





# WEEKLY INVESTMENT STRATEGY REPORT ON 4<sup>TH</sup> DECEMBER, 2023

## THE FAVOURABLE TIME TO RESTRUCTURE THE INVESTMENT PORTFOLIO

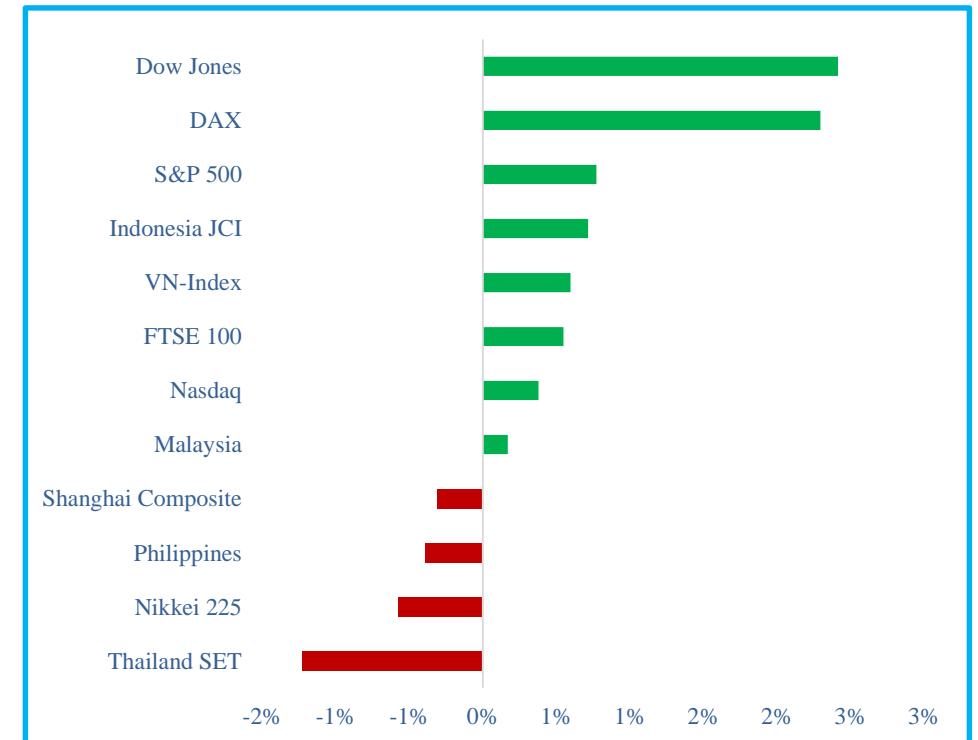


-  According to the data from the Department of Commerce, the GDP of the U.S. for the third quarter of 2023 grew by 5.2%, surpassing the preliminary estimate of 4.9% and the forecasted 5% by economic experts. This indicates that the actual economic growth of the U.S. is stronger than the pressure from inflation. Therefore, it can be expected that the Federal Reserve has completed the interest rate hike cycle, and the U.S. economy may experience a "soft landing," meaning a moderate interest rate increase to cool down the economy and reduce inflation without pushing it into a recession.
-  Meanwhile, on November 29, the State Bank of Vietnam announced an adjustment to credit growth targets: Commercial banks that have reached 80% of the announced credit target will be proactively supplemented with additional credit limits. Additionally, priority will be given to banks focusing on credit in sectors prioritized by the government, and interest rates for loans have been lowered to a low level in recent times. However, with limited time for commercial banks to implement these measures as 2023 is coming to a close, we anticipate that credit growth in 2023 will reach around 9% – 9.5%, falling short of the State Bank's target of 14%.
-  The VN-Index recorded an increase of about 0.6% over the past week, closing above the 1,100-point mark. Caution continues to dominate the market sentiment, leading to a sharp decline in liquidity and the average daily trading value, reaching values of 13,077 billion VND and 644 million shares, respectively. It is noteworthy that during the past week, there has been a significant shift of funds into oil stocks and financial services, with increases of 5% and 4.76%, respectively.
-  **With the expected continuation of cautious sentiment in the coming week due to information related to the inspection of the State Bank of Vietnam (SBV) regarding the implementation of credit growth policies, the VN-Index is anticipated to fluctuate within a narrow range of 1,090 – 1,120 points. Short-term investors are advised to maintain a stock/cash ratio of 30/70 to be prepared for market volatility. Meanwhile, long-term investors are recommended to restructure their investment portfolios, reducing allocations in sectors expected to face challenges in 2024, such as banking (potential continued provisioning for bad debt from manufacturing enterprises), aquaculture, and textiles (main export markets like the EU and China are forecasted to face weakening consumer demand). Some sectors are suggested to increase allocations as the most challenging period is expected to be over, including steel (HPG, HSG, NKG), civil construction (TCD, HTN, CTD), real estate brokerage (DXS, KHG), and residential real estate (NLG, KDH, NTL).**

