



Tue, April 26, 2016

Vietnam Daily Review

VN-Index to conquer 600 points

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 27/4/2016			•
Week 25/4-29/4/2016			•
Month 4/2016		•	

Summary

Market movements in the session today opposed to those in yesterday. Banking stocks corrected slightly, while other large-cap stocks including VCB, VIC, BVH and GAS remaining strong and superior. This helped VN-Index rose significantly. On HNX-Index, the correlation between the rise and fall more balanced, making HNX-Index increased slightly at the end of the session. Overall, market sentiment was quite positive.

Foreigners were net sellers on the HSX and HNX. Their net sales are mainly concentrated in VIC and VSH on HSX.

Recommendation

The market has not adjusted quickly, VN-Index continued to approach closer to the resistance level of 600 points. Investors' sentiment might fluctuate stronger in the next session.

Investors can participate in the market while Vn-index conquer successfully 600 points and maintaining liquidity.

Company updates

CNG - CNG VietNam Jsc. (HSX)

PVC - Drilling Mud Corporation (HNX)

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VN-INDEX 598.48

Value: 2172.94 bil 6.9 (1.17%)

Foreigners (net): -VND 820.7 bil

HNX-INDEX 81.01

Value: 537.04 bil 0.09 (0.11%)

Foreigners (net): -VND 7.97 bil

UPCOM-INDEX 58.68

Value 266.43 bil 0.29 (0.5%)

Foreigners (net): VND 4.14 bil

Macro indicators

	Value	% Chg
Crude oil	42.9	0.6%
Gold	1,235	-0.3%
USDVND	22,290	-0.1%
EURVND	25,194	0.2%
JPYVND	20,116	0.3%
1-month Interbank rate	4.8%	-
5yr VN Treasury Yield	6.3%	-

Source: Bloomberg, BSC Research

Content

Market highlights	2
Company updates	3
Stock recommendations	5
Market statistics	6

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

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Market highlights

Foreigners were net sellers on the HOSE and on the HNX today.

The market recovered strongly in the session and increase liquidity, with 214 advancers /203 decliners on both exchanges.

Market indicators increased during the trading session the impact from some large-cap stocks today, typically have BVH, MSN, VIC, VCB.

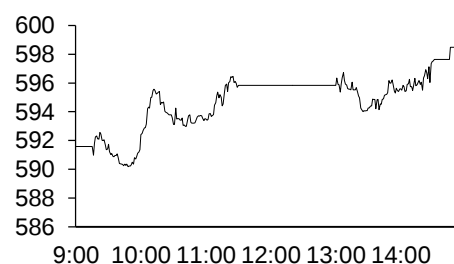
Recommendations

Market index increased 6.9 points, approach very close to the resistance 600, reaching 598.48 points at the end of the session. Market demand improved significantly and the VN-Index has been moving in a safe area.

Investors can participate in the market while Vn-index conquer successfully 600 points and maintaining liquidity.

Exhibit 1

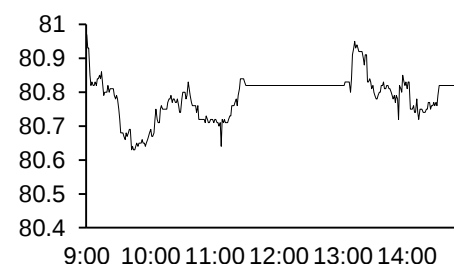
VN-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 2

HNX-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	18.83	6.8	6.25
HAG	7.77	7.9	6.76
BHS	5.48	20.6	-1.44
HQC	5.31	5.7	1.79
SSI	4.37	22.4	1.36

Source: Bloomberg, BSC Research

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Company updates

CNG - CNG Vietnam Jsc. (HSX)

2015 business results:

CNG recorded VND950 billion of revenue and VND119 billion of NPAT in 2015. The output volume increased by 28% to 95.2 million Sm³ due to new customers in the South and distributing CNG from Ham Rong- Thai Binh since August 2015. The output volume of the South is 86 million m³, up 15% and the output volume of the North is 9.3 million m³. However, the output price decreased due to the downtrend of oil price. Therefore, the revenue of CNG declined by 13%. In contrast, thanks to reducing depreciation expenses and manager expenses, the gross profit of CNG rose from 21% to 25% and NPAT increased by 6%.

