

Mon, August 8, 2016

Vietnam Daily Review

Expecting rebound

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 08/08/2016			•
Week 8/8-12/8/2016		•	
Month 8/2016	•		

Highlight

Vietnam's stock market rose slightly in the context that the Asian stock markets extended gains. MSCI Asia Pacific Index rose to its highest level in a year, led by Japanese stock market amid the JPY continued to depreciate against the US dollar after information on employment, retail sales and industry output showed the country's economy is warming. VN-Index fell almost 5 points at one point during the day, mainly due to the negative impact from the strong selling pressure on the VIC has brought it down to the floor price. However, local demand helped VIC recover well in the session, the decline in the VN-Index. Foreigners were net sellers today to the HSX and HNX, sales force focused primarily on VIC (more than VND 100 billion)

Recommendation

The market fluctuated during trading session, closed slightly up + 0.3%, trading volume decreased slightly compared to the previous trading day. During the session, the main index movement were quite similar to the movement of VIC. This stock also demonstrated a huge volatility, more than 7% during the session. Selling pressure in today's trading session declined somewhat compared to the previous trading session. Markets show signs of balancing efforts in recent sessions when continuously creating hammer candlesticks. The market breadth of the VN-Index today has improved significantly with 118 advancers / 84 decliners. Hence, VN-Index is expected to recover in coming sessions and investors can consider using part of capital to acquire good fundamental stocks.

Technical views - VNR - Vietnam National Reinsurance Corporation (HNX)

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VN-INDEX **629.46**
Value: 1435.39 bil **2.07 (0.33%)**
Foreigners (net): -VND 130.6 bil

HNX-INDEX **80.99**
Value: 308.08 bil **-0.08 (-0.1%)**
Foreigners (net): VND 11 bil

UPCOM-INDEX **54.18**
Value 70.9 bil **-0.16 (-0.29%)**
Foreigners (net): -VND 6.84 bil

Macro indicators

	Value	% Chg
Crude oil	42.4	1.4%
Gold	1,331	-0.3%
USDVND	22,295	0.0%
EURVND	24,742	0.0%
JPYVND	21,772	-0.6%
1-month Interbank rate	0.0%	-
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

The market opened suffering rapidly decline due to strong selling pressure on VIC from foreign investors, dropping it to FL price during morning trading session, at the same time, VN-Index fell almost 5 points. However, the demand from domestic investors quickly lifted VIC to around the reference price, helped VN-Index recover during the session and closed + 0.3%. The market showed strong divergence when good developments only appeared in the stocks and sectors with good business results. Pharmaceutical, oil and gas, transportation and seaports, and building materials, steel is the sectors outperformed the market. Smart money also flowed to the stocks with good Q2 business results such as DMC, DHG, IMP, DBT, HBC, AAA.

While VN-Index closed + 0.3%, the HNX-Index fell -0.1%. Market breadth was positive as numbers of gainers and decliners are 205/184. Trading volume has declined slightly flat on the 2 floor.

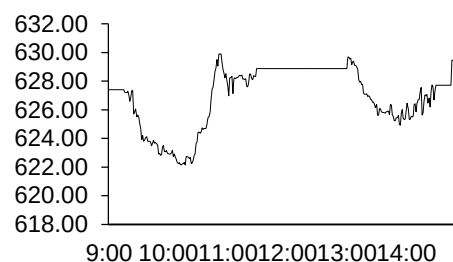
Foreigners were net sellers on the HSX, focusing on selling VIC with the net value of over 100 billion, net buyers of VNM.

Recommendations

On world financial markets, the Asian stock markets gained thanks to positive data on the US economy. Nikkei + 2.37%, SCHCOMP + 0.74%, KOSPI + 0.4%, HIS% + 1.49. The MSCI Asia Pacific Index is standing at its highest level in a year and is expected to continue to move positively throughout the week.

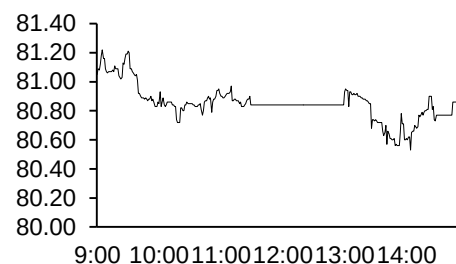
On the Forex market, the positive data on the US economy helped the US dollar index rise, at the same time improve the ability that Fed may raise interest rates this year. On commodity markets, WTI oil price is continuing to recover after hitting strong support at around \$40/barrel.