## GLOBAL STOCK MARKET OVERVIEW IN THE PREVIOUS WEEK

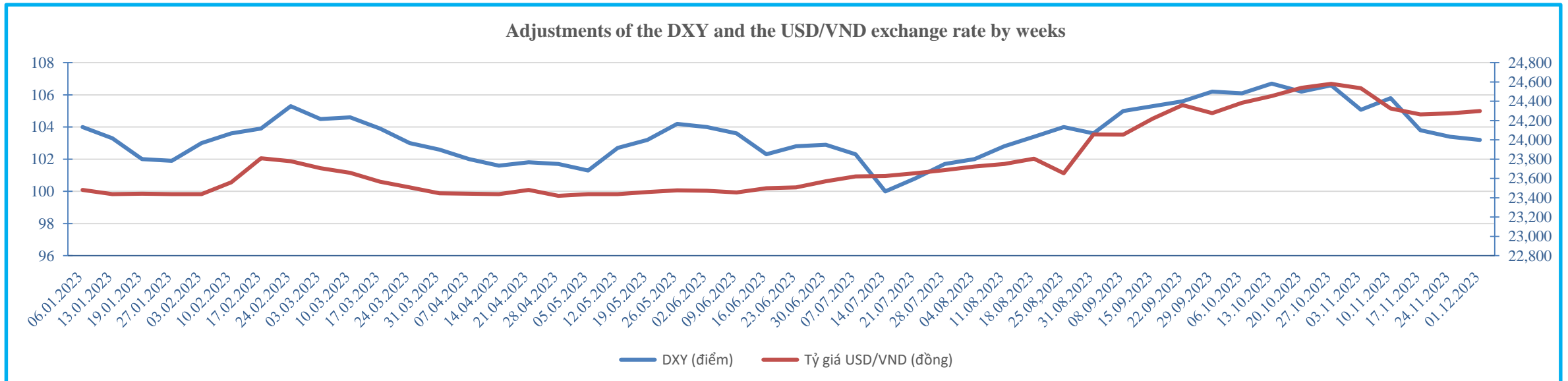
- The global stock market, for the most part, recorded an upward trend during the week of November 27th to December 1st, with common increases ranging from 0.5% to 2%. Notably, there were some opposing trends, including the appearance of the Shanghai Composite Index (-0.31%) and Nikkei 225 (-0.58%).
- VN-Index recorded a 0.6% increase in the past week and is among the top 5 indices with the strongest gains in the monitored list.

Indices	24th November, 2023	1st December, 2023	Adjustments
VN-Index	1,095.61	1,102.16	0,60%
S&P 500	4,559.34	4,594.63	0,77%
Dow Jones	35,390.15	36,245.50	2,42%
Nasdaq	14,250.86	14,305.03	0,38%
DAX	16,029.49	16,397.52	2,30%
FTSE 100	7,488.20	7,529.35	0,55%
Nikkei 225	33,625.53	33,431.51	-0,58%
Shanghai Composite	3,040.97	3,031.64	-0,31%
Thailand SET	1,397.43	1,380.31	-1,23%
Malaysia	1,453.90	1,456.38	0,17%
Philippines	6,269.50	6,245.18	-0,39%
Indonesia JCI	7,009.63	7,059.91	0,72%



## FOREIGN EXCHANGE MARKET OVERVIEW IN THE PREVIOUS WEEK

- 📌 The DXY index experienced a sharp decline to around 102.5 points at the beginning of the week before rebounding on November 30th following the statement from the Fed Chairman, who mentioned that it's still too early to declare victory over inflation. Overall for the week, the DXY index recorded a 0.19% decrease compared to the previous week, closing at 103.2 points.
  
