

Tue, May 12, 2015

Vietnam Daily Monitor

Foreigner might turn to sell

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 13/5/2015			•
Week 11/5-15/5/2015			•
Month 5/2015		•	

Summary

The market fell in most of the transaction time, and close below reference price at the end of day. The market liquidity fell slightly.

Notably, SHB has got a strong fluctuation today and impressively recovered after falling to the floor price. OGC after 7 day hitting floor has recovered and closed at the ceiling.

Foreigners reversed when net sold over 20 billion dong on the market.

Recommendation

With recent unsustainable sentiment combined with the lack of information, some impact can be amplified, such as information on SHB today. We expect this effect will end soon and the selling pressure will be reduced, the market can soon get recovery.

We continue to recommend investors staying cautious, maintaining low stock ratio and wait for brighter market signals.

Stock recommendation

Short-term portfolio: DIG, PVS hit their stop-loss prices, do consider reducing their weights on portfolio in next rally.

Canslim portfolio: DBC hits its stop-loss price, do consider reducing its weight on portfolio in next rally.

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VN-INDEX **544.41**

Value: 1067.83 bil **-7.26 (-1.32%)**

Foreigners (net): -VND 28.15 bil

HNX-INDEX **79.15**

Value: 443.03 bil **-0.61 (-0.76%)**

Foreigners (net): VND 6.53 bil

UPCOM-INDEX **61.26**

Value 15.85 bil **0.11 (0.18%)**

Foreigners (net): VND 1.79 bil

Macro indicators

	Value	% Chg
Crude oil	60.4	2.0%
Gold	1,196	1.0%
USDVND	21,710	0.6%
EURVND	24,460	1.0%
JPYVND	18,109	0.2%
1-month Interbank ra	4.1%	-
5yr VN Treasury Yiel	5.9%	-

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

OGC finally gained again after closing at floor price during 7 consecutive trading sessions.

Foreign investors back to sell over VND 20 billion (net value) on both exchanges.

SHB fell significantly in today afternoon session, however, this stock impressively recovered and finally decreased only by 1.3% today.

Several stocks increasing significantly in both prices and volumes today include SHN (+ 9%), DAG (+ 6.4%), PV2 (+ 5.3%) and SHI (+ 3.3%).

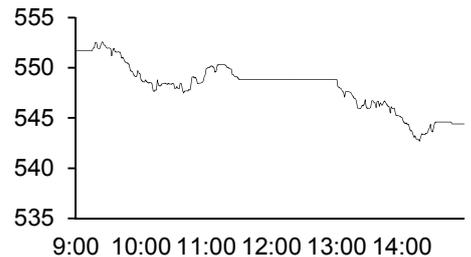
Recommendations

The market decline quite deeply today was mainly due to the negative impact from SHB. The recent market sentiment has been weak; therefore, one negative factor can trigger a massive selling-off. Some large cap stocks also fell sharply today such as PVS (-2.8%), HPG (-2.9%) and MSN (-4.2%). However, the overall market liquidity decreased slightly by 10% today. Thus, if the negative impact related to SHB passes away, it is likely the market will not facing prolonged and widespread selling, and a technical rebound may has chance to occur.

Currently, our recently recommended strategy of maintaining low stock ratio and limiting price chasing has shown its effectiveness. We still believe that investors should not disburse money aggressively at this time because there were still no clearly positive factors that can lead the market to strongly rally until now.

Exhibit 1

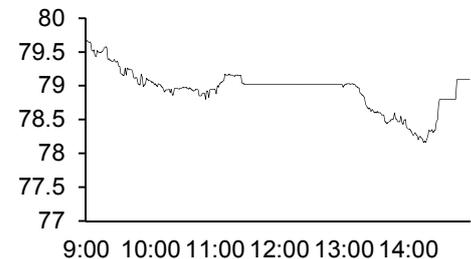
VN-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 2

HNX-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	10.55	10	1.01
OGC	6.76	2.9	3.57
HAG	4.67	17.8	-4.3
HQC	4.14	5.4	0
VHG	4.1	9.1	0

Source: Bloomberg, BSC Research

Exhibit 4

Foreign transaction

Top buy	Value	Top sell	Value
vic	18.8	HAG	15.4
TMS	8.4	NSC	13.8
CTG	7.2	KDC	7.3
VCB	5.5	BID	6.5
BCC	2.8	PVS	1.9

Source: BSC Research

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Technical views

VN-Index fell by 1.32% and broke its support level of 547 pts with low volume (today trading volume decreased by 18.3% versus yesterday). The next support level of VN-Index is about 540 pts, which is also the trough established early April 2015.

