


















WEEKLY INVESTMENT STRATEGY REPORT ON 26TH FEBRUARY, 2024

ACCUMULATING MOVED SIDeways IN A NARROW RANGE



EXECUTIVE SUMMARY OF THE WEEKLY INVESTMENT STRATEGY REPORT ON 26TH FEBRUARY, 2024

-  In the two sessions on February 20th and 21st, the State Bank of Vietnam (SBV) injected more than 6,000 billion VND through the Open Market Operations (OMO) channel to a member, with an interest rate of 4% per annum and a term of 7 days. The increasing interbank interest rates, along with the SBV's need to inject money through the OMO channel, may indicate that liquidity is no longer in a state of excess as it was in the second half of 2023.
-  During the past week, capital continued to flow into the market, boosting liquidity and the average trading value per session to 1.04 billion shares and 23,681 billion VND respectively. However, increasing profit-taking pressure and concerns about the sharp appreciation of the USD/VND exchange rate caused the market to decline sharply in the session on February 23rd, erasing the gains from previous sessions. In terms of sectors, capital flow was particularly strong into the chemical (8.43%) and real estate (6.33%) sectors.
-  **With investors becoming more cautious following the sharp decline on February 23rd, the VN-Index is expected to consolidate sideways within the narrow range of 1,200 to 1,220 during the week of February 26th to March 1st, 2024. Investors are advised to **decrease** a stock/cash ratio of **70/30** while monitoring market developments around the 1,212 level.**
 -  If this resistance level is surpassed with sustained positive inflows of funds, the index is likely to continue its upward trend and head towards the resistance zone of 1,247 to 1,255 points.
 -  In case the index fails to surpass this resistance level, it is likely to retreat to the short-term support at 1,174 points and consolidate around this level.
-  Some of the noteworthy stock groups at this time include:

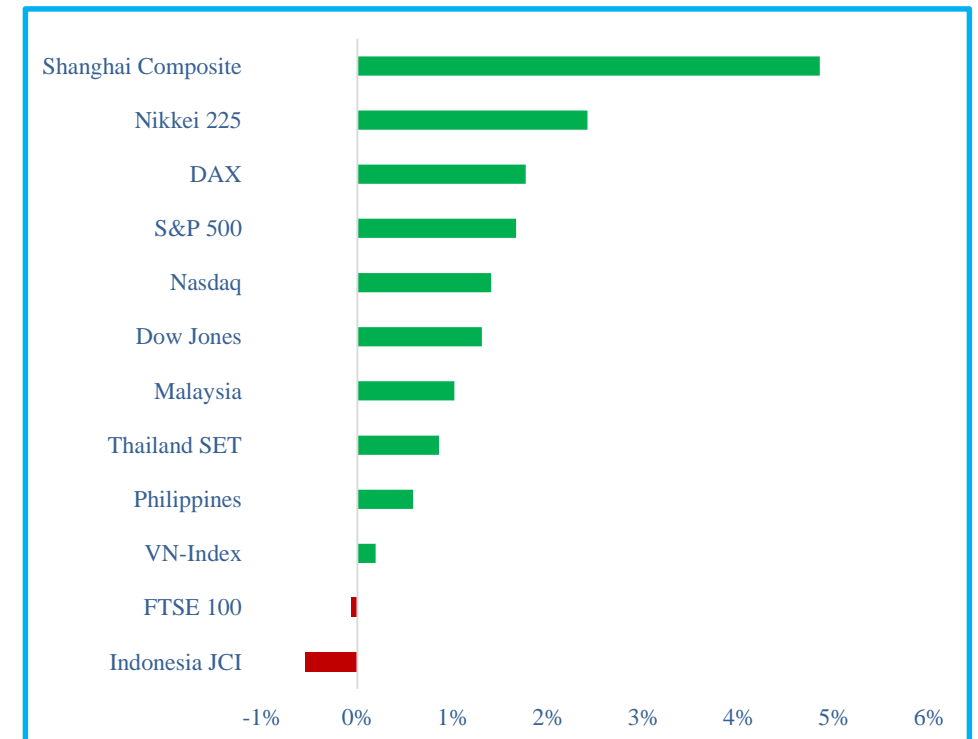
 Government Infrastructure: HHV	 Steel: HSG	 Industrialized real estate: IDC
 Securities: HCM, SHS, VIX, SSI	 Sea port: HAH	 Textile: TNG
 Real estate: TCH, DIG	 Bank: ACB, SSB, VIB, TPB	 Energy: PC1
 Retail: DGW, MWG	 Others: GVR, PNJ, GEX, DBC	

GLOBAL STOCK MARKET OVERVIEW IN THE PREVIOUS WEEK

Global stock markets mostly experienced an upward trend during the week of February 19th to February 23rd, with gains ranging from 0.5% to 1.8%. However, notable exceptions included the FTSE 100 index, which remained relatively flat with a marginal decrease of 0.07%.

