

[Market Preview 15/10]

FORECAST AND TRADING STRATEGIES

THE MARKET HAS SHAKEN, TECHNICAL CORRECTING TRADING SESSIONS IN THE GENERAL BULLISH TREND.

MARKET TREND

Short-term: Bullish
(Under a month)

Medium-term: Bullish
(1 – 6 months)

Long-term: Bullish
(6 months beyond)

SUMMARY RECOMMENDATION STATUS

- 1) Continuing a correction session of the market, however 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) **Rubber stocks**: Cash flow spread to most natural rubber stocks, after forecasting this industry will have good business results in the third quarter of 2021;
- 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.**

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

	VnIndex	HNX Index	Upcom Index
Last	1391,85	383,93	99,28
Change (%)	-0,06 (-0,00%)	4,59 (1,21%)	0,50 (0,51%)
% ↗ 1 week	1,39%	3,47%	1,00%
Market value			
Today (bil.)	22.112,334	2.873,133	1.863,253
Foreign investor			
Buy (bil.)	1.952,93	29,87	18,01
Sell (bil.)	2.597,91	72,69	56,02
Net (bil.)	-644,98	-42,82	-38,01
Market Summ.			
Advances	252	140	188
Declines	140	82	122
Unchanged	68	60	65
Derivatives			
	Last	Open Interest	Volume (bil. VND)
VN30F1M	1505,90	39.580	26.833,31
VN30F2M	1502,00	1.111	118,45
VN30F1Q	1500,00	777	5,85
VN30F2Q	1495,00	161	5,99

The markets continued to open excitedly with a slight gain in the morning and early afternoon sessions, then gradually decreased before closing slightly lower. VNINDEX has narrowed its price increase in recent trading sessions when approaching 1400 points.

The market's movements in recent sessions have all been forecasted by us in previous Market Preview reports, and we believe that the market has a high probability of continuing to correct this week.

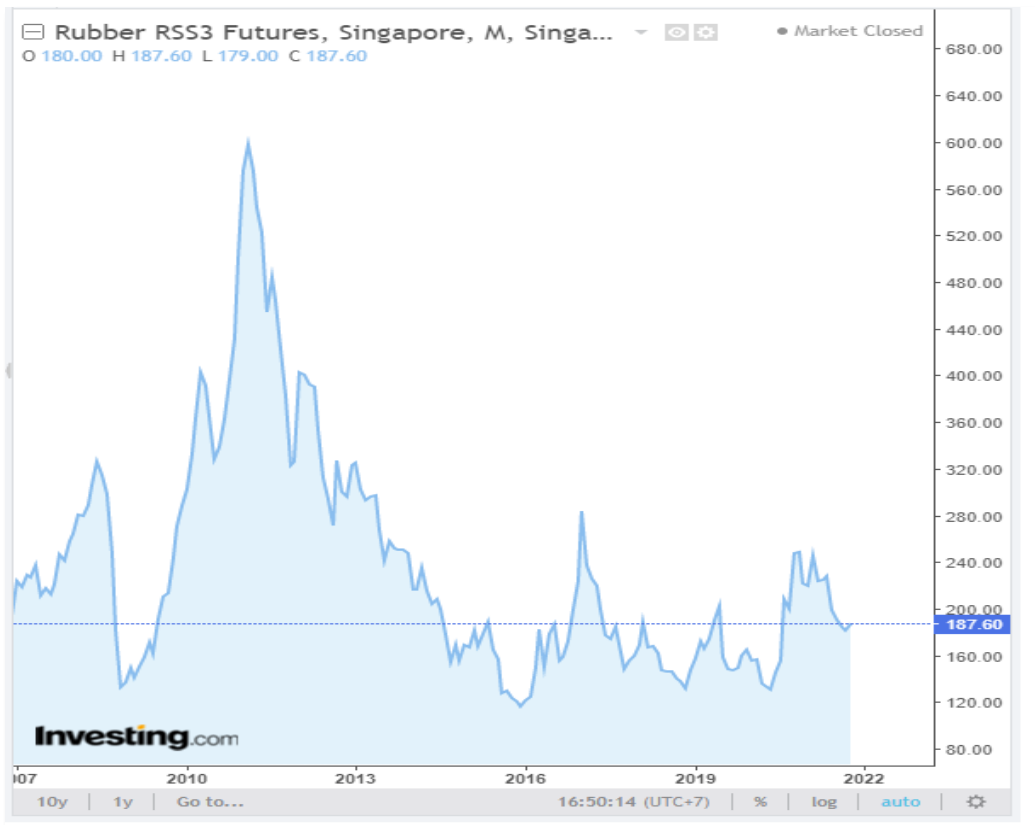
Foreign investors continued to be net sellers with a large value, nearly 645 billion dong this session. This group continued to net sell HPG, SSI, PAN and VND stocks with relatively large net selling value, averaging from VND 120 - 168 billion. On the other side, foreign investors were net buyers of DPM shares, with a net buying value of over 158 billion dong.

