



# WEEKLY INVESTMENT STRATEGY REPORT ON 05<sup>th</sup> AUGUST, 2024


## MARKET FOCIS TURN TO TENSIONS IN THE MIDDLE EAST REGION




# EXECUTIVE SUMMARY OF THE WEEKLY INVESTMENT STRATEGY REPORT ON 05<sup>TH</sup> AUGUST, 2024


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The Fed kept interest rates unchanged at its July policy meeting. This action was in line with market expectations. Additionally, the more "dovish" tone regarding inflation developments has raised expectations that the first rate cut may occur in September.
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Over the past week, the VN-Index recorded a decline of 0.44%, ranking among the top 8 worst-performing indices in the monitored basket. Notably, this trend occurred as market liquidity experienced a recovery from the previous week, with the average trading volume and value per session reaching 699 million shares and VND 16,095 billion, respectively. By sector, the strongest outflows were observed in construction and materials stocks (-4.84%) and information technology stocks (-3.93%).
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**With tensions in the Middle East escalating again and negatively impacting the performance of international stock markets, the market is expected to trade within the range of 1,210 – 1,250 points during the week of August 5 – August 9, 2024. Investors are advised to maintain a 50% ratio of stocks to cash in their portfolios. Investors are advised to maintain a stock/cash ratio of 50%**

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**Investors should focus on holding stocks with promising Q3 earnings prospects and also restructure their portfolios by offloading stocks that are trading at high prices and facing strong selling pressure.**
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**If selling pressure continues to increase significantly, the VN-Index may adjust down to the next support level at 1,200 points.**
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Some of the noteworthy stock groups at this time include:

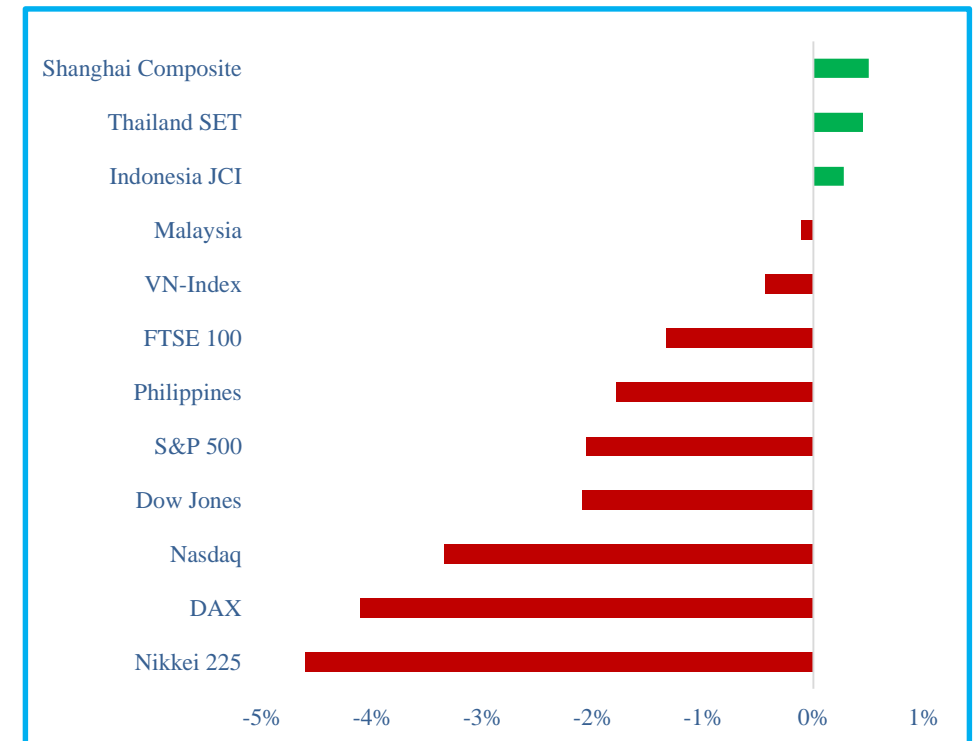
Short-term trading groups	Medium-term holding groups	Long-term trading holding groups
<ul style="list-style-type: none"> <li>- <b>Securities:</b> SHS</li> <li>- <b>Real estate:</b> DIG</li> <li>- <b>Others:</b> GEX, CTR, VTP, CTD, ANV, AAA, DPM, SAV, VPG, PTB</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Energy:</b> PC1</li> <li>- <b>Petroleum:</b> BSR</li> <li>- <b>Textile:</b> TNG, GIL, TCM, MSH</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Steel:</b> HPG, HSG, NKG</li> <li>- <b>Bank:</b> ACB, MBB, SHB, VPB</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 a downward trend during the week of July 29 – August 2, with common declines ranging from 0.4% to 4.1%. Among the indices that bucked the general trend, notable exceptions included the Shanghai Composite (0.50%).

