



Fri, April 29, 2016

Vietnam Daily Review

Week ahead: The first positive week in May

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 2/5/2016			•
Week 2/5-6/5/2016			•
Month 5/2016			•

Summary

VN-Index recovered after two down sessions, and almost reached 600 as our expectations. However, the thrust is not enough for VN-Index to conquer 600 pts. Positive sentiment returned to the floors, recovering the market breadth. Besides, foreign investors maintained net buyers on the 3 floor today.

In the past week, VN-Index rose by 1%, while the HNX-Index and UPCOM-Index lost by 0.3% and 1.2%, respectively.

Recommendation

600 is a very strong resistance level for the VN-Index. Therefore, we believe that the market needs time to test and successfully conquer this resistance. We are also maintaining a positive view in the short term.

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

PXS - Petroleum Equipment Assembly and Metal Structure JSC (HSX)

DPM - Petrovietnam Fertilizer and Chemical Corporation (HSX)

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VN-INDEX **598.37**
Value: 1903.35 bil **6.7 (1.13%)**
Foreigners (net): VND 75.72 bil

HNX-INDEX **80.68**
Value: 366.78 bil **0.43 (0.54%)**
Foreigners (net): VND 12.81 bil

UPCOM-INDEX **57.77**
Value 64.22 bil **-0.14 (-0.24%)**
Foreigners (net): VND 0.877 bil

Macro indicators

	Value	% Chg
Crude oil	46.5	1.0%
Gold	1,276	0.8%
USDVND	22,270	-0.1%
EURVND	25,394	0.3%
JPYVND	20,804	3.1%
1-month Interbank rate	4.7%	-
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.

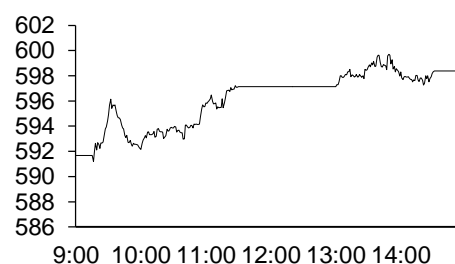
Recommendations

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

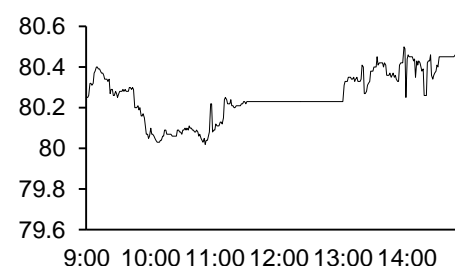
VN-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 2

HNX-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	5.26	6.8	-1.45
HAG	4.48	8	1.27
BHS	4.12	19.4	-1.52
HQC	3.86	5.6	0
VHG	3.41	5.3	0

Source: Bloomberg, BSC Research

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Company updates

PXS - Petroleum Equipment Assembly and Metal Structure JSC (HSX)

Business Results 2015:

In 2015, PXS recorded 1,745 billion dong of revenue and 110 billion dong of profit after tax. While revenue increased slightly by 4%, profit after tax decreased by 15%. Due to increasing competitive pressure of bid so gross profit margin decreased from 17% to 15%.

Strong growth in Q1/2016:

Company reached 625 billion dong of revenue and 34 billion dong of PAT in Q1/2016, an increase respectively of 35% and 18% compared to the same period of 2015. During Q1, company deploying new projects which were P7, P8, P9 with a total estimated value to be performed in 2015 was 700 billion dong. Besides, company was continuing to make projects as P5, P6; Thai Binh thermal, White Lion ... was started in 2015.

Expected business results in Q2/2016:

PXS plans EBT in Q2/2016 of 52 billion dong (-15%)

Major investments in 2016: In preparation for the period from 2018 which will receive big projects as Long Son or Lot B - O Mon, company expects to invest 525 billion dong in 2016 in which basic construction investment is 259 billion dong (mainly investment projects of metal structure manufacturing yard and oil and gas equipments phase II - divergence 3) and purchasing, improving capacity of construction equipment is 266 billion dong. Investment capital will be 30% from equity and 30% from loan. Currently long-term interest rate of PXS is about 8-8.5%/year.

