

**STOCK EXCHANGE REVIEW**

	HOSE	HNX
Close	588.03	89.14
Change (%)	-0.89	-1.43
Volume	157,836,660	69,106,610
Value (billion VND)	2.621	13
Gainers	56	63
Losers	52	144
Unchanged	179	65
Put-thru (Volume)	2,306,560	1,058,770
Put-thru (Value)	40 bn	9,82 bn

HOSE Daily



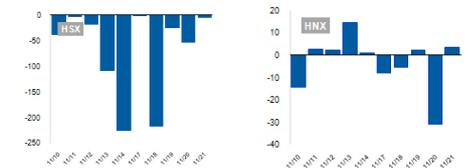
HNX Daily



Sector breakdown	
VNINDEX	% Price change 5 day
Oil & Gas	-4.18
Basic Materials	-0.59
Industrials	-0.65
Consumer Goods	-2.21
Health Care	-0.78
Consumer Services	-0.56
Telecommunications	-1.80
Utilities	0.25
Financials	-1.20
Technology	-1.80

Top active stocks		
HOSE	Volume (shr)	1 Week Return %
FLC	147.451.910	-2.3
VHG	39.449.590	-6.9
ITA	26.659.810	-2.2
OGC	25.649.090	-1.1
KBC	22.949.390	-3.5
HNX	Volume (shr)	Return %
KLF	11.212.998	-2.3
PVX	2.669.486	-1.2
SCR	1.774.077	-2.4
FIT	1.552.970	1.7
HUT	1.389.884	-3

Foreign Trading HSX (VND Billion)



Foreign Trading (VND Billion)

	HOSE	HNX
Buying	757	47
Selling	1.064	75
Net	-307	-28

Top 5 Net Inflow (million VND)

HOSE		HNX	
Ticker	Net	Ticker	Net
VCB	39.8	SHB	6.3
NBB	16.4	PVC	4.4
DLG	14.5	SHS	4.0
HSG	11.2	VND	2.5
STB	10.2	BVS	2.5

Top 5 Net Outflow (million VND)

HOSE		HNX	
Ticker	Net	Ticker	Net
KDC	-209	PVS	-47
MSN	-81	KLF	-3
VIC	-57	PLC	-3
GAS	-48	PVL	-1
DPM	-15	PVX	-1

Top 5 Gainers & Losers

HOSE			
Gainers	%	Losers	%
SBC	30.3	SRC	-10.1
TNC	29.1	HAI	-9.5
KAC	20.9	SFI	-7.9
CCI	20.8	DLG	-7.8
QBS	20.1	HAR	-7.8
HNX			
Gainers	%	Losers	%
PPE	42.4	KTS	-20.1
ITQ	36	BAM	-18.6
VTV	32.5	VIX	-14.7
L44	30.7	CX8	-11.5
DST	21.9	VDS	-11

Both indices declined with lower volumes as compared to that in the last week. The VN-index decreased 12.33, closing at 588.03 and the HNX-index decreased 1.6, closing at 89.14 at the end of the week.

The market was negatively impacted by circular No 36/2014/TT-NHNN. Investors were concerned about the decrease of available cash flows into the market after the State bank of Vietnam issued regulations in circular No 36/2014/TT-NHNN, limiting commercial banks to make loans for stocks investment. In detail, commercial banks with nonperforming loan rate over 3%, are not allowed to make loans for stocks investment. Commercial banks are not allowed to make loans for stocks investment over 5% their charter capital.

However, we think that the State bank of Vietnam would like to limit speculative cash flows into the market to create bubble. Besides, the State bank of Vietnam would like to urge commercial banks to settle their nonperforming loans.

In the week, net selling value by foreign investors was VND 307 billion on the HSX. Main tickers sold included KDC, MSN, VIC, GAS and DPM... In November, net selling value by foreign investors was VND 516.8 billion. Foreign investors have sold stocks strongly over the last few weeks thereby reinforcing the impact on the market.

From a technical view, the VN-index is on a down trend as failing to test the resistance at 605 (the MA100). The index crossed above the MA20 and approached the MA 200, equivalent to 588. In general, the index is on a down channel and is likely to test strong supports at the MA200 (588), the Fibonacci Retracement 50% (575), the MA300 (560) in coming sessions. However, we still positive in long term thanks to improvement in the economy. We recommend investors to buy tickers that have good business prospect such as HUT, SSI, KBC, L10, TNG, TCM, PET, DHC, CNG, PPC and REE...