- 📌 In Vietnam, the USD/VND exchange rate increased by 0.1% compared to the previous week, reaching 24,300 VND. The central exchange rate continued to be adjusted by the State Bank of Vietnam for the second consecutive week, reaching 23,891 VND as of December 1st. On the black market, the USD/VND exchange rate is currently trading at around 24,600 – 24,650 VND. Meanwhile, at commercial banks, the buying rate for the USD/VND is in the range of 24,060 – 24,120 VND, and the selling rate is in the range of 24,420 – 24,485 VND.



## VIETNAMESE STOCK MARKET OVERVIEW IN THE PAST WEEK

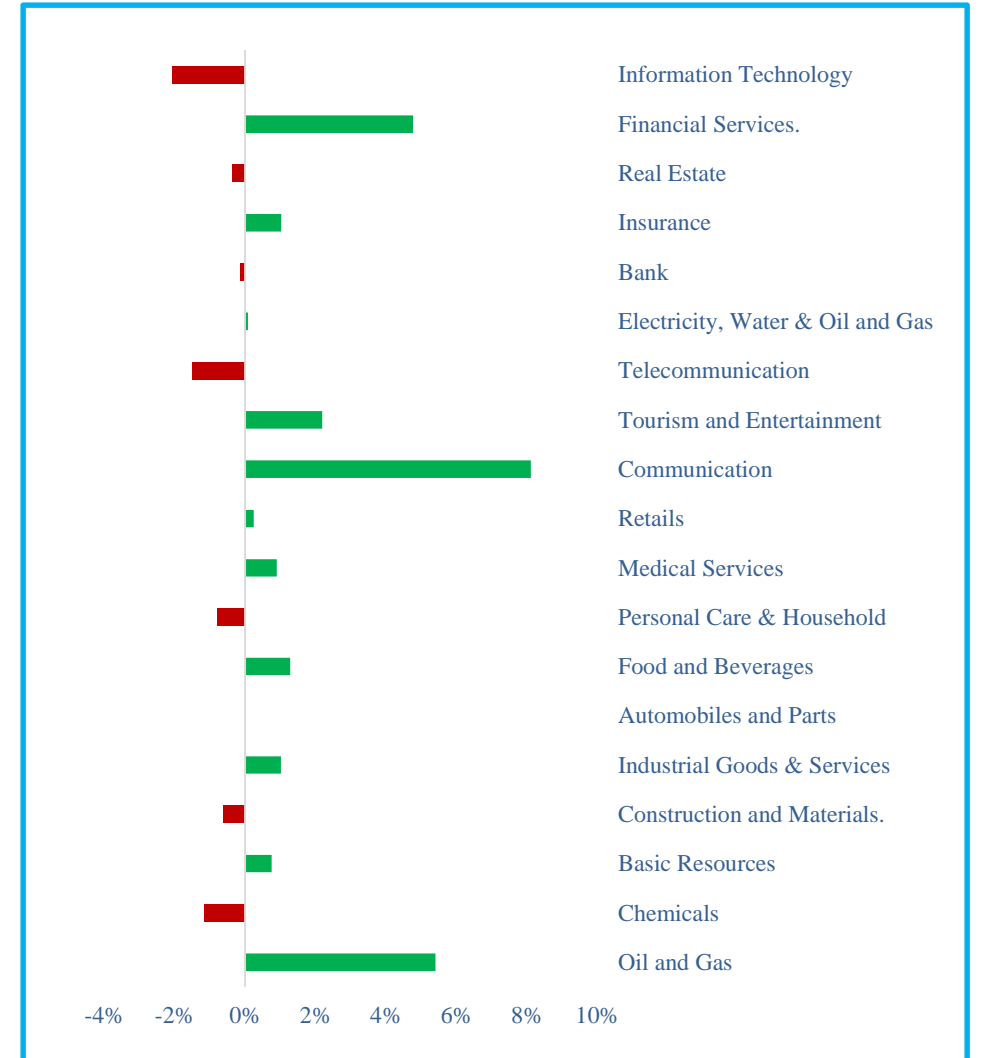


After a week of volatile trading, the VN-Index closed the week with an increase of 8.03 points (~0.73%) at 1,102.16 points. However, looking at the entire week, the market recorded an increase of 6.55 points (~0.6%) compared to the previous week's closing at 1,095.61 points. Market liquidity remains low, indicating investors' cautious sentiment, and funds have not truly returned to the market.