The VN-Index recorded a modest increase of 0.19% during the past week, making it the index with the smallest gain among the indices that showed an upward trend in the monitored basket.

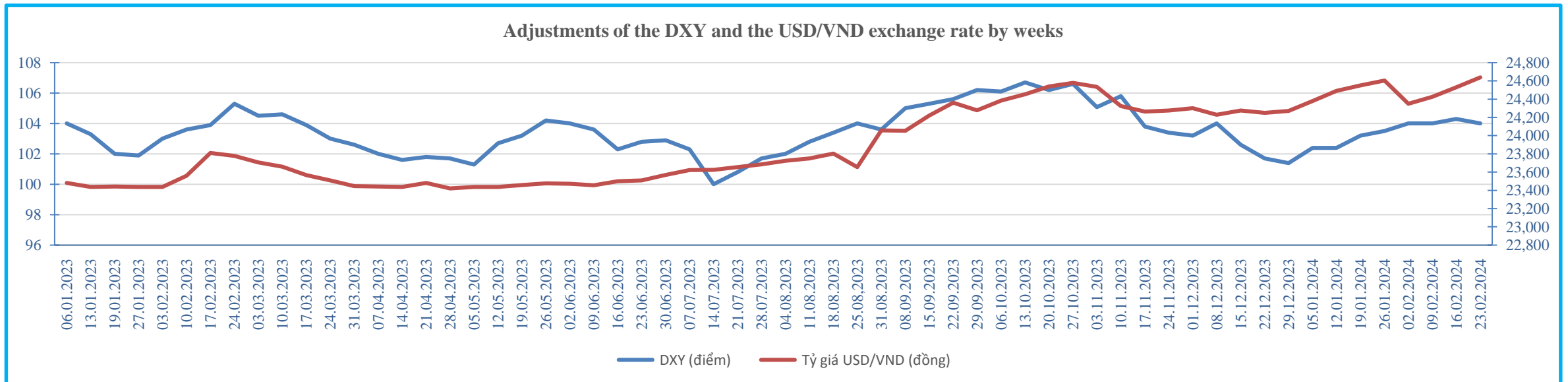
Indices	16th February, 2024	23th February, 2024	Adjustments
VN-Index	1,209.70	1,212.00	0.19%
S&P 500	5,005.57	5,088.80	1.66%
Dow Jones	38,627.99	39,131.53	1.30%
Nasdaq	15,775.65	15,996.82	1.40%
DAX	17,117.44	17,419.33	1.76%
FTSE 100	7,711.71	7,706.28	-0.07%
Nikkei 225	38,487.24	39,415.00	2.41%
Shanghai Composite	2,865.90	3,004.88	4.85%
Thailand SET	1,386.27	1,398.14	0.86%
Malaysia	1,533.55	1,549.11	1.01%
Philippines	6,873.23	6,913.21	0.58%
Indonesia JCI	7,335.60	7,295.10	-0.55%



FOREIGN EXCHANGE MARKET OVERVIEW IN THE PREVIOUS WEEK

The DXY index remained relatively flat during the past week following the release of the minutes from the January policy meeting, which emphasized the need for additional evidence that inflation is sustainably moderating toward the 2% target before considering interest rate cuts. Overall, the DXY index recorded a decrease of 0.29% compared to the previous week, closing at 104 points.

In Vietnam, the USD/VND exchange rate increased by 0.37% compared to the previous week, reaching 24,640 VND. As of February 23, 2024, the State Bank of Vietnam (SBV) has announced the central exchange rate at 23,996 VND. At commercial banks, the buying rate for USD ranges from 24,420 to 24,440 VND, while the selling rate ranges from 24,750 to 24,850 VND. On the free market, the USD is trading at around 25,220 to 25,290 VND (buying - selling).



