



# WEEKLY INVESTMENT STRATEGY REPORT ON 10<sup>th</sup> JUNE, 2024


**THE USD/VND EXCHANGE RATE COOL DOWN, VN-INDEX IS EXPECTED TO APPROACH THE RESISTANCE LEVEL AT 1,300 POINTS**




## EXECUTIVE SUMMARY OF THE WEEKLY INVESTMENT STRATEGY REPORT ON 10<sup>TH</sup> JUNE, 2024


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The Purchasing Managers' Index (PMI) for Vietnam's manufacturing sector remained unchanged at 50.3 in May, indicating that business conditions in the sector have improved slightly for the second consecutive month. The health of the manufacturing sector has seen only slight changes in the first five months of 2024. The growth momentum of Vietnam's manufacturing sector slowed in May. The number of new orders continued to increase strongly, leading to faster production growth. Companies also increased their purchasing activities, but employment declined for the second consecutive month due to resignations and prolonged employee absences.
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Last week, the VN-Index recorded an increase of 2.05%, ranking among the top 2 indices with the highest growth in the monitored basket. Investor sentiment is also gradually stabilizing as the USD/VND exchange rate cools down. The average trading volume was 898 million shares, with an average trading value of 21,934 billion VND. In terms of sectors, the strongest money flow was into the information technology sector (4.44%) and the basic materials sector (3.95%).
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**With the USD/VND exchange rate continuing to cool down to 25,410 VND and domestic investor sentiment gradually stabilizing, the market is forecasted to continue its upward trend and approach the resistance level of 1,300 points during the week of June 10–14, 2024. Investors are advised to maintain a stock/cash ratio of 60%.. Investors are advised to maintain a stock/cash ratio of 60%**

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Investors should be cautious about making new purchases of stocks that have already exhausted their upward potential and are preparing to take profits from this group of stocks. Instead, they should only buy new stocks that still have upward potential and their own growth story. Investors should be cautious about making new purchases of stocks that have already exhausted their upward potential and are preparing to take profits from this group of stocks. Instead, they should only buy new stocks that still have upward potential and their own growth story.
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Currently, the VN-Index is returning to approach its previous peak range of 1,290 – 1,300 points. If the index breaks through this resistance with positive liquidity, investors may consider increasing their portfolio weight by approximately 20%. Conversely, if the index faces heavy selling pressure in the upcoming sessions and fails to surpass the peak, investors should consider reducing their portfolio weight.
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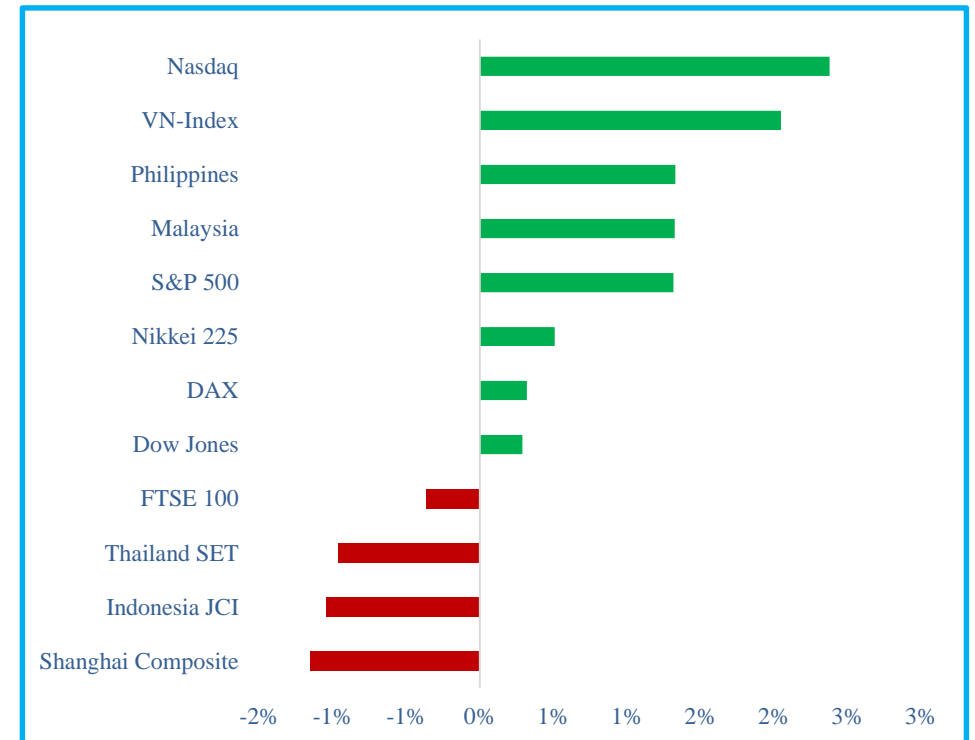
Some of the noteworthy stock groups at this time include:

