

## [Market Preview 07/10]

FORECAST AND TRADING STRATEGIES

### VNINDEX CONTINUES ITS RALLY TO CONSOLIDATE AND PRESERVE THE CURRENT SHORT-TERM BULLISH TREND OF THE MARKET.

#### MARKET TREND

**Short-term: Bullish**  
(Under a month)

**Medium-term: Bullish**  
(1 – 6 months)

**Long-term: Bullish**  
(6 months beyond)

#### SUMMARY RECOMMENDATION STATUS

- 1) **Retail stocks:** After recovering from previous declines, MWG was the bright spot of retail this session;
- 2) **Gas stocks:** Continuing to gain, however, liquidity declined except for GAS;
- 3) **BIG DEALS stocks:** Most of the stocks in the BIG DEALS portfolio are still bullish and giving good returns to move towards the target price zones.

**New buy of MWG shares** for medium and long term investment strategy. We expect a bullish move towards the 145 target price zone.

**Consider taking profit with IDC stock** since the expected profit has been achieved.

**New buy of CEO shares** for short-term speculative strategy. We expect the price to increase towards the target price zone 13.

**Accumulate more of HPG shares** for short-term speculative strategy. We expect the price to increase towards the target price zone of 70.

The remaining stocks will still increase in price in the coming sessions.  
**RECOMMENDATION: Continue to hold and wait for the time to sell and take profit.**

Details of recommended BIG DEALS Stock Portfolio: [click here](#)

	VnIndex	HNX Index	Upcom Index
Last	1362,82	368,33	97,3
Change (%)	8,19 (0,60%)	1,83 (0,50%)	0,40 (0,41%)
% ↑ 1 week	2,09%	3,36%	1,46%
<b>Market value</b>			
Today (bil.)	19.436,631	2.159,683	1.898,606
<b>Foreign investor</b>			
Buy (bil.)	949,85	27,69	49,9
Sell (bil.)	1.481,30	33,47	86,69
Net (bil.)	-531,45	-5,78	-36,79
<b>Market Summ.</b>			
Advances	274	125	194
Declines	129	83	115
Unchanged	60	66	62
<b>Derivatives</b>			
	Last	Open Interest	Volume (bil. VND)
VN30F1M	1452,00	42.503	15.322,79
VN30F2M	1448,60	363	15,36
VN30F1Q	1448,40	233	2,75
VN30F2Q	1447,70	171	1,16

The markets opened positively, gaining slightly in the morning session and gaining strongly towards the end of the session. VNINDEX closed at 1,362.82 points, up 8.19 points.

Liquidity increased in this session with 19.4 trillion dong traded on Ho Chi Minh Stock Exchange. This value is still lower than the average of the last 20 trading sessions.

After a net buying session with put-through transactions of shareholders in TPB, foreign investors turned to be net sellers in this session. The net selling value in this session was over 531 billion dong. HPG shares continued to be sold by this group with a net selling value of 173.97 billion dong, this was the 6th consecutive session that foreign investors net sold on this stock. In addition, NVL shares were also sold strongly in this session with a value of 135.5 billion dong.

On the other side, foreign investors continued to net buy VHM shares with a value of 45.21 billion dong and TPB stock with a trading value of 115.06 billion dong related to the trading of shares of Softbank-related group of shareholders.

**Gas stocks: Continue to gain but the liquidity has declined, no longer attracting cash flow.**

GAS stock is a large-cap stock in the market, contributing positively to VNINDEX's score this session. As we have forecasted before, GAS stock has initially gave a profit of 17.25% in the past week and our forecast is that GAS still has room to increase in the near future when gas prices on global market are still increasing.

Gas stocks with smaller capitalization such as PGC, CNG, and ASP will still increase in price, but because of the high level of price increase in the past time, the upward momentum will not be as strong as GAS's.

**Retail Stocks: Slightly recovering after previous declines, MWG is the bright spot of Retail this session.**

Retail companies have gained quite well in this session, however, large cash flow is still apprehensive for this industry group because of complicated developments from the Covid-19 pandemic.

The big stocks of this industry group such as PNJ, FRT, and DGW rebounded after two losing sessions but still could not attract the cash flow when the liquidity has not improved much, even decreased in some stocks.

MWG alone had a positive session, with an increase of 1.18% along with high liquidity, this was the 3rd consecutive session increasing in price of this stock.

**The upside potential for this group of stocks in the medium and long term will be more** when the economy recovers, consumer demand and people's purchasing power are improved after the Covid-19 epidemic is forecasted to be gradually under control in Q4/2021 and Vietnam may move towards herd immunity in Q1/2022.

**BIG DEALS Stocks: Most of the stocks in the BIG DEALS portfolio are still bullish and giving good returns to move towards the target price zones.**

1. **BIG DEALS Long-term Group:** FPT, VRE, VJC, KBC, IDC, HDC, HDG, PTB, SLS, VNM, MWG.

