

# WEEKLY INVESTMENT STRATEGY REPORT ON 8<sup>th</sup> APRIL, 2024 ADJUSTING DUE TO THE NEGATIVE EXCHANGE RATE CHANGE



## EXECUTIVE SUMMARY OF THE WEEKLY INVESTMENT STRATEGY REPORT ON 08<sup>TH</sup> APRIL, 2024

-  On April 3, the State Bank of Vietnam (SBV) announced its readiness to sell foreign currency to intervene in case the exchange rate continues to rise sharply. This action by the SBV largely helped to reassure the market sentiment amid the USD/VND exchange rate reaching its all-time high during the past week.
-  In the past week, as the issues at VNDirect were gradually resolved, money started flowing back into the market. Both liquidity and trading value per session saw slight increases compared to the previous week, reaching values of 25,457 billion VND and 1.04 billion shares, respectively. However, concerns over the negative exchange rate developments, coupled with increasing profit-taking activities, led the VN-Index to close the week at 1,255 points, representing a 2.27% decrease compared to the previous week. It's worth noting that the strongest outflows were observed in the media (-6.25%) and financial services (-4.68%) sectors.
-  **With the continued complexity in the USD/VND exchange rate and investors' cautious sentiment following the recent sharp declines, the VN-Index is expected to face downward pressure in the week of April 8th to April 12th, 2024. Investors are advised to **maintain** their equity/cash ratio to around **50/50** while monitoring the market's developments within the range of 1,235 to 1,243 points.**
  -  **In the scenario where the index continues to observe strong inflows of funds and successfully confirms this support level, investors are advised to increase their equity/cash ratio to **90/10** and focus on stocks that are consolidating at lower prices.**
  -  **In the event that the market faces profit-taking pressure and breaks below the support zone of 1,235 - 1,243 points, the market is likely to seek the next support level around the 1,200-point threshold.**
-  **Some of the noteworthy stock groups at this time include:**

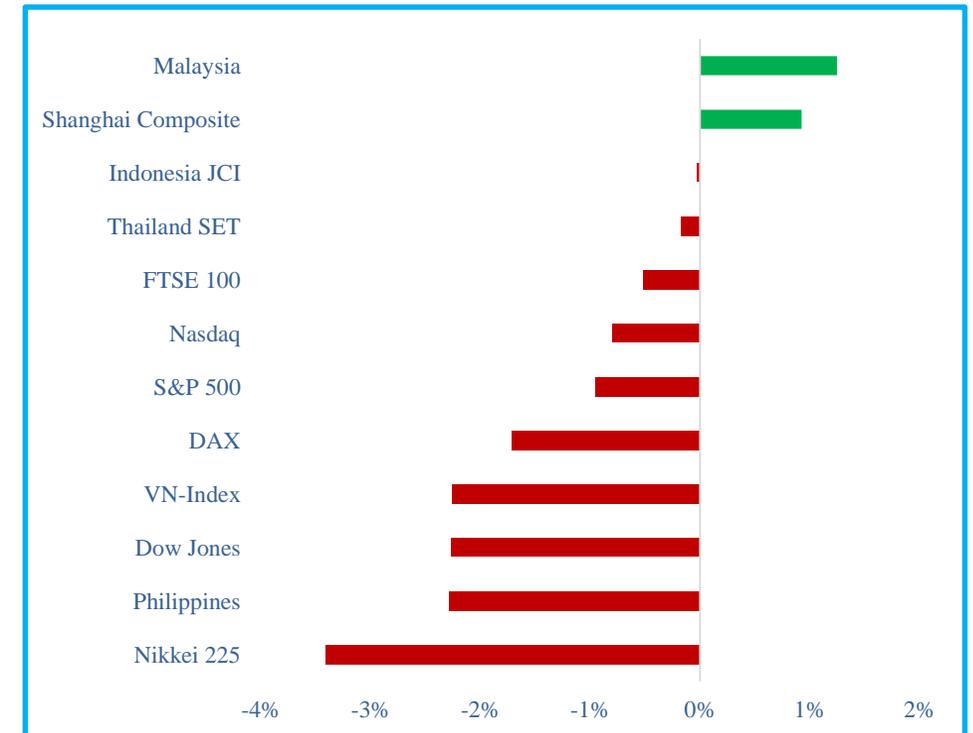
 <b>Government Infrastructure:</b> HHV, CIL, KSB	 <b>Steel:</b> HSG, HPG	 <b>Industrialized real estate:</b> IDC
 <b>Securities:</b> HCM, SHS, VIX, SSI, VND	 <b>Sea port:</b> HAH	 <b>Textile:</b> TNG, GIL
 <b>Real estate:</b> TCH, DIG, CEO	 <b>Bank:</b> ACB, CTG, VIB, TPB, VPB, VCB, STB	 <b>Energy:</b> 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

