

WEEKLY INVESTMENT STRATEGY REPORT ON 18TH DECEMBER, 2023

ACCUMULATING SIDEWAYS WITHIN A NARROW RANGE



-  In the December policy meeting, the Fed decided to keep interest rates at 5.25% - 5.5%, the highest level in 22 years. Along with this decision, the Fed expects to cut interest rates at least 3 times in 2024. After the news that the Fed will cut interest rates more than expected, optimism has returned to the market. Global stock indices such as Dow Jones, S&P 500, etc., all reacted positively. The DXY index, in particular, recorded a sharp decline and closed the week at 102.6 points.

-  During the week, foreign investors continued their net selling trend, and ETF funds underwent restructuring. The market faced increased selling pressure, with buying interest not showing signs of improvement, causing the VN-Index to decrease by nearly 2%, closing the week at 1,102 points. A positive sign came from a significant reduction in liquidity and average trading value per session compared to the previous week, with values reaching 15,529 billion VND and 774 million shares, respectively. In terms of sectors, there were indications of capital outflows from the financial services (-2.82%) and oil and gas (-2.64%) sectors.

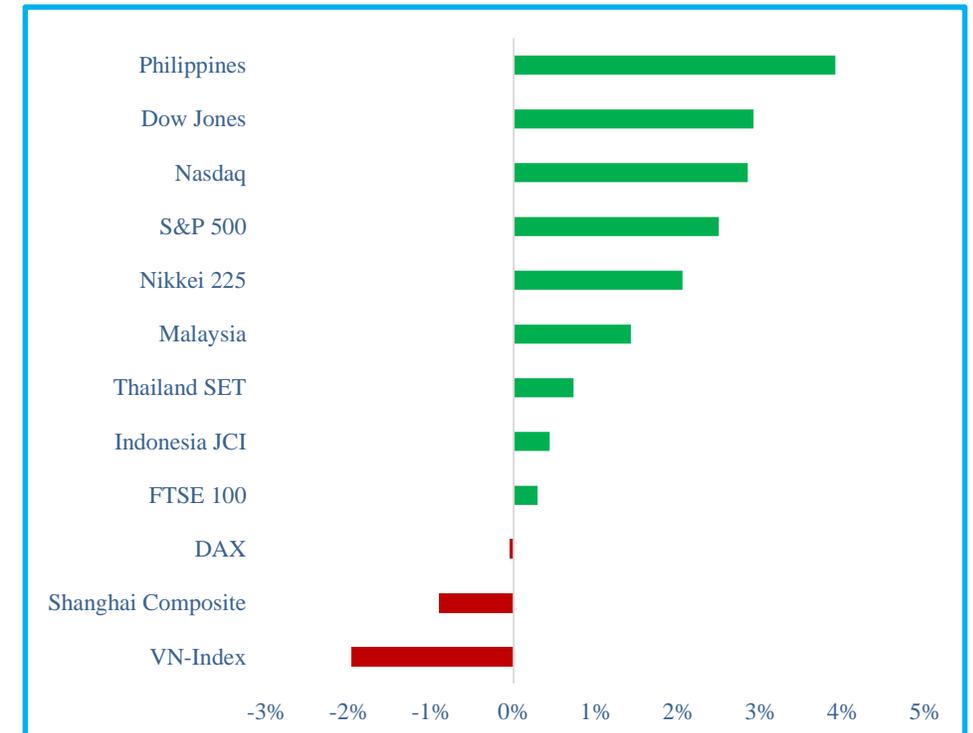
-  **With the forecast of stable USD/VND exchange rates in 2024 after the Fed announced plans to cut interest rates three times in the December policy meeting and deposit interest rates continue to be kept low, funds are expected to continue flowing strongly into the stock market. The VN-Index is anticipated to move sideways in the range of 1,095 - 1,125 points during the week of December 18-22, 2023. Investors are advised to **maintain** a stock/cash ratio of **30/70****
 -  **Increase** the stock/cash ratio if **the VN-Index can overcome the essential resistance level at 1.133 points**
 -  **If the VN-Index can't overcome the essential resistance level at 1.133 points and lose the support level at 1.082 points** due to higher regulatory pressure, investors are recommended to **increase** the stock/cash ratio when the index returns to test at the bottom level of 1.020 points in November with the possibility of forming a double bottom scenario.

