

Thu, March 9, 2017

Vietnam Daily Review

Between the devil and the deep blue sea

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 10/03/2017		•	
Week 6/3-10/3/2017		•	
Month 03/2016	•		

Highlight

Today, the market witnessed that VN Index fluctuated in a narrow amplitude. Unlike the two previous sessions, the index today was in the rally from the morning, maintained this condition to the middle of the afternoon before experiencing a slight correction, when the session ended. VN Index closed at 715.8, implying a 0.11% decrease compared to the reference level. The major supports coming from the banking stocks with the increase of familiar Blue-chips, such as: VCB, BID and CTG. However, other Blue-chips like SAB, GAS and VIC.... got the bearish trends in this session, which kept the market down. The Construction and Real Estate group took a strong drop today, in which, the main contributors were FLC and HBC. The liquidity has been kept at a high level and the breadth of the market showed the negative signs because bearish stocks became dominant as compared to the bullish ones on HSX (136 shares/114 shares). Besides, HNX and Upcom maintained the rally in most of the trading time, HNX – Index closed at 87.72 (+0.21%); whereas, this figure for Upcom – Index was 57.24 (+0.28%).

Recommendation

The supporting level at 715 continued to be maintained, thanks to the bright point of the Banking stocks and the recovery of ROS, HPG. Investors are waiting for macroeconomics information from the global market to make better decisions. Currently, they have focused on cut down the proportion of stocks in the portfolio, concentrating on the Blue-chips, such as: VIC, SAB, GAS,...We believe the trading session tomorrow could keep the similar patterns to other ones in this week. It is difficult for the VN Index to reach the strong resistance level of 720 and only fluctuated around 715. Investors should consider buying stocks getting good business results and being strongly sold out recently, but the proportion should be small. They should follow information provided from shareholder meetings to evaluate investment opportunities in the future after the negative information of macroeconomics is reflected.

Company update

PVB - Petrovietnam Coating JSC.

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VN-INDEX **715.80**
Value: 3396.17 bil **-0.8 (-0.11%)**
Foreigners (net): -VND 66.28 bil

HNX-INDEX **87.72**
Value: 457.61 bil **0.19 (0.22%)**
Foreigners (net): VND 4.51 bil

UPCOM-INDEX **57.24**
Value 128.87 bil **0.16 (0.28%)**
Foreigners (net): VND 6.1 bil

Macro indicators

	Value	% Chg
Crude oil	50.4	0.2%
Gold	1,205	-0.3%
USDVND	22,790	0.0%
EURVND	24,092	0.2%
JPYVND	19,838	-0.5%
1-month Interbank rate	4.6%	-
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.

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Market highlights

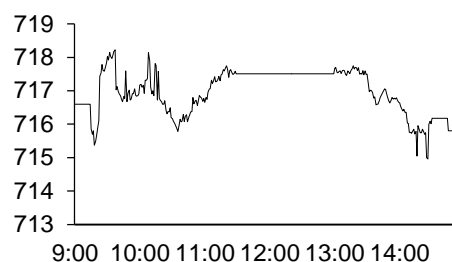
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Foreigners took a net sale on HSX with the value of VND 66.28 billion. In which, this group concentrated on selling DXG (VND 80.65 billion), VJC (VND 51 billion) and buying HPG (VND 62.8 billion) and VNM (VND 30.7 billion). On the contrary, overseas investors took a net buy on HNX (VND 4.51 billion).

Recommendations

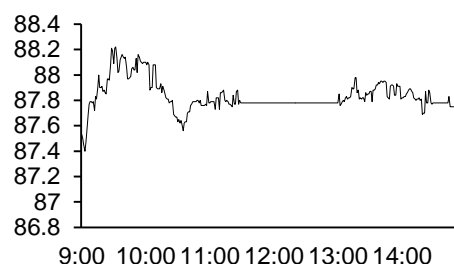
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Exhibit 1



Source: Bloomberg, BSC Research

Exhibit 2



Source: Bloomberg, BSC Research

Exhibit 3

Top 5 volume leaders

Ticker	Volume	Price	% Chg
FLC	32.63	7.65	-6.48
ITA	14.44	4.21	1.20
HAG	11.30	8.30	3.23
HQC	9.93	2.56	0.79
FIT	5.98	4.90	-6.31

Source: Bloomberg, BSC Research

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Company updates

PVB - PETROVIETNAM COATING JSC (HNX)

PVB continues to face difficulties in 2017, due to the further delay in major projects. The key contribution in 2017 is expected from Ca Tam project, estimated revenue of VND 80 billion. However, the project will be implemented in 4Q2017, which raises the concern of further delay til 2018. Longer prospect comes from Su Tu Trang project in the end of 2018. As of 9/3/2017, PVB was traded at 10,700 dong / share, P/B = 066x; P/E = N / A

Disappointing 2016 business results: Revenue was VND 6.4 billion (~ 3% of plan); EBT = VND -53.9 billion (plan of VND 5.8 billion) – due to the postpone in some major projects such as Lo B O Mon (VND 155 billion); other projects of Vietsopetro (VND 85 billion). The 2016 result was also adjusted by some accounting treatment: Depreciation expense was lowered by 11 Bil; and reversal of guarantee provision of VND 44 billion. During the year, PVB recovered some of its receivables, which declined from VND310 billion to VND47.8 billion this year. The capital helped PVB to pay off its loan and have cash balance of VND 172 billion as of 31/12/2016.

