

Market report

June 2024: VN-Index may continue to move sideways in the range of 1,250 – 1,300 in July

In June 2024, the VN-Index slightly decreased compared to the previous month, ending the month at 1,245 (-1.3% MoM), while market liquidity slightly increased to VND 23,156 billion per session (+5.7% MoM).

In June 2024, the Upcom index had the best performance among the three main indices (+0.6% MoM), while the HNX-Index saw the largest decline (-2.6% MoM).

Regarding sector performance in June, we notice that the Telecommunications, Consumer Goods and Services, and IT sectors continued to be net bought, focusing on stocks with specific stories.

ETFs net sold USD 105 million (+22% MoM) in June 2024. TVS Research believes that the net selling by ETFs in the stock market could be due to several factors: (1) the risk of the USDVND exchange rate increasing towards the end of the year, (2) funds tending to restructure their portfolios and shift to other markets such as the US and India.

In July, we expect that the VN-Index will continue to move sideways in the range of 1,250 – 1,300 as negative and positive factors balance each other out in the market.

International indices	June	% MoM	%YTD
DJI**	38,111	0.1%	1.1%
S&P500**	5,235	3.7%	9.5%
VIX**	14	-7.5%	16.7%
FTSE100**	8,231	1.9%	6.6%
Nikkei	38,488	1.5%	15.0%

VN indices	June	%MoM	%YTD
VNI	1,245	-1.3%	11.8%
VN30	1,276	-4.1%	13.9%
VN MID	1,976	-3%	14.7%
VN SMALL	1,534	-1.6%	12.1%
HNI	238	-0.8%	3.8%

Market cap	June	%MoM	%YTD
HSX	5,157	4.6%	14.2%
HNX	335	9.1%	9.8%
UPCoM	1,479	13.9%	40.5%
Total	6,971	6.6%	18.7%

Liquidity	June	%MoM	%YTD
HSX	478	+5.7%	41.1%
HNX	43	10.3%	20.0%
UPCoM	29	123.1%	103.4%
Total	550	18.8%	41.4%

P/E ratio	June	%MoM	%YTD
Vietnam	15.8	-1.9%	5.3%
Thailand	16.1	-6.9%	-17.0%
Indonesia	21.3	25.3%	23.1%
Malaysia	15.1	-9.6%	0.7%
Singapore	12.2	4.3%	6.1%

Analyst

Nguyen Duc Anh

anhnd@tvs.vn

+84 24 32484820 Ext. 6417

Market Overview

We expect VN-Index to move sideways in July 2024.

In June 2024, the VN-Index slightly decreased compared to the previous month, ending at 1,245 (-1.3% MoM), while market liquidity slightly increased to VND 23,156 billion per session (+5.7% MoM).

According to TVS Research, despite the slight decrease compared to the previous month, the overall trend of the VN-Index in June remained sideways in the range of 1,250 - 1,300. The market did not change much as the positive/negative impacts that could cause significant increases/decreases in the market were not prevalent in June. Macroeconomic factors such as inflation and exchange rates are being controlled, and market liquidity remains high (>VND 20,000 billion per session).

We expect VN-Index to move sideways in July 2024 due to:

Positive factors:

- Vietnam's macroeconomic situation improved in June, with GDP for the first half of 2024 reaching the government's annual target of 6.5%
- TVS Research forecasts that Q2 earnings results for some sectors, such as Banking, Securities, and Steel, will improve

Negative factors:

- Deposit interest rates in the banking system are showing signs of increasing again
- Foreign investors continue to be net sellers
- The USDVND exchange rate continues to rise despite the SBV interventions, negatively affecting domestic investor sentiment

Figure 1: VN-Index remained sideways in the range 1,250 – 1,300 in June

VN-Index fluctuations [points] and market liquidity [VND bn]



