

Thu, July 21, 2016

Vietnam Daily Review

Gloomy session

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 21/7/2016	•		
Week 18/7-22/7/2016			•
Month 7/2016		•	

Highlight

Gloomy was probably the right word to describe this 21/7 session as the technical recovery of market mainly focused on the movement of some pillar. VNM today no longer rallied to lift VN-Index, index remained positive most of the time thanks to support of other blue-chips such as VIC, VCB and GAS. However, this technical recovery in the support level 660 did not attract the cash flow. Even when index was green the decliners always outnumbered gainers while liquidity also remained very low. Every day, there was pillar of the market attracting the attention, after VIC, VNM, today HSG unexpectedly fell to the floor at the end of session.

Recommendation

The market declined slightly at the closing, some sectors corrected strongly, trading volume decreased compared to the previous trading session and maintained below 10-day average. VN-Index lost support 660 by the end of the session is not a good for the market, signaling the possibility to correct further to 640 zone. At the same time, the technical indicators are no longer providing similar signals and begin to show mixed: MACD showed negative divergence, MFI fell below the trendline, the RSI continuously declined, PSAR showed sign of reversal though ADX still remained above 25. The short-term risk is rising and investors are recommended to continue to reduce the stock weights in the portfolio.

BSC RESEARCH

Head of Research

Tran Thang Long
longtt@bsc.com.vn

Macro & Market Team

Bui Nguyen Khoa
khoabn@bsc.com.vn

Vo The Vinh
vinhvt@bsc.com.vn

Do Nam Tung
tungdn@bsc.com.vn

Pham Anh Quang
quangpa@bsc.com.vn

VN-INDEX **659.57**
Value: 2121.15 bil **-0.69 (-0.1%)**
Foreigners (net): -VND 73.13 bil

HNX-INDEX **84.63**
Value: 474.7 bil **-0.86 (-1.01%)**
Foreigners (net): VND 46.33 bil

UPCOM-INDEX **56.79**
Value 48.03 bil **-0.57 (-0.99%)**
Foreigners (net): VND 0.137 bil

Macro indicators

	Value	% Chg
Crude oil	45.8	0.0%
Gold	1,322	0.5%
USDVND	22,300	0.0%
EURVND	24,578	0.1%
JPYVND	20,878	0.1%
1-month Interbank rate	2.2%	-
5yr VN Treasury Yield	6.1%	-

Source: Bloomberg, BSC Research

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

Pham Anh Quang Vo The Vinh

quangpa@bsc.com.vn vinhvt@bsc.com.vn

Market highlights

The market today continued with negative movements. VN-Index decreased slightly, closing at 659.57 points, close to the sensitivity level of 660 points. This important level had been challenged today. The market opened with a big increase, with many prominent news, both positive and negative about the business results of listed companies. However, the downtrend began to be strong, and during the second half of the morning session, VN-Index fluctuated around the 660 level. Today, the pillar stock VNM did not support the VN-Index, but VIC and Steel stocks such as HSG, HPG did. In the afternoon session, the Index rebounded sharply, being supported by VIC and oil & gas blue-chips as GAS and PVD. But after that, the strong selling pressure caused the market reversed, the blue-chips still gaining point but were not as strong as before, the movements also started to become negative in groups of Steel and many speculative stocks.

The market fell slightly at closing, with the balance of the blue-chips. The most unexpected movement was the strong selling pressure of HSG, made this stock to dropped to the floor, though still gaining point during the session. The speculative stocks fell sharply, and the trio of KSB, DRH, TTF continued to be traded at floor price. Today foreign investors were at net-buying position with VCB, HPG and SSI, while VNM was sold strongly with a net sell volume of nearly 900 thousand shares.

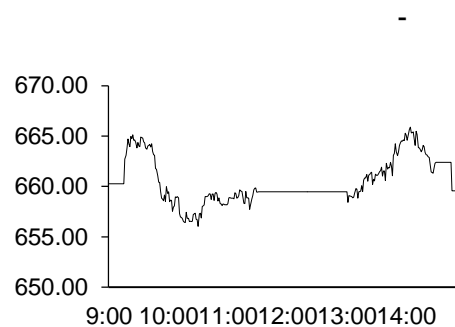
Today HNX slumped over the VN-Index and dropped 1%, ACB and VCG were two stocks contributed most to this decline.

Recommendations

The market continued negative developments from the previous with numbers of losers overwhelmed gainers. Many stocks continued to correct strongly such as PAC, EVE, KSB, particularly, under strong selling pressure at the closing, HSG and TLH dropped to the floor price. Almost all the sectors correct, in which staple consumption and Steel suffered sharp decline. In the context of ongoing market correction and the market in in sensitive area at the presence, Pharmaceutical and Health stock groups would probably be safe havens for capital.

