

## Vietnam Weekly Review

Consolidate trading activities, waiting for news

### BSC RESEARCH

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<b>VN-INDEX</b>	<b>949.9</b>	<b>-0.97%</b>
Volume (mil shares)	589.3	-5.9%
Foreign trading (bil)	200.7	

<b>HNX-INDEX</b>	<b>103.5</b>	<b>-1.28%</b>
Volume (mil shares)	159.6	27.1%
Foreign trading (bil)	12.1	

Derivatives	Points	OI
VN30F1906	965.0	22,643
VN30F1907	884.7	121
VN30F1909	890.0	369
VN30F1912	889.9	243

#### Important levels

	Resistance	Average	Support
VN-INDEX	990.0	965.0	950.0
HNX-INDEX	108.0	104.0	100.0

Nguồn: BSC Research

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### Next week strategy

**VN-Index is continuing to accumulate at the short-term bottom of 940 - 965 points, rebound trend could be confirmed when short-term resistance of 965 points is overcome together with improved liquidity.** VN-Index moves in the opposite direction with the regional markets. The downside session in 27/06 could possibly be the result of active futures arbitrage transaction as well as reversal of margin at the end of a quarter. The market is widely diverging in the Bluechips stocks as VIC and VHM increases in points while GAS and banking stocks move against the index. Sectors are also diverging with 8/18 sectors increase their points. News of US and China leaders reinitiating trade talks and the results of such meeting will likely affect the market in the coming week. Moreover, information of business operation and income statement of the second quarter will be supporting the market in the short-term especially when clear direction is not present.

**World markets are operating in the waits for new, oil prices strongly rebound.** Stock markets in the world are moving sideways while the regional stock markets slightly uptrend as foreign investors are buying. The money market remains stable as the commodities market see an increase of +1.9%. Oil prices continue to rise right before the G20 summit and OPEC meeting. Furthermore, agricultural products are on the increase such as Sugar +3.1%, Wheat +3.6%, Caffe +8.7%; metal commodities are also rising such as gold +1.5% and iron ore +3.4%. Markets are likely to fluctuate in the weekend and next week sessions as important information regarding the G20 and OPEC meeting are coming.

**Interest rate level fluctuated significantly after many weeks of stability.** The SBV reduced the size of issuing bills while increasing the value of repo transactions. Interest rates increased sharply by 99, 86, 68 and 30 points respectively in the overnight, 1 week, 1 month and 3 month terms. Last week, the SBV issued 32,999 billion 7-day bills with 3% interest rate, down by 51% compared to the previous week while having 12,000 billion repo for 7-day term with 4.75% interest rate implemented at the end of the month. This volatility is showing that the liquidity in the market has shown signs of less abundance after the issuance of 8 consecutive weeks of SBV bills. However, important transactions were recorded at the end of the second quarter. Therefore, interest rate fluctuations may not only come from actual demand but also from the demand for reserve payment of banks at the end of the quarter.

**Arbitrage transaction increases liquidity and narrows the positive price difference with VN30.** In the 17/06 trading session, the premium of 2% over VN30 greatly assisted arbitrage transactions. Premium on futures when compared to VN30 decreased to 0.4%, 0.6%, 1.1%, and 1.2% respectively for each period. Average transaction value reached 8,721 billion per session, an increase of 23% from last week. Open contract decreased by 7% to end up at 21,718 contracts. VN30 could not overcome the resistance of 873 points and returned to test the bottom of 845 points, which leads to futures falling by a larger percentage than VN30 and filling the premium gap like last week outlook. The narrowed premium does not provide an obvious advantage. Monitor the supporting price point of 845 and resistance point of 873 for further trading activity.

**Short-term trading recommendation:** Increase proportions when VN-Index crosses 965 points and decrease when VN-Index falls to 940 points.

**Mid to long-term trading recommendation:** Increase basic stocks in portfolio in the event of business outcome and income statement in the second quarter.

#### Stocks technical analysis

Positive: CTD, PNJ, SCR

Consolidate: VCB

Negative: VEA

### Next week highlights

Macroeconomics indicator for 6 months and the month of June 2019

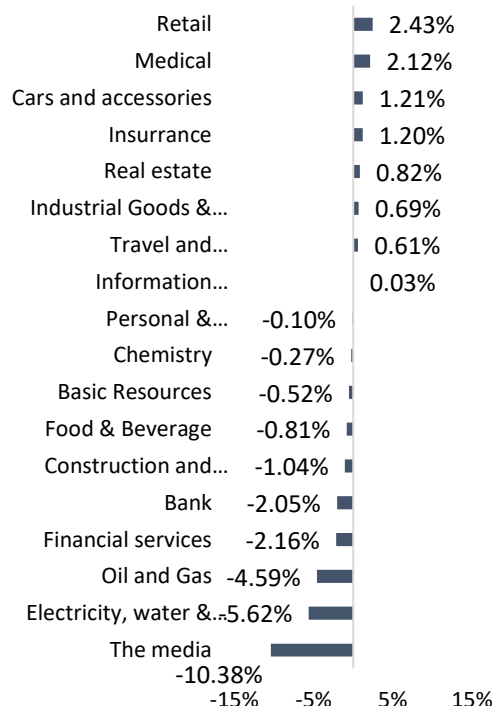
Income statement for the second quarter of some listed companies

US and China leaders' meeting aside from G20 summit and trade talks between US-China

Oil prices continue to fluctuate as tension in the Bay area escalates

On 1/7, OPEC meeting, US publishes PMI. 3/7, EU publishes PMI; Canada net export - import data and Australia retail data. 5/7, US average income per hour and unemployment data; Canada unemployment data.

