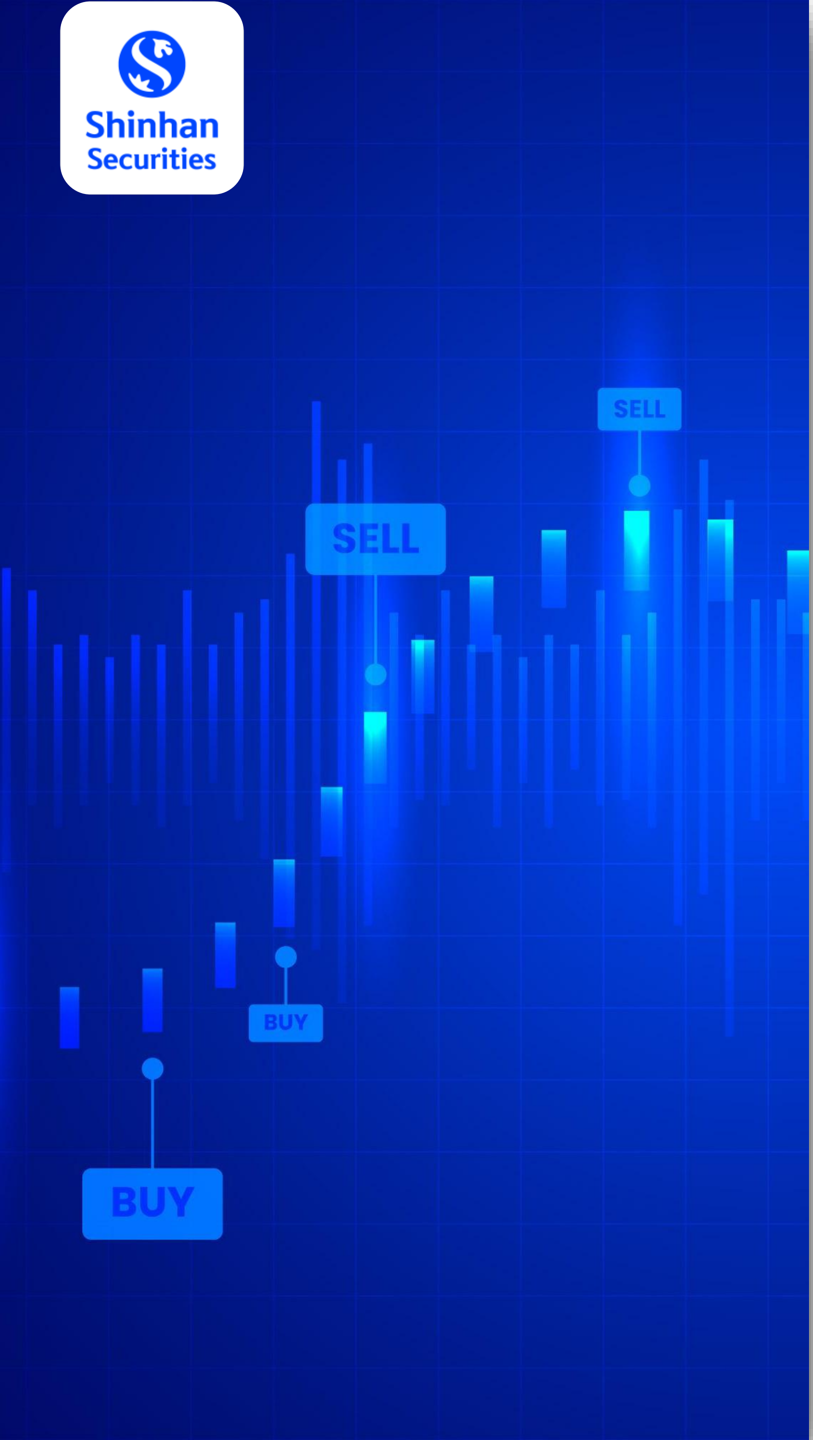

MORNING CALL

29/01/2024

"The market bounced from the 1,170 zone"

