



Thu, May 5, 2016

Vietnam Daily Review

VN-Index to fluctuate around 600

BSC's Forecast on the stock market

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

Summary

VN-Index rose above 600 in the beginning of trading day thanks to VIC. Despite the strong pressure from profit realization, VN-Index still closed higher than 600 due to the increase of banking sector. Foreign Investors remained net buyers on VN-Index and Upcom but net sellers on HNX.

Recommendation

The VN-Index has reached 600 points thanks to the significant increase of VCB. It can be seen that selling pressure has become stronger when VN-Index rose sharply today because 600 pts is a solid resistance level. After led by real estate and steel stocks, VN-Index is now driven by textiles today. We believe that a technical correction may occur in short term, which cause VN-Index to re-test 600 points and then break up in spite of the unimproved market's liquidity.

Investors may consider taking profit in the coming sessions, re-allocate portfolio in case of market correction and especially avoid buying high.

Company updates

CVT - CMC Jsc. (HNX)

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VN-INDEX **601.51**
Value: 2206.4 bil **2.44 (0.41%)**
Foreigners (net): VND 29.9 bil

HNX-INDEX **80.37**
Value: 436.31 bil **-0.3 (-0.37%)**
Foreigners (net): -VND 3.19 bil

UPCOM-INDEX **56.35**
Value 120.28 bil **-0.54 (-0.95%)**
Foreigners (net): VND 6.87 bil

Macro indicators

	Value	% Chg
Crude oil	44.9	2.6%
Gold	1,276	-0.3%
USDVND	22,293	-0.5%
EURVND	25,490	-0.5%
JPYVND	20,944	0.0%
1-month Interbank rate	4.7%	-
5yr VN Treasury Yield	6.3%	-

Source: Bloomberg, BSC Research

Content

Market highlights	2
Company updates	3
Stock recommendations	4
Market statistics	5

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

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Market highlights

Textile stocks rose sharply today.

Foreign investors remained net buyers on both exchanges.

Market breadth was balanced with 206 advancers / 226 decliners on both exchanges.

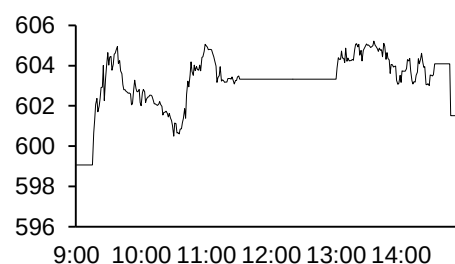
Recommendations

The VN-Index has reached 600 points thanks to the significant increase of VCB. It can be seen that selling pressure has become stronger when VN-Index rose sharply today because 600 pts is a solid resistance level. After led by real estate and steel stocks, VN-Index is now driven by textiles today. We believe that a technical correction may occur in short term, which cause VN-Index to re-test 600 points and then break up in spite of the unimproved market's liquidity.

Investors may lower the proportion of gainers in the rallies and consider recovering in the technical correction.

Exhibit 1

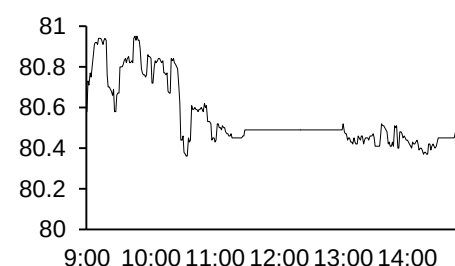
VN-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 2

HNX-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
HPG	7.91	35	0
FLC	6.4	6.7	-1.47
BHS	4.92	19	-3.06
HQC	4.1	5.7	3.64
VHG	3.62	4.8	-4

Source: Bloomberg, BSC Research

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Company updates

CVT - CMC Jsc. (HNX)

2016 Business Plan:

CVT plans to produce and sell 13 million m², achieving revenues of VND 1200 billion(+66.7% compared to 2015 Rev), EBT of VND 120 billion (+ 50% compared to 2015 EBT). Expected dividend in 2016 is 25-30%. Under this plan, EAT will be VND 96 billion, EPS of VND 4,665 per share (based on 19.2 million shares outstanding), equivalent to P/E of 5.6x (calculated at the closing price of 26,200 VND/cp on 05 May).

Growth came mainly from (1) CMC 2 plant - Phase 2 which will operate more steadily since 2Q2016 (Design capacity of 5 million m² per year), increasing production capacity by 50%; (2) cost savings by changing raw material mixing and storing materials at low prices.

Approving CMC 2 plant expansion, with two options: (The plan will be implemented in 2016 or move to 2017,depending on market condition):

Option 1: High-grade ceramic production line with design capacity of 6-8 million m² per year (current CSTK 15 million m² / year). Estimated construction for 1 year (Q3 / 2016-Q3 / 2017). The total investment of 350 billion, of which 144 billion from the issuance to existing shareholders, 206 billion from bank loans.

Option 2: The production line equipment porcelain (sp capacity of about 10 million / year) or sanitary (capacity of 1-2 million products / year). Total investment chain ~ 50-200 billion, depending on the company and type of product produced

Increase the percentage of foreign ownership to 100%. Currently, foreign ownership in CVT is 8.6%, held mostly by institutional investors.

