

Vietnam Weekly Review

Continuing uptrend momentum, differentiate before Q2 Business result

BSC RESEARCH

Head of Research

Trần Thăng Long

longtt@bsc.com.vn

Macro & Market members

Bùi Nguyên Khoa

khoabn@bsc.com.vn

Lê Quốc Trung

trunglq@bsc.com.vn

Đặng Quang

quangd@bsc.com.vn

VN-INDEX 975.3 2.67%

Volume (mil shares) 576.3 -2.2%

Foreign trading (bil) 51.0

HNX-INDEX 104.4 0.84%

Volume (mil shares) 100.6 -37.9%

Foreign trading (bil) -21.9

Derivatives	Points	OI
VN30F1906	965.0	22,643
VN30F1907	884.7	121
VN30F1909	890.0	369
VN30F1912	889.9	243

Important levels

	Resistance	Average	Support
VN-INDEX	990.0	965.0	950.0
HNX-INDEX	108.0	104.0	100.0

Nguồn: BSC Research

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Next week strategy

Overcoming 965 points with support from stocks with large market capitalization and banking stocks, VN-Index continued to approach 985 points before the second quarter earnings announcement season. The positive trend of the world markets, and the positive preliminary results of some stocks supported VN-Index to rise, breaking the fluctuating trading situation in the previous 4 weeks. VHM, GAS and Banking stocks (VCB, CTG, BID) were the main gaining motivation of VN-Index last week. The market gained on a large scale with 16/18 gaining industries. Information about the US-China negotiation round will restart next week and the announcement of Q2 business results remain the main motivation for the market next week.

The stock market maintained the gaining momentum in the process of waiting for news. Oil prices fell while USD Index rebounded. The world stock market mostly increased except for the decrease of -1.1% of the Chinese market in the past week. USD Index recovered by 0.8%, mainly increasing against EUR and CHF. VND is seeing positive movements when increasing 0.3% against USD in the last week. Bcomp index decreased by -1.5%, mainly from the decrease of -9.3% of rubber, -4.8% of oil price, -4.7% of wheat, -3.7% of lead, and -3.1% of hot rolled steel. World markets will also be affected by the results of the US-China trade meeting next week, as well as the macroeconomic data of key economies.

Credit growth reached 7.33% in the first 6 months as the SBV bought a lot of foreign exchange to increase the highest foreign exchange reserve. Credit growth of 7.33% is equivalent to the same period of 2018, increasing sharply compared to 5.74% at the end of May. The interest rate is stable, the exchange rate is well controlled with the adjustment of the central exchange rate by 1% and The rates of commercial banks adjusted 0.3% -0.4%. In the past week, interest rates decreased rapidly by 55, 44, 22 percentage points for overnight, 1 week, and 1 month periods. The SBV continued to issue 34,999 billion 7-day bills with 3% interest rate while there was no transaction on the open market. This movement shows that the short-term liquidity tension has temporarily gone away due to seasonal effects at the end of the quarter. The SBV continuously issued large-sized bills in the past 2 months, also showed that the regulatory authorities withdrew money after having bought a lot of reserves in recent years.

Liquidity remained stable, VN30 is moving positively according to 2-bottom model with target price at 890 points. Futures contracts operate closely to the VN30, the premium is almost unchanged from the previous week at 0.3%, 0.7%, 1.0% and 1.2% respectively at all terms. The average trading value per session reached VND 10,535 billion/session, up 21% compared to the previous week. Open interest increased by 35% to VND 29,365. VN30 has surpassed and tested the resistance of 873 points, thereby strengthening the short-term gaining trend. VN30 is moving in the bottom 2 pattern, crossing the neckline to reach the target price area of 890 points. Futures contract 1907 has 9 days of maturity, so holding a long position may consider taking advantage of the index's recovery trend next week.

Short-term trading recommendation: Rotation trading follows the trend when VN-Index surpasses 965 points and is likely to increase by 985-1,000 points.

Mid and long-term trading recommendation: Increase the proportion of basic stocks to welcome the second quarter business results.

