

	HSX	HNX
<b>Close</b>	<b>580.60</b>	<b>85.18</b>
Change	6.28	0.46
% Chg	1.09%	0.55%
<b>Vol (mil shares)</b>	<b>93.30</b>	<b>40.60</b>
% Chg	-24%	-8%
<b>Value (bil.VND)</b>	<b>2082.52</b>	<b>748.16</b>
% Chg		
<b>Put-through Vol (mil shares)</b>	<b>18.40</b>	<b>7.90</b>
<b>Put-through Value (bil.VND)</b>	<b>462.67</b>	<b>224.20</b>
<b>Foreign Net buy/sell</b>	<b>-37.30</b>	<b>-219.57</b>

#### MARKET COMMENTARY

Foreigners have been remaining their leading role as net buyers of blue-chips such as BID, GAS, MWG or VCB; this has helped the general market keep its green color. As mentioned in the previous reports, in the past 4 years, the ETFs have often made their strong buying in Q1, and the current positive premium shows that the ETFs will continue to buy in the future.

Technically, 580 is still strong resistance when the VN-Index has not convincingly broken through this level. The short-term profit-taking pressure will continue to increase if the market rallies. However, we believe the correction, if any, will not last long due to the positive performance from foreign investors and expectation on Q4 earnings. Therefore, decline will be good opportunities to accumulate fundamental shares for medium and long-term.

#### RECOMMENDATION

**We maintain our investment view:**

- **Short-term investment: Sell at resistance and buy at corrections.**
- **Mid and long term: Maintain the current portfolio, increasing the proportion of stocks at corrections, especially the stock available in the ETFs' portfolio.**

#### MARKET PERFORMANCE

Since the selling pressure in early session, the red stocks dominated the market during the opening, the big stock, such as: GAS, VCB, and PVS fell deeply, it brought the psychological anxiety feeling for many investors this could be a sign of a correction session. Besides, negative information about the price of oil fell sharply last night causes the investor became more pessimistic.

However, once again the foreign investors played a leading role in the market that bought BID share strongly that made BID share hit the ceiling price, brought the optimism to the public. Soon, bank stocks rose mostly, helped VN-Index to maintain the green color. In general, large-cap stocks still represented their leading role.

Security and real estate shares were still liquidity and most of them had gains. Technically, those stocks are creating a good cumulative basis at low volumes.

At closing, the VN-Index ended at 580.6 points, up 1.09% while HNX-Index increased 0.55%, closed at 85.18 points. Notably, there are two negotiate transactions with large values, they were DBC (VND140 billion) and KBC (VND200 billion).

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**FOREIGN-INVESTOR PERFORMANCE**

Foreign investors were net sellers on both the HSX and HNX with values of, respectively, VND37.3 billion and VND219.57 billion.

Specifically, on HSX, foreigners bought strongly MWG (VND102.6 billion), GAS (VND34.7 billion) and BID (VND15.1 billion) while selling mainly KBC (VND208.5 billion), PVD (VND18.8 billion) and VIC (VND14.8 billion).

On HNX, they are bought significantly VND (VND1.8 billion), SHB (VND1 billion) and VCG (VND1 billion). On the selling side, they sold mostly DBC (VND221.3 billion) and PVS (VND3 billion).

**MACRO ECONOMY**

**VietinBank was allow to establish 100% owned banks in Laos.** Accordingly, the central bank approved the establishment 100% owned banks in Laos on the basis of switching branches in Laos.

**Many major projects including the T2 Noi Bai station, HCMC-Long Thanh-Dau Giay highway, etc** will be audited in 2015. Some other companies are also audited as Vietnam Textile Corporation, Vietnam Posts and Telecommunications Group, Vietnam Railway Corporation, Vietnam Airline, etc.



**COMPANY UPDATES****NKG – NAM KIM STEEL JSC (HSX)**

**We initiate on NKG with a STRONG BUY recommendation at the 1-year target price of VND19.105 (upside 40.47% compared with price on 28<sup>th</sup> Nov 2014) based on both FCFF and P/E valuation methods.** With the forecasted 2014 EPS at VND2.009, current forward PE of NKG is about 6.77x, much lower than the P/E of both HSG (worth 13.87x) and VN-Index (worth 14.69x).

NKG operates in manufacturing, trading and distributing the coated and galvanized steel pipes products. This company has really transformed since 2012 when running the closed production line, which help increase its market share, revenue and profit. NKG has a parallel market development strategy - boosting the export market but still sticking the domestic ones.

**In our prediction, NKG will improve significantly its revenue, gross profit margin and net profit in the near future due to the following reasons:**

**(1) High growth speed:** company's market share accounted for only 0.1% of coated steel pipes and 5.9% of galvanized steel in Oct 2012 (before completing the closed production line), and these of companies rose to 4.3% and 12.5%, respectively, in Oct 2014, ranking 2<sup>nd</sup> in galvanized steel consumption and top 10 of steel pipe sales.