Chart 1: Weekly sectors development



## Last week highlights

VN-Index readjusted slightly to below 950 points because the domestic and regional markets are impacted by information before the G20 summit and the positivity of EVFTA signage. Liquidity decreased slightly when investors continue to await the outcomes of important events worldwide. OPEC+ meeting on oil production in the last half of 2019 and trade talks reignition will be in the focus next week. Main focus during the week:

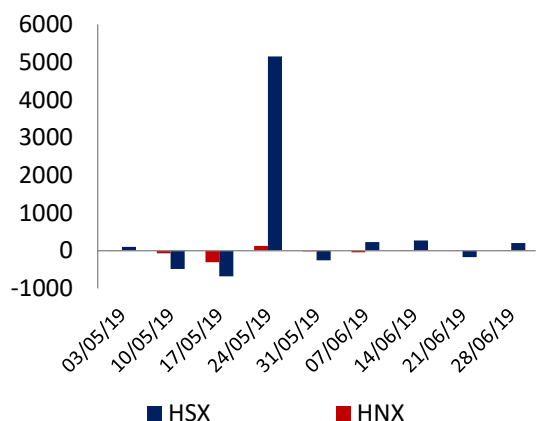
- Large cap, Small cap and Midcap all downtrended.
- Market liquidity decreased slightly, reaching an average of VND 2,574 bill, up +8.16% compared to the previous week.
- Foreign investors were net buyers on both HSX and HNX.

## Sector developments

The market declined when only 8/18 sectors gained.

- Top 3 sectors gain: Retail industry increased + 2.43% (PVD + 2.7%, GAS + 3.9%), Health increased 2.12% (MWG + 1.98%, BTT 4.99%), Cars and spare parts increased 1.21% (HAX + 4.91%, SRC + 3.15%).
- Top 3 sector loss: Communication sector fell by -10.38% (YEG -16%), Electricity and Oil & Gas sector fell -5.62% (PLX -5.56%, BWE -1.5%) and Oil & Gas fell -4.59% (PVD -0.8%, PVT -0.61%).
- Smallcap fell -0.67%, Midcap fell -0.23%, Largecap fell -0.13% and VN30 fell -0.26%.

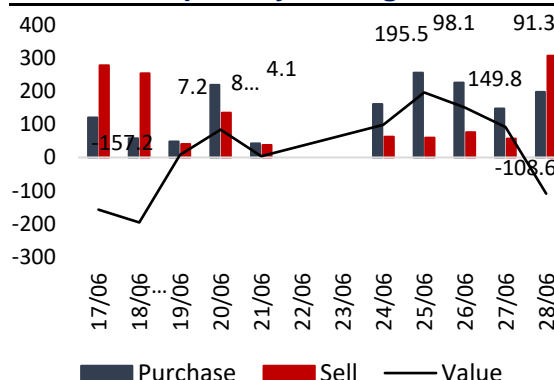
Chart 2: Foreign trading activities



## Foreign trading

Foreign investors were net buyers on both HSX and HNX. They bought a net of USD 200.68 bill on HSX and USD 12.05 bill on HNX. Foreigners sold nets of USD -220.9 bill SBT, USD -79.4 bill VNM and USD -64.3 bill YEG while bought nets of USD 112.1 bill VJC, USD 75.4 bill E1VFN30 and USD 69.7 bill VIC. On all 3 exchanges the top 10 most net buying stocks brought in USD 589.4 bill and the top 10 net selling stocks withdrew USD -546.1 bill from top 10 net selling codes. KIM ETF increased scale to 16.5 million certificates, premium status 1.4%. The FTSE ETF increases the scale to 9,485 million certificates, the status of premium + 0.3%. ETF VNM increased the scale to 28.6 million certificates, the status of premium + 0.3%. VN30 ETF increased scale to 447.6 million certificates, premium + 0.2%.

Chart 3: Proprietary trading activities



## Proprietary trading

Proprietary trading acquired a net of VND 426.16 billion. Strong net buying activities took place in almost all week except for Friday. Participants of proprietary trading sold a net of E1VFN30 -73.36 billion; VND NKG -26.36 billion, VND FCN -16.6 billion and bought a net of VND 75.47.6 billion VPB, VND 58.19 billion LGL and VND 35.3 billion VIC.

