

Mon, August 24, 2015

Vietnam Daily Monitor

The week ahead: Negative fluctuations

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 25/8/2015	•		
Week 24/8-28/8/2015	•		
Month 8/2015	•		

Summary

The market plummeted on Monday. A total of 204 stocks dropped to the floor price on both floors. However, foreigners return to net buying position with the total net amount of VND 200 billion on both floors.

Recommendation

VNindex significantly fell in a short time in the context the developments of macro economy, domestic market and international market are complex. Selling pressures in coming sessions may still be strong, affecting the overall index. However, investors should keep in mind two positive factors: (1) the return of foreign investors and (2) the current attractive level of P/E.

Risk seeking investors should consider disburse in exploration. Investors with high proportion of stock in the portfolio should wait and lower the percentage during technical recovery sessions to limit price disadvantage.

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VN-INDEX **526.93**
Value: 2709.29 bil **-29.37 (-5.28%)**
Foreigners (net): VND 104.2 bil

HNX-INDEX **73.09**
Value: 636.67 bil **-4.51 (-5.81%)**
Foreigners (net): VND 81.57 bil

UPCOM-INDEX **51.71**
Value 11.1 bil **-0.14 (-0.27%)**
Foreigners (net): VND 0.624 bil

Macro indicators

	Value	% Chg
Crude oil	39.0	-3.7%
Gold	1,155	-0.5%
USDVND	22,534	0.2%
EURVND	25,873	1.2%
JPYVND	18,678	1.3%
1-month Interbank ra	4.8%	-
5yr VN Treasury Yiel	6.8%	-

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

A total of 204 stocks dropped to the floor price on both floors.
Foreigners return to net buying position with the amount of VND 200 billion on both floors.
Trading volume on the market reached 245 million shares, up 1% from last week.

Recommendations

Market development is beyond the control of many investors. In just 20 days, the market has fallen to the level of last year end, washing out all the gains in the last 8 months. Many factors are negatively affecting the Vietnam stock market: (1) China's stock is falling very sharply, cash flow is pulled out not only of China but also of other countries in the world, (2) inter-bank rates have reached ceiling today, the situation with the exchange rate is quite stressful, (3) the concern about the Fed raising interest rates remains.

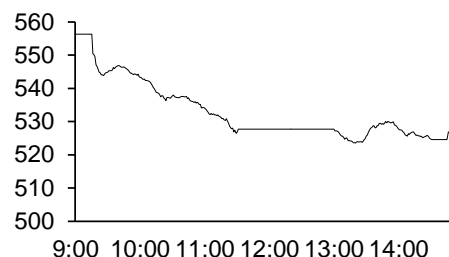
However, some positive news have emerged. First, foreign investors got back to net buying positions on both exchanges. Specifically today, they have bought nearly VND 200 billion on the market. Its notable that although foreigners were heavy net sellers last week, they mostly sold stocks in oil and gas group, and VIC, which suggests they didn't sell aggressively across the board.

The second positive point is that the market P/E is at an attractive level. Specifically, the P/E of VN-Index and HNX-Index today only in the range of 9-10, which is relatively as low as the first half of 2012. And we note that the VN-Index is still in increasing trend compared to 2012 level.

For risk seeking investors who are holding a lot of cash, this is a chance to disburse with 20-30% the portfolio. Investors with high stock rate in the portfolio should wait to lower the percentage, avoid selling in the panic session, which would results in price disadvantage.

