

Tue, July 19, 2016

Vietnam Daily Review

Unsuccessful attempt

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 19/7/2016	•		
Week 18/7-22/7/2016			•
Month 6/2016		•	

Highlight

VN-Index traded mostly in green, approaching the top and the previous psychology zone at 675-680 points after peaking at 677.3 points thanks to price increase of VNM.

Strong selling pressure on VIC at 13h45 after VIC released "Tan Lien Phat Construction Jsc. has decided to suspend the conversion of loans worth 1.201.9 billion in industrial Group JSC Truong Thanh Furniture (TTF) due to detection a number of serious discrepancies between the actual figures and data provided by TTF ". Selling pressure also dragged TTF to floor, and quickly spread to other Bluechip such as BID, GAS, STB, particularly in surged shares such as KSB, DRH. VN-Index has slumped more than 10 points. In general, the market is not too negative and there is still a divergence in many stocks, including Real estate and Construction (HBC, HUT, KBC, LDG), Construction materials (CVT, TLT, VIT), on the other hand, Steel group (+ 3.3%) and Banking groups except VIS and VCB corrected. VN-Index closed at 667.8 (-0.9%), volume did not changed much from the previous session (continued below the 10-day average), gainers overwhelmed strongly by losers on the 2 floor, 277 stocks dropped / 169 gainers.

Recommendation

Though the market failed to test the top 675-680, it still lies in the up candlestick on 13/7. Hence, short-term trend has not been violated. In terms of Elliott wave, it is likely that VN-Index is moving in the wave 5 of the medium-term recovery cycle since 22.01.2016. Upper and lower zones of the price range from 660 to 675 will confirm it is merely wave 5 or extended wave 5. If VN-Index falls below 660 points, it is likely that VN-Index is in normal wave 5 and 675 points was short-term top of medium-term wave 5 and it will correct according to the principle of a-b-c with the target at 630-640 points. Conversely, if VN-Index overcomes 675-680 points, it will extend the wave 5 with target price stays above 700 points.

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VN-INDEX **667.76**
Value: 2661.27 bil **-5.74 (-0.85%)**
Foreigners (net): VND 89.51 bil

HNX-INDEX **86.25**
Value: 708.07 bil **-0.8 (-0.92%)**
Foreigners (net): VND 16.66 bil

UPCOM-INDEX **57.55**
Value 71.58 bil **-0.12 (-0.21%)**
Foreigners (net): -VND 12.4 bil

Macro indicators

	Value	% Chg
Crude oil	45.2	0.0%
Gold	1,333	0.3%
USDVND	22,295	0.0%
EURVND	24,672	-0.1%
JPYVND	21,009	0.0%
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.

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Market highlights

Besides the group of Steel stocks, many other blue-chips as SSI, VNM, VCB... continued to rise and contributing to the gaining of VN-Index. In contrast, the mining stocks as BGM, KSA... still could not stop the sell-off. KSA even had an oversold of over 10 million shares at floor price. In the afternoon, the focus put on VIC and TTF. When the negative information related to VIC and TTF mentioned on the previous page was published, TTF fell to the floor with a large amount of oversold. Even, VIC also slipped to the floor price though recovered soon after and closed at 52 (-3.7%). This two stocks plunged sharply made the market suddenly fell into panic status, the strong selling pressure in large stocks on the market made the VN-Index fell more than 13 points in the worst time, the session closed down 5.74 points corresponding to -0.9%. Foreign investors remained at net-buying position on the two exchanges today with increased value.

Recommendations

- The current trend of the VN-Index is still uptrend. VN-Index is currently trading over the boundary of the mid-term upward channel according to the daily chart.

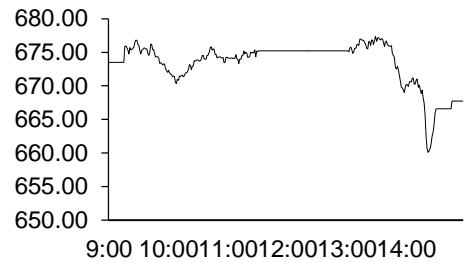
- Technical signals: MACD continues with positive divergence, ADI surpassed 20 successfully with +DI trading over -DI, ATR continues to maintain a high level and support the mid-term uptrend but RSI after 2 week trading at overbought side is now showing the signs of declining, Bollinger bands and MFI are creating divergence with price, signaling a probability of adjustment, back to the top boundary of mid-term upward channel at 655, equivalent to MA 15.

- The technical signal of the HNX-Index is now worse than the VN-Index when: MACD started a negative divergence and simultaneously ADX dropped below 20, with +DI is close to -DI, RSI decrease continuously, Bollinger Bands narrowed, trading volume was lower than the 10-day average. HNX-Index is trading near the level of 86.3, equivalent to MA 15 and may recover slightly before continuing the adjustment.

