

Thu, July 7, 2016

Vietnam Daily Review

Surge firmly

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 8/7/2016			•
Week 4/7-8/7/2016		•	
Month 6/2016		•	

Highlight

Notably during last period was the switch of roles between foreigners and domestic investors. Outside domestic cash has been waiting during April then May when P-notes led the market. Thanks to Brexit which created an opportunity for purchasing, strong cash flow was poured into the market, helping index recover 20 pts in a panic trading session and internal forces continued to help VN-Index had impressive rally breaking through a number of long term highs. Post - Brexit average value traded was about VND 2,700 bil. to VND 2.800 bil. while transactions of foreigners no longer attract much attention.

Recommendation

While the key stock markets in Europe declined, VN-Index rebounded along with the recovery of the trading volume, large-cap stocks such as VNM, GAS, HPG, VCB continued to be a strong support for market to reach new highs of the year. Resistance and support of VN-Index are 666 and 650. Investors may increase the weights of available stocks in portfolio and hold to reap the best results as VN-Index is still in a strong uptrend in the short term, also pay attention to the large-cap stocks as this group will be the main driver lifting VN Index up.

Technical Views - BHS - Bien Hoa Sugar Jsc. (HOSE)

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VN-INDEX **661.12**
Value: 2928.6 bil **11.66 (1.8%)**
Foreigners (net): VND 49.924 bil

HNX-INDEX **88.16**
Value: 1017.1 bil **1.46 (1.68%)**
Foreigners (net): -VND 8.76 bil

UPCOM-INDEX **58.12**
Value 133.91 bil **0.35 (0.61%)**
Foreigners (net): VND 5.789 bil

Macro indicators

	Value	% Chg
Crude oil	48.1	1.4%
Gold	1,367	0.3%
USDVND	22,305	0.0%
EURVND	24,715	-0.2%
JPYVND	22,084	0.3%
1-month Interbank rate	2.4%	-
5yr VN Treasury Yield	6.2%	-

Source: Bloomberg, BSC Research

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This report must be read with the Disclosure, located at the end of this report.

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Market highlights

After a technical correction yesterday, the market rally continued to show strength as reaching the resistance level of 660 pts without a significant correction during the session. After the morning session has slightly higher transaction and traded cumulatively, from the afternoon, GAS and VNM became the best gainers, led VN-Index rebounded strongly. Most other bluechips such as HPG, VCB, MWG and VIC also contributed to the rise in the absence of a significant lagger. Liquidity increased again, up 24% value from the previous session. Market breadth remained positive with 160 advancers / 78 advancers on HOSE and 125 advancers / 83 advancers on HNX.

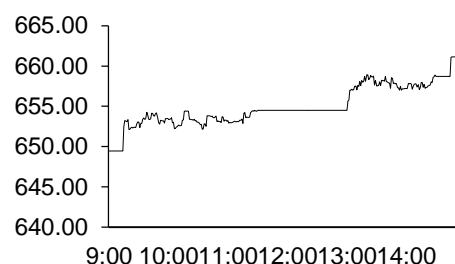
In a strong bull market, most of sectors enjoyed rallies. In particular, Materials (BCC, HT1), Construction (HUT, CTD), Real Estate (SJS), Steel (both blue chips such as HSG and HPG and mid-cap TLH, VGS) and Pharmacy (BHG, BMC, DCL) retained certain prominence. Many of these stocks were recommended by BSC and exceeded the target prices.

Liquidity on the HNX also soared this morning. SCR and VCG accounted the largest two proportion of market trading value while PHP played leader role to give HNX a similar gain to VN-Index. Upcom also rose along with 2 main exchanges, trading value focused GEX and SLC. Foreign investors gained positions on HoSE while net selling in HNX.

