

Wed, June 29, 2016

Vietnam Daily Review

Resurrection

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 27/6/2016	•		
Week 27/6-1/7/2016		•	
Month 6/2016		•	

Highlight

Foreigners were sellers on the HOSE and on the HNX today. The market rebounded strongly in terms of price and liquidity, with 331 advancers /117 decliners on both exchanges. Impressive was the effort of price increase of almost all the industries to support the market during the morning session and the increasing momentum was maintained until the end of the afternoon. Most of the sectors have rebounded, in addition to the contribution of the Insurance, Bank, Oil and gas, Steel industries, and shares of FPT also rallied with the help of rising volume. BTP, which we recommended to use as a hedging tool against Brexit, soared today as it is expected to record a benefit from KRW decline.

Recommendation

Market index surged 7.92 points, surpassing the resistance level 630 to close near 630.12 points at the end of the session. Market demand improved significantly, however, VN-Index has not really moved into safer areas. Cash flow though moving in an unusual pattern increased, improved demand and supported the market to return to the region before the event Brexit. The VN-Index is likely to test the support level of 630 in the coming sessions, investors are recommended to not buy high and be cautious before the market identifies a clearer trend.

Company Updates - BTP - Ba Ria Thermal Power Jsc (HOSE)

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VN-INDEX **630.12**
Value: 2248.6 bil **7.92 (1.27%)**
Foreigners (net): -VND 20.74 bil

HNX-INDEX **84.74**
Value: 565.02 bil **0.86 (1.03%)**
Foreigners (net): VND 11.68 bil

UPCOM-INDEX **57.62**
Value 83.66 bil **0.64 (1.12%)**
Foreigners (net): VND 9.57 bil

Macro indicators

	Value	% Chg
Crude oil	48.5	1.3%
Gold	1,318	0.5%
USDVND	22,312	0.1%
EURVND	24,738	-0.1%
JPYVND	21,720	0.1%
1-month Interbank rate	2.4%	-
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 sellers on the HOSE and on the HNX today.

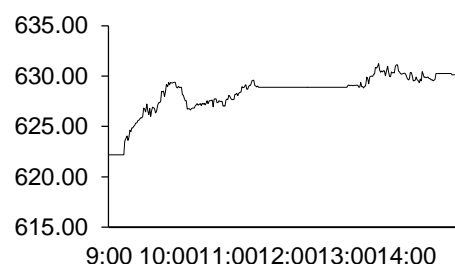
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Recommendations

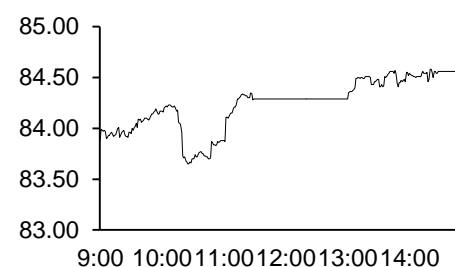
Contrary to the cautiousness that 260 million shares traded at a low price on 24.06 are available for sale when investors will adversely impact the market, VN-Index rose from the opening and closed at nearly the highest, daily trading volume also increased from the previous session. Most BCs GAS, VCB, CTG, MWG, BVH, VIC increased helped VN-Index rally, similar to the world's stock markets movements. The technical indicators of VN-Index are quite positive when the MACD is about to create positive divergence and ADX with + DI is rekindled on the upside for a rally. Possibility for rally to the top of the VN-Index has been opened, however, before that the VN-Index is likely to go through technical correction.

Exhibit 1



Source: Bloomberg, BSC Research

Exhibit 2



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	6.8	6	1.69
KBC	6.12	15.6	-1.27
HPG	5.62	39.3	1.55
ITA	4.46	4.3	2.38
HHS	3.96	9.1	-1.09

Source: Bloomberg, BSC Research

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Company updates

BTP - Ba Ria Thermal Power Jsc (HOSE)

In June 29th 2016, BTP share is trading at price of 14,000 VND/share, equivalent to P/E of 4.11 and P/B of 0.86

The volume increases rapidly. For the beginning of the year to June 26th, BTP produced 835 millions kWh, up 30% compared to the same period in 2015 (in first quarter/2016 volume is 485 millions kWh, + 47%y.o.y). Electricity price in the first half of 2016 conform to price in 2015. Although prices in the second quarter/2016, the plant have to use oil due to the problem of gas pipelines in a few days, but BTP still expect to maintain result as the first quarter/2016 (in first quarter/2016, the core business recorded VND28 Bil. of NPBT excluding for FX loss).

Recording FX gain in the second quarter/2016 up to June 29th 2016, the won fell by 5% compared to March 31st 2016, thus BTP may record 35 billions VND FX gain in the second quarter/2016.

Business Plan of 2016 BTP expects planned electricity production consume from 1,200 millions kWh to 1,500 millions kWh. Planned electricity production and planned electricity price in 2016 is being negotiated.