## Top VN-Index contributor

#	Stock	%	Points
1	VIC	+1.05%	1.19
2	VHM	+1.02%	0.80
3	VJC	+3.90%	0.77
4	NVL	+4.56%	0.72
5	HNG	+9.62%	0.40
6	BVH	+1.64%	0.27
7	HDB	+3.38%	0.26
8	LGC	+14.24%	0.24
9	MW/G	+1.98%	0.24
10	CTD	+9.74%	0.22
<b>Total</b>			<b>4.9</b>
<b>VN-Index</b>			<b>-9.26</b>

## Top VN-Index dragger

#	Ticket	%	Points
1	GAS	-7.58%	-4.55
2	CTG	-8.88%	-2.10
3	PLX	-5.56%	-1.35
4	VNM	-1.99%	-1.29
5	BID	-2.46%	-0.81
6	SAB	-1.08%	-0.57
7	VCB	-0.70%	-0.55
8	HVN	-2.78%	-0.51
9	TCB	-2.16%	-0.47
10	VRE	-1.46%	-0.35
<b>Total</b>			<b>-12.20</b>
<b>VN-Index</b>			<b>-9.26</b>

## Top foreign net purchase/sell

#	Ticket	Purchase	% FO
1	VJC	112.12	19.86
2	E1V/FV	75.37	#N/A
3	VIC	69.69	14.97
4	BVH	62.68	25.53
5	ACV	57.67	3.61
6	TBD	52.05	2.84
7	PVD	45.65	20.72
8	VHM	44.01	15.19
9	QNS	38.39	12.28
10	DXG	31.80	47.72
<b>Total</b>		<b>589</b>	

#	Ticket	Sell	% FO
1	SBT	-220.86	8.52
2	VNM	-79.41	59.17
3	YEG	-64.28	35.70
4	HPG	-33.06	39.35
5	CTG	-32.96	29.95
6	PLX	-27.93	11.59
7	DPM	-25.27	22.41
8	SVI	-21.42	15.34
9	HDB	-20.72	24.61
10	BMI	-20.16	40.37
<b>Total</b>		<b>-546.1</b>	

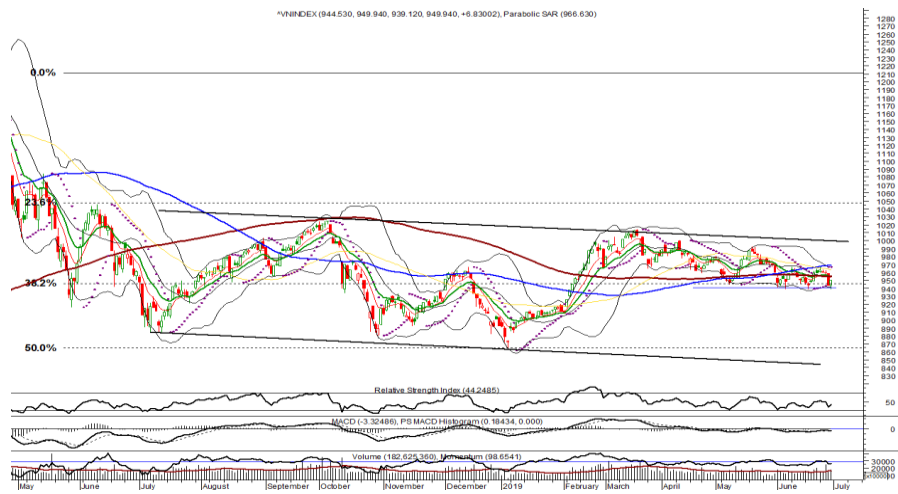
## VN-Index

**Weekly chart:** VN-Index formed doji candle with fourth consecutive long shadow in alternated increasing and decreasing weeks. The index is still in Ichimoku cloud and compact Bollinger band. Technical indicators remain neutral, liquidity growth is low and does not hold any clear trend. VN-Index has 3 weeks to test the bottom of 939 points, equivalent to the 50% Fibonacci retracement level in the short term in the last month. The market has experienced unusually strong increases and decreases in the context of low liquidity. Next week, price movement in the range of 940-980 points is likely to continue in next week.

**Daily chart:** Indicator of light divergence between price and RSI support for the rebound of VN-Index that is in the process of testing last bottom of 939 points. The rebound session at weekend however is below the lower half of the candle such that the index is still falling on June 27th. VN-Index dropped below the SMA200 after being unable to surpass 965 points. With the current fluctuation, VN-Index is forming a bottom consolidation area from 940-965 points, thereby continuing to move in the mini-3 model. The neckline of the model is still at 965 points for the model's target price at 980-985 points.

**Evaluation:** VN-Index cannot surpass 965 points and move to expand to 3-bottom model with its neckline at 965 points. Although moving in the cumulative price range of 940-965 points, the index still experiences strong and unpredictable fluctuations. Strongly volatile sessions, which exceeded 965 points or decreased below 940 points with improved volume, will define a clearer trend in the short term. However, with the current index movement, the possibility of a strong increase or decrease from the consolidate area is improbable.