Recommendations

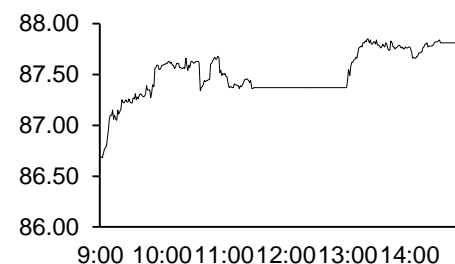
The market rose sharply with today's focus on Real estate - Construction (SJS, VCG, HUT, SCR), transportation (PVT, VTO, VIP), good fundamental stocks (C32, PAC) and bluechip. In a current short-term strong uptrend, investors are recommended to hold the portfolio until there is signs of market reversal to be able to get the best results rather than reallocate among stock groups to go ahead of cash flow. The large-cap stocks and bluechip are still a priority in the context of the current market. Investors may pay attention to the good fundamental stocks which were recently updated by BSC such as as PAC, VKC, PVT, SVC as they are moving better than the market.

Exhibit 1



Source: Bloomberg, BSC Research

Exhibit 2



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	12.87	6.1	1.67
HAR	6.31	5	-3.85
VHG	5.45	4.4	-2.22
HHS	5.34	8.9	0
ITA	5.16	4.4	2.33

Source: Bloomberg, BSC Research

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BHS - Bien Hoa Sugar Jsc. (HOSE)

Technical highlights:

- Current Trends: moving on short-term rising line, about to test resistance 19.6
- Trend indicator MACD, RSI: Positive, MACD + divergence created, RSI strong upward, ADX signals sustained upward trend (+ DI upwards), BB is expanding
- Liquidity: signs of short-term upward trend

Conclusion: BHS is challenging short-term resistance at 19.6, the technical indicators are in favor of a short-term price increase to challenge resistance, however, additional confirmation from the volume spike required.

Recommendation: buy and hold for about 18.9-19.4 rating with a target price of 21.4 short-term, stop-loss if the price falls below 17.5



Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	CVT	3/6/2016	26.8	33.9	26.5%	24.9	37.4
2	HHG	3/6/2016	7.9	9.4	19.0%	7.3	12.2
3	GTN	21/3/2016	15.8	21.2	34.2%	14.7	17.7
5	NCT	9/5/2016	112	114	1.8%	104.2	125.4
6	CTI	27/5/2016	24.3	27.3	12.3%	22.6	31.8
7	S55	13/6/2016	45.5	49	7.7%	42.3	51.0
8	HVG	13/6/2016	10.4	10.1	-2.9%	9.8	11.5
9	HTL	17/6/2016	94.0	97.5	3.7%	83	105
Average					12.8%		

Source: BSC Research

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	MBB	27/4/2015	13	15.1	16.2%	13	15.6
2	CMG	16/10/2015	14.6	14.2	-2.7%	17	17.5
3	DAG	10/6/2016	12.2	12.7	4.1%	11	15.0
4	CTD	29/4/2016	168.5	210	24.6%	157	202
5	TTC	27/5/2016	21.7	25.6	18.0%	20	26.0
6	BIC	17/6/2016	22.1	24.8	12.2%	21	27
Average					12.1%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
VNM	147	2.8	2.432	1.36MLN
GAS	67	3.88	2.423	468190
VCB	51	2	1.35	714940
HPG	42.8	4.39	0.668	3.68MLN
Ticker	Price	% Chg	Index pt	Volume
STB	11.2	-0.88	-0.075	349120
HAG	7.2	-1.37	-0.04	2.62MLN
PPC	14.4	-1.37	-0.033	142180
DCM	12.4	-0.8	-0.027	207610
BSI	9.1	-4.21	-0.018	30160

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
VMD	36.7	7	0.01	270
DCL	29.2	6.96	0.039	523280
KSB	92.5	6.94	0.071	680140
HT1	35.5	6.93	0.37	184150
CLC	69.5	6.92	0.03	76490