Stocks technical analysis

Positive: MBB, VRE, BMP, VCS, TCH

Next week highlights

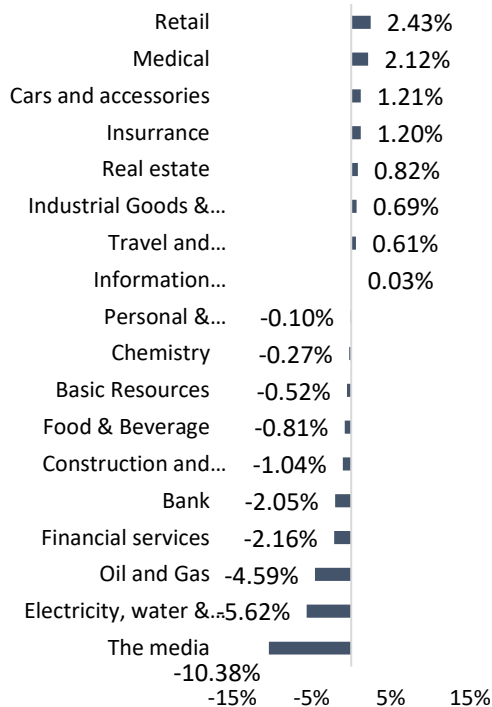
Second quarter business results of listed companies.

Movement of VN30 before portfolio adjustment on July 15th.

Information of the US-China trade talks in Beijing next week after two leaders agreed to resume negotiations at the G20.

July 9, China economic data including new debt, money supply M2, CPI. July 10, Britain announced monthly GDP and production index; Central Bank of Canada announced the overnight monetary and interest rate policy report; FED issued the minutes of the FOMC meeting. July 11, CPI, unemployment benefits, US federal budget balance sheet. July 12, the Ecofin Meeting comprised EU ministers exchanging intra-regional financial issues.

Chart 1: Weekly sectors development



Last week highlights

VN-Index has a positive trading week surpassing 970 thanks to a series of positive information about the resumption of US-China trade negotiations as well as an agreement to cut oil production approved by OPEC+. Liquidity increased slightly due to the excitement of investors in the world market. The expectation of a breakthrough in China – US trade negotiation will be a factor to pay attention to in the following week.

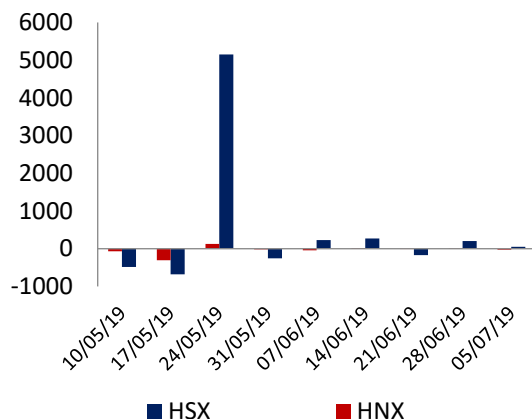
- Largecap, Smallcap and Midcap groups all gained.
- Market liquidity increased slightly, reaching an average of VND 2,682 billion, up +4.20% compared to the previous week.
- Foreign investors were net buyers on the HSX and net sellers on the HNX.

Sector developments

The market rallied when 16/18 sectors gained.

- Industry increased: Oil & Gas increased + 6.81% (GAS + 6.26%, PVT + 0.92%), Electricity and petroleum increased by 4.09% (PLX + 8.4%, PPC 7.45%), Real estate rose 3.48% (VHM + 8.45%, NVL + 1.17%).
- Top 2 sectors declined: Health sector decreased by -0.82% (DHG - 2.75%, DMC -1.39%), Natural Resources sector decreased by -3.84% (VID -2.18%, NKG -1.75%)
- Smallcap increased + 1.25%, Midcap rose 1.19%, Largecap increased + 1.43% and VN30 increased + 1.85%.