## VN-Index chart



Nguồn: BSC Research

## Domestic macroeconomic news

#	Market indexes	± Week
1	US (SP500)	-0.4%
2	France (CAC)	1.1%
3	Germany (DAX)	2.3%
4	UK (FTSE)	1.4%
5	Japan (Nikkei)	2.1%
6	Philippine (PCOMP)	-0.2%
7	Malaysia (KLCI)	0.4%
8	Thailand (SET)	1.5%
9	Indonesia (JCI)	1.5%
10	Singapore (STI)	1.8%
11	Vietnam (VN-Index)	0.3%

- 28/6/2019, according to General Statistics Office (GSO), for the half year to June 2019, CPI increases only at the rate of 2.64% - lowest growth rate in the last three years.
- According to Ministry of Planning and Investment, from 1/1/2019 to 15/6/2019, total state budget revenue is estimated to be at 660.6 trillion VND – equal to 46.8% annual estimation.
- Under EVFTA, 65% of total import value from EU will be exempted from taxation. Taxation on the rest of total import value will continue to be reduced in a maximum period of ten years. Exemption will increase trade between both parties.
- Gross Domestic Product (GDP) for the second quarter is estimated to increase by 6.71% YOY. Agriculture, aquaculture and forestry sector increases by 2.19%, industry and construction sector increases by 9.14%, and service sector increases by 6.85%.

### Major currency exchange r Đơn vị

VND/USD exchange	23,265 VND
VND/EUR exchange	26,410 VND
VND/CNY exchange	3,399 VND
VND/JPY exchange	21,471 VND

Future contracts	Value
Dầu WTI (USD)	60.2
Dầu Brent (USD)	66.6
Khí gas (USD/MMBtu)	2.3
Vàng giao ngay (USD/oz)	1392.9
Bạc (USD/t oz)	15.2
Đồng (USD/lb.)	272.1
Cao su (JPY/kg)	233.2
Bông (USD/lb.)	77.2

### Tỷ giá OMO của ngân hàng nhà nước

Interest Period	Rate	± Week
Overnight	3.60	0.57
1 week	3.67	0.49
2 week	3.76	0.45
1 month	3.85	0.38
2 month	4.01	0.26
3 month	4.18	0.21
6 month	4.39	0.03
1 year	4.65	-0.11

## International macroeconomic news

- United States President Donald Trump and Chinese President Xi Jinping have agreed to reach a “truce” in a trade war that started from last year. The two parties agree to resume negotiation – brings to an end six weeks of turbulence for businesses and investors.
- On 27/6, President Donald Trump requested India to cease its increase in tariff that has been applied as retaliation to trade policy of the US.
- On 24/6, President Donald Trump implement penalty on Iranian Supreme Leader Ayatollah Ali Khamenei and eight other army commanders.
- According to research department of Maybank Kim Eng, Singaporean economy may fall into technical recession to some extent in the third quarter due to negative forecast on global trade.