Source: Fiinpro, TVS Research

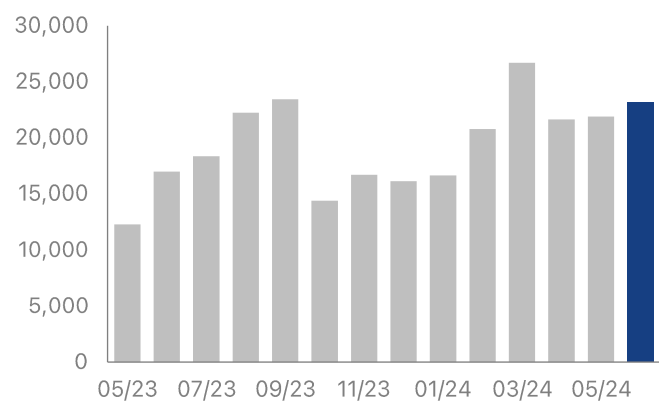
Market liquidity increased slightly in June 2024 while VN-Index moved toward 1,260.

The average daily trading value in June increased to VND 23,156 billion per session (+5.7% MoM). The increase in liquidity may be due to investors' bottom-fishing sentiment. High liquidity sessions were concentrated on sharp decline days, indicating investors' bottom-fishing sentiment when many stocks reached attractive price levels.

In June, domestic investors continued to balance the selling pressure from foreign institutions, helping to prevent the VN-Index from dropping significantly.

Figure 2: Market liquidity increased slightly in June

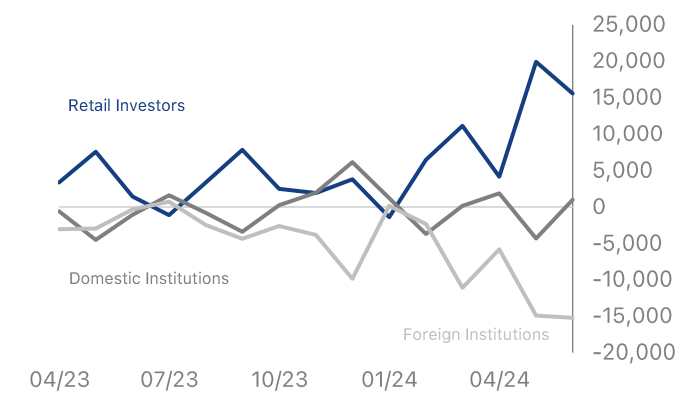
VN-Index monthly average trading volume [VND bn]



Source: FiinproX, TVS Research

Figure 3: Selling pressure from foreign institutions continued in June

Net trading by group of investors [VND bn]



Source: FiinproX, TVS Research

Upcom index had the best performance in June 2024.

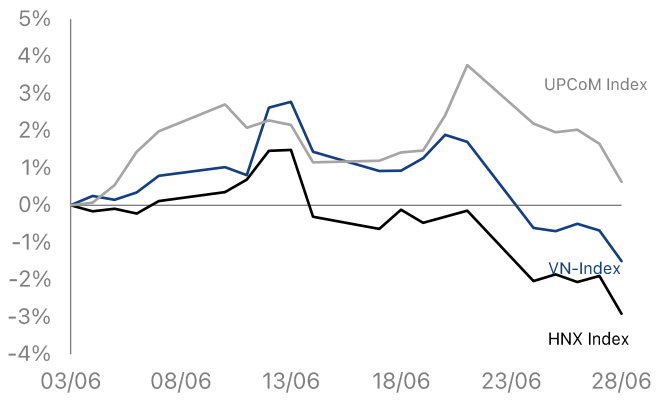
In June 2024, the Upcom index had the best performance among the three main indices (+0.6% MoM), while the HNX-Index saw the largest decline (-2.6% MoM).

Among the sub-indices of the VN-Index, the VN30 sub-index experienced the largest decline, mainly due to selling pressure from foreign investors, especially as ETFs continued to withdraw from the Vietnamese stock market. These funds primarily net sold large and mid-cap stocks, focusing on the Banking and Real Estate sectors.