Chart 2: Foreign trading activities

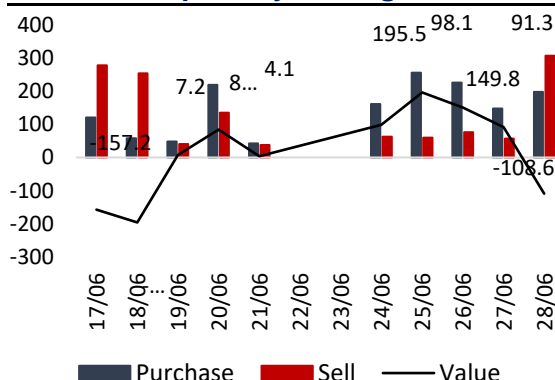


Foreign trading

Foreigners were net buyers on the HSX and net sellers on the HNX. They net bought VND 50.98 billion on the HSX and sold VND 21.94 billion on the HNX. Foreigners were net buyers of 297.7 billion PLX, 69.1 billion VJC and 65.3 billion E1VFN30 while net selling of -172.3 billion HPG, -106.9 billion PDR and -75.5 billion VHM. On all 3 floors, the top 10 most net buying stocks brought in VND 617.4 billion and foreign investors withdrew -593.5 billion from top 10 net selling stocks.

ETF KIM keeps the scale of 16.5 million certificates, premium of 0.04%, volume increases by 15%. The FTSE ETF kept the scale of 9,585 million certificates, premium of 0.8%, liquidity increased by 118%. VNM ETF: the US market stopped trading. The VN30 ETF increased the scale of 0.5 million certificates to 461.2 million certificates on July 3, equivalent to buying 7 billion, the status of discount -0.5%, the volume increased by 13%.

Chart 3: Proprietary trading activities



Proprietary trading

Proprietary sector net bought VND 83.46 billion. Strong net buying activities took place at the beginning of the week and net selling on the weekend. Proprietary traders net bought MWG 60.02 billion; FPT 50.89 billion, VIC 32.03 billion and net selling -64.21 billion E1VFN30, -58.37 billion VNM and -42.81 billion VPB.

Top VN-Index contributor

#	Stock	%	Points
1	VHM	+8.45%	6.65
2	GAS	+6.26%	3.46
3	VCB	+2.98%	2.31
4	PLX	+8.40%	1.92
5	CTG	+8.46%	1.82
6	VNM	+2.60%	1.65
7	VRE	+5.77%	1.35
8	BID	+3.47%	1.12
9	TCB	+4.91%	1.04
10	VIC	+0.86%	0.99

Total 21.3
VN-Index 25.40

Top VN-Index dragger

#	Ticket	%	Points
1	HPG	-5.11%	-0.98
2	HDB	-4.55%	-0.36
3	POW	-3.29%	-0.35
4	BHN	-3.16%	-0.21
5	KDH	-4.51%	-0.18
6	EIB	-2.39%	-0.17
7	FRT	-8.91%	-0.12
8	DHG	-2.75%	-0.12
9	ROS	-1.51%	-0.08
10	DCM	-5.41%	-0.07

Total -2.55
VN-Index 25.40

Top foreign net purchase/sell

#	Ticket	Purchase	% FO
1	PLX	297.74	11.80
2	VJC	69.14	20.10
3	E1VFV	65.25	#N/A
4	VNM	41.94	59.04
5	KBC	29.74	22.61
6	MSN	28.87	40.63
7	QNS	24.25	12.75
8	NVL	22.22	7.00
9	PVD	19.39	21.38
10	VCB	18.84	23.78

Total 617

#	Ticket	Sell	% FO
1	HPG	-172.28	39.12
2	PDR	-106.90	7.22
3	VHM	-75.55	15.11
4	VIC	-69.26	14.98
5	HDB	-52.28	24.36
6	YEG	-35.11	31.91
7	VCI	-31.09	36.93
8	PVT	-21.09	32.19
9	VND	-16.00	43.71
10	NDN	-13.91	4.62

Total -593.5

VN-Index

Weekly chart: The long white candle helped VN-Index to surpass SMA of 20 weeks and to break the struggle of the previous 4 weeks. The index is still in Ichimoku cloud and the compact bollinger band that opens slightly upward. Following positive movement last week, VN-Index surpassed SMA100 and SMA50 with technical signals returning above the average level. VN-Index will aim for short-term resistance of 985 points equivalent to Fibonacci retracement 23.6% of short-term cycle of volatility cycle from the beginning of the year. The index will move in a narrow range of 965-985 points and there will be strongly volatile sessions setting direction in the coming week.