1Q2016 business results:

CNG reached VND207 billion of revenue and VND21 billion of NPAT in 1Q2016. The revenue increased slightly by 2% y.o.y while NPAT decreased by 8% y.o.y. In 1Q2016, the company distributed 28.6 million m³ CNG.

Increasing target profit due to changes in the oil price scenario:

CNG plans to distribute 110 million m³ of CNG in 2016 (82.7 million m³ in the South, down 4% y.o.y and 27.3 million m³ in the North, up 194% y.o.y). CNG target to reach VND1100 billion of revenue (+16% y.o.y) and VND127 billion of NPAT (+7% y.o.y). We notes that target profit are adjusted to increase by VND 35 million due to changing oil price from 40-50 USD/bbl to 60 USD/bbl.

Depreciation expenses will strong increased due to major investment: the depreciation expense of CNG in 2016 is planed to be VND88 billion, up VND24 billion in comparison to 2015. In 2016, CNG plans to invest VND 297 billion including VND138 billion from unrealized investment in 2015 and VND158 billion from new investment for Viglacera.

Dividend plan: CNG expect to pay 30% dividend in 2016.

Investment views:

We forecast in 2016, the company will sell 114 million m³ CNG (23 million m³ in the North and 86 million m³ in the South). Based on assumptions including: the average oil price in 2016 is 45 USD/bbl and USD/VND=22,500 and VND297 billion will be fully invested in 2016, we expect that CNG will reach VND1,052 billion dongs of revenue and VND122 billion dongs of NPAT, VND3,969 of EPS. On the date Apr 26th 2016, CNG is trading at P/E FW=9.9.

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Company updates

PVC - Drilling Mud Corporation (HNX)

The business result fell sharply:

Due to the decline in oil prices, there were strong decrease of revenue and profit after tax of PVC in 2015, about 16% and 40% in respectively. The revenue reached VND 3,604 billion and the profit after tax reached VND 199 billion. The business results of the member companies as follows:

	2015 Rev (VND Bil.)	%y.o.y	2015 PAT (VND bil.)	%y.o.y
The North DMC	243	0%	4	-21%
The middle DMC	222	-19%	-2	
The south DMC	349	-28%	0	
DMC WS	491	-55%	36	-60%
M-I Vietnam	1,158	-35%	199	-37%

In Q1/2016:

PVC estimated to record 900 million of profit in which MI contributed about 7 billion while the parent company recorded a loss of VND 6 billion.

Difficulties in 2016: oil prices maintained at low and the drilling campaigns were delayed or extended implementation period, PVC plans about VND 3,000 billion of consolidated revenue (-17% y.o.y) and VND 83 billion of PAT (-58% y.o.y). With the parent company, because of the distributed profit from MI-Vietnam (about VND 57 billion), 2016 plans are higher than the consolidated with revenue VND 1,857 billion (8% y.o.y) and PAT with VND 107 billion (-24% y.o.y). In 2016, PVC plans to provide drilling mud for 50 wells (-14% y.o.y). However, until the end of 4/2016, there were just 11 wells which confirmed to continue drilling in 2016 and In Q1/2016 PVC supplied drilling mud for 4 wells. We notes that this plan is built based on oil price of 60 USD/bbl. However, we forecast that the average oil price in 2016 will be about 45 USD/bbl and hence, PVC may hardly reach the target in 2016.

Dividend plan: PVC will pay 14% dividend by cash in 2015 (2%higher than 2015 plan) and PVC plans to pay 14%dividend by cash in 2016.

