

Thu, June 9, 2016

Vietnam Daily Review

Gearing up

BSC's Forecast on the stock market

| | Negative | Neutral | Positive |
|--------------------|----------|---------|----------|
| Day 10/6/2016 | | • | |
| Week 6/6-10/6/2016 | | | • |
| Month 6/2016 | | • | |

Summary

After passing the resistance at 625, the market fluctuated around the reference level before surging in afternoon session. Market momentum still relied on oil, gas and bank sectors as those BCs had positive macro news. Both the VN-Index and HNX-Index created new short term peak today with market liquidity fell slightly along with market breadth always kept positive. The process of accumulation by foreign investors continued supporting markets. On HoSE, cash flow evenly spreaded to small and mid cap groups. Meanwhile, Upcom moved in contrast to 2 main exchanges with high trading value due to selling pressure spike in GEX. This suggests that perhaps the money has been attracted to the accumulation on HOSE.

Recommendation

The market has enjoyed quite a rise with volume declined thanks to supports from banking and oil stocks as we expected in our last report. The oil and gas stocks continued to benefit from rising oil prices is a positive support for the market. We expect that VN-Index will soon return to its rise towards the top price ranges in 638 – 640. Investors can increase weight of stocks in market correction to profit from the rise to 638-640.

Technical Views - HCM - Ho Chi Minh City Securities Corporation (HOSE)

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VN-INDEX **631.26**
Value: 1858.98 bil **3.39 (0.54%)**
Foreigners (net): VND 132.223 bil

HNX-INDEX **84.64**
Value: 803.05 bil **0.83 (0.99%)**
Foreigners (net): VND 6.44 bil

UPCOM-INDEX **57.86**
Value 274.71 bil **-0.03 (-0.05%)**
Foreigners (net): VND 0.9 bil

Macro indicators

| | Value | % Chg |
|------------------------|--------|-------|
| Crude oil | 51.2 | -0.2% |
| Gold | 1,260 | -0.2% |
| USDVND | 22,333 | 0.0% |
| EURVND | 25,396 | -0.4% |
| JPYVND | 20,978 | 0.5% |
| 1-month Interbank rate | 3.3% | - |
| 5yr VN Treasury Yield | 6.3% | - |

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

On global market, day after day, oil received more supportive information. After tensions in Nigeria and the decline in US inventory, oil prices received additional supportive data as China's crude oil imports in May it rose + 38.7% YoY, the largest increase in more than 6 years. In the context of weakening dollar, oil prices will continue to recover in short run. For banks, VAMC planned to buy bad debts with cash, showing supportive policy for banking system.

With macro support, banking and oil and gas groups are continuing to lead the market. At the end, the BID GAS and VCB lifted VN-Index to new short-term high at 631, the cash flow continue to be evenly distributed in the market. Rubber sector (+2.9%) with PHR and DPR as well as securities stock (+1.3%) with HCM were noteworthy.

Market liquidity declined to average. Market breadth remained positive during session as gainers outnumbered even when the market corrected intraday. There were 128 gainers / 84 losers on HOSE and 127 gainers / 74 losers on HNX.

Foreigners continued accumulating stocks. Besides financial sector, TRA and FMC (recommended by BSC) was significant net- bought by foreigners today.

On HNX, the gain showed stronger momentum as HNX-Index continued to set a new high at 84.6 without correction but trading value fell slightly. PVS continued leading markets and along with DST, HKB and AAA having good gain and attracting capital.

While the strong rise of HNX did not attract more cash flow, Upcom saw sharp correction before bounding back to reference. Trading volume surged as selling in GEX at nearly 194 billion. It seems like investors focused on finding opportunities in the accumulation forming on HOSE.

