

Tue, March 29, 2016

## Vietnam Daily Review

Necessary observation at the support of 562 pts

### BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 30/3/2016	•		
Week 28/3-1/4/2016	•		
Month 3/2016			•

### Summary

In contrast to yesterday's movements, VN-Index and HNX-Index closed in red with a significant decrease in amplitude. VN-Index lost 570 points, due to the downward pressure on oil and gas and banks stocks. This influenced the market sentiment, leading to high selling pressure at the end of the afternoon session.

Foreigners were net sellers on the HSX and HNX today, however if excluding the net selling activities of EVE, they are still net buyers on the HSX. On UPCOM, foreign investors remain the net buying pressure, mainly in GEX.

### Recommendation

Market trends are worsening. In short term, we recommend investors to observe the reaction of VN-Index based on technical signals at the support level of 560-562 points.

Investors consider selling out and staying out of the market if VN-Index pierces the support level at 560 points with large volumes. Conversely, if VN-Index tests successfully at 560 points, investors can venture buying and selling out quickly at a profit.

### Company updates

VSC - Vietnam Container Shipping JSC (HSX)

### Stock recommendations

CANSLIM portfolio: Take profit VIC

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### VN-INDEX 568.28

Value: 1668.06 bil -7.44 (-1.29%)  
Foreigners (net): VND 104.98 bil

### HNX-INDEX 79.79

Value: 473.31 bil -0.64 (-0.8%)  
Foreigners (net): -VND 1.06 bil

### UPCOM-INDEX 62.77

Value 182.02 bil 1.44 (2.35%)  
Foreigners (net): VND 8.95 bil

### Macro indicators

	Value	% Chg
Crude oil	38.8	-1.6%
Gold	1,217	-0.4%
USDVND	22,305	0.0%
EURVND	24,916	-0.1%
JPYVND	19,626	-0.1%
1-month Interbank rate	4.4%	-
5yr VN Treasury Yield	6.4%	-

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

The market fell sharply at the end of session, closed at the lowest price today.

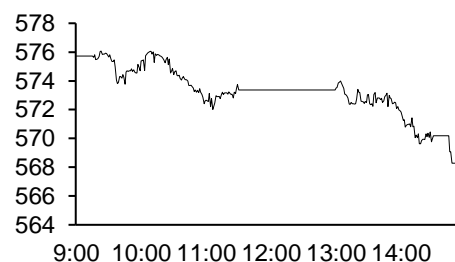
Trading volume on both exchanges was 220 million shares, increased of 98% compared to yesterday.

## Recommendations

VN-Index continues to fail to conquer resistance at 580 points, and the technical correction takes place when the index fall below 570 points with large quantities. This is a negative signal. However, the next support level of 560-562 points, respectively 38.2% of Fibonacci Retracement 514-642, is a strong support mold, and if the VN-Index continues to break this resistance, more likely the market will continue further adjustments.

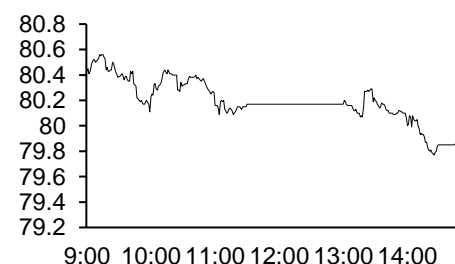
Investors consider selling out and staying out of the market if VN-Index pierces the support level at 560 points with large volumes. Conversely, if VN-Index tests successfully at 560 points, investors can venture buying and selling out quickly at a profit.

