

# WEEKLY INVESTMENT STRATEGY REPORT ON 29<sup>TH</sup> JANUARY, 2024 ACCUMULATING IN A NARROW RANGE AS THE LUNAR NEW YEAR HOLIDAYS APPROACHES



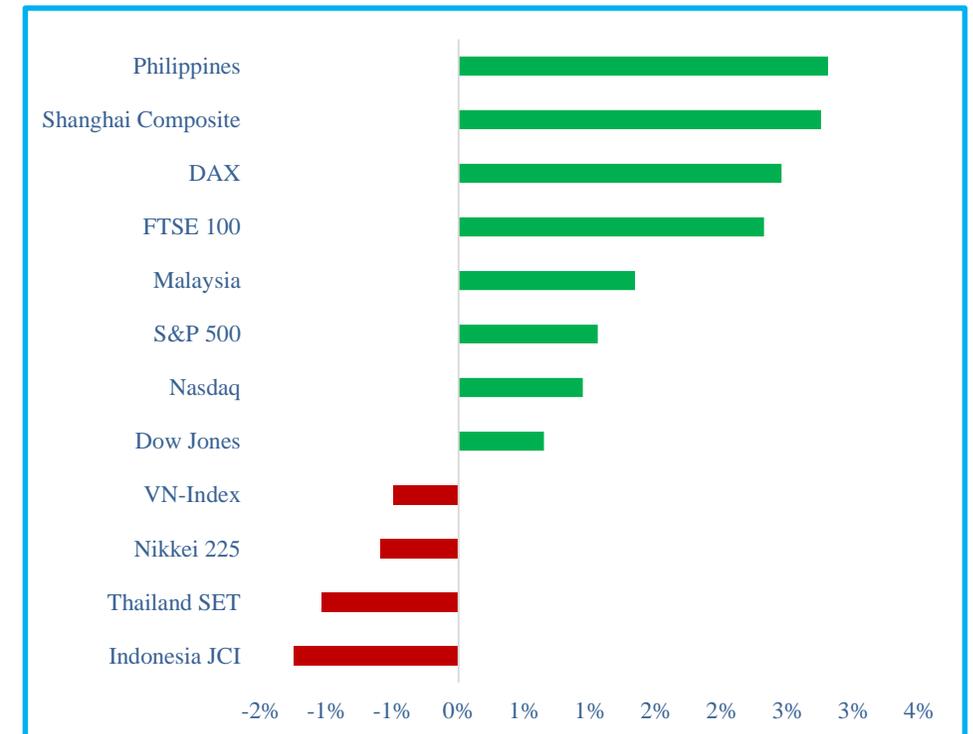
## EXECUTIVE SUMMARY OF THE WEEKLY INVESTMENT STRATEGY REPORT ON 29<sup>TH</sup> JANUARY, 2024

- According to data from the US Department of Commerce, GDP for Q4/2023 increased by 3.3%, surpassing economists' expectations of 2%. Therefore, for the year 2023, the US economy grew by 2.5%, higher than previously forecasted. The gradual easing of inflation while maintaining stable GDP growth opens up many prospects for a "soft landing" for the US economy in 2024. Experts no longer anticipate a recession in the US economy, and the market forecasts that the Fed will begin to cut interest rates as inflation returns to the 2% target.
- In the past week, money has returned to the market as a series of companies announced their Q4 business results, with liquidity and average transaction value per session slightly increasing to 684 million shares and 14,724 billion VND, respectively. However, unexpected profit-taking pressures have increased, causing the Vn-Index to end the week at 1,175 points, a decrease of 0.49% compared to the previous week. In terms of sectors, money flow has been strong in the basic resources (1.83%) and banking (0.81%) sectors.
- With the Lunar New Year holiday approaching, money entering the market is expected to be more cautious, and profit-taking pressures are showing signs of increasing. The Vn-Index is anticipated to move sideways within the narrow range of 1,165 to 1,180 points. Investors are advised to **increase** their equity/cash ratio to **70/30** and wait for a stable development of the index around the support zone of 1,155 - 1,165 points.
- Some of the noteworthy stock groups at this time include:
  - Government Infrastructure:** HHV
  - Securities:** HCM, SHS, VIX
  - Real estate:** TCH, DIG
  - Retail:** DGW
  - Steel:** HSG
  - Sea port:** HAH
  - Bank:** ACB, SSB, VIB, TPB
  - Others:** GVR, PNJ, GEX

## GLOBAL STOCK MARKET OVERVIEW IN THE PREVIOUS WEEK

- World stock markets mostly recorded an upward trend in the week from January 22 to January 26, with common increases ranging from 1% to 2%. Notably, the Nikkei 225 index showed a contrary trend with a decrease of 0.59%.
- The VN-Index recorded a decrease of 0.49% in the past week, moving against the upward trend observed in other monitored indices.

