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Vietnam Daily Monitor

Foreigners' selling pressure will reduce next week

Summary

Today movement of market continued depending heavily on ETFs. Indices decreased, and market breadth was fairly negative. However, supporting level 550 of the VN-Index has still not been broken.

Recommendation

We expect selling pressure of foreign investors will reduce next week. The market therefore can have a slight recovery in short term.

We continued to recommend risk lovers calling the bottom today. Cautious investors should stay out of the market at this time.

Company Update

VSC – Vietnam Container Shipping Corporation (HSX)

Stock Recommendation

Short-term portfolio: Buy REE

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VN-INDEX **551.42**

Value: VND 1388.34 bil **-4.74 (-0.85%)**

Foreigners (net): -VND 136.6 bil

HNX-INDEX **82.4**

Value: VND 497.79 bil **-0.74 (-0.89%)**

Foreigners (net): -VND 30.02 bil

UPCOM-INDEX **65.16**

Value: VND 58.48 bil **-0.11 (-0.17%)**

Foreigners (net): VND 0.036 bil

Macro indicators

	Value	% Chg
Crude oil	50.8	-1.3%
Gold	1,201	-0.3%
USDVND	21,535	0.1%
EURVND	23,383	0.0%
JPYVND	18,058	0.1%
1-month Interbank rate	4.3%	-
5yr VN Treasury Yield	5.5%	-

Source: Bloomberg, BSC Research

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

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Market highlights

Today movement of market continued depending heavily on ETFs. Specifically, market opened in green because of investors' optimism, but it gradually fell and finally closed in red due to selling pressure of ETFs. We found that foreign investors sold a total net value of VND 167 billion.

Market breadth was fairly negative with 113 gainers / 275 losers on both floors. Technical supporting level 550 of the VN-Index has still not been broken today.

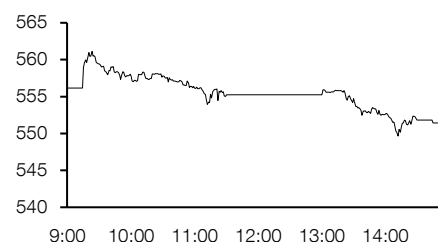
Recommendations

As can be seen, foreigners' activity is the main focus of investors. According to our calculations, the ETF have sold around 700.000 fund certificates today, or approximately VND 190 billion. In comparison with total foreigners' selling value of VND 167 billion (as foregoing mentioned), it is clear that ETFs were the main net sellers today. We believe that their selling pressure will most likely reduce next week due to improving NAV discount rate. **Therefore, stock market might increase in short term.**

We continue to recommend risk lovers calling the bottom and preparing to sell stocks in rallies next week. On the other hand, we suggest that risk aversion investors should not open long positions.

Exhibit 1

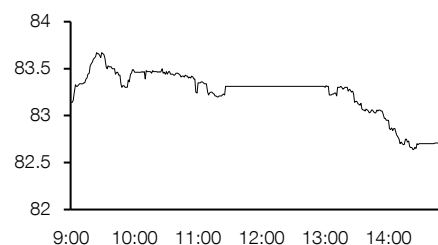
VN-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 2

HNX-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
HAI	12.17	12.6	-3.82
FLC	12.08	11.4	-1.72
HQC	8.87	6.5	-1.52
ITA	4.87	7.1	-1.39
OGC	3.33	4.8	-2.04

Source: Bloomberg, BSC Research

Exhibit 4

Foreign transaction

Top foreign buy	Value	Top foreign sell	Value
DXG	16.67	GAS	-31
NLG	6.87	MSN	-24.72
HBC	6.78	STB	-16.24
BID	5.4	DPM	-16
SD9	0.49	PVS	-14.5

Source: BSC Research

Do Nam Tung

Quantitative Analyst

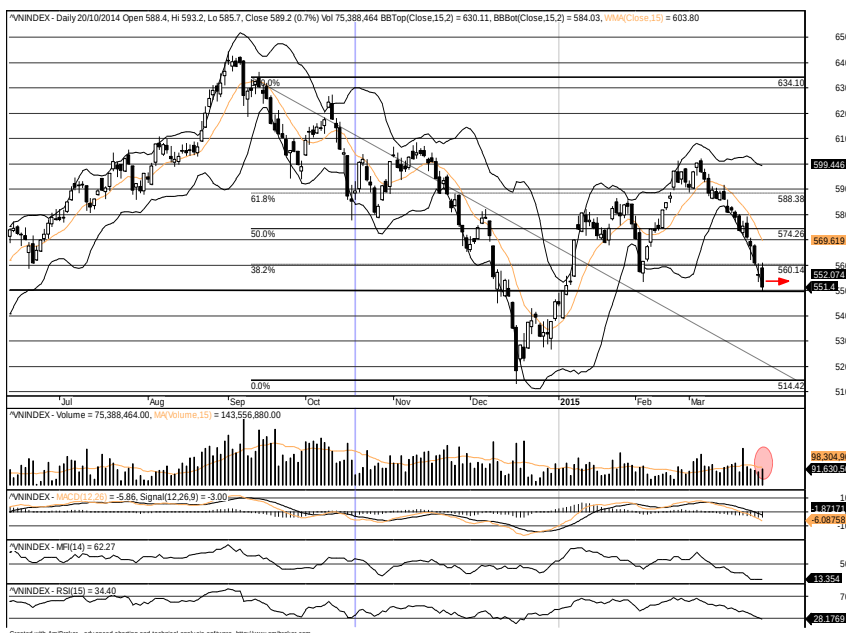
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Technical views