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
VHG	6.37	5.8	0
FLC	5.91	6.6	-1.49
BHS	4.84	18.3	-3.17
ITA	4.65	4.8	-2.04
SSI	4.14	21.1	-2.31

Source: Bloomberg, BSC Research

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## Company updates

### VSC - Vietnam Container Shipping JSC (HSX)

**2016 business plan staying at low level:**

In 2016, VSC is planning to reach VND 1.015 bil in revenue (+9.5%yoy) thanks to cargo unloaded and loaded at wharves reaching 580,000 TEUs (+65%yoy), at the warehouses reaching 400,000 TEUs (+2.3%yoy). The wharves 1 was put into operation at the end of Nov 2015, the wharves 2 is expected to be completed at the beginning of fourth quarter 2016. The profit before tax is forecasted to stay at VND 262 bil, decreasing by 25% compared with 2015. Reasons: (1) the Vip-Green port is forecasted to be in loss of about VND 50 bil. (2) The container circulation expense on the route Hanoi- Hai Phong will be increased by 50% compared with its in 2015. From 1st April 2016, fares on national road 5 will be risen 50%, and 25% in Hanoi-Haiphong express way. (3) Borders with China will be stable, decreasing warehouse's revenues, especially reefer sector. (4) Cargo handling fees is expected to fall lightly due to marine transportation difficulties.

**Dividend plan:**

VSC is planning to pay out 20% dividend, in which 10% cash and 10% shares.

**Room loosen for foreigner investors:**

Foreigner shareholder is now accounted for 49% ownership in VSC. The company is planning to increase it to maximum (50%), accordance with Vietnam regulation about port cargo handling services. According to Vietnamese regulation, the government is meant to have control of 7 main ports. Prime Minister will be reassessing room loosen for foreigner investors whenever port companies propose. Therefore, the probability that VSC loosen foreigner's room is relatively high.

**Other issues:**

VSC is planning to capitalize its 10 subsidiaries, in which VSC will have minimum control of 65% ownership, the other 35% will be sold to employees and board of directors. Even though the plan is passed, this plan is only received 54% approved.

**Investment opinion:**

*As quoted on VSC's update note, we reckon 2016 VSC's business plan is lower than its growth potential due to: (1) VSC is benefited thanks to Evergreen's fleet plans in 2016. As such, in 2016 Evergreen is planning to purchase over 20 ships with capacity of over 2,000 TEUs per ship operating in Intra-Asia route. Nowadays, Evergreen accounts for about 30% of VSC's revenue, running about 4 trips to Vietnam. (2) Expansion of warehousing, increasing cargo throughput in the wharves, thanks to plan to invest VND 160 bil to purchase a warehouse area of about 10 ha. (4) the global trend of using large capacity vessels, benefiting deep water near estuary ports, including Vip-green port.*

**Investment risks:**

*The Green Port will be strongly negatively affected by Bach Dang bridge construction.*

## Stock recommendations

### Short-term portfolio

No.	Ticker	Date	Buy price	Current price	1w performance	Unrealized gain/ loss	Cutlosses	Target
1	FPT	14/3/2016	48.7	47.5	-0.8%	-2.5%	45.3	54.5
2	GMD	14/3/2016	40.4	39.1	0.0%	-3.2%	37.6	45.2
3	DPS	22/3/2016	6.4	6.5	3.2%	1.6%	6.0	7.2
4	GTN	21/3/2016	15.8	16	0.0%	1.3%	14.7	17.7
<b>Average</b>					<b>0.6%</b>	<b>-0.7%</b>		

Source: BSC Research

### CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	1w performance	Unrealized gain/ loss	Cutlosses	Target
1	MBB	27/4/2015	13.8	14.5	-0.7%	5.1%	12.8	16.6
2	CMG	19/10/2015	14.7	16	0.6%	8.8%	13.4	17.5
3	APC	18/12/2015	18	17.5	-0.6%	-2.8%	16.7	21.6
4	VIC	7/7/2015	38	46.8	2.2%	23.2%	35.3	45.6
5	ELC	22/2/2016	23.7	24.6	4.7%	3.8%	22.0	28.44
6	PGD	29/2/2016	35.7	38	0.5%	6.4%	33.2	42.84
<b>Average</b>					<b>1.1%</b>	<b>7.4%</b>		