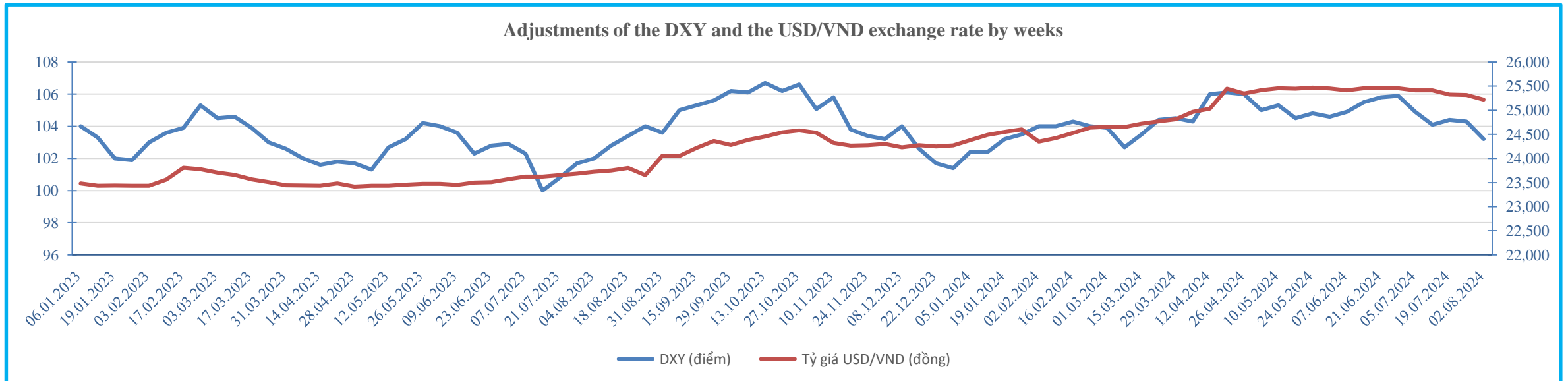
VN-Index recorded a decrease of 0.44% over the past week, ranking among the top 8 indices with the largest declines within the monitored group.

Indices	26th July, 2024	02nd August, 2024	Adjustments
VN-Index	1,242.11	1,236.60	-0.44%
S&P 500	5,459.10	5,346.56	-2.06%
Dow Jones	40,589.34	39,737.26	-2.10%
Nasdaq	17,357.88	16,776.16	-3.35%
DAX	18,417.55	17,661.22	-4.11%
FTSE 100	8,285.71	8,174.71	-1.34%
Nikkei 225	37,654.00	35,417.50	-4.61%
Shanghai Composite	2,890.90	2,905.34	0.50%
Thailand SET	1,307.21	1,313.08	0.45%
Malaysia	1,612.88	1,611.05	-0.11%
Philippines	6,726.01	6,605.30	-1.79%
Indonesia JCI	7,288.17	7,308.12	0.27%



## FOREIGN EXCHANGE MARKET OVERVIEW IN THE PREVIOUS WEEK

- The DXY index was flat in the early part of last week before dropping sharply at the end of the week. This decline followed the Fed's July policy meeting statement, which took a more "dovish" tone on inflation, raising the likelihood of interest rate cuts beginning in the September policy meeting. Overall, for the week, the DXY index fell by 1.1% compared to the previous week, closing at 103.2 points.
- In Vietnam, the USD/VND exchange rate recorded a 0.38% decrease compared to the previous week, reaching 25,218 VND. As of August 2, the State Bank of Vietnam announced the central exchange rate at 24,245 USD/VND. At commercial banks, the USD/VND exchange rate was bought in the range of 24,945 – 25,030 and sold in the range of 25,370 – 25,400. Meanwhile, on the free market, the exchange rate was bought at 25,583 and sold at 25,663.