## VN-INDEX

The VN-INDEX saw a second week of downturn in a row and has approached the MA200 and the strong resistance level of 588.

In the near term, VN-INDEX is expected to remain in the short-term downtrend and probably test the strong resistance at the MA200 (at 588), the 50% Fibonacci Retracement level (at 575), and the MA300 (at 560).

**MACD:** Continued to cross the signal line from above, heading toward a negative phase.

**Stoch Osc:** The %K line crossed the %D line from above, heading toward the oversold zone.

**MFI:** Continued to decrease to 40.5



Long term	Middle term	Short term	
Bull	Bull	Bull	
<b>Resistance 1</b>	<b>Resistance 2</b>	<b>Support 1</b>	<b>Support 2</b>
660	644.56	575	560

## HNX-INDEX

Last week, the HNX-INDEX declined after 3 weeks of increases. Currently, the index is testing the MA50 and MA20, strong resistance, at 89. In the near term, our technical indicators show that the downward adjustment is expected to continue.

**MACD:** Continued to cross the signal line from above, heading toward a negative phase.

**Stoch Osc:** The %K crossed the %D line from above, heading toward the oversold zone.

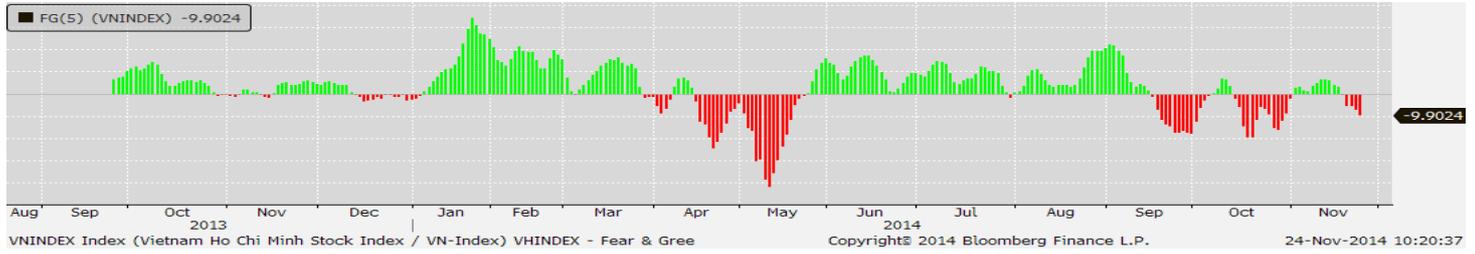
**MFI:** Continued to fall to 54.4



Long term	Middle term	Short term	
Bull	Bull	Sideway	
<b>Resistance 1</b>	<b>Resistance 2</b>	<b>Support 1</b>	<b>Support 2</b>
93.49	91.53	88.9	85.5

**MARKET INDICES & STATISTIC**

**HOSE Fear and Greed(F&G):**



*Comment:*

F&G is a momentum indicator based on Average True Range(daily high/low range, adjusted for gaps) to measure strength of supply and demand to realize Bull and Bear signals in a period of time.

F&G of VN-INDEX continued to decrease and turned from a positive phase to a negative one, coming far below the zero line, indicating that the downward trend is expected to continue in the coming time.

**HNX Fear and Greed:**



*Comment:*

Last week, the F&G of HNX-INDEX has shown signs of coming back to a downtrend by a decrease to below the zero line. Therefore, the index is expected to continue moving down in the near term.

**Hose Advance – Decline:**



*Comment:*

\_HOSE: A-D continued its downtrend and VN-INDEX showed strong moves, indicating the market is expected to continue decreasing.

\_HNX: A-D continued to decline in the recent sessions and HNX-INDEX saw a sharp fall, supporting the index's downtrend.

**HNX Advance – Decline:**



## STOCK HIGHLIGHT

### **TNG: TNG Investment and Trading (TNG – HNX)**

- We had a company visit trip to TNG on 19th November 2014. In the first 10 months of the year, the Company's revenue reached VND 1,147 billion with net income reaching VND 45 billion.
- In Quarter 4 2014, the Company plans revenue to reach VND 350 billion with net income reaching VND 75 billion. In 2014, revenue is estimated to account 96.7% its plan and net income is estimated to account 110% its plan. Estimated EPS is VND 3,700. The Company planned its business results in 2015. In which, estimated revenue is VND 1800 billion and estimated net income is VND 75 billion. The Company's representatives is optimistic with its business prospect thanks to contracts signed with strategic partners such as Decathlon, TCP... Besides, FTA and TPP agreements would be likely signed in coming years which facilitate the Company's business.
- In fact, we are concerned about the Company's financial position. Liabilities account high proportion rate in the Company's total asset. Short term debt is at high level meanwhile cash is at low level. The Company's liquidity and solvency are at dangerous condition. In coming time, the Company plans to issue shares to stockholders to restructure its financial position.