We believe that because VN-Index fell significantly without high volume today, this index may possibly fail in breaking support level of 540 pts and perhaps technically rebound in this zone.



Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Performance	Recommendation	Cutlosses	Target
1	DIG	27/4/2015	12.2	11.6	-4.9%	Hold	11.6	13
2	PVS	6/5/2015	25.6	24	-6.3%	Hold	24	29
Average					-5.6%			

Source: BSC Research

Short-term portfolio: DIG, PVS hit their stop-loss prices, do consider reducing their weights on portfolio in next rally.

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	1w performance	Unrealized gain/loss	Cutlosses	Target
1	MBB	27/4/2015	13.8	13.1		-5.1%	12.7	16.5
2	SD6	24/3/2015	14.7	14.5	-2.7%	-1.4%	13.6	17.5
3	SSI	24/3/2015	21.3	20	-2.9%	-6.1%	20.1	25.9
4	VIC	7/7/2014	47.7	47.5	-2.3%	-0.5%	43.9	57.3
5	FPT	12/1/2015	48.3	49.2	-4.5%	1.9%	44.4	58.0
6	DHC	14/1/2014	21.5	21.1	-2.3%	-1.9%	19.8	25.8
7	DBC	14/1/2014	28.8	26.4	-5.4%	-8.3%	26.5	34.6
8	FMC	27/1/2015	24.8	23.7	-5.2%	-4.4%	22.8	29.8
Average					-3.6%	-3.2%		

Source: BSC Research

Canslim portfolio: DBC hits its stop-loss price, do consider reducing its weight on portfolio in next rally.

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Company updates

APS - Asia Pacific Securities Joint Stock Company (HNX)

On 08 May 2015, the scheduled AGM of APS was not hold successfully due to the required minimum shares ratio of attended stockholders was not met. However, after discussing with the managers of the company, we pointed out some following notes:

*Closing price of APS on 12th May, 2015 was VND 3,600 (-2.7% compared to yesterday). 2014 EPS is VND 464/share. **If APS achieves its business plan in 2015, FW EPS would be VND 492/share.***

Positive business results in 2014: total revenue of VND 45.5 billion (+82% yoy), of which the brokerage revenue was VND 17 billion (+89% yoy), proprietary trading revenue was VND 7 billion (+250% yoy), investment banking revenue was VND 4.2 billion (increased by 20 times compared to 2013). Profit after tax of VND 18 billion (+55% yoy), EPS VND 464/share (+55% yoy)

Conservative business plan in 2015: expected total revenue is VND 45.1 billion, a slight decline from 2014. APS estimated its brokerage revenue to be 20.7 billion (+22% yoy), proprietary trading revenue of 1.95 billion (-54% yoy). Operating income is expected to be 21.6 billion. The stock market is in a tumble from the beginning of this year has been the major contribution to the conservative business plan in 2015

The merger of APS and Golden Lotus Securities Company (GLS) has not been consolidated yet: The two companies agreed to the conversion ratio of 1:1, which means APS will issue 13.5 million new shares to replace GLS shares. However, the vague regulations and procedures related to the first-in-the-market merger of two securities companies has made the deal to be extended. APS expected the deal will completed in the end of 2nd quarter of 2015 at soonest

Negative business result in the 1st quarter of 2015: Total revenue of 7.6 billion (-36% yoy). In particular, brokerage revenue was 2.6 billion, a sharp decline of 47% compared to the same period in 2014; proprietary trading revenue was 195 million, plunging by 15 times compared to the 1st quarter of 2014. Stock market in the 1st quarter of 2015 suffered negative impacts which affected the brokerage activities of the company. In addition, APS cut loss from its proprietary trading activities of previous years has been a major element contributed to APS's negative business results in the 1st quarter of 2015.

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Company updates

CVT - CMC JSC (HNX)

On 09/05/2015 we attended annual shareholders meeting of CVT and noted the as the following:

2014 business performance: Although net sales increased by 2.8% yoy, after tax net income soared by 186% yoy by dint of the rising of gross profit margin from 13.6% to 20.4% because factory CMC 2 switched to high-grade products having higher gross profit margin and furthermore, selling expense and administration expense also decreased significantly.

2015 business plan: The company set the target revenue of VND800 billion (+28.3% yoy), pre –tax income of VND72 billion (8.7% yoy). Dividend is planned to be 5% by cash and 20% by stocks.

