

Tue, June 14, 2016

Vietnam Daily Review

How far can market rebound

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 15/6/2016	•		
Week 13/6-17/6/2016		•	
Month 6/2016		•	

Highlight

Ending yesterday session, reds covered the US, European and Asian stock markets along with the fall oil prices to week low. Besides, the fear gauge CBOE Market Volatility Market Index rose the most in six years along with US and Japan government bond yields have dropped, showing that cash was going away from risk. "Risk off" is probably an appropriate term for the state of the current global market where investment decisions are driven by the risk aversion of Brexit.

The influence of global markets has been shown when market plunged shortly after opening. But as mentioned in the yesterday report, the support level 619 became noticeable when it halted the fall of the market, and attracted low - price demand, helping market recovered and ended the day in the green. Investors remained cautious with this recover when liquidity declined on 2 main floors.

Recommendation

As we expected, after approaching support 619, VN-Index has rebounded and WTI oil price has fluctuated around a stable support 48.2, helping VN-Index and petrol and gas stocks recover. Investors should consider actively taking profit on CVT in our short-term portfolio as the price is quite close to our target price recommendation 30.0 or may continue to hold for the medium term. VN-Index closed green, higher than resistance 625, though trading volume decreased somewhat expresses doubts about the possibility of rebound of the VN-Index. Investors prefer high risk may continue to increase the weights of shares available in portfolio when the technical indicators of VN-Index become better, confirming further rise.

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VN-INDEX **625.43**
Value: 1736.02 bil **1.85 (0.3%)**
Foreigners (net): -VND 15.926 bil

HNX-INDEX **84.35**
Value: 544.13 bil **0.05 (0.06%)**
Foreigners (net): VND 6.065 bil

UPCOM-INDEX **57.91**
Value 93.99 bil **0.5 (0.87%)**
Foreigners (net): VND 0.535 bil

Macro indicators

	Value	% Chg
Crude oil	48.1	-1.6%
Gold	1,279	-0.3%
USDVND	22,300	-0.1%
EURVND	25,095	-0.5%
JPYVND	21,070	0.3%
1-month Interbank rate	0.0%	-
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

As expected, after the main stock markets have plunged globally along with the drop in oil prices, the morning session saw quite strong fall on exchanges. However, after touching 619 pts, the fall slowed, low-price demand bottom began to appear in VIC, MWG and steel BCs such as HSG, HPG, accompanied by the recovery of P-stocks such as GAS, PVD and PVS, has caused the market to reverse and found the green at the end. Market breadth was back to positive with 115 advancers / 79 decliners on HOSE but liquidity continued to decline 7% on HOSE.

Steel sector including BCs as HSG, HPG and mid-cap as VIS, VGS continued to be noteworthy as remaining the green even before market's recovery. Some other notable stocks were brick group with VIT and CVT; CTI ceiling and GTN with noticeable net-buying from foreign investors. CVT, CTI and GTN are included in the list recommended by the BSC.

HNX trading day had less positive. PHP, TAG and ACB led HNX to recovery. However, liquidity continued sharp decline of 10% along with market breadth remained negative with 94 advancers/ 114 decliners.

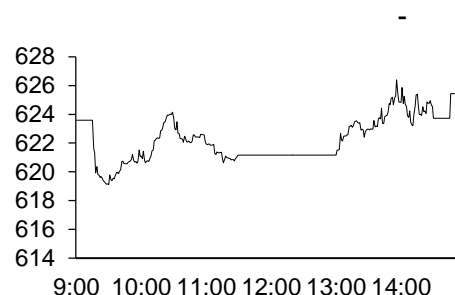
Upcom-Index had the best recovery of the day to go along with the improved liquidity. The cash-flow was mainly focused on GEX and partly MTM and VLC.

Foreign investors maintained their position in the market Vietnam as net-buying on HNX and Upcom as well as net-selling on the HSX had quite small value.

Recommendations

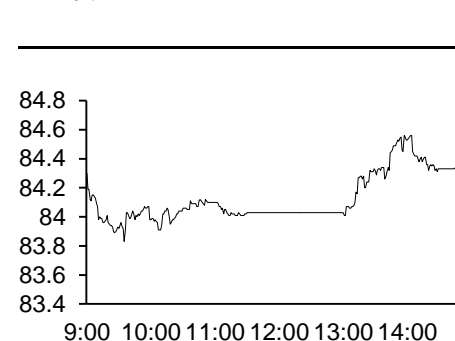
VN-Index has rebounded but how far the recovery can go remains as a question mark as driving factors are left unclear such as foreigner investors turned net sellers, WTI oil price tends to weaken, negatively affecting stocks of the oil industry and spreading to other sectors, the result of the referendum on United Kingdom membership of the European Union. Although VN-Index still vary in the safety zone 596-635 in the medium term and a rise to the peak 638-641 of years are possible, these aforementioned factors could negatively affect the trend of the VN-Index. Therefore, investors should take appropriate trading strategy depending on their risk appetite, noting that the VN-Index is in a sensitive period and even investors prefer high risk should only increase weights of stocks available in portfolio.