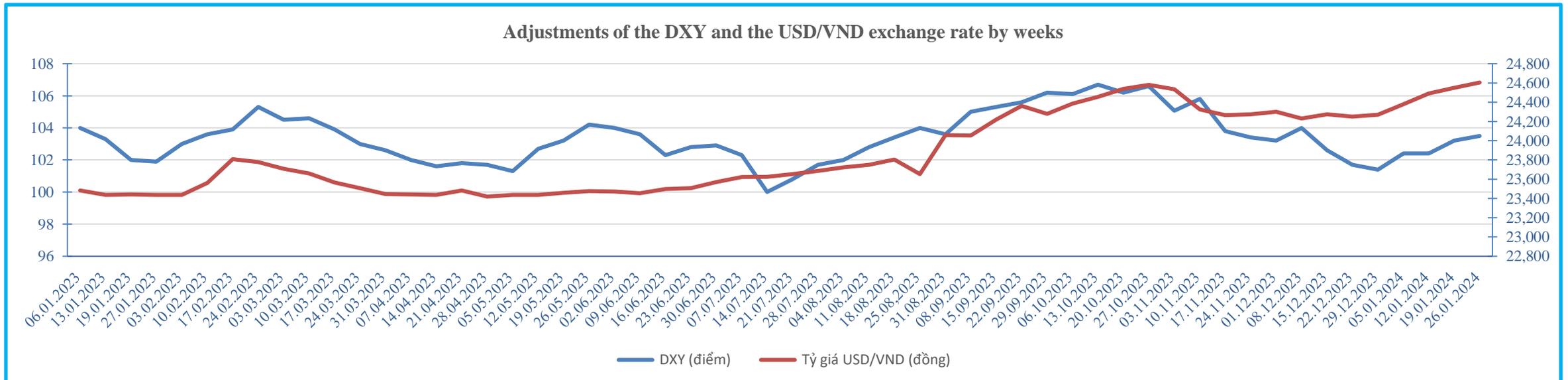
Indices	19th January, 2024	26th January, 2024	Adjustments
VN-Index	1,181.50	1,175.67	-0.49%
S&P 500	4,839.81	4,890.97	1.06%
Dow Jones	37,863.80	38,109.43	0.65%
Nasdaq	15,310.97	15,455.36	0.94%
DAX	16,555.13	16,961.39	2.45%
FTSE 100	7,461.93	7,635.09	2.32%
Nikkei 225	35,963.27	35,751.07	-0.59%
Shanghai Composite	2,832.28	2,910.22	2.75%
Thailand SET	1,382.51	1,368.15	-1.04%
Malaysia	1,486.37	1,506.28	1.34%
Philippines	6,503.54	6,686.09	2.81%
Indonesia JCI	7,227.40	7,137.09	-1.25%



## FOREIGN EXCHANGE MARKET OVERVIEW IN THE PREVIOUS WEEK

The DXY index moved sideways in response to the information from the US Department of Commerce, which reported that the GDP growth for Q4/2023 reached 3.3%, surpassing analysts' forecasts. Additionally, the core PCE index for Q4/2023 increased by 3.2% compared to the same period, lower than the 5.7% recorded in Q3. Overall, for the week, the DXY index noted a 0.29% increase compared to the previous week, closing at 103.5 points.

In Vietnam, the USD/VND exchange rate recorded a 0.22% increase compared to the previous week, reaching 24,605 VND. As of January 26, 2024, the State Bank of Vietnam (NHNN) announced the central exchange rate at 24,031 VND. In commercial banks, the buying rate for USD ranged from 24,395 to 24,450 VND, and the selling rate ranged from 24,760 to 24,815 VND. On the free market, the USD/VND exchange rate (buying - selling) was around 25,065 – 25,115 VND.



