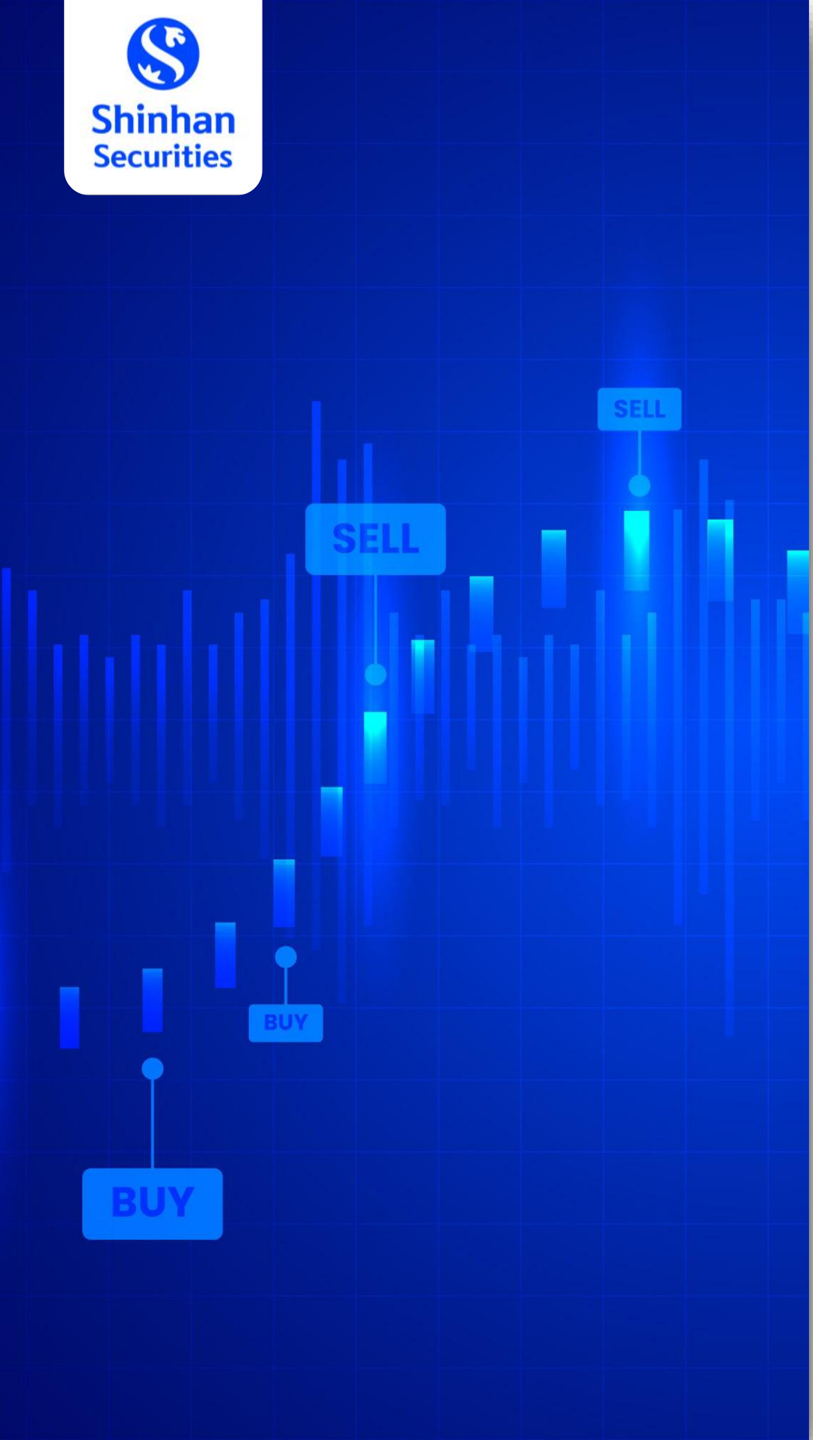
Shinhan Securities



MORNING CALL

30/07/2024

“Expectation of recovery”

- ❑ World stocks: Awaiting a crucial policy announcement from the Federal Reserve.
- ❑ Vietnamese stocks: Expectation of recovery
- ❑ Macro news
- ❑ Business news: #HAH, #BID, #ACV, #PVT, #BFC, #KHG
- ❑ 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 29/07 - 02/08/2024