VN-Index graph

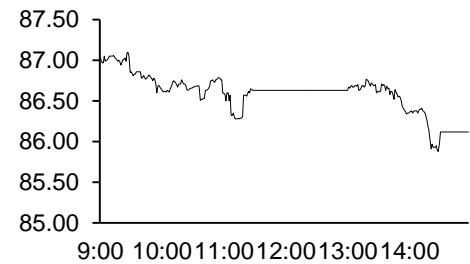


Exhibit 1



Source: Bloomberg, BSC Research

Exhibit 2



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
ITA	8.46	5	-1.96
SSI	6.47	24.1	1.69
FLC	5.41	6.1	-1.61
HAR	5.16	5.3	6
KBC	4.6	16.9	0.6

Source: Bloomberg, BSC Research

Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutloss	Target
1	CVT	3/6/2016	24.8	35.3	42.3%	23.1	37.4
2	HHG	3/6/2016	7.9	10.4	31.6%	7.3	12.2
3	GTN	21/3/2016	15.8	22.8	44.3%	14.7	17.7
4	CTI	27/5/2016	24.3	26.7	9.9%	22.6	31.8
5	S55	13/6/2016	45.5	44.8	-1.5%	42.3	51.0
6	HVG	13/6/2016	10.4	10	-3.8%	9.8	11.5
7	HTL	17/6/2016	94.0	90	-4.3%	83	105
8	C47	11/07/2016	13.2	13.3	0.8%	12	0.8%
Average					14.9%		

Source: BSC Research

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutloss	Target
1	MBB	27/4/2015	13	15.2	16.9%	13	15.6
2	CMG	16/10/2015	14.6	13.6	-6.8%	17	17.5
3	DAG	10/6/2016	12.2	14	14.8%	11	15.0
4	DHC	11/07/2016	38.8	38.2	-1.5%	36	47
5	TTC	27/5/2016	21.7	26.3	21.2%	20	26.0
6	BIC	17/6/2016	22.1	26.4	19.5%	21	27
Average					10.7%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
VNM	153	2	1.818	1.84MLN
VCB	56	0.9	0.673	559050
SSI	24.1	1.69	0.097	6.47MLN
MWG	140	0.72	0.074	255690
Ticker	Price	% Chg	Index pt	Volume
VIC	52	-3.7	-1.958	1.55MLN
BID	18	-3.23	-1.035	2.76MLN
GAS	64	-1.54	-0.966	509820
CTG	18.2	-2.67	-0.94	1.64MLN
MSN	67.5	-2.17	-0.572	307780

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 HSX

Ticker	Price	% Chg	Index pt	Volume
VMD	38.8	6.89	0.011	40
EVE	29.2	6.83	0.026	178360
PNC	15.9	6.71	0.006	100
HU3	8	6.67	0.003	10
VID	4.8	6.67	0.004	790

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 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

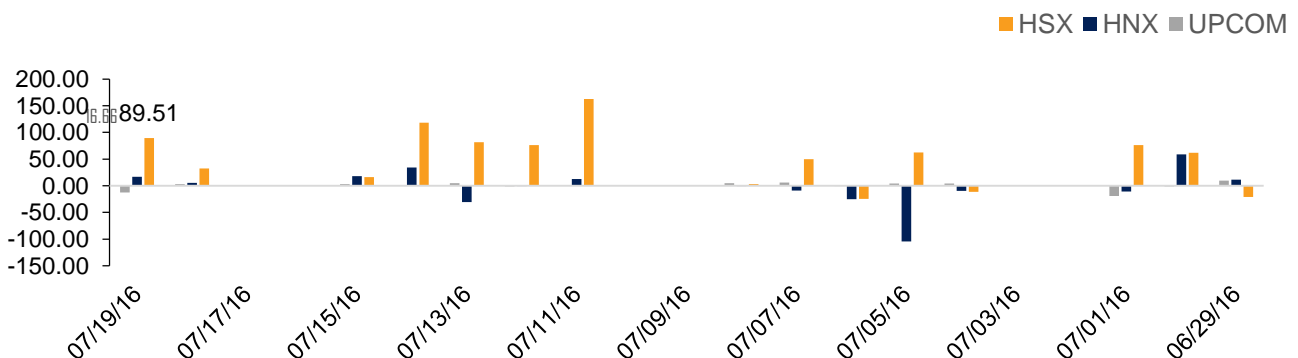
Top 5 losers on the HNX

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

Source: Bloomberg, BSC Research

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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