Source: BSC Research

**CANSLIM portfolio:** Take profit VIC

## Market statistics

### Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
VIC	46.8	0.21	0.097	1.48MLN
DHG	87	1.75	0.066	116900
POM	9.4	6.82	0.056	27730
NT2	34.7	1.17	0.055	1.86MLN
HT1	25.5	1.19	0.048	91960

### Top 5 laggards on the HSX

Ticker	Price	% Chg	Index pt	Volume
GAS	43.5	-3.76	-1.633	824770
VCB	42	-1.87	-1.07	325890
MSN	72.5	-2.68	-0.75	375020
VNM	134	-0.74	-0.603	364550
CTG	16.6	-1.78	-0.561	531710

### Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
TMT	44.4	6.99	0.047	92660
POM	9.4	6.82	0.056	27730
EVE	37.9	6.76	0.034	1.02MLN
KSS	1.6	6.67	0.002	259320
VLF	1.6	6.67	0.001	58000

### Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
SAV	9.3	-7	-0.004	10210
STG	16	-6.98	-0.017	8780
COM	43.7	-6.82	-0.023	410
TSC	11.3	-6.61	-0.059	3.45MLN
PNC	10	-6.54	-0.004	10

Source: Bloomberg, BSC Research

### Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
OCH	7.7	10	0.073	1300
BCC	15.9	3.92	0.03	879700
VNR	18.5	1.65	0.02	7200
VCS	95.2	0.74	0.019	139800
DNP	35.5	8.23	0.019	72300

### Top 5 laggards on the HNX

Ticker	Price	% Chg	Index pt	Volume
PVS	16	-3.61	-0.139	483500
KLS	8.2	-9.89	-0.095	4.14MLN
ACB	18.5	-0.54	-0.049	72700
VCG	10.3	-1.9	-0.046	956800
PLC	31.6	-3.07	-0.042	140700

### Top 5 gainers on the HNX

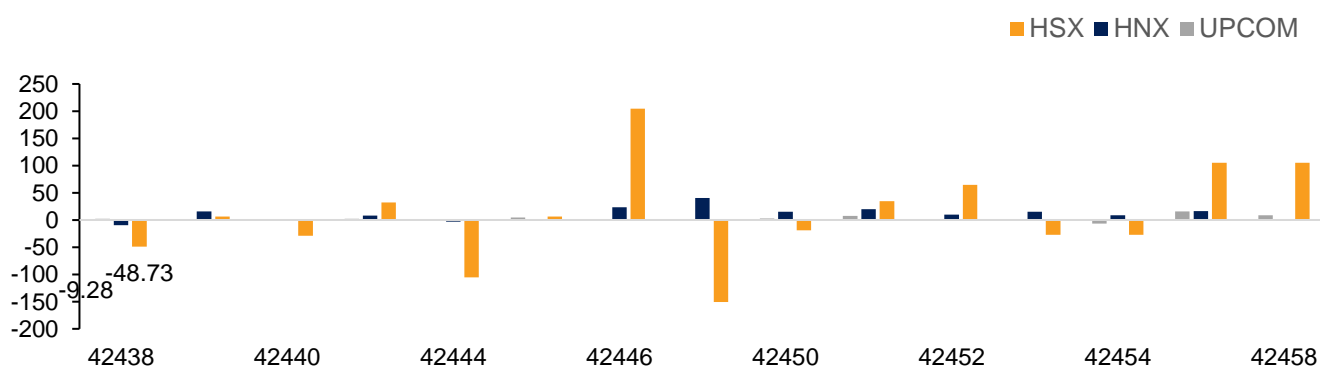
Ticker	Price	% Chg	Index pt	Volume
CJC	34.1	10	0.003	300
OCH	7.7	10	0.073	1300
SAP	11	10	0.001	400
THB	23.1	10	0.012	2200
TTC	18.7	10	0.005	138800

### Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
NST	13.5	-10	-0.007	1200
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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