The long red candle today is actively hanging high over the closing price of the previous session, but the slowdown of the VN-index that returned under the support 555 cannot help the market forming the Morning Star pattern, however the liquidity improved compared to previous session.

The market tests the lower support area 550 once more, candlesticks stand on this support. The technical indicators show no signs of recovery during this week, the RSI (15) is entering the oversold zone, around the bottom area in the past, expect a recovery in the short term. The MFI(14) indicator shows that the decline is slowing down, the MACD continues to fall below the Zero line.

The market is likely to fluctuate in a narrow range around 550-555 in the next session, confirmed the demand at the bottom around this area in the past two sessions, VN-Index may not falling under the level 550, the liquidity will continue to maintain and improve in the next few sessions.



REE - REE Corporation

REE has dropped to its Dec 2014 peak of 26 – 27 and currently flatting for three last sessions. Momentum indicators Sto (15,3) fell to oversold zone and could rise again. We recommend to BUY this stock with the target price of 28 and the stop price of 25.2 - 25.5.



Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Performance	Recommendation	Cutloss	Target
1	TNG	26/3/2015	24.2	23.7	-2.1%	Hold	22.8	26.2
2	CVT	26/3/2015	26.8	26.5	-1.1%	Hold	25.0	29.0
3	REE	27/3/2015	26.3	26.3	0.0%	Buy	25.5	28.0
Average					-1.6%			

Source: BSC Research

Short-term portfolio: Open long position in REE

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	1-week performance	Unrealized gain/loss	Cutloss	Target
1	PVT	24/3/2015	13.2	12.9	-7.9%	-2.3%	12.5	16.1
2	SD6	24/3/2015	14.7	14.3	-4.7%	-2.7%	13.6	17.5
3	SSI	24/3/2015	21.3	20.4	-8.1%	-4.2%	20.1	25.9
4	SHI	3/9/2015	7.5	8	-4.8%	6.7%	7.0	9.0
5	DRC	14/8/2014	53.0	61	0.8%	15.1%	48.8	63.6
6	VIC	7/7/2014	47.7	47.1	-3.1%	-1.4%	43.9	57.3
7	FPT	12/1/2015	48.3	49.2	-1.2%	1.9%	44.4	58.0
8	DHC	14/1/2014	21.5	20.7	-4.2%	-3.7%	19.8	25.8
9	REE	27/1/2015	29.1	26.3	-2.6%	-9.6%	26.8	34.9
10	SAM	23/9/2014	12.1	13.4	-3.6%	11.0%	11.1	14.5
11	IJC	2/7/2014	12.9	11.3	-7.4%	-12.4%	11.9	15.5
12	TCM	22/8/2014	31.8	32.8	-3.2%	3.1%	29.3	38.2
13	HVG	14/1/2014	21.2	21.2	-1.4%	0.0%	19.5	25.4
14	ASM	27/1/2015	9.2	9	-7.2%	-2.2%	8.5	11.0
15	DBC	14/1/2014	28.8	28.5	-4.0%	-1.0%	26.5	34.6
16	SCR	3/9/2015	8.1	7.4	-6.3%	-8.6%	7.5	9.7
17	FMC	27/1/2015	24.8	26.7	2.7%	7.7%	22.8	29.8
18	BVS	13/8/2014	13.0	14.2	-2.7%	9.2%	12.0	15.6
19	DCL	27/1/2015	49.7	47.3	0.6%	-4.8%	45.7	59.6
20	PDR	3/9/2015	18.5	17.6	0.0%	-4.9%	17.2	22.2
Avg.					-3.4%	-0.2%		

Source: BSC Research

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Company updates

VSC - Vietnam Container Shipping Corporation (HSX)

For 1Q FY2015, Revenue is estimated at VND185 billion (-6.5% yoy) and pretax profit of VND55 billion, (-5.1% yoy). In 2015, The company plans to reach a revenue of VND 785 billion (down 13,5% yoy), a profit before tax of VND 245 billion (down 23,5% yoy), the company's dividend is about 20%-30%.

Planning revenues and profits are lower than the figure in 2014 due to: (1) No revenue from barge transportation. The company sold 2 barges because of the low usage and profit margin; (2)) handled volume expected to be flat (3) income from divestment in associates and reverse provisions last year drops out.

In 2015, VSC will focus on finishing the construction of a new port with a total phase I investment of VND 287 billion. Phase I of the construction is estimated to finish at 11/2015 and the capacity is expected to double.