## SECTORS IN THE PAST WEEK

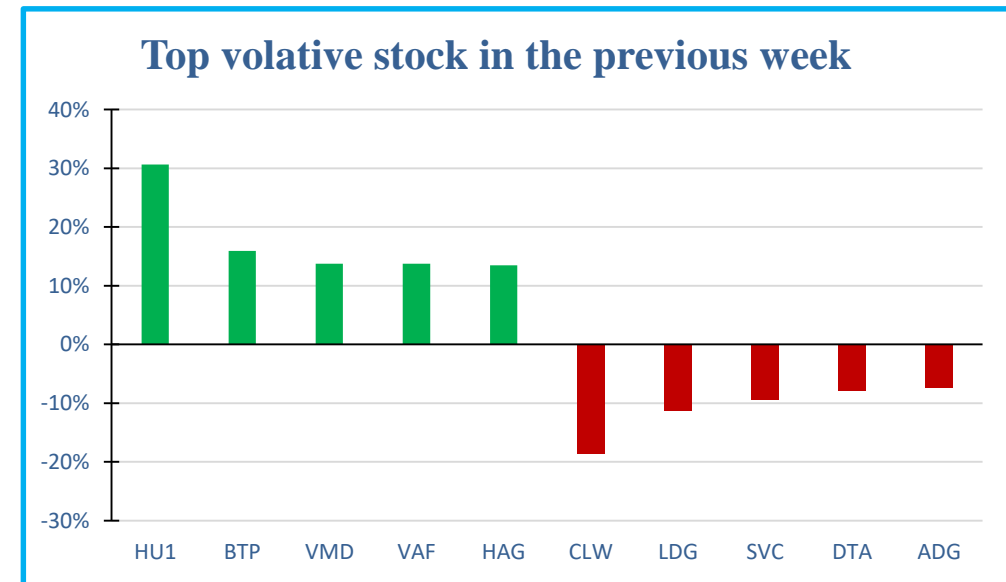
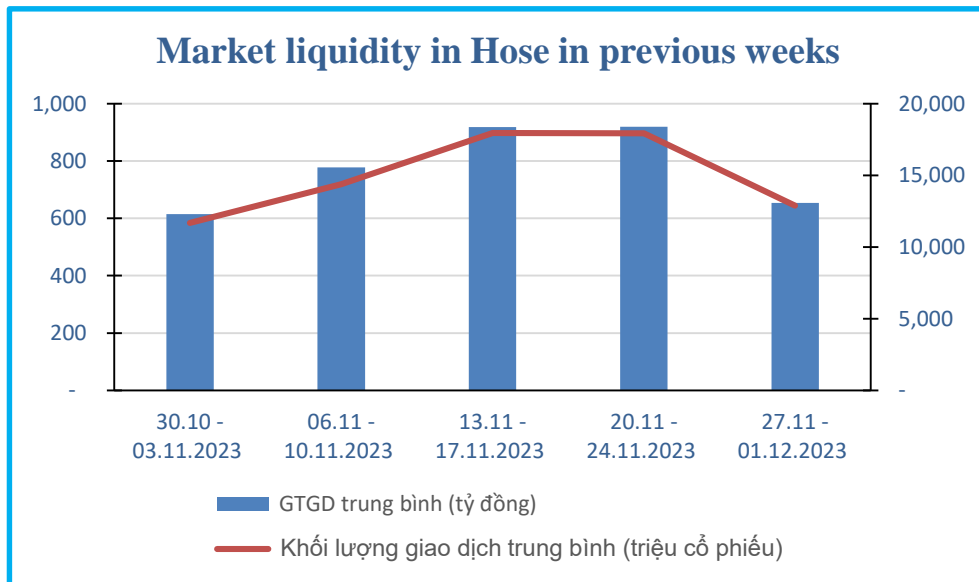
Sectors	% Price volatility	Total Value (MilVND)	Average matched value (Mil VND)	Trading Volume (1,000 shares)	Average Trading Volume (1,000 shares)
Oil and Gas	5,40%	1.637.938	252.531	50.129	7.666
Chemicals	-1,17%	81.583	11.349	5.639	790
Basic Resources	0,75%	240.003	37.003	14.000	2.227
Construction and Materials.	-0,62%	1.475.363	214.367	82.102	12.207
Industrial Goods & Services	1,01%	111.783	16.456	9.046	1.492
Automobiles and Parts	0,00%	0	0	0	0
Food and Beverages	1,28%	59.236	11.016	8.557	1.644
Personal Care & Household	-0,79%	149.231	22.721	8.411	1.301
Medical Services	0,90%	84.790	12.528	10.196	1.597
Retails	0,24%	20.766	3.072	3.612	545
Communication	8,11%	38.303	6.649	2.197	376
Tourism and Entertainment	2,19%	708	136	224	43
Telecommunication	-1,50%	18	3	1	0
Electricity, Water & Oil and Gas	0,08%	56.461	9.694	6.026	973
Bank	-0,14%	9.900	1.465	922	137
Insurance	1,02%	11.770	2.148	297	53
Real Estate	-0,37%	3.606.162	503.599	165.993	23.815
Financial Services.	4,76%	3.745.316	605.496	212.511	34.352
Information Technology	-2,06%	5.759	923	1.372	217