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
VNH	0.9	-10	0	9870
BTT	35.6	-6.32	-0.013	13980
D2D	30.6	-5.26	-0.009	2760
VPS	19.8	-4.81	-0.009	50
VOS	2.1	-4.55	-0.007	10470

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
PVR	3.4	9.68	0.07	100
KKC	14.5	5.84	0.069	5800
AAA	24.1	7.11	0.041	1.12MLN
VBC	70.5	5.22	0.036	2400
Ticker	Price	% Chg	Index pt	Volume
SGO	3.8	-2.56	-0.049	206800
TV2	92.1	-0.97	-0.02	1700
NTP	58.8	-0.17	-0.016	6100
PVG	7.7	-1.28	-0.012	26600
L14	79	-4.7	-0.011	800

Top 5 gainers on the HNX

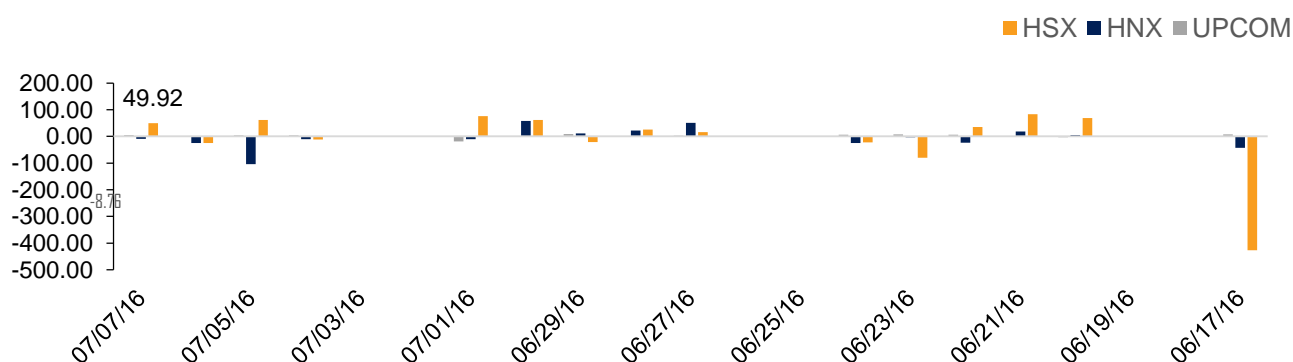
Ticker	Price	% Chg	Index pt	Volume
SIC	12.2	9.91	0.004	2500
TV3	54.4	9.9	0.018	200
PEN	9	9.76	0.021	2900
PVR	3.4	9.68	0.07	100
TFC	22.7	9.66	0.014	23900

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
GMX	21	-9.87	-0.005	3200
ONE	9.1	-9.9	-0.003	31100
DID	4.6	-9.8	-0.002	10100
NHA	9.3	-9.71	-0.005	100
KMT	5.8	-9.38	-0.004	500

Exhibit 3

Foreign transaction



Source: HSX, HNX, BSC Research

Disclosure

The information, statements, forecasts and projections contained herein, including any expression of opinion, are based upon sources believed to be reliable but their accuracy completeness or correctness are not guaranteed. Expressions of opinion herein were arrived at after due and careful consideration and they were based upon the best information then known to us, and in our opinion are fair and reasonable in the circumstances prevailing at the time. Expressions of opinion contained herein are subject to change without notice. This document is not, and should not be construed as, an offer or the solicitation of an offer to buy or sell any securities. BSC and other companies in the BSC and/or their officers, directors and employees may have positions and may affect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking services for these companies. This document is for private circulation only and is not for publication in the press or elsewhere. BSC accepts no liability whatsoever for any direct or consequential loss arising from any use of this or its content. The use of any information, statements forecasts and projections contained herein shall be at the sole discretion and risk of the user. No part of this material may be (i) copied, photocopied or duplicated in any form by any mean or (ii) redistributed without the prior written consent of BIDV Securities Company (BSC).

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