Our investment view: We forecast that 2015 earnings has no significant changes because the port of Greenport VSC currently is operated beyond designed capacity. Besides, the fierce competition between ports may lower port charge, affecting the company's revenue. However, we maintain a positive assessment of the potential long-term growth of the company when the new port will be operated in 2016. With the current price of 50,000 dong, VSC is trading at a P / E forward of ~9.

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
VCB	35.3	0.86	0.451	1.45MLN
MPC	115	2.68	0.118	4330
HSG	33.9	2.42	0.045	546760
HAH	35.8	6.87	0.03	57030
PNJ	43	1.42	0.026	4540

Top 5 lagers on the HSX

Ticker	Price	% Chg	Index pt	Volume
GAS	65.5	-2.24	-1.604	719800
VNM	105	-1.87	-1.129	80360
BVH	34.4	-3.37	-0.461	368540
VIC	47.1	-0.84	-0.328	1.10MLN
MWG	107	-2.73	-0.19	32530

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
HAH	35.8	6.87	0.03	57030
TSC	24	6.67	0.013	1.00MLN
HVX	7	6.06	0.008	10
TTP	25	5.93	0.012	140
PDN	35.5	5.65	0.013	23260

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
TMS	44.7	-6.88	-0.043	2160
SCD	27.9	-6.69	-0.01	120
C47	16.8	-6.67	-0.008	4260
HU3	8.5	-6.59	-0.003	5440
VNI	4.5	-6.25	-0.002	2060

Source: Bloomberg, BSC Research

Top 5 leaders on the HNX

Ticker	Price	% Chg	Index pt	Volume
SHB	8.5	1.19	0.055	12.08MLN
LAS	32.3	0.62	0.01	55400
UNI	10.2	9.68	0.008	281100
SGC	34.3	5.54	0.008	100
CHP	15.1	0.67	0.007	7600

Top 5 lagers on the HNX

Ticker	Price	% Chg	Index pt	Volume
ACB	16.8	-1.18	-0.115	150500
NVB	5.8	-7.94	-0.093	500
PVS	22.6	-1.31	-0.083	1.58MLN
VCG	12.4	-1.59	-0.054	1.10MLN
BCC	18.6	-2.62	-0.029	248800

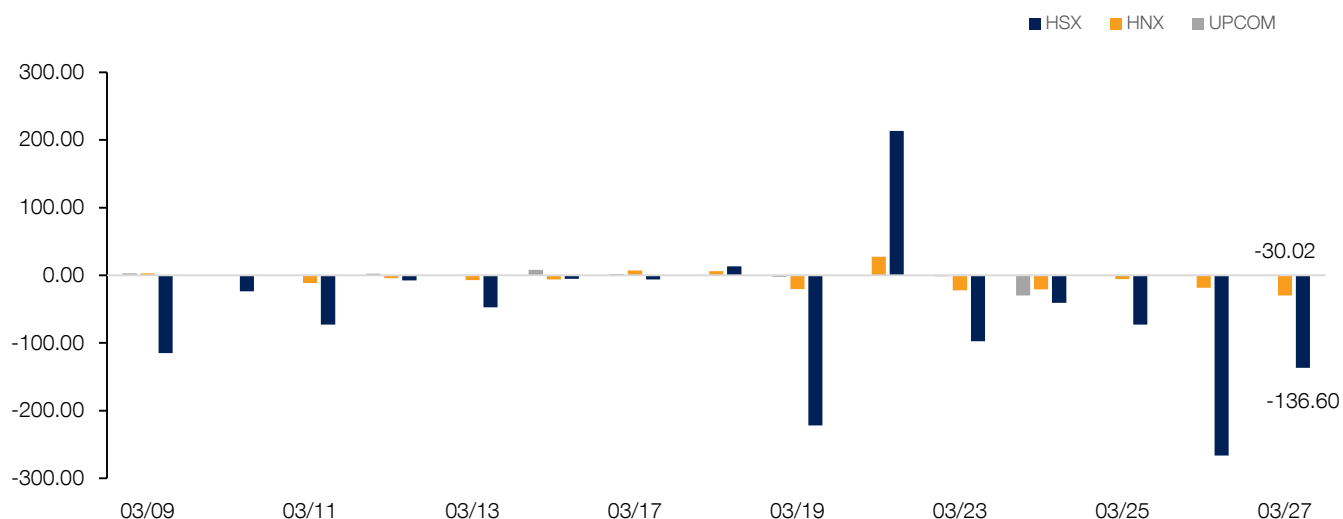
Top 5 gainers on the HNX

Ticker	Price	% Chg	Index pt	Volume
PJC	16.5	10	0.003	10400
DNP	15.7	9.79	0.003	107700
UNI	10.2	9.68	0.008	281100
INC	5	8.7	0	5000
ARM	24	8.6	0.003	3100

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
MCC	13.5	-10	-0.004	1000
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

Foreign transaction



Source: HSX, HNX, BSC Research

Disclosure

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