Shinhan Securities

Major stocks market

- In regular trading on Monday, the Dow fell 0.12%, while the S&P 500 and Nasdaq Composite inched up 0.08% and 0.07%, respectively. Meanwhile, the Fed is widely expected to hold rates steady this week, before cutting in September.
- European stocks failed to maintain early gains and closed lower on Monday, pressured by losses in heavyweight luxury and tech sectors as markets continued to assess corporate results and awaited key central bank decisions this week. The Eurozone's Stoxx 50 closed 0.9% lower at 4,820 and the pan-European Stoxx 600 lost 0.2% to close at 512. The CAC 40 fell 1% to close at 7,444 on Monday
- The Nikkei 225 Index fell 0.3% to below 38,400 while the broader Topix Index lost 0.5% to 2,746 on Tuesday, paring gains from the previous session as the Bank of Japan kicked off its two-day policy meeting. There is speculation that the central bank could lift rates by 10 basis points to 0.1%, while it is widely expected to announce its bond purchase tapering plans. Investors also digested data showing Japan's unemployment rate unexpectedly fell to 2.5% in June in the latest sign of a strong labor market.
- WTI crude futures fell 2% to the $76 per barrel mark on Monday, a seven-week low, as demand concerns offset the risk of lower supply due to tensions in the Middle East.

Market	Close	%1D	%1M	%1Y
VN-Index	1,247	0.36%	0.10%	3.22%
S&P 500 Index	5,464	0.08%	0.06%	19.23%
Dow Jones Index	40,540	-0.12%	3.63%	14.33%
GP 100	8,292	0.08%	1.57%	7.77%
Nikkei 225	38,311	-0.41%	-3.21%	16.95%
SHCOMP Index	2,892	0.03%	-2.55%	-11.72%
STOXX 600	512	-0.20%	0.07%	8.71%
KOSPI Index	2,741	-0.88%	-2.02%	5.10%
Hang Seng	17,194	-0.26%	-2.96%	-13.67%

Commodity	Close	%1D	%1M	%1Y
Brent	80	-0.20%	-7.86%	-6.32%
WTI	76	-0.25%	-7.26%	-6.16%
Gasoline	241	-0.24%	-4.73%	-18.48%
Natural gas	2	1.03%	-20.92%	-22.02%
Coal	140	0.61%	4.98%	4.20%
Gold	2,379	-0.24%	2.00%	21.04%
China HRC	3,503	-0.68%	-5.53%	-13.76%
Steel rebar	3,025	-1.08%	-9.27%	-19.57%
BDI index	1,797	-0.61%	-12.34%	61.89%

Currency	Close	%1D	%1M	%1Y
Dollar Index	105	0.07%	-1.16%	2.97%
USD/VND	25,290	0.00%	0.66%	-6.33%
EUR/USD	1	-0.05%	0.71%	-1.65%
USD/JPY	154	0.03%	4.86%	-7.59%
USD/CNY	7	-0.05%	0.06%	-1.67%
USD/GPB	1	0.10%	-1.54%	-0.10%
USD/KRW	1,386	-0.20%	-0.13%	-8.01%
USD/AUD	2	0.13%	1.83%	2.71%
USD/CAD	1	-0.04%	-0.89%	-4.83%

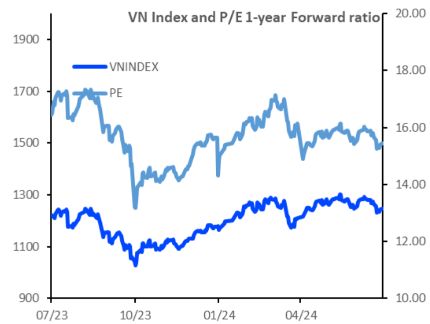
Source: Bloomberg. Shinhan Securities Vietnam

Vietnam Market Snapshot 29/07/2024

Shinhan Securities

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI INDEX	1,246.60	15.45	4.49	0.36	421	10,428
HNX INDEX	237.52	16.97	0.86	0.36	51	917



Money flow and sector rotation (VND bn)