Regarding sector performance in June, TVS Research notices that the Telecommunications, Consumer Goods and Services, and IT sectors continued to be net bought, focusing on stocks with specific stories such as FPT, HVN, and ACV.

Figure 4: In June 2024, UPCoM was the only exchange with positive performance

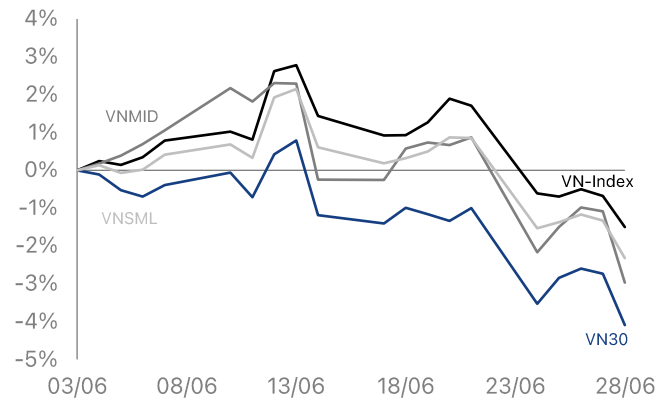
Performance of VN-Index, HNX and UPCoM in June [%]



Source: FiinproX, TVS Research

Figure 5: VN30 experienced largest decline in June 2024

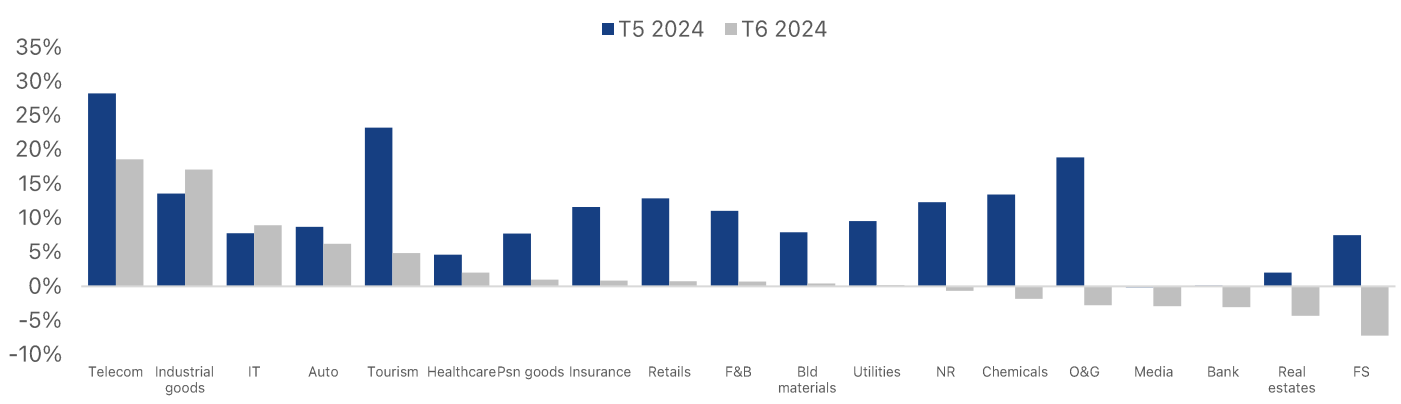
Performance of VN-Index's sub-indices [%]



Source: FiinproX, TVS Research

Figure 6: Mid and small-cap stocks from sectors such as Telecommunications and Consumer Goods & Services continued to grow strongly in June

Performance by sectors in May and June 2024 [%]



