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Vietnam Daily Monitor

Technical rebound may occur tomorrow

Summary

VN-Index fell by 0.9%, approaching the supporting level of 580 points, mainly due to the decline of VCB and MSN.

Foreign investors reduced their net selling value while the domestic investors increased the supply in the market.

The impressive advances were KBC, KDC, HNM, etc. Shares benefiting from the exchange rate remains positive.

Recommendation

The index dropped to 580 points; thereby foreign investors decreased their selling value while domestic investors took the short-term profit. Bottom fishing activities took advantage in the decreasing phases that fostered the market liquidity. The support level of 580 points is going to be held. The market will soon return to stability and accumulate around 580-584 points.

We recommend gradually increasing the proportion of shares, particularly basic stocks. Stocks of construction, real estate, construction materials (cement, bricks) and exchange rate benefiting stocks such as HT1, BCC, and NT2, are promising stocks at the moment.

ETF's portfolio updates

Stock recommendation

Short-term portfolio: Long BID, CVT và DXG

Company updates

KBC – Kinh Bac City Development Holding Corporation (HSX)

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VN-INDEX **580.8**

Value: VND 1356.81 bil

-5.3 (-0.9%)

Foreigners (net): -VND 5.2 bil

HNX-INDEX **85.08**

Value: VND 613.12 bil

-0.64 (-0.75%)

Foreigners (net): -VND 6.09 bil

UPCOM-INDEX **65.79**

Value: VND 55.83 bil

0.37 (0.57%)

Foreigners (net): VND 7.91 bil

Macro indicators

	Value	% Chg
Crude oil	44.4	-1.1%
Gold	1,158	-0.1%
USDVND	21,500	0.5%
EURVND	22,644	1.0%
JPYVND	17,715	0.7%
1-month Interbank rate	4.3%	-
5yr VN Treasury Yield	5.3%	-

Source: Bloomberg, BSC Research

Content

Market highlights	2
Technical Views.....	3
Stock recommendations	4
ETF's portfolio updates	5
Company updates.....	6
Market statistics	7

This report must be read with the Disclosure, located at the end of this report.

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Market highlights

Net selling value of foreigners has fell. Specifically, they only sold a net value of more than VND 10 billion on both exchanges today.

VN-Index decreased by 0.9% and closed at 580.80 pts. Market suddenly declined in the afternoon, mainly due to the falling of VCB (-3.8%) and MSN (-2.3%) which resulted in negative 2.68 points and 1.07 points, respectively, to the VN-Index.

Stocks benefiting from Euro depreciation have still traded positively, notably BCC (+ 3.6%) and NT2 (+ 0.4%) while HT1 declined slightly by 1%.

Stocks which rallied impressively today include HNM, KBC and KDC. Specifically, HNM closed at its ceiling price due to Tiga Pilar Sejahtera Food want to hold controlling stakes in Hanoimilk, and KDC and KBC rose significantly because an ETF's update that Market Vector Vietnam will buy two shares for their first review in 2015.

Recommendations

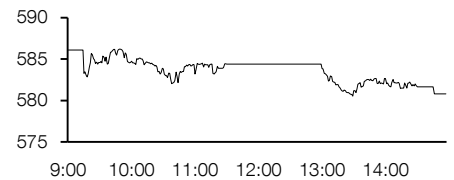
The demand of foreign investors has still stable because total their selling value was over VND 250 billion as in recent sessions. Recall that net selling value of foreigners has fell, hence **today decline was mostly resulted from taking-profits of domestic investors.** Liquidity increased in both exchanges, which indicate that more investors have called the bottom. Technically, VN-Index closed higher than 580 pts, and we expect this supporting level will not be broken.

The market will be stable soon and accumulate around 580-584 pts.

We continue to recommend investors increasing stock proportion in the decline, especially fundamental stocks of construction, real estate and construction material industries. Several shares we recommended in recent times are BCC, HT1, NT2 and KBC.