-  **Some of the noteworthy stock groups at this time include:**
 -  **Bluechips:** VIC, VRE, VIC, KBC, GEX, PVD, POW
 -  **If **the market accumulates stably** the money flow can circulate strongly into some speculative industry groups, including:**
 -  **Securities:** VND, SSI, SHS
 -  **Real estate:** KDH, NLG, DIG
 -  **Infrastructure investment:** VCG, HHV, KSB

GLOBAL STOCK MARKET OVERVIEW IN THE PREVIOUS WEEK

- Global stock markets have generally witnessed an upward trend in the week from December 11th to December 18th, with widespread increases ranging from 0.5% to 3%. Notably, there were some exceptions, with the Shanghai Composite (-0.91%) and DAX (-0.05%) showing a contrary trend to the overall market.
- The VN-Index recorded a decrease of 1.97% in the past week, making it the most significant decline among the tracked indices.

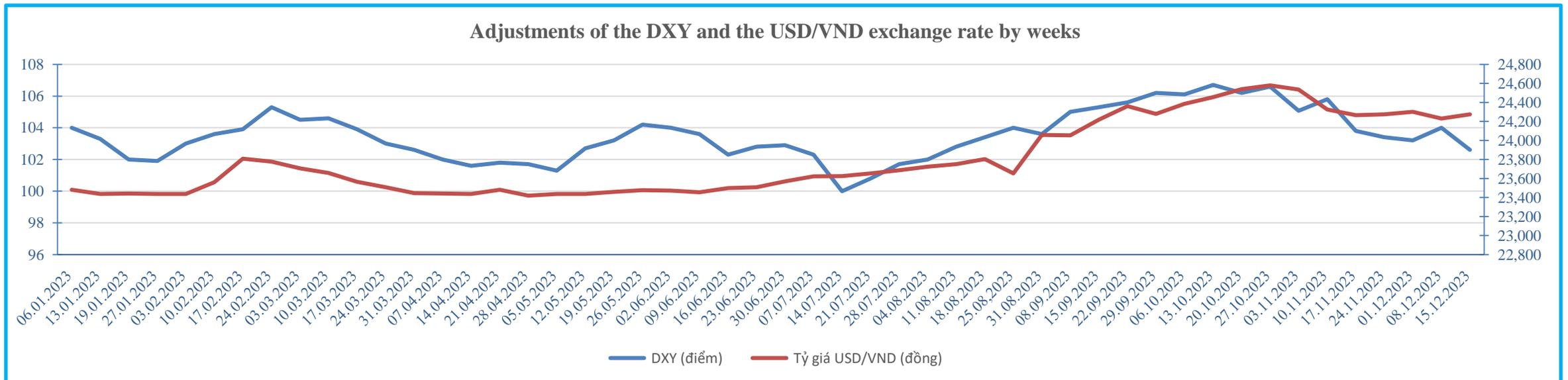
Indices	8th December, 2023	15th December, 2023	Adjustments
VN-Index	1,124.44	1,102.30	-1,97%
S&P 500	4,604.37	4,719.19	2,49%
Dow Jones	36,247.87	37,305.16	2,92%
Nasdaq	14,403.97	14,813.92	2,85%
DAX	16,759.22	16,751.44	-0,05%
FTSE 100	7,554.47	7,576.36	0,29%
Nikkei 225	32,307.86	32,970.55	2,05%
Shanghai Composite	2,969.56	2,942.56	-0,91%
Thailand SET	1,380.99	1,391.03	0,73%
Malaysia	1,441.97	1,462.50	1,42%
Philippines	6,234.77	6,478.44	3,91%
Indonesia JCI	7,159.60	7,190.99	0,44%



FOREIGN EXCHANGE MARKET OVERVIEW IN THE PREVIOUS WEEK

The DXY index traded sideways in the early part of the week before experiencing a sharp decline following the December policy meeting of the Federal Reserve. During this meeting, the Fed Chair announced a plan to cut interest rates three times in 2024, assuming a reduction of 25 basis points in each meeting. Overall, for the week, the DXY index recorded a 1.35% decrease compared to the previous week, closing at the level of 102.6 points.