Long-term prospects: PVB representatives are quite pessimistic for the business prospects in the next 3 years. Major projects such as Lot B O Mon, Su Tu Trang, Phase 2 of Nam Con Son, are currently at the feasibility study phase. Usually, from the time the project is approved til implementation takes about 2-3 years, especially in the context of low oil prices. At the current price, representatives of PV Gas believes the most practical project is the Su Tu Trang project, along with the project Nam Con Son 2 - Phase 2. In the best scenerio case, PVB could have job related to Su Tu Trang at the end of 2018.

Update for PVB – March, 9th 2017.

2017 Plan: The company plans to record revenue of VND 102 billion and - 24.9 billion of EBT in 2017. The plan is based on (1) Ca Tam revenue of VND 80 billion expected in 4Q2017, and (2) other projects with estimated value of VND 22 Bil. The plan included a gain from reversal of guarantee provision of about VND 20 billion. Note that Ca Tam project is expected to be carried out in year-end, so it is possible that the work may be pushed back til 2018.

Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	GMD	26/09/2016	26.3	37.4	42.2%	24.2	28.5
2	VIC	17/10/2016	43.0	44.2	2.8%	41.0	47.0
3	PVT	27/5/2016	12.3	13.0	5.3%	11.7	13.5
4	CSV	19/12/2016	26.8	28.9	7.8%	26.0	30.0
5	KBC	26/12/2016	13.6	14.5	7.0%	13.0	15.0
Average					13.03%		

Source: BSC Research

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	MBB	27/4/2015	13.8	14.6	5.4%	12.8	16.6
2	GMD	4/7/2015	26.6	37.4	40.6%	24.7	31.9
3	VCS	16/12/2016	130.0	150.6	15.8%	120.9	156.0
4	HPG	28/10/2016	40.8	42.0	2.9%	36.4	44.9
Average					16.2%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
ROS	169.00	1.20	0.37	4.09MLN
MBB	14.55	3.19	0.32	2.21MLN
BID	16.80	1.20	0.29	4.64MLN
HPG	42.00	1.82	0.27	4.29MLN
Ticker	Price	% Chg	Index pt	Volume
GAS	56.80	-1.73	-0.82	1.17MLN
SAB	216.00	-1.32	-0.80	56450
VIC	44.20	-0.67	-0.34	271170
FLC	7.65	-6.48	-0.15	32.63MLN
BHN	100.00	-1.38	-0.14	12640

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
SAV	9.51	6.97	0.00	65390
VNE	9.25	6.94	0.02	1.18MLN
D2D	41.70	6.92	0.01	97890
TTF	8.81	6.92	0.03	344630
KSH	2.19	6.83	0.00	373300

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
NTP	79.00	-4.70	-0.01	800

Top 5 gainers on the HNX

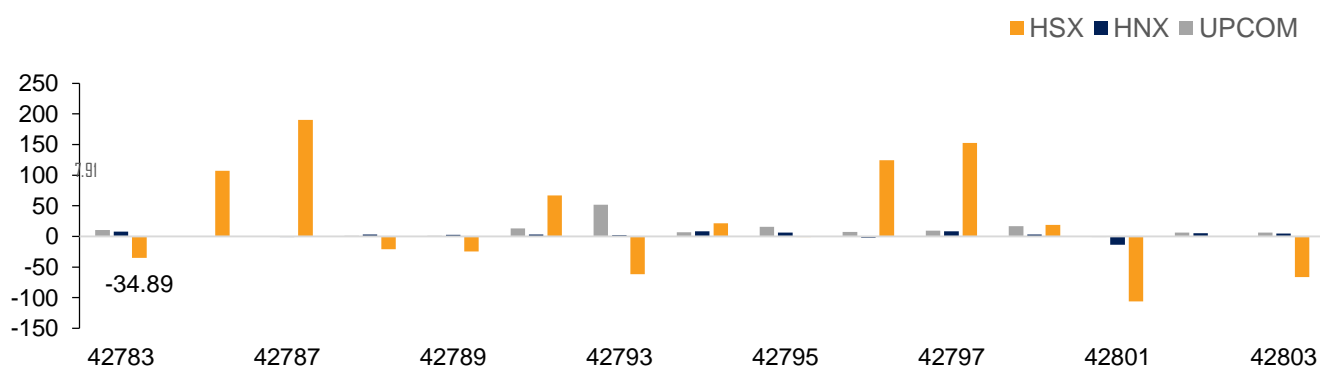
Ticker	Price	% Chg	Index pt	Volume
SIC	12.20	9.91	0.00	2500
TV3	54.40	9.90	0.02	200
PEN	9.00	9.76	0.02	2900
PVR	3.40	9.68	0.07	100
TFC	22.70	9.66	0.01	23900

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).

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