

[Market Preview 14/10]

FORECAST AND TRADING STRATEGIES

THE POSSIBILITY OF A FEW MORE RED TREMBLING SESSIONS – THIS IS COMPLETELY NORMAL AND HEALTHY IN THE OVERALL BULLTREND OF THE WHOLE MARKET.

MARKET TREND SUMMARY RECOMMENDATION STATUS

Short-term: Bullish
(Under a month)

Medium-term: Bullish
(1 – 6 months)

Long-term: Bullish
(6 months beyond)

- 1) A correction session appeared after the previous 7 consecutive gaining sessions, but the general trend of the market is still **BULLISH**, to move towards higher target areas in the near future of **1400 points and 1420 points**;
- 2) The nearest support level of the market is 1320 points. **Not losing this point, the current rally and price increase is still preserved**;
- 3) **Fertilizer and chemical stocks**: Strongly increased due to high domestic and imported fertilizer prices due to concerns about supply shortage;
- 4) **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. **RECOMMENDATION: Continue to hold and wait for the time to sell and take profit.**

*We recommend accumulating more of **VNM, VRE, and FPT** stocks for medium and long term investment strategies with target prices of 110, 35 and 120 respectively.*

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

	VnIndex	HNX Index	Upcom Index
Last	1391,91	379,27	98,78
Change (%)	-2,89 (-0,21%)	3,59 (0,96%)	-0,03 (-0,03%)
% ↗ 1 week	1,40%	2,00%	0,49%
Market value			
Today (bil.)	18.788,478	2.597,051	1.718,822
Foreign investor			
Buy (bil.)	994,52	30,99	23,94
Sell (bil.)	1.515,00	21,44	27,96
Net (bil.)	-520,48	9,55	-4,02
Market Summ.			
Advances	195	109	167
Declines	208	101	122
Unchanged	60	74	71
Derivatives			
	Last	Open Interest	Volume (bil. VND)
VN30F1M	1503,10	38.187	26.257,87
VN30F2M	1499,50	1.013	107,51
VN30F1Q	1495,60	771	8,13
VN30F2Q	1497,20	160	5,12

Markets continued to open excitedly with a slight gain in the morning session, then gradually declined before closing slightly lower. VNINDEX has narrowed its price increase in recent trading sessions when approaching 1400 points.

We still maintain our previous forecast, that there will still be a few more corrections in the coming sessions. After all, the general trend of the market is still BULLISH.

Foreign investors returned to be a net seller with a net selling value of over 520 billion dong this session. HPG is still being sold the most by this group in many recent sessions. There are also SSI, VNM and PAN. On the other side, foreign investors were net buyers of HAH shares with a net buying value of 84 billion dong. Along with HAH, VRE is the 02 shares bought by this block in many recent trading sessions.

Fertilizer and chemical stocks: Strongly increased due to high domestic and imported fertilizer prices due to concerns about supply shortage.

Typical stocks such as DPM, DCM, LAS and DGC all gained well within the past 1 month. The main reason is that from the beginning of the year until now, fertilizer prices have skyrocketed by 200-300 USD/ton to the highest level in the past 10 years and

are expected to continue to increase in October.

Specifically, with the price of domestically produced fertilizers, urea in Ho Chi Minh City has increased by 18-29% (fluctuating around 13,000-13,500 VND/kg), Phu My urea increased by 18% (from 11,000 VND/kg to 12,900 VND/kg), 13,000 VND/kg), Ca Mau Urea increased by 22.72% (from 11,000 VND/kg to 13,500 VND/kg), DAP also increased by 1,500 - 2,200 VND/kg in the past 1 month, fluctuating around 16,000 - 19,500 VND/kg/kg. Similarly, the price of Potassium also increased by 1,000 - 2,000 VND/kg.