Exhibit 1



Source: Bloomberg, BSC Research

Exhibit 2



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
ITA	4.6	4.9	0
FLC	4.28	5.5	-1.79
HAG	3.71	5.3	3.92
VHG	3.6	2.8	-6.67
HAR	3.36	4.3	-4.44

Source: Bloomberg, BSC Research

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VNR - Vietnam National Reinsurance Corporation (HNX)

Technical views:

- Current Trend: moving in the Symmetrical triangle pattern
- Technical indicators: ADX showed positive signal when + DI crosses above -DI, upward RSI, MACD is giving a negative divergence
- Trading volume: decreases.

Conclusion: VNR is expected to complete Symmetrical triangle pattern with the trading volume is decreasing at the end of the pattern. The technical indicators like ADX, RSI and PSAR are also advocating possibility of VNR bullish reversal.

Recommendation: buy at a price of 19, target 22, cutloss when the price falls below 17.

VNR technical chart



Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	HHG	3/6/2016	7.9	9.4	19.0%	7.3	12.2
2	GTN	21/3/2016	15.8	20	26.6%	14.7	17.7
3	CTI	27/5/2016	24.3	26.1	7.4%	22.6	31.8
4	ITA	25/7/2016	5.3	4.9	-7.5%	4.3	6.7
5	C47	11/07/2016	13.2	12.8	-3.0%	12.2	14.8
6	REE	1/08/2016	20.3	19.6	-3.4%	19.5	23.5
Average					6.5%		

Source: BSC Research

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	MBB	27/4/2015	13	14.8	13.8%	13	15.6
2	CMG	16/10/2015	14.6	14.5	-0.7%	17	17.5
3	DHC	11/07/2016	38.8	40.1	3.4%	36	47
4	TTC	27/5/2016	21.7	23.3	7.4%	20	26.0
5	CTI	25/07/2016	26.9	26.1	-3.0%	25	32.3
6	BIC	17/6/2016	22.1	28.9	30.8%	21	27
Average					8.6%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
VCB	52	1.96	1.328	348760
GAS	60.5	1.68	0.954	233810
CTG	17.2	0.58	0.186	225100
HT1	27.5	3.77	0.158	55730
Ticker	Price	% Chg	Index pt	Volume
MSN	59.5	-3.25	-0.754	312390
BID	16.6	-0.6	-0.17	1.55MLN
BVH	57.5	-0.86	-0.17	136670
HPG	42.8	-0.7	-0.11	1.98MLN
KBC	16.9	-2.31	-0.095	3.57MLN

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
LGC	21.9	6.83	0.135	239480
HOT	29.9	6.79	0.008	50
EVE	22.1	6.76	0.02	513420
PDN	64	6.67	0.025	40
QBS	6.4	6.67	0.013	1.01MLN

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		-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

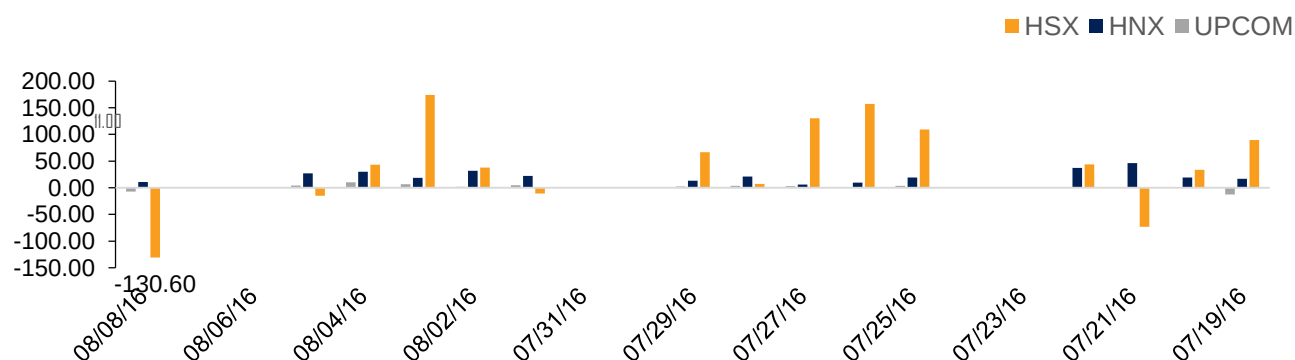
Ticker	Price	% Chg	Index pt	Volume
SIC	12.2	9.91	0.004	2500
TV3	54.4	9.9	0.018	200
PEN	9	9.76	0.021	2900
PVR	3.4	9.68	0.07	100
TFC	22.7	9.66	0.014	23900

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

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