

Wed, May 18, 2016

Vietnam Daily Review

Potential rise again after slight correction

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 19/5/2016		•	
Week 16/5-20/5/2016			•
Month 5/2016			•

Summary

VN-Index (-0.37) corrected slightly with trading volume (-2%) and value (-7%) decreased as last report identified. Although rose in the beginning of trading session, VN-Index closed down due to strong put pressure on Bluechips such as VNM, GAS, BVH, VIC... In contrast, HAG and HNG closed at ceiling price for the second consecutive day.

HNX (-0.03) and Upcom (-0.49) also declined with corrected trading volume and value.

Foreign investors held long position on 3 floors.

Recommendation

VN-Index may come back to rising momentum again and fluctuate in safe channel, however, it's approaching strong resistance area at 637-640.

Investors consider buying in new shares with good business results and haven't rallied strongly in possible coming correction, however, avoid buying in high.

Company Updates

BVH - BaoViet Holdings (HOSE)

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VN-INDEX 622.45

Value: 2052.9 bil **-2.3 (-0.37%)**

Foreigners (net): VND 148 bil

HNX-INDEX 82.19

Value: 551.68 bil **-0.02 (-0.02%)**

Foreigners (net): VND 11.25 bil

UPCOM-INDEX 56.62

Value 134.72 bil **-0.27 (-0.47%)**

Foreigners (net): VND 0.271 bil

Macro indicators

	Value	% Chg
Crude oil	48.2	-0.3%
Gold	1,271	-0.6%
USDVND	22,290	-0.3%
EURVND	25,147	-0.3%
JPYVND	20,613	1.1%
1-month Interbank rate	3.7%	-
5yr VN Treasury Yield	6.2%	-

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.

Market corrected and closed above the supportive level at 620 points and maintained liquidity, with 180 advancers /242 decliners on both exchanges.

Market index rose during the session, then turned to correct downwards the reference level from the beginning of the afternoon with the correction of a large part of the shares on the market. A number of leading stocks corrected such as VNM, BVH, GAS, except VCB maintained strong demand at the end of the session.

Recommendations

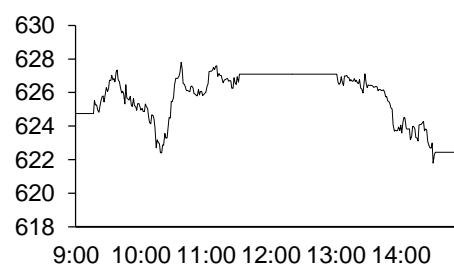
The market fell by -2.3 points, closed above the supportive level at 620.

Demand maintained and the VN-Index has been moving in a safe area.

Investors consider buying in new shares with good business results and haven't rallied strongly when the market tests the support level at 620.

Exhibit 1

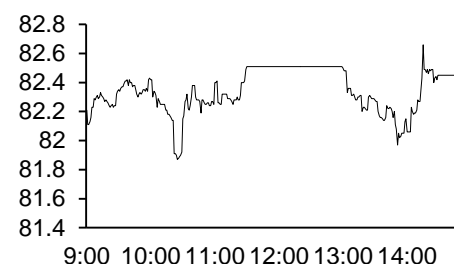
VN-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 2

HNX-Index Intraday



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	8.11	6.6	1.54
PVD	5.15	29.7	3.13
FIT	4.83	6.9	6.15
HQC	4.33	5.5	0
MBB	4.07	15.3	2

Source: Bloomberg, BSC Research

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Company updates

BVH - Bao Viet Holdings (HOSE)

Q1/2016 business results:

VND 4,283.7 billion of gross written premium (+21% yoy); in which life insurance segment contributed VND 2,718 billion (+29.7% yoy) and non-life insurance segment contributed VND 1,564.9 billion (+ 9.5% yoy). Profit after tax for equity owners reached VND 378.2 billion (+ 6.7% yoy). The gross claim rate is 33.5%, lower than 36.5% of Q1/2015, which reduced the combined ratio from 109% (Q1/2015) to 106.1%, although still yielding underwriting loss. Investment activities of the company contributed VND 786.9 billion of profit before tax (-3.1%).

Business plan 2016:

Consolidated revenue reached VND 22,504 billion (+8.2% yoy) and reached VND 1,190 billion of PAT (+1.3% yoy). Dividend is expected at 8%. BVH's focus in 2016 continued to be on sustainable development and risk management. The company will invest platform to prepare for the period 2018-2020, with revenue targets VND 33,000 to VND 35,000 billion (10-11% / year); consolidated profit from VND1,500 to 1,600 billion (6-9% / year) by 2020. With welfare fund of 5% PAT, equivalent to 2016 EPS at VND 1,594/cp, and 2016 BVPS estimated at 20,670VND.

AGM elected three new members of the BOD, including two representatives from the major shareholder Sumitomo and Mr. Nguyen Anh Tung from SCIC.