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	47.9	0.0%	-1.6%	45.3	54.5
2	GMD	14/3/2016	40.4	40	2.3%	-1.0%	37.6	45.2
3	DPS	22/3/2016	6.4	6.9	9.5%	7.8%	6.0	7.2
4	GTN	21/3/2016	15.8	17	6.3%	7.6%	14.7	17.7
Average					4.5%	3.2%		

Source: BSC Research

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	1w performance	Unrealized gain/ loss	Cutlosses	Target
1	CMG	19/10/2015	14.7	14.7	-7.5%	0.0%	13.4	17.5
2	APC	18/12/2015	18	16.8	-4.5%	-6.7%	16.7	21.6
3	VIC	7/7/2015	38	54	17.9%	42.1%	35.3	45.6
4	ELC	22/2/2016	23.7	22.8	-3.0%	-3.8%	22.0	28.44
5	PGD	29/2/2016	35.7	44.3	17.2%	24.1%	33.2	42.84
Average					4.0%	11.1%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
VCB	47.2	2.83	1.738	835300
VIC	54	2.86	1.46	724510
BVH	59.5	6.25	1.195	600730
GAS	49.5	2.48	1.152	841390
VNM	140	0.72	0.602	604360

Top 5 laggards on the HSX

Ticker	Price	% Chg	Index pt	Volume
CTG	16.9	-1.17	-0.374	644470
BID	17.3	-1.14	-0.343	956530
STB	10.2	-0.97	-0.075	696460
TTF	28.5	-3.39	-0.07	349180
HDG	25.6	-5.88	-0.055	2770

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
GTT	1	11.11	0.002	372120
VLF	1.1	10	0.001	43610
SII	23.1	6.94	0.044	20
BTT	37	6.94	0.013	5960
EMC	10.9	6.86	0.003	10

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
HTV	16.1	-6.94	-0.008	11130
TCR	8.3	-6.74	-0.003	44350
KAC	8.4	-6.67	-0.007	10
VPK	19.7	-6.64	-0.006	3670
SFC	19.9	-6.57	-0.008	5570

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
TV2	112.9	6.61	0.153	12600
SGO	4.4	4.76	0.099	404600
S55	42.1	8.79	0.066	281700
QHD	74.8	10	0.065	77500
VCM	18.3	9.58	0.058	200

Top 5 laggards on the HNX

Ticker	Price	% Chg	Index pt	Volume
NTP	68.8	-0.29	-0.031	42100
DGC	45.9	-1.29	-0.014	53900
VC9	9.5	-6.86	-0.013	100
PVI	24.4	-2.01	-0.013	173200
MBG	21.1	-0.94	-0.013	128900

Top 5 gainers on the HNX

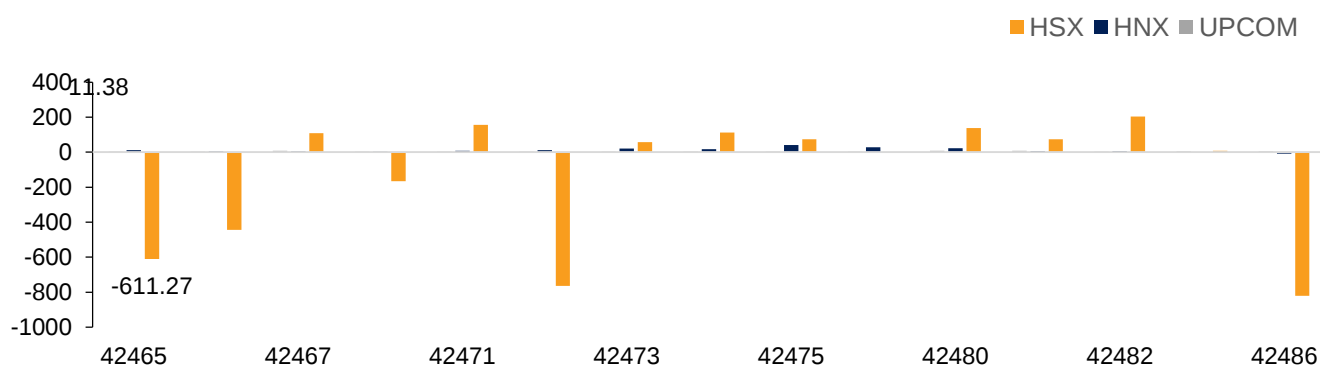
Ticker	Price	% Chg	Index pt	Volume
HTC	48.4	10	0.004	60000
QHD	74.8	10	0.065	77500
SDU	13.2	10	0.012	12500
TMX	4.4	10	0.001	100
VTC	8.8	10	0.013	2100

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
VC5	2.7	-10	-0.001	7000
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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