Source: FiinproX, TVS Research

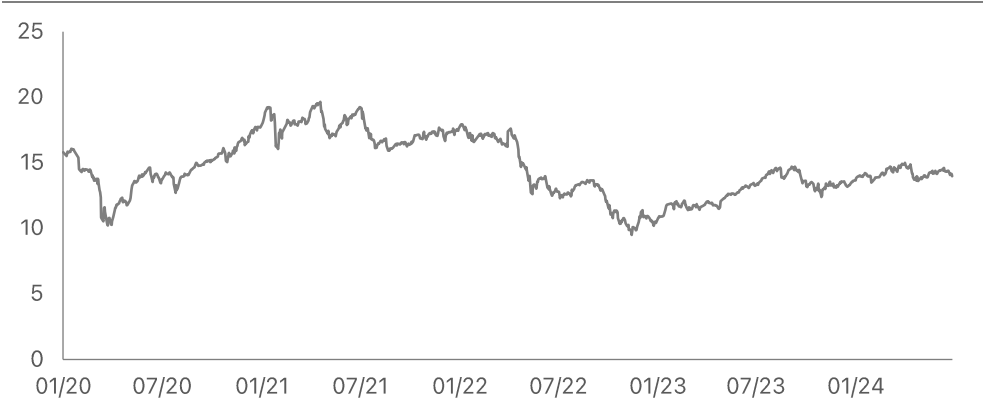
Market Valuation

P/E ratio of the VN-Index returned to 14x level (-1.2% MoM).

The market-wide P/E ratio slightly decreased by the end of June after the VN-Index adjusted during the month. We believe that the current market valuation has partially reflected the growth of companies listed on the HSX and is currently not very attractive for new purchases.

Figure 7: P/E of the market decreased slightly to 14x in June 2024

VN-Index's P/E [points]



Source: Fiinpro, TVS Research

Activities of ETF funds, derivatives, and covered warrants markets

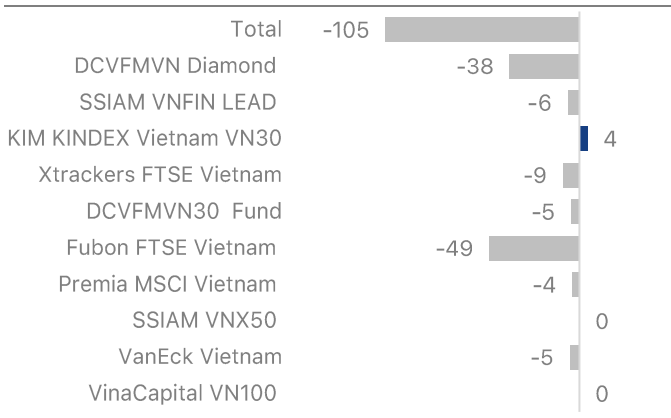
ETFs recorded net sales of USD 500 million in 2024.

In June, ETFs recorded net sales of USD 105 million (+22% MoM). Among them, the DCVFMVN Diamond fund continued to be the most heavily sold, reaching nearly USD 300 million in 2024. We believe that the net sales of ETFs in the stock market could be due to:

- Funds tend to reduce the proportion of stocks in emerging markets and shift to markets with higher investment performance
- The risk of the USDVND exchange rate continued to increase

Figure 8: ETF’s net sold continue in June

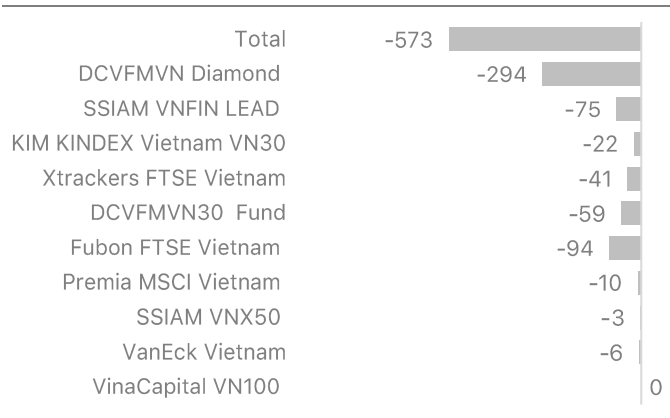
Trading activities of ETFs in June 2024 [USD mn]



