

Mon, April 13, 2015

Vietnam Daily Monitor

Need more confirmation

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 14/04/2015			
Week 13/04-17/04/2015			
Month 4/2015			

Summary

The first session of this week was conservative, expressed through lower liquidity in spite of the increase of blue-chip stocks.

Also on Monday, the Union of Ministry of Industry and Trade and Ministry of Finance announced that the price of retail gasoline will remain unchanged due to the use of Stabilization Fund. This decision took effect from 03:00 PM this afternoon.

Recommendation

Investor's sentiment was quite conservative in the context the trend of foreigner's trading activity has improved. VN-Index and HNX-Index will most likely shake at their resistance levels of 560 pts and 83.8 pts, respectively.

We recommend investors to hold current stocks and wait for clearer signals to make investment decision. If VN-Index and HNX-Index fail to break these resistance levels, investors should reduce stock proportion; conversely, if these resistances are broken, investors can continue to hold the current portfolio and consider allocating more on stock.

Macro view

Gasoline prices in the near future

Company Update

TNG - TNG Investment and Trading JSC (HNX)

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VN-INDEX **559.54**

Value: 1145.5 bil

5.51 (0.99%)

Foreigners (net): VND 108.06 bil

HNX-INDEX **82.66**

Value 462.96 bil

-0.32 (-0.39%)

Foreigners (net): VND 5.61 bil

UPCOM-INDEX **63.55**

Value 43.9 bil

-0.42 (-0.66%)

Foreigners (net): -VND 0.12 bil

Macro indicators

	Value	% Chg
Crude oil	52.3	1.3%
Gold	1,200	-0.6%
USDVND	21,605	0.0%
EURVND	22,785	-0.6%
JPYVND	17,897	-0.1%
1-month Interbank rate	4.6%	-
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

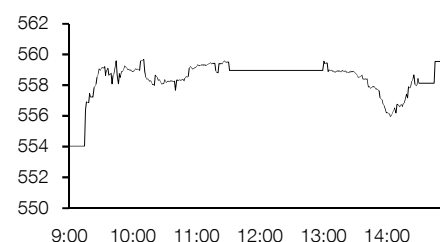
Liquidity decline today. Specifically, total market value was only VND 1883 billion, decreasing by 7% compared to yesterday.

Although VN-Index rose 0.99%, market breadth was negative with only 90 gainers / 122 losers on the HSX.

Some stocks increasing impressively yesterday corrected today, namely NLG (-4%), KDH (-2.5%), CII (-2%) and CVT (-1.9%).

Several stocks which rise significantly on both prices and volumes were VKC (+5.9%), BAM (+5%) and PAC (+4.1%).

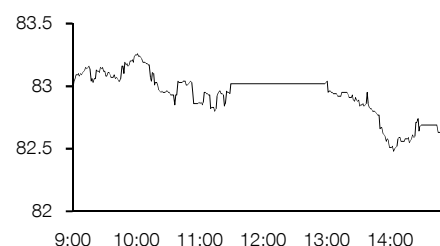
Exhibit 1



Source: Bloomberg, BSC Research

Exhibit 2

HNX-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	8.49	10.6	0
DLG	4.16	9.8	0
HAI	3.78	11	-2.65
CII	3.73	19.9	-1.97
ITA	3.68	6.8	0

Source: Bloomberg, BSC Research

Exhibit 4

Foreign transaction

Top foreign buy	Value	Top foreign sell	Value
VIC	26.7	NSC	8.6
PVD	13.3	DXG	8
VCB	11.7	GAS	7.2
CTG	11.6	CSM	6.3
VNR	4.3	LAS	2.2

Source: BSC Research

Recommendations

VN-Index increased on Monday mainly due to the increase of MSN, VNM and GAS, positively contributing +5.5 pts on the rise of VN-Index, which also equal to today VN-Index's increase. Besides, today trading volume reduced significantly. Thus, we believe that the market are now fluctuating in narrow range. It is necessary in the context the VN-Index and HNX-Index are approaching their resistance levels of 560 pts and 83.3 pts, respectively. We believe that these indices will continue to flat at this levels.

We also note that foreign investors were net buyers on both exchanges today. Two ETFs (VNM ETF and FTSE ETF) are now trading at a "premium", so the selling pressure from foreigners will reduce in the next days.