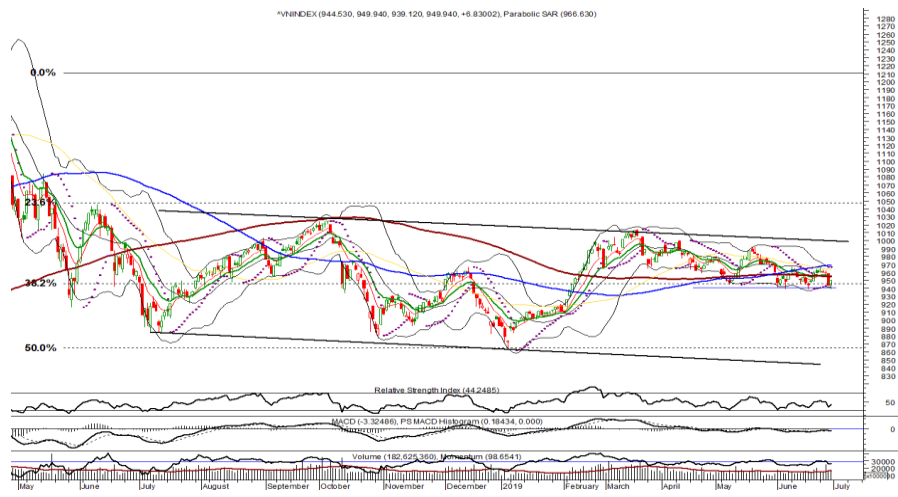
Daily chart: VN-Index recovered positively, after creating a reversal divergence at the bottom of 939 points last week. The index surpassed the resistance of 965 points and tested this level once before moving above the SMA50 and SMA100 and approaching the thin cloud band Ichimoku. With last week's price movement, VN-Index also surpassed the neckline of 965 points of the 3-bottom model with the expectation for target price of the model at 985 points. Technical indicators improved along with MACD crossed the signal line and level 0, are together confirming the trend for short-term recovery. VN-Index is heading to 985 - 1,000 points next week.

Highlights:

- VN-Index surpassed the neckline at 965 points of the 3-bottom model with an expected target price of 985 points.
- Considering the trend from March, VN-Index is still in the downward channel with the amplitude ranging from 940-980 points.

Evaluation: Positive movements of the world markets and Q2 earning results are supporting the index's recovery. In order to overcome the psychological resistance at 1,000 points, VN-Index needs support and confirmation from the growth of liquidity. However, in short-term, VN-Index maintained a positive recovery momentum after surpassing and testing 965 points, confirming the 3-bottom model with the target price of 985 points.

VN-Index chart



Nguồn: BSC Research

Domestic macroeconomic news

#	Market indexes	± Week
1	US (SP500)	1.5%
2	France (CAC)	1.0%
3	Germany (DAX)	1.4%
4	UK (FTSE)	1.7%
5	Japan (Nikkei)	2.2%
6	Philippine (PCOMP)	1.5%
7	Malaysia (KLCI)	0.6%
8	Thailand (SET)	0.1%
9	Indonesia (JCI)	0.2%
10	Singapore (STI)	1.4%
11	Vietnam (VN-Index)	2.7%

- According to the General Statistics Office, the gross domestic product in the first 6 months of 2019 achieved a good growth rate, reaching 6.76%. Consumer confidence reached a record level. Inflation was controlled to the lowest level between 2017-2019.
- The US informed that the US Customs and Border Protection Department will start collecting taxes of up to 456.23% of the value of stainless steel and cold rolled steel products imported from Vietnam (VN) with materials used imported from Korea. China, Taiwan, China to produce stainless steel and cold steel.
- Expected inflation for the whole year is only about 3.41%, which is much lower than the target of less than 4% of the Government.
- The overall PMI of the manufacturing sector in Vietnam reached 52.5 points in June, up from 52 points in May and equal to the results of April.