In Vietnam, the USD/VND exchange rate increased by 0.2% compared to the previous week, reaching 24,275 VND. As of December 15th, the State Bank of Vietnam (SBV) announced the central exchange rate at 23,945 VND. At commercial banks, the buying rate for USD is in the range of 24,050 – 24,100 VND, and the selling rate is in the range of 24,400 – 24,470 VND. Meanwhile, in the free market, the USD is traded (buy-sell) around 24,639 – 24,679 VND.



VIETNAMESE STOCK MARKET OVERVIEW IN THE PAST WEEK

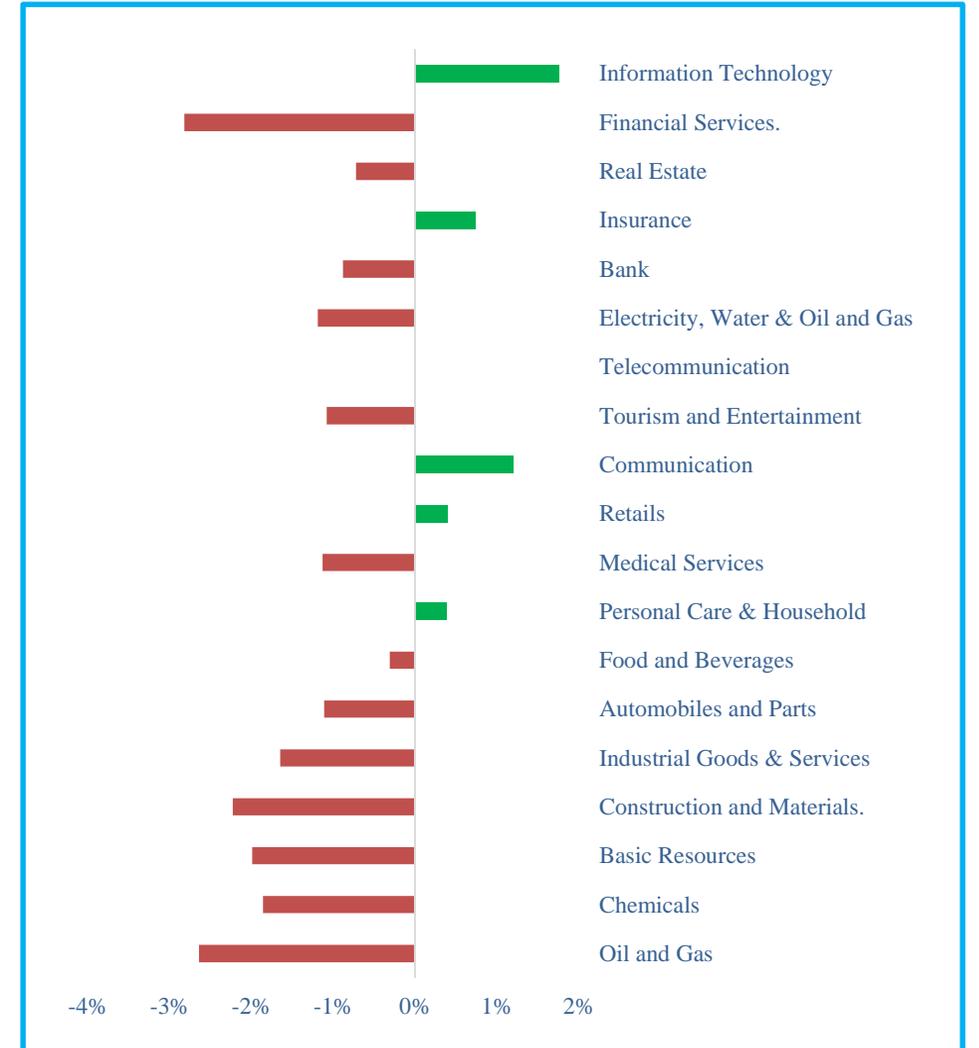


After a week of volatile trading, the VN-Index closed the final session of the week with a decline of 7.83 points (~0.71%) at 1,102.30 points. For the entire week, the market registered a decrease of 22.14 points (~1.97%) compared to the 1,124.44 points at the end of the previous week. Market liquidity remains low, indicating investor concerns, and funds have yet to return to the market.