If VN-Index and HNX-Index fail to break these resistance levels, investors should reduce stock proportion; conversely, if these resistances are broken, investors can continue to hold the current portfolio and consider allocating more on stock.

Nguyen Quoc Truong

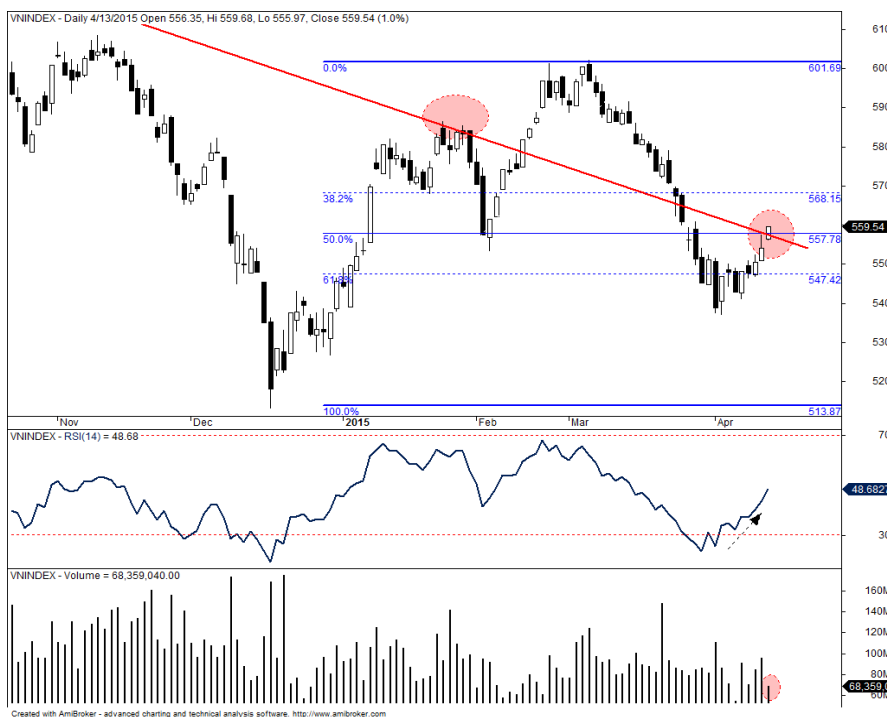
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Technical views

Although VN-Index closed above the trendline (red line on chart) and trend indicator MACD also showed a positive signal when the MACD line crossed above its signal line, the volume of VN-Index fell by 28% compared to yesterday. Therefore, we believe that today increase is not reliable.

Most likely VN-Index will continue to fluctuate around resistance level of 560 pts. If VN-Index continue to increase without increasing volume, we believe that it will correct when approaching next resistance level of 568 pts.



SHI - Sonha International Corp

Drawing Fibonacci Extension from Trough 7.0, Peak 8.5 and New Trough 7.8, we found that the SHI is trading at Fib Ext 1:00. In addition, momentum indicators RSI (14) has entered to overbought zone, so SHI will likely face a correction soon.

We recommend to take profit SHI in the Canslim portfolio with 22.6% realized gain.



Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Performance	Recommended proportion	Cutloss	Target
1	VCB	9/4/2015	35.8	36.4	2%	10%	31.9	39.3
2	DXG	9/4/2015	17.4	17.2	-1%	10%	16.8	18.4
3	ITA	9/4/2015	6.8	6.8	0%	10%	6.3	7.5
Average					0.2%			