## VIETNAMESE STOCK MARKET OVERVIEW IN THE PAST WEEK

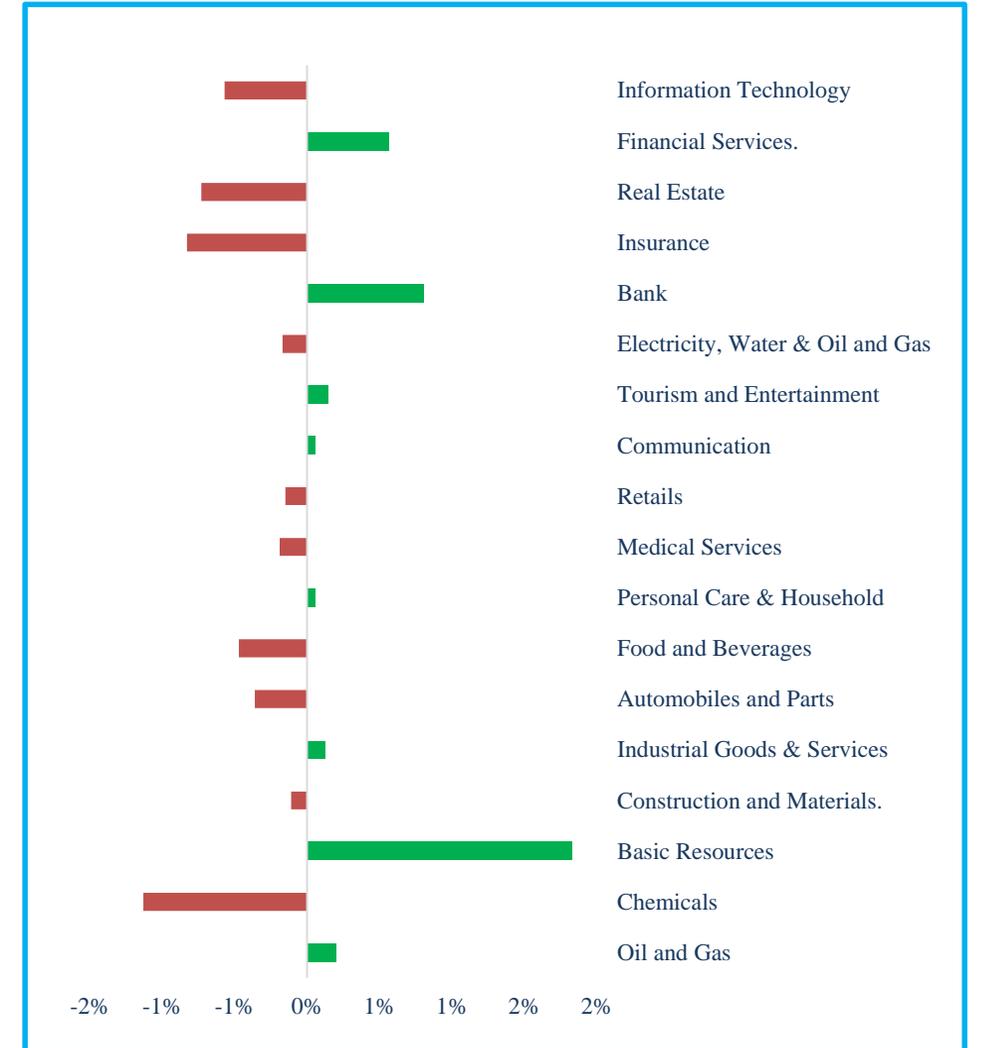


After undergoing a week of volatile trading, the VN-Index concluded the week's last session with a gain of 5.3 points (~0.45%) to reach 1,175.67 points. Considering the entire week, the market continued to adjust from the peak of 1,182.86 points. Market liquidity remained low over the past 10 trading sessions, and funds have not shown a clear trend of returning to the market.