Major currency exchange r Đơn vị

VND/USD exchange	23,248 VND
VND/EUR exchange	26,087 VND
VND/CNY exchange	3,379 VND
VND/JPY exchange	21,452 VND

Future contracts	Value
Dầu WTI (USD)	57.9
Dầu Brent (USD)	64.7
Khí gas (USD/MMBtu)	2.4
Vàng giao ngay (USD/oz)	1404.7
Bạc (USD/t oz)	15.0
Đồng (USD/lb.)	267.8
Cao su (JPY/kg)	231.0
Bông (USD/lb.)	77.2

Tỷ giá OMO của ngân hàng nhà nước

Interest Period	Rate	± Week
Overnight	3.07	-0.40
1 week	3.22	-0.28
2 week	3.36	-0.17
1 month	3.52	-0.14
2 month	3.78	-0.06
3 month	4.01	0.00
6 month	4.32	0.07
1 year	4.66	0.16

International macroeconomic news

- South Korea is calling for a boycott on Japanese products after Tokyo announced that it would restrict the export of three high-tech materials, which are used by Korean companies to manufacture smartphones' screens and chips.
- The United Kingdom's task force arrested Grace 1, an Iranian super tanker, off the coast of Gibraltar when it was on a journey from Iran to Syria.
- Chinese Trade Ministry spokesman Gao Feng said US-China trade negotiators maintain contact. However, Mr. Gao said the two sides could only come to a trade agreement if the US removes tariffs which have been imposed on Chinese goods.
- The United States sued the World Trade Organization (WTO) on tariffs imposed by India on imported goods from the United States.

Industry information

Petroleum sector After three declines consecutively, gasoline prices increased since July 2nd.

[Link](#)

Food sector: The price of paddy rice is low. Traders cancel orders adversely affecting farmers.

[Link](#)

Rubber sector: Rubber export increased sharply in June.

[Link](#)

Fruit sector: Chinese traders stopped their purchases, leading to the decrease in price of Thai jackfruit.

[Link](#)

Pork sector: The price of live hog continues to rise sharply.

[Link](#)

Aquaculture sector: Seafood export in the 2nd half of 2019 will recover, may achieve 5 billion USD.

[Link](#)

MBB - Military Commercial Joint Stock Bank - The Pillar Stock – Positive

MBB is a Bluechip stock which is in the recovery phase from the short-term bottom 20.5.

Stocks are forming a short-term upward trend. Stock liquidity remained above the average level of 20 sessions, showing that this upward trend can still continue. The price line has also surpassed the ichimoku cloud band to strengthen the gaining trend in this period.

Technical indicators are in a positive position. MBB's support level in this price range is 20. Strong resistance at the price level of 22.5 and 24.

Investors should only open positions when the stock surpasses the price level of 21.5 with high volume. Take profit at the price of 23.5 and cut loss if the stock loses its short-term support level of 20.5.



VRE - Vincom Retail Joint Stock Company - Positive

VRE is one of the Bluechips stocks which is in a solid recovery trend.

VRE stock is creating an uptrend after solid accumulation at the short-term bottom 34. The rising position was established when the stock liquidity rose sharply and exceeded the 20-day average in the last two trading sessions. RSI indicator and MACD are both signaling the beginning of the uptrend. Price line of VRE has also surpassed Ichimoku cloud band, forming a fairly solid upward trend in the medium term.

VRE's strong support levels are 31.87 and 34. Strong resistances are at 38.8 and 44.

Investors can open positions at 34-35 and take profit at 38-40. Cut loss if the stock loses short-term support 34.



BMP - Binh Minh Plastics Joint Stock Company - Positive

BMP is a Bluechips stock which is forming a recovery trend after a cumulative period of 2 months

The stock has established a support at the bottom at 43 in the short term with a strong recovery trend. Liquidity in recent gaining sessions also increased sharply and surpassed the average trading volume of 20 sessions. This phenomenon gives the stock a strong gaining position.