- ❑ World stocks: Maintains upward momentum ahead of interest rate announcement
- ❑ Vietnam stocks: The market bounced from the 1,170 zone
- ❑ Macro news
- ❑ Business news: #DCM, #TCB, #NTP, #ACB, #VC1, #PAN
- ❑ Technical perspective and updated recommendations #KSB, #GVR
- ❑ Event calendar
- ❑ Q&A

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Theo dõi Zalo của SSV để cập nhật báo cáo mới nhất

Quét mã QR hoặc click để theo dõi

Global Market Review 22/01 - 26/01/2024

Shinhan Securities

Major stocks market

- Last week, the Dow rose 0.65%, the S&P 500 gained 1.06% and the Nasdaq Composite added 0.94%. Meanwhile, the Fed is widely expected to hold interest rates steady on Wednesday, while investors will zero in on Fed Chair Jerome Powell's remarks after the meeting for clues on the potential start of the easing cycle. Stronger-than-expected US economic data and hawkish signals from central bank officials dampened expectations for a March rate cut, although traders are still betting on rate reductions later this year.
- European stocks held onto early gains on Friday, with the STOXX 50 trading 1% higher at a 23-year peak of 4,640 points and the broader STOXX 600 climbing to a two-year high at 484 points,
- The Nikkei 225 Index fell 1.34% to close at 35,751 while the broader Topix Index dropped 1.35% to 2,498 on Friday, hitting their lowest levels in a week, with nearly all sectors participating in the decline. Meanwhile, investors digested data showing Tokyo's core inflation rate, a leading indicator of nationwide price trends, slowed more than expected in January and posted below the Bank of Japan's 2% target for the first time since May 2022.
- The Shanghai Composite rose 0.14% to close at 2,910 while the Shenzhen Component fell 1.06% to 8,762 in mixed trade on Friday, with mainland stocks struggling for clear direction amid a lack of market-moving cues.
- WTI crude futures jumped toward $79 per barrel on Monday, reaching the highest levels in two months as a Houthi attack on a Transfigura-operated fuel tanker in the Red Sea stoked fears of further supply disruptions.

Market	Close	%1D	%1M	%1Y
VN-Index	1,176	0.45%	4.05%	5.24%
S&P 500 Index	4,891	-0.07%	2.54%	20.15%
Dow Jones Index	38,109	0.16%	1.11%	12.16%
GP 100	7,635	1.40%	-1.27%	-1.67%
Nikkei 225	35,948	0.55%	7.42%	31.28%
SHCOMP Index	2,910	0.14%	-2.18%	-10.86%
STOXX 600	484	1.11%	1.01%	6.30%
KOSPI Index	2,492	0.54%	-6.16%	0.31%
Hang Seng	15,952	-1.60%	-6.42%	-29.69%

Commodity	Close	%1D	%1M	%1Y
Brent	84	0.67%	9.18%	-2.94%
WTI	79	0.69%	9.63%	-1.42%
Gasoline	229	-0.11%	8.99%	-11.47%
Natural gas	3	-0.59%	7.24%	-13.28%
Coal	119	0.76%	-18.21%	-66.54%
Gold	2,022	0.17%	-1.99%	5.13%
China HRC	4,085	-0.15%	-0.10%	-2.62%
Steel rebar	3,846	0.08%	-4.80%	-6.06%
BDI index	1,518	1.27%	-27.51%	124.56%