Business plan 2016: company plans output value of 2,650 billion dong (+24% yoy), corresponding to record 2,240 billion of revenues (+28% yoy) and 115 billion of profit after tax (+5% yoy), EPS 2016 is at 1,837 VND/share. In 2016, company will implement projects, including project P3, P4; Thai Binh thermal power project; Nghi Son project and P7, P8, P9. As of 4/2016, the total value of signed contracts is 1,600 billion dong.

Investment views:

Based on implementation of Q1/2016 and plans in the next quarters of PXS, we identify PXS to be likely to complete plans which was devised. At the day of 28/04/2016, stock PXS is traded with P/E FW = 7.19.

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Company updates

DPM - Petrovietnam Fertilizer and Chemical Corporation (HSX)

Profit in 2015 increased sharply due to benefit from the reduction in oil prices :

DPM recorded 10,047 billion dong of revenue and 1,488 billion dong of PAT, an increase respectively of 1% and 36% compared to 2014. In 2015, due to proceeded maintenance overhaul in 20 days so the output of Phu My fertilizer of company reduced by 1%. Concurrent the average price of Phu My fertilizer in 2015 also decreased slightly by 1%. However, direct impact of the downtrend in oil price, input price of gas reduced by 38% in 2015 to help cost of Phu My fertilizer decreased by 20.8% and DPM's gross profit margin rose by 8% to 33%. In addition, we note that in 2015 company paid 102 billion dong for PVN according to guarantee commitments loan of PVTex and the next period of debt payment of PVTex is 2017.

Business Results in Q1/2016 declined sharply:

In Q1/2016, DPM estimated recorded more than 2,000 billion dong of revenue and 450 billion dong of PBT, downed respectively by 14% and 22% compared to the same period in 2015. In Q1/2016, sales volume of DPM estimated 234 thousand tons, up by 3% compared to the same period in 2015 due to plants in the Northern as Ninh Binh and Ha Bac paused production. However, influenced by El Nino, global fertilizer demand fell sharply while supply was constantly increasing, pulled world fertilizer prices as well as domestic fertilizer prices fell sharply. Phu My fertilizer price estimated to decreased about 17% in Q1/2016.

Business Plan in 2016: In 2016, DPM expects consumption of 830 thousand tons of Phu My fertilizer (-1% y.o.y); deals 282 thousand tons of fertilizers (-24% y.o.y) and 11,966 tons of chemical. Bases on the average oil price scenario in 2016 at \$60/barrel and the exchange rate of USD/VND=22,500 and a selling price of 7,000 dong/kg, DPM plans 9.105 billion dong of revenue (-9% yoy) and 1,228 billion dong of profit after tax (-17% yoy).

Dividend plan: In 2015, company decided to split dividend by 40% in cash (paid in advance 25%). The remaining 15% of dividend is expected to split at the end of Q2-early Q3/2016. In 2016, expected dividend's DPM is of 30% in cash.

Investment views:

We expect company to maintain a stable fertilizer consumption in 2016 by stopping the production of fertilizer plants in the Northern and fertilizer prices can recover from the end of Q2/2016 when El Nino ends. However, the average of fertilizer prices in 2016 may be reduced by 3% compared to 2015. Bases on the assumption of the average oil price in 2016 at 45 USD/barrel, BSC forecasts that in 2016 DPM can reach 8,901 billion of revenues and 1.709 billion dong of PAT, equivalent to EPS of 3,754/share. At the day of 28/04/2016, DPM is traded at PE FW = 7.86 and PB FW = 1.36.