Rubber stocks: Cash flow spread to most natural rubber stocks, after forecasting this industry will have good business results in the third quarter of 2021

The third quarter of 2021 is the first quarter to witness a sharp decline in the whole country's economy due to the impact of the Covid 19. In that context, agriculture acts as a pedestal for the economy during the pandemic. And rubber is the fastest growing commodity in agricultural, forestry and fishery products.

According to data provided by the Import-Export Department (Ministry of Industry and Trade), it is estimated that in September 2021, Vietnam's rubber exports will reach about 195 thousand tons, worth 321 million USD, up 2.8% in output. and increased 3.1% in value compared to August 2021, down 5.1% over the same period last year but increased by 21.2% in value.

World rubber prices had a slight recovery in September, after falling from the old peak in February 2021. Rubber prices tend to decrease in the first half of this year, but this is still a high transaction price compared to the same period last year.



(Rubber price movements RSS3 - Source: Investing.com)

World demand for natural rubber in 2021 will increase by 9.3% compared to 2020, to 14.1 million tons. The revised outlook is due to better demand forecasts from China, India, Thailand and Vietnam in 2021.

High rubber prices have had a strong impact on the rubber industry's profits since the beginning of 2021 until now. Tan Bien Rubber Joint Stock Company, Hoa Binh Rubber Joint Stock Company, Ba Ria Rubber Joint Stock Company, and Phuoc Hoa Rubber all had good business results in the first 9 months of 2021.

The revenue of Rubber companies depends heavily on the export segment. With a high price base and stable export volume compared to the previous year, Rubber companies are forecasted to have a good year of growth compared to the previous year. Specifically, BRR (Ba Ria Rubber Joint Stock Company) has just announced its financial report for the 3rd quarter of 2021. NIAT increased by 3 times compared to 2020.

Rubber stocks such as PHR, DRC, DRI, GVR are expected to increase in price in the near future when the business results in the third quarter of 2021 are expected to be positive. The main risk of Rubber stock is its dependence on exports to the world market, which is a factor that needs to be closely watched when deciding to invest in this industry.

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.