Short-term trading groups	Medium-term holding groups	Long-term trading holding groups
<ul style="list-style-type: none"> <li>- <b>Securities:</b> SHS</li> <li>- <b>Real estate:</b> DIG</li> <li>- <b>Others:</b> GEX, CTR, VTP, CTD</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Energy:</b> PC1</li> <li>- <b>Petroleum:</b> BSR</li> <li>- <b>Textile:</b> TNG, GIL</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Steel:</b> HPG, HSG, NKG</li> <li>- <b>Bank:</b> ACB, MBB, SHB</li> <li>- <b>Retail:</b> DGW, MWG, MSN</li> <li>- <b>Industrialized real estate:</b> KBC, IDC, VGC</li> </ul>

## GLOBAL STOCK MARKET OVERVIEW IN THE PREVIOUS WEEK

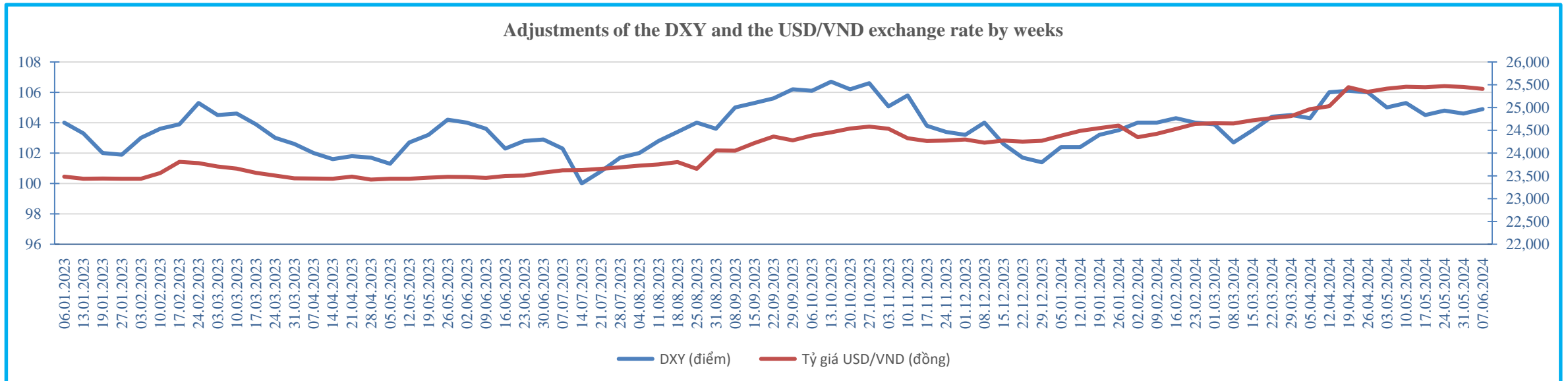
- The global stock market recorded an upward trend during the week of June 3rd to June 7th, with common increases ranging from 0.3% to 1.4%. Among the indices that went against the general trend, notable ones include the FTSE 100 (-0.36%) and the Shanghai Composite (-1.15%).
- VN-Index recorded an increase of 2.05% last week, ranking among the top 2 indices with the strongest gains in the monitored group of indices.