During the week of April 1st to April 5th, most global stock markets experienced a downward trend, with common declines ranging from 0.5% to 2.3%. Notably, the Shanghai Composite index stood out as it moved in the opposite direction with a gain of 0.92%.

During the past week, the VN-Index recorded a decline of 2.26%, placing it among the top 4 indices with the largest decreases within the monitored group.

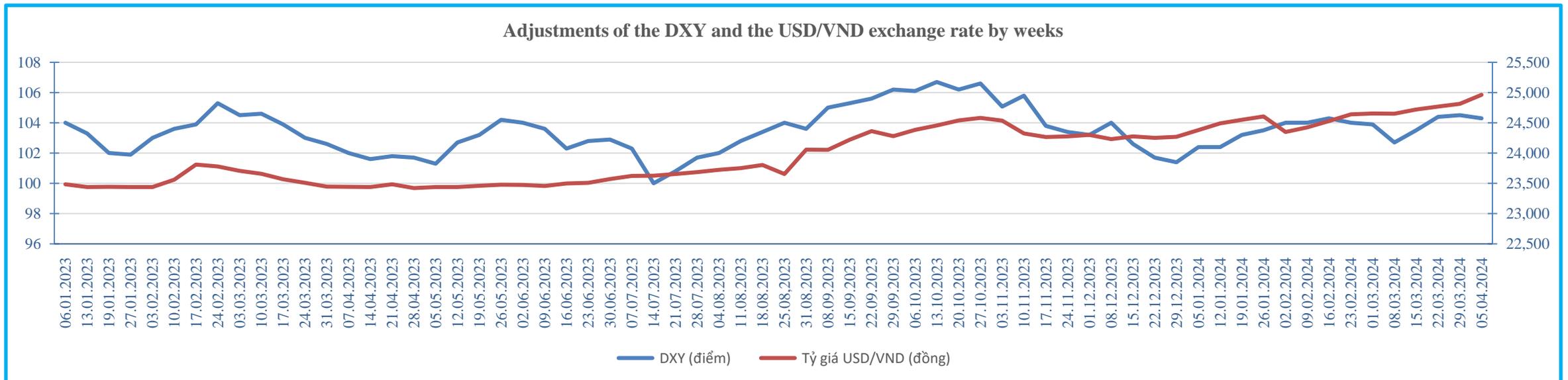
Indices	29h March, 2024	5th April, 2024	Adjustments
VN-Index	1,284.09	1,255.11	-2.26%
S&P 500	5,254.35	5,204.34	-0.95%
Dow Jones	39,807.37	38,904.04	-2.27%
Nasdaq	16,379.46	16,248.52	-0.80%
DAX	18,492.49	18,175.04	-1.72%
FTSE 100	7,952.62	7,911.16	-0.52%
Nikkei 225	40,369.44	38,992.08	-3.41%
Shanghai Composite	3,041.17	3,069.30	0.92%
Thailand SET	1,377.94	1,375.58	-0.17%
Malaysia	1,536.07	1,555.25	1.25%
Philippines	6,903.53	6,745.46	-2.29%
Indonesia JCI	7,288.81	7,286.90	-0.03%



## FOREIGN EXCHANGE MARKET OVERVIEW IN THE PREVIOUS WEEK

The DXY index decreased to its lowest level in two weeks on April 5th, following news of economic data supporting expectations of rapid interest rate cuts in the US and a decline in price relative to the yen, which is depreciating. Overall for the week, the DXY index recorded a decrease of 0.19% compared to the previous week, closing at 104.3 points.

