

[Market Preview 07/09]

FORECAST AND TRADING STRATEGIES

VNINDEX'S TARGET PRICE INCREASE IN THE NEAR FUTURE WILL BE 1400 POINTS AND 1420 POINTS.

MARKET TREND	SUMMARY RECOMMENDATION STATUS <small>(New Updates)</small>
<p>Short-term: Bullish (Under a month)</p> <p>Medium-term: Bullish (1 – 6 months)</p> <p>Long-term: Bullish (6 months beyond)</p>	<ol style="list-style-type: none"> The market has regained 1340 points, before it was 1320 points. These two are important support levels for the recent recover and rebound; The market's SHORT-TERM TREND is adjusted from bearish to BULLISH by us. Vnindex's target price INCREASE in the near future will be 1400 points and 1420 points; Steel stocks: Gained quite well, attracting cash flow back. Steel stocks are forecasted to increase in price in the near future. <i>(Details of Recommended Steel stocks can be found in this Market Preview Report)</i> Speculative stocks: Still gaining quite well and making profits like: BCG, DL1, BII, APH, LCG. It is expected that these stocks will still increase in price in the coming trading sessions. RECOMMENDATION: Continue to hold and wait for the time to sell and take profit. Real Estate Stocks: We find stocks like KBC, IJC, VHM, BII, NTL, NLG, NDN, HDG, HDC to be investable stocks for medium-term Investment activities. <i>We remain POSITIVE status for this group of stocks and the valuation is still low for the medium and long term.</i>

	VnIndex	HNX Index	Upcom Index
Last	1346.39	345.59	94.54
Change (%)	11.74 (0.88%)	2.17 (0.63%)	0.53 (0.56%)
%↑ 1 week	0.88%	0.63%	0.56%
Market value			
Today (bil.)	28,124.035	3,760.446	2,504.096
Foreign investor			
Buy (bil.)	1,703.28	20.24	27.98
Sell (bil.)	1,994.87	72.49	24.26
Net (bil.)	-291.59	-52.25	3.72
Market Summ.			
Advances	300	202	230
Declines	106	61	87
Unchanged	42	22	58
Futures			
	Last	Open Interest	Volume (bil. VND)
VN30F1M	1444.6	28,361	21,023.00
VN30F2M	1441.9	277	49.99
VN30F1Q	1442	193	3.02
VN30F2Q	1441	147	4.60

True to our previous forecast, the markets still gained well after the holiday on September 2nd with strong cash flowing in Groups of Industrial Metals (Steel); Real Estate; Construction, Building Materials and Speculative MidCap stocks.

Closing the first session of the week, VNINDEX gained 11.74 points, successfully conquering 1340 points. VN30 and F1M derivatives also recorded an increase of over 14 points – a good increase since August 19 until now.

Liquidity improved more clearly with trading value of over 28.2 trillion dong on Hochiminh trading floor. Higher than the average of the last 20 sessions and still in **our positive trading volume target** is over 20 trillion dong/session.

Foreign investors continued to be net sellers, but the value decreased more, with more than 291 billion dong. VHM, MSN are still two stocks that have been sold a lot by this block in recent sessions, this session is more than 380 billion dong and 61 billion dong, in addition, there is VNM (76 billion dong). On the net buying side, this group increased their net buying of banking stocks such as CTG, MBB, VCB, and HDB but at a moderate value of 30-90 billion dong.

Steel stocks: This session gained quite well, attracting cash flow again. Steel stocks are forecasted to increase in

price in the near future.

Big names like HSG, TLH, TVN, and SMC all hit the ceiling. HPG, NKG also gained quite well during the session.

HSG officially retests the peak area of 42.8 – 43. The upside is likely to continue, with the short-term price target above 48.

HPG is currently "slower" compare to other stocks in Steel Group. Yet the price of HPG is still likely to increase further to retest the previously formed peak area of 55.

NKG is still gaining strongly because its P/E and P/B valuations are still low compared to stocks in the same industry. **The 50 price zone is the target area for NKG stock.**

TLH - similar to NKG, TLH is also an undervalued steel stock. And there is still room for price increases. **Price zone of 25** is the short-term target area for this stock.

TVN has a sudden surge in volume, however, the price is entering a strong resistance area (15.5 - 16.5) and P/E, P/B is equivalent to steel industry. **Not in a hurry to buy and chase with TVN.**

SMC is also still in a good uptrend. **The price of SMC will continue to increase** to reach the target area of 65. And this is still our favorite steel stock.