Indices	31th May, 2024	7th June, 2024	Adjustments
VN-Index	1,261.72	1,287.58	2.05%
S&P 500	5,277.51	5,346.99	1.32%
Dow Jones	38,368.32	38,798.99	0.29%
Nasdaq	16,735.02	17,133.13	2.38%
DAX	18,497.94	18,557.27	0.32%
FTSE 100	8,275.38	8,245.37	-0.36%
Nikkei 225	38,487.90	38,683.93	0.51%
Shanghai Composite	3,086.81	3,051.28	-1.15%
Thailand SET	1,345.66	1,332.74	-0.96%
Malaysia	1,596.68	1,617.86	1.33%
Philippines	6,433.10	6,518.76	1.33%
Indonesia JCI	6,970.74	6,897.95	-1.04%



## FOREIGN EXCHANGE MARKET OVERVIEW IN THE PREVIOUS WEEK

- 📍 The DXY index showed a sideways trend at the beginning of last week before surging on June 6th after the U.S. Department of Labor reported an increase of 272,000 non-farm jobs, far exceeding the economists' forecast of 190,000 jobs and significantly higher than the 165,000 jobs in April. Overall, the DXY index recorded a 0.29% increase compared to the previous week, closing at 104.9 points.
  
- 📍 In Vietnam, the USD/VND exchange rate saw its second consecutive weekly decline, dropping by 0.24% compared to the previous week, reaching 25,410 VND. This trend occurred while the DXY index remained stable in the range of 104 – 105 points, and the price difference between domestic and global gold narrowed significantly to only about 3 million VND per tael as of June 7, indicating the effective measures taken by the State Bank of Vietnam. With the DXY index expected to continue its downward trend in the medium term ahead of the anticipated Fed interest rate cuts starting in September, the USD/VND exchange rate is forecasted to gradually stabilize and trend towards 25,000 VND by the end of the third quarter of 2024.





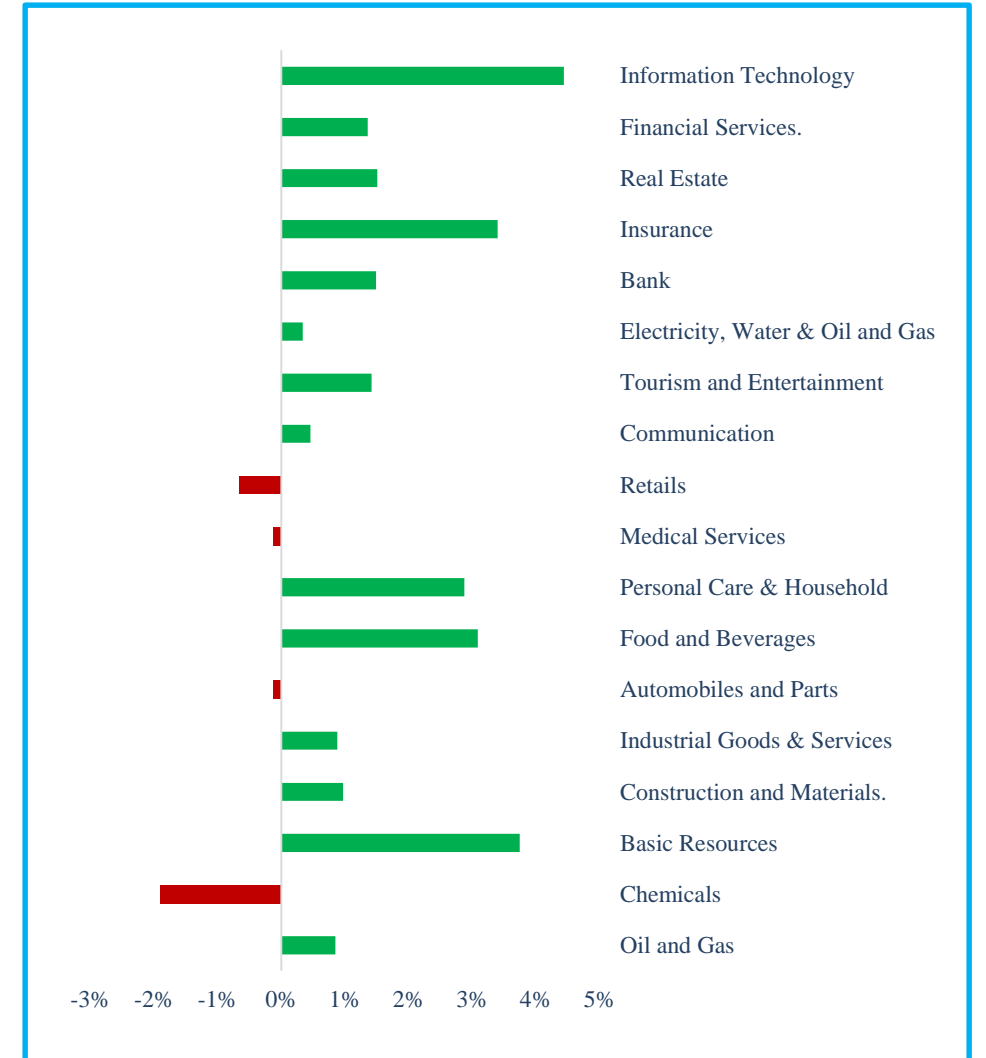
# VIETNAMESE STOCK MARKET OVERVIEW IN THE PAST WEEK