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	48.6	1.5%	-0.2%	45.3	54.5
2	GMD	14/3/2016	40.4	41.4	5.9%	2.5%	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	16.2	1.3%	2.5%	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	14.5	-8.8%	-1.4%	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	52.5	14.6%	38.2%	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	47.9	26.7%	34.2%	33.2	42.84
Average					4.8%	11.9%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
BID	17.5	6.06	1.714	3.04MLN
BVH	61	5.17	1.024	1.03MLN
CTG	16.6	2.47	0.747	1.35MLN
VNM	139	0.72	0.602	465510
VIC	52.5	0.96	0.486	421970

Top 5 laggards on the HSX

Ticker	Price	% Chg	Index pt	Volume
VCB	46	-0.43	-0.267	726380
MWG	75	-1.32	-0.074	37930
SSI	21.4	-1.38	-0.072	1.98MLN
HDG	25.5	-4.85	-0.045	60
DHG	84.5	-1.17	-0.044	30890

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
VLF	1.2	9.09	0.001	27540
ATA	4.6	6.98	0.002	1.87MLN
VPK	20	6.95	0.005	1890
BIC	23.1	6.94	0.088	636150
ASM	18.5	6.94	0.132	1.17MLN

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
SVT	10.3	-6.36	-0.003	10
ASP	4.5	-6.25	-0.006	190820
STT	4.5	-6.25	-0.001	2150
HDG	25.5	-4.85	-0.045	60
SCD	46.2	-4.55	-0.009	2390

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
VC6	9.6	9.09	0.184	100
KKC	14.9	8.76	0.103	28200
ACB	17.9	1.13	0.098	75300
PVR	3.6	9.09	0.07	800
SDN	27.8	9.45	0.053	100

Top 5 laggards on the HNX

Ticker	Price	% Chg	Index pt	Volume
NTP	67.1	-1.61	-0.172	22100
DGC	44.5	-2.41	-0.027	10200
DST	38.1	-9.93	-0.017	262900
CHP	18.1	-1.09	-0.013	1500
DAE	15.6	-1.89	-0.012	500

Top 5 gainers on the HNX

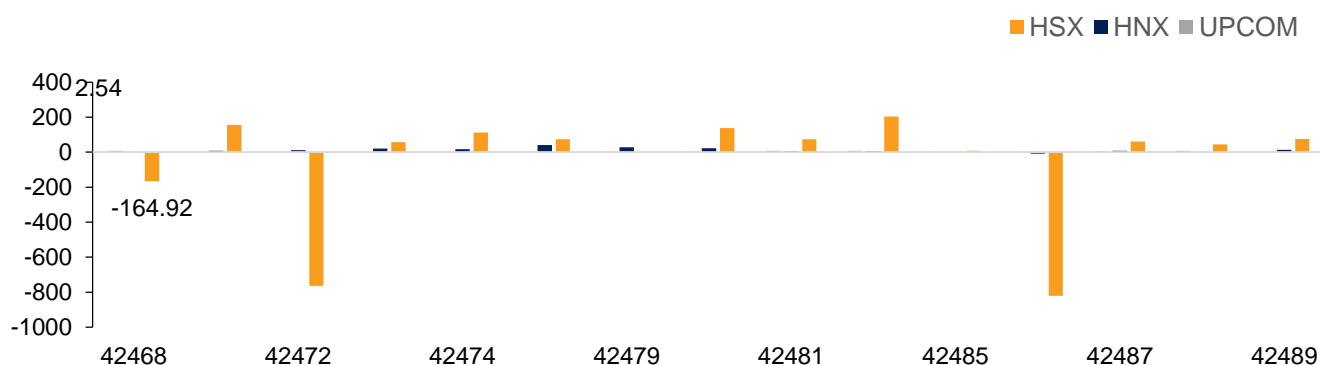
Ticker	Price	% Chg	Index pt	Volume
L62	6.6	10	0.024	100
PTI	23.1	10	0.006	14100
TA9	33.1	9.97	0.023	7000
L14	62.9	9.97	0.016	24700
SGC	36.9	9.82	0.006	100

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
DST	38.1	-9.93	-0.017	262900
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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