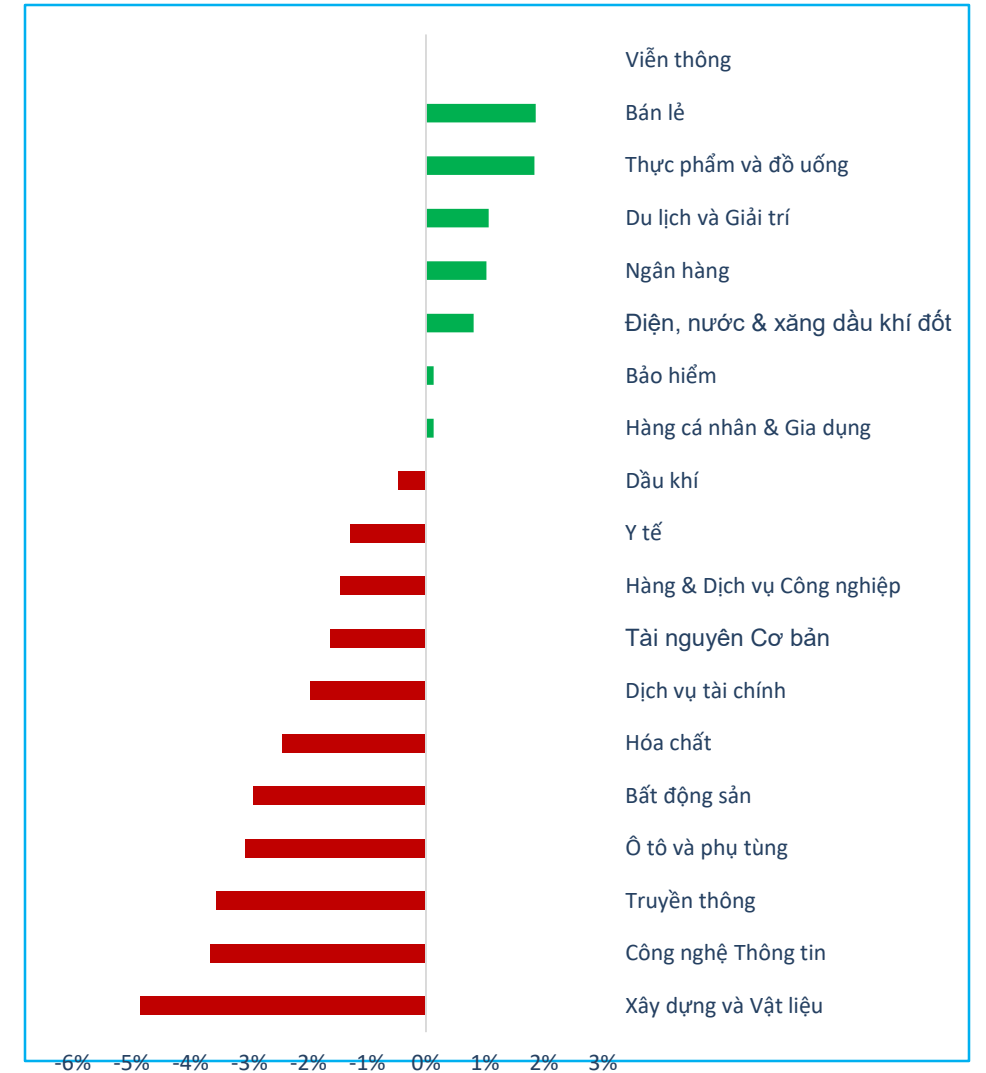
# VIETNAMESE STOCK MARKET OVERVIEW IN THE PAST WEEK