The reason for the hot increase in world fertilizer prices this year is due to the increase in the price of energy supplies such as coal and gas, which has caused some fertilizer factories to temporarily shut down, leading to Fertilizer supply is feared to decline in the context of low Urea inventories in the US. China, a major fertilizer exporter in the world, also restricts exports to ensure domestic supply.

We believe that the price of fertilizer this year is difficult to cool down and will remain high. All these reasons have helped the expectation on the business outlook of the group of Chemical stocks, especially fertilizers, to increase this year.

Prices of stocks such as DPM, DCM, BFC... will continue to depend heavily on domestic and imported fertilizer prices from China. The upside prospect of these stocks is in our opinion still there as long as the price of fertilizers and input materials of this industry do not decrease. And the investment in these stocks can still be done, so you should only participate in a moderate amount because the prices of these stocks have increased quite a lot in a short time.

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:** VHM, HAH, LTG, MWG, VNM, PTB, SLS, VRE, FPT, VJC, KBC, HDC, HDG.

*We accumulate more of **VNM, VRE, and FPT stocks** for medium and long term investment strategies with target prices of 110, 35 and 120 respectively.*

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

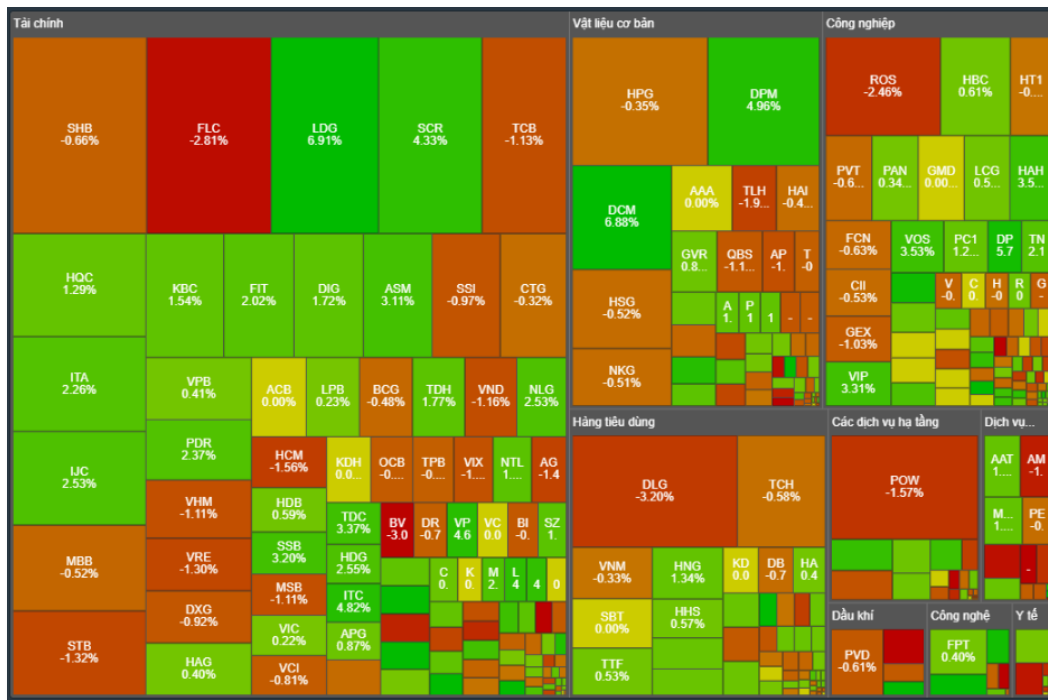
*We accumulate more of **HPG shares** for our steel stock portfolio with a short-term investment strategy and the Target price for HPG stock is still 70.*

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 LATEST FORECAST ON STOCK MARKET:

1. A correction session appeared after the previous 7 consecutive gaining sessions, but the general trend of the market is still **BULLISH**, to move towards higher target areas in the near future of **1400 points and 1420 points**;
2. The nearest support level of the market is 1320 points. **Not losing this point, the current rally and price increase is still preserved**;