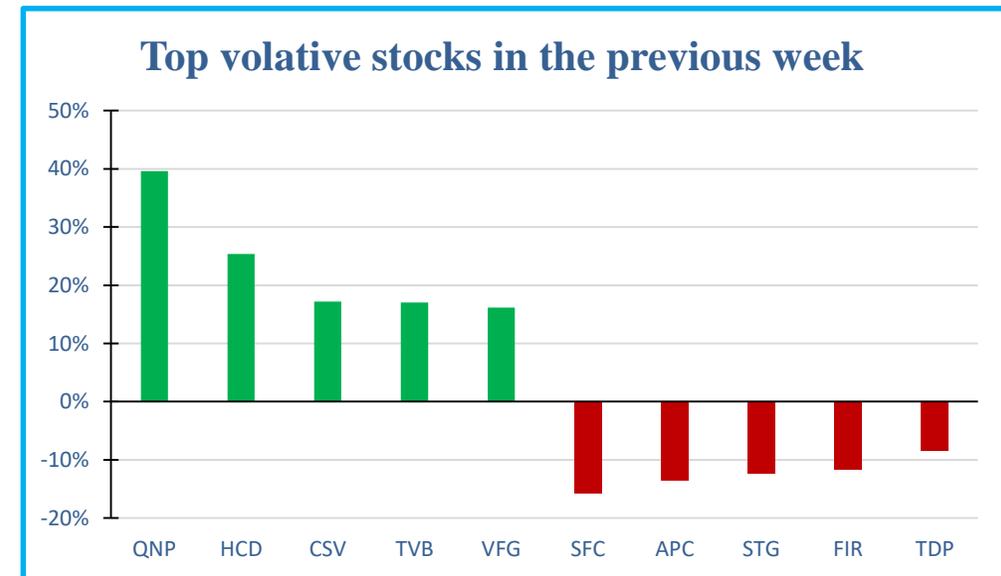
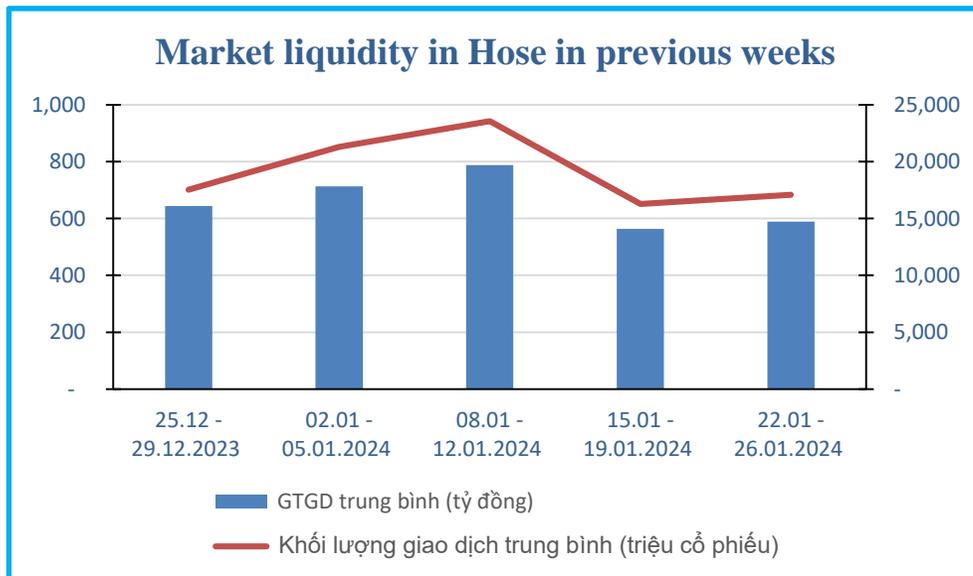
## SECTORS IN THE PAST WEEK

