



Thu, October 15, 2015

Vietnam Daily Monitor

Reaching the milestone of 595 pts

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 16/10/2015	•		
Week 12/10-16/10/2015		•	
Month 10/2015			•

Summary

The market sentiment was strengthened thank to the rise of BVH and CTG. The HSX's movement improved, especially since the early afternoon. HSX's and UPCOM's breadth were fairly positive, HNX's one keep balance.

Foreigners turned to sell on the HSX, while kept buying on HNX.

Recommendation

The index is likely to go into an accumulation status; the medium term trend is still positive. For VN-Index, 595 points is strong resistance which was established in the first half of 2015.

Investors should consider increasing the stock proportion in portfolio in the upcoming correction sessions, and should pay attention to stocks with good expected earnings for the 3rd quarter

Company updates

HPG - Hoa Phat Group (HSX)

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VN-INDEX **592.40**
Value: 1673.02 bil **2.42 (0.41%)**
Foreigners (net): -VND 25.97 bil

HNX-INDEX **81.14**
Value: 419.87 bil **0.4 (0.5%)**
Foreigners (net): -VND 0.25 bil

UPCOM-INDEX **52.67**
Value 16 bil **1.42 (2.77%)**
Foreigners (net): -VND 0.00518 bil

Macro indicators

	Value	% Chg
Crude oil	46.0	-1.4%
Gold	1,185	0.0%
USDVND	22,335	-0.3%
EURVND	25,545	-0.6%
JPYVND	18,864	0.1%
1-month Interbank ra	4.1%	-
5yr VN Treasury Yiel	6.8%	-

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

Stocks which will be divested by Vietnam Government rose sharply today, such as VNM, BMI, FPT or BMP.

BVH fell significantly after advancing strongly three consecutive sessions. Market breadth was balanced with 189 advancers / 199 losers on both exchanges.

Recommendations

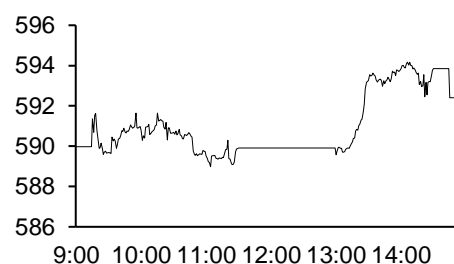
Several shares which will be divested by Vietnam Government rose sharply today, directly impacting positively on the market. Investors seem to have reacted hastily with this information because no detailed schedule for this divestment is presented, which maybe takes at least several months later.

The common market has still experienced short-term correction. This is the normal movement, and no danger signs about next sharp drop can be recorded.

Investors can take advantage of the current correction to increase the proportion of stocks, especially fundamental stocks having good Q3 earnings.

Exhibit 1

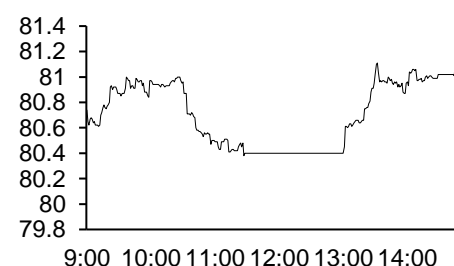
VN-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 2

HNX-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
ITA	6.88	6.7	4.69
DLG	5.96	7.5	4.17
CTG	5.71	20.7	2.48
FLC	4.44	7.1	0
VHG	4.26	8.4	2.44

Source: Bloomberg, BSC Research

Exhibit 4

Foreign transaction

Top buy	Value	Top sell	Value
BVH	14.9	VIC	11.3
CII	14.6	HPG	10.5
PVD	14.2	MSN	7.9
HQC	11.3	KDC	5.3
TIG	2.8	PVC	2.6

Source: BSC Research

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Company updates

HPG - Hoa Phat Group (HSX)

On 15 Oct, 2015, HPG has held Q3 investor meetings, the main contents are as follows:

Earnings grow well in the context of raw material prices plunged: 9M2015, net revenue reached VND 20,616 billion (+ 8.83% yoy) and EAT is VND 2,938 billion (+ 6.66% yoy). EPS of four nearest quarters is VND 4,631. Although steel prices fell sharply from VND 12.5 million (Sep 2014) to VND 10.5 million (Sep 2015), the real estate market recovered and domestic demand increased lead to increase HPG's market share from 18.6% to 22%.

Phase 3 - Hoa Phat Steel Complex will operate in 2016: Stage 3 is divided into two areas. In the end of Dec 2015, the blast furnace billet production is expected to be completed and put into trial operation. In the end of March 2016, construction steel production zones will be completed. HPG's target is to produce and sell 1.5 million tons of construction steel in 2016.

Feed Factory Project are implemented on schedule: The project includes two feed factories: (1) Factory in Hung Yen with capacity of 300,000 tons per year and VND 300 billion invested is being implemented, expected to operate in Q1/2016. (2) Factory in Dong Nai with capacity of 200,000 tons per year and VND 200 billion invested has not been implemented. HPG is currently selling materials for animal feed production (corn, wheat ...); revenue in Q3 reached about VND 500 billion, stay at the second position in this segment after Tan Long. Profit of this segment is negligible.

Real estate projects at 493 Truong Dinh will be open sale in Q1/2016: The project is expected to be commenced in Dec 2015 and start to sale in Q1/2016. The total number of apartments designed is 640 apartments. With the real estate segment, HPG said that this is not the main business of the Group and has no plan to promote in the future.