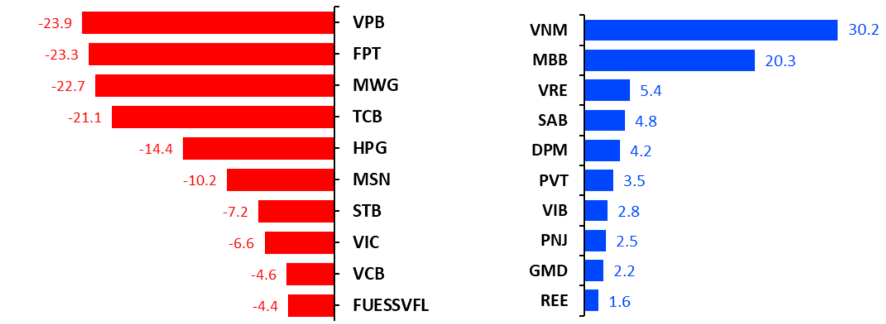
Sector	%1D	7/29/2024	7/26/2024	20-session Average
Automobiles & Parts	82.36	231	127	288
Basic Resources	74.47	809	464	1,039
Media	38.73	11	8	21
Technology	22.59	702	573	920
Chemicals	22.02	771	632	1,054
Personal & Household Goods	17.12	201	172	321
Retail	15.63	505	437	826
Financial Services	13.45	1,013	893	1,350
Industrial Goods & Services	10.69	675	610	1,111
Real Estate	10.44	1,743	1,578	2,287
Construction & Materials	4.40	411	393	642
Insurance	1.41	28	28	66
Health Care	-5.9	36	39	81
Food and Beverage	-10.4	1,141	1,273	1,213
Banks	-20.0	1,624	2,029	3,300
Utilities	-27.3	211	290	377
Travel & Leisure	-41.3	166	283	263
Oil & Gas	-46.0	122	226	198

Source: Bloomberg. Shinhan Securities Vietnam

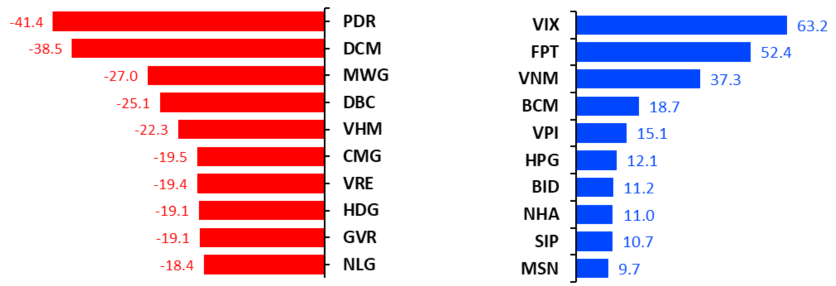
Vietnam Market Snapshot 29/07/2024

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	(10)	(94)	84	10
Basic Resources	(15)	15	48	(62)
Media	-	(1)	1	-
Industrial Goods & Services	7	(25)	(15)	40
Health care	-	(2)	1	1
Chemicals	3	(62)	36	27
Financial Services	(12)	44	(53)	9
Travel & Leisure	(3)	(6)	(3)	9
Banks	(45)	(22)	(6)	28
Construction & Materials	(3)	(19)	42	(23)
Food and Beverage	23	6	27	(32)
Retail	(23)	(26)	22	4
Utilities	(3)	(18)	35	(17)
Personal & Household Goods	2	3	(9)	6
Technology	(23)	31	1	(32)
Automobiles & Parts	(0)	(16)	8	8
Insurance	0	(2)	(1)	3
Oil & Gas	(0)	(27)	15	12
Total	**(102)**	**(224)**	**234**	**(10)**

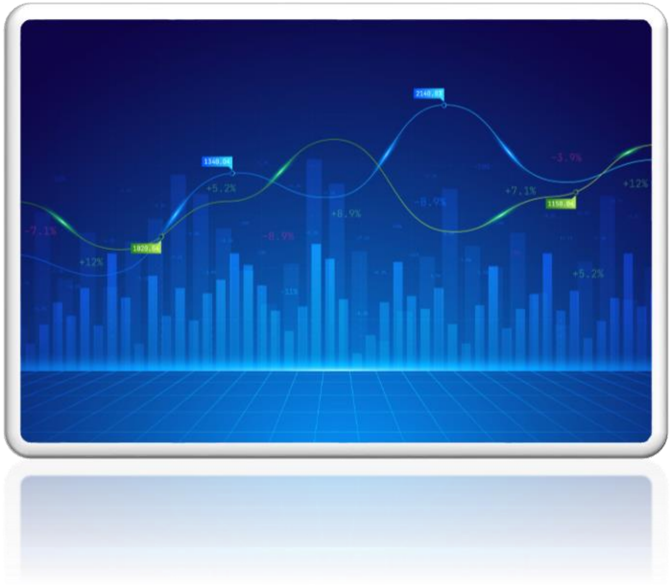
Source: Fiinpro. Shinhan Securities Vietnam