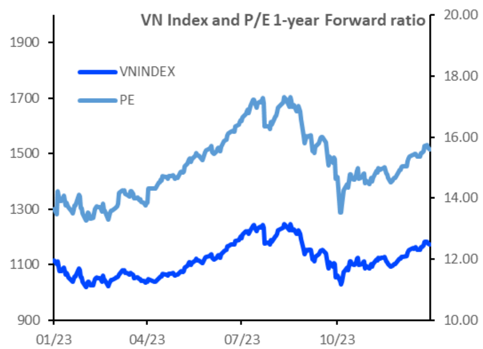
Currency	Close	%1D	%1M	%1Y
Dollar Index	103.55	0.12%	2.19%	1.60%
USD/VND	24,603	0.01%	-1.36%	-4.67%
EUR/USD	1.08	-0.08%	-1.77%	-0.06%
USD/JPY	148	-0.05%	-4.85%	-12.04%
USD/CNY	7.18	-0.05%	-0.48%	-5.47%
USD/GPB	0.79	0.06%	0.28%	-2.71%
USD/KRW	1,337	-0.09%	-3.69%	-8.23%
USD/AUD	1.52	-0.06%	3.54%	7.31%
USD/CAD	1.35	-0.03%	-1.59%	-0.52%

Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 26/01/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI INDEX	1,175.67	15.64	5.30	0.45	449	10,901
HNX INDEX	229.43	24.20	0.91	0.40	61	911



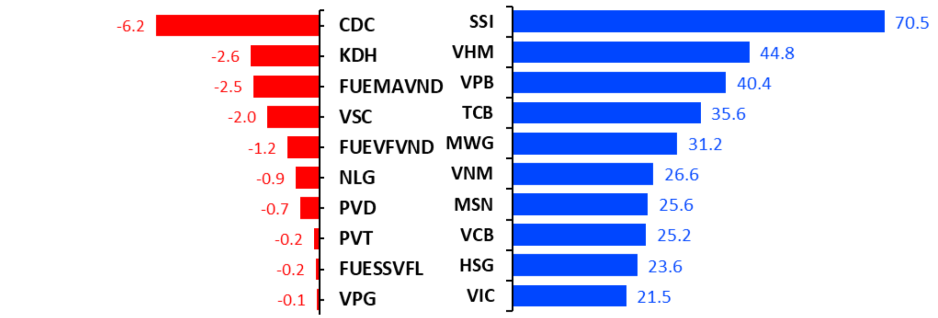
Money flow and sector rotation (VND bn)

Sector	%1D	1/26/2024	1/25/2024	20-session Average
Health Care	163.14	25	9	18
Automobiles & Parts	98.02	123	62	142
Real Estate	70.53	2,710	1,589	2,662
Media	67.72	6	4	11
Personal & Household Goods	46.83	129	88	158
Financial Services	28.70	1,580	1,228	2,374
Oil & Gas	15.82	77	66	133
Construction & Materials	14.70	769	670	984
Travel & Leisure	13.41	82	73	96
Utilities	8.71	105	96	168
Industrial Goods & Services	0.33	382	380	791
Food and Beverage	-0.1	862	863	1,059
Basic Resources	-2.2	951	972	1,278
Technology	-8.5	147	161	221
Banks	-10.0	2,235	2,484	3,759
Insurance	-12.3	11	12	26
Chemicals	-34.6	391	599	498
Retail	-47.1	319	603	572

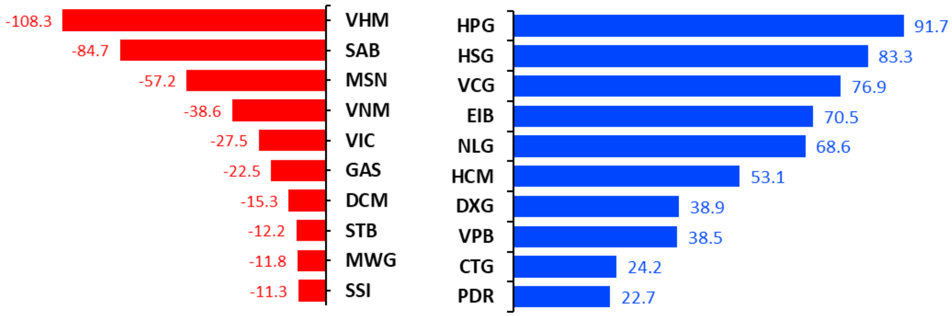
Nguồn: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 26/01/2024