Source: Bloomberg, TVS Research

Figure 9: ETF’s net sold USD 500 mn in 2024

Trading activities of ETFs in 2024 [USD mn]



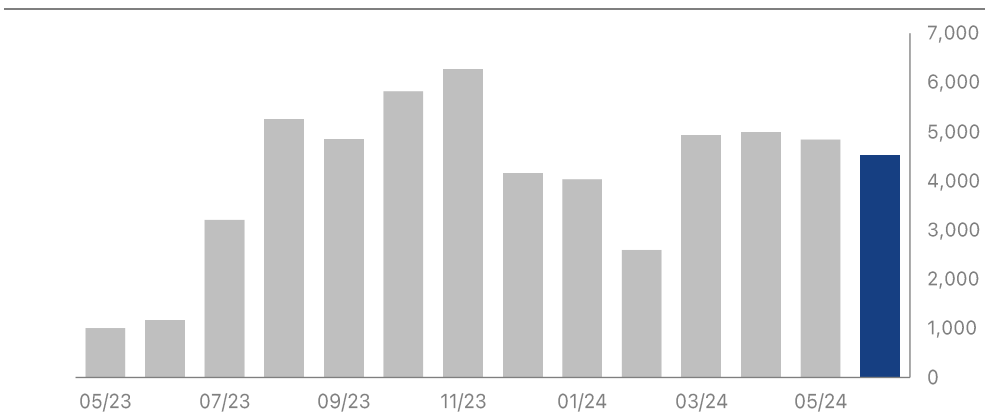
Source: Bloomberg, TVS Research

Trading value of the derivatives market remained flat in June

Trading in the derivatives market in June slightly decreased with 4.5 million contracts traded. The main reason for the decrease in liquidity in the derivatives market could be due to the VN-Index declining and returning to trading within a narrow range in June.

Figure 10: Trading in the derivatives market declined slightly in June

Derivatives contracts traded monthly [thousand contracts]



Source: Fiinpro, TVS Research

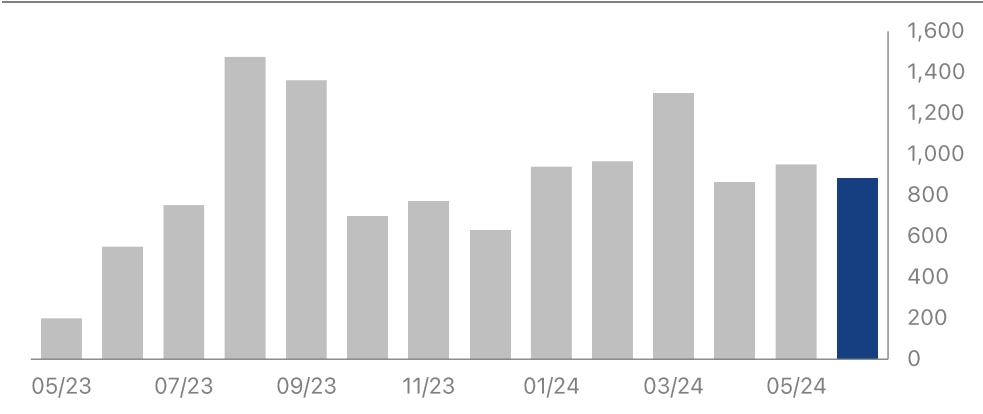


Trading value in the warrants market declined in Jun 2024.

The trading value in the warrants market slightly decreased in June, down to VND 883 billion (-7% MoM). The main reason could be the decline in the equity market, which made the warrants market less attractive to investors.