Exhibit 1

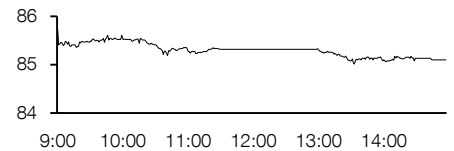
VN-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 2

HNX-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	18.1	12.2	2.5
KBC	10.4	17.2	1.8
HQC	5.0	7.0	1.5
KDC	4.2	48.9	5.8
VHG	4.0	12.4	-1.6

Source: Bloomberg, BSC Research

Exhibit 4

Foreign transaction

Top foreign buy	Value	Top foreign sell	Value
KBC	51.1	VCB	44.0
KDC	24.4	PVD	34.5
VIC	14.2	HPG	19.3
HAG	12.2	GAS	8.4
BCC	7.3	PVS	11.1

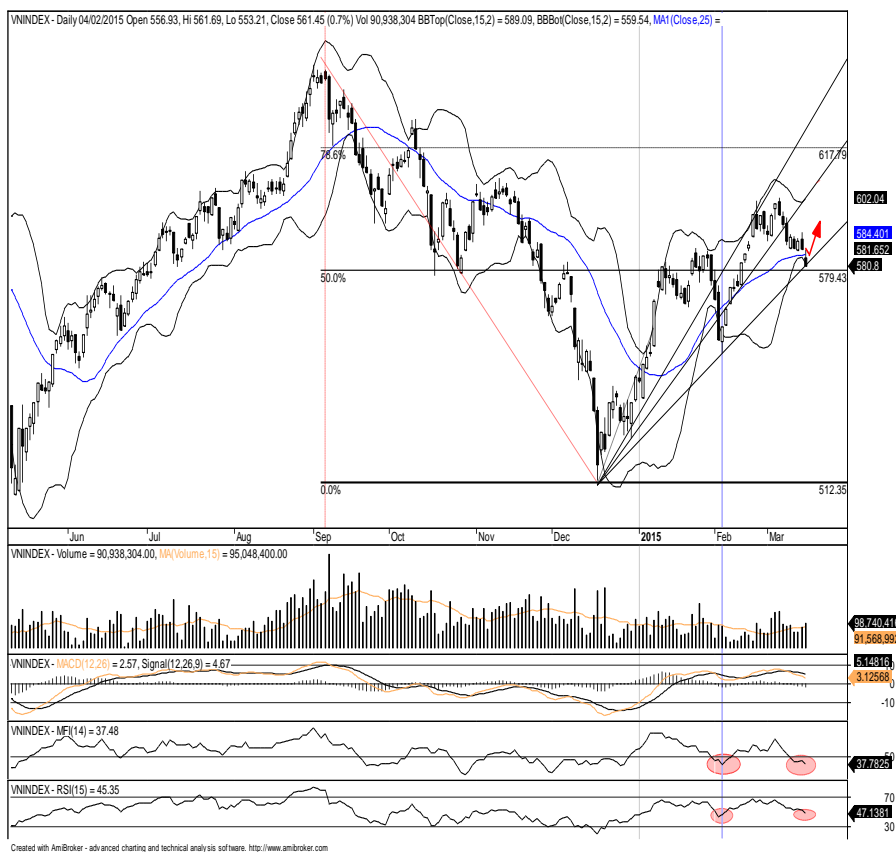
Source: BSC Research

Technical Views

Markets continue to test the lower support at the level 580 as our recommendation in the previous version, the red candle touches the lower of the Bollinger Band, and hitting below of the Fibonacci Fan, the trading volume continues increase.

The MFI indicator (14) and RSI (15) has to correspond with the old bottom of these lines, indicating the cash flow and the power of the market became the equivalent of the old bottom in the 4th February, expect a recovery soon.

The market stand in front of the resistance of the lower of the Bollinger Bands, the Fibonacci support level of 50%, the support of the band Fibonacci Fan, the VN-Index is likely to bounce back in the next session, the technical indicators was almost equivalent to the old bottom, the market is likely to return to the previous resistance level of 585.



Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Performance	Recommendation	Cutloss	Target
1	BCC	2/3/2015	18	19.9	10.6%	Hold	12.6	19.8
2	HT1	5/3/2015	19.7	21.5	9.1%	Hold	13.8	21.7
3	PVT	9/3/2015	14.3	13.8	-3.5%	Hold	13.3	16
4	VIC	11/3/2015	49.3	49.2	-0.2%	Hold	48.2	51.9
5	BID	16/3/2015	18.3	18.3	0.0%	Buy	17.5	19.5
6	DXG	16/3/2015	17.4	17.4	0.0%	Buy	16.7	19.7
7	CVT	16/3/2015	27.2	27.2	0.0%	Buy	25.7	29.3
Avg.					2.3%			

Source: BSC Research

Short-term portfolio: Long BID, CVT và DXG.

Canslim portfolio

No.	Ticker	Date	Buy price	Current price	1-week performance	Unrealized gain/loss	Cutloss	Target
1	SHI	9/3/2015	7.5	8.2	9.3%	9.3%	9.0	7.0
2	DRC	14/8/2014	53.0	61	1.7%	15.1%	63.6	48.8
3	VIC	7/7/2014	47.7	49.2	-1.4%	3.0%	57.3	43.9
4	FPT	12/1/2015	48.3	49.4	-1.2%	2.3%	58.0	44.4
5	DHC	14/1/2014	21.5	21.4	-1.8%	-0.5%	25.8	19.8
6	REE	27/1/2015	29.1	27.3	-2.5%	-6.2%	34.9	26.8
7	SAM	23/9/2014	12.1	12.9	-0.8%	6.9%	14.5	11.1
8	IJC	2/7/2014	12.9	12.1	-5.5%	-6.2%	15.5	11.9
9	TCM	22/8/2014	31.8	33.4	-4.3%	5.0%	38.2	29.3
10	HVG	14/1/2014	21.2	20.9	-4.6%	-1.4%	25.4	19.5
11	ASM	27/1/2015	9.2	9.7	-4.0%	5.4%	11.0	8.5
12	DBC	14/1/2014	28.8	29.8	-2.3%	3.5%	34.6	26.5
13	SCR	9/3/2015	8.1	7.7	-4.9%	-4.9%	9.7	7.5
14	FMC	27/1/2015	24.8	26.9	0.4%	8.5%	29.8	22.8
15	BVS	13/8/2014	13.0	14.3	-4.7%	10.0%	15.6	12.0
16	DCL	27/1/2015	49.7	47.1	-2.9%	-5.2%	59.6	45.7
17	PDR	9/3/2015	18.5	18	-2.7%	-2.7%	22.2	17.2
Avg.					-1.89%	2.5%		

Source: BSC Research

ETF's portfolio updates

Although we considered the possibility of KDC to be listed in VNM funds in the first report of March, but the funds listed both KDC and KBC in this period was quite unexpected. In addition, VNM funds delisted 2 foreign stocks (GAM and PKS) and raised its holding proportion of Vietnam's stocks from 70% to 77.5%. This is good news for the market as VNM funds will invest 820 billion VND in Vietnam stock market at the end of the first review period in 2015. Freefloat adjustment ratio is set as follows:

- Positive adjustments: FLC 8%, HAG 3%, OGC 4%, STB 4%, PVS 5%, VCG 3% and PVD 2%.
- Negative adjustments: VCB 2%, DPM 5%, PPC 3% and IJC 1%.

Final update ETFs' portfolios after adding both KBC and KDC with new free-float:

