

Thursday, 05 March 2015

Vietnam Daily Monitor

Summary

- Vietnam stock market slightly corrected due to profit-taking. Securities stocks rose sharply.
- Oil & Gas stocks led the market today.
- Technical views: The technical indicators adjusted, the market to check the level 600 and failed today.

Recommendation

- The market may continually be faced with strong selling pressure in early Friday and could take more positive in afternoon session.
- Investors continue to wait a decline to buy stocks at good prices. Buying opportunities will appear clearly tomorrow when the market suffers from selling pressure. Several shares that we are now concentrating include HT1, NT2, CVT, BID, KBC, DXG and HUT.

Company Updates

- BCC – Vicem Bimson Cement JSC.
- FMC - Sao Ta Foods Joint Stock Company.

Stock recommendations

- Short-term portfolio: Buy HT1, wait to buy BID, KBC and CVT.

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VN-INDEX **596.91**

Value: VND 2032.7 bil

-3.48 (-0.58%)

Foreigners (net): VND 25.8 bil

HNX-INDEX **86.81**

Value: VND 766.4 bil

-0.04 (-0.05%)

Foreigners (net): VND 26.32 bil

UPCOM-INDEX **64.74**

Value: VND 77.5 bil

0.13 (0.2%)

Foreigners (net): VND 4.79 bil

Macro indicators

Indicators	Value	% Chg
Crude oil	52.3	1.4%
Gold	1,200	0.0%
USDVND	21,530	0.0%
EURVND	23,588	-0.2%
JPYVND	17,775	-0.4%
1-month Interbank rate	4.1%	-
5yr VN Treasury Yield	5.3%	-

Source: Bloomberg, BSC Research

Gia trị: 2032.7 tỷ

-3.48 (-0.58%)

Khối ngoại (ròng): 25.8 tỷ

HNX-INDEX **86.81**

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Giá trị: 77.5 tỷ

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Khối ngoại (ròng): 4.79 tỷ

Thông số vĩ mô

Thông số	Giá trị	% thay đổi
Giá dầu	52.3	1.4%

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Market highlights

Vietnam stock market slightly corrected due to profit-taking. Many stocks which increased significantly recent days have already declined, particularly as VCB, BID, KBC, CVT and VIC.

Oil & Gas stocks led the market today. Notably, PVC and PXS rose sharply in the morning, while PVS was sold strongly by foreigners (worth over VND26 billion). The other important stocks were temporarily unchanged, including real estate, construction materials and securities stocks.

OGC suddenly closed at ceiling price. In contrast, TMT fell to the floor price after increasing over 50% during 8 consecutive sessions.

Recommendations

In our opinion, market movement are now currently positive because many industries have alternatively led the market: the first was the banking stocks, the next were real estate, building materials, securities and Oil & Gas stocks. There still has no negative falling from the important stocks in the foregoing industries. Market liquidity is increasing, which indicates that the money moved strongly into the market.

As noted earlier, market slightly corrected due to profit-taking. However, foreign investors continued to be net buyers. According to our observations, after the consecutive gains of the general market, the profit-taking usually lasts more than one session. **So, the market may continually be faced with strong selling pressure in early Friday and could take more positive in afternoon session.**

Investors continue to wait a decline to buy stocks at good prices. Buying opportunities will appear clearly tomorrow when the market suffers from selling pressure. Several shares that we are now concentrating include HT1, NT2, CVT, BID, KBC, DXG and HUT.

Exhibit 1

VN-Index Intraday

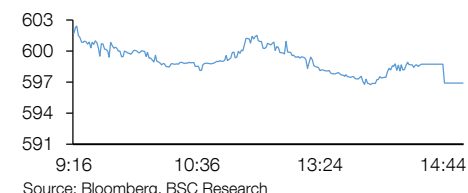


Exhibit 2

HNX-Index Intraday

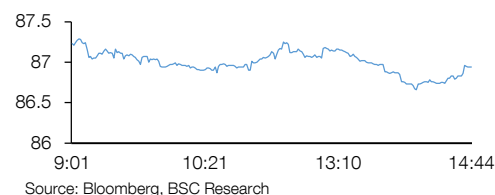


Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	10.8	11.3	0.9
HAI	9.3	15.6	-1.9
OGC	6.9	5.5	5.8
DLG	6.6	11.0	2.8
SCR	5.2	8.2	1.2