(Source: HOSE, FireAnt)

Futures Market:

VN30F2110	1,503.1	-6.90/-0.46	173,438
VN30F2111	1,499.5	-4/-0.27	712
VN30F2112	1,495.6	-3.20/-0.21	54
VN30F2203	1,497.2	-0.80/-0.05	34
10/13/2021			

(Source: Vietstock)

The VN30 group continued to have the second consecutive session of struggling and then ended the session with a slight decrease. VN30-Index only reversed up down within 7-9 points above and below reference before closing at 1505.55 points, slightly down 0.27% compared to reference.

In the derivatives market, futures contracts also closed down slightly by 3-7 points. Only the F2203 contract decreased slightly by 0.80 points in this session. The F1M contract, after struggling for most of the session, also ended in the red when it dropped 6.90 points to 1503.1 points.

At the end of the session, the basis of F1M contract with VN30 reached negative value with -2.45 points. This shows that investors are pessimistic with the short-term outlook of VN30.

VN30-Index technical analysis:

- In the short term, the trend is still bullish although there will be a slight decrease in price intraday. The next target zone is the historic July high at 1560.
- The MACD remains above 0 and gives buy signal, so the short-term situation turns positive.
- The downside risk is reduced but still present when the 50-day MA is below the 100-day MA. Therefore, VN30-Index needs to continue trading above the 100-day MA in the coming sessions to pull the 50-day MA back to cut above the 100-day MA.

- The zone of 1460-1470 points from resistance turned into support for this short-term rally. Holding this support level, the uptrend is still preserved.



VN30F1M intraday. (Source: FireAnt)

STOCKS NEWS

ENTERPRISE

1. HBC: Entrepreneur Le Viet Hai - Hoa Binh firmly overcame difficulties, striving to bring Vietnam's industrial construction industry to the world
2. HVN: Vietnam Airlines returns to its first commercial flight from Ho Chi Minh City. Ho Chi Minh to Da Nang
3. HPG: Hoa Phat was honored as Strong Brand for the 10th time in a row
4. HND: Hai Phong Thermal Power reported a 96.5% decrease in Q3 profit, reaching just over VND 6 billion
5. HHV: Ca Pass was assigned to deploy Hoa Binh - Moc Chau expressway
6. BWE: Biwase profit in the third quarter increased by 10%, expanding water market share in Dong Nai
7. POW: PV Power estimates revenue decline of 18% in Q3
8. TTA: Phuong Mai 1 wind power plant is recognized for commercial operation of 24MW
9. CMG: CMC is ready to invest in Digital HUB digital infrastructure with a scale of 1 billion USD
10. VEF: Shares of the owner of Giang Vo Exhibition hit a historic peak, up more than 40% since the beginning of October
11. DPM: Consumption of Phu My NPK products increased by 75%
12. TGG: Being inspected by UNCK, Louis Capital continues to change the leadership of the Board of Directors
13. SCG: Building SCG of President Sunshine reported a profit of 125 billion in 9 months, assets increased 3 times
14. Ho Chi Minh City - Hanoi fares are constantly hitting the ceiling
15. SHB: In the first 9 months, SHB achieved 5,055 billion dong in profit, double the same period

MACRO, FINANCIAL AND CURRENCY

1. Fed and many central banks prepare to tighten policy
2. World Bank lowers Vietnam growth forecast to 2%
3. CNN - The Global Supply Chain Crisis Will Get Even Worse
4. Vietnam's export rice price increased sharply again, surpassing Thai rice
5. Morgan Stanley raises China's real estate outlook to attractive level, despite default fears