Issue ~ 960,000 share under ESOP program (equivalent to 5% of the shares outstanding), the expected issue price is VND 15,000 per share, no transfer restrictions. CVT scheduled to release in 3Q2016 - 1Q2017.

Issue 9.6 million shares to existing shareholder, equivalent to the ratio of 2:1, expected in 2016-2017. Offering price is VND 15,000 per share, aims to invest in the CMC 2 expansion plan.

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	47.8	-0.2%	-1.8%	45.3	54.5
2	GMD	14/3/2016	40.4	41.9	7.2%	3.7%	37.6	45.2
3	DPS	22/3/2016	6.4	8	27.0%	25.0%	6.0	7.2
4	GTN	21/3/2016	15.8	16	0.0%	1.3%	14.7	17.7
Average					8.5%	7.0%		

Source: BSC Research

Short-term portfolio: Take profit on DPS

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	17	-3.4%	-5.6%	16.7	21.6
3	VIC	7/7/2015	38	51.5	12.4%	35.5%	35.3	45.6
4	ELC	22/2/2016	23.7	22.1	-6.0%	-6.8%	22.0	28.44
5	PGD	29/2/2016	35.7	48	27.0%	34.5%	33.2	42.84
Average					4.5%	11.5%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
VCB	47.1	2.17	1.336	1.08MLN
BID	17.7	2.31	0.686	3.03MLN
CTG	16.7	1.83	0.56	1.52MLN
VIC	51.5	0.98	0.486	413180
PPC	19	6.74	0.196	1.67MLN

Top 5 laggards on the HSX

Ticker	Price	% Chg	Index pt	Volume
BVH	59.5	-3.25	-0.682	190130
GAS	50	-0.99	-0.48	536180
TTF	29.2	-6.11	-0.133	1.87MLN
HNG	7.7	-3.75	-0.115	3.35MLN
FPT	47.8	-0.62	-0.06	908780

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
KSS	1.2	9.09	0.002	778300
PJT	12.3	6.96	0.004	41340
AGM	15.5	6.9	0.009	195580
HOT	21.9	6.83	0.006	30
VID	4.7	6.82	0.004	80

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
SII	24.1	-6.59	-0.05	40
DTT	10.2	-6.42	-0.003	340
DTA	4.5	-6.25	-0.002	7130
CMV	15.2	-6.17	-0.006	1890
ATA	4.6	-6.12	-0.002	434270

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
NTP	69.4	2.51	0.266	22100
VBC	64.1	9.95	0.06	14500
SCJ	6.9	7.81	0.057	4400
PVR	3.8	5.56	0.047	1700
PVV	2.3	4.55	0.021	72700

Top 5 laggards on the HNX

Ticker	Price	% Chg	Index pt	Volume
VHL	44.2	-8.87	-0.149	400
TV2	98.5	-6.19	-0.142	3200
PTD	20.4	-8.93	-0.084	1800
VCM	16.7	-8.74	-0.058	200
ACB	17.8	-0.56	-0.049	151600

Top 5 gainers on the HNX

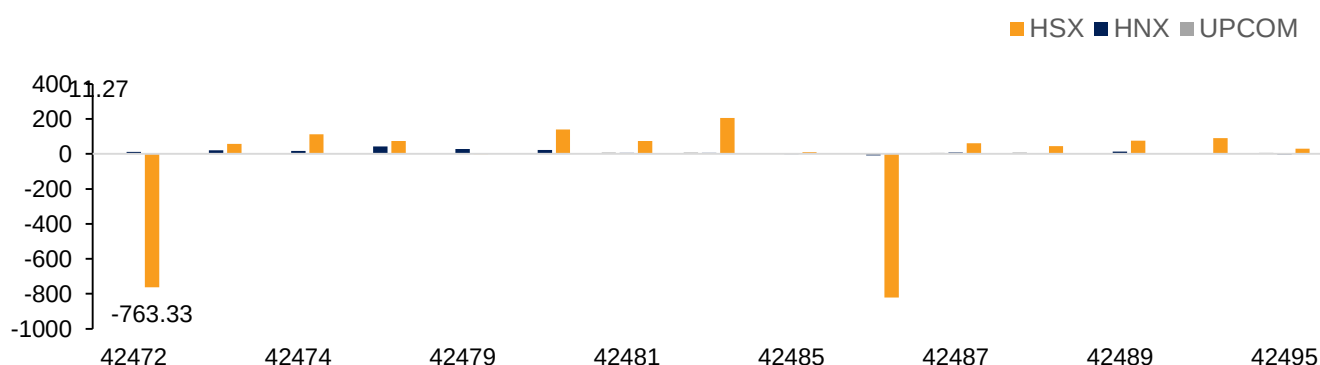
Ticker	Price	% Chg	Index pt	Volume
DZM	5.5	10	0.003	1000
VBC	64.1	9.95	0.06	14500
TAG	26.7	9.88	0.02	300
AMC	32.4	9.83	0.004	100
TV3	34	9.68	0.011	300

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
PCE	13.7	-11.61	-0.018	100
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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