Source: Bloomberg, BSC Research

Exhibit 4

Foreign trading

Top foreign buy	Value	Top foreign sell	Value
HUT	33	GAS	-43.2
VCG	10.4	PVS	-26.2
BID	7.6	NBB	-10.6
CTG	7	BMP	-6.0
SHB	3	DBC	-1.3

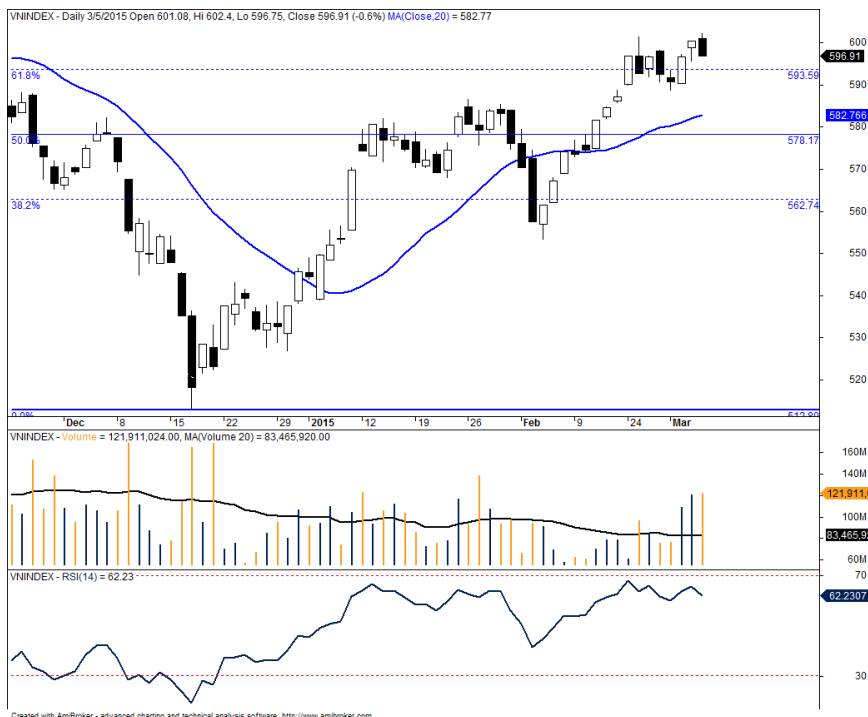
Source: BSC Research

Technical Views

The red candle tests around the level 600 in session today, making the market cannot maintain this support, improved liquidity, the trading volume corresponding 1.11 times the last session.

Observed fluctuations in session, the scenario is similar to the previous trading session, the market exceeded 602 points since the beginning of the session, but the VN-index fell quickly below the reference, continuing drop below around the region 497-598 twice today, closing, the VN-Index of 595 near the support, closing at 596.91 points, down -3.48 points.

The technical indicators adjusted, the market to check the level 600 and failed today, the VN-Index returned the level 595 reliable support in the next version, continues to conquer the sensitive resistance 600 points.



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Company Updates

BCC – Vicem Bimson Cement JSC

Regarding production, the consumption of cement and clinker accumulated in January and February of BCC has improved slightly compared with the same period of 2014. In addition, cement grinding line at Dai Viet plant is also being installed with a new silo to serve the development of the market here. Design capacity of the production line in Dai Viet reached 500,000 tons/year, currently operating only with 60% of designed capacity; the operating capacity will be tied to the development of the market.

According to the report dated 02/03/2015 on Thanh Hoa Online, BCC strives to achieve PBT 2015 of VND416 billion. According to the Company, this figure is set to struggle this year.

With a view of analysis, we assume that if the business activities of BCC similar to the year 2014, and account for long-term debt of EUR37.61 million at 31/12/2015; To achieve PBT of VND416 billion, the VND/EUR has to reach VND21,468 on 31/12/2015. (the exchange rate of VCB today is VND23,659.86 and ECB has not implement the QE). If BCC's PBT of VND416 billion in 2015, the BCC's 2015 EPS will be around VND3,379.

We will continue to update the business activities of BCC and exchange rate issues in the next daily monitor.

We maintain BUY recommendation in the medium and long-term with BCC as in the Sector Outlook 2015 of BSC with EPS 2015 of VND2,757 and target price of VND20,254/share. In the year 2014, PAT of BCC parent company's shareholders reached VND162.45 billion, equivalent to EPS VND1,698/share. Closing the session 05/03/2015, BCC shares were traded with PE trailing = 11.19 and PE forward = 6.89.