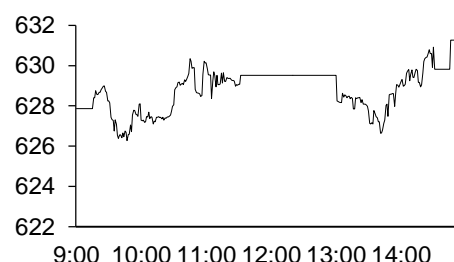
Recommendations

The market enjoyed a rally today to break through resistance 625 quite convincingly with the contributions of many BCs including oil and gas and banking stocks as we have said, while the insurance sector also experienced impressive growth. Liquidity improved strongly and focused mainly on the BCs, Large and MidCap while Penny suffered further corrections. Foreign investors continued net buying, which was a great support to the market. The psychological resistance and support of VN-index is at 630 and 618. VN-Index may go back to test 625 again when it is very near the upper bound of the bullish channel, investors can take advantage of the correction to increase stock weights to go one step ahead a rise to 638.

Gearing up

Exhibit 1

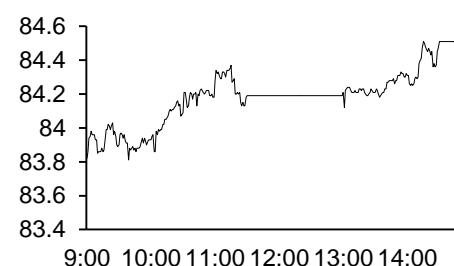
VN-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 2

HNX-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

| Ticker | Volume | Price | % Chg |
|--------|--------|-------|-------|
| HAR | 8.03 | 6.1 | 5.17 |
| HHS | 6.16 | 9.8 | 6.52 |
| FLC | 5.29 | 6.6 | 0 |
| SSI | 4.18 | 21.8 | 1.4 |
| OGC | 3.85 | 3 | 0 |

Source: Bloomberg, BSC Research

Technical views

HCM - Ho Chi Minh City Securities Corporation (HOSE)

Technical Views:

- Current trend: sideways in short term, forming cup-and-handle pattern
- Trend signals: positive, positive divergence MACD, RSI heading towards overbought

Conclusion: HCM is moving sideways in short term and forming cup-and-handle pattern. HCM may break if it crosses 32.2 with high volume

Recommendation : buy if HCM overcomes 32.2 with target at 34.2, cutloss if it falls below 30.2



Gearing up

Stock recommendations

Short-term portfolio

| No. | Ticker | Date | Buy price | Current price | 1w performance | Unrealized gain/ loss | Cutlosses | Target |
|----------------|--------|-----------|-----------|---------------|----------------|-----------------------|-----------|--------|
| 1 | CVT | 6/3/2016 | 26.8 | 27.1 | - | 1.1% | 24.9 | 30.0 |
| 2 | HHG | 6/3/2016 | 8.9 | 9.6 | - | 7.9% | 8.3 | 10.0 |
| 3 | GTN | 21/3/2016 | 15.8 | 18.6 | 14.8% | 17.7% | 14.7 | 17.7 |
| 4 | TMS | 9/5/2016 | 66.5 | 72.5 | 2.8% | 9.0% | 61.8 | 74.5 |
| 5 | NCT | 9/5/2016 | 112 | 112 | 3.7% | 0.0% | 104.2 | 125 |
| 6 | CTI | 27/5/2016 | 24.3 | 27.6 | - | 13.6% | 22.6 | 31.8 |
| Average | | | | | 7.1% | 8.2% | | |

Source: BSC Research

CANSLIM portfolio

| No. | Ticker | Date | Buy price | Current price | 1w performance | Unrealized gain/ loss | Cutlosses | Target |
|----------------|--------|------------|-----------|---------------|----------------|-----------------------|-----------|--------|
| 1 | MBB | 27/4/2015 | 13 | 15.5 | -1.3% | 19.2% | 13 | 15.6 |
| 2 | CMG | 16/10/2015 | 14.6 | 14.8 | -2.6% | 1.4% | 17 | 17.5 |
| 3 | PVD | 19/4/2016 | 22.7 | 34.7 | 18.4% | 52.9% | 21 | 27.2 |
| 4 | CTD | 29/4/2016 | 168.5 | 186 | 8.1% | 10.4% | 157 | 202 |
| 5 | TTC | 27/5/2016 | 21.7 | 22.3 | - | 2.8% | 20 | 26.0 |
| Average | | | | | 5.7% | 17.3% | | |

