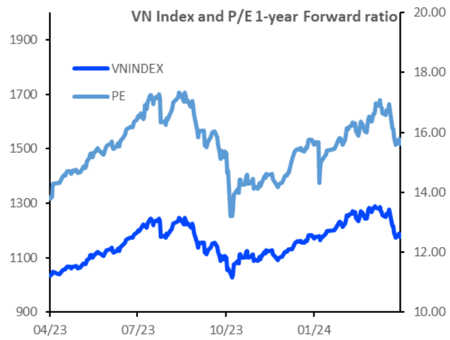
Currency	Close	%1D	%1M	%1Y
Dollar Index	106	-0.04%	1.15%	4.23%
USD/VND	25,448	-0.01%	-2.71%	-7.67%
EUR/USD	1	0.08%	-1.17%	-3.04%
USD/JPY	155	0.01%	-2.19%	-13.29%
USD/CNY	7	-0.02%	-0.47%	-4.82%
USD/GPB	1	-0.07%	1.43%	0.22%
USD/KRW	1,369	0.68%	-1.96%	-2.48%
USD/AUD	2	-0.13%	0.68%	3.09%
USD/CAD	1	0.04%	-0.53%	-0.86%

Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 23/04/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI INDEX	1,177.40	15.62	-12.82	-1.08	614	15,482
HNX INDEX	222.63	22.51	-2.67	-1.19	72	1,267



Money flow and sector rotation (VND bn)

Sector	%1D	4/23/2024	4/22/2024	20-session Average
Technology	95.05	559	287	327
Oil & Gas	57.45	166	105	244
Banks	45.29	4,382	3,016	4,074
Media	42.41	3	2	11
Travel & Leisure	36.01	145	106	121
Basic Resources	27.64	895	701	1,145
Retail	23.47	1,087	881	828
Personal & Household Goods	11.90	226	202	252
Industrial Goods & Services	5.99	756	713	1,182
Food and Beverage	4.98	972	926	1,438
Automobiles & Parts	0.73	210	209	322
Chemicals	-1.6	474	481	771
Real Estate	-2.6	2,713	2,786	4,307
Utilities	-5.7	146	155	218
Construction & Materials	-12.7	519	594	986
Financial Services	-15.4	2,138	2,526	2,956
Insurance	-47.6	12	22	24
Health Care	-53.4	20	42	22

Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 23/04/2024

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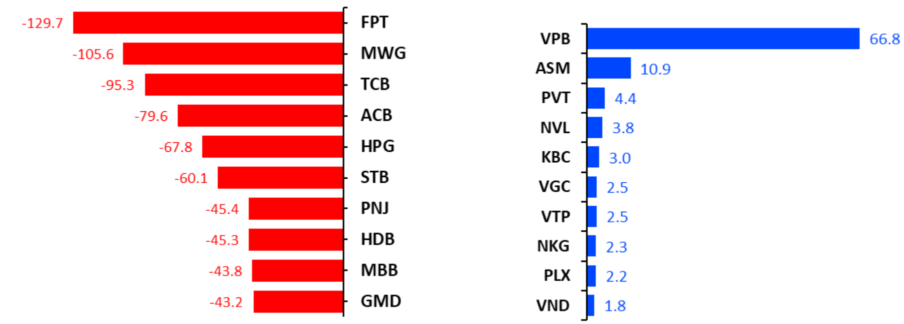
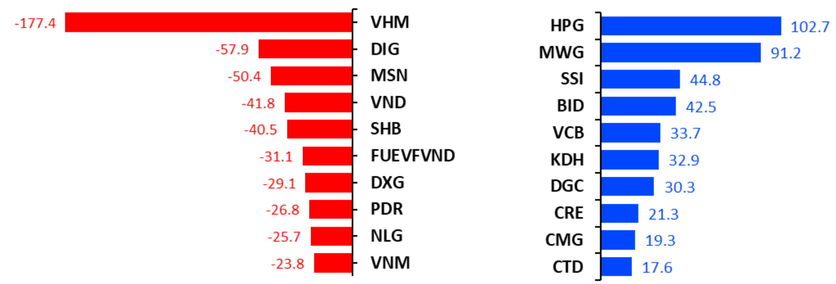
Top net buying & selling of proprietary trading (VND billion)



