

Fri, March 17, 2017

# Vietnam Daily Review

Intense trading session

## BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 20/03/2017	•		
Week 20/3-24/3/2017	•		
Month 03/2016	•		

## Highlights

Today trading volume increased significantly since today was the last day FTSE ETF and VanEck Vector ETF adjusted their portfolios. Liquidity was improved during the day and rose sharply at the end of the trading session. In the morning, real estate and construction companies stock group attracted cash flow from investors and pushed VN-Index above resistance level 715, especially in ROS, PC1, VIC, NLG and DXG. Thanks to news about capital withdrawal of Vinataba, confectionary companies HHC and HNF were traded at ceiling price and maintained this level until the trading session closed. Upward trend was continuously experienced in HAG and HNG. Banking and securities companies stock enjoyed a successful trading day as well. VN-Index turned around and decrease sharply in the afternoon session due to ROS and NVL, two stock that were added to two ETFs was trading at floor price and closed at that level, in addition to the fall of price of SAB. HBC witnessed an opposite pattern when there was time this stock was traded at ceiling price. Almost all large cap stock on two exchanges experienced a downward trend, except for banking and financial service stock group such as ACB, CTG, BID, BVH, PVI which had an upward pattern. However this positive pattern could not slow down the fall in point of the index. VN-Index under the pressure of ROS, NVL and SAB, closed at below reference price (710.54 point), liquidity was 26.4% higher than yesterday.

## Recommendations

The last day of fund ETF portfolio rebalancing saw a boost in trading activities. VN-Index broke the 715 resistance toward 717.1 points during the session. Market liquidity improved from yesterday with significant trading volume at the end of the day, drove the market to move in a wider range of 6.56 points. The index plummeted at the end, as ROS and NVL closed at its floor, while SAB had strong decline in value, removing respectively 1.81, 1.05, and 1.16 points from the index. The beginning session of next week might expect a correction, as the index could dip further from today heated trading. Investors should remain conservative during the beginning of next week, avoiding making major changes in their portfolio.

## Company Update

WSB-Saigon Beer Western Jsc(UPCOM)

## 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

**VN-INDEX 710.54**  
Value: 4346.5 bil **-4.38 (-0.61%)**  
Foreigners (net): -VND 283.36 bil

**HNX-INDEX 88.38**  
Value: 831.59 bil **0.41 (0.47%)**  
Foreigners (net): -VND 61.49 bil

**UPCOM-INDEX 58.55**  
Value 158.87 bil **0.25 (0.43%)**  
Foreigners (net): VND 11.04 bil

## Macro indicators

	Value	% Chg
Crude oil	49.1	0.6%
Gold	1,228	0.2%
USDVND	22,784	0.0%
EURVND	24,455	-0.3%
JPYVND	20,136	0.2%
1-month Interbank rate	4.8%	-
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.

**Đỗ Nam Tùng**

tungnd@bsc.com.vn

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## Market highlights

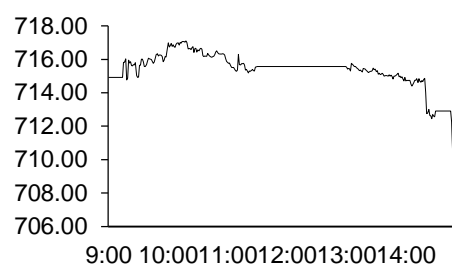
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A net sell was experienced on both HOSE and HNX with net sell value of VND 283.36 billion and VND 61.49 billion respectively. Shares that witnessed the highest selling amount from foreign investors were VCG, PVS, HHC and VND on HNX, KDC, ITA, HPG and STB on HOSE. A net buy of VND 11.04 billion was experienced on UpCOM. The cash inflow concentrated on QNS, ACV, VGT and HVN.

## Recommendations

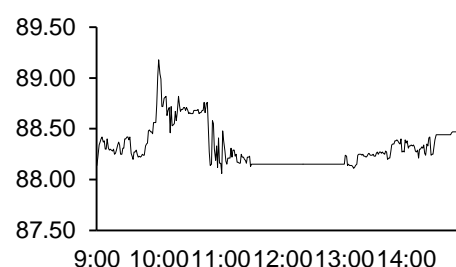
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Exhibit 1



Source: Bloomberg, BSC Research

Exhibit 2



Source: Bloomberg, BSC Research

Exhibit 3

### Top 5 volume leaders

Ticker	Volume	Price	% Chg
ITA	35.77	3.98	0.00
HQC	26.31	2.70	3.45
FLC	21.92	7.65	0.39
HAG	12.66	9.10	2.59
DXG	10.66	18.80	-4.08

Source: Bloomberg, BSC Research

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**Luong Thu Huong***Equity Analyst*huonglt@bsc.com.vn

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## Company update

### WSB-Saigon Beer Western Jsc(UPCOM)

In 2016, WSB produced and consumed 119 million liter of beer, production plan in 2017 is 100 million liter in accordance to the designed production output. If it is at maximum capacity, WSB can produce 130 million liter/year. Currently, the company has not yet planned any operations to improve its production capacity.

Change in Sabeco structure: Currently parent company holds the role of products buyers, trade coordinator, and collector of cash in Sai Gon Beer group. This change shows a positive signal to the whole Sai Gon Beer group, company will receive cash sooner (comparing to 1 week of cash receive after sale is made in the past, now it only takes one day).