Over the past week, the market continued its recovery momentum in the early part of the week before strong selling pressure returned, causing the VN-Index to drop sharply to around 1,210 points at one point. At this level, strong bottom-fishing activity helped narrow the decline, and the index ended the week at 1,236.60 points, corresponding to a 0.44% 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	-0.47%	1,000,097	200,019	28,233	5,647
Chemicals	-2.45%	4,154,224	830,845	132,132	26,426
Basic Resources	-1.62%	5,709,721	1,141,944	267,222	53,444
Construction and Materials.	-4.84%	2,801,261	560,252	141,823	28,365
Industrial Goods & Services	-1.45%	4,773,989	954,798	186,297	37,259
Automobiles and Parts	-3.07%	348,726	69,745	21,697	4,339
Food and Beverages	1.84%	9,585,973	1,917,195	295,700	59,140
Personal Care & Household	0.13%	1,763,157	352,631	33,082	6,616
Medical Services	-1.29%	274,389	54,878	10,692	2,138
Retails	1.86%	4,265,208	853,042	67,492	13,498
Communication	-3.56%	84,388	16,878	9,014	1,803
Tourism and Entertainment	1.07%	1,140,620	228,124	39,481	7,896
Electricity, Water & Oil and Gas					
Bank	0.81%	2,308,701	461,740	92,443	18,489
Insurance	1.03%	16,650,171	3,330,034	754,937	150,987
Real Estate	0.13%	179,655	35,931	5,660	1,132
Financial Services.	-2.93%	13,227,202	2,645,440	654,123	130,825
Information Technology	-1.96%	8,068,685	1,613,737	455,183	91,037

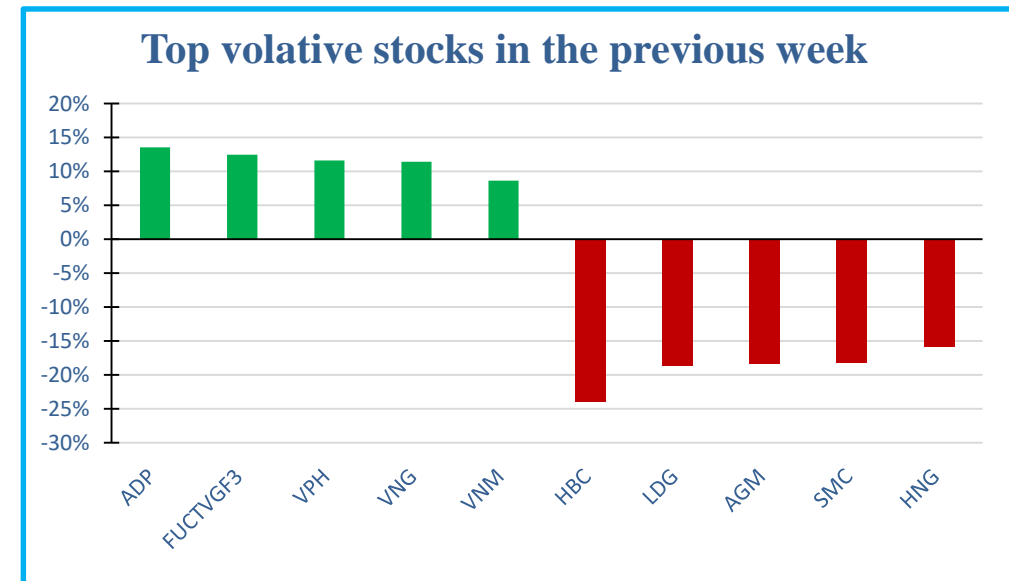
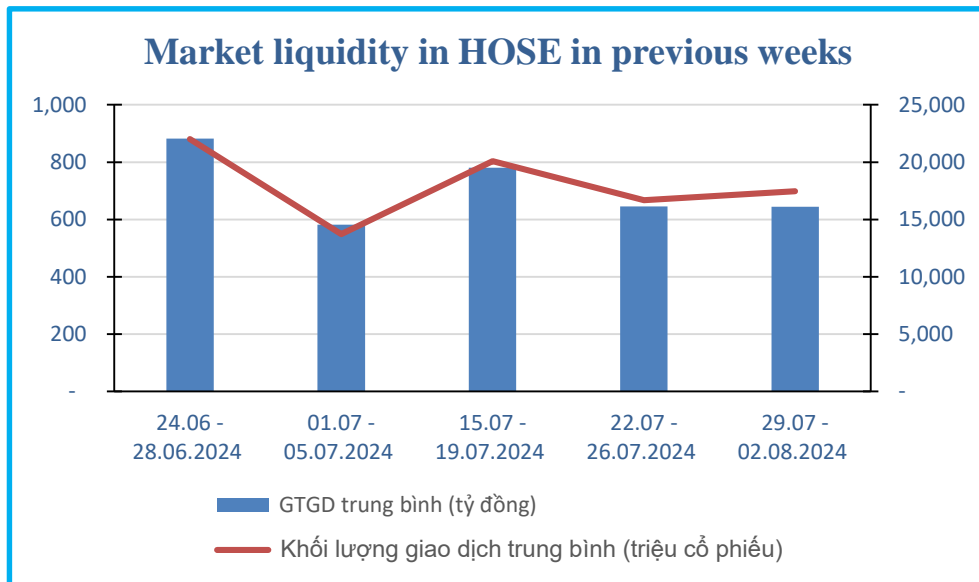