Breaking News

Macro

- Continuing its growth momentum, the total import-export turnover in the first 7 months reached over 439 billion USD. The result of 69.72 billion USD achieved in July brought the total import-export turnover of goods in the first 7 months of 2024 to 439.88 billion USD, a 17.1% increase compared to the same period last year; of which, exports reached 226.98 billion USD, and imports reached 212.9 billion USD. In the first 7 months of 2024, there were 30 items with an export value of over 1 billion USD, accounting for 91.9% of the total export turnover (with 9 items exported over 5 billion USD, accounting for 70.8%)
- The Consumer Price Index (CPI) increased by 0.48% in July, while core inflation rose by 0.36% compared to the previous month. The main factors contributing to the increase in the consumer price index in July 2024 were the rise in domestic fuel prices in line with global trends, increased demand for electricity for household consumption, and the adjustment of health insurance contributions based on the new minimum wage. Of the 10 groups of goods and services that saw price increases, the remaining group of goods and services experienced a 3.77% increase, primarily driven by a 28.45% rise in health insurance premiums due to the adjustment of the minimum wage from 1.8 million VND/month to 2.34 million VND/month
- Industrial production maintained a positive growth momentum. The industrial production index in the first 7 months of 2024 increased by 8.5% compared to the same period last year; of which, the processing and manufacturing industry grew by 9.5%, continuing to be the growth driver of the entire industrial sector. Specifically, compared to the same period last year, the processing and manufacturing industry increased by 13.3%; the electricity generation and distribution industry increased by 9.9%; water supply, sewerage, waste management and remediation activities increased by 12.1%; only the mining industry decreased by 7.0%. On the contrary, the IIP of some industries decreased, including crude oil and natural gas extraction by 12.4%; repair, maintenance and installation of machinery and equipment by 2.9%; production of other non-metallic mineral products by 1.8%; and hard coal and lignite mining by 1.3%

Shinhan Securities



Business news

- **HAH**: HAH announced its Q2 2024 financial report with a net revenue of nearly VND 949 billion, up 55% compared to the same period last year. All business segments experienced growth, from shipping operations, port operations to other activities. Ultimately, the company recorded a net profit of nearly VND 111 billion, up 15% compared to the same period last year. This is also the highest net profit in the past 5 quarters of the company.According to HAH, profit growth is attributed to the increase in the number of ships put into operation (Hai An Alfa and Hai An Beta), the opening of new routes in both domestic (Nghi Sơn, Chan May, Long An,...) and international (Singapore, Malaysia, India,...) segments. The average freight rate this quarter increased by 6.5% compared to the same period last year. Besides, the increase in transport volume also led to an increase in port throughput and operating revenue.
- **BID:** In the second quarter alone, most of BIDV's business activities grew compared to the same period last year. Core revenue increased by 10%, reaching nearly 14,838 billion VND in net interest income. Non-interest income sources grew significantly, such as service income (+16%), foreign exchange trading income (2.2 times), and income from securities trading (17.6 times). Accumulatively, in the first six months of the year, BIDV's pre-tax profit reached nearly 15,549 billion VND, an increase of 12%
- **ACV**: According to the Q2 financial report, ACV recorded a 12% increase in net revenue compared to the same period last year, reaching 5,535 billion VND. Notably, gross profit exceeded 3,460 billion VND, a 17% increase. This has helped ACV achieve a desirable gross profit margin of 62.5%. A deeper look into the revenue structure reveals growth in both main segments. The aviation services segment increased from 4,050 billion VND to 4,550 billion VND, while the non-aviation segment grew from 600 billion VND to 700 billion VND. Another noteworthy point is ACV's significant cost-cutting measures, reducing management expenses by 60% to 243 billion VND. This is largely attributed to the elimination of the need to set aside provisions for bad debts from airlines.