BUY, SELL, ISSUED DIVIDENDS

1. ADS: Damsan offers 10 million shares to raise capital for a company engaged in road construction
2. PLP: Crystal Plastic implements a plan to offer shares to increase charter capital to one and a half times
3. FMC: Sao Ta Food - PAN Group (PAN) sold 5.4 million shares
4. PVB: PV Coating finalizes the right to pay the 2020 cash dividend at the rate of 10%
5. NDN: October 14 is the ex-right date to receive cash dividends at the rate of 10%
6. AAT: October 14, is the ex-rights date to receive dividends in cash at the rate of 10% and in shares at the rate of 12%
7. DDG: October 14th, is the ex-rights date for private placement for shareholders at the ratio 1:1 for 10,000 VND

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%	4.297	16,6	20,0	20%	3,0%	BUY	7,84	0,63	7,2
CNG	Natural Gas Distribution	44,0%	994	36,8	40,0	9%	4,1%	Positive	12,48	1,31	16,6
CTG	Depository Credit Intermediation	4,9%	114.309	30,7	40,0	30%	0,0%	BUY	11,28	2,19	7,6
DCM	Chemical - Pharmaceutical	46,8%	16.438	31,05	26,0	-16%	3,2%	Negative	14,50	1,65	23,5
FPT	Software Publishers	0,0%	90.202	99,4	110,0	11%	2,0%	Positive	17,96	3,56	23,1
FRT	Electronics and Appliance Stores	34,8%	3.704	46,9	39,0	-17%	2,1%	Negative	130,00	1,99	18,5
GAS	Natural Gas Distribution	46,9%	212.448	111	115,0	4%	3,6%	Positive	24,39	3,58	17,7
GMD	Support Activities for Water Transportation	7,9%	15.220	50,5	50,0	-1%	3,0%	Negative	29,22	1,99	25,4
HPG	Primary Metal Manufacturing	22,6%	254.066	56,8	60,0	6%	0,9%	Positive	9,25	2,54	9,1
MSN	Manufacturing	67,1%	168.934	143,1	150,0	5%	0,7%	Positive	83,20	11,82	56,3
MWG	Electronics and Appliance Stores	0,0%	63.660	133,9	107,0	-20%	1,1%	SELL	16,28	3,97	14,5
NT2	Electric Power Generation	34,2%	6.376	22,15	19,0	-14%	6,8%	Negative	10,72	1,47	12,8
PLX	Merchant Wholesalers, Nondurable Goods	2,8%	69.611	53,8	65,0	21%	5,6%	BUY	19,76	2,87	13,9
POW	Electric Power Generation	46,0%	29.273	12,5	12,0	-4%	4,0%	Negative	12,65	0,91	13,9
REE	Building Equipment Contractors	0,0%	22.561	73	58,0	-21%	0,0%	SELL	9,82	1,40	11,9
TCB	Depository Credit Intermediation	100,0%	183.657	52,4	57,0	9%	0,0%	Positive	12,58	2,29	12,2
TCH	Real Estate Development	37,2%	6.826	17,1	19,0	11%	5,8%	Positive	9,14	0,94	8,5
TDM	Water Supply and Irrigation Systems	43,7%	3.150	31,5	35,0	11%	3,8%	Positive	10,65	1,63	12,6
VEA	Manufacturing	43,3%	55.411	41,7	45,0	8%	10,8%	Positive	11,34	2,58	7,9
VHM	Real Estate Development	26,2%	267.961	80	111,0	39%	1,3%	BUY	14,01	3,92	8,9
VIC	Manufacturing	22,6%	314.904	93,1	101,3	9%	0,0%	Positive	58,35	3,37	63,0
VJC	Air Transportation	11,8%	72.522	133,9	120,0	-10%	0,0%	Negative	51,20	4,14	725,2
VND	Securities/ Finance	30,5%	22.009	51,3	60,0	17%	1,9%	Positive	16,12	2,05	16,9
VNM	Food Manufacturing	45,2%	188.305	90,1	80,0	-11%	4,4%	Negative	17,03	5,66	17,1
VNR	Insurance Carriers	21,1%	5.230	39,9	30,4	-24%	3,0%	SELL	9,45	1,16	14,9

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

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