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FMC - Sao Ta Foods Joint Stock Company

On 03/04/2015, United States Department of Commerce announced the preliminary tariff, POR9, against shrimp dumping in the United States, which was significantly lower than the official POR8. Highlights include FMC's anti-dumping tariff reduced from 6.37 % to 0%, MPC's also down from 4.98% to 1.5% and other mandatory respondents' were significantly decreased from 6.47% to 0.93% while country-wide rate remained unchanged at 25.76%. World shrimp price is in declining trend since April 2014 and world supply recovered, leading to increasing competition compared to the previous period in 2013-2014. Hence, the reduced anti-dumping tariffs have positive impacts on Vietnam's shrimp industry.

However, we believe the effect is not too huge for (1) the export mainly in the form of FOB and CIF, thus US importers pay the anti-dumping duty (2) shrimp exports is mainly in the 3rd quarter while the high anti-dumping tax of POR8 is applied from September 2014 and before this moment, 32 Vietnamese shrimp enterprises still enjoyed 0% tax rate.

We maintain a positive outlook for shares of FMC as in the Sector Outlook 2015 with 4 reasons: (1) a capacity increase of 30% from the end of 1Q 2015 when the new plant completed (2) the market share of No1 in Japan, Korea and high stature in the US (3) increasing investment in self-feed production to serve the senior market (4) anti-dumping duties in US down to 0% while the structure of exports to the US is always higher than 50%. We forecast revenue of VND3,600 billion and profit after tax of VND77 billion in 2015, equivalent to P/E forward = 6.6x quite attractive compared to the sector average of 9x. However, investors should consider the risk of disease. In addition, in 1Q 2015, HVG is expected to become the parent company of FMC. From 13/3, 6.5 million shares issued additionally costing VND15,000/share will officially be traded.

Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Performance	Recommendation	Cutloss	Target
1	BCC	2/3/2015	18	19	5.6%	Hold	<12.6	19.8
2	HT1	5/3/2015	19.7	19.7	0.0%	Buy	<13.8	21.7
3	BID	wait to buy around 17.5 - 17.6						
4	KBC	wait to buy around 16.5						
5	CVT	wait to buy around 27.3 - 27.7						
Average					2.8%			

Source: BSC Research

Cansilm portfolio

No.	Ticker	Date	Buy price	Current price	Performance	Recommendation	Cutloss	Target
1	VIC	7/7/2014	47.7	51	6.8%	Hold	43.9	57.3
2	IJC	2/7/2014	12.9	13	0.8%	Hold	11.9	15.5
3	ASM	27/1/2015	9.2	10.1	9.8%	Hold	8.5	11.0
4	BVS	13/8/2014	13.0	15.2	16.9%	Hold	12.0	15.6
5	SAM	23/9/2014	12.1	13.1	8.5%	Hold	11.1	14.5
6	DCL	27/1/2015	49.7	48.4	-2.6%	Hold	45.7	59.6
7	DHC	14/1/2014	21.5	21.6	0.5%	Hold	19.8	25.8
8	HVG	14/1/2014	21.2	21.8	2.8%	Hold	19.5	25.4
9	REE	27/1/2015	29.1	27.9	-4.1%	Hold	26.8	34.9
10	DBC	14/1/2014	28.8	30	4.2%	Hold	26.5	34.6
11	FPT	12/1/2015	48.3	50	3.5%	Hold	44.4	58.0
12	FMC	27/1/2015	24.8	25.8	4.0%	Hold	22.8	29.8
13	DRC	14/8/2014	53.0	60	13.2%	Hold	48.8	63.6
14	TCM	22/8/2014	31.8	35.2	10.7%	Hold	29.3	38.2
Average					5.36%			

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
GAS	80.5	1.26	1.075	1.02MLN
VCF	204	6.81	0.196	90
PVD	59	1.72	0.172	1.17MLN
PDR	18	5.26	0.066	578720
HPG	47.3	0.42	0.055	752710

Top 5 laggards on the HSX

Ticker	Price	% Chg	Index pt	Volume
VCB	37.9	-2.32	-1.361	692720
BID	18.1	-2.69	-0.798	2.81MLN
VNM	108	-0.92	-0.568	91750
MSN	88.5	-1.12	-0.418	134530
VIC	51	-0.97	-0.413	845730

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
TYA	10.9	6.86	0.002	125910
VCF	204	6.81	0.196	90
PNC	12.6	6.78	0.005	12160
STT	4.8	6.67	0.001	200
FMC	25.8	6.61	0.018	236110

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
AVF	1.2	-7.69	-0.002	795240
TMT	27.9	-6.69	-0.035	173140
PTL	2.8	-6.67	-0.011	330840
SCD	28	-6.67	-0.01	3720
TIC	12.9	-5.84	-0.011	14710

