



















# WEEKLY INVESTMENT STRATEGY REPORT ON 22<sup>th</sup> APRIL, 2024

## THE CAUTINOUS SENTIMENT PREVAILS IN THE MARKET DURING THE FIRST-QUARTER FINANCIAL REPORTING SEASON



## EXECUTIVE SUMMARY OF THE WEEKLY INVESTMENT STRATEGY REPORT ON 22<sup>TH</sup> APRIL, 2024

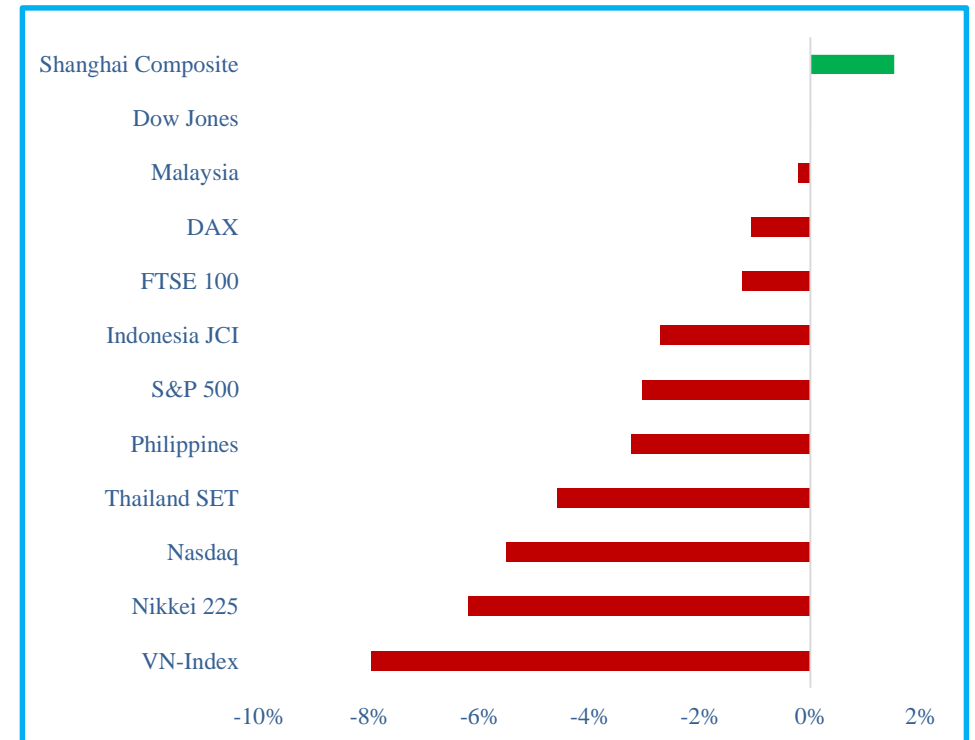
-  The State Bank of Vietnam (SBV) conducted USD selling to intervene in the exchange rate on April 19 for credit institutions with negative foreign exchange status. This action took place amidst the USD/VND exchange rate surging past the 25,000 mark and reaching an all-time high, consistent with the conditions outlined in the statement on April 3.
  
-  In the past week, negative news regarding tensions in the Middle East between Iran and Israel, along with the USD/VND exchange rate surpassing historical highs, led to the VN-Index recording its sharpest weekly decline since October 2022, with a decrease of 7.97%. It's worth noting that the market declined despite the return of funds to the market upon receiving information about the Q1 business results. Liquidity and trading value per session both increased significantly compared to the previous week, reaching values of 26,154 billion dong and 1.14 billion shares, respectively.
  
-  **With the market experiencing a significant downturn last week, investor sentiment is expected to become more cautious. However, the news of the KRX system's planned go-live on May 2 is anticipated to provide a short-term market rebound during the week of April 22 to April 26, 2024. Investors are advised to **increase** their equity/cash ratio to **50/50****
  -  The market is expected to experience a rebound of approximately T+2 during the early part of the week, with the target recovery range set between 1,195 and 1,215 points.
  
  -  In case the index confirms successful bottom fishing activity and validates long-term support in the range of 1,170 to 1,175 points, investors are advised to increase their position in stocks belonging to suitable price ranges with ample room for price appreciation.
  