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



Top net buying & selling foreign investors (VND billion)

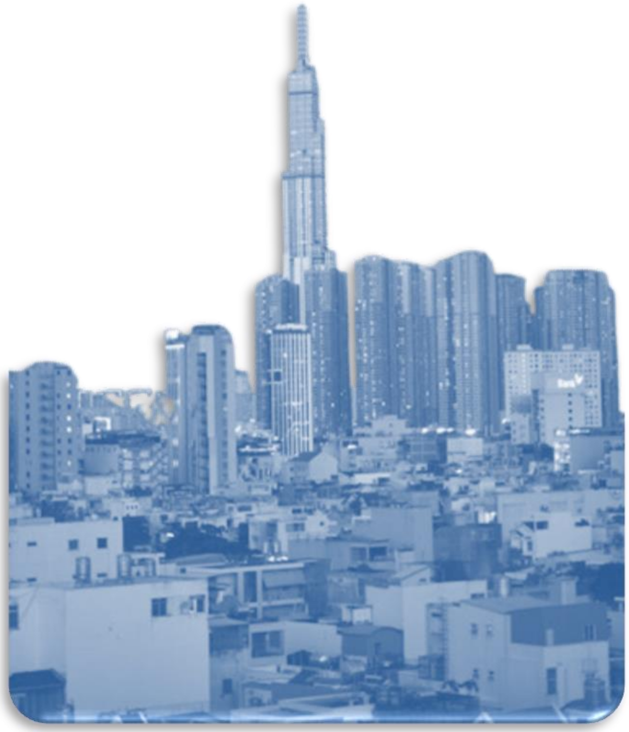


The net trading value of proprietary trading and investors by sector (VND billion)

Sub-sector	Proprietary trading (VND bn)	Foreign (VND bn)	Local Individual (VND bn)	Local Institutions (VND bn)
Real Estate	78	14	(42)	28
Basic Resources	33	163	(256)	93
Media	-	(0)	0	0
Industrial Goods & Services	1	17	(9)	(8)
Health care	-	(7)	8	(0)
Chemicals	17	(18)	(15)	33
Financial Services	73	45	(112)	67
Travel & Leisure	15	(1)	(15)	16
Banks	215	158	(334)	175
Construction & Materials	(2)	79	5	(84)
Food and Beverage	61	(180)	102	78
Retail	32	(11)	(18)	29
Utilities	6	(25)	34	(8)
Personal & Household Goods	1	(3)	2	1
Technology	15	5	(20)	15
Automobiles & Parts	0	(10)	12	(2)
Insurance	0	2	(2)	0
Oil & Gas	0	13	(15)	1
Total	**547**	**242**	**(676)**	**435**

Nguồn: Fiinpro. Shinhan Securities Vietnam

Breaking News



Macro

- Global minimum tax: Starting from January 1, 2024, large corporations and companies with a turnover of 750 million Euros (or 800 million USD) or more in two of the four most recent consecutive years will have to pay a 15% tax, regardless of which country they are in. Ms. Trang Bui - Country Director of Cushman & Wakefield Vietnam believes that the application of the global minimum tax could reduce the attractiveness of the investment environment in Vietnam, as policies to attract foreign investment through exemption and reduction of corporate income tax are no longer a strength. The global minimum tax policy for Vietnam is assessed to reduce the competitiveness in attracting FDI, because Vietnam is currently applying many tax incentives for FDI enterprises.
- According to data from the Foreign Investment Agency - Ministry of Planning and Investment, as of January 20, the total foreign direct investment (FDI) capital into Vietnam reached more than 2.3 billion USD, an increase of 40.2% compared to the same period in 2023. Specifically, in January, there were 190 new projects granted investment registration certificates, an increase of 24.2% compared to the same period, with total registered capital reaching more than 2 billion USD, an increase of 66.9% compared to the same period. The strong increase in the number of projects, along with the appearance of large-scale projects (over 600 million USD) are among the main factors driving the strong increase in foreign investment capital. Disbursed capital is also very positive with an increase of 9.6% compared to January 2023 when foreign investors disbursed 1.48 billion USD.
- In compliance with the Prime Minister's instruction on December 28, 2023, the Ministry of Construction has sent a document to the Chairmen of the People's Committees of provinces and centrally-run cities requesting to register the number of projects and the number of social housing apartments (NOXH) for low-income people and workers in industrial zones to be completed in 2024. Accordingly, the localities have registered to complete the construction of 108 NOXH projects with a scale of 47,532 apartments in 2024.