After a week of volatile trading, the VN-Index continued to close the week's session with a gain of 4.02 points (~0.31%) at 1,287.58 points. The current market is still facing selling pressure as it approaches the 1,29x – 1,300 point range. Market liquidity remains at a satisfactory level over the past 10 trading sessions, and capital inflows are showing signs of returning to the market..



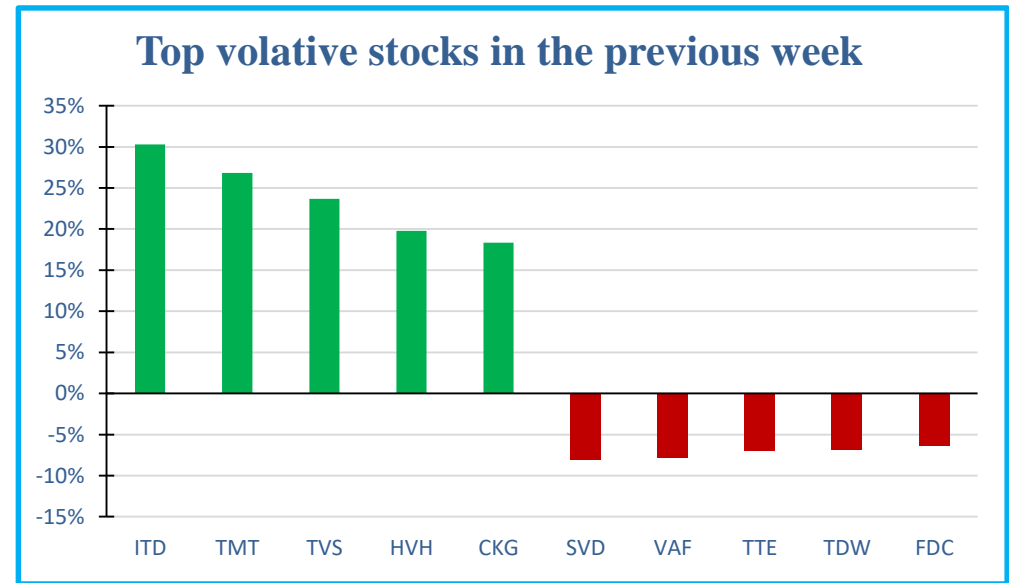
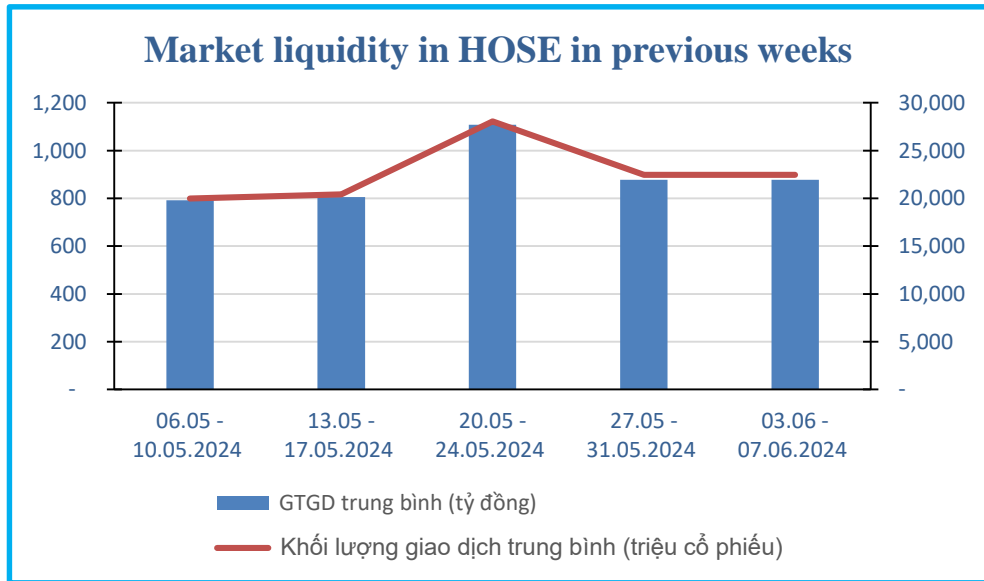
## SECTORS IN THE PAST WEEK

