

Mon, September 5, 2016

Vietnam Daily Review

Selling pressure on VCB

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 6/09/2016	•		
Week 5/9-9/9/2016		•	
Month 9/2016		•	

Highlight

Closing the trading session, VN-Index fell 4.64 points to 664.55 (-0.69%), the HNX-Index gained 00.13 to 84.17 points (+.15%), liquidity is not much changed from the previous trading session with about 153 million shares were traded on the two exchanges. DMC after hitting 100 already turned down while the other pharmaceutical stocks such as IMP, DHG could still keep its momentum. Steel Group and Real Estate consists of CTD, HBC, DRH, SJS, VCG maintained positive movement till the end of the session. TTF still dropped to floor price.

Foreigners were net sellers on the HSX with the net value of about 301 billion, focused primarily on the VCB, PVD, MSN.

Market breadth was negative with 214 gainers and 250 decliners.

Recommendation

Market index weakened due to negative correction from VCB, BVH, GAS, EIB, taking away about 1.8 and 1.5 points of VN-Index. Cash flow focused on oil and gas, Pharmaceuticals, Plastics, Construction Materials, Construction stocks, together with more positive liquidity than last week's trading session. Ongoing divergence among market sectors and stocks by size of market capitalization, while the large-cap stocks and small are the decliners, Midcap becomes more active.

The market can not recover if there is no contribution of the key stocks and foreign net withdrawal has not ended. In the next session, pressure from the reallocation of the ETF will impact negatively on market liquidity. On the selling side, ETF reallocation will continue to affect the common market. In the current context, investors should reduce the stocks weights in the portfolio, may start long on the shares at a lower price due to supply pressure in the next session. It is possible that the market may correct to the lower support zone 650.

BSC RESEARCH

Head of Research

Tran Thang Long

longtt@bsc.com.vn

Macro & Market Team

Bui Nguyen Khoa

khoabn@bsc.com.vn

Do Nam Tung

tungdn@bsc.com.vn

Pham Anh Quang

quangpa@bsc.com.vn

VN-INDEX **664.55**

Value: 2469.97 bil

-4.64 (-0.69%)

Foreigners (net): -VND 286.95 bil

HNX-INDEX **84.17**

Value: 418.08 bil

0.13 (0.15%)

Foreigners (net): VND 1.12 bil

UPCOM-INDEX **56.42**

Value 45.45 bil

0.33 (0.59%)

Foreigners (net): VND 2.12 bil

Macro indicators

	Value	% Chg
Crude oil	46.0	3.4%
Gold	1,327	0.1%
USDVND	22,300	0.1%
EURVND	24,894	-0.1%
JPYVND	21,599	0.8%
1-month Interbank rate	0.0%	-
5yr VN Treasury Yield	5.7%	-

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

quangpa@bsc.com.vn

Đỗ Nam Tùng

tungnd@bsc.com.vn

Market highlights

Steel stocks such as HSG and NKG surged at the start of trading thanks to duty imposed on galvanized steel products imported from markets such as China and South Korea. Pharmaceutical stocks including DHG, DMC and IMP also prospered from the beginning of session. On the other hand, Bluechip such as VCB, VNM, MSN, GAS, BVH corrected. VCB plunged and foreign investors put strong selling pressure on it, inflicting a direct negative impact on the market.

Closing the trading session, VN-Index fell 4.64 points to 664.55 (-0.69%), the HNX-Index gained 00.13 to 84.17 points (+.15%), liquidity is not much changed from the previous trading session with about 153 million shares were traded on the two exchanges. DMC after hitting 100 already turned down while the other pharmaceutical stocks such as IMP, DHG could still keep its momentum. Steel Group and Real Estate consists of CTD, HBC, DRH, SJS, VCG maintained positive movement till the end of the session. TTF still dropped to floor price.

Foreigners were net sellers on the HSX with the net value of about 301 billion, focused primarily on the VCB, PVD, MSN.

Market breadth was negative with 214 gainers and 250 decliners.

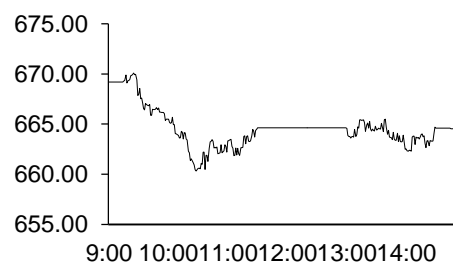
Recommendations

Market index weakened due to negative correction from VCB, BVH, GAS, EIB, taking away about 1.8 and 1.5 points of VN-Index. Cash flow focused on oil and gas, Pharmaceuticals, Plastics, Construction Materials, Construction stocks, together with more positive liquidity than last week's trading session. Ongoing divergence among market sectors and stocks by size of market capitalization, while the large-cap stocks and small are the decliners, Midcap becomes more active.

Technical indicators MACD has not yet confirmed a downward trend in the short term, however, RSI (15) can not come back to positive. The support level of 660 points is still relatively reliable today.