Figure 11: Trading value in the warrant market stayed flat in June 2024

Monthly warrants trading value [VND bn]

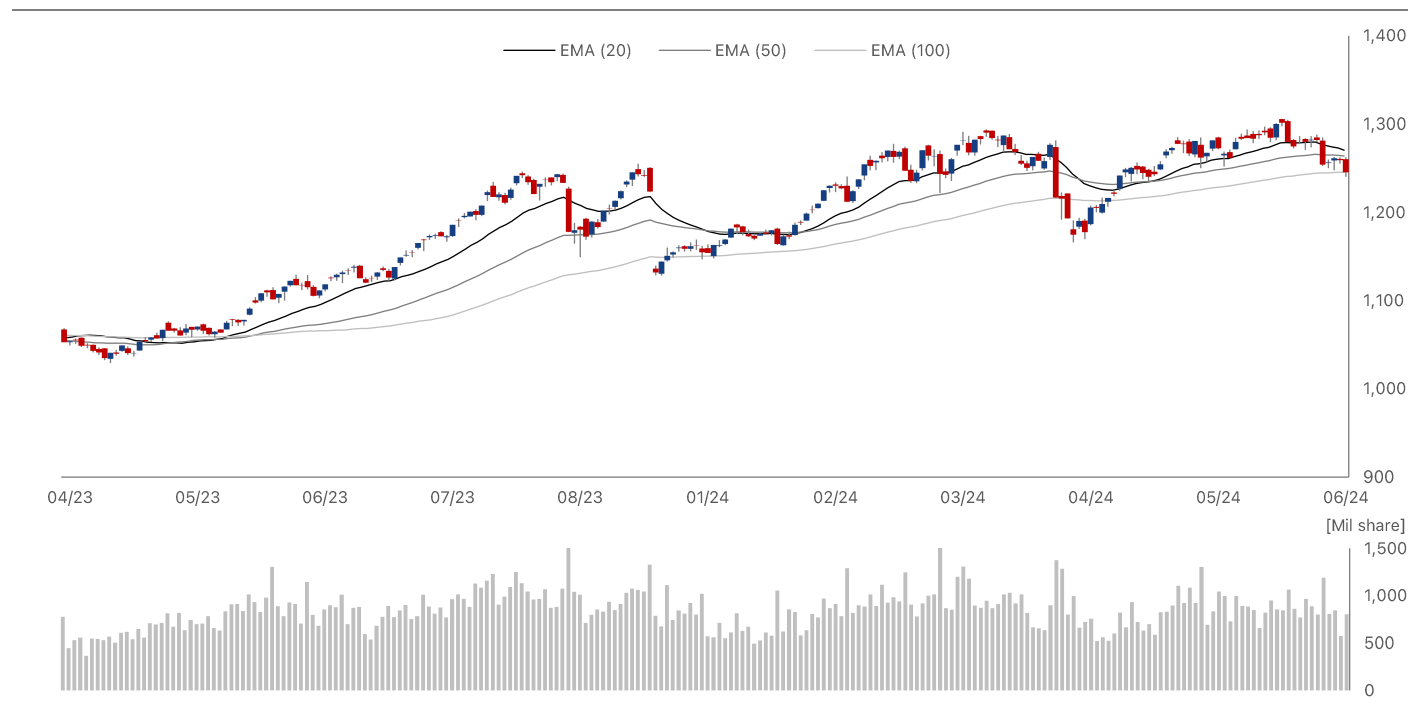


Source: Fiinpro, TVS Research

Technical overview

Figure 12: VN-Index technical chart

Time frame: daily



Source: Fiinpro, TVS Research

Technical analysis

In June 2024, the VN-Index declined to around the support level of 1,250. With the support level at 1,250 as well as the EMA100 and MA100 lines being tested and the market recovering from there, TVS Research believes that the VN-Index will return to trading in the range of 1,250 – 1,300. Currently, we do not see any strong positive or negative information that could cause the market to rise or fall and break out of this range.

Action

According to TVS Research, investors can initiate new purchases at the 1,250 level and take profits when the VN-Index reaches the 1,300 level. Investors can focus on the stocks we recommended in the Q1 2024 Strategy Update Report.