Source: BSC Research

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	1-week performance	Unrealized gain/loss	Cutloss	Target
1	PVT	24/3/2015	13.2	12.8	1.6%	-3.0%	12.5	16.1
2	SD6	24/3/2015	14.7	15.5	5.4%	5.4%	13.6	17.5
3	SSI	24/3/2015	21.3	20.6	2.0%	-3.3%	20.1	25.9
4	SHI	3/9/2015	7.5	9.2	9.5%	22.7%	7.0	9.0
5	VIC	7/7/2014	47.7	48.6	5.4%	1.8%	43.9	57.3
6	FPT	12/1/2015	48.3	49.2	0.8%	1.9%	44.4	58.0
7	DHC	14/1/2014	21.5	21.4	0.5%	-0.5%	19.8	25.8
8	TCM	22/8/2014	31.8	31.2	-1.3%	-1.9%	29.3	38.2
9	HVG	14/1/2014	21.2	20.7	2.5%	-2.4%	19.5	25.4
10	ASM	27/1/2015	9.2	8.6	0.0%	-6.5%	8.5	11.0
11	DBC	14/1/2014	28.8	29	0.0%	0.7%	26.5	34.6
12	FMC	27/1/2015	24.8	26.1	1.6%	5.2%	22.8	29.8
13	DCL	27/1/2015	49.7	45	-2.6%	-9.5%	45.7	59.6
14	PDR	3/9/2015	18.5	17.5	-0.6%	-5.4%	17.2	22.2
Avg.					1.8%	0.4%		

Source: BSC Research

Vu Thanh Phong

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Macro views

Oil prices in the 13/4 adjustment

Recently, the petrol retail prices unchanged while the Stabilization Fund keep discharging partially . This took effect officially since 3:00pm 13/4.

Currently, petrol price stabilization fund decreased supporting to gasoline, while added more compensation for diesel, kerosene and fuel oil.

World oil prices are currently under destabilizing as a result of instability in Middle East and increasing forecasts for oil demand by brighter prospects from EU. This creates upward pressure on oil prices in the short term, thereby affecting the price of petroleum imports.

It should be noted that from 1/5, environmental protective tax is expected to increase 300% and will impact on retail gasoline prices. Currently, the Ministry of Finance has advocated not to adjust petroleum prices despite rising tax adjustment environment protective tax.

We expect the oil price will not change in 1 May which is the date of environmental protection tax adjusting.

However, we expect that oil price won't volatile much, the Stabilization Fund will be discharged flexible, as well as Ministry of Finance soon adjust soon gasoline import tax.

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Company updates

TNG - TNG Investment and Trading JSC (HNX)

On 12, April 2015, we attended the AGM of TNG and noted some highlights are as follows:

Business results in the first quarter of 2015 , net sales was 296.97 billion VND, after-tax profit was 11.3 billion, increased 45% and 180% respectively compared to the same period in 2014. However, this result was only accounted for 17% of planned net sales and 15% of planned profit after tax in 2015. This is due to a long Tet holiday in February and the number of completed orders was limit. TNG expects the results will be improved from the second quarter of 2015

General Director Nguyen Van Thoi, took office from September 2014, have implemented a strong corporate governance reform. The company have applied a system of quality control, decentralized cost management in order to monitoring the production process strictly, improve operational efficiency, eliminate intermediate commissions and embezzlement

Success in raising long-term funds in this year is crucial to the development of TNG in the future. AGM has approved the issuance of 200,000 convertible bonds with par value of 1 million VND, more than 5.4 million shares to existing shareholders by 4:1 and more than 1.3 million ESOP. This fund will offset the negative net working capital of -210 billion VND which was caused by excessive use of short-term funds for long-term investment. This will accelerate the Phase 2 construction of Dai Tu manufacturing plant, which is scheduled to put into operation at full capacity in 2016. After the issue, TNG charter capital will be more than 274 billion VND

Business plan in 2015: Revenue is expected to be 1,780 billion VND (+29% yoy) and after-tax profit to be 75 billion VND (+41% yoy) based on: (1) Orders from major exporting countries such as US, Canada, Mexico... is maintained, ensuring production until the end of the third quarter of 2015; (2) Dai Tu manufacturing plant (total capacity of 35 production lines) began operations in late of the first quarter of 2015 with 11 production lines, which is expected to increase its production to 50% of capacity (16 production lines) by the end of 2015. This will help TNG to meet the increasing orders of customers and minimize its dependence on external sources of processing; (3) Revenue structure is tilted towards increasing the proportion of FOB orders (The company initiatively provides sources of inputs to satisfy customers' requirements) compared with CM orders (The company engages only in the processing phase) up to 70% compared with 50% in 2014, which will increase gross profit margin.