## Industry information

**Steel industry:** Chinese steel market maintains strong growth momentum. [Link](#)

**Food sector:** Rice export prospect remains negative [Link](#)

**Forestry sector:** Nhập khẩu gỗ nguyên liệu từ châu Phi: Tiềm ẩn rủi ro [Link](#)

**Fruit sector:** Increase value of dragon fruit [Link](#)

**Pork sector:** EVFTA open opportunity for tuna expiration. [Link](#)

**Aquaculture sector:** EVFTA open opportunity for tuna expiration. [Link](#)

## VCB – Joint Stock Commercial Bank for Foreign Trade of Vietnam - Pillar Stock - Accumulation

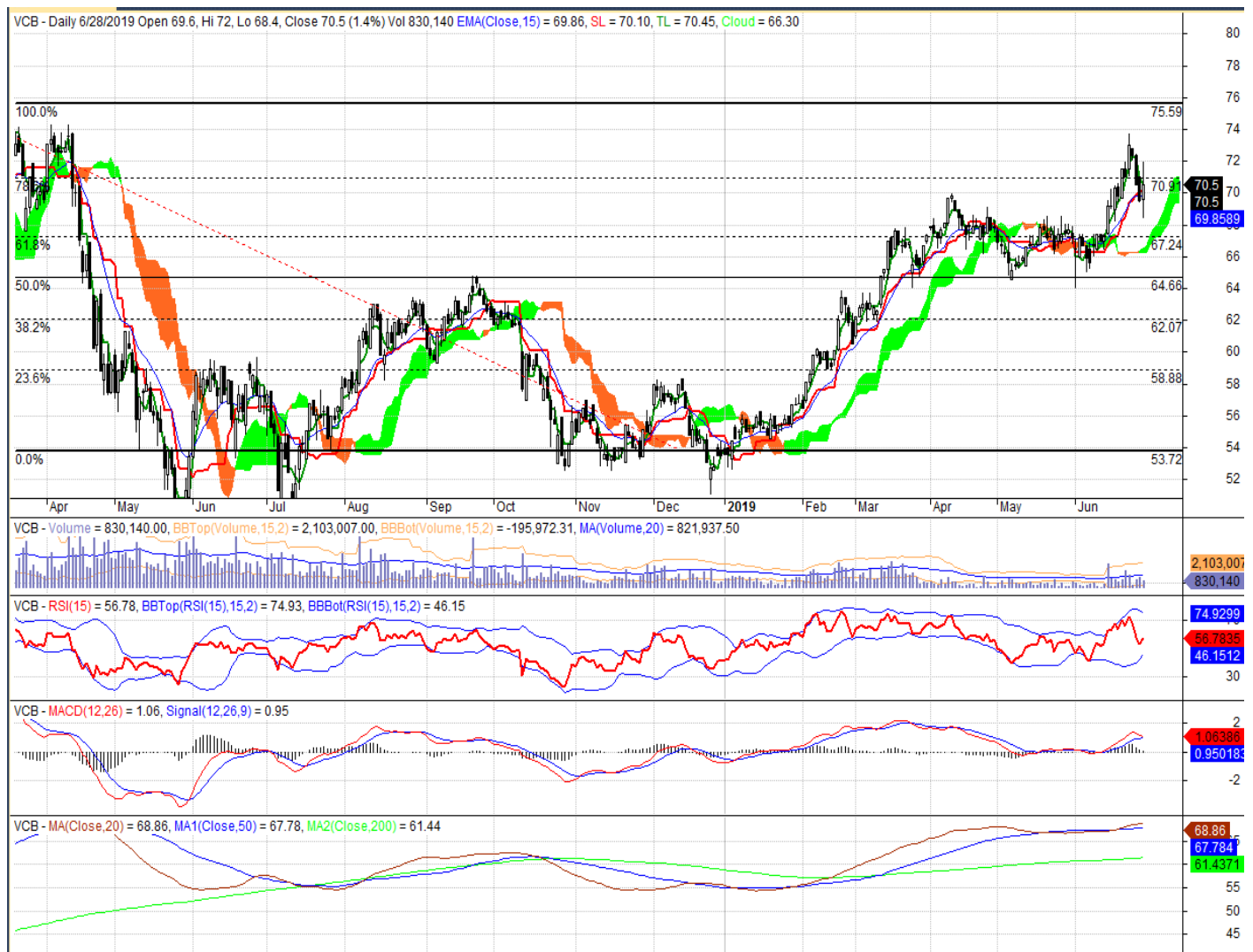
VCB is a Blue-chip stock which is in the consolidate trend after failing to break out the peak at 73.9.

The stock is forming a short-term consolidate trend around price range of 70. The liquidity of the stock is still maintaining at the average trading level of 20 sessions, showing that the consolidate trend around this range of price is quite strong.

The price line is in the same alignment with ichimoku cloud band and maintain this consolidate trend.

Technical indicators are in a consolidated position. VCB's support level in this price is threshold of 64 and 67.24 (Fibonacci 61.8%). Strong resistance at the threshold of 70 and 75.

The buying position is not clear when buying and selling forces are still struggling at this price level. However high liquidity and with consolidate signals showed that the stock will still be one of the market pillars in the upcoming trading sessions.





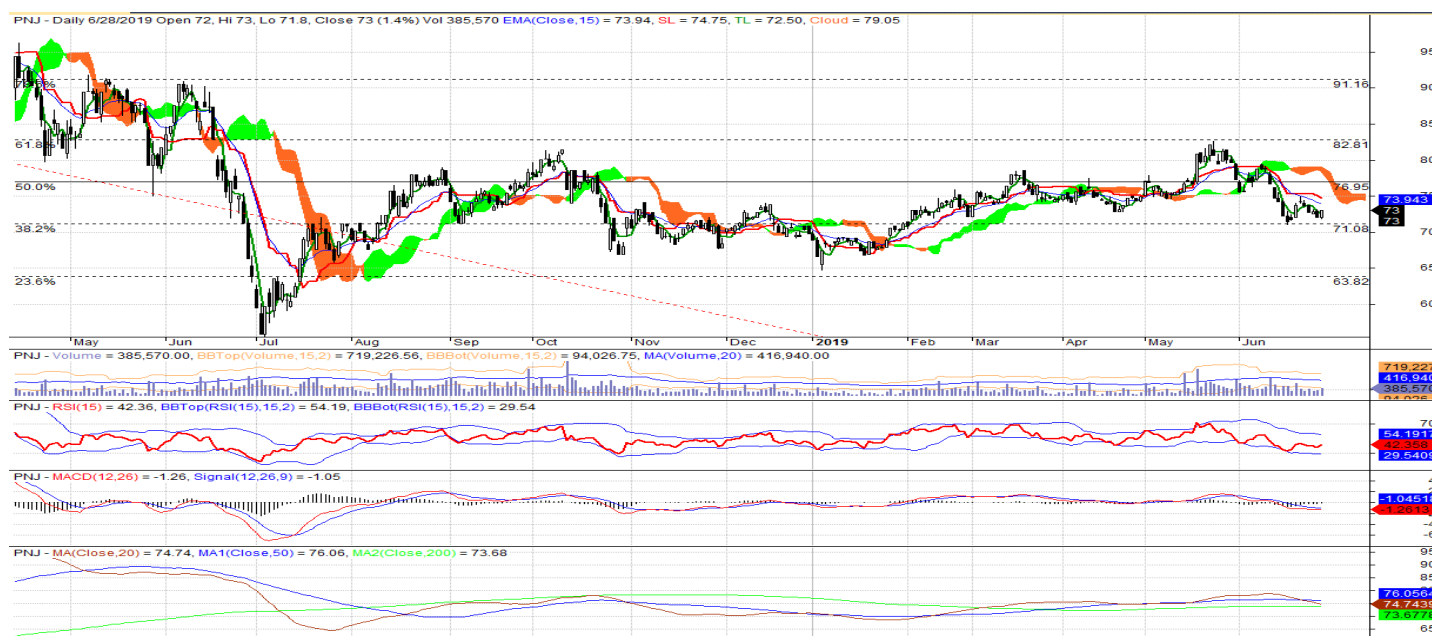
## PNJ - Phu Nhuan Jewelry Joint Stock Company - Positive