Notable economic events in July

Date	Event	Impact
01/7/2024	Vietnam Manufacturing PMI Data	Moderate
05/7/2024	US Unemployment Data for May 2024	Moderate
11/7/2024	US CPI Data for May 2024	Moderate
14/7/2024	China GDP Data for Q2 2024	Moderate
17/7/2024	EU CPI Data for June 2024	Moderate
18/7/2024	Expiration of VN30 Index futures contracts	High
29/7/2024	Vietnam Economic Data for July 2024	High

Market trading activities in June

10 most bought stocks by investor classification [VND bn]

Ticker	Exchange	Foreign int	Ticker	Exchange	Domestic int	Ticker	Exchange	Retail
MSB	HOSE	1,152	FUEVFNVD	HOSE	2,213	FPT	HOSE	6,061
MBB	HOSE	609	VPB	HOSE	1,094	VHM	HOSE	1,568
MSN	HOSE	412	Total	HOSE	1,009	HPG	HOSE	1,200
HAH	HOSE	350	HDB	HOSE	433	MWG	HOSE	1,061
SAB	HOSE	233	MSN	HOSE	349	VRE	HOSE	1,036
PC1	HOSE	227	PET	HOSE	299	VND	HOSE	838
HSG	HOSE	209	VNM	HOSE	295	VCB	HOSE	766
CTR	HOSE	184	VSC	HOSE	259	BID	HOSE	734
FRT	HOSE	163	TCB	HOSE	214	GAS	HOSE	590
PAN	HOSE	128	OCB	HOSE	193	VIC	HOSE	544

10 most sold stocks by investor classification [VND bn]

Ticker	Exchange	Foreign int	Ticker	Exchange	Domestic int	Ticker	Exchange	Retail
FPT	HOSE	-4,771	FPT	HOSE	-1,362	MSN	HOSE	-739
FUEVFNVD	HOSE	-2,086	BID	HOSE	-586	MBB	HOSE	-617
VHM	HOSE	-1,516	MSB	HOSE	-386	PET	HOSE	-298
VRE	HOSE	-998	DGC	HOSE	-303	PC1	HOSE	-282
MWG	HOSE	-991	GAS	HOSE	-279	VSC	HOSE	-261
HPG	HOSE	-929	VIB	HOSE	-230	HSG	HOSE	-253
VPB	HOSE	-848	HPG	HOSE	-220	OCB	HOSE	-243
VND	HOSE	-845	HAH	HOSE	-208	VPB	HOSE	-241
TCB	HOSE	-737	SSB	HOSE	-194	GVR	HOSE	-209
VNM	HOSE	-687	VCB	HOSE	-167	CTR	HOSE	-206

10 best-performing stocks in HSX and HNX

Ticker	Closing price	1M price change	Market Cap	Ticker	Closing price	1M price change	Market Cap
TTE	15,350	55.7%	437	GLT	37,900	61.3%	354
CLW	45,000	45.6%	585	TXM	10,900	49.3%	76
SVC	34,500	33.7%	2,298	PIC	25,000	48.8%	833
SMC	18,150	31.5%	1,336	SGD	14,400	46.9%	58
ITD	17,400	28.4%	426	GDW	36,200	46.6%	344
TTA	10,400	27.6%	1,769	ARM	40,900	43.5%	127
QNP	38,800	24.6%	1,568	HHC	115,200	38.8%	1,892
HTL	20,450	22.8%	245	HKT	7,600	38.2%	47
HAH	45,250	21.6%	5,491	MAC	19,200	38.1%	291
SAV	19,150	20.4%	475	CMS	17,800	35.9%	453