SECTORS IN THE PAST WEEK

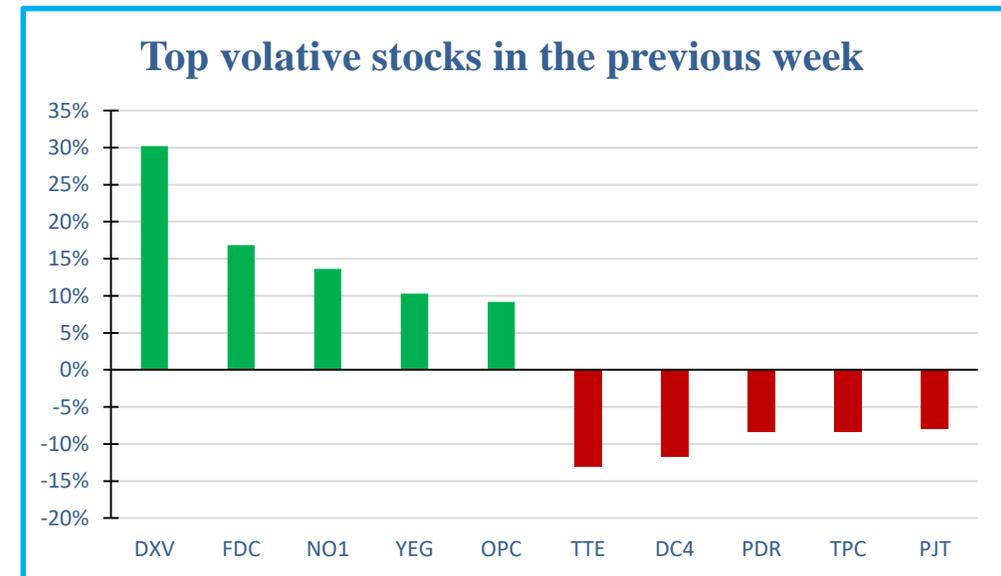
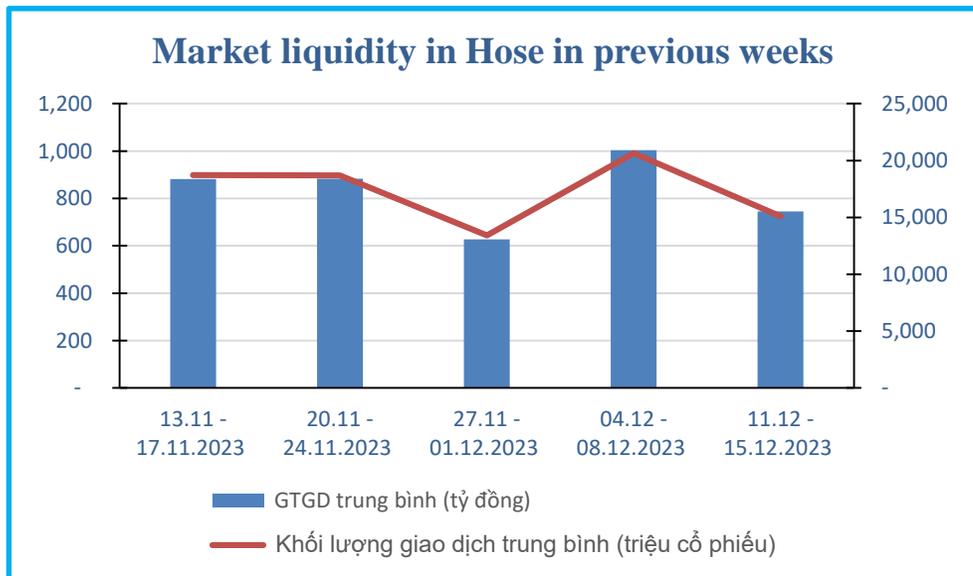
Sectors	% Price volatility	Total Value (MilVND)	Average matched value (Mil VND)	Trading Volume (1,000 shares)	Average Trading Volume (1,000 shares)
Oil and Gas	-2,64%	854.893	120.909	29.464	0,54%
Chemicals	-1,86%	2.881.188	400.545	101.567	1,87%
Basic Resources	-1,99%	10.188.016	1.545.131	475.730	8,77%
Construction and Materials.	-2,23%	5.646.591	809.621	278.033	5,12%
Industrial Goods & Services	-1,65%	5.433.584	766.483	208.301	3,84%
Automobiles and Parts	-1,11%	480.328	78.858	31.479	0,58%
Food and Beverages	-0,31%	10.043.020	1.589.559	391.050	7,21%
Personal Care & Household	0,39%	973.109	160.666	23.963	0,44%
Medical Services	-1,13%	432.563	81.148	19.708	0,36%
Retails	0,40%	3.847.972	640.883	91.883	1,69%
Communication	1,20%	90.839	14.545	5.040	0,09%
Tourism and Entertainment	-1,08%	839.301	134.018	26.083	0,48%
Telecommunication	-	-	-	-	-
Electricity, Water & Oil and Gas	-1,19%	1.185.297	189.670	61.578	1,14%
Bank	-0,88%	18.864.893	2.909.120	923.813	17,03%
Insurance	0,74%	151.264	21.769	5.091	0,09%
Real Estate	-0,72%	22.450.166	3.283.219	1.141.885	21,05%
Financial Services.	-2,82%	18.365.812	2.425.053	811.586	14,96%
Information Technology	1,76%	2.653.173	424.958	38.505	0,71%



