

Tue, July 25, 2017

Vietnam Daily Review

Banking stocks return

BSC's Forecast on the stock market

	Negative	Neutral	Positive
Day 26/07/2017		•	
Week 24/7-28/7/2017		•	
Month 07/2017		•	

Highlights

At the opening of the session, the market moved below the resistance level of 760 points until the end of morning session. During the afternoon session, the market recovered and continuously broke through until the closing. The trading range of the market was very high as the gap between the peak and the bottom of VN-Index was 10 points. The stocks which support the market to rise were BID (+1.32 points), MBB (+0.85 points), PLX (+0.75 points), CTG (+0.63 points) and GAS (+0.58 points). In the opposite direction, the major losers were VIC (-0.17 points), VNM (-0.14 points), VCB (-0.06 points), CTD (-0.04 points), QCG (-0.02 points). Market cash flow was mainly allocated to Banking, Insurance, Petroleum and Securities. Leading stocks and Supportive stocks were also targeted as there were 23 gainers in VN30-Index. Market scale was very positive, contrasted with yesterday (191 advancers/96 decliners). However, the market liquidity was worse, hitting 5-month bottom when trading value reached only VND 2,585.8 billion. Sum up today session, VN-Index gained 7.5 points and closed at the peak of 767.27 points. The HNX was in a similar situation when the HNX- Index increased by 0.88 points, up to 97.81 points.

Market outlook

Although market liquidity had not really improved in general, the cash flow was showing positive signal when it continued to return to the bank stocks and leading stock groups. The market index gained well, during the session, there was a widespread effect to almost all market sectors. In the upcoming sessions, there is a necessity for an improvement of market liquidity to reinforce the market rebound trend, although the market index is facing the opportunity to return to the short-term resistance level of 770 points. Investors returned to the market in an observing position to be cautioned of the correction from the leading group stocks which can bring the market index back to lower support levels.

Company update

FPT – FPT JSC. (HOSE)

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 **767.27**

Value: 2585.83 bil **7.53 (0.99%)**

Foreigners (net): VND 1375.02 bil

HNX-INDEX **97.81**

Value: 473.61 bil **0.88 (0.91%)**

Foreigners (net): -VND 14.75 bil

UPCOM-INDEX **55.45**

Value 63.95 bil **-0.49 (-0.88%)**

Foreigners (net): -VND 65.71 bil

Macro indicators

	Value	% Chg
Crude oil	46.8	1.1%
Gold	1,252	-0.3%
USDVND	22,724	-0.1%
EURVND	26,508	-0.1%
JPYVND	20,386	-0.3%
1-month Interbank rate	2.0%	-
5yr VN Treasury Yield	4.6%	-

Source: Bloomberg, BSC Research

Content

Market highlights	2
Company update	3
Stock recommendations	4
Market statistics	5

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

Do Nam Tung

tungnd@bsc.com.vn

Market highlights

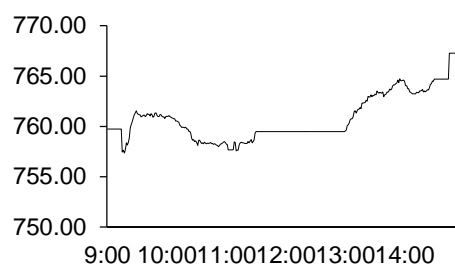
At the opening of the session, the market moved below the resistance level of 760 points until the end of morning session. During the afternoon session, the market recovered and continuously broke through until the closing. The trading range of the market was very high as the gap between the peak and the bottom of VN-Index was 10 points. The stocks which support the market to rise were BID (+1.32 points), MBB (+0.85 points), PLX (+0.75 points), CTG (+0.63 points) and GAS (+0.58 points). In the opposite direction, the major losers were VIC (-0.17 points), VNM (-0.14 points), VCB (-0.06 points), CTD (-0.04 points), QCG (-0.02 points). Market cash flow was mainly allocated to Banking, Insurance, Petroleum and Securities. Leading stocks and Supportive stocks were also targeted as there were 23 gainers in VN30-Index. Market scale was very positive, contrasted with yesterday (191 advancers/96 decliners). However, the market liquidity was worse, hitting 5-month bottom when trading value reached only VND 2,585.8 billion. Sum up today session, VN-Index gained 7.5 points and closed at the peak of 767.27 points. The HNX was in a similar situation when the HNX- Index increased by 0.88 points, up to 97.81 points.