-  Some of the noteworthy stock groups at this time include:
 

 <b>Government Infrastructure:</b> HHV, CIL, KSB	 <b>Steel:</b> HSG, HPG	 <b>Industrialized real estate:</b> IDC
 <b>Securities:</b> HCM, SHS, VIX, SSI, VND	 <b>Sea port:</b> HAH	 <b>Textile:</b> TNG, GIL
 <b>Real estate:</b> TCH, DIG, CEO	 <b>Bank:</b> ACB, CTG, VIB, TPB, VPB, VCB, STB	 <b>Energy:</b> PC1
 <b>Retail:</b> DGW, MWG, MSN	 <b>Others:</b> PNJ, GEX, DBC, HAX	 <b>Petroleum:</b> BSR

## GLOBAL STOCK MARKET OVERVIEW IN THE PREVIOUS WEEK

- The global stock market mostly experienced a downward trend during the week of April 15 to April 19, due to negative news about tensions in the Middle East between Iran and Israel, with widespread declines ranging from 1% to 5.5%. Among the indices moving against the general trend, the Shanghai Composite index (-1.52%) was notably present.
- The index recorded a decrease of 7.97% over the past week, making it the index with the largest decline among the indices being monitored.

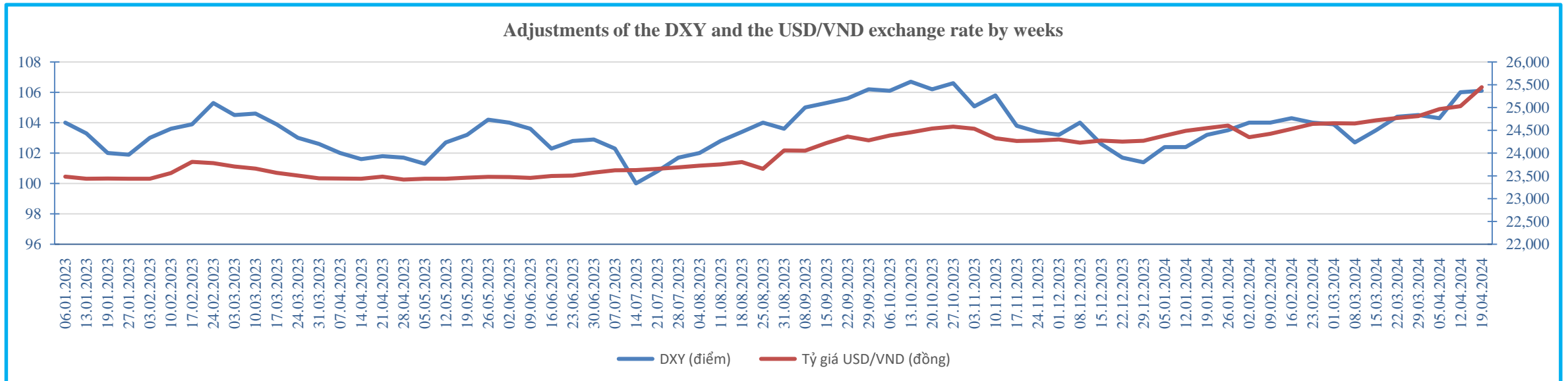
Indices	12th April, 2024	19th April, 2024	Adjustments
VN-Index	1,276.60	1,174.85	-7.97%
S&P 500	5,123.41	4,967.23	-3.05%
Dow Jones	37,983.24	37,986.40	0.01%
Nasdaq	16,175.09	15,282.01	-5.52%
DAX	17,930.32	17,737.36	-1.08%
FTSE 100	7,995.58	7,895.85	-1.25%
Nikkei 225	39,523.55	37,068.35	-6.21%
Shanghai Composite	3,019.47	3,065.26	1.52%
Thailand SET	1,396.38	1,332.08	-4.60%
Malaysia	1,551.04	1,547.57	-0.22%
Philippines	6,659.39	6,443.00	-3.25%
Indonesia JCI	7,286.88	7,087.30	-2.74%



## FOREIGN EXCHANGE MARKET OVERVIEW IN THE PREVIOUS WEEK

The DXY index surged in the session on April 15 following news from the US Department of Labor that retail sales in March increased by 0.7% compared to the previous month, surpassing analysts' forecasts, before cooling off towards the end of the week. Overall for the week, the DXY index recorded a 0.09% increase compared to the previous week, closing at 106.1 points.