**(2) Since 2015, the company will entirely prepare the cold rolled coil for producing:** NKG is expected to run one new production line from January 2015, after that Al, Zn plating line – which has highest profit margin - will be operated from May, helping NKG to increase output and reduce production costs because they won't buy cold rolled coil from other domestic suppliers.

**2014 earnings forecast:** Estimated 2014 revenue will reach VND5887.77 billion (+ 26.25% yoy); forecasted net income is VND80.16 billion, or VND2.009 EPS. We also predict their company's profit after tax will reach VND117 billion thanks to the operation of new two production lines (~ VND2.934 EPS).

(Investors can download our full report at

<https://www.bsc.com.vn/ViewReport.aspx?ReportID=747603>)



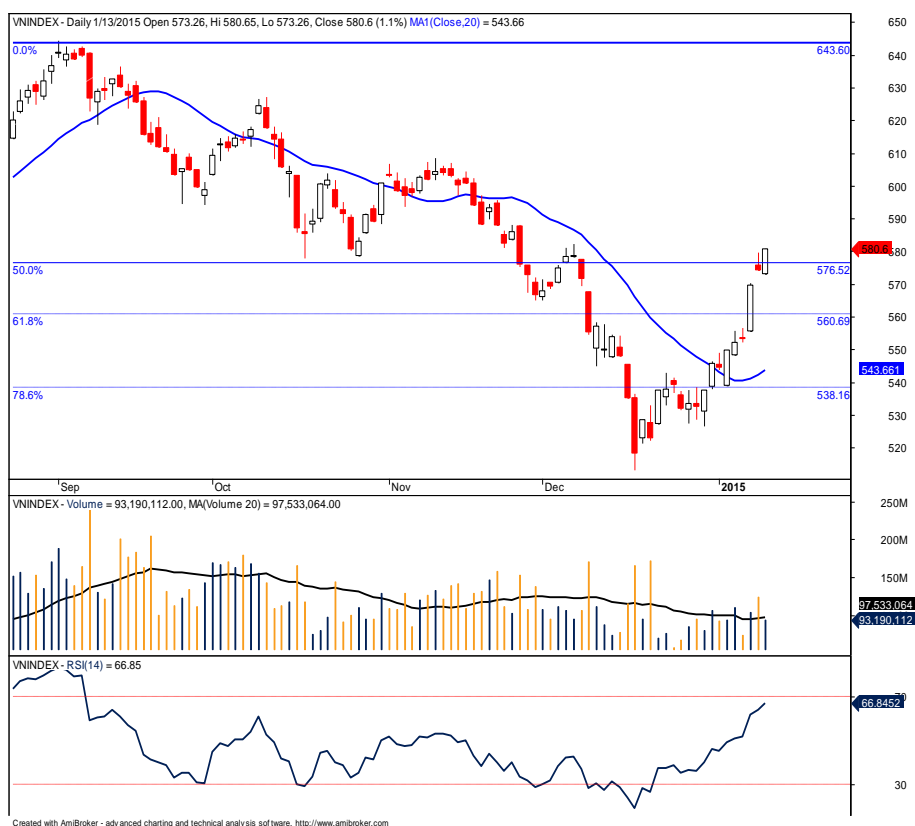
### TECHNICAL ANALYSIS

The green candle today continue beyond the Bollinger Band, the highest value of the candle crossed the upper of this Band, this is a raising session but the trading volume decline in 0.756 times the previous session.