10 worst-performing stocks in HSX and HNX

Ticker	Closing price	1M price change	Market Cap	Ticker	Closing price	1M price change	Market Cap
HAG	12,100	-19.3%	12,795	API	4,100	-60.2%	614
TNC	42,000	-17.6%	809	HMR	26,100	-33.9%	146
KDC	55,000	-15.8%	15,939	TKG	3,100	-31.1%	20
VIP	13,000	-15.8%	890	HTP	8,300	-27.2%	762
CMV	10,150	-15.1%	184	API	7,300	-21.5%	614
ELC	24,150	-15.0%	2,011	SRA	3,800	-17.4%	164
BSI	50,800	-14.5%	10,301	NSH	5,300	-15.9%	110
BAF	19,550	-14.4%	4,621	PMS	30,200	-15.5%	217
APH	9,000	-14.3%	2,195	LBE	22,500	-15.1%	45
SC5	18,400	-14.2%	276	NHC	30,000	-14.3%	91

Note: Market cap (VND bn)

List of published reports

Category	Title	Company/Industry	Release date
Company report	Follow-up report	KBC	19/6/2024
Market update	Equity Market Report May 2024	Market	07/6/2024
Macroeconomic update	Macroeconomics Report May 2024	Macroeconomics	07/6/2024
Market update	Equity Market Report in April 2024	Market	08/5/2024
Macroeconomic update	Macroeconomic in April 2024	Macroeconomics	08/5/2024
Company report	Shareholders' meeting update 2024	NLG	08/5/2024
Company report	Shareholders' meeting update 2024	DXG	08/5/2024
Company report	Shareholders' meeting update 2024	VHM	08/5/2024
Company report	Shareholders' meeting update 2024	VRE	08/5/2024
Company report	Shareholders' meeting update 2024	MBB	19/4/2024
Company report	Shareholders' meeting update 2024	MWG	16/4/2024
Company report	Shareholders' meeting update 2024	FPT	15/4/2024
Company report	Shareholders' meeting update 2024	HPG	12/4/2024
Market update	Equity Market Report March 2024	Market	08/4/2024
Macroeconomic update	Macroeconomics Report March 2024	Macroeconomics	08/4/2024

Disclaimer

This report is written and issued by Thien Viet Securities Joint Stock Company (TVS). The report is based on information gathered from sources that TVS considers reliable; however, TVS does not guarantee the accuracy and completeness of this information.

Opinions and viewpoints expressed in the report reflect the analyst's opinion at the time of issuance. These opinions do not necessarily represent the general views of TVS and may change without prior notice.

The report is for informational purposes only and is not intended as an offer, solicitation to buy or sell any securities mentioned. Investors have full discretion and assume all risks in using the information and considering the opinions in the report. TVS disclaims any liability for any direct or indirect damages arising from the use of this report.

Recommendation system

The recommendations of Buy, Sell, or Hold for stocks are determined based on the expected total return, which is the sum of the difference between the target price and the current market price of the stock, plus the expected dividend yield. Specific definitions for each recommendation level are as follows:

Recommendation ratings	Definition
BUY	Expected stock total return over 1 year > 20%
HOLD	Expected stock total return over 1 year is between -10% to 20%
SELL	Expected stock total return over 1 year < -10%

Thien Viet Securities Joint Stock Company – www.tvs.vn

Hà Nội

15th floor, Harec Building
4A Lang Ha, Ba Dinh, Hanoi
Phone: +84 (24) 7300 6588
Fax: +84 (24) 3248 4821

Hồ Chí Minh

9th floor, Bitexco Building Nam Long
63A Vo Van Tan, District 3, Ho Chi Minh
Phone: +84 (28) 7300 6588
Fax: +84 (28) 299 2088

Contact information

Research Department

Vuong Chi Tam, CFA, FRM

Director of Analysis
tamvc@tvs.vn

Nguyen Thi Kieu Hanh

Specialist Analyst
hanhntk@tvs.vn

Nguyen Duc Anh

Analyst
anhnd@tvs.vn

Pham Nguyen Long

Specialist Analyst
longpn@tvs.vn

Tieu Phan Thanh Quang

Analyst
quangtpt@tvs.vn

Nguyen Van Dat

Analyst
datnv@tvs.vn