Exhibit 1

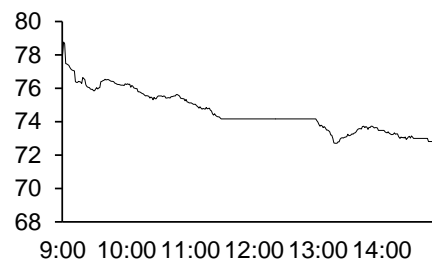
VN-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 2

HNX-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	12.04	6.4	-5.88
SSI	8.26	23.2	-6.83
CII	7.8	24.5	-6.84
KBC	6.47	12	-5.51
HQC	5.25	5.2	-1.89

Source: Bloomberg, BSC Research

Exhibit 4

Foreign transaction

Top buy	Value	Top sell	Value
HPG	49.2	MSN	23.3
CEO	20.5	SBT	12.9
BID	20.4	VIC	7.2
HQC	14.2	NHS	4.8
VCB	12.7	IVS	1.7

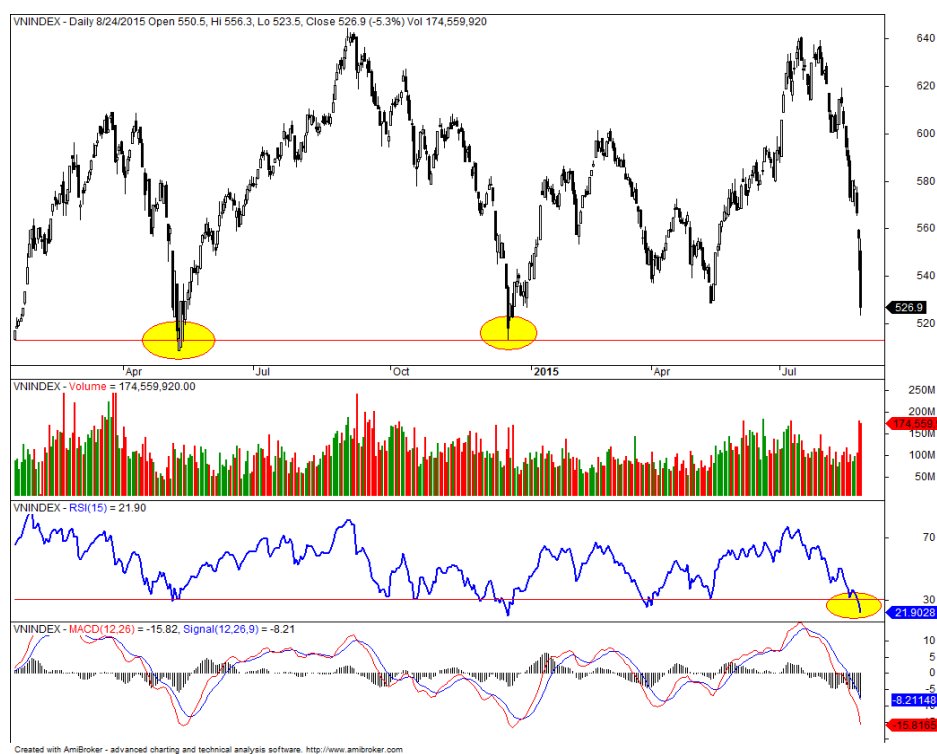
Source: BSC Research

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Technical views

VN-Index continued in downtrend with no signs of recovery. The index fell close to the support level of 513 points, which was the bottom level in March 5/2014 and 12/2014. Momentum indicator RSI has entered the oversold zone 30 with no sign of rising back, indicating the selling pressure still persists. Most likely, VN-Index may fell down to the support level of 513 points before a technical recovery at this level. Note that the short term trend of the market is still very negative.



Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Performance	Recommendation	Cutloss	Target
1	REE	10/8/2015	28	25.2	-10.0%	Cutloss	27	30
2	PGS	17/8/2015	19.5	17.9	-8.2%	Cutloss	21.5	18.1
3	SHI	20/8/2015	10.5	10.2	-2.9%	Hold	9.8	11.6
Average					-7.0%			

Source: BSC Research

Short-term portfolio: Cutloss REE and PGS.