Real estate stocks: Continuing to increase slightly in price and volume while our medium-term outlook remains POSITIVE

Most of the big real estate stocks gained like VHM, ITA, HQC, IJC, SCR, IDC and especially BII hit the ceiling price.

The short-term profit-taking activities in real estate stocks have been replaced by new cash flows and stronger buying participation when the general market is expected to increase again.

Regarding the medium-term outlook, we see that stocks such as **KBC, IJC, VHM, BII, NTL, NLG, NDN, HDG, HDC** are **investable stocks for Medium-term Investment activities at current prices.**

Speculative stocks: Still gaining quite well and making profits such as: BCG, DL1, BII, APH, LCG.

These stocks are still being traded at a pretty good price, green or just down slightly in the current context.

It is expected that these stocks will still increase in price in the coming trading sessions. **RECOMMENDATION: Continue to hold and wait for the time to sell and take profits.**

Bank stocks: Diversified, yet the trading volume of many stocks improved slightly in this session.

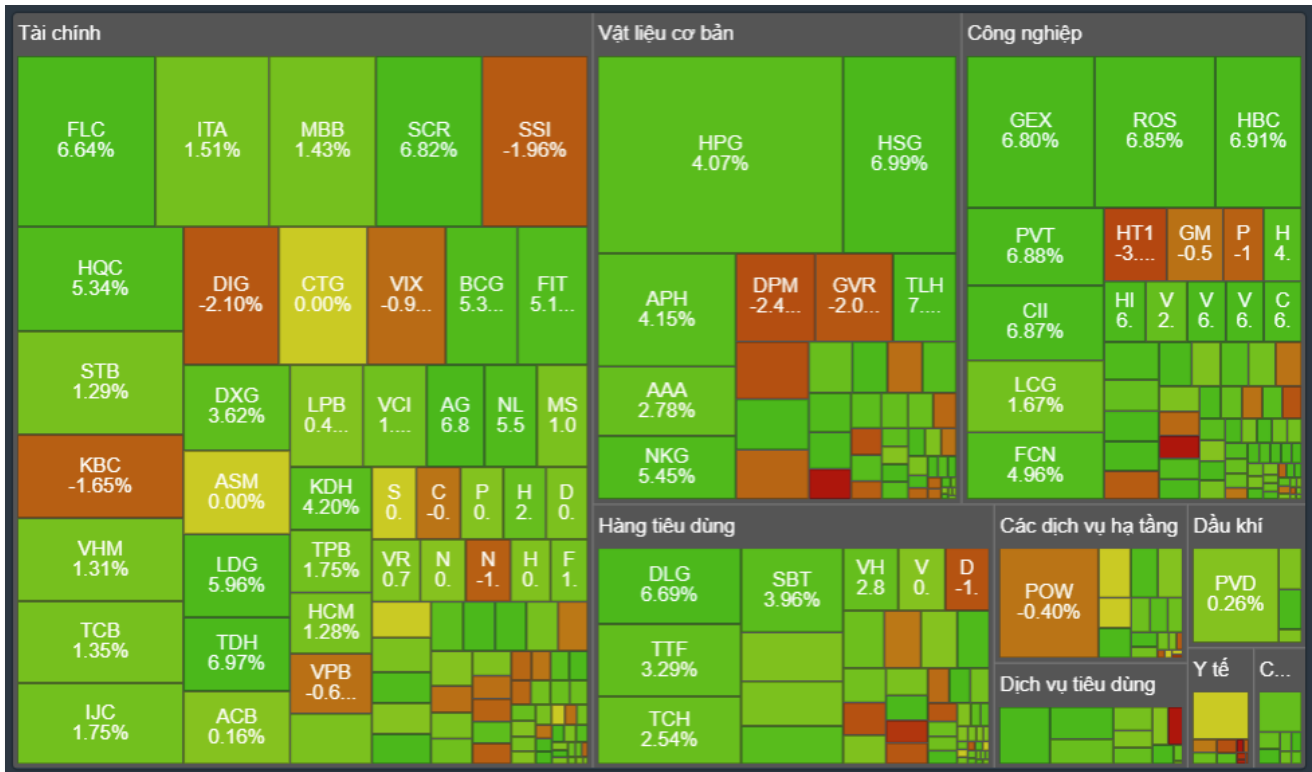
Most of the banking stocks in this session diverge. Slight increase in TPB, MBB, TCB and SCB. These stocks also saw a slight improvement in volume.