No	Ticker	± Value of FTSE	± Value of VNM	± Volume of FTSE	± Volume of VNM	± Total volume
1	BVH	441,493	824,758	250,768	469,122	719,890
2	CSM	-4,893,133	-	-2,612,123	-	-2,612,123
4	DPM	1,553,117	-1,633,801	1,043,577	-1,099,337	-55,760
5	DRC	-	122,893	0	42,972	42,972
6	FLC	489,720	2,660,149	948,276	5,158,272	6,106,547
8	HAG	3,385,871	4,672,304	3,163,117	4,371,063	7,534,180
9	HPG	5,178,700	-	2,341,960	-	2,341,960
10	HSG	-6,395,367	-	-3,492,854	-	-3,492,854
11	HVG	1,826,256	-	1,792,592	-	1,792,592
12	IJC	-	139,694	-	234,619	234,619
13	ITA	656,696	390,503	1,840,477	1,095,979	2,936,456
14	KBC	-488,157	16,219,775	-637,899	21,225,018	20,587,119
15	KDC	-130,165	19,681,496	-59,368	8,989,429	8,930,060
16	MSN	-5,236,566	-207,601	-1,304,548	-51,791	-1,356,339
17	OGC	-1,513,956	541,437	-5,657,414	2,026,113	-3,631,301
18	PPC	426,397	803,516	361,843	682,828	1,044,671
19	PVD	-868,348	1,749,918	-318,893	643,548	324,654
20	PVS	-	2,804,092	-	2,207,058	2,207,058
21	PVT	345,668	-249,100	529,692	-382,253	147,439
22	SHB	-	380,212	-	901,101	901,101
23	STB	-	-1,764,609	-	-1,940,161	-1,940,161
24	VCB	6,945,125	-9,601,550	3,852,374	-5,333,361	-1,480,987
25	VCG	-	1,220,518	-	2,033,879	2,033,879
26	SSI	1,773,198	326,301	1,383,484	254,945	1,638,429
27	VIC	-3,492,769	-155,701	-1,502,949	-67,093	-1,570,042

Source: BSC Research

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Company updates

KBC – Kinh Bac City Development Holding Corporation (HSX)

We expect VNM ETF will buy approximately 21 million shares KBC in this week.

In particular, the updated progress of projects and plans in 2015 as follows:

- Que Vo Extended Industrial Park (Bac Ninh): Available 60 ha / 300 ha of industrial land, expected in 2015 develop and sell 9 factories with a total area of 46,440 m2 and 72,000 m2 of buildings surrounding land. The expected revenue is VND 335 billion and the profit is VND 155 billion.
- Trang Due Industrial Park (Haiphong): IP remained 200 ha of land with plan to sell 50-60ha phase 2 for LG satellites. At sale priced \$70/m2, the expected revenue is VND746-895 billion and profit is VND 437-524 billion.
- Hap Linh Nam Son Industrial Park (Bac Ninh): With an area of 402.5 hectares, 100 hectares available for build infrastructure .KBC plan to sell 30 hectares for customers wishing to rent for 50 years at the price of 70 USD / m2 and the revenue and profit of VND 447 billion and 192 billion in 2015.
- Tan Phu Trung Industrial Park (Cu Chi, Ho Chi Minh City): 22% occupied. In 2014, the board of industrial park has changed policies and improves the lease with 16ha sold. Expected in 2015, KBC plans to sell 30 hectares and take VND 383 billion revenue.
- Ninh Phuc Urban Area (Bac Ninh): Fully compensated 75ha / 136 ha. There are plans to deploy in 2015 if the real estate market has the positive signals with estimated sales of 8-9 million/ m2.

According to the meeting with KBC, 1Q 2015, KBC signed Haeng Sung (Korea) 10ha in Trang Due Industrial Park, 1 contract at Que Vo Industrial Park with 2,6ha and recorded a number of projects of late 2014 . Therefore, the first quarter earnings mutations with the revenue estimated VND 500 billion, the pre-tax profit of VND 200 billion.

As mentioned in the Report investment advisory clients VIP week from 26th-30th Jan 2015 and the BSC 2015 Sector Outlook, BSC forecast 2015 revenue of KBC will be VND 2,182 billion and PAT will be VND 615 billion.

We continue to remain BUY with KBC (the largest firm in the field of industrial parks and urban services with 6,000 ha of industrial land and 1,500 ha of land for housing).