Technical indicators are showing positive signs, reinforcing the uptrend. Sugar price is also about to surpass Ichimoku cloud band.

Support level of stock is at the price threshold of 43. Strong resistance levels are at the threshold of 50 and 55.

Buy stocks at 44-45 price threshold. Cut loss if losing the support level of 43 and take profit at the price range of 50-52.



VCS - Vicostone Joint Stock Company - Positive

VCS is a Largecap stock which has formed a recovery trend with a positive price increase.

The stock established a quite strong support level at the price level of 60. Technical indicators are at a positive level. Stock liquidity is also far above the average level of 20 sessions.

Currently, VCS has short-term support at the price range of 60 and 65. Strong resistances are at 75 and 80.

Investors can open buying position at 65 and take profit at 75-80. Cut loss if the stock trades below the 60 threshold.



TCH - Hoang Huy Investment Financial Services Joint Stock Company - Positive

TCH is one of the Midcap stocks which is in the uptrend after accumulating at the bottom of 20.

Stock liquidity increased sharply in the latest trading session at the price level of 21. Technical indicators are signaling positive signals. The trading price line is also supported by Ichimoku cloud band, which indicates a solid price uptrend.

The support level of TCH is the price level of 20. The strong resistance is at the threshold of 23.5 and 25.

Investors can open buying position at the price level of 21 and take profit at the price of 24. Cut loss if the stock loses the short-term support level of 20.



Khuyến cáo sử dụng

Bản báo cáo này của Công ty Cổ phần Chứng khoán Ngân hàng Đầu tư và phát triển Việt Nam (BSC), chỉ cung cấp những thông tin chung và phân tích về tình hình kinh tế vĩ mô cũng như diễn biến thị trường chứng khoán trong ngày. Báo cáo này không được xây dựng để cung cấp theo yêu cầu của bất kỳ tổ chức hay cá nhân riêng lẻ nào hoặc các quyết định mua bán, nắm giữ chứng khoán. Nhà đầu tư chỉ nên sử dụng các thông tin, phân tích, bình luận của Bản báo cáo như là nguồn tham khảo trước khi đưa ra những quyết định đầu tư cho riêng mình. Mọi thông tin, nhận định và dự báo và quan điểm trong báo cáo này được dựa trên những nguồn dữ liệu đáng tin cậy. Tuy nhiên Công ty Cổ phần Chứng khoán Ngân hàng đầu tư và phát triển Việt Nam (BSC) không đảm bảo rằng các nguồn thông tin này là hoàn toàn chính xác và không chịu bất kỳ một trách nhiệm nào đối với tính chính xác của những thông tin được đề cập đến trong báo cáo này, cũng như không chịu trách nhiệm về những thiệt hại đối với việc sử dụng toàn bộ hay một phần nội dung của bản báo cáo này. Mọi quan điểm cũng như nhận định được đề cập trong báo cáo này dựa trên sự cân nhắc cẩn trọng, công minh và hợp lý nhất trong hiện tại. Tuy nhiên những quan điểm, nhận định này có thể thay đổi mà không cần báo trước. Bản báo cáo này có bản quyền và là tài sản của Công ty Cổ phần Chứng khoán Ngân hàng Đầu tư và Phát triển Việt Nam (BSC). Mọi hành vi sao chép, sửa đổi, in ấn mà không có sự đồng ý của BSC đều trái luật. Bất kỳ nội dung nào của tài liệu này cũng không được (i) sao chụp hay nhân bản ở bất kỳ hình thức hay phương thức nào hoặc (ii) được cung cấp nếu không được sự chấp thuận của Công ty Cổ phần Chứng khoán BIDV.

BSC Trụ sở chính

Tầng 10 & 11 Tháp BIDV

35 Hàng Vôi, Hoàn Kiếm, Hà Nội

Tel: +84 4 3935 2722

Fax: +84 4 2220 0669

BSC Chi nhánh Hồ Chí Minh

Tầng 9 Tòa nhà 146 Nguyễn Công Trứ

Quận 1, Tp. Hồ Chí Minh

Tel: +84 8 3821 8885

Fax: +84 8 3821 8510

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

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