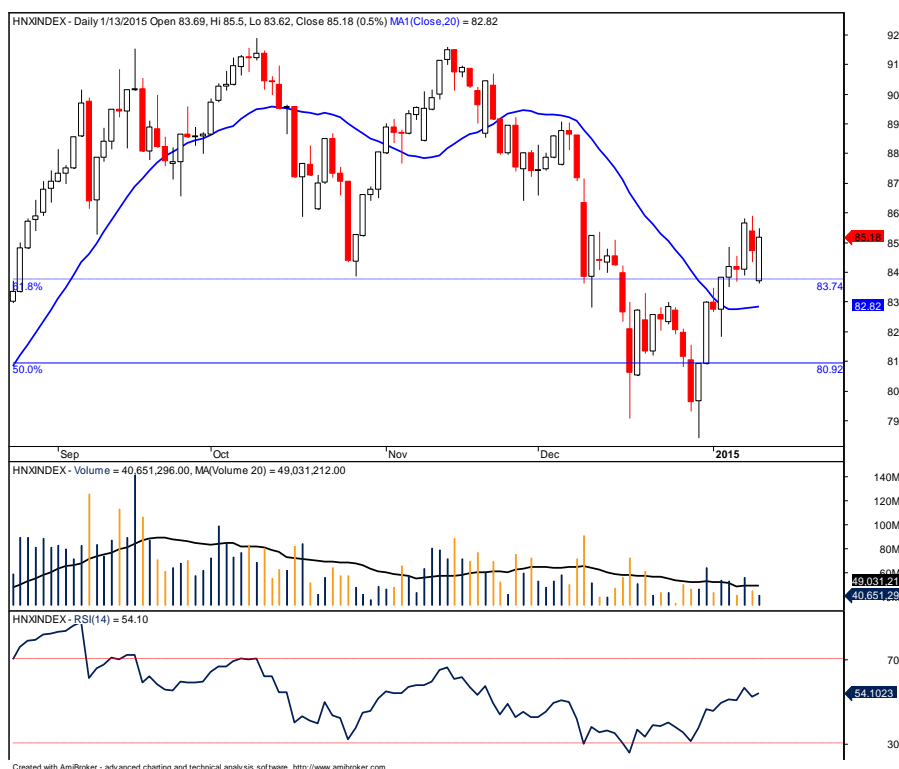
Observe the graph of the session, the market consecutive successful conquest the resistance at 580 but quickly lost this level, back at the reference in the mid-morning, the market continuous fluctuations around the 575-580 area until the mid-afternoon, the VN-Index repeatedly test the resistance at 580 until the end of the session. The end of the session, the market successfully conquer this resistance, reaching 580.6 points, up 6.28 points.

The MACD line was out the line Zero, the uptrend is confirmed. The RSI indicator was close the line 70, to 65.30 points. The MFI (14) has shown an uptrend and reached 88.21 points in the overbought. Thus the market is still in the support-resistance region 580-595 and may still have to continue to check the resistance of the next session.

### VN-Index



### HNX-Index



**SHORT-TERM PORTFOLIO****Current opening short-term positions**

No.	Ticker	Long day	Buy Price	Current Price	Unrealized gain/loss	Recommendation	Cutloss	Target price
1	KBC	6/1/2015	15.6	15.9	1.92%	Hold	<14.5	17.2
Average					1.92%			



**CANSLIM PORTFOLIO**
**Opening positions**

No.	Ticker	Bought on	Bid Price	Last week Price	Current Price	Performance previous/recent 7-day	Unrealized gain/loss	Target Price	Cutloss
1	VHC	2014-11-28	36.0	36.6	37.6	2.73%	4.44%	43.2	33.1
2	FPT	2015-01-12	48.3	48.3	48.7	0.83%	0.83%	58.0	44.4
3	DRC	2014-08-14	53	56	55.5	-0.89%	4.72%	63.6	48.8
4	HPG	2014-06-13	52	54	53.5	-0.93%	2.88%	62.4	47.8
5	SSI	2014-08-18	27.6	27.3	27	-1.10%	-2.17%	33.1	25.4
6	DIC	2014-08-19	8.7	8.6	8.5	-1.16%	-2.30%	10.4	8.0
7	BVS	2014-08-13	13	14.2	14	-1.41%	7.69%	15.6	12.0
8	IJC	2014-07-02	12.9	13.7	13.5	-1.46%	4.65%	15.5	11.9
9	VIC	2014-07-07	47.74714	47.8	47.1	-1.46%	-1.36%	57.3	43.9
10	SAM	2014-09-23	12.8	13.6	13.3	-2.21%	3.91%	15.4	11.8
11	TCM	2014-08-22	31.8	32.7	31.9	-2.45%	0.31%	38.2	29.3
12	HAP	2014-08-05	8.4	8.2	7.9	-3.66%	-5.95%	10.1	7.7
Average						-1.10%	1.47%		



## DAILY NEWS

[Enterprises donate VND218 billion for construction of small-scale bridges](#) (Stoxplus)

The business community pledged to provide VND218 billion (US\$10.3 million) for the construction of small-scale bridges across the country at a conference held by the Ministry of Transport (MOT) in Hanoi on January 9.

The event aims to garner support for the 'Spans of sentiment' project, targeting construction of small-scale bridges to ensure traffic safety at localities with transport difficulties across the nation. The project is targeting to build 4,000 bridges with a total capital of more than VND8.3 trillion (US\$390 million).

Currently, the MOT is speeding up construction of 186 suspension bridges in 28 mountainous provinces with special difficulties in the northern, central and Central Highlands regions. All work is expected to be completed prior to this year's rainy season.

According to the ministry, units, organisations, and businesses can offer their support to the programme in cash or by constructing bridges themselves. The MOT will provide specific designs for each bridge. According to preliminary estimates, the average cost for each bridge is about VND5 billion (US\$235,000).

The ministry also co-ordinated with Vietnam Television (VTV) to host a live 'Spans of sentiment' programme on VTV Channel 1 on January 15 to call for the support of the entire community.



**DISCLAIMER**

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