VIETNAMESE STOCK MARKET OVERVIEW IN THE PAST WEEK

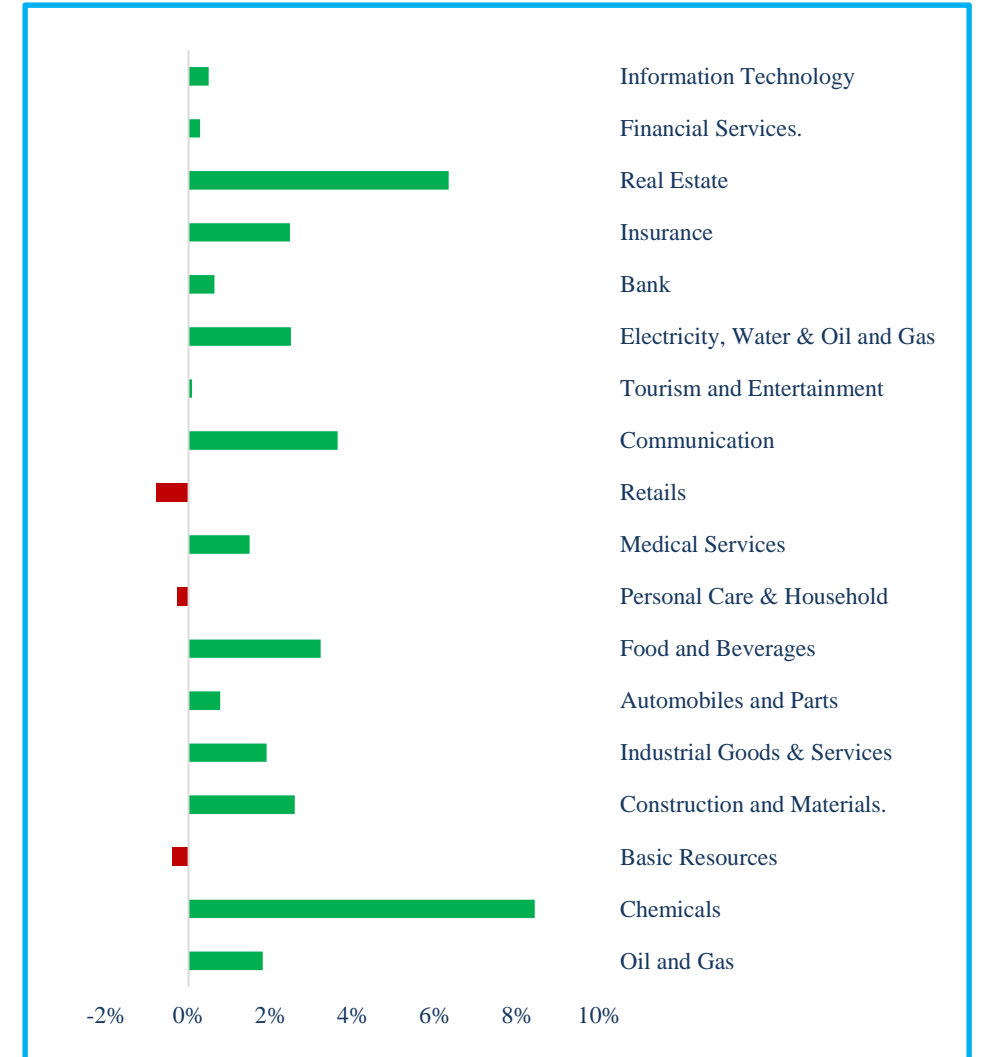


After a week of volatile trading, the VN-Index continued to close the week's session with a decrease of 15.31 points (~1.25%) at 1,212 points. Looking at the whole week, the market maintained a sideways trend, rising at the beginning of the week and unexpectedly declining at the end of the week. Market liquidity remained at a satisfactory level over the past 10 trading sessions, and there was a tendency for capital to return to the market.