Foreign investors were net buyers on the HSX with the value of VND 1,375.02 billion. They had a net sold on both HNX and UPCOM. On HOSE, they bought PGD (VND 1268 billion), VCI (VND 66.7 billion) and sold (VND 17.2 billion), HSG (VND 17.1 billion)

Market outlook

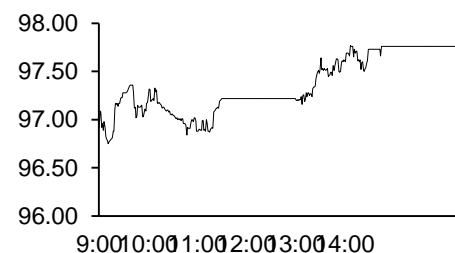
Although market liquidity had not really improved in general, the cash flow was showing positive signal when it continued to return to the bank stocks and leading stock groups. The market index gained well, during the session, there was a widespread effect to almost all market sectors. In the upcoming sessions, there is a necessity for an improvement of market liquidity to reinforce the market rebound trend, although the market index is facing the opportunity to return to the short-term resistance level of 770 points. Investors returned to the market in an observing position to be cautioned of the correction from the leading group stocks which can bring the market index back to lower support levels.

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
HAI	11.79	11.60	6.91
OGC	7.19	2.38	-5.56
HQC	5.87	3.30	0.92
HAR	5.46	11.00	3.29
DLG	5.09	4.35	3.82

Source: Bloomberg, BSC Research

Exhibit 4

Top Foreign trading stocks

Top mua	Giá trị	Top bán	Giá trị
PGD	1268.4	SSI	17.2
VCI	66.7	HSG	17.1
PLX	34.9	GTN	9.7
HPG	22.8	MSN	9.1
HPG	22.8	MSN	9.1

Source: Bloomberg, BSC Research

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

Company update

BMP- Binh Minh Plastic JSC (HOSE)

We maintain our recommendation to buy FPT with a target price of VND 54.342 per share in medium and long term. As of July 24, 2017, FPT was traded at VND46.500, PE FW = VND11.55x. FPT has announced 6M/2017 results with a PBT of VND20.136bn (+ 13% yoy), a PBT of VND1.427bn (+ 13% yoy), and EAT of VND925bn (+13% Yoy) belonging to the FPT parent company's shareholders and EPS 6M2017 = VND1.747 (+ 12% yoy). Generally for the first six months, FPT's business sectors saw impressive growth except for the distribution sector with a negative growth of -18% yoy.

Technology sector

6M2017 Revenue: VND 4.522 billion (+ 15% yoy) / 6M2017 Pre-tax profit: VND 453 billion (+27% yoy)

This EBT was contributed mainly by the Software Outsourcing segment (VND431 billion, + 24% yoy), and the pre-tax profit margin improved by 15.6% yoy (same period last year 14.8%). The system integration, software solution and IT services were more positive, with the EBT of 6M2017 reaching VND 22 billion (same period last year was only VND 9 billion), customers of this segment are mainly from the domestic market and some other countries like Bangladesh, Myanmar, Laos and Cambodia.

Telecommunication Sector:

6M2017 Revenue: VND 3,634 billion (+14% yoy)/ 6M2017 Pre-tax profit: VND 623 billion (+17% yoy)

Telecommunication service sector continued to grow up with 15% increase in revenue of broadband internet service and 11% growth rate in sales of other services (leasing line, voice, IPTV). EBT of telecommunication services reached VND 503 billion (+ 19% yoy) while that of online advertisement was VND 120 billion (+ 9% yoy).