In Vietnam, the USD/VND exchange rate recorded a 1.65% increase compared to the previous week, reaching 25,445 VND, reaching an all-time high. Given the sharp increase in the exchange rate, on April 19, the State Bank of Vietnam (NHNN) had to sell USD to banks with negative foreign exchange statuses around the 25,450 VND mark to stabilize the exchange rate, in line with the statement made earlier on April 3.



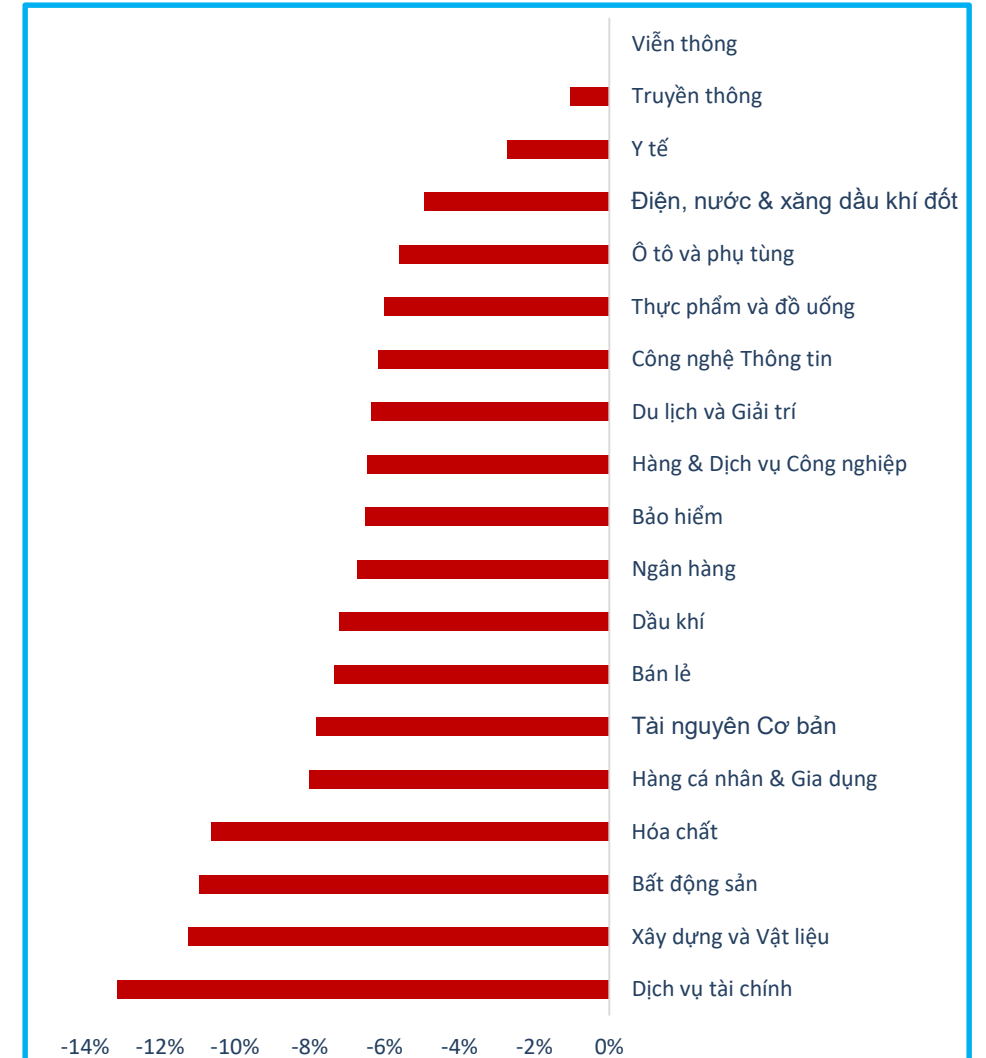
## VIETNAMESE STOCK MARKET OVERVIEW IN THE PAST WEEK

The stock market experienced its most sluggish week in nearly two years due to negative developments in the USD/VND exchange rate and escalating tensions in the Middle East between Iran and Israel. By the end of April 19, the VN-Index closed at 1,174.85 points, corresponding to a 7.97% decrease compared to the previous week.



