

Fri, October 28, 2016

# Vietnam Daily Review

Above 680

## BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 31/10/2016			•
Week 31/10-4/11/2016		•	
Month 10/2016			•

## Highlight

VN-Index rebounded today, traded in the green from the beginning of the session. Ending the session, VN-Index rose by 5.35 points to 682.25 (+ 0.79%), the HNX-Index also rose by 0.35 points to 83.04 (+ 0.43%). Notably, liquidity strongly recovered today as 159 million shares were traded on both exchanges equivalent to transaction value of 2481 billion. The next positive points on the trading session today is that many Bluechip rallied, helping the market remain sustainable gains, including CTG, BID, VNM, HPG, GAS.

In today's trading session, except for VCB, STB, banking group recovered strongly with SHB, CTG, BID, ACB. Steel Group also enjoyed very active trading with HPG, HSG, NKG, VIS soared in both liquidity and price. Rubber such as DPR, HPR continued uptrend as rubber contract prices soared worldwide. Green color is spread evenly on the market so that there is no notable group declined.

## Recommendation

VN-Index has recovered for 2 sessions in a row after colliding with the support EMA 45. Liquidity also recovered is a positive point today. The large-cap stocks rebounded also causing a rise of VN-Index firmer. After overtaking the level of 680 points, the VN-Index is expected to trade between 680 - 690. Investors had accumulated shares at 673 as previously recommended can take profit when the VN-Index is approaching 690.

## Company Updates - EVE - Everpia Viet Nam Jsc. (HSX)

## BSC RESEARCH

### Head of Research

**Tran Thang Long**  
longtt@bsc.com.vn

### Macro & Market Team

**Bui Nguyen Khoa**  
khoabn@bsc.com.vn

**Do Nam Tung**  
tungdn@bsc.com.vn

**Pham Anh Quang**  
quangpa@bsc.com.vn

**VN-INDEX** **682.25**  
Value: 1754.75 bil **5.35 (0.79%)**  
Foreigners (net): VND 87.66 bil

**HNX-INDEX** **83.04**  
Value: 384.63 bil **0.35 (0.42%)**  
Foreigners (net): VND 1.72 bil

**UPCOM-INDEX** **58.22**  
Value 62.5 bil **0.81 (1.41%)**  
Foreigners (net): -VND 1.25 bil

## Macro indicators

	Value	% Chg
Crude oil	49.5	-0.4%
Gold	1,266	-0.2%
USDVND	22,330	0.0%
EURVND	24,360	0.0%
JPYVND	21,207	0.0%
1-month Interbank rate	0.0%	-
5yr VN Treasury Yield	5.1%	-

Source: Bloomberg, BSC Research

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

**Pham Anh Quang**

quangpa@bsc.com.vn

**Đỗ Nam Tùng**

tungnd@bsc.com.vn

## Market highlights

VN-Index rebounded today, traded in the green from the beginning of the session. Ending the session, VN-Index rose by 5.35 points to 682.25 (+ 0.79%), the HNX-Index also rose by 0.35 points to 83.04 (+ 0.43%). Notably, liquidity strongly recovered today as 159 million shares were traded on both exchanges equivalent to transaction value of 2481 billion. The next positive points on the trading session today is that many Bluechip rallied, helping the market remain sustainable gains, including CTG, BID, VNM, HPG, GAS.

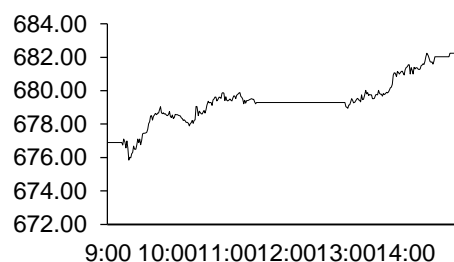
In today's trading session, except for VCB, STB, banking group recovered strongly with SHB, CTG, BID, ACB. Steel Group also enjoyed very active trading with HPG, HSG, NKG, VIS soared in both liquidity and price. Rubber such as DPR, HPR continued uptrend as rubber contract prices soared worldwide. Green color is spread evenly on the market so that there is no notable group declined.

Focus was also put on UpCom when today is the first trading day of Habeco. Immediately, Habeco attracted the attention of investors with more than 2 million shares purchase price at ceiling but only 100 shares matched at the end of the session. Habeco had almost no liquidity because only about 0.5% of shares floating, ending the session, Habeco ceiling + 40%.

On commodity markets, oil prices are heading to the first weekly loss since mid-September when OPEC leaders will meet on Friday to discuss output reductions for each member. Iraq is seeking exemption from the output cuts while Saudi Arabia and its allies are willing to cut 4% from its peak output.