Distribution & Retail Sector:

6M2017 Revenue: 11,531 billion VND (+11% yoy)/ 6M2017 Pre- tax profit: 291 billion VND (+4% yoy)

6M 2017 profit before tax of Distribution sector was VND 150 billion (-18% yoy). However, if compared to the second half of 2016, distribution activities have improved significantly thanks to price reduction which reduced inventory (starting from May to June 2016) and that in turn, resulted in a monthly average EBT in 2Q2016 of 17 billion in comparison with 24.94 billion of that in 2017. Retail sales continued to record a impressive growth of 44% yoy, up to VND 141 billion. FPT Retail currently has 432 stores up to the end of June 2017.

Stock recommendations

Short-term portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	HAG	19/6/2017	9.00	8.98	-0.2%	8.4	11.3
2	DGW	26/6/2017	15.50	15.50	0.0%	14.0	18.0
3	BVH	10/7/2017	58.50	57.20	-2.2%	56.0	62.0
4	HNG	17/7/2017	10.35	9.77	0.0%	9.0	14.0
Average					-0.6%		

Source: BSC Research

CANSLIM portfolio

No.	Ticker	Date	Buy price	Current price	Unrealized gain/ loss	Cutlosses	Target
1	MBB	27/4/2015	13.8	22.1	60.1%	12.8	16.6
2	HPG	28/10/2016	40.8	32.0	-21.6%	36.4	44.9
3	VCS	16/12/2016	130.0	151.1	16.2%	120.9	156.0
4	CSV	24/7/2017	33.1	35.5	7.3%	30.5	39.0
Average					15.5%		

Source: BSC Research

Market statistics

Top 5 leaders on the HSX

Ticker	Price	% Chg	Index pt	Volume
BID	20.50	5.67	1.54	4.85MLN
PLX	64.90	3.02	1.01	1.55MLN
MBB	22.10	6.76	0.98	3.57MLN
CTG	19.10	2.69	0.76	1.13MLN

Ticker	Price	% Chg	Index pt	Volume
VIC	42.00	-0.47	-0.22	193720
KDC	44.00	-3.72	-0.18	160610
PGD	50.80	-4.87	-0.10	4230
BIC	37.20	-4.12	-0.08	62660
CTD	196.00	-0.76	-0.05	95010

Top 5 gainers on the HSX

Ticker	Price	% Chg	Index pt	Volume
BMP	82.60	6.99	0.10	446840
PNC	9.64	6.99	0.00	10
CMX	4.46	6.95	0.00	43840
BBC	109.20	6.95	0.05	390
EMC	16.15	6.95	0.01	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

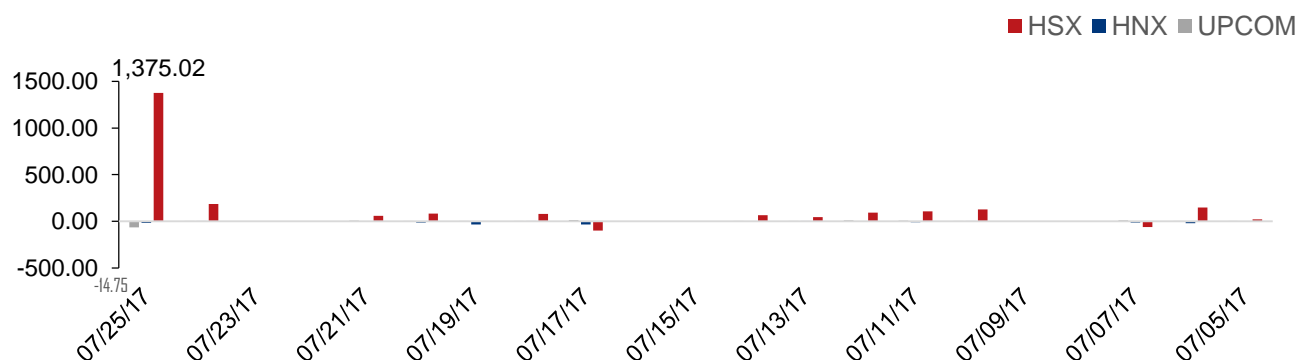
Ticker	Price	% Chg	Index pt	Volume
SIC	12.20	9.91	0.00	2500
TV3	54.40	9.90	0.02	200
PEN	9.00	9.76	0.02	2900
PVR	3.40	9.68	0.07	100
TFC	22.70	9.66	0.01	23900

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 & 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>

Bloomberg: BSCV <GO>