## SECTORS IN THE PAST WEEK

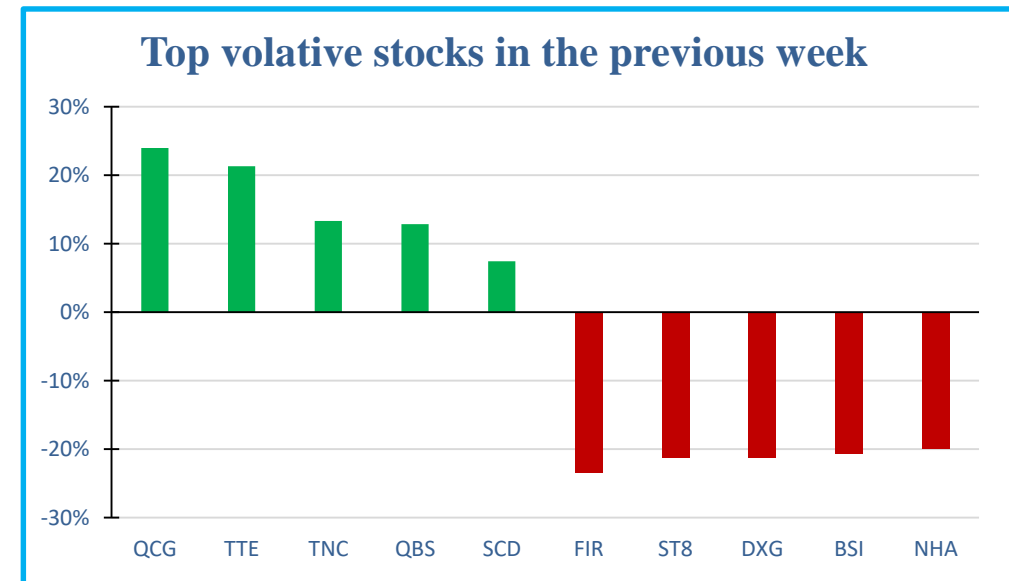
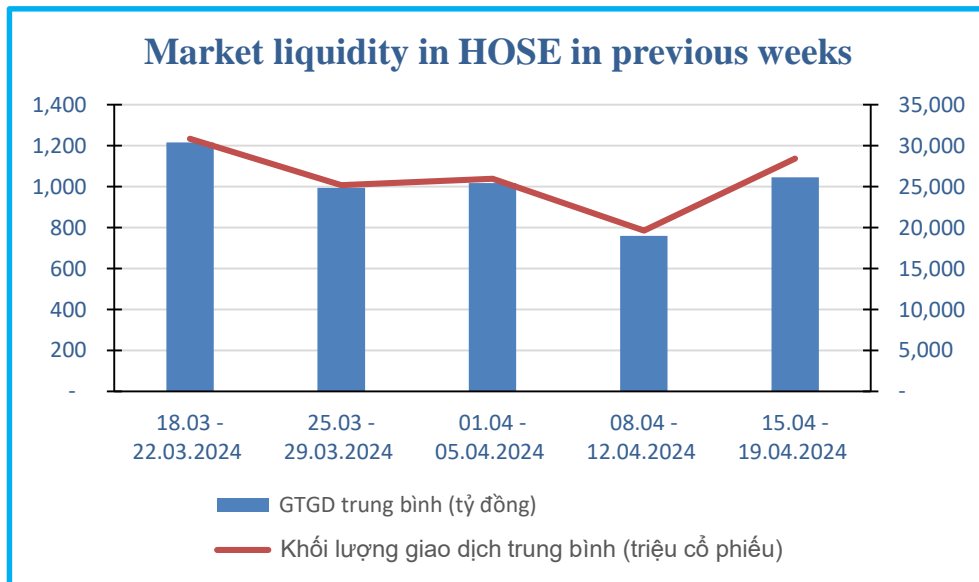
Sectors	% Price volatility	Total Value (MilVND)	Average matched value (Mil VND)	Trading Volume (1,000 shares)	Average Trading Volume (1,000 shares)
Oil and Gas	-7,22%	1.291.057	291.839	41.221	9.360
Chemicals	-10,63%	4.069.035	895.883	127.736	27.716
Basic Resources	-7,82%	7.061.167	1.529.535	316.264	69.473
Construction and Materials.	-11,24%	5.701.567	1.220.161	269.699	59.854
Industrial Goods & Services	-6,46%	5.983.825	1.283.673	214.040	46.665
Automobiles and Parts	-5,61%	435.241	98.466	29.403	6.675
Food and Beverages	-6,02%	9.641.128	2.073.668	363.084	76.866
Personal Care & Household	-8,01%	1.580.398	318.500	31.187	6.505
Medical Services	-2,73%	213.260	45.595	9.031	1.982
Retails	-7,34%	4.017.791	887.418	79.770	17.720
Communication	-1,04%	69.883	11.154	7.707	1.237
Tourism and Entertainment	-6,35%	1.270.689	231.793	41.934	7.920
Electricity, Water & Oil and Gas	-4,94%	1.457.059	302.097	95.229	20.999
Bank	-6,74%	38.491.752	6.827.665	1.654.790	309.522
Insurance	-6,52%	151.988	35.142	4.902	1.129
Real Estate	-10,96%	27.457.914	5.872.966	1.228.541	265.933
Financial Services.	-13,16%	18.770.879	4.040.894	790.078	173.471
Information Technology	-6,17%	2.936.416	663.354	49.818	11.064