Source: Fiiipro, Vietinbank Securities

MARKET LIQUIDITY AND TOP VOLATIVE STOCKS IN THE PREVIOUS WEEK

- Statistics from Vietstock show that the average trading value per session in the past week reached 15,529 billion VND, decreasing approximately 25.7% compared to the previous week. Similarly, the average trading volume of stocks also decreased by 26.9% to 774 million shares.
- In the past week, the top 3 stocks with the highest increases were DXV (30.19%), FDC (16.84%), and NO1 (13.64%). On the contrary, the top 3 stocks with the most significant decreases were TTE (-13.04%), DC4 (-11.69%), and PDR (-8.36%).



Source: Vietstock, Vietinbank Securities

MACRO-ECONOMIC OVERVIEW IN THE PAST WEEK

INFORMATON	EFFECT	ASSESSMENT
<p>On December 12th, the Consumer Price Index (CPI) for the United States in November increased by 0.1% compared to the previous month and rose by 3.1% compared to the same period last year. The Core CPI, which excludes the volatile prices of food and energy, saw a 0.3% increase in November and a 4% increase compared to the same period last year.</p>	<p>Positive</p>	<p>The report on the Consumer Price Index (CPI), along with the figures released last weekend, indicating robust job growth and a decrease in the unemployment rate to 3.7% in November, has led to financial markets expecting that the Federal Reserve (Fed) will not raise interest rates in the meeting on December 13th..</p>
<p>On December 13th, the Federal Reserve (Fed) decided to maintain the interest rates at the range of 5.25% to 5.5%, the highest level in 22 years. Alongside this decision, the Fed anticipates at least three interest rate cuts in 2024.</p>	<p>Positive</p>	<p>Following the news of the Federal Reserve planning to cut interest rates more than expected, optimism has returned to the market. Global stock indices such as Dow Jones, S&P 500, and others have all responded positively to this information.</p>
<p>Fitch Ratings has upgraded Vietnam's credit rating from BB to BB+ for long-term foreign currency issuer default rating, long-term local currency issuer default rating, and the country ceiling.</p>	<p>Positive</p>	<p>The credit rating upgrade reflects favorable medium-term growth prospects for Vietnam, further reinforced by robust foreign direct investment (FDI) inflows. Fitch Ratings believes that in the coming period, Vietnam will continue to attract significant FDI, contributing to an improvement in credit metrics.</p>
<p>On December 12th, General Secretary Nguyen Phu Trong of Vietnam and General Secretary and President of China, Xi Jinping, signed 36 cooperation agreements across various sectors.</p>	<p>Positive</p>	<p>This is a positive signal that can promote the socio-economic development of Vietnam, creating favorable conditions for long-term economic growth and providing opportunities for businesses.</p>

