

Thu, April 28, 2016

Vietnam Daily Review

VN-Index to conquer 600 points (3)

BSC's Forecast on the stock market

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

Summary

The market continued to adjust slightly, the indexes reversed several times during the session. Banking stocks went down today, making VNM, GAS ... not to keep the green color of the index. The market breadth continued to decline.

Foreign investors remained net buyers on all 3 exchanges in 2nd consecutive session.

Recommendation

VN-Index back test the support level of 590 points. Purchasing power weakened but we still expect the session to retest the resistance at 600 tomorrow.

Investors can change the corresponding weights of portfolio when the market can determine movement trend in the next session with an increase in liquidity.

Company updates

CTG - Vietnam Joint Stock Commercial Bank For Industrial And Trade (HSX)

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VN-INDEX **591.67**

Value: 1590.72 bil **-2.29 (-0.39%)**

Foreigners (net): VND 45.04 bil

HNX-INDEX **80.25**

Value: 401.9 bil **-0.04 (-0.05%)**

Foreigners (net): VND 0.448 bil

UPCOM-INDEX **57.91**

Value 79.53 bil **-0.56 (-0.96%)**

Foreigners (net): VND 7.76 bil

Macro indicators

	Value	% Chg
Crude oil	45.4	0.2%
Gold	1,257	0.9%
USDVND	22,305	0.1%
EURVND	25,336	0.3%
JPYVND	20,173	0.9%
1-month Interbank rate	4.6%	-
5yr VN Treasury Yield	6.3%	-

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

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

The market continued to weaken sharply during this session and decreased liquidity, with 164 advancers /239 decliners on both exchanges. Market indexes fell by the majority of the shares on the market, as well as additional contributions from the large-cap stocks corrected, recorded positive movement in session of FPT, GAS, VCB.

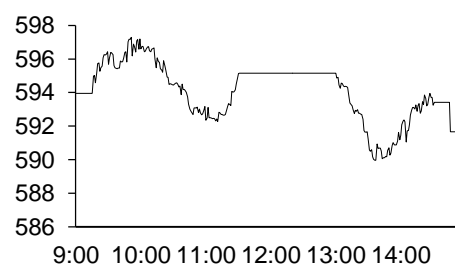
Recommendations

Market index corrected 2.29 points, inspection at support level of 590 today, reaching 591.67 points at the end of the session. Market demand declined significantly but the VN-Index has been moving in a safe area.

Investors can change the corresponding weights of portfolio when the market can determine movement trend in the next session with an increase in liquidity.

Exhibit 1

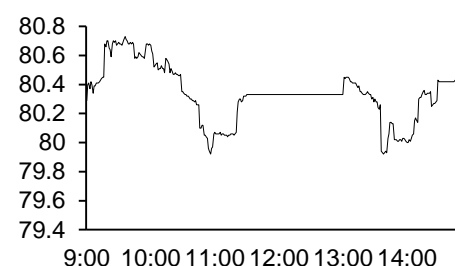
VN-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 2

HNX-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
HAG	5.1	7.9	-1.25
FLC	4.61	6.9	-1.43
HQC	4.24	5.6	0
VHG	3.29	5.3	-3.64
FPT	3.25	48.4	1.47

Source: Bloomberg, BSC Research

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Company updates

CTG - Vietnam Joint Stock Commercial Bank For Industrial And Trade (HSX)

1Q2016 performance:

Total assets grew by 2% compared to the end of 2015 (to VND 795 trillion). Credit increased by 3% qoq, deposit went up 2% qoq. NPL ratio was 0.8%. Consolidated profit before tax was VND 2.400 billion (+ 53% yoy).

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.

2016 business plan:

Bank set the target total assets growth of 14% to VND890 trillion, credit growth of 18% to VND 798 trillion and deposit growth of 14% to VND 811 trillion, NPL ratio of below 3%. Consolidated profit before tax is planned at VND 7,900 billion (+ 8% yoy). Bank pay no dividend in 2015 and plan to pay about 7-9% dividend in 2016.

Merger between Vietinbank and PGbank: Vietinbank submitted merger documents to SBV. CTG is waiting for the approval from SBV and Ministry. This is expected to be approved in May, 2016. After that, the merger will be completed and the two banks will integrate core banking system on August, before new core banking is deployed in CTG on September. Therefore, the charter capital of CTG will be VND 49 trillion in 2016, equity will be VND 64 trillion (+ 15% yoy).

Investment views:

We recommend Buy CTG at target price of VND18,300 per share (upside of 8%). On 26th, April, 2016, CTG was traded at VND16,900 per share, equivalent to P/E FW of 12,67x and P/B of 1.12x. We note that 2016 credit growth rate of CTG can be slower than 2015 due to the impact of the Draft amending the circular No. 36, while provision expenses may increase (refer to CTG updates report). BSC estimate that net profit of the bank will be VND 6,105 billion, equivalent to 2016 EPS is VND 1,333 per share.