Source: Fiinpro, Vietinbank Securities

# MARKET LIQUIDITY AND TOP VOLATIVE STOCKS IN THE PREVIOUS WEEK

Statistics from Vietstock show that the average transaction value per session last week reached VND 16,095 billion, a decrease of 0.2% compared to the previous week. Meanwhile, the average trading volume recorded an increase of 5% from the previous week, reaching 699 million shares.

Last week, the top 3 strongest gaining stocks were ADP (13.53%), FUCTVGF3 (12.45%) and VPH (11.59%). Conversely, the top 3 strongest declining stocks were HBC (-24.00%), LDG (-18.67%) and AGM (-18.41%).



Source: Vietstock, Vietinbank Securities

## MACRO-ECONOMIC OVERVIEW IN THE PAST WEEK

INFORMATION	EFFECT	ASSESSMENT
<p>The Fed kept interest rates unchanged at its July policy meeting.</p>	<p>Neutral</p>	<p>This action by the Fed was in line with market expectations. Additionally, the more "dovish" tone regarding inflation developments has raised hopes that the first rate cut may occur in September.</p>
<p>The Bank of England lowered interest rates at its August policy meeting.</p>	<p>Neutral</p>	<p>This move by the BoE is in line with expectations as inflation in the UK has reached the target level of 2%. However, it is unlikely that we will see consecutive interest rate cuts from the BoE, as the bank continues to closely monitor data to determine the appropriate pace of rate reductions.</p>
<p>The EC has launched an anti-dumping investigation into steel products originating from Vietnam.</p>	<p>Negative</p>	<p>This action by the EC negatively impacts steel exports to this market, especially given that the contribution to the European market reached 26% in the first five months of 2024, according to the Vietnam Steel Association.</p>
<p>The U.S. does not recognize Vietnam as a market economy, according to a statement made on August 2.</p>	<p>Negative</p>	<p>This will affect the competitiveness of companies with a high proportion of exports to the U.S. in industries such as seafood, textiles, rubber, and wood.</p>



## EVENTS FOR THE NEXT WEEK

NO.	Stock symbol	Exchange	Ex- Date	Record Date	Effective Date	Event Details
1	HTV	HOSE	09/08/2024	12/08/2024	30/08/2024	Dividen payment for 2023 in cash, 300 VND per share.
2	BBS	HNX	09/08/2024	12/08/2024	28/08/2024	Dividend payment for 2023 in cash, 900 VND per share
3	DHG	HOSE	08/08/2024	09/08/2024	21/08/2024	Dividend 2 <sup>nd</sup> payment for 2023 in cash, 3500 VND per share
4	VFG	HOSE	08/08/2024	09/08/2024	22/08/2024	Dividend 1 <sup>st</sup> payment for 2024 in cash, 1000 VND per share
5	AGG	HOSE	07/08/2024	08/08/2024		Dividend payment for 2023 in shares, at the ratio 100:25
6	VID	HOSE	05/08/2024	06/08/2024	20/08/2024	Dividen payment for 2023 in cash, 500 VND per share.

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