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	0,85%	1.566.123	247.424	44.834	7.059
Chemicals	-1,90%	8.504.367	1.380.547	208.936	33.768
Basic Resources	3,75%	9.076.528	1.539.752	377.060	63.560
Construction and Materials.	0,97%	6.152.294	983.853	291.359	45.865
Industrial Goods & Services	0,88%	9.827.607	1.474.564	368.724	54.147
Automobiles and Parts	-0,12%	743.176	119.140	37.508	5.927
Food and Beverages	3,09%	12.407.446	1.969.027	385.757	60.569
Personal Care & Household	2,88%	3.093.837	525.877	70.237	11.756
Medical Services	-0,12%	202.837	34.505	11.117	1.827
Retails	-0,66%	7.357.611	1.213.882	123.784	20.485
Communication	0,46%	64.516	11.447	6.938	1.231
Tourism and Entertainment	1,42%	1.815.490	297.957	51.295	8.213
Electricity, Water & Oil and Gas	0,34%	3.957.754	658.395	226.895	38.271
Bank	1,49%	32.912.770	5.577.123	1.449.013	246.578
Insurance	3,40%	561.281	87.489	16.034	2.517
Real Estate	1,51%	21.320.823	3.483.274	927.254	149.917
Financial Services.	1,36%	14.261.498	2.228.930	656.382	102.467
Information Technology	4,44%	6.710.321	1.111.954	96.715	16.606



# MARKET LIQUIDITY AND TOP VOLATIVE STOCKS IN THE PREVIOUS WEEK

- According to Vietstock statistics, the average trading value per session in the past week reached 21,934 billion dong, which is equivalent to the previous week. Similarly, the average trading volume of stocks also recorded a value of 898 million shares.
- In the past week, the top 3 stocks with the strongest increase were ITD (30.31%), TMT (26.82%), and TVS (23.69%). Conversely, the top 3 stocks with the sharpest decline during the week were SVD (-8.13%), VAF (-7.91%), and TTE (-6.98%).



Source: Vietstock, Vietinbank Securities

# MACRO-ECONOMIC OVERVIEW IN THE PAST WEEK

INFORMATION	EFFECT	ASSESSMENT
<p>The Manufacturing Purchasing Managers' Index (PMI) of the Institute for Supply Management (ISM) for May only reached 48.7 points. A score below 50 indicates a decline. The report also shows that the number of new orders received by U.S. factories in May dropped the most in nearly two years.</p>	<p>Negative</p>	<p>The decrease in the number of new orders indicates the decline of the U.S. manufacturing sector, reflecting the stagnation of the U.S. economy in 2024.</p>
<p>The European Central Bank (ECB) has reduced the base interest rate of the euro by 0.25 percentage points, lowering the rate from the record high of 4% to 3.75%.</p>	<p>Positive</p>	<p>Through lowering interest rates, the ECB will breathe new life into the real estate market, corporate investment activities, and consumer spending.</p>
<p>Vietnam's Manufacturing Purchasing Managers' Index (PMI) remained unchanged at 50.3 in May, indicating a slight improvement in business conditions for the second consecutive month. The health of the manufacturing sector showed only minor changes in the first five months of 2024.</p>	<p>Neutral</p>	<p>The growth momentum of Vietnam's manufacturing sector slowed in May. The number of new orders continued to rise significantly, leading to faster production increases. Companies also ramped up purchasing activities, but employment fell for the second consecutive month due to resignations and prolonged staff absences.</p>
<p>The draft amendment to the Value-Added Tax (VAT) Law will be presented to the National Assembly for comments at the Seventh Session (taking place from May 20 to June 28) and is expected to be reviewed and passed at the Eighth Session. One of the issues causing concern in the export processing enterprise (EPE) community is the removal of the 0% VAT rate for services provided to non-tariff zones and export processing enterprises, as well as the narrowing of the scope of export services eligible for the 0% tax rate.</p>	<p>Negative</p>	<p>Export processing enterprises (EPEs) are businesses specializing in the production of export goods within non-tariff zones. If a VAT rate of up to 10% is applied to services provided within these non-tariff zones, it will increase product costs, reduce the competitiveness of Vietnamese export goods in foreign markets, and significantly diminish the attractiveness of Vietnam's investment environment.</p>