PNJ is one of the Blue-chip Stocks which is in a solid recovery trend.

PNJ has established a quite strong support channel after hitting the bottom at the level of 71. Technical indicators and liquidity showed that the stock is in an uptrend. RSI and MACD both show positive signals when there are signs of a recovery trend. In addition, the price line cross above Ichimoku cloud band also supported this rally..

Strong support level of PNJ is 65 and 71. Resistance is at 82.8 and 90.

Investors can buy at the price range of 72 to 73 and take profit at the price range of 80 - 82. Cut loss if the stock loses short-term support level at 68.



## CTD- Cotecons Construction Joint Stock Company - Positive

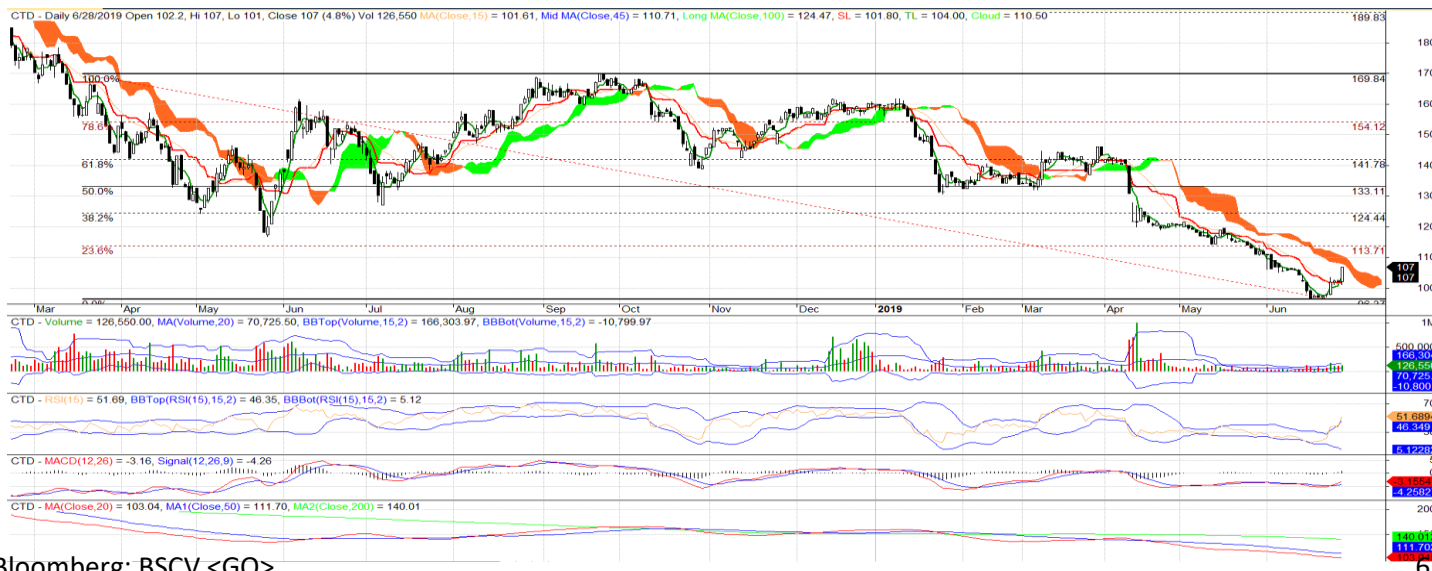
CTD is a Blue-chip stock which is forming a rebounding trend after reaching the bottom of 5 years ago.