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

| Ticker | Price | % Chg | Index pt | Volume |
|--------|-------|-------|------------|---------|
| GAS | 62 | 2.48 | 1.444 | 423150 |
| BID | 18.8 | 2.73 | 0.86 | 2.94MLN |
| CTG | 17.8 | 1.14 | Gearing up | 890310 |
| VCB | 48.1 | 0.42 | 0.268 | 401410 |
| PVD | 34.7 | 2.97 | 0.175 | 1.90MLN |

Top 5 laggards on the HSX

| Ticker | Price | % Chg | Index pt | Volume |
|--------|-------|--------|----------|---------|
| MSN | 69.5 | -0.71 | -0.188 | 114520 |
| MWG | 92.5 | -2.12 | -0.148 | 304660 |
| HPG | 36.7 | -0.54 | -0.074 | 2.97MLN |
| CTD | 186 | -1.59 | -0.071 | 57360 |
| TDC | 6.5 | -15.58 | -0.06 | 421470 |

Top 5 gainers on the HSX

| Ticker | Price | % Chg | Index pt | Volume |
|--------|-------|-------|----------|---------|
| DTT | 11.1 | 6.73 | 0.003 | 3340 |
| PNC | 14.3 | 6.72 | 0.005 | 100 |
| VNG | 19.3 | 6.63 | 0.008 | 35160 |
| PDN | 45.2 | 6.6 | 0.017 | 2390 |
| HHS | 9.8 | 6.52 | 0.083 | 6.16MLN |

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 |
| PEN | 9 | 9.76 | 0.021 | 2900 |

Top 5 laggards on the HNX

| 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

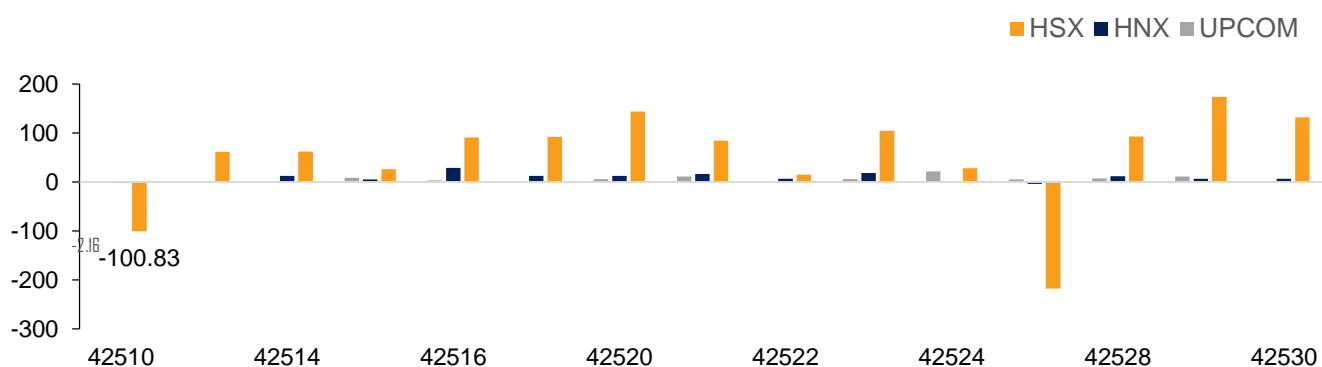
| Ticker | Price | % Chg | Index pt | Volume |
|--------|-------|-------|----------|--------|
| SIC | 12.2 | 9.91 | 0.004 | 2500 |
| TV3 | 54.4 | 9.9 | 0.018 | 200 |
| PEN | 9 | 9.76 | 0.021 | 2900 |
| PVR | 3.4 | 9.68 | 0.07 | 100 |
| TFC | 22.7 | 9.66 | 0.014 | 23900 |

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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