In Vietnam, the USD/VND exchange rate recorded a 0.61% increase compared to the previous week, reaching 24,965 VND. During the past week, the USD/VND exchange rate reached its all-time high before cooling down towards the end of the week. In an announcement made on April 3rd, the State Bank of Vietnam (SBV) stated its readiness to conduct foreign currency sales to intervene in case the exchange rate continues to rise sharply as it did in the previous period.



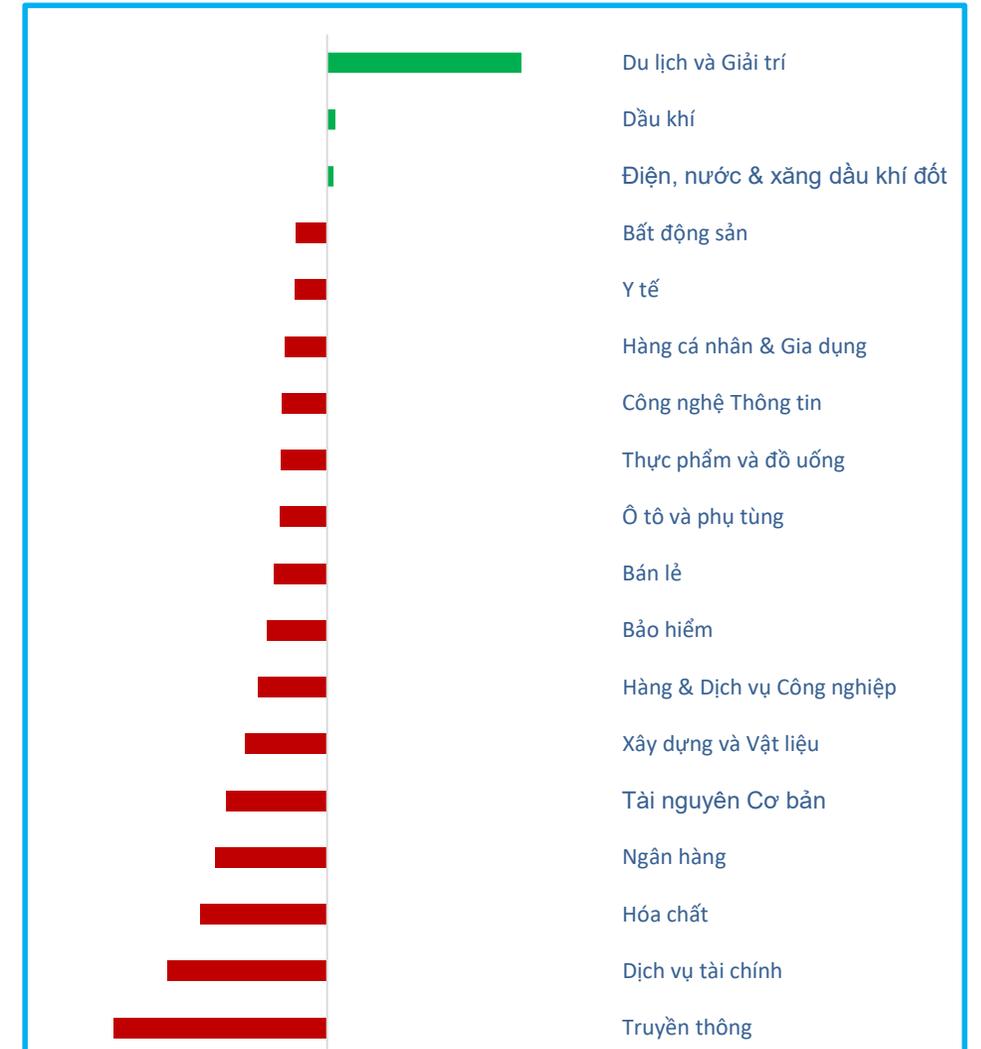
# VIETNAMESE STOCK MARKET OVERVIEW IN THE PAST WEEK

The stock market experienced a rather negative trading week as the downward trend reappeared, characterized by consecutive sharp declines throughout the week. However, foreign investors returned to net buying in the sessions on April 4th and April 5th, which is a positive signal that helped alleviate some pessimism about future sessions. At the close of trading on April 5th, the VN-Index ended at 1,255.11 points, down 2.27% compared to the previous week.