Gas pricing policy will be able to have many changes Gas source of BTP is from 5 sources including Mekong, Nam Con Son, Hai Thach Moc Tinh, Thien Ung and Dai Hung. gas price sold to BTP is still calculated in accordance with the current market (46%MFO+ shipping cost) and shipping cost is still temporarily calculated the same for gas from Cuu Long and Nam Con Son. **However, in the near future, gas pricing mechanism will have many changes:**

- The shipping cost of gas from Cuu Long tank increases The shipping cost of gas from Cuu Long is expected to increase from 1.17 USD/mmbtu to over 3 USD/mmbtu.
- Applying the price floor of gas sold to electricity factory To ensure no loss for gas distribution from the mines, GAS will apply the price floor being the price from mines for gas sold to electricity factory. Then, the price of gas sold to electricity factory will increase by at least 20% compared to current price.

Maintenance plan in 2016, BTP expects to maintain and upgrade a number of units at the end of the year with a total cost of about 100 billions VND.

Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	CVT	3/6/2016	26.8	32	19.4%	24.9	30.0
2	HHG	3/6/2016	8.9	10.4	16.9%	8.3	10.0
3	GTN	21/3/2016	15.8	21.6	36.7%	14.7	17.7
4	TMS	9/5/2016	66.5	63	-5.3%	61.8	74.5
5	NCT	9/5/2016	112	115	2.7%	104.2	125.4
6	CTI	27/5/2016	24.3	28.1	15.6%	22.6	31.8
7	S55	13/6/2016	45.5	47.5	4.4%	42.3	51.0
8	HVG	13/6/2016	10.4	9.8	-	-	-
9	HTL	17/6/2016	94.0	97	3.2%	83	105
Average					11.7%		

Source: BSC Research

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	MBB	27/4/2015	13	15	15.4%	13	15.6
2	CMG	16/10/2015	14.6	14.4	-1.4%	17	17.5
3	DAG	10/6/2016	12.2	12.4	1.6%	11	15.0
4	CTD	29/4/2016	168.5	195	15.7%	157	202
5	TTC	27/5/2016	21.7	25.6	18.0%	20	26.0
6	BIC	17/6/2016	22.1	24.4		21	27
Average					9.9%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
GAS	62	2.48	1.454	452560
VCB	47.3	1.94	1.215	544530
CTG	16.9	2.42	0.755	513620
MWG	125	5.04	0.446	299110
Ticker	Price	% Chg	Index pt	Volume
VNM	139	-0.71	-0.608	830840
KBC	15.6	-1.27	-0.048	6.12MLN
HT1	29.7	-0.67	-0.032	111820
BMP	145	-0.68	-0.023	97250
TMS	63	-2.33	-0.02	17690

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
STT	10.7	7	0.003	20
BTP	15.3	6.99	0.031	432890
PVT	13.8	6.98	0.117	2.51MLN
RAL	85	6.92	0.032	113790
STG	23.4	6.85	0.021	46880

Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
VNH	0.9	-10	0	9870
BTT	35.6	-6.32	-0.013	13980
D2D	30.6	-5.26	-0.009	2760
VPS	19.8	-4.81	-0.009	50
VOS	2.1	-4.55	-0.007	10470

Source: Bloomberg, BSC Research

Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
PVR	3.4	9.68	0.07	100
KKC	14.5	5.84	0.069	5800
AAA	24.1	7.11	0.041	1.12MLN
VBC	70.5	5.22	0.036	2400
Ticker	Price	% Chg	Index pt	Volume
SGO	3.8	-2.56	-0.049	206800
TV2	92.1	-0.97	-0.02	1700
NTP	58.8	-0.17	-0.016	6100
PVG	7.7	-1.28	-0.012	26600
L14	79	-4.7	-0.011	800

Top 5 gainers on the HNX

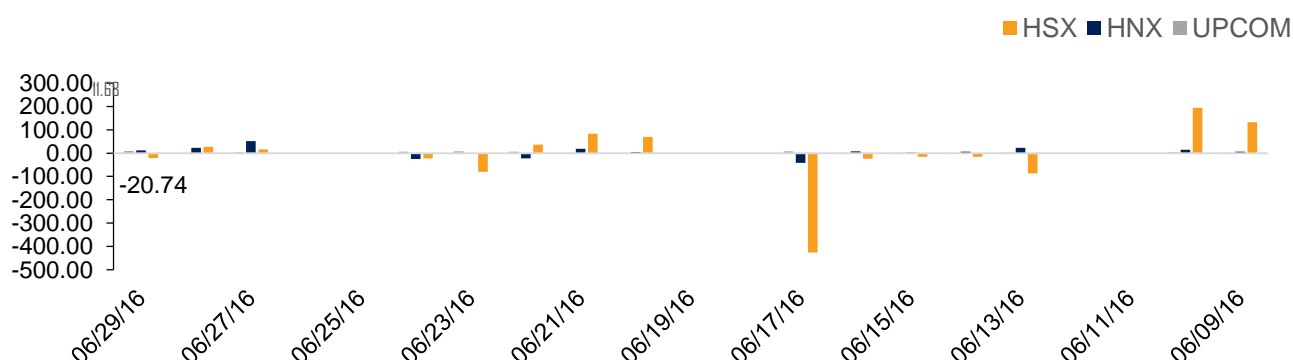
Ticker	Price	% Chg	Index pt	Volume
SIC	12.2	9.91	0.004	2500
TV3	54.4	9.9	0.018	200
PEN	9	9.76	0.021	2900
PVR	3.4	9.68	0.07	100
TFC	22.7	9.66	0.014	23900

Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
GMX	21	-9.87	-0.005	3200
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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