## EVENTS FOR THE NEXT WEEK

NO.	Stock symbol	Exchange	Ex- Date	Record Date	Effective Date	Event Details
1	SFI	HOSE	14/06/2024	17/06/2024	26/06/2024	Dividend payment for 2023 in cash, 2000 VND per share
2	VCG	HOSE	14/06/2024	17/06/2024	N/A	Dividend payment for 2023 in stock, at the ratio of 100:12
3	PPH	UPCoM	14/06/2024	17/06/2024	27/06/2024	Payment of the 3 <sup>rd</sup> dividend installment for 2023 in cash, 500 VND per share.
4	CPC	HNX	14/06/2024	17/06/2024	11/07/2024	Dividend payment for 2023 in cash, 1800 VND per share
5	VSI	HOSE	14/06/2024	17/06/2024	28/06/2024	Payment of the 2 <sup>nd</sup> dividend installment for 2023 in cash, 750 VND per share.
6	NQT	UPCoM	14/06/2024	17/06/2024	27/06/2024	Dividend payment for 2023 in cash, 458 VND per share
7	TSG	UPCoM	14/06/2024	17/06/2024	11/07/2024	Dividend payment for 2023 in cash, 1100 VND per share
8	TVH	UPCoM	14/06/2024	17/06/2024	18/07/2024	Dividend payment for 2023 in cash, 3990 VND per share
9	CDH	UPCoM	13/06/2024	14/06/2024	24/06/2024	Dividend payment for 2023 in cash, 500 VND per share
10	BFC	HOSE	13/06/2024	14/06/2024	28/06/2024	Dividend payment for 2023 in cash, 2000 VND per share

## EVENTS FOR THE NEXT WEEK (CONT)

NO.	Stock symbol	Exchange	Ex- Date	Record Date	Effective Date	Event Details
11	CDN	HNX	13/06/2024	14/06/2024	09/07/2024	Dividend payment for 2023 in cash, 1400 VND per share
12	VIN	UPCoM	13/06/2024	14/06/2024	28/06/2024	Dividend payment for 2023 in cash, 700 VND per share
13	PGC	HOSE	13/06/2024	14/06/2024	19/07/2024	Dividend payment for 2023 in cash, 1200 VND per share
14	BT1	UPCoM	13/06/2024	14/06/2024	28/06/2024	Dividend payment for 2023 in cash, 800 VND per share
15	KDC	HOSE	13/06/2024	14/06/2024	N/A	Dividend payment for 2023 in stock, at the ratio of 100:8.4
16	BSP	UPCoM	12/06/2024	13/06/2024	27/06/2024	Dividend payment for 2023 in cash, 1000 VND per share
17	USD	UPCoM	12/06/2024	13/06/2024	28/06/2024	Dividend payment for 2023 in cash, 760 VND per share
18	SBR	UPCoM	12/06/2024	13/06/2024	28/06/2024	Dividend payment for 2023 in cash, 219 VND per share
19	QNP	HOSE	11/06/2024	12/06/2024	12/07/2024	Dividend payment for 2023 in cash, 1200 VND per share
20	SFG	HOSE	11/06/2024	12/06/2024	12/07/2024	Dividend payment for 2023 in cash, 500 VND per share

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