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	(120)	(288)	404	(116)
Basic Resources	(85)	99	15	(114)
Media	-	(0)	0	0
Industrial Goods & Services	(47)	(15)	23	(8)
Health care	(1)	1	1	(2)
Chemicals	0	(3)	(5)	8
Financial Services	(37)	(81)	(14)	95
Travel & Leisure	(22)	17	(3)	(14)
Banks	(417)	(32)	315	(283)
Construction & Materials	1	(17)	4	12
Food and Beverage	(68)	(68)	138	(70)
Retail	(105)	71	83	(155)
Utilities	(5)	1	13	(14)
Personal & Household Goods	(45)	9	(8)	(0)
Technology	(130)	19	172	(190)
Automobiles & Parts	1	(21)	11	10
Insurance	(0)	(1)	2	(1)
Oil & Gas	2	14	(29)	15
Total	**(1,077)**	**(294)**	**1,121**	**(827)**

Source: Fiinpro. Shinhan Securities Vietnam

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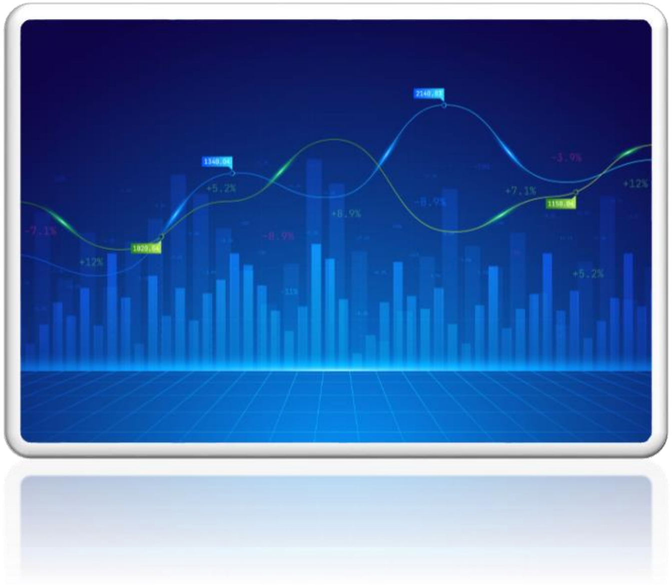
Macro

- US-China trade tensions heat up ahead of the US presidential election. Worried that the domestic market will be "flooded" with cheap Chinese steel, the Biden administration is wanting to triple import taxes on steel imported from China. This is also Mr. Biden's first major tax proposal on Chinese goods. Since coming to power, Mr. Biden has almost kept the tariffs on Chinese imports that were imposed by the previous administration of former President Donald Trump - who will likely rematch Mr. Biden in the election. elected in November this year.

- The State Bank supplies USD to the market, the free exchange rate cools down. The State Bank began pushing an amount of USD to the market yesterday (April 22) to meet the needs of interbank members. After this move, the USD/VND exchange rate on the free market decreased by 40 VND each way. Tensions in the Middle East, especially between Israel and Iran, temporarily cooled when both sides moved to de-escalate tensions in the region, reducing the need to hold safe assets such as USD and gold. . The market predicts that DXY will likely continue to remain stable around 106 points before important economic reports such as US GDP and PCE are released in the last 2 trading days of this week.

- Can Gio international transshipment port is one of the projects on the list of priority investment projects in the near future; At the same time, the seaport infrastructure is planned in the Ho Chi Minh City seaport area. In addition to being on the list of priority projects, the Can Gio port project is also oriented to combine with Cai Mep port area to form a large-scale international transshipment port cluster at the mouth of the Cai Mep river, serving the central region. Transporting goods to seaports throughout the country and countries in the region.



Business news

- **FPT:** April 23, 2024, FPT Corporation and Nvidia Corporation sign a comprehensive strategic partnership to promote artificial intelligence (AI) research. The two parties plan to build an AI factory, train high-quality human resources, and become development service partners in Nvidia's partner network. According to the memorandum of understanding, FPT plans to invest US$200 million to build an AI Factory that will provide a cloud computing platform for AI research and development and will be owned and operated in Vietnam. The factory will include supercomputer systems running on Nvidia's latest technology.

- **ANV:** According to the consolidated financial statements for the first quarter of 2024, revenue reached VND 1,016 billion and net profit was VND 17 billion, down 12% and 82% respectively compared to the same period last year. The segment with the largest share of revenue was finished products (97%), bringing in VND 984.5 billion, down 12% compared to the same period. Other revenue (insignificant) decreased by 2%, to VND 4.3 billion. ANV also suffered from a decline in revenue from construction projects, which reached VND 2.7 billion in the same period. Conversely, revenue from solar power sales increased slightly by 1.5% to VND 27.5 billion.