Source: Bloomberg, BSC Research

Top 5 leaders on the HNX

Ticker	Price	% Chg	Index pt	Volume
PVS	27.8	1.46	0.11	2.57MLN
VCG	14	1.45	0.054	2.30MLN
HUT	16.5	5.1	0.042	3.74MLN
PVC	24.8	4.64	0.034	3.32MLN
VCS	32.9	2.17	0.023	86500

Top 5 laggards on the HNX

Ticker	Price	% Chg	Index pt	Volume
PVI	18	-3.23	-0.087	3000
NTP	50	-3.85	-0.069	500
VNR	24	-3.23	-0.065	400
ACB	16.8	-0.59	-0.058	159000
SHB	9	-1.1	-0.055	2.19MLN

Top 5 gainers on the HNX

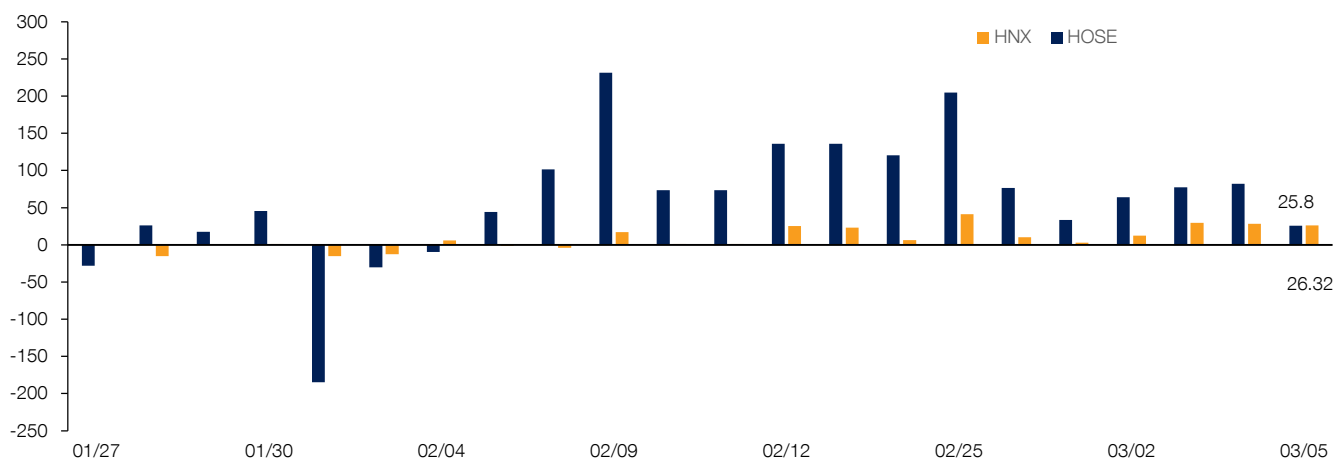
Ticker	Price	% Chg	Index pt	Volume
APG	6.6	10	0.005	23800
INC	5.5	10	0.001	3100
PVE	11	10	0.015	1.14MLN
VMC	20.9	10	0.008	3300
DST	16.2	9.46	0.001	4300

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
LDP	52.3	-9.98	-0.012	200
VNT	43.5	-9.94	-0.016	500
VLA	11.4	-9.52	-0.001	9000
PPG	2.9	-9.38	-0.001	1000
AMV	3.9	-9.3	-0.001	100

Exhibit 6

Foreign transactions



Disclosure

The information, statements, forecasts and projections contained herein, including any expression of opinion, are based upon sources believed to be reliable but their accuracy completeness or correctness are not guaranteed. Expressions of opinion herein were arrived at after due and careful consideration and they were based upon the best information then known to us, and in our opinion are fair and reasonable in the circumstances prevailing at the time. Expressions of opinion contained herein are subject to change without notice. This document is not, and should not be construed as, an offer or the solicitation of an offer to buy or sell any securities. BSC and other companies in the BSC and/or their officers, directors and employees may have positions and may affect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking services for these companies. This document is for private circulation only and is not for publication in the press or elsewhere. BSC accepts no liability whatsoever for any direct or consequential loss arising from any use of this or its content. The use of any information, statements forecasts and projections contained herein shall be at the sole discretion and risk of the user. No part of this material may be (i) copied, photocopied or duplicated in any form by any mean or (ii) redistributed without the prior written consent of BIDV Securities Company (BSC).

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