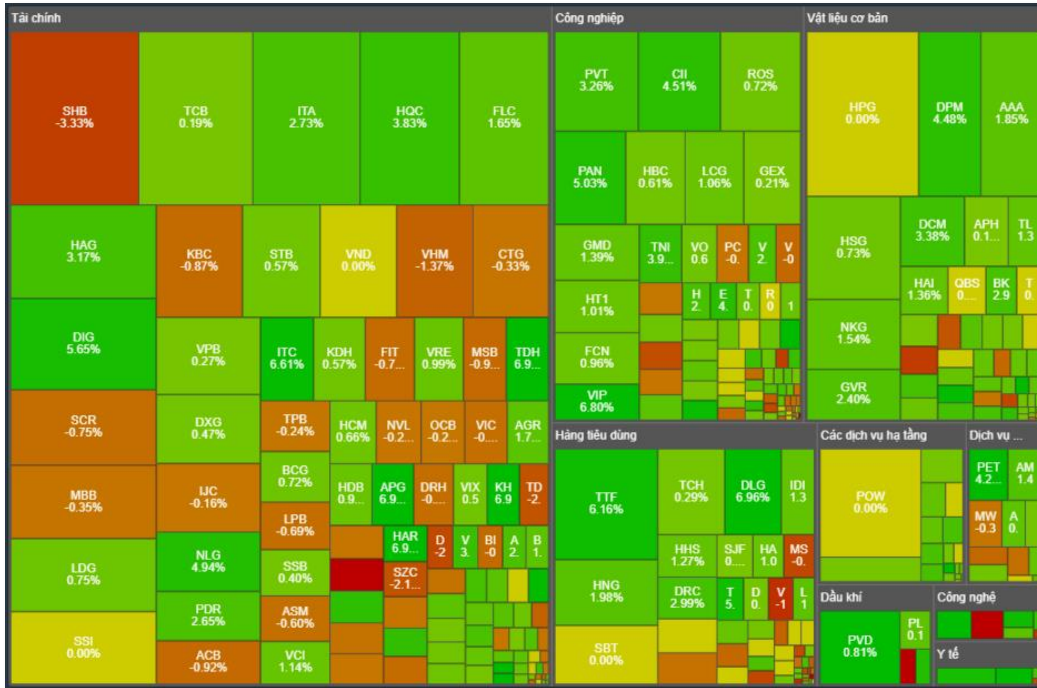
1. **BIG DEALS Long-term Group:** VHM, HAH, LTG, MWG, VNM, PTB, SLS, VRE, FPT, VJC, KBC, HDC, HDG.
2. **BIG DEALS Short-term Group:** CEO, HPG, CII, HBC, NT2, NKG, HSG, SMC, PVD, PVS, PVC, FLC, SHB, TCB.

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. Continuing a correction session of the market, however 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	1,505.9	2.80/0.19	178,043
VN30F2111	1,502.0	2.50/0.17	788
VN30F2112	1,500.0	4.40/0.29	39
VN30F2203	1,495.0	-9.60/-0.64	40
10/14/2021			

(Source: Vietstock)

The VN30 group continued to struggle for the third consecutive session and ended in the red. VN30-Index continuously reversed in the range of 6-7 points above and below reference before closing down slightly by 0.14% to 1503.38 points.

Contrary to VN30-Index, futures contracts increased slightly by 2.5 - 4.5 points in this session. Only the contract expiring in March 2022 fell 9.6 points. The F1M contract, although still struggling in a narrow range, remained in green for most of the session. At the end of the session, F1M closed at 1505.9, a slight increase of 2.80 points compared to reference.

At the end of the session, the basis of the F1M contract with VN30 reached a positive value with 2.52 points. This shows that investors are optimistic with the short-term prospects of VN30.

VN30-Index technical analysis:

- In the short term, the trend is still bullish although there will be a slight decrease in price during the session. 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. CTR: Viettel Construction estimated 9-month profit to grow 44%, the stock set a new peak
2. FMC: FMC's new major shareholder is a giant that dominates the agricultural industry with billions of dollars in profits
3. GSP: Gas Shipping extends payment time to buy additional shares
4. PAS: Estimated profit before tax in Q3/2021 increased 14 times over the same period
5. VIC: Vingroup's vaccine goes into phase 3b trial, preparing to apply for an emergency license in December
6. BAX: 'Standing' due to Covid, BAX reported a sharp drop in net profit of 94% in Q3
7. QNS: Reported a profit of 1,000 billion dong in the first 9 months of 2021
8. AAS: Smart Invest Securities (AAS) 9 months' pre-tax profit reached VND 177 billion, up 243% over the same period
9. Ba Ria Rubber (BRR): The first 9 months of the year reported a profit of VND 77 billion, up 172% and completing 63.4% of the year plan.
10. ITA: Tan Tao University "plays big", two months spent about 300 billion VND to buy more ITA shares