Expansion investment plan: The brick construction projects with capacity of 5-6 million m2 per year at CMC 2 (phase 2) is completed 85 % by volume, and expected to handover by 30/6/2015.

New investment plans implemented in Q II/III 2015: The project to replace and renovate equipment of line 2 at CMC1 with capacity from 3 million m2 per year to 5 million m2 per year; install at CMC2 new packaging plan, increasing capacity from 5 million to 20 million units per year, this project helps CVT reduce costs from using the packaging from outside suppliers; purchased Nano – polished - edge grinding machine with a capacity of 15,000 m2 per day at CMC2 , increasing the price of product by 1.5 – 2 times. Total 3 projects: VND107.9 billion.

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
TMP	28.7	6.69	0.072	470
PNJ	52	2.97	0.064	35220
DPM	30.2	0.67	0.043	508830
SII	24	4.8	0.036	4650
GMD	30.8	1.65	0.033	639670

Top 5 laggards on the HSX

Ticker	Price	% Chg	Index pt	Volume
MSN	79	-4.24	-1.462	93750
GAS	62	-1.59	-1.076	270730
VNM	105	-0.94	-0.568	59710
VCB	38.6	-0.77	-0.454	432980
VIC	47.5	-1.04	-0.413	618510

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
CLW	18.4	6.98	0.009	5070
HLG	3.1	6.9	0.005	140
TNT	6.2	6.9	0.002	42990
TMP	28.7	6.69	0.072	470
VNH	1.6	6.67	0	26460

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
CDC	8.2	-8.89	-0.007	5710
KAC	9.3	-7	-0.01	40
GTN	12	-6.98	-0.035	1.37MLN
CCI	14.8	-6.92	-0.008	220
CMT	11.2	-6.67	-0.004	10

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
NTP	51	9.68	0.156	100
VDL	38	8.57	0.02	1600
PMC	49.5	5.32	0.014	600
BCC	17.2	1.18	0.012	254100
SHN	6.1	8.93	0.01	3.01MLN

Top 5 laggards on the HNX

Ticker	Price	% Chg	Index pt	Volume
PVI	17.6	-7.37	-0.202	11000
PVS	24	-2.83	-0.193	1.09MLN
SHB	7.8	-1.27	-0.055	10.55MLN
VCG	12	-1.64	-0.054	461100
SHS	6.6	-7.04	-0.031	1.31MLN

Top 5 gainers on the HNX

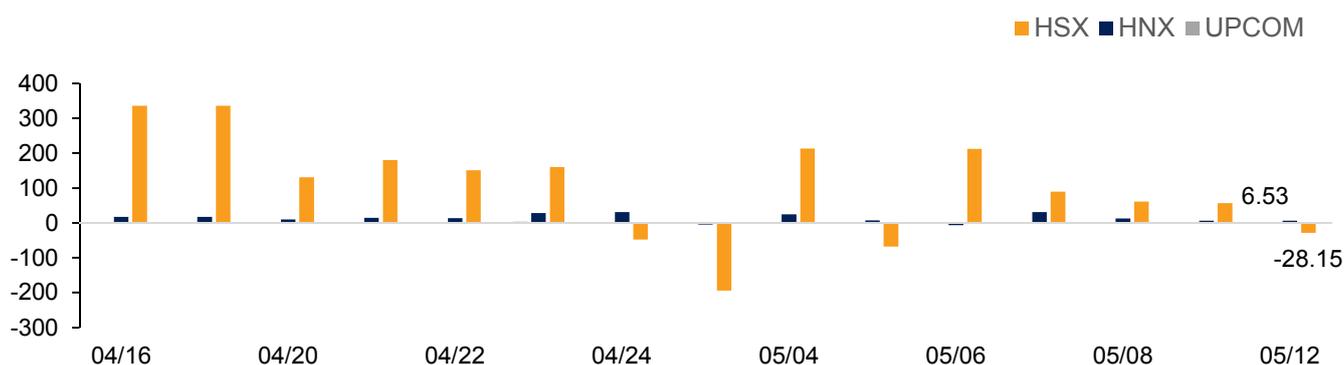
Ticker	Price	% Chg	Index pt	Volume
B82	11	10	0.002	100
NTP	51	9.68	0.156	100
TXM	9.2	9.52	0.003	400
THS	8.3	9.21	0.001	100
BHT	6	9.09	0.001	24400

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
DL1	8.1	-10	-0.002	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

Exhibit 3

Foreign transaction



Source: HSX, HNX, BSC Research

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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