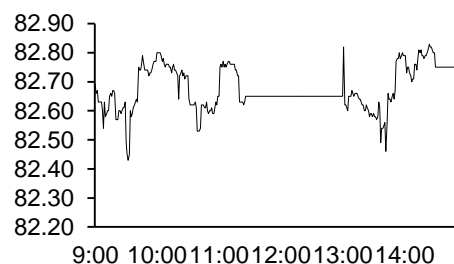
Market breadth was positive with 280 gainers and 205 decliners

Foreign investors were net buyers on the HSX with strong net value of about 87 billion, concentrated mainly on buying VNM and VNS.



Source: Bloomberg, BSC Research

Exhibit 2



Source: Bloomberg, BSC Research

Exhibit 3

### Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	14.94	6.45	6.97
ITA	10.23	4.95	0.61
DLG	5.24	5.25	0.38
HPG	3.68	40.8	3.16
CII	3.42	29	0.69

Source: Bloomberg, BSC Research

## Recommendations

VN-Index has recovered for 2 sessions in a row after colliding with the support EMA 45. Liquidity also recovered is a positive point today. The large-cap stocks rebounded also causing a rise of VN-Index firmer. After overtaking the level of 680 points, the VN-Index is expected to trade between 680 - 690. Investors had accumulated shares at 673 as previously recommended can take profit when the VN-Index is approaching 690.

Technical indicators improved during the session today but still not able to secure a long-term rise. The positive point is VN-Index is still moving above the EMA 45 in the medium term. MFI, RSI is recovering fast, Chaikin oscillator, ADX will soon signal buy though MACD remains negative divergent.

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**Le Thi Trang***Equity Analyst*tranglt@bsc.com.vn

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## Company updates

### EVE - Everpia Viet Nam Jsc. (HSX)

#### **Extraordinary Shareholders Meeting on 28th Oct 2016:**

The main content is approval the issuance of maximum 15 million shares in the first 6M2017 for foreign investors. 15 million shares will be issued and deposited at VSD, the depository certificates (certificates of foreign investors owning the 15 million shares) will be listed on the Korea Stock Exchange.

The company will co-operate with one of the two largest Korean securities companies for fully underwriting, whereby if investors do not purchase all of the securities issued, the company will buy the remaining stocks, ensuring successful issuance.

Currently, EVE is calculating the issued price (based on P/E, book value) and the conversion rate between two markets. Detailed plans will be announced in the AGM next year.

#### **Usage of additional capital:**

(1) Production expansion: EVE plans to build a new factory in Khoai Chau - Hung Yen, which produce spring mattress, with annual capacity of 20,000 units and 8 million yards of padding. The plan is expected to operate in early 2018 .

(2) Land lease for 50 years in Khoai Chau - Hung Yen: The total area of 100,000 m<sup>2</sup>, of which 30% is for the above-mentioned plant. The remaining 70% is for sublease. The sublease is expected to start in Sep 2017. Rental revenue will equal to approximately 20% of the current core revenues

*2016Q3 business results: revenue reached VND 237.35 billion (+ 0.95% yoy), 33.6% gross margin (28.46% in 3Q2015) due to the decline in raw materials. SG&A expense decreased slightly and accounted for 16.8% Revenue (18.84% in same period). EAT was VND 32.36 billion (+67.8% yoy). Accumulated 9M2016, Revenue reached VND 615.51 billion (-2.7% yoy), 34.1% gross margin (33.2% in same period). EAT was VND 74.51 billion (+7.05% yoy).*

## Stock recommendations

### Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	DRC	26/09/2016	40.5	36.7	-9.4%	38.0	44.0
2	VCB	26/09/2016	37.4	36.3	-2.8%	35.0	45.0
3	CTI	27/5/2016	24.3	28.1	15.6%	22.6	31.8
4	REE	1/8/2016	20.3	21.1	3.9%	19.5	23.5
5	GMD	26/09/2016	26.3	27.4	4.2%	24.2	28.5
<b>Average</b>					<b>2.3%</b>		

Source: BSC Research

### CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	MBB	27/4/2015	13.8	14.3	3.3%	12.8	16.6
2	GMD	4/7/2015	26.6	27.4	3.0%	24.7	31.9
3	HUT	03/10/2016	13.2	12.6	-4.5%	12.3	15.8
4	DRC	05/09/2016	39.3	36.7	-6.7%	36.5	47.2
<b>Average</b>					<b>-1.3%</b>		