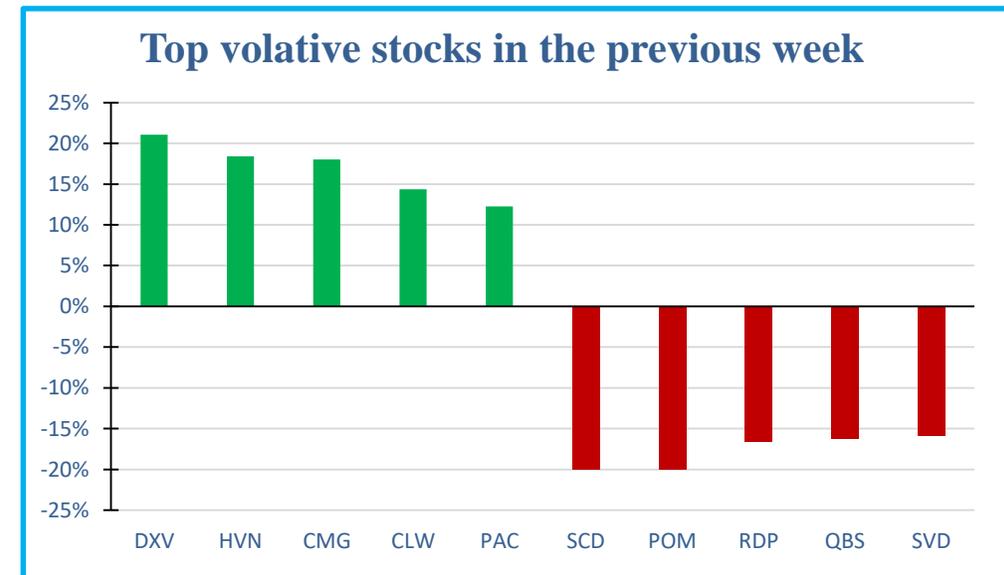
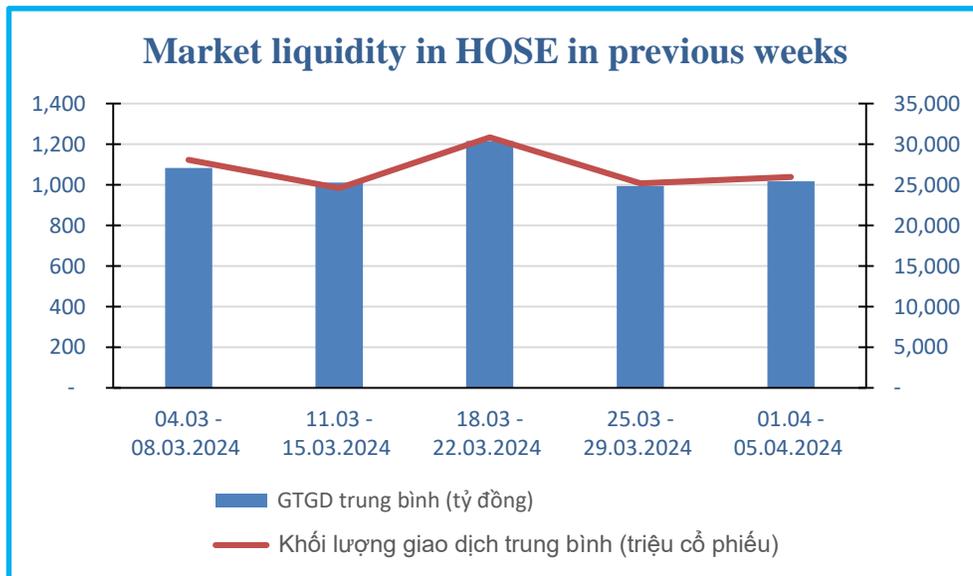
## SECTORS IN THE PAST WEEK