Business news

- **DCM** (Dam Ca Mau Fertilizer Joint Stock Company): In 2023, DCM's revenue and net profit reached VND12,602 billion and VND1,107 billion, respectively, down 20.8% and 74.3% compared to 2022. However, the company still achieved its profit target of more than VND900 billion set in December 2023. As of December 31, 2023, DCM's total assets reached VND15,278 billion, an increase of more than VND1,000 billion compared to the beginning of the year. Of which, nearly 70% of the company's assets are cash and cash equivalents, reaching VND10,526 billion - an increase of VND1,000 billion compared to the beginning of the year. This amount has brought in nearly VND520 billion in interest income for the company in the past year. Inventories decreased by more than 6% to VND2,137 billion.
- **TCB** (Techcombank): In 2023, Techcombank's net interest income reached VND27,691 billion, down 8.6% compared to 2022. The bank reported pre-tax profit of VND22,888 billion, down 10.5%. Compared to the pre-tax profit plan of VND22,000 billion, Techcombank achieved 104% of the profit target. Techcombank's bad debt ratio increased to 1.19%. As of December 31, 2023, Techcombank's total assets were recorded at nearly VND849,500 billion, an increase of 2.5% compared to the end of last year. Customer loans of the bank increased by 23.3% to VND518,642 billion. The bank's total bad debt is VND5,999 billion. Of which, sub-standard debt (group 3 debt) increased by 105.8% to VND1,857 billion.
- **NTP:** According to the consolidated financial report for the fourth quarter of 2023, NTP's consolidated after-tax profit in the fourth quarter of 2023 reached more than VND164.66 billion, an increase of more than VND95.43 billion, or 137.83% compared to the same period. The main reason given by NTP is that the price of raw materials in the fourth quarter of 2023 decreased sharply compared to the same period in 2022, along with the reduction of interest expenses, which helped profits grow strongly. In 2023, NTP recorded VND5,176 billion in revenue, down 9% compared to 2022, but net profit increased by 16.5% to VND559 billion. This is also the highest profit of the company since its listing in 2006

Business news

- **ACB:** In 2023, ACB's net interest income reached VND24,959 billion, up 6% compared to 2022. Similar to the fourth quarter, the trading of investment securities continued to bring the bank a profit of VND2,647 billion, a sharp increase compared to the profit of VND20.6 billion in the previous year. At the end of 2023, ACB's net profit from business activities increased by 27% to VND21,872 billion. Although the bank's credit risk provision expenses increased sharply from nearly VND71 billion to VND1,804 billion, ACB still reported a pre-tax profit of VND20,068 billion and an after-tax profit of nearly VND16,045 billion, an increase of 17% compared to 2022. In 2023, ACB set a pre-tax profit target of more than VND20,000 billion. Thus, at the end of the year, the bank has completed its target. As of December 31, 2023, ACB's total assets were VND718,794 billion, an increase of 18% compared to the beginning of the year.
- **VC1**: Vinaconex 1 has just announced its business results for 2023 with net revenue of nearly VND223 billion, down 48% compared to the previous year. Pre-tax profit was less than VND3 billion, also down 36% but still exceeded the plan by 63%. At the same time, VC1 received a decision on administrative fine for tax violations from the Hanoi Tax Department. Therefore, VC1 was fined a total of more than VND1.1 billion. At the same time, the Company must take remedial measures including paying the full amount of additional tax collected through inspection of nearly VND4.6 billion, and forced to pay the full amount of late payment of tax of nearly VND1.1 billion. Thus, the total amount of fines, additional payments and late payments of VC1 is up to more than VND6.8 billion.
- **PAN**: In 2023, PAN's net revenue reached VND13,205 billion, a slight decrease of 3% compared to the previous year. In terms of revenue structure, for the agricultural sector, PAN said that the pesticide segment grew strongly in 2023 with revenue increasing by 10% and profit increasing by more than 30%. Record high export prices of rice and durian led farmers to invest more in cultivation, and the demand and prices of pesticides also increased. As a result, PAN Group's after-tax profit reached VND819 billion, an increase of 3% compared to 2022. This is also the record profit of the enterprise.