***New buy of MWG shares** for medium and long term investment strategy. We expect a bullish move towards the 145 target price zone.*

***Consider taking profit with IDC stock** since the expected profit has been achieved*

2. **BIG DEALS Short-term Group:** HBC, NT2, NKG, HSG, SMC, PSH, PVD, PVS, PVC, FLC, HPG, CEO.

***New buy of CEO shares** for short-term speculative strategy. We expect the price to rise towards target price zone of 13.*

***Accumulate more of HPG shares** for short-term speculative strategy. We expect the price to increase towards the target price zone of 70.*

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

Details of BIG DEALS recommended stock portfolios: [click here](#).



The MACD signal is back above 0 and preparing for a buy signal, so the short-term situation turns positive. However, after the 50-day MA cut down and stay below the 100-day MA, signaling the downside risk is still present. Therefore, VN30-Index will need to be traded above the 100-day MA in the coming sessions to pull the 50-day MA back to cut above the 100-day MA, thereby minimizing the risk of correction.

The bullish channel formed from the bottom of corrections in mid-July and late-August is supporting this rally. If this support channel cannot be kept, the risk of a decline in the medium term will increase.



VN30F1M intraday. (Source: FireAnt)

## STOCKS NEWS

### ENTERPRISE

1. LCG: Licogi 16 issues 50 million shares equal to half market price to pay debt
2. VSH: Expected to double profit this year thanks to benefits of hydrology and Upper Kon Tum Hydropower Plant
3. HPG: Hoa Phat steel consumption increased by 43%
4. TDH: The company of former Cotecons chairman Nguyen Ba Duong acquired Thuduc House's 1.98ha project in Binh Duong
5. KDH: Just collected more than 800 billion from selling treasury shares, Khang Dien immediately spent 400 billion to acquire Nguyen Thu real estate
6. TGG: Stocks are constantly on the floor, Louis Capital postpones the offering of 30 million shares
7. Difficulties surrounded, pig farming businesses reduced profits sharply in the third quarter
8. VRE: Hung Yen is looking for investors for a project planned by Vincom Retail
9. SGP: Proposing for Saigon Port to invest in a container terminal in Can Gio worth USD 875 million
10. Government meeting on reopening Noi Bai airport
11. Plan to respond to Covid-19 when piloting international guests in Phu Quoc

### MACRO, FINANCIAL AND CURRENCY

1. Inflation is still low, can monetary easing be maintained to stimulate economic recovery?

2. China has a surplus of pork, the lowest price since the beginning of the year
3. SSI Research: The stock market will soon exit the sideways phase if the economy recovers favorably
4. VDSC: In October, VN-Index will fluctuate between 1,240 - 1,380 points
5. Idle money of the State Treasury has a large surplus
6. More Chinese real estate businesses fail to repay, the domino chain collapse begins?
7. The global aviation industry is forecasted to lose another 12 billion USD in 2022, become profitable again from 2023
8. Standard Chartered maintains Vietnam's GDP growth forecast in 2022 at 7%
9. Gold price can increase 3 times now, conquering the level of 5,500 USD/ounce
10. MBKE: Banks can increase profits by 10-13% in the second half of the year

## **BUY, SELL, ISSUED DIVIDENDS**

1. IPA: I.P.A Investment started selling more than 1.8 million treasury shares from October 6
2. APG: APG Securities - Chairman of the Board of Directors registered to buy 2 million shares
3. VND: VNDirect Securities registered to sell more than 5.9 million treasury shares from October 25
4. VPB: October 7, is the ex-rights date to receive dividends in shares and bonus shares of Vietnam Prosperity Commercial Joint Stock Bank (VPBank, HoSE: VPB) with the rate of nearly 80%
5. QTP: On October 7, Quang Ninh Thermal Power is the ex-right date to receive the 2020 cash dividend at the rate of 10%
6. MSB: October 7, is the ex-dividend date to receive stock dividends at the rate of 30%
7. BNA: October 7, is the ex-rights date to receive stock dividends at the rate of 30%
8. SRC: October 7, is the ex-right date to receive cash dividends at the rate of 10%