On the downside, VIB has not yet attracted cash flow, still being the bank's stock with the biggest drop (-14%) in the last 1 month. SHB and VPB also dropped this session, however month to month, these two stocks have not decreased much.

RECOMMENDATION: We continue to maintain **OBSERVATION, DON'T RUSH TO BUY YET and WAIT FOR EFFECTIVE BUY POINTS.**

LATEST MARKET FORECASTS:

- 1) The market has regained 1340 points, before it was 1320 points. These two are important support levels for the recent recover and rebound;
- 2) The market's SHORT-TERM TREND is adjusted from bearish to **BULLISH** by us;
- 3) **Vnindex's target price INCREASE** in the near future will be 1400 points and 1420 points;



(Source: HOSE, FireAnt)

Futures Market:

VN30F2109	1,444.6	16/1.12	146,220
VN30F2110	1,441.9	14.90/1.04	348
VN30F2112	1,442.0	13.50/0.95	21
VN30F2203	1,441.0	13.40/0.94	32
06/09/2021			

(Source: Vietstock)

The market after the long holiday started quite positively right from the opening, the VN30 index with 26 gainers after the ATO session created an increase gap of more than 6 points. Although this uptrend was narrowed in the morning session and the number of advancers decreased to 20, the VN30 still managed to gain more than 5 points before the lunch break. In the first half of the afternoon session, the VN30 continued to struggle above the 100-day MA. And with strong demand in the second half, VN30's gaining momentum widened, with 23 gainers, 1 unchange and 6 losers, helping the VN30 break out of the 1440 resistance and close at near the high of the day. At the end of the session, VN30 gained 1.02% to 1441.54.

Similarly, the F1M contract also started positively right from the ATO session and then narrowed its gain in the morning session but still managed to gain more than 6 points and only broke out near the end of the afternoon session. At the end of the session, the F1M contract closed at 1444.60, up 16 points compared to the reference.

The liquidity of F1M contracts continued to decline as only over 146,000 contracts were matched in the session, lower than 96 thousand contracts with the average liquidity of the previous 20 sessions.

At the end of the session, the basis of F1M contract with VN30 reached 3.06 points. This shows that investors are quite optimistic about the short-term prospects of VN30.

The VN30 index had a rather positive recovery session when it closed above the 100-day MA with the group's liquidity gradually returning closer to the previous 20-day average. In the short term, the VN30 is in a recovering and accumulating trend. Liquidity and volume are gradually improving but still need a few more sessions above the 20-session average to minimize the short-term correction risk. Currently, the resistance area of 1450 needs to be overcome for VN30 to confirm the short-term uptrend. After creating a bottom and recovering from 1390, this is temporarily considered the closest support for the index in this short-term rally.



VN30F1M intraday. (Source: FireAnt)

STOCKS NEWS

ENTERPRISE

1. NLG: Nam Long closed the private offering price of 60 million shares, many large foreign funds such as Dragon Capital, KIM, Pyn Elite Fund... registered to buy nearly half of them.
2. FMC: Sao Ta President - Promote raw processing, ready when raw shrimp prices increase
3. DRI: Dak Lak Rubber Investment Joint Stock Company: Risks when rubber prices reverse
4. GSP: Extension of time to exercise the right to buy additional shares
5. GEX: Gelex's intention to bring Gelex Electric to the floor
6. TDH: Thuduc House's 6 months net profit increased 24% after review
7. BCM: Owning the largest industrial park land fund in Vietnam, Becamex IDC greatly benefits from post-pandemic recovery
8. VND: VNDIRECT receives a syndicated loan of USD 100 million from a group of foreign financial institutions
9. Short-term debt of 3 "big guys" in aviation exceeds 40,000 billion dong
10. IDJ: Investment IDJ sponsors planning of 5-star ecological urban area Apec Eco Lang Son, total estimated investment is 30,000 billion VND
11. TNG: TNG Textile and Garment reported a continued decrease in revenue in August, recruiting nearly 600 more workers
12. PLP: Crystal Plastic - SPC Factory No. 2 in Hai Phong is about to test run
13. AAS: A securities company wants to adjust its profit target by 42 times

MACRO, FINANCIAL AND CURRENCY

1. The COVID-19 epidemic affects the disbursement progress of public investment capital
2. Market 6/9, over a hundred stocks hit hard ceiling, hot market
3. The Ministry of Finance is studying and reviewing for an appropriate tax rate for billet products
4. The Ministry of Finance rejected the proposal to abolish VAT on domestic fabrics used for garment export
5. Proposal to increase vaccination against COVID-19 for fishery workers
6. Contradictory construction steel prices
7. Absorbed by Covid, a series of businesses "broken"