EVENTS FOR THE NEXT WEEK

NO.	Stock symbol	Exchange	Ex- Date	Record Date	Effective Date	Event Details	Event Type
1	VDP	HOSE	22/12/2023	25/12/2023	10/01/2024	Payment of the 1st dividend installment for 2023 in cash, 1,000 VND per share.	Dividend payment in cash.
2	AVC	UPCoM	22/12/2023	25/12/2023	14/03/2024	Payment of the 3rd dividend installment for 2023 in cash, 2095 VND per share	Dividend payment in cash.
3	NSS	UPCoM	22/12/2023	25/12/2023	18/06/2024	Payment of the dividend for 2023 in cash, 300 VND per share	Dividend payment in cash.
4	NTH	HNX	22/12/2023	25/12/2023	11/01/2024	Payment of the 2nd dividend installment for 2023 in cash, 1000 VND per share.	Dividend payment in cash.
5	X26	UPCoM	21/12/2023	22/12/2023	29/12/2023	Payment of the 1st dividend installment for 2022 in cash, 500 VND per share.	Dividend payment in cash.
6	TDF	UPCoM	21/12/2023	22/12/2023	28/12/2023	Payment of the dividend for 2022 in cash, 1500 VND per share	Dividend payment in cash.
7	BEL	UPCoM	21/12/2023	22/12/2023	06/01/2024	Payment of the 1st dividend installment for 2023 in cash, 500 VND per share.	Dividend payment in cash.
8	LIX	HOSE	21/12/2023	22/12/2023	05/01/2024	Payment of the dividend for 2023 in cash, 1000 VND per share	Dividend payment in cash.
9	DGC	HOSE	19/12/2023	20/12/2023	18/01/2024	Payment of the dividend for 2023 in cash, 3000 VND per share	Dividend payment in cash.
10	NSC	HOSE	19/12/2023	20/12/2023	19/01/2024	Payment of the 2nd dividend installment for 2022 in cash, 2000 VND per share.	Dividend payment in cash.
11	BTP	HOSE	19/12/2023	20/12/2023	10/01/2024	Payment of the dividend for 2023 in cash, 480 VND per share	Dividend payment in cash.
12	DRL	HOSE	19/12/2023	20/12/2023	29/12/2023	Payment of the 2nd dividend installment for 2023 in cash, 2000 VND per share.	Dividend payment in cash.
13	PAT	UPCoM	19/12/2023	20/12/2023	18/01/2024	Payment of the dividend for 2023 in cash, 9000 VND per share	Dividend payment in cash.
14	CNC	UPCoM	18/12/2023	19/12/2023	29/12/2023	Payment of the dividend for 2023 in cash, 2000 VND per share	Dividend payment in cash.
15	S4A	HOSE	18/12/2023	19/12/2023	28/12/2023	Payment of the 2nd dividend installment for 2023 in cash, 1.200 VND per share.	Dividend payment in cash.
16	HTC	HNX	18/12/2023	19/12/2023	09/01/2024	Payment of the 2nd dividend installment for 2023 in cash, 300 VND per share.	Dividend payment in cash.
17	DVP	HOSE	18/12/2023	19/12/2023	12/01/2024	Payment of the dividend for 2023 in cash, 2500 VND per share	Dividend payment in cash.
18	BAX	HNX	18/12/2023	19/12/2023	16/01/2024	Payment of the 1st dividend installment for 2023 in cash, 2,000 VND per share.	Dividend payment in cash.

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