## 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%	4.129	15,95	20,0	25%	3,1%	BUY	7,84	0,63	6,9
CNG	Natural Gas Distribution	44,0%	1.077	39,9	40,0	0%	3,8%	Positive	12,48	1,31	18,0
CTG	Depository Credit Intermediation	4,9%	109.096	29,3	40,0	37%	0,0%	BUY	11,28	2,19	7,3
DCM	Chemical - Pharmaceutical	46,8%	15.485	29,25	26,0	-11%	3,4%	Negative	14,50	1,65	22,1
FPT	Software Publishers	0,0%	85.665	94,4	110,0	17%	2,1%	Positive	17,96	3,56	22,0
FRT	Electronics and Appliance Stores	34,8%	3.756	47,55	39,0	-18%	2,1%	Negative	130,00	1,99	18,8
GAS	Natural Gas Distribution	46,9%	217.233	113,5	115,0	1%	3,5%	Positive	24,39	3,58	18,1
GMD	Support Activities for Water Transportation	7,9%	14.466	48	50,0	4%	3,1%	Positive	29,22	1,99	24,1
HPG	Primary Metal Manufacturing	22,6%	250.935	56,1	60,0	7%	0,9%	Positive	9,25	2,54	9,0
MSN	Manufacturing	67,1%	167.872	142,2	150,0	5%	0,7%	Positive	83,20	11,82	56,0
MWG	Electronics and Appliance Stores	0,0%	60.998	128,3	107,0	-17%	1,2%	Negative	16,28	3,97	13,9
NT2	Electric Power Generation	34,2%	6.319	21,95	19,0	-13%	6,8%	Negative	10,72	1,47	12,6
PLX	Merchant Wholesalers, Nondurable Goods	2,8%	69.740	53,9	65,0	21%	5,6%	BUY	19,76	2,87	13,9
POW	Electric Power Generation	46,0%	30.093	12,85	12,0	-7%	3,9%	Negative	12,65	0,91	14,3
REE	Building Equipment Contractors	0,0%	22.190	71,8	58,0	-19%	0,0%	Negative	9,82	1,40	11,7
TCB	Depository Credit Intermediation	100,0%	176.297	50,3	57,0	13%	0,0%	Positive	12,58	2,29	11,8
TCH	Real Estate Development	37,2%	7.025	17,6	19,0	8%	5,7%	Positive	9,14	0,94	8,8
TDM	Water Supply and Irrigation Systems	43,7%	3.175	31,75	35,0	10%	3,8%	Positive	10,65	1,63	12,7
VEA	Manufacturing	43,3%	55.677	41,9	45,0	7%	10,7%	Positive	11,34	2,58	8,0
VHM	Real Estate Development	26,2%	269.636	80,5	111,0	38%	1,2%	BUY	14,01	3,92	9,0
VIC	Manufacturing	22,6%	299.683	88,6	101,3	14%	0,0%	Positive	58,35	3,37	59,9
VJC	Air Transportation	11,8%	70.084	129,4	120,0	-7%	0,0%	Negative	51,20	4,14	700,8
VND	Securities/ Finance	30,5%	21.709	50,6	60,0	19%	2,0%	Positive	16,12	2,05	16,7
VNM	Food Manufacturing	45,2%	186.633	89,3	80,0	-10%	4,5%	Negative	17,03	5,66	17,0
VNR	Insurance Carriers	21,1%	5.046	38,5	30,4	-21%	3,1%	SELL	9,45	1,16	14,4

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%;

## Disclaimer

This report is developed and issued by AIS Securities Joint Stock Company. All information, statements and projections and opinions contained in this report are based on data sources that were reliable at the time of the study. AIS Securities Joint Stock Company does not warrant that these sources of information are absolutely accurate and is not responsible for the accuracy of the information mentioned in this report, nor is it responsible for damages to the use of all or part of the contents of this report. The opinions, estimates and forecasts mentioned in this report represent the views of the author only at the time of issue, these views do not represent the general views of AIS Securities Joint Stock Company and may be change without prior notice. This report is prepared for the purpose of providing information only to individuals and investment organizations of AIS Securities Joint Stock Company, and is not used as a basis for making a decision to buy, sell or hold securities. securities. Investors should only use the information, analysis and comments of the report as a reference source before making their own decisions. All decisions of investors should be based on independent advice and in accordance with their particular financial situation and investment strategy. This report is owned by AIS Securities Joint Stock Company and may not be reproduced, modified or released in any form without the written consent of Securities Joint Stock Company. AIS. Please cite the source if using the information in this report.

## Contact us

### AIS Securities Joint stock Company

[www.aisec.com.vn](http://www.aisec.com.vn)

#### Headquarters

10th Floor, Horison Tower Building, No. 40 Cat Linh,

Dong Da District, Hanoi City

Tel: 1900 633 308

Fax: (024) 3212 1615

### AIS Research Center

#### Phung Trung Kien - CFA, Manager

[kienpt@aisec.com.vn](mailto:kienpt@aisec.com.vn)

#### Nguyen Nhat Huy, Analyst

[huyenn@aisec.com.vn](mailto:huyenn@aisec.com.vn)

#### Pham Quang Minh, Analyst

[minhpq@aisec.com.vn](mailto:minhpq@aisec.com.vn)