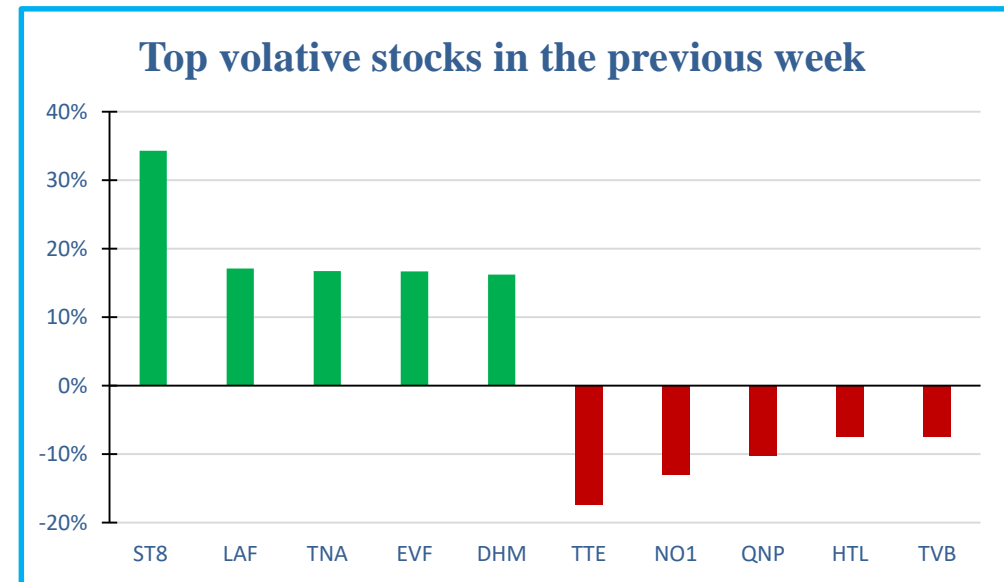
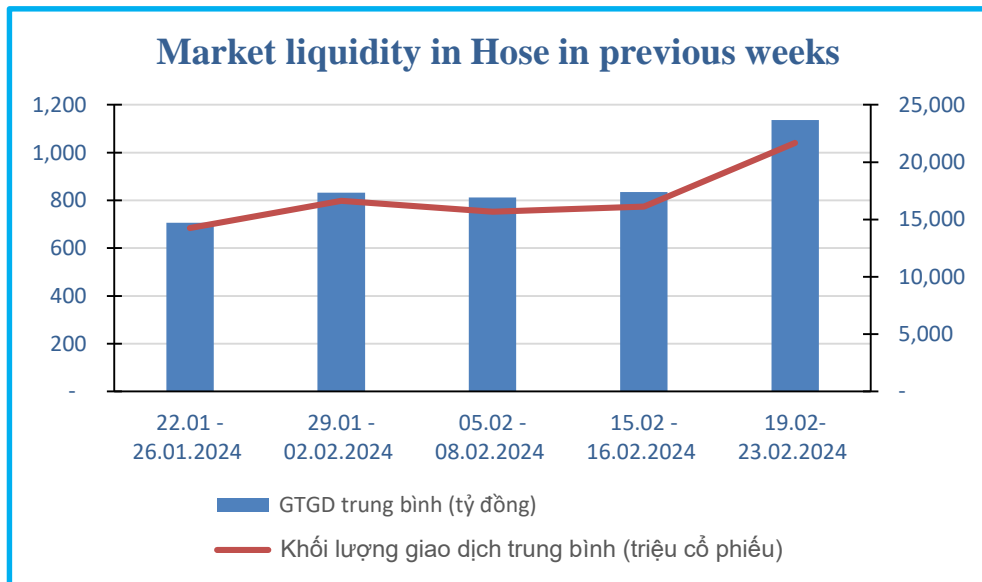
SECTORS IN THE PAST WEEK

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	1,81%	1.191.042	207.169	39.606	6.869
Chemicals	8,43%	5.831.311	1.037.394	176.683	31.099
Basic Resources	-0,40%	8.950.837	1.437.372	386.556	63.433
Construction and Materials.	2,59%	8.375.191	1.363.258	384.653	61.995
Industrial Goods & Services	1,90%	5.803.659	957.908	225.128	36.919
Automobiles and Parts	0,77%	519.629	86.677	32.561	5.508
Food and Beverages	3,22%	10.470.551	1.820.759	379.706	65.790
Personal Care & Household	-0,28%	1.130.052	184.977	24.079	3.985
Medical Services	1,49%	99.631	17.554	6.685	1.111
Retails	-0,79%	3.601.980	578.368	74.356	12.027
Communication	3,63%	145.937	24.933	13.722	2.343
Tourism and Entertainment	0,09%	730.111	123.712	21.353	3.602
Electricity, Water & Oil and Gas	2,49%	1.624.287	296.335	84.411	15.313
Bank	0,63%	30.327.186	4.897.888	1.378.688	220.808
Insurance	2,47%	260.737	46.084	8.505	1.492
Real Estate	6,33%	24.356.859	4.295.530	1.055.781	185.057
Financial Services.	0,28%	17.912.591	3.105.920	770.534	134.809
Information Technology	0,49%	2.435.197	403.539	52.361	9.108