Business news

- **PVT:** Despite an increase in net revenue from business operations, the total petroleum transport joint stock company (HOSE: PVT) still saw its net profit decline in the second quarter due to increased other expenses. In the second quarter, PVT achieved nearly 3 trillion VND in net revenue, up 41% compared to the same period. Most of this came from the transportation services segment (approximately 2.3 trillion VND, up 28%). The company incurred a loss of 63 billion VND from other operations (compared to a profit of 57 billion VND in the same period). PVT did not provide detailed explanations. This loss reversed PVT's achievements, leaving only a net profit of 287 billion VND, a decrease of 9% compared to the same period. However, this is still a decent result for PVT, as it is higher than most recent quarters

- **BFC**: Another Vinachem member that saw a significant increase in profit during Q2 2024 is Bình Điền Fertilizer Joint Stock Company (HOSE: BFC). This is also a record result since its listing, helping BFC surpass its annual plan approved by the General Meeting of Shareholders. In Q2, BFC reported a 25% increase in revenue compared to the same period last year, exceeding 2.9 trillion VND, with most coming from domestic sales. After deducting the cost of goods sold, gross profit reached 489 billion VND, an increase of 89%. Gross profit margin improved significantly from 11% to nearly 17%.

- **KHG:** Without the significant profit from investment partnerships as seen in the same period last year, Khai Hoan Land's net profit in Q2 2024 declined by more than 60% compared to the same period, and is still far from its 2024 target, having only achieved 6% after six months. Khai Hoan Land Group (HOSE: KHG) reported Q2 2024 revenue of over VND 90 billion, a 26.7-fold increase year-on-year. This growth was primarily driven by real estate sales contracts worth over VND 66 billion and brokerage services contributing VND 24 billion. Total costs only slightly decreased to VND 54 billion, with interest expenses accounting for over half at nearly VND 31 billion. Consequently, Khai Hoan Land's after-tax profit reached VND 16.5 billion, a 64% decrease year-on-year.Explaining the decline in profit, KHG attributed it to the overall difficulties in the real estate market, which have impacted the company's operations.

Trend: Heading towards the next support zone

- VNINDEX closed at 1,246.60 points, up 4.49 points (+0.36%), with trading volume declining significantly below the 20-day average. The market saw 244 gainers and 168 decliners. Stocks contributing to the market's uptrend included BID, HVN, and VNM, while VHM, MBB, and VGC weighed on the index. The basic materials sector performed well, led by HPG. Foreign investors net sold approximately 224 billion dong
- **Technical view:** Liquidity remains low, and the VN-Index formed a Doji candlestick pattern in this week's opening session. After recovering from the EMA200, buying pressure is still relatively cautious as investors observe the market's further developments. Meanwhile, selling pressure remains weak, with no significant selling observed around the 1,230-1,260 points trading range. The short- and medium-term uptrend will depend on how the market behaves at the resistance levels of 1,260 points and 1,220 points. If the market can surpass the EMA20 and EM50, buying pressure will likely increase, supporting the upward momentum for the remainder of 2024
- **Strategy**: Investors continue to observe market developments at the support zone of 1,220-1,230 points, and may consider disbursing when a reversal signal appears and VN-Index returns above EMA50. With stocks that still maintain an uptrend and have a good fundamental foundation, investors can continue to hold. Investors should reduce the proportion of stocks that violate technical signals and have poor business fundamentals in the near future.

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

30/07/2024 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
NLG	Hold	41.5	44.4	40.4	7%	-2.7%	41.6	3	0.12%	25/07/2024	
HAH	Hold	42.7	46.8	41.4	10%	-3.0%	43.4	2	1.52%	26/07/2024	
ACB	Hold	23.9	25.3	23.5	6%	-1.7%	24.2	2	1.05%	26/07/2024	
CTG	Hold	32	33.9	31.1	6%	-2.9%	32.1	1	0.31%	26/07/2024	

Shinhan Securities

August 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
28	29	30	31	1	2	3
	Announcement of Vietnam's economic data for July	US JOLTs Job Openings JUN		_ Fed Interest Rate Decision _ US ISM Manufacturing PMI JUL _ PMI VN	_ US Non Farm Payrolls JUL _ US Unemployment Rate JUL	
4	5	6	7	8	9	10
	_ ISM Services PMI JUL			US Initial Jobless Claims		
11	12	13	14	15	16	17
	MSCI's restructure portfolio announcement		_ US Core Inflation& Inflation Rate MoM JUL	_ Expiration date of future contract VN30F2408 _ US Retail Sales MoM JUL	_ Michigan Consumer Sentiment Prel AUG	
18	19	20	21	22	23	24
				_ FOMC Minutes	ETF Share MSCI restructure the portfolio	
25	26	27	28	29	30	31
				_ US GDP Growth Rate QoQ 2nd Est Q2 _ Vietnam macroeconomic data in August		

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

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.
-