Technical view

Trend: Upward

- VNINDEX closed at 1,175.67 (+5.3 points, +0.45%) with lower liquidity than the average of 20 sessions. The market had 253 green stocks and 193 red stocks. The group of stocks that contributed the most to the market's increase were VCB, BID and GVR. On the other hand, the group of stocks that contributed to the market's decline were SAB, MSN and GAS. Foreign investors continued to net buy at VND241 billion.
- Technical analysis: The market is currently at the resistance zone of the medium-term trend. The VNINDEX recovered after touching the MA10 line. Indicators such as RSI are showing signs of peaking and have crossed down from the overbought zone, while the MACD line has shown signs of crossing down the signal line. This indicates that the market is showing signs of correction.
- Strategy: Investors should prioritize holding and waiting for confirmation signals of the sustainability of the medium-term trend to make appropriate decisions.

Scenarios:

- Positive (50%): The market will maintain its upward momentum to the 1,220 area.
- Less positive (50%): The market corrected to the 1,160 area.

Recommended stocks

29/01/2024 9:00 AM

Unit: VND thousand

Today's watchlist

	Recommendation	Buying price (+/- 1%)	Target	Cut loss	Upside	Downside	Current price	Signals
KSB	Buy	28.7	32.69	27.2	14.1%	-5.1%	28.7	Good bounce from the EMA 20
GVR	Buy	21.2	23	20.2	8.5%	-4.7%	21.5	Trend of improving price momentum

Trading portfolio

Ticker	Recommendation	Buying price	Target	Cut loss	Upside	Downside	Current price	T+	Profit/Loss	Date	Note
KBC	Sell	31.7	35.1	30.1	11%	-5%	30.2	24	-4.73%	26/12/2023	Restructure portfolio
VHC	Hold	62.0	69.9	59.1	13%	-5%	63.7	21	2.74%	29/12/2023	
SSI	Hold	33.0	36.0	31.7	9%	-4%	34.1	17	3.49%	04/01/2024	
VPB	Hold	19.4	21.4	18.7	10%	-4%	19.8	6	1.80%	19/01/2024	

Economic calendar

January 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
31	1	2	3 ISM Manufacturing PMI DEC (US)	4 FOMC Minutes	5 Non-farm payrolls, unemployment rate (US)	6
7	8	9	10	11 Inflation figures (US)	12 PPI MoM DEC (US) Inflation Rate YoY DEC (China)	13 Trade balance (China)
14	15	16 House Price Index YoY DEC (China)	17 Retail Sales, PPI (US) Unemployment rate, GDP growth Q4 (China)	18 Expiration of futures contract VN30F1M	19 Michigan Consumer Sentiment Prel JAN (US)	20
21	22	23 BoJ Interest Rate Decision	24	25 GDP Growth Rate QoQ Adv Q4 (US)	26 Core PCE Price Index MoM DEC (US)	27
28	29	30 JOLTs Job Openings DEC (US)	31	1	2	3
4	5	**NOTES**				

Q&A

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