BVH is currently being traded at VND 63,000/cp, equivalent to P/E forward at 39.5x and P/B forward of 3.05x. This is significantly higher than the current level of insurance industry.

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	47.7	0.4%	-2.1%	45.3	54.5
2	GMD	14/3/2016	40.4	43.8	6.3%	8.4%	37.6	45.2
3	GTN	21/3/2016	15.8	15.9	-0.6%	0.6%	14.7	17.7
4	TMS	9/5/2016	66.5	69	2.2%	3.8%	60.0	74.5
5	NCT	9/5/2016	112	112	0.9%	0.0%	107.0	125.4
Average					1.8%	2.2%		

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	15.4	3.4%	4.8%	13	18
2	APC	18/12/2015	18	16.7	-4.0%	-7.2%	17	22
3	VIC	7/7/2015	38	53.5	1.9%	40.8%	35	46
4	ELC	22/2/2016	23.7	20.8	-6.3%	-12.2%	22	28
5	PGD	29/2/2016	35.7	47	0.2%	31.7%	33	43
Average					-1.0%	11.5%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
VCB	49	1.45	0.935	1.26MLN
EIB	12	6.19	0.433	1.88MLN
MBB	15.3	2	0.241	3.48MLN
HAG	8.4	6.33	0.198	1.74MLN
HNG	8.3	6.41	0.192	225800

Top 5 laggards on the HSX

Ticker	Price	% Chg	Index pt	Volume
VNM	145	-1.36	-1.203	637860
VIC	53.5	-1.83	-0.972	586250
GAS	58	-1.69	-0.959	1.13MLN
BVH	61.5	-2.38	-0.512	308140
PPC	16.2	-14.74	-0.458	343220

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
PNC	13.8	6.98	0.005	20
VTB	13.9	6.92	0.005	230
HOT	23.3	6.88	0.006	310
VAF	18.8	6.82	0.017	210
TCO	11	6.8	0.007	1010

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
PPC	16.2	-14.74	-0.458	343220
GTT	0.7	-12.5	-0.002	105340
DTT	10.7	-6.96	-0.003	560
TLH	8.2	-6.82	-0.025	3.13MLN
ANV	6.9	-6.76	-0.017	42290

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
ACB	19.3	1.58	0.146	519400
TV2	92	5.63	0.107	10300
SCJ	6.2	6.9	0.045	300
VCM	16	4.58	0.026	100
TAG	29	9.85	0.022	5300

Top 5 laggards on the HNX

Ticker	Price	% Chg	Index pt	Volume
VC6	8.7	-8.42	-0.184	700
NTP	67	-1.33	-0.141	21000
PVR	3.2	-8.57	-0.07	1000
VHL	44	-2.65	-0.042	1600
PHC	7.4	-2.63	-0.034	11400

Top 5 gainers on the HNX

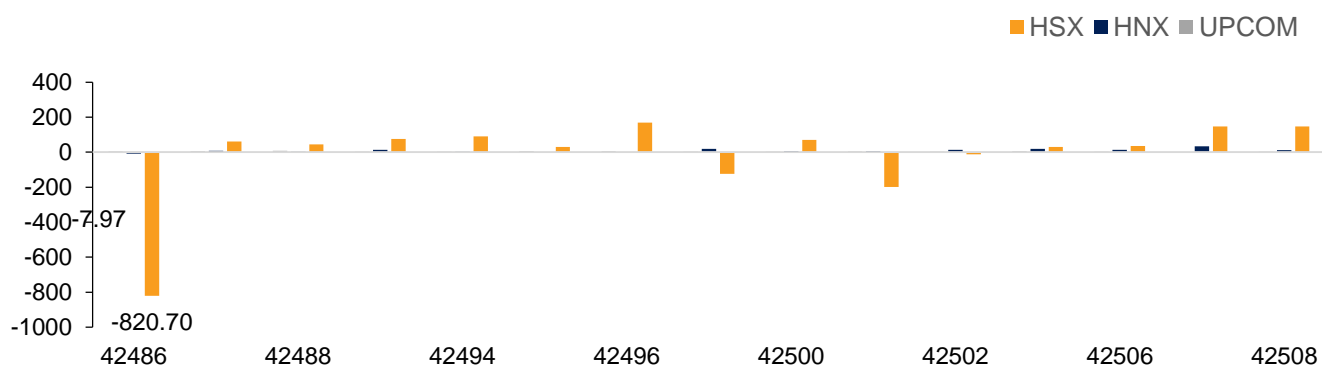
Ticker	Price	% Chg	Index pt	Volume
CAN	27.5	10	0.007	200
TSB	9.9	10	0.002	5600
TV3	55	10	0.018	6700
VE9	7.7	10	0.006	100
SGC	36.4	9.97	0.006	200

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
ALT	14.4	-10	-0.005	2200
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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