Source: Fiiipro, Vietinbank Securities

# MARKET LIQUIDITY AND TOP VOLATIVE STOCKS IN THE PREVIOUS WEEK

- Statistics from Vietstock show that the average trading value per session in the past week was 13,077 billion VND, a decrease of about 28.9% compared to the previous week. Similarly, the average trading volume of stocks also recorded a 28.2% decrease to 644 million shares.
- In the past week, the top 3 stocks with the highest increase were HU1 (30.63%), BTP (15.91%), and VMD (13.77%). On the contrary, the top 3 stocks with the most significant decrease were CLW (-18.68%), LDG (-11.31%), and SVC (-9.35%).



Source: Vietstock, Vietinbank Securities

# MACRO-ECONOMIC OVERVIEW IN THE PAST WEEK

INFORMATON	EFFECT	ASSESSMENT
<p>According to the Department of Commerce, the United States' GDP for Q3/2023 grew by 5.2%, surpassing the preliminary estimate of 4.9% and the forecast of 5% by economic experts.</p>	Positive	<p>This indicates that the actual economic growth in the United States is stronger than the pressure from inflation. Therefore, we can expect that the Federal Reserve (FED) has completed the interest rate hike cycle, and the U.S. economy could experience a "soft landing," meaning a moderate increase in interest rates to cool down the economy and reduce inflation without causing it to fall into a recession.</p>
<p>Data from the National Statistics Office reveals that the Purchasing Managers' Index (PMI) of China reached 49.4 in November, lower than the expected 49.8 and a decrease of 0.1 points compared to the previous month.</p>	Negative	<p>This is a signal of declining demand for Chinese goods from abroad, leading to a significant drop in new orders and production levels this year. A PMI below 50 indicates that China's business activity is approaching a dangerously contracting level.</p>
<p>According to data from S&amp;P Global, Vietnam's Purchasing Managers' Index (PMI) was 47.3 in November, marking the lowest decrease in the past five months.</p>	Negative	<p>Due to a decrease in customer demand, the number of new orders for manufacturers in November has retreated, leading companies to continue reducing production levels for the past three months. Furthermore, the rate of decline has accelerated significantly and is the most pronounced decrease since May.</p>
<p>On November 29<sup>th</sup>, the State Bank of Vietnam issued an announcement regarding the adjustment of credit growth targets. Commercial banks with credit balances reaching 80% of the announced credit target will be proactively supplemented with additional credit limits. At the same time, priority is given to banks focusing on lending in sectors prioritized by the government, and interest rates for loans have been reduced to a low level in recent times.</p>	Neutral	<p>This initiative creates favorable conditions for customers to access credit, supporting businesses and individuals in recovering production and business activities. However, considering the limited time for credit institutions to implement these measures as the year 2023 is coming to a close, we anticipate that credit growth in 2023 will reach around 9% to 9.5%, falling short of the State Bank of Vietnam's target of 14%.</p>