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
VNM	109	0.93	0.565	153740
KDC	48.9	5.84	0.391	3.05MLN
VCF	210	6.06	0.18	1150
KBC	17.2	1.78	0.081	10.38MLN
FLC	12.2	2.52	0.064	18.13MLN

Top 5 laggards on the HSX

Ticker	Price	% Chg	Index pt	Volume
VCB	35.3	-3.81	-2.108	2.07MLN
MSN	85	-2.3	-0.831	31770
BID	18.3	-1.61	-0.476	1.40MLN
STB	19.4	-3	-0.421	1.59MLN
HPG	45.1	-3.01	-0.386	1.04MLN

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
THG	16	6.67	0.006	120
COM	41	6.49	0.02	390
HTL	44	6.28	0.012	6780
BBC	59.5	6.25	0.03	10840
MCP	17.5	6.06	0.006	10

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
CDO	20.2	-6.91	-0.017	1.36MLN
HAH	38.4	-6.8	-0.037	39280
GTN	16	-6.43	-0.042	2.45MLN
VPH	11.7	-6.4	-0.014	80160
RIC	10.3	-6.36	-0.008	4000

Source: Bloomberg, BSC Research

Top 5 leaders on the HNX

Ticker	Price	% Chg	Index pt	Volume
BTS	10.3	9.57	0.06	36500
VNR	25.5	2.41	0.048	2300
BCC	19.9	2.05	0.024	1.16MLN
NBC	16.2	8.72	0.022	294800
PTI	14.8	3.5	0.016	100

Top 5 laggards on the HNX

Ticker	Price	% Chg	Index pt	Volume
PVS	25.6	-3.03	-0.22	2.17MLN
VCG	13.1	-2.24	-0.082	632100
SHB	8.8	-1.12	-0.055	1.83MLN
NVB	6.5	-2.99	-0.037	300
PVX	5	-1.96	-0.025	1.31MLN

Top 5 gainers on the HNX

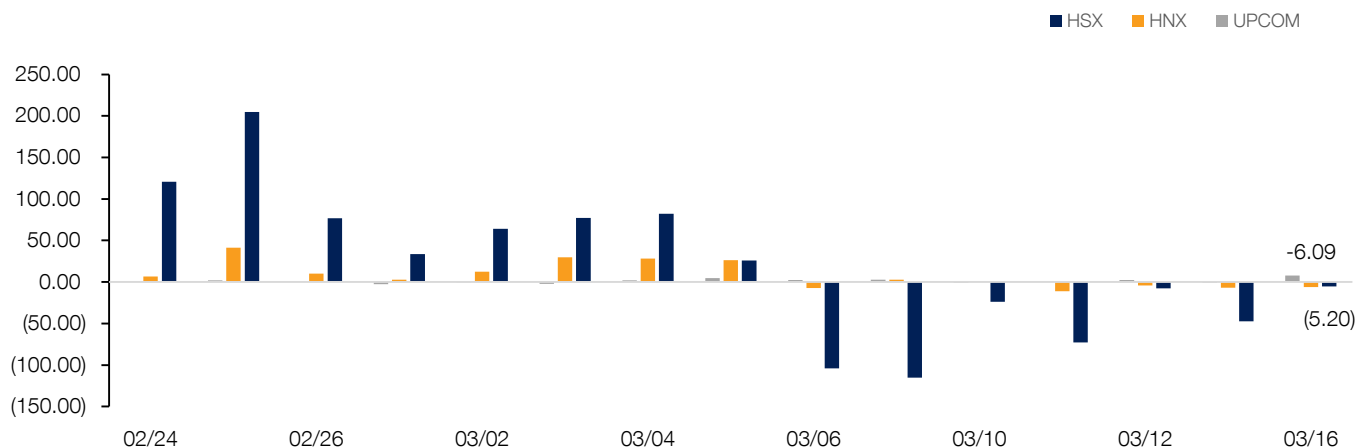
Ticker	Price	% Chg	Index pt	Volume
DNC	18.7	10	0.002	100
SDG	22	10	0.008	20000
HNH	15.5	9.93	0.011	661700
PHH	6.7	9.84	0.007	439800
NGC	24.7	9.78	0.002	14500

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
ECI	17.1	-10	-0.002	100
ONE	9.1	-9.9	-0.003	31100
DID	4.6	-9.8	-0.002	10100
NHA	9.3	-9.71	-0.005	100
KMT	5.8	-9.38	-0.004	500

Exhibit 5

Foreign transaction



Source: HSX, HNX, BSC Research

Disclosure

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