Recommendation:

In 2015, we believe that HPG is likely to exceed annual EAT target of VND 3,250 billion (EPS 2015 of VND 4,400 per share). Current risks of HPG is (1) The prices of commodities in the world continue to decline, and (2) China is boosting steel exports due to domestic oversupply, making the market increase competition and reducing profit margins (we mentioned this problem in Q4/2015 industry outlook report).

Therefore, the target price we recommended for HPG's share is 36.475 VND per share (+12.93% over the closing price on 15th Oct, 2015).

Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Curr-ent price	Perform-ance	Recommen-dation	Cutlo-ss	Targ-et
1	SHI	20/8/2015	10.5	14.1	34.3%	Hold	9.8	15
2	BVH	42072	43.8	60	37.0%	Hold	40.3	62
3	VCB	42072	41.6	47.4	13.9%	Hold	38.3	47.8
4	DPM	42194	30.4	32.9	8.2%	Hold	28.3	35
5	NCT	42194	114	139	21.9%	Hold	106	142
Average					23.1%			

Source: BSC Research

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	1w performance	Unreali-zed gain/ loss	Cutlos-s	Target
1	MBB	27/4/2015	13.8	14.7	-0.7%	6.5%	12.7	16.5
2	VIC	7/7/2014	38.0	42.5	-1.6%	12.0%	34.2	57.3
3	FPT	12/1/2015	41.5	46.6	1.7%	12.3%	37.4	58.0
4	DHC	14/1/2014	21.5	25.7	0.4%	19.5%	19.8	26.0
5	HT1	9/6/2015	22.9	24.6	0.0%	7.4%	20.7	26.8
6	NTL	9/6/2015	11.8	14.9	2.1%	26.3%	10.9	15.4
7	PLC	15/9/2015	31.7	34.6	0.3%	9.1%	28.5	38.0
Average					0.3%	13.3%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
CTG	20.7	2.48	0.959	4.44MLN
BVH	60	4.35	0.876	490490
GAS	47.3	0.64	0.293	179650
VCB	47.4	0.42	0.275	504420
ITA	6.7	4.69	0.13	6.88MLN

Top 5 laggards on the HSX

Ticker	Price	% Chg	Index pt	Volume
VNM	105	-0.94	-0.619	416380
STB	17.6	-1.12	-0.128	757350
HAG	14.9	-1.32	-0.081	2.90MLN
VCF	175	-1.69	-0.041	100
PGD	43.2	-2.92	-0.04	9320

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
KSS	1	11.11	0.003	408150
PTK	1.1	10	0.001	230330
KTB	1.2	9.09	0.002	152280
VNH	1.2	9.09	0	42910
MCP	12.5	6.84	0.004	2560

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
SVT	14.7	-6.96	-0.005	300
PTC	8.9	-6.32	-0.006	1250
KAC	7.7	-6.1	-0.006	10
HLG	4.9	-5.77	-0.007	5000
MDG	5.2	-5.45	-0.002	10

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
PVS	22.5	1.35	0.075	1.21MLN
PTI	21.7	7.43	0.067	95800
OCH	6.9	7.81	0.056	2300
SHB	6.9	1.47	0.05	5.96MLN
BCC	14.5	5.84	0.043	352000

Top 5 laggards on the HNX

Ticker	Price	% Chg	Index pt	Volume
	36.5	-9.88	-0.028	200
VDL	36	-10	-0.028	2600
HHC	28	-9.39	-0.013	5100
PSE	11.7	-10	-0.009	100
LAS	32.5	-0.61	-0.009	36400

Top 5 gainers on the HNX

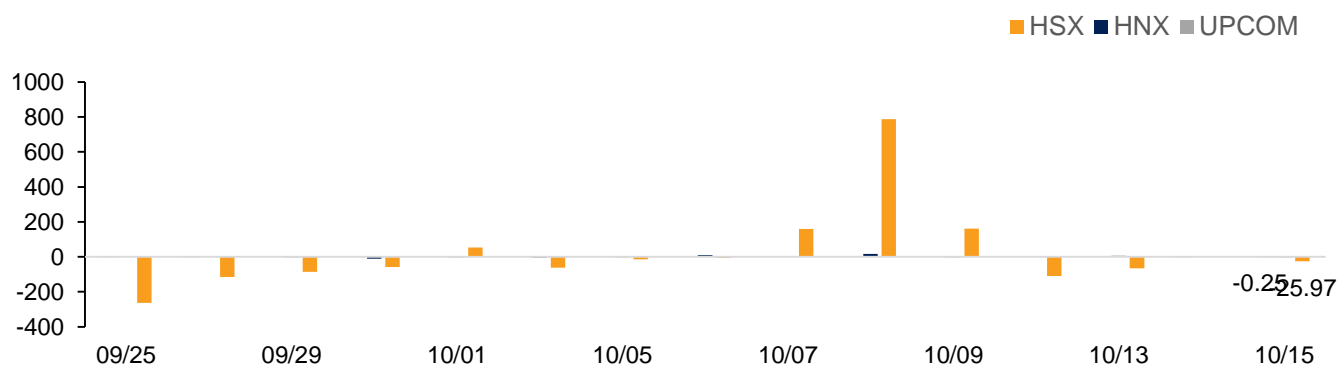
Ticker	Price	% Chg	Index pt	Volume
DZM	5.5	10	0.002	100
HTC	46.9	9.84	0.012	33800
BII	7.9	9.72	0.013	601900
APG	4.6	9.52	0.003	48000
HLC	8.2	9.33	0.009	100

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
PEN	9.7	-11.01	-0.003	0
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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