## EVENTS FOR THE NEXT WEEK

NO.	Stock symbol	Exchange	Ex- Date	Record Date	Effective Date	Event Details	Event Type
1	LBM	HOSE	08/12/2023	11/12/2023	27/12/2023	Payment of the 1st dividend installment for 2023 in cash, 1,000 VND per share.	Dividend payment in cash.
2	DNT	UPCoM	08/12/2023	11/12/2023	20/12/2023	Payment of the dividend for 2023 in cash, 500 VND per share.	Dividend payment in cash.
3	TV3	HNX	07/12/2023	08/12/2023	15/12/2023	Payment of the dividend for 2022 in cash, 500 VND per share.	Dividend payment in cash.
4	PMC	HNX	07/12/2023	08/12/2023	22/12/2023	Payment of the 2st dividend installment for 2023 in cash, 4,600 VND per share.	Dividend payment in cash.
5	VMS	HNX	07/12/2023	08/12/2023	22/12/2023	Payment of the dividend for 2022 in cash, 1000 VND per share.	Dividend payment in cash.
6	HNF	UPCoM	07/12/2023	08/12/2023	26/12/2023	Payment of the 2st dividend installment for 2022 in cash, 2,500 VND per share.	Dividend payment in cash.
7	SJG	UPCoM	07/12/2023	08/12/2023	28/12/2023	Payment of the dividend for 2022 in cash, 1000 VND per share.	Dividend payment in cash.
8	SIP	HOSE	07/12/2023	08/12/2023	25/12/2023	Payment of the 1st dividend installment for 2023 in cash, 1,000 VND per share.	Dividend payment in cash.
9	ELC	HOSE	06/12/2023	07/12/2023	N/A	Bonus shares, at a ratio of 100:40	Bonus shares
10	MSH	HOSE	05/12/2023	06/12/2023	22/12/2023	Payment of the dividend for 2023 in cash, 2,500 VND per share	Dividend payment in cash.
11	CMG	HOSE	05/12/2023	06/12/2023	N/A	Payment of the 2022 dividend in stock, at a ratio of 100:6	Dividend payment in stock
12	CMG	HOSE	05/12/2023	06/12/2023	28/12/2023	Payment of the dividend for 2022 in cash, 600 VND per share.	Dividend payment in cash.
13	CMG	HOSE	05/12/2023	06/12/2023	N/A	Bonus shares, at a ratio of 1000:202	Bonus shares
14	GMX	HNX	04/12/2023	05/12/2023	20/12/2023	Payment of the 1st dividend installment for 2023 in cash, 800 VND per share.	Dividend payment in cash.
15	WSB	UPCoM	04/12/2023	05/12/2023	18/12/2023	Payment of the 1st dividend installment for 2023 in cash, 1,000 VND per share.	Dividend payment in cash.
16	NTP	HNX	04/12/2023	05/12/2023	20/12/2023	Payment of the 1st dividend installment for 2023 in cash, 1,500 VND per share.	Dividend payment in cash.
17	SBH	UPCoM	04/12/2023	05/12/2023	28/12/2023	Payment of the dividend for 2023 in cash, 2,445 VND per share.	Dividend payment in cash.

## **DISCLAIMER STATEMENT**

- The content of this report is provided by Vietinbank Securities (Vietinbank Securities Joint Stock Company) and is for reference purposes only. While all information is collected from reliable sources and publications, Vietinbank Securities cannot guarantee absolute accuracy of the information or any issues related to the use of this report.
- The opinions expressed and forecasts are the author's view at the time of publication. The report is for informational purposes and not intended as an invitation to buy, sell, or hold any shares. This report is the property of Vietinbank Securities Joint Stock Company.
- Nobody is allowed to copy, reproduce, distribute, or publish this report for any personal or commercial purposes without the consent of Vietinbank Securities.

*Please provide source when quoting information from this report!*