BUY, SELL, ISSUED DIVIDENDS

1. APS: Investment Apec Holding registered to buy 2 million shares of APEC Securities
2. AAV: Viet Tien Son Real Estate - Shares increased 121.4%, three leaders registered to sell all shares
3. IPA: Investment I.P.A submits application for listing on HNX

Watchlist

Ticker	Sector	Foreign Investor Room	Market Cap (bil.)	Current Price	Target Price	Est Profit Target (%)	Forward dividend yield	Forecast & Recomm.	P/E	P/B	P/E 2021 (forward)
ASM	Aquaculture	47.8%	4,414	17.05	20	17%	2.9%	Positive	7.84	0.63	7.4
CNG	Natural Gas Distribution	44.0%	807	29.9	29	-3%	5.0%	Negative	12.48	1.31	13.5
CTG	Depository Credit Intermediation	4.9%	119,335	32.05	56	75%	0.0%	BUY	11.28	2.19	8.0
DCM	Chemical - Pharmaceutical	46.8%	13,447	25.4	18	-29%	3.9%	SELL	14.50	1.65	19.2
FPT	Software Publishers	0.0%	86,119	94.9	110	16%	2.1%	Positive	17.96	3.56	22.1
FRT	Electronics and Appliance Stores	34.8%	3,384	42.85	39.0	-9%	2.3%	Negative	130.00	1.99	16.9
GAS	Natural Gas Distribution	46.9%	173,021	90.4	101	12%	4.4%	Positive	24.39	3.58	14.4
GMD	Support Activities for Water Transportation	7.9%	15,883	52.7	50	-5%	2.8%	Negative	29.22	1.99	26.5
HPG	Primary Metal Manufacturing	22.6%	229,018	51.2	60	17%	1.0%	Positive	9.25	2.54	8.2
MSN	Manufacturing	67.1%	154,768	131.1	150	14%	0.8%	Positive	83.20	11.82	51.6
MWG	Electronics and Appliance Stores	0.0%	52,773	111	160	44%	1.4%	BUY	16.28	3.97	12.0
NT2	Electric Power Generation	34.2%	6,333	22	19	-14%	6.8%	Negative	10.72	1.47	12.7
PLX	Merchant Wholesalers, Nondurable Goods	2.8%	66,117	51.1	65	27%	5.9%	BUY	19.76	2.87	13.2
POW	Electric Power Generation	46.0%	29,039	12.4	12	-3%	4.0%	Negative	12.65	0.91	13.8
REE	Building Equipment Contractors	0.0%	20,459	66.2	58	-12%	0.0%	Negative	9.82	1.40	10.8
TCB	Depository Credit Intermediation	100.0%	171,565	48.95	57	16%	0.0%	Positive	12.58	2.29	11.4
TCH	Real Estate Development	37.2%	8,043	20.15	24	19%	5.0%	Positive	9.14	0.94	10.1
TDM	Water Supply and Irrigation Systems	43.7%	3,180	31.8	35	10%	3.8%	Positive	10.65	1.63	12.7
VEA	Manufacturing	43.3%	56,740	42.7	45	5%	10.5%	Positive	11.34	2.58	8.1
VHM*	Real Estate Development	26.2%	363,087	108.4	145	34%	0.9%	BUY	14.01	3.92	12.1
VIC	Manufacturing	22.6%	321,331	95	101	7%	0.0%	Positive	58.35	3.37	64.3
VJC	Air Transportation	11.8%	68,081	125.7	80	-36%	0.0%	SELL	51.20	4.14	680.8
VND	Securities/ Finance	30.5%	21,709	50.6	60	19%	2.0%	Positive	16.12	2.05	16.7
VNM	Food Manufacturing	45.2%	184,543	88.3	80	-9%	4.5%	Negative	17.03	5.66	16.8
VNR	Insurance Carriers	21.1%	3,683	28.1	35	25%	4.3%	BUY	9.45	1.16	10.5

Source: AIS's Research, Corporate Auditing Financial Statements, FireAnt, Bloomberg, FiinPro

FORECAST & RECOMMENDATION:

- We recommend BUY when the expected return is above 20%;
- We rate the stock's price outlook as POSITIVE when the expected return is from 0% - 20%;
- We rate the stock's price outlook as NEGATIVE when the expected return is from 0% to -20%;
- We recommend SELL when the expected return is below -20%;

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