The stock has established a support at the bottom at 96.6 with a strong rebound momentum. Liquidity in recent gaining sessions also increased sharply and surpassed the average trading volume of 20 sessions. This phenomenon shows that the uptrend of the stock is still quite strong.

Technical indicators are showing positive signs, reinforcing the uptrend. Price line is also prepared to surpass Ichimoku cloud band.

Support level of stock at the price threshold of 96.6. Strong resistance level at the price level of 120 (Fibonacci 61.8%).

Buy stock at the price level of 100. Cut loss if losing the support level of 96 and take profit at the price range of 118 - 120.



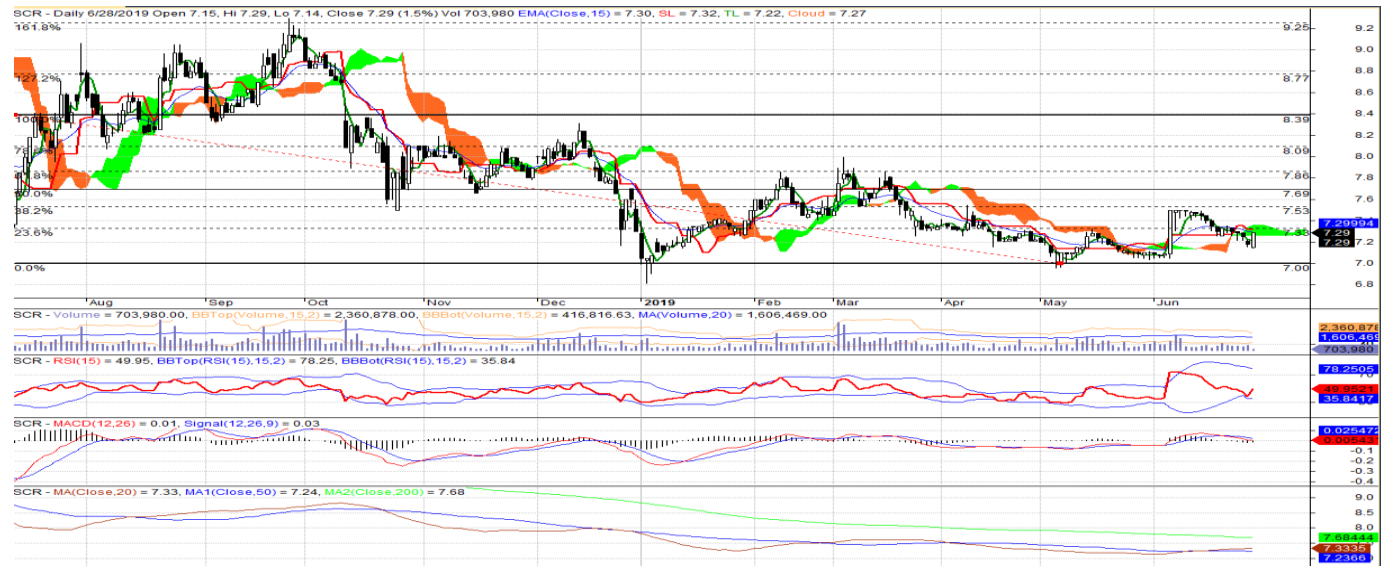
## SCR - Saigon Real - Estate Joint Stock Company - Positive

SCR is a Smallcap stock that has formed a recovery trend with positive uptrend.

The stock established a strong support at 7.0. The technical indicators are positive. However, the liquidity was still weak, below the 20-day moving average. That means that the gaining momentum has not been stable.

SCR currently has support at 7.0. Strong resistance level at 8.

Investors can open Buying position at the price range of 7 - 7.2 and take profit at the price range of 7.8 - 8. Cut loss if the stock loses the threshold of 7.0