Source: Fiinpro, Vietinbank Securities

# MARKET LIQUIDITY AND TOP VOLATIVE STOCKS IN THE PREVIOUS WEEK

- Statistics from Vietstock show that the average trading value per session during the past week reached 26,154 billion VND, an increase of approximately 37.6% compared to the previous week. Similarly, the average trading volume of shares also recorded a 45% increase to 1.14 billion shares.
- During the past week, the top 3 stocks with the strongest gains were QCG (23.96%), TTE (21.3%), and TNC (13.35%). Conversely, the top 3 stocks with the biggest declines were FIR (-23.45%), ST8 (-21.22%), and DXG (-21.21%)



Source: Vietstock, Vietinbank Securities

# MACRO-ECONOMIC OVERVIEW IN THE PAST WEEK

INFORMATION	EFFECT	ASSESSMENT
<p>On April 15th, the U.S. Department of Labor released data indicating that retail sales in March increased by 0.7% compared to the previous month, surpassing analysts' forecasts.</p>	<p>Neutral</p>	<p>The continued higher-than-expected retail sales indicate the resilience of the U.S. economy and further reinforce the likelihood of the Fed's earliest rate cut expected to begin in September.</p>
<p>The BOJ has indicated that it may proceed with another interest rate hike in the next policy meeting.</p>	<p>Neutral</p>	<p>The strong surge in the USD following the CPI data for March in the US is the direct cause of the depreciation of the yen to its lowest level in 34 years, leading to the BOJ's statement.</p>
<p>The State Bank of Vietnam is preparing to conduct a gold bar auction on April 22nd.</p>	<p>Neutral</p>	<p>The decision by the State Bank of Vietnam to conduct the gold bar auction comes as domestic and global gold prices have been increasing sharply due to escalating geopolitical tensions in recent times.</p>
<p>The State Bank of Vietnam intervened in the foreign exchange market on April 19th by selling USD to credit institutions with negative foreign currency positions.</p>	<p>Neutral</p>	<p>SBV's action occurred as the USD/VND exchange rate surged beyond the 25,000 threshold, reaching its all-time high, in line with the conditions outlined in the statement issued on April 3rd.</p>



## EVENTS FOR THE NEXT WEEK

NO.	Stock symbol	Exchange	Ex- Date	Record Date	Effective Date	Event Details
1	HDC	HOSE	26/04/2024	02/05/2024	N/A	Additional issuance
2	HSG	HOSE	24/04/2024	25/04/2024	10/05/2024	Dividend payment for 2023 in cash, 500 VND per share
3	SZC	HOSE	24/04/2024	25/04/2024	26/09/2024	Dividend payment for 2023 in cash, 1000 VND per share
4	RAL	HOSE	24/04/2024	25/04/2024	09/05/2024	Dividend 2 <sup>nd</sup> payment for 2023 in cash, 2500 VND per share
5	FHS	UPCOM	26/04/2024	02/05/2024	14/05/2024	Dividend 2 <sup>nd</sup> payment for 2023 in cash, 1200 VND per share

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