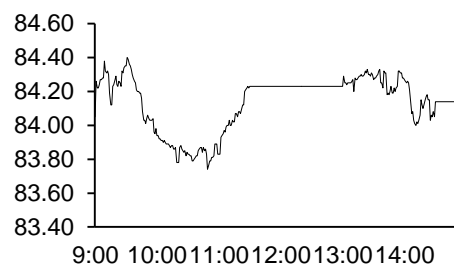
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Exhibit 1



Source: Bloomberg, BSC Research

Exhibit 2



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	7.09	5.4	1.89
HAG	6.66	5.6	-6.67
HSG	6.13	45	2.27
VCB	4.88	50.5	-3.81
HPG	4.19	42	-0.94

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	7.90	9.20	16.5%	7.3	12.2
2	DXP	8//08/2016	23.40	22.00	-6.0%	21.8	26.2
3	CTI	27/5/2016	24.80	27.40	10.5%	23.1	31.8
4	REE	1/08/2016	20.30	19.90	-2.0%	19.5	23.5
5	GMD	8//08/2016	26.30	27.40	4.2%	24.2	28.5
6	HSG	15/08/2016	40.30	45.00	11.7%	35.5	45.0
7	PVI	29/08/2016	28.00	28.90	3.2%	26.0	33.0
Average					5.4%		

Source: BSC Research

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	MBB	27/4/2015	13.00	14.70	13.1%	13	15.6
2	CMG	16/10/2015	14.60	14.60	0.0%	17	17.5
3	DHC	11/07/2016	38.80	34.50	-11.1%	36	47
4	TTC	27/5/2016	21.70	22.20	2.3%	20	26.0
5	CTI	25/07/2016	26.90	27.40	1.9%	25	32.3
6	BIC	17/6/2016	22.10	30.90	39.8%	21	27
Average					7.7%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
ROS	13/1/1900	6.35	0.18	341000
MWG	24/5/1900	1.40	0.15	150500
KDC	8/2/1900	2.85	0.15	1.02MLN
CTD	10/9/1900	2.42	0.14	185140
Ticker	Price	% Chg	Index pt	Volume
VCB	19/2/1900	-3.81	-2.73	4.19MLN
BVH	29/2/1900	-2.44	-0.52	175230
GAS	3/3/1900	-0.79	-0.49	307240
EIB	10/1/1900	-6.31	-0.44	897610
CTG	17/1/1900	-0.58	-0.19	314130

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
DHA	5/2/1900	6.98	0.02	365460
PTB	18/5/1900	6.92	0.08	101990
SMA	6/1/1900	6.90	0.00	10
CCI	12/1/1900	6.67	0.01	5000
TAC	12/3/1900	6.67	0.04	40560

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
VNH	0/1/1900	-10.00	0.00	9870
BTT	4/2/1900	-6.32	-0.01	13980
D2D	30/1/1900	-5.26	-0.01	2760
VPS	19/1/1900	-4.81	-0.01	50
VOS	2/1/1900	-4.55	-0.01	10470

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
PVR	3/1/1900	9.68	0.07	100
KKC	14/1/1900	5.84	0.07	5800
AAA	24/1/1900	7.11	0.04	1.12MLN
VBC	10/3/1900	5.22	0.04	2400
Ticker	Price	% Chg	Index pt	Volume
SGO	3/1/1900	-2.56	-0.05	206800
TV2	1/4/1900	-0.97	-0.02	1700
NTP	27/2/1900	-0.17	-0.02	6100
PVG	7/1/1900	-1.28	-0.01	26600
L14	19/3/1900	-4.70	-0.01	800

Top 5 gainers on the HNX

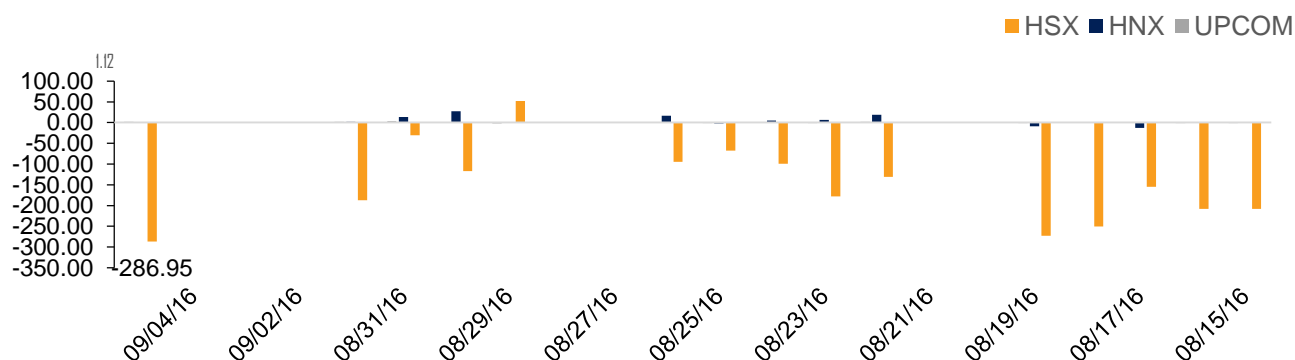
Ticker	Price	% Chg	Index pt	Volume
SIC	12/1/1900	9.91	0.00	2500
TV3	23/2/1900	9.90	0.02	200
PEN	9/1/1900	9.76	0.02	2900
PVR	3/1/1900	9.68	0.07	100
TFC	22/1/1900	9.66	0.01	23900

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
GMX	21/1/1900	-9.87	-0.01	3200
ONE	9/1/1900	-9.90	0.00	31100
DID	4/1/1900	-9.80	0.00	10100
NHA	9/1/1900	-9.71	-0.01	100
KMT	5/1/1900	-9.38	0.00	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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