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	48.4	1.0%	-0.6%	45.3	54.5
2	GMD	14/3/2016	40.4	40.5	3.6%	0.2%	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	16.3	1.9%	3.2%	14.7	17.7
Average					4.0%	2.7%		

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	14.8	-6.9%	0.7%	13.4	17.5
2	APC	18/12/2015	18	17	-3.4%	-5.6%	16.7	21.6
3	VIC	7/7/2015	38	52	13.5%	36.8%	35.3	45.6
4	ELC	22/2/2016	23.7	22.3	-5.1%	-5.9%	22.0	28.44
5	PGD	29/2/2016	35.7	44.8	18.5%	25.5%	33.2	42.84
Average					3.3%	10.3%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
GAS	51	0.99	0.48	1.26MLN
VCB	46.2	0.43	0.267	693290
FPT	48.4	1.47	0.14	3.01MLN
MBB	14.8	0.68	0.08	765550
STB	10.3	0.98	0.075	1.20MLN

Top 5 laggards on the HSX

Ticker	Price	% Chg	Index pt	Volume
VIC	52	-1.89	-0.973	520580
BID	16.5	-2.94	-0.857	866470
CTG	16.2	-1.82	-0.56	1.14MLN
MSN	69	-0.72	-0.187	232460
HPG	32.5	-0.61	-0.074	1.67MLN

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
VNH	1.1	10	0	45800
PIT	7.7	6.94	0.004	1410
PJT	10.8	6.93	0.004	17990
NAV	9.4	6.82	0.002	2090
HVX	4.9	6.52	0.006	10

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
GTT	0.9	-10	-0.002	178880
VLF	1.1	-8.33	-0.001	5440
HOT	18	-8.16	-0.006	1780
PNC	10.7	-6.96	-0.004	20
KHP	10.8	-6.9	-0.017	176490

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
NTP	68.2	1.04	0.11	8700
VC6	8.8	2.33	0.046	100
NVB	5.7	3.64	0.021	119300
PVI	25.2	3.28	0.021	170000
KKC	13.7	1.48	0.017	11700

Top 5 laggards on the HNX

Ticker	Price	% Chg	Index pt	Volume
TV2	100	-6.1	-0.142	10300
VBC	53.3	-9.66	-0.059	4600
ACB	17.7	-0.56	-0.049	39200
DST	42.3	-10	-0.019	381900
L14	57.2	-9.92	-0.018	18800

Top 5 gainers on the HNX

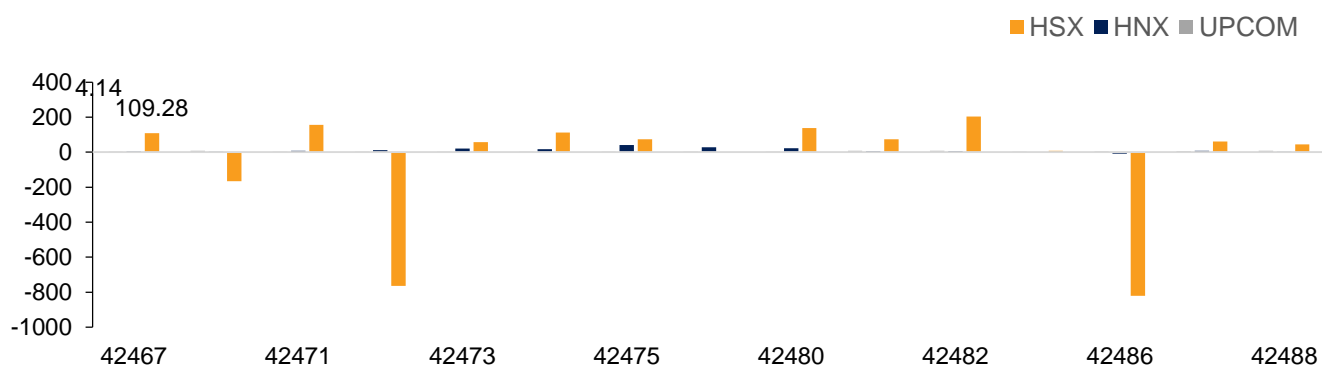
Ticker	Price	% Chg	Index pt	Volume
DP3	26.4	10	0.003	18600
PVL	2.2	10	0.006	146500
SGC	33.6	9.8	0.006	100
DNY	7.9	9.72	0.002	12000
SVN	3.8	8.57	0.002	767800

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
DST	42.3	-10	-0.019	381900
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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