Share price on 13/04/2015 is 25,200 VND/share, P/E 10.4x, diluted EPS 2,427 VND, 2015 FW EPS 3,418 VND and 2015 diluted FW EPS 2,737 VND

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
MSN	79	5.33	1.662	272990
VNM	110	1.85	1.13	275880
GAS	63	1.61	1.07	404770
VIC	48.6	2.32	0.903	1.70MLN
VCB	36.4		0.602	666920

Top 5 laggards on the HSX

Ticker	Price	% Chg	Index pt	Volume
STB	18.5	-1.07	-0.14	511490
DHG	85	-2.3	-0.098	41600
TMP	26.5	-6.03	-0.067	5450
BMP	78.5	-3.09	-0.064	18890
IJC	11.9	-3.25	-0.062	460730

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
STG	26.7	6.8	0.008	510
STT	4.8	6.67	0.001	27320
PXL	3.3	6.45	0.009	194980
THG	18.2	6.43	0.006	8000
SKG	51.5	6.19	0.034	61010

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
HAS	5.4	-6.9	-0.002	200
KAC	11.1	-6.72	-0.011	600
DTT	8.4	-6.67	-0.003	20
TLG	56	-6.67	-0.061	5720
PTC	11.7	-6.4	-0.005	20

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
PVI	19.3	2.12	0.058	267200
CHP	16.2	1.89	0.022	76600
VNF	52.8	10	0.017	100
CTX	10.6	9.28	0.014	100
INN	37	5.71	0.013	7200

Top 5 laggards on the HNX

Ticker	Price	% Chg	Index pt	Volume
VCG	12.6	-3.08	-0.109	748500
PVS	22.9	-0.87	-0.055	839300
SHB	8.5	-1.16	-0.055	733200
VND	10.9	-2.68	-0.018	198000
PLC	34.3	-1.15	-0.017	74400

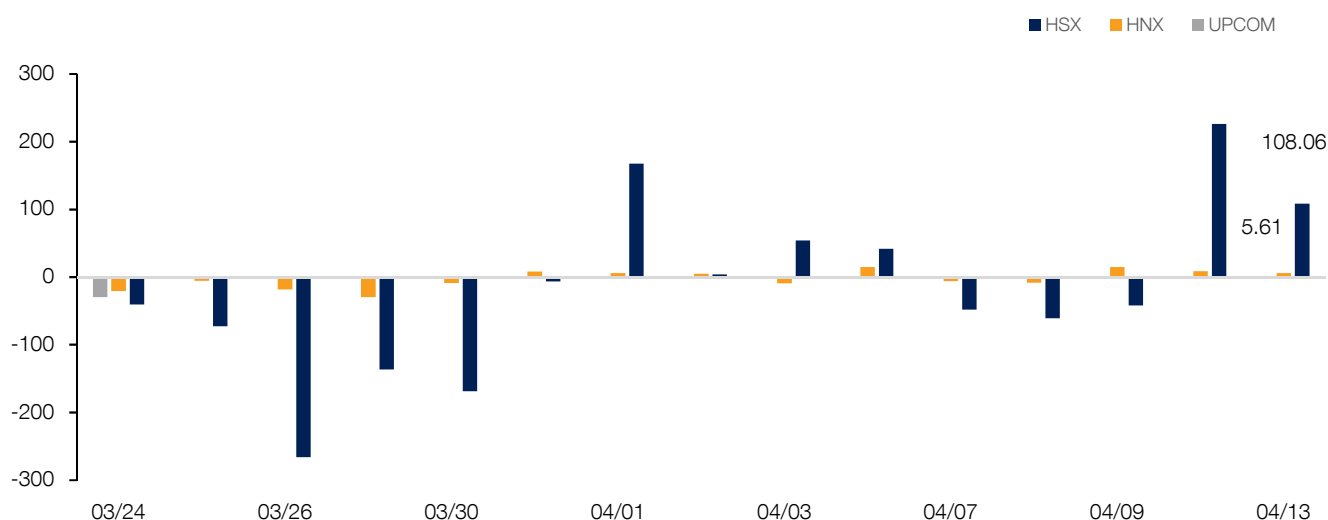
Top 5 gainers on the HNX

Ticker	Price	% Chg	Index pt	Volume
SRA	2.2	10	0	100
VE3	14.3	10	0.001	50500
VNF	52.8	10	0.017	100
VMC	21	9.95	0.008	3300
PSC	13.3	9.92	0.004	5700

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
CTM	2.7	-10	-0.001	1900
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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