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	0,20%	594.255	97.695	21.022	3.446
Chemicals	-1,13%	2.671.665	470.614	95.505	16.792
Basic Resources	1,83%	8.142.092	1.418.050	350.987	61.075
Construction and Materials.	-0,11%	7.052.067	1.241.599	324.700	56.586
Industrial Goods & Services	0,13%	2.988.275	508.094	124.657	21.208
Automobiles and Parts	-0,36%	260.877	42.161	16.059	2.621
Food and Beverages	-0,47%	6.402.031	1.098.072	283.778	49.657
Personal Care & Household	0,06%	1.020.800	161.423	19.607	3.098
Medical Services	-0,19%	176.522	25.543	7.640	1.120
Retails	-0,15%	3.701.058	631.178	78.165	13.320
Communication	0,06%	124.583	23.119	12.039	2.240
Tourism and Entertainment	0,15%	700.454	120.857	18.520	3.209
Electricity, Water & Oil and Gas	-0,17%	1.059.470	176.577	56.600	9.151
Bank	0,81%	23.510.715	4.035.699	1.072.698	184.341
Insurance	-0,83%	132.647	22.776	4.665	813
Real Estate	-0,73%	15.608.092	2.510.059	704.725	115.751
Financial Services.	0,57%	12.549.504	2.169.244	537.964	92.406
Information Technology	-0,57%	1.800.451	312.457	40.927	7.094



# 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 reached 14,724 billion VND, increasing by approximately 4.4% compared to the previous week. Similarly, the average trading volume of stocks also increased by 5% to 684 million shares.
- In the past week, the top 3 stocks with the highest increase were QNP (39.59%), HCD (25.36%), and CSV (17.17%). On the contrary, the top 3 stocks with the highest decrease were SFC (-15.78%), APC (-13.50%), and STG (-12.31%).



Source: Vietstock, Vietinbank Securities

# MACRO-ECONOMIC OVERVIEW IN THE PAST WEEK

INFORMATION	EFFECT	ASSESSMENT
<p>According to data from the U.S. Department of Commerce, the GDP for Q4/2023 increased by 3.3%, surpassing experts' expectations of 2%. Consequently, for the entirety of 2023, the U.S. economy grew by 2.5%, exceeding previous forecasts.</p>	<p>Positive</p>	<p>The easing inflation coupled with stable GDP growth is opening up promising prospects for a "soft landing" for the U.S. economy in 2024. Experts no longer anticipate a recession in the U.S. economy, and market forecasts suggest that the Federal Reserve is likely to begin interest rate cuts, while inflation returns to the target of 2%.</p>
<p>On January 25th, the European Central Bank (ECB) kept interest rates unchanged, a stance maintained since September 2023. The ECB continues to maintain higher interest rates for "a sufficiently long period" to bring inflation back to the 2% target from the December level of 2.9%.</p>	<p>Negative</p>	<p>Despite data from LSEG indicating a 62% probability of the European Central Bank (ECB) cutting interest rates in April, the ECB is concerned that easing monetary policy too early carries the risk of a recurrence of inflation..</p>
<p>The amended Housing Law and amended Real Estate Business Law, passed in November 2023, along with the amended Land Law and Credit Institutions Law, passed in January 2024, have helped alleviate challenges in the real estate market.</p>	<p>Positive</p>	<p>Over 70% of the difficulties in the real estate market are related to legal impediments. Therefore, the passed amendments to the laws will open up new opportunities for real estate businesses in particular and the stock market in general.</p>
<p>The Ministry of Finance has issued Official Letter No. 405/BTC-ĐT, instructing localities to seriously implement measures to promote the disbursement of public investment capital. It emphasizes avoiding dispersed allocation and not allocating funds to projects with no disbursement capability.</p>	<p>Positive</p>	<p>This is a positive signal for businesses benefiting from the disbursement of public investment, specifically, and the stock market in general.</p>

## EVENTS FOR THE NEXT WEEK

NO.	Stock symbol	Exchange	Ex- Date	Record Date	Effective Date	Event Details
1	PAC	HOSE	31/01/2024	01/02/2024	28/02/2024	Payment of the 1 <sup>st</sup> dividend installment for 2023 in cash, 500 VND per share.
2	SBH	UPCoM	30/01/2024	31/01/2024	15/05/2024	Payment of the 2 <sup>nd</sup> dividend installment for 2023 in cash, 5,325 VND per share.
3	CLC	HOSE	29/01/2024	30/01/2024	28/02/2024	Payment of the 1 <sup>st</sup> dividend installment for 2023 in cash, 1,500 VND per share.
4	MH3	UPCoM	29/01/2024	30/01/2024	10/04/2024	Payment of the 1 <sup>st</sup> dividend installment for 2023 in cash, 700 VND per share.

Source: Vietstock, Vietinbank Securities

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