

Mon, October 24, 2016

Vietnam Daily Review

Bluechip deteriorated

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 24/10/2016	•		
Week 24/10-28/10/2016		•	
Month 10/2016			•

Highlight

VN-Index traded in the red since the opening and maintained the decline until the end of trading hours. Ending the session, VN-Index fell by 6.81 points to 678.02 (-0.99%), the HNX-Index also fell by 1.32 points to 82.88 (-1.57%). VN-Index sank in the red due to the strong correction of Bluechip such as BVH, CII, GAS, MSN, VNM, VIC. Notably, although VNM published positive business results (cumulative 9-month revenue increased by 17.6%, profit before tax increased by 27% over the same period last year, completed 90% of the plan), VNM declined quite sharply, loss of 2.2%. Similarly, FPT corrected slightly (announced Q3 results, cumulative 9-month consolidated sales fell 3% while profit increased 2% compared to the same period last year). In contrast, the Bluechip increased helped VN-Index ease falling are MBB (ex-right date of dividend in shares 5%), and CTG. BID also gained slightly after announcing 2015 dividend payment in cash of 8.5% is given and reports Q3 results were announced.

Recommendation

The market did not react strongly with Q3 results, the Bluechip after Q3 earnings are starting to correct such as VNM, VCB, GAS, CTD, DPM. This makes the possibility of further decline of the VN-Index in the coming sessions high as there is no firm pillars for market. In addition, the VN-Index closed at its lowest level during the day is also a negative signal for the next session. The technical indicators are currently maintained at negative, suggesting the possibility of further correction of VN-Index. However, liquidity remained at a stable level compared to the previous session showed no sell-off phenomenon occurs. Investors are recommended to observe the market when the VN-Index is likely to continue to correct to 673.

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VN-INDEX **678.02**
Value: 1840.66 bil **-6.81 (-0.99%)**
Foreigners (net): -VND 31.96 bil

HNX-INDEX **82.88**
Value: 403.51 bil **-1.32 (-1.57%)**
Foreigners (net): VND 3 bil

UPCOM-INDEX **57.28**
Value 45.76 bil **-0.08 (-0.14%)**
Foreigners (net): VND 0.5 bil

Macro indicators

	Value	% Chg
Crude oil	50.8	-0.2%
Gold	1,267	0.0%
USDVND	22,311	0.0%
EURVND	24,308	0.1%
JPYVND	21,487	0.0%
1-month Interbank rate	0.0%	-
5yr VN Treasury Yield	5.1%	-

Source: Bloomberg, BSC Research

Content

Market highlights	2
Stock recommendations	3
Market statistics	4

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

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Market highlights

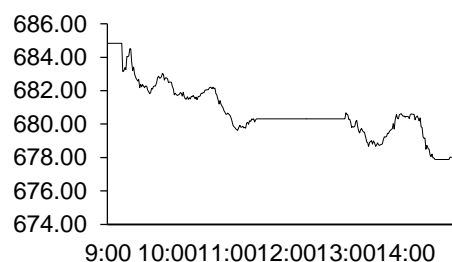
VN-Index traded in the red since the opening and maintained the decline until the end of trading hours. Ending the session, VN-Index fell by 6.81 points to 678.02 (-0.99%), the HNX-Index also fell by 1.32 points to 82.88 (-1.57%). VN-Index sank in the red due to the strong correction of Bluechip such as BVH, CII, GAS, MSN, VNM, VIC. Notably, although VNM published positive business results (cumulative 9-month revenue increased by 17.6%, profit before tax increased by 27% over the same period last year, completed 90% of the plan), VNM declined quite sharply, loss of 2.2%. Similarly, FPT corrected slightly (announced Q3 results, cumulative 9-month consolidated sales fell 3% while profit increased 2% compared to the same period last year). In contrast, the Bluechip increased helped VN-Index ease falling are MBB (ex-right date of dividend in shares 5%), and CTG. BID also gained slightly after announcing 2015 dividend payment in cash of 8.5% is given and reports Q3 results were announced.

The speculative stocks ended mixed today with FLC, HHS, ROS, TNT decreased while TCH, HNG remained the green color. Most sectors are adjusted with the red color spreading, this can be observed easily with negative market breadth. Market liquidity is not much changed from the previous session with 168 million shares were traded equivalent to around 2895 billion.

Contrary to Vietnam's stock market, stock markets in the region were positive when the yuan continues to weaken. World oil prices are trading balanced when the macroeconomic indicators of the EU is expected to be better than expected, especially inflation, although Iraq is demanding OPEC to exempt them out from output cut plan.

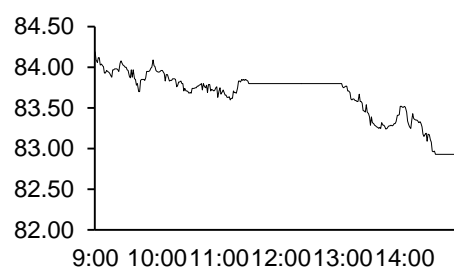
Market breadth weakened with 161 advancers and 248 decliners

Foreign investors were net sellers on the HSX with the net worth of 32 billion, mainly sold VNM and bought HPG



Source: Bloomberg, BSC Research

Exhibit 2



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	9.81	6.18	-3.13
DLG	7.39	5.39	3.65
DAH	5.62	9.3	-7
BID	4.19	17.65	0.28
KBC	3.51	17.9	-0.83

Source: Bloomberg, BSC Research

Recommendations

The market did not react strongly with Q3 results, the Bluechip after Q3 earnings are starting to correct such as VNM, VCB, GAS, CTD, DPM. This makes the possibility of further decline of the VN-Index in the coming sessions high as there is no firm pillars for market. In addition, the VN-Index closed at its lowest level during the day is also a negative signal for the next session. The technical indicators are currently maintained at negative, suggesting the possibility of further correction of VN-Index. However, liquidity remained at a stable level compared to the previous session showed no sell-off phenomenon occurs. Investors are recommended to observe the market when the VN-Index is likely to continue to correct to 673.