Exhibit 1



Source: Bloomberg, BSC Research

Exhibit 2



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
HHS	3.87	9.3	-1.06
HPG	3.44	37.9	3.84
HAG	3.05	7.8	1.3
SBT	3.01	34.5	0.29
DCM	2.71	12.3	1.65

Source: Bloomberg, BSC Research

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	29.4	-	9.7%	24.9	30.0
2	HHG	6/3/2016	8.9	9.3	-	4.5%	8.3	10.0
3	GTN	21/3/2016	15.8	22	35.8%	39.2%	14.7	17.7
4	TMS	9/5/2016	66.5	73	3.5%	9.8%	61.8	74.5
5	NCT	9/5/2016	112	118	9.3%	5.4%	104.2	125.4
6	CTI	27/5/2016	24.3	28.5		17.3%	22.6	31.8
7	S55	13/6/2016	45.5	46.5		2.2%	42.3	51.0
8	HVG	13/06/2016	10.40	10.4	-	0.0%	9.8	11.5
Average					16.2%	11.0%		

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	15.3	-2.5%	17.7%	13	15.6
2	CMG	16/10/2015	14.6	14.9	-2.0%	2.1%	17	17.5
3	DAG	10/6/2016	12.2	12.1		-0.8%	11	15.0
4	CTD	29/4/2016	168.5	184	7.0%	9.2%	157	202
5	TTC	27/5/2016	21.7	22.7	-	4.6%	20	26.0
Average					0.8%	6.5%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
VIC	53.5	1.9	0.976	278210
HPG	37.9	3.84	0.516	3.44MLN
MWG	100	6.38	0.444	313590
HSG	42.9	6.72	0.178	1.86MLN
Ticker	Price	% Chg	Index pt	Volume
CTG	17.4	-1.14	-0.375	976830
BID	18.1	-1.09	-0.344	1.12MLN
HT1	28.2	-4.08	-0.192	6310
VCB	48.3	-0.21	-0.134	789760
TLG	87	-5.43	-0.096	600

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
HAX	31	6.9	0.011	261020
FMC	23.7	6.76	0.023	586010
TIP	15.8	6.76	0.013	6170
CTI	28.5	6.74	0.03	1.02MLN
HSG	42.9	6.72	0.178	1.86MLN

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
	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

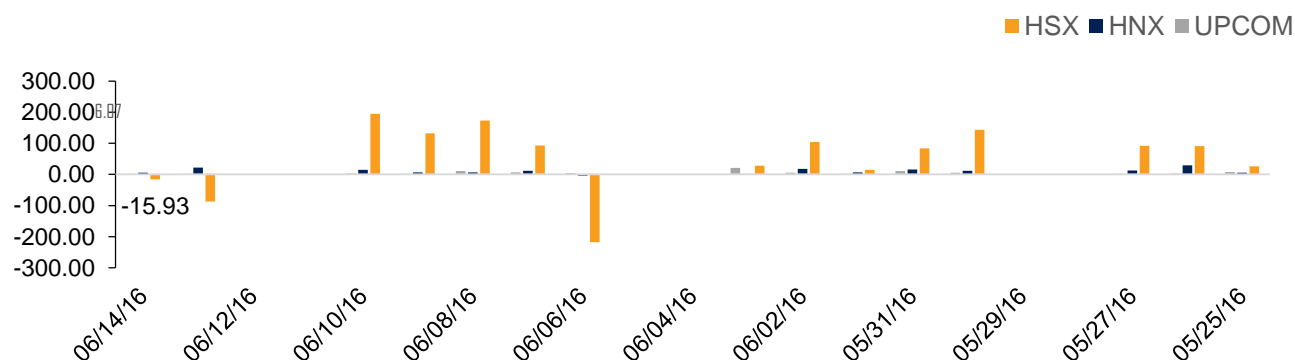
Ticker	Price	% Chg	Index pt	Volume
SIC	12.2	9.91	0.004	2500
TV3	54.4	9.9	0.018	200
PEN	9	9.76	0.021	2900
PVR	3.4	9.68	0.07	100
TFC	22.7	9.66	0.014	23900

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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