Profit margin could increase slightly: Because the price of its core material – Malt – reduced. Malt WSB price was fixed for 2017 of VND 10,400/kg, a 5.45% reduction to 2016 price (VND 11,000/kg). Other material prices are also stable. Besides, the fixed rice price for Q/2017 (VND 7,150/kg) is also lower than the Q4/2016's level (VND 7,350/kg). Only considering a 5.45%/kg reduction in Malt price, BSC estimates SAB's COGS will drop by 1.11%.

Areas with more room to grow: In 2016, Sai Gon beer sale volume reached 1.58 million litre, with Song Tien, Song Hau regions contributed 600 thousand litre alone, 38% of total sale volume. Regarding the Song Hau region, sale volume increased 18%yoy, in which Lager canned beer recorded highest growth (more than 20%). However, 333 beer sale volume dropped. The consumption trends are moving towards light beer with small capacity per bottle and user friendly. In 2017, SAB expects to spend VND 127 billion for marketing at 8 Song Tien/Song Hau's provinces to maintain its market share (total marketing expenses of its whole system is approximately VND 1,800 billion).

### **Q1/2017 Business result update:**

*Consumption capacity of January 2017 is 10.8 million liter and capacity of February is 9.8 million liter. PAT of January is VND 14 billion and PAT of February is VND 10 billion. The total WSB's PAT of two month is VND 24 billion, which is higher than PAT of Q1/2016 (VND 23.86 billion). As of 17/03/2016, WSB is trading at the price of VND 58,500, PE trailing = 8.94x.*

## Stock recommendations

### Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	GMD	26/09/2016	26.3	36.3	38.0%	24.2	28.5
2	VIC	17/10/2016	43.0	43.8	1.9%	41.0	47.0
3	PVT	27/5/2016	12.3	13.0	5.7%	11.7	13.5
4	CSV	19/12/2016	26.8	29.4	9.7%	26.0	30.0
5	KBC	26/12/2016	13.6	14.5	7.0%	13.0	15.0
<b>Average</b>					<b>12.46%</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	14.5	5.1%	12.8	16.6
2	GMD	4/7/2015	26.6	36.3	36.5%	24.7	31.9
3	VCS	16/12/2016	130.0	156.0	20.0%	120.9	156.0
4	HPG	28/10/2016	40.8	41.3	1.2%	36.4	44.9
<b>Average</b>					<b>15.7%</b>		

Source: BSC Research

## Market statistics

### Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
BID	16.70	2.14	0.51	4.65MLN
CTG	18.05	1.12	0.32	696990.00
MSN	44.10	1.38	0.29	2.99MLN
TCH	17.70	5.99	0.16	1.82MLN
Ticker	Price	% Chg	Index pt	Volume
ROS	160.10	-6.97	-2.21	3.35MLN
SAB	208.00	-2.30	-1.34	14250
NVL	67.60	-6.89	-1.26	2.38MLN
GAS	55.00	-1.08	-0.49	562130
VIC	43.80	-0.45	-0.23	1.07MLN

### Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
VPH	13.90	6.92	0.02	1.03MLN
SFC	31.00	6.90	0.01	10
SRC	18.70	6.86	0.01	387970
RIC	9.06	6.84	0.01	3010
SSC	54.70	6.84	0.02	10

### 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

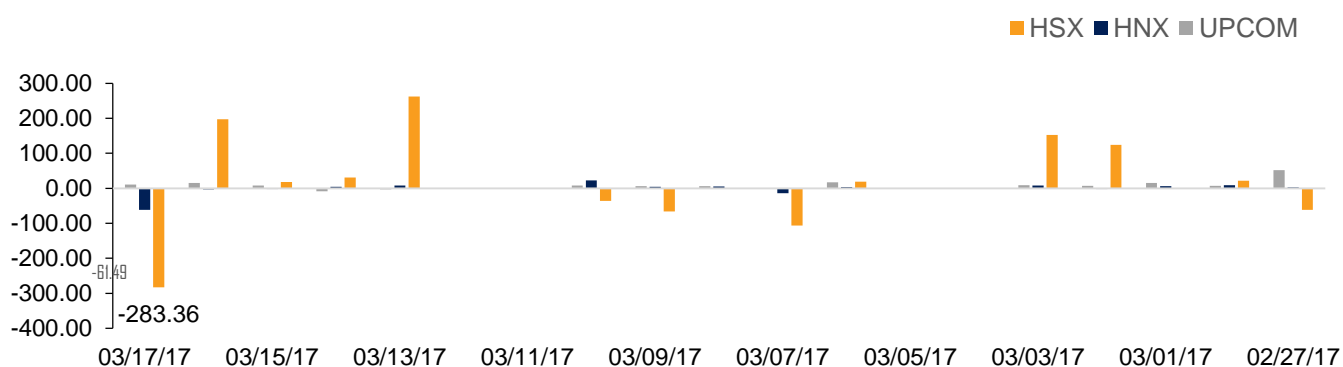
Ticker	Price	% Chg	Index pt	Volume
SIC	12.20	9.91	0.00	2500
TV3	54.40	9.90	0.02	200
PEN	9.00	9.76	0.02	2900
PVR	3.40	9.68	0.07	100
TFC	22.70	9.66	0.01	23900

### 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).*

**BSC Headquarters**

BIDV Tower, 10th &amp; 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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