Technical indicators are weak, Aroon, ADX signal sell. MACD negative divergence, MFI of RSI are falling on the central region. Next support is located at MA45 and point of PSAR reversal equivalent to 673. It is also close to the lower bound of the rising channel established from the beginning of the year. Investors prefer risk may increase partial portfolio if the VN-Index drops near to this point.

Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	DRC	26/09/2016	40.5	36.8	-9.0%	38.0	44.0
2	VCB	26/09/2016	37.4	36.1	-3.3%	35.0	45.0
3	CTI	27/5/2016	24.3	28.7	18.1%	22.6	31.8
4	REE	1/8/2016	20.3	20.7	1.7%	19.5	23.5
5	GMD	26/09/2016	26.3	27.4	4.2%	24.2	28.5
Average					2.3%		

Source: BSC Research

Day 12/10/2016

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	MBB	27/4/2015	13.8	14.4	4.0%	12.8	16.6
2	GMD	4/7/2015	26.6	27.4	3.0%	24.7	31.9
3	HUT	03/10/2016	13.2	12.5	-5.3%	12.3	15.8
4	DRC	05/09/2016	39.3	36.8	-6.4%	36.5	47.2
Average					-1.2%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
CTG	17.30	0.87	0.28	825040.00
BIC	34.20	6.88	0.13	11010.00
TCH	29.65	2.24	0.11	1.24MLN
MBB	14.35	0.79	0.09	490200.00
Ticker	Price	% Chg	Index pt	Volume
VNM	141.00	-2.22	-2.35	1.65MLN
GAS	68.10	-1.30	-0.87	112040
VCB	36.10	-1.63	-0.81	682740
MWG	145.50	-3.64	-0.41	229130
HPG	40.20	-1.95	-0.34	2.88MLN

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
DTT	9.95	6.99	0.00	1780
DAT	18.50	6.94	0.02	40
VHG	3.25	6.91	0.02	3.07MLN
HMC	9.00	6.89	0.01	34860
BIC	34.20	6.88	0.13	11010

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
VNH	0.90	-10.00	0.00	9870
BTT	35.60	-6.32	-0.01	13980
D2D	30.60	-5.26	-0.01	2760
VPS	19.80	-4.81	-0.01	50
VOS	2.10	-4.55	-0.01	10470

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
PVR	3.40	9.68	0.07	100
KKC	14.50	5.84	0.07	5800
AAA	24.10	7.11	0.04	1.12MLN
VBC	70.50	5.22	0.04	2400
Ticker	Price	% Chg	Index pt	Volume
SGO	3.80	-2.56	-0.05	206800
TV2	92.10	-0.97	-0.02	1700
NTP	58.80	-0.17	-0.02	6100
PVG	7.70	-1.28	-0.01	26600
L14	79.00	-4.70	-0.01	800

Top 5 gainers on the HNX

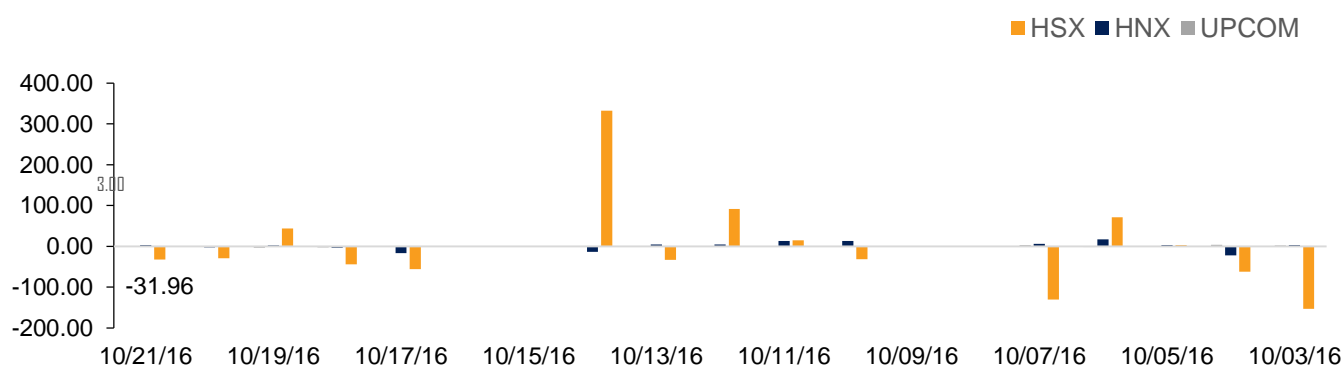
Ticker	Price	% Chg	Index pt	Volume
SIC	12.20	9.91	0.00	2500
TV3	54.40	9.90	0.02	200
PEN	9.00	9.76	0.02	2900
PVR	3.40	9.68	0.07	100
TFC	22.70	9.66	0.01	23900

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
GMX	21.00	-9.87	-0.01	3200
ONE	9.10	-9.90	0.00	31100
DID	4.60	-9.80	0.00	10100
NHA	9.30	-9.71	-0.01	100
KMT	5.80	-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).

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