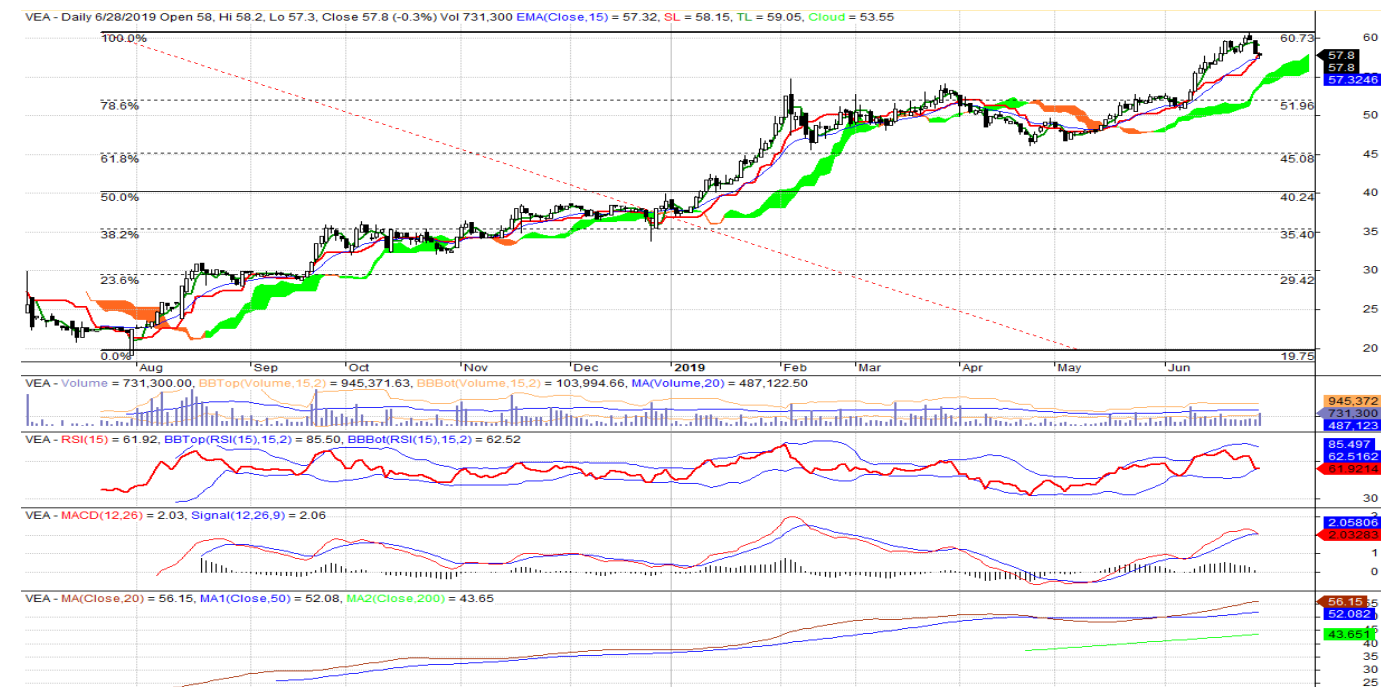


## VEA - Vietnam Engine and Agricultural Machinery Corporation - Negative

VEA is one of Largecap stocks which are in short-term correcting trend after creating a peak at 60.7.

The strong increase in stock liquidity after hitting the lower Bollinger channel is equivalent to the price of 57.8. The technical indicators are signaling the consolidate trend. Ichimoku cloud band has also moved sideways the price line, indicating a signal of consolidating the medium-term accumulation trend. The support level of VEA is price range of 46 and 51.8. The strong resistance at 60.

The buying position is not clear, the liquidity is still high but gaining momentum has been limited when it failed to keep the price level at 60. Investors should follow the stock and open buying position when the stock has corrected to the old support level at the price range of 51.8 (Fibonacci 78.2%) and take profit at the price of 60. Cut loss if the stock loses support level at 50.



## Khuyến cáo sử dụng

*Bản báo cáo này của Công ty Cổ phần Chứng khoán Ngân hàng Đầu tư và phát triển Việt Nam (BSC), chỉ cung cấp những thông tin chung và phân tích về tình hình kinh tế vĩ mô cũng như diễn biến thị trường chứng khoán trong ngày. Báo cáo này không được xây dựng để cung cấp theo yêu cầu của bất kỳ tổ chức hay cá nhân riêng lẻ nào hoặc các quyết định mua bán, nắm giữ chứng khoán. Nhà đầu tư chỉ nên sử dụng các thông tin, phân tích, bình luận của Bản báo cáo như là nguồn tham khảo trước khi đưa ra những quyết định đầu tư cho riêng mình. Mọi thông tin, nhận định và dự báo và quan điểm trong báo cáo này được dựa trên những nguồn dữ liệu đáng tin cậy. Tuy nhiên Công ty Cổ phần Chứng khoán Ngân hàng đầu tư và phát triển Việt Nam (BSC) không đảm bảo rằng các nguồn thông tin này là hoàn toàn chính xác và không chịu bất kỳ một trách nhiệm nào đối với tính chính xác của những thông tin được đề cập đến trong báo cáo này, cũng như không chịu trách nhiệm về những thiệt hại đối với việc sử dụng toàn bộ hay một phần nội dung của bản báo cáo này. Mọi quan điểm cũng như nhận định được đề cập trong báo cáo này dựa trên sự cân nhắc cẩn trọng, công minh và hợp lý nhất trong hiện tại. Tuy nhiên những quan điểm, nhận định này có thể thay đổi mà không cần báo trước. Bản báo cáo này có bản quyền và là tài sản của Công ty Cổ phần Chứng khoán Ngân hàng Đầu tư và Phát triển Việt Nam (BSC). Mọi hành vi sao chép, sửa đổi, in ấn mà không có sự đồng ý của BSC đều trái luật. Bất kỳ nội dung nào của tài liệu này cũng không được (i) sao chụp hay nhân bản ở bất kỳ hình thức hay phương thức nào hoặc (ii) được cung cấp nếu không được sự chấp thuận của Công ty Cổ phần Chứng khoán BIDV.*

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