MARKET LIQUIDITY AND TOP VOLATIVE STOCKS IN THE PREVIOUS WEEK

- According to Vietstock, the average trading value per session during the past week reached 23,681 billion VND, an increase of approximately 36.1% compared to the previous week. Similarly, the average trading volume of stocks also increased by 34% to 1,041 million shares.
- In the past week, the top 3 stocks with the strongest gains were ST8 (34.29%), LAF (17.10%), and TNA (16.73%). On the other hand, the top 3 stocks with the sharpest declines were TTE (-17.36%), NO1 (-13.04%), and QNP (-10.29%).



Source: Vietstock, Vietinbank Securities

MACRO-ECONOMIC OVERVIEW IN THE PAST WEEK

INFORMATION	EFFECT	ASSESSMENT
<p>According to S&P Global, the Purchasing Managers' Index (PMI) for the manufacturing sector in the United States recorded 51.5 points, an increase from the previous month's 50.7 and surpassing economists' forecasts of 50.5. This marks the highest manufacturing PMI in the United States surveyed by S&P Global since September 2022.</p>	Positive	The growth in PMI has shown a bright picture of the manufacturing business landscape in the United States. It is a positive signal for the economic recovery of the country.
<p>On February 20th, the People's Bank of China (PBoC) lowered the benchmark 5-year loan prime rate by 0.25% to 3.95%, which serves as the reference rate for mortgage loans. This reduction is more significant than the economists' forecast of 0.5% - 0.15%.</p>	Positive	This marks the first time PBoC has lowered the 5-year loan prime rate since June 2023, extending efforts to revive the sluggish real estate market and subdued consumer demand. The real estate market in the country has been in a crisis spiral since Beijing implemented the three red lines policy, which has limited the borrowing ability of enterprises.
<p>According to data from the State Bank of Vietnam (SBV), the overnight interbank interest rate in the session on February 21, 2024, stood at 4.14% per annum, an increase of 1.99 percentage points compared to the previous session (February 20). This is the highest interest rate since late May 2023.</p>	Positive	The increasing interbank interest rates, coupled with the necessity for the State Bank of Vietnam (SBV) to inject money through the OMO channel, may indicate that liquidity is no longer in a state of surplus as it was in the latter half of 2023.
<p>In the sessions on February 20th and 21st, the State Bank of Vietnam (SBV) injected a total of over 6,000 billion Vietnamese dong through the Open Market Operations (OMO) channel to a member, at an interest rate of 4% per annum with a 7-day term.</p>	Positive	The increasing interbank interest rates, coupled with the necessity for the State Bank of Vietnam (SBV) to inject money through the OMO channel, may indicate that liquidity is no longer in a state of surplus as it was in the latter half of 2023.

EVENTS FOR THE NEXT WEEK

NO.	Stock symbol	Exchange	Ex- Date	Record Date	Effective Date	Event Details
1	TTC	HNX	29/02/2024	01/03/2024	15/03/2024	Dividend payment for 2023 in cash, 800 VND per share.
2	BDB	HNX	29/02/2024	01/03/2024	20/06/2024	Dividend payment for 2023 in cash, 800 VND per share
3	FOX	UPCoM	28/02/2024	29/02/2024	29/03/2024	Payment of the 1st dividend installment for 2023 in cash, 2000 VND per share.
4	FCN	HOSE	26/02/2024	27/02/2024	29/03/2024	Payment of the 1st dividend installment for 2022 in cash, 100 VND per share.
5	IJC	HOSE	26/02/2024	27/02/2024		Execute the right to purchase additional shares, with a ratio of 100:50, at a price of 10,000 VND per share.

Source: Vietstock, Vietinbank Securities

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