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	0,24%	2.037.010	355.301	59.944	10.424
Chemicals	-3,72%	6.587.972	1.155.589	181.038	31.746
Basic Resources	-2,97%	8.499.658	1.474.944	374.067	64.485
Construction and Materials.	-2,40%	8.464.274	1.483.056	384.897	68.431
Industrial Goods & Services	-2,02%	8.972.838	1.503.718	309.547	51.023
Automobiles and Parts	-1,37%	989.871	158.093	44.290	7.169
Food and Beverages	-1,36%	12.524.771	1.943.808	401.851	66.235
Personal Care & Household	-1,24%	1.868.281	289.037	41.995	6.981
Medical Services	-0,95%	101.258	17.786	5.642	985
Retails	-1,55%	6.003.225	984.731	110.227	18.232
Communication	-6,25%	219.227	38.846	21.859	3.888
Tourism and Entertainment	5,70%	1.137.789	198.686	42.369	7.550
Electricity, Water & Oil and Gas	0,19%	1.675.350	297.873	81.869	14.486
Bank	-3,28%	32.271.676	5.333.654	1.282.357	209.340
Insurance	-1,75%	150.333	23.627	4.812	775
Real Estate	-0,91%	33.084.477	5.732.141	1.456.692	252.188
Financial Services.	-4,68%	23.084.550	3.980.083	903.944	154.972
Information Technology	-1,32%	2.559.754	444.008	46.645	8.472



# 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 25,457 billion VND, up approximately 2.4% compared to the previous week. Similarly, the average trading volume of stocks also increased by 3% to 1.04 billion shares.
- In the past week, the top 3 stocks with the strongest gains were DXV (21.05%), HVN (18.40%), and CMG (18.02%). Conversely, the top 3 stocks with the sharpest declines were SCD (-20.00%), POM (-19.96%), and RDP (-16.54%).



Source: Vietstock, Vietinbank Securities

# MACRO-ECONOMIC OVERVIEW IN THE PAST WEEK

INFORMATION	EFFECT	ASSESSMENT
The world oil price has surged to its highest level since October 2023.	Neutral	The movement in oil prices occurs against the backdrop of increasing political tensions in the Middle East region, along with investors expressing concerns about the OPEC+ group's continued policy tightening on the supply side.
The State Bank of Vietnam (NHNN) has proposed extending the implementation period of Circular 02 until the end of 2024.	Positive	Extending Circular 02 helps alleviate the pressure on banks to set aside provisions for bad debts, thereby boosting their confidence in accelerating credit growth for the remainder of 2024.
As of the end of the first quarter, credit growth recorded a 0.9% increase.	Negative	This figure is quite far from the annual credit growth target, indicating that the "excess cash disease" is trending back.
On April 3rd, the State Bank of Vietnam (SBV) announced its readiness to sell foreign currency to intervene in case the exchange rate continues to rise sharply.	Neutral	The SBV's action largely helped reassure market sentiment amidst the context of the USD/VND exchange rate reaching its all-time high during the past week.

## EVENTS FOR THE NEXT WEEK

NO.	Stock symbol	Exchange	Ex- Date	Record Date	Effective Date	Event Details
1	REE	HOSE	12/04/2024	15/04/2024	26/04/2024	Dividend payment for 2023 in cash, 1000 VND per share
2	TSB	HNX	12/04/2024	15/04/2024	29/04/2024	Dividend payment for 2023 in cash, 556 VND per share
3	SBB	UPCoM	12/04/2024	15/04/2024	29/04/2024	Dividend payment for 2023 in cash, 500 VND per share
4	PAT	UPCoM	12/04/2024	15/04/2024	29/04/2024	Payment of the 2 <sup>nd</sup> dividend installment for 2023 in cash, 500 VND per share.
5	PVT	HOSE	11/04/2024	12/04/2024	N/A	Dividend payment for 2021 in stock, with ratio 100:10
6	WSB	UPCOM	08/04/2024	09/04/2024	26/04/2024	Dividend payment for 2023 in cash, 3000 VND per share

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