Source: BSC Research

## Market statistics

### Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
ROS	84.60	6.95	1.20	1.21MLN
CTG	17.00	2.41	0.75	997730.00
BID	17.10	2.40	0.69	1.93MLN
VNM	143.30	0.56	0.59	833450.00
Ticker	Price	% Chg	Index pt	Volume
VCF	142.50	-6.86	-0.14	10
POM	9.21	-6.97	-0.07	1400
STB	8.87	-0.89	-0.06	508880
SBT	26.50	-1.67	-0.04	1.47MLN
STG	23.00	-4.17	-0.04	320450

### Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
FLC	6.45	6.97	0.14	14.94MLN
VNH	1.69	6.96	0.00	16690
ROS	84.60	6.95	1.20	1.21MLN
PTL	2.31	6.94	0.01	506320
RAL	112.80	6.92	0.04	109740

### Top 5 losers on the HSX

Ticker	Price	% Chg	Index pt	Volume
VNH	0.90	-10.00	0.00	9870
BTT	35.60	-6.32	-0.01	13980
D2D	30.60	-5.26	-0.01	2760
VPS	19.80	-4.81	-0.01	50
VOS	2.10	-4.55	-0.01	10470

Source: Bloomberg, BSC Research

### Top 5 leaders on HNX

Ticker	Price	% Chg	Index pt	Volume
PVR	3.40	9.68	0.07	100
KKC	14.50	5.84	0.07	5800
AAA	24.10	7.11	0.04	1.12MLN
VBC	70.50	5.22	0.04	2400
Ticker	Price	% Chg	Index pt	Volume
SGO	3.80	-2.56	-0.05	206800
TV2	92.10	-0.97	-0.02	1700
NTP	58.80	-0.17	-0.02	6100
PVG	7.70	-1.28	-0.01	26600
L14	79.00	-4.70	-0.01	800

### Top 5 gainers on the HNX

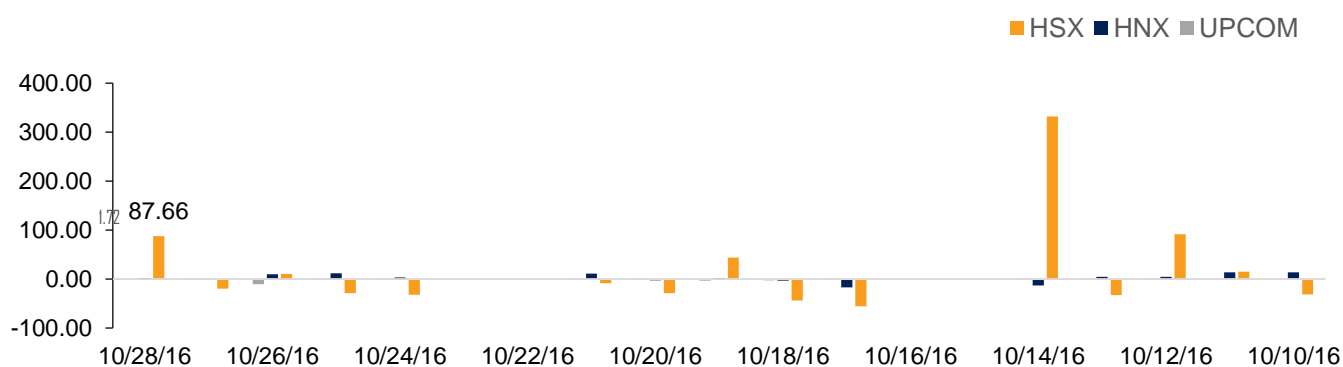
Ticker	Price	% Chg	Index pt	Volume
SIC	12.20	9.91	0.00	2500
TV3	54.40	9.90	0.02	200
PEN	9.00	9.76	0.02	2900
PVR	3.40	9.68	0.07	100
TFC	22.70	9.66	0.01	23900

### Top 5 losers on the HNX

Ticker	Price	% Chg	Index pt	Volume
GMX	21.00	-9.87	-0.01	3200
ONE	9.10	-9.90	0.00	31100
DID	4.60	-9.80	0.00	10100
NHA	9.30	-9.71	-0.01	100
KMT	5.80	-9.38	0.00	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).*

**BSC Headquarters**

BIDV Tower, 10th & 11th Floor  
35 Hang Voi, Hoan Kiem, Hanoi  
Tel: +84 4 3935 2722  
Fax: +84 4 2220 0669

**Ho Chi Minh City Office**

146 Nguyen Cong Tru St, 9th Floor  
District 1, HCMC  
Tel: +84 8 3821 8885  
Fax: +84 8 3821 8510

<http://www.bsc.com.vn>

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