- **CSV**: CSV has submitted and approved a consolidated revenue plan of more than VND 1.6 trillion, 3% higher than the 2023 target. Pre-tax profit is projected to reach VND 261 billion, down about 10%. The proposed dividend plan for 2024 is 10%. The basis for these targets is based on CSV's forecasts. The company said that in 2024, there are still negative factors affecting the production and business situation, and the labor fund for employees is likely to decrease significantly. This makes it difficult to stabilize production and affects the lives of workers. CSV issued 66.3 million bonus shares to increase capital to serve the purpose of relocating the factory to Nhon Trach Industrial Park. Updating on the Nhon Trach project, General Director Le Thanh Binh said that it is expected that all 3 factories will be relocated by December 31, 2029.

Business news

- **BSC:** BSC targets VND550 billion profit, not chasing market share at all costs. The dividend payout ratio for 2024 is expected to be 10%, in the form of cash and/or stock. In the first quarter of 2024, BSC recorded operating revenue of VND351.7 billion, up 22% from the same period last year, and pre-tax profit of VND171.6 billion, up 41% from the same period in 2023. Thus, BSC has completed nearly 31% of its full-year profit target after just one quarter.Brokerage and margin lending activities. BSC aims to increase its brokerage market share by 10% and its margin lending market share by 10% compared to 2023.

- **FMC**: Difficulties Remain and New Challenges Emerge with US Anti-Subsidy Lawsuit for Shrimp Industry.According to FMC, the challenging situation for the shrimp industry is not only persisting but also being exacerbated by a new obstacle: the anti-subsidy lawsuit filed by the United States. As a consequence, the anti-dumping lawsuit initiated by the same plaintiff is also expected to be reignited, posing a risk to shrimp shipments to the US market as they could face unexpected retroactive tariffs once a preliminary tariff rate is determined. Furthermore, the protracted war situation raises concerns about a resurgence of inflationary pressures. Additionally, the exchange rate fluctuations of the Japanese yen pose certain disadvantages for exports to the Japanese market. Another risk highlighted by FMC is the potential shortage of domestic shrimp supply due to limited farming activities caused by unprofitable conditions, stemming from high shrimp farming costs and low farming success rates.

- **IJC:** IJC releases Q1/2024 business results forecast. Accordingly, Becamex IJC expects revenue to reach VND 162 billion and after-tax profit to reach VND 40 billion, down 51.9% and 62.8% respectively compared to the same period in 2023. This year, Becamex IJC sets a revenue target of VND 2,206 billion and after-tax profit of VND 511 billion, up 44% and 29% respectively compared to the realization of 2023. In which, real estate business revenue is expected to account for about 52% of Becamex IJC's total revenue this year, reaching VND 1,138 billion. This figure is up to 63% compared to the realization of 2023.

Technical view

Trend: Downtrend

- VNINDEX closed at 1,177.40 points (-12.82 points, -1.08%) with slightly increased liquidity compared to the previous session. The market had 117 stocks increasing in price and 360 stocks decreasing in price. The groups of stocks contributing to the market's decline were CTG, GVR, and VHM. On the other hand, the groups of stocks contributing to the market's increase were TCB, FPT, and MWG. Foreigners continued to net sell at VND 290 billion.
- **Technical view**: The market declined for most of the trading session and closed at the MA 200 zone. Liquidity being lower than the 20-session average indicates that selling pressure has somewhat eased. The downtrend has temporarily halted and the market is showing signs of forming a base in the 1,150 - 1,180 zone corresponding to the MA 200. Cautious demand is making it difficult for the market to rally immediately. In a positive scenario, the expectation is for the market to move sideways, accumulating tightly in the MA 200 zone to gain momentum for a subsequent upward move.
- **Strategy**: Investors should stay on the sidelines and avoid bottom fishing as the market has not shown signs of accumulation to form a bottom.

Scenarios:

- Positive (60%): The market will rebound and move towards the 1,150 – 1,180 area.
- Less positive (40%): The market corrected to the 1,130 area.

Recommended stocks

24/04/2024 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
ACB	Hold	26.7	28.5	26.3	7%	-1%	26.7	1	-0.19%	23/04/2024	

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April 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
31	1 ISM Manufacturing PMI MAR	2 JOLTs Job Openings FEB	3 ISM Services PMI MAR Fed Chair Powell Speech	4	5 Non-farm payroll, unemployment rate	6
7	8	9 JP Consumer Confidence MAR	10 Inflation and core inflation MoM YoY (US)	11 FOMC Minutes PPI MoM	12	13
14	15 Wholesale inventories in US	16 GDP Growth China IIP YoY China	17 VN Futures contract maturity	18 Hung Vuong Holiday	19	20
21	22	23	24 Durable goods order MoM March US	25 GPD Growth US Adv Q1	26 PCE MoM Personal Spending MoM US	27
28	29	30	1	2	3	4

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Q&A

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