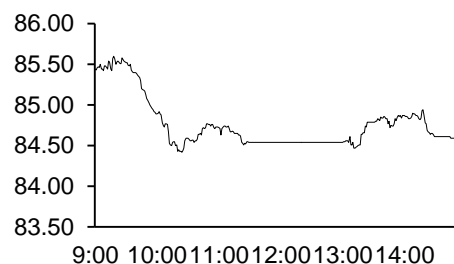
On foreign exchange markets, the focus is on Thursday Meeting on the issue of whether the ECB's interest rate of 0% may continue to be maintained and the quantitative easing package can continue to be provided or not. if the ECB decided to offer more money stimulus packages, bond yields as well as the value of the euro is likely to be under pressure.

Exhibit 1



Source: Bloomberg, BSC Research

Exhibit 2



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	6.15	6	-1.64
SSI	4.36	23	-2.95
FIT	3.99	7.7	2.67
KSA	3.92	2.2	0
HQC	3.79	5.3	-1.85

Source: Bloomberg, BSC Research

Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	HHG	3/6/2016	7.9	10	26.6%	7.3	12.2
2	GTN	21/3/2016	15.8	22	39.2%	14.7	17.7
3	CTI	27/5/2016	24.3	27.2	11.9%	22.6	31.8
5	HVG	13/6/2016	10.4	9.8	-5.8%	9.8	11.5
7	C47	11/07/2016	13.2	13	-1.5%	12	15
Average					14.1%		

Source: BSC Research

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	MBB	27/4/2015	13	15.2	16.9%	13	15.6
2	CMG	16/10/2015	14.6	14	-4.1%	17	17.5
3	DAG	10/6/2016	12.2	13.6	11.5%	11	15.0
4	DHC	11/07/2016	38.8	38.1	-1.8%	36	47
5	TTC	27/5/2016	21.7	24.3	12.0%	20	26.0
6	BIC	17/6/2016	22.1	26.9	21.7%	21	27
Average					9.4%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
VCB	55.5	0.91	0.672	657360
VIC	50.5	1	0.489	622420
GAS	63	0.8	0.482	364630
MSN	67.5	0.75	0.191	174010
Ticker	Price	% Chg	Index pt	Volume
VNM	157	-0.63	-0.605	1.76MLN
BVH	60.5	-1.63	-0.343	318580
MWG	129	-3.01	-0.296	266080
HSG	38.6	-6.99	-0.287	2.95MLN
EIB	11.5	-2.54	-0.187	182820

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
EMC	12.7	6.72	0.005	1400
CYC	3.2	6.67	0	430
HRC	31.4	6.66	0.024	160
BCG	6.7	6.35	0.008	427990
PGI	18.7	6.25	0.039	428790

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

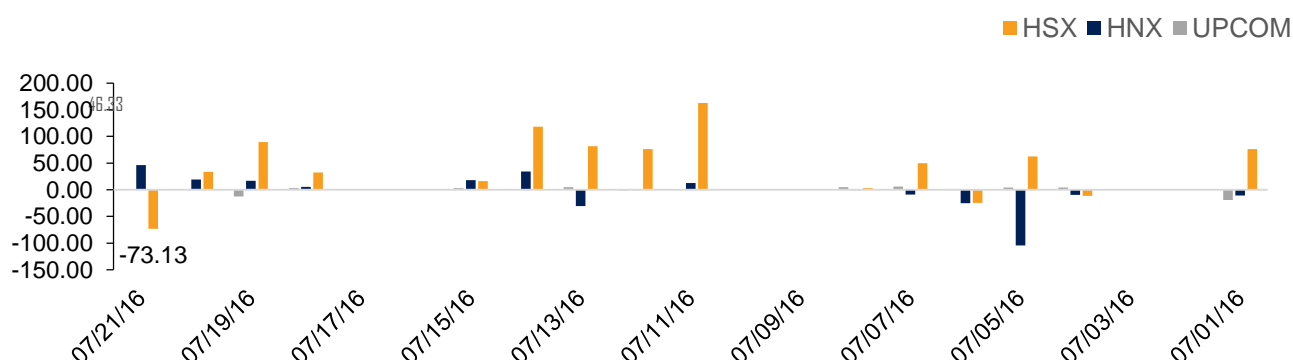
Ticker	Price	% Chg	Index pt	Volume
SIC	12.2	9.91	0.004	2500
TV3	54.4	9.9	0.018	200
PEN	9	9.76	0.021	2900
PVR	3.4	9.68	0.07	100
TFC	22.7	9.66	0.014	23900

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).

BSC Headquarters

BIDV Tower, 10th & 11th Floor
35 Hang Voi, Hoan Kiem, Hanoi
Tel: +84 4 3935 2722
Fax: +84 4 2220 0669

Ho Chi Minh City Office

146 Nguyen Cong Tru St, 9th Floor
District 1, HCMC
Tel: +84 8 3821 8885
Fax: +84 8 3821 8510

<http://www.bsc.com.vn>

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