MACRO, FINANCIAL AND CURRENCY

1. The asking price of Vietnam's export rice continues to increase sharply
2. Thanh Hoa is looking for investors for a project of more than 6,000 billion sponsored by Sun Group
3. Leaders of the State Bank: An increase in bad debt is inevitable. Resolution 42 will be legalized
4. China: Exports unexpectedly increased in September
5. Fubon FTSE Vietnam ETF net sold more than 2,100 billion dong of Vietnamese shares from August until now
6. WB: GDP in 2021 will reach 2.0-2.5%, need to recover soon
7. China consumes 70% of Vietnam's rubber exports
8. China's coal imports soar amid energy crisis
9. Public debt is more than 3.7 million billion VND, next year will borrow another 571 trillion VND

BUY, SELL, ISSUED DIVIDENDS

1. Licogi 16 closed the right to receive dividends and buy shares at the price of 10,000 VND/share
2. FMC: Sao Ta Food - PAN Group (PAN) sold 5.4 million shares
3. CMG: CMC Technology Group closes the right to pay dividends in 2020 by shares at the rate of 9%
4. KB Securities Vietnam (KBSV) is about to offer nearly 139 million shares, charter capital is expected to exceed 3,000 billion VND
5. NBB: Shares increased 80% in 3 months, Year Seven Seven is about to bring nearly 22 million treasury shares as bonus
6. VOS: VOSCO The company and its mother registered to withdraw all shares

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%	4.271	16,5	20,0	21%	3,0%	BUY	7,84	0,63	7,1
CNG	Natural Gas Distribution	44,0%	1.021	37,8	40,0	6%	4,0%	Positive	12,48	1,31	17,0
CTG	Depository Credit Intermediation	4,9%	113.936	30,6	40,0	31%	0,0%	BUY	11,28	2,19	7,6
DCM	Chemical - Pharmaceutical	46,8%	16.994	32,1	26,0	-19%	3,1%	Negative	14,50	1,65	24,3
FPT	Software Publishers	0,0%	89.658	98,8	110,0	11%	2,0%	Positive	17,96	3,56	23,0
FRT	Electronics and Appliance Stores	34,8%	3.712	47	39,0	-17%	2,1%	Negative	130,00	1,99	18,6
GAS	Natural Gas Distribution	46,9%	213.023	111,3	115,0	3%	3,6%	Positive	24,39	3,58	17,8
GMD	Support Activities for Water Transportation	7,9%	15.431	51,2	50,0	-2%	2,9%	Negative	29,22	1,99	25,7
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%	167.754	142,1	150,0	6%	0,7%	Positive	83,20	11,82	55,9
MWG	Electronics and Appliance Stores	0,0%	63.470	133,5	107,0	-20%	1,1%	Negative	16,28	3,97	14,4
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%	69.740	53,9	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%	184.008	52,5	57,0	9%	0,0%	Positive	12,58	2,29	12,3
TCH	Real Estate Development	37,2%	6.846	17,15	19,0	11%	5,8%	Positive	9,14	0,94	8,6
TDM	Water Supply and Irrigation Systems	43,7%	3.190	31,9	35,0	10%	3,8%	Positive	10,65	1,63	12,8
VEA	Manufacturing	43,3%	55.145	41,5	45,0	8%	10,8%	Positive	11,34	2,58	7,9
VHM	Real Estate Development	26,2%	264.277	78,9	111,0	41%	1,3%	BUY	14,01	3,92	8,8
VIC	Manufacturing	22,6%	312.875	92,5	101,3	10%	0,0%	Positive	58,35	3,37	62,6
VJC	Air Transportation	11,8%	72.793	134,4	120,0	-11%	0,0%	Negative	51,20	4,14	727,9
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%	188.096	90	80,0	-11%	4,4%	Negative	17,03	5,66	17,1
VNR	Insurance Carriers	21,1%	5.164	39,4	30,4	-23%	3,0%	SELL	9,45	1,16	14,8

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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