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	1w performance	Unrealized gain/loss	Cutloss	Target
1	MBB	27/4/2015	13.8	13.5	-6.3%	-2.2%	12.7	16.5
2	VIC	7/7/2014	38	40.1	0.0%	5.5%	43.93	57.3
3	FPT	12/1/2015	41.5	42.4	-6.2%	13.3%	44.44	58
4	DHC	14/1/2014	21.5	22.5	-6.6%	4.7%	19.78	25.8
5	HT1	9/6/2015	22.9	21.4	-4.0%	-6.6%	20.7	26.8
6	NTL	9/6/2015	11.8	13.3	-7.0%	12.7%	10.9	14.2
Average					-5.0%	4.6%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
EIB	12.3	6.03	0.462	1.54MLN
SII	34.3	4.89	0.05	130
COM	35.8	6.87	0.017	30
VPS	21.9	6.83	0.013	10
LGC	23.8	1.28	0.012	466730

Top 5 laggards on the HSX

Ticker	Price	% Chg	Index pt	Volume
VCB	39.5	-6.84	-4.129	2.07MLN
VNM	94.5	-6.44	-3.475	1.18MLN
GAS	39.9	-6.99	-3.037	952520
CTG	17.5	-6.91	-2.586	4.03MLN
BID	19.8	-6.6	-2.103	3.84MLN

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
NAV	10.8	6.93	0.003	20
COM	35.8	6.87	0.017	30
VPS	21.9	6.83	0.013	10
HTV	19.7	6.49	0.006	30
PTC	9.9	6.45	0.006	1510

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
SJD	25.8	-9.47	-0.066	10490
KSS	1	-9.09	-0.003	713140
PTK	1.2	-7.69	-0.001	275710
VNH	1.3	-7.14	0	25660
BSI	9.3	-7	-0.032	193150

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
QHD	34	9.68	0.008	300
SJE	22.5	4.65	0.007	17300
PCT	9.5	5.56	0.007	100
TDN	9.2	8.24	0.007	100
VNF	71	2.9	0.007	100

Top 5 laggards on the HNX

Ticker	Price	% Chg	Index pt	Volume
	17.1	-9.52	-1.039	1.66MLN
PVS	18.2	-8.54	-0.468	3.65MLN
PVI	17.5	-9.79	-0.274	385800
VCG	10.4	-8.77	-0.272	2.50MLN
SHB	6.9	-4.17	-0.164	5.25MLN

Top 5 gainers on the HNX

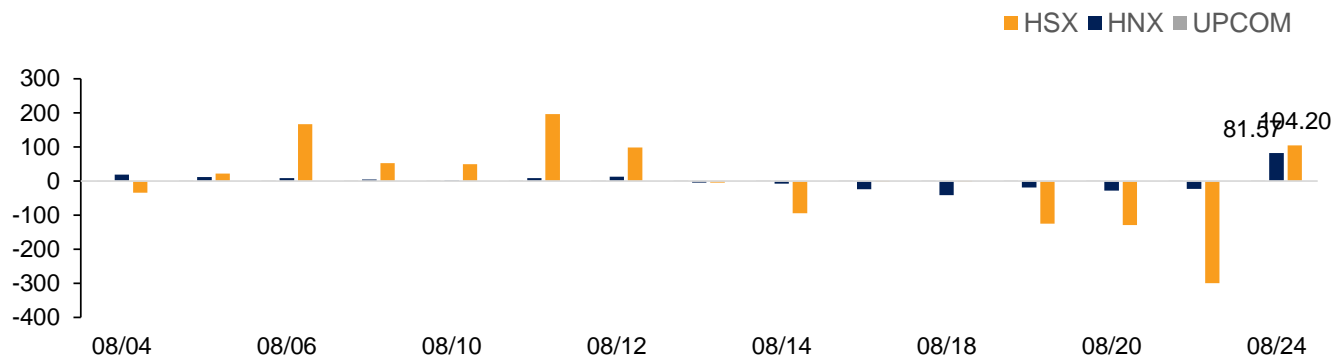
Ticker	Price	% Chg	Index pt	Volume
DC2	2.2	10	0	400
BSC	10	9.89	0.002	11100
LCS	4.5	9.76	0.002	100
QHD	34	9.68	0.008	300
BXH	11.6	9.43	0.002	1000

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
BLF	8.1	-10	-0.003	100
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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