### **VHL: Viglacera Ha Long (VHL – HSX)**

- VHL announced its Q3 business results. Net revenue reached VND 368.8 billion, up 9.4% year-on-year with net profit reaching VND 24 billion, up 71% year-on-year. In 9 months of the year, net income reached VND 65.8 billion, up 94% year-on-year.
- VHL is a leading company in manufacturing tiles, roofing tiles and bricks. The Company's products are qualified and have a strong foothold in the market. The Company has established a distribution network throughout 64 provinces in Vietnam and exported its products to 24 countries around the world.
- In 2014, real estate market has showed some positive signs therefore demand for the Company's products has increased. Meanwhile, price of its main raw materials (coal, oil and electricity...) were maintained at a stable level which made cost of goods sold of the Company decrease slightly. Besides, interest expense and selling expense decreased significantly year-on-year that actively supported net income of the Company in 2014.
- We think that net income of the Company is likely to grow in 2015 when its products consumption is positive along with the recovery of the real estate market and a lower interest expenses. We forecast net income to reach VND 85 billion in 2014, equivalent to EPS of VND 5,300.

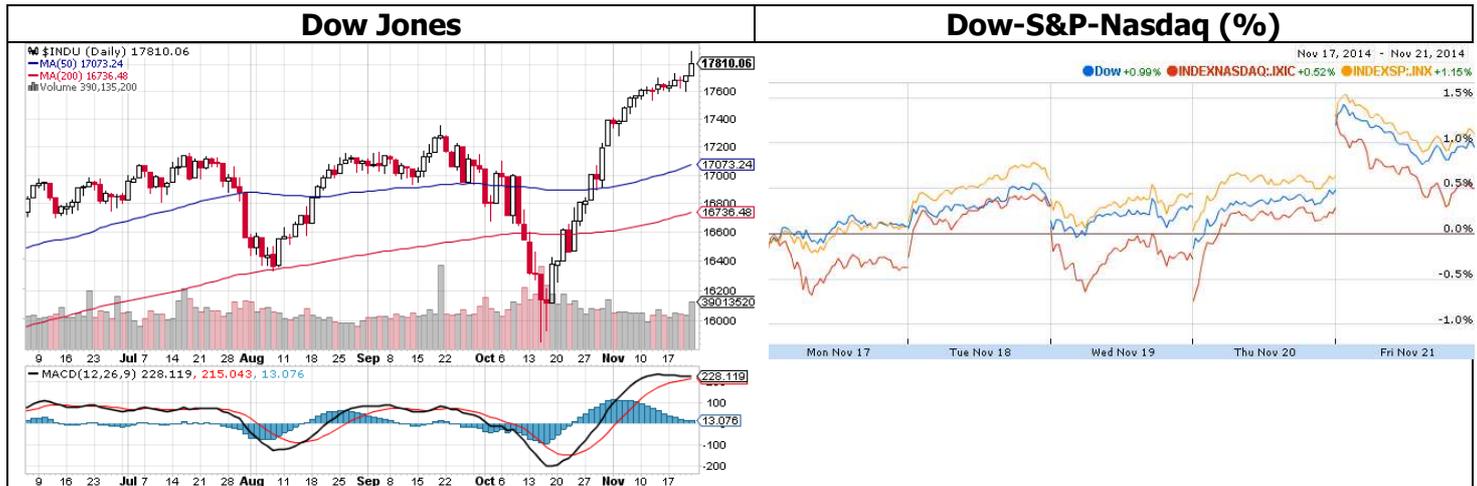
### **CSM: The Southern Rubber Industry (CSM-HSX)**

- CSM announced its Q3 business results. Net revenue reached VND 802 billion, down 0.4% year-on-year with net income reaching VND 78.3 billion, down 12% year-on-year. In the first 9 months of the year, net income reached VND 247.6 billion, down 4% year-on-year.
- Selling price of bias tire products decreased 7% year-on-year that caused the decline of CSM's revenue in 9 months of the year. Competitive pressure forced CSM to lower its selling price and increase the discount for distribution units. Therefore its profit margin fell despite natural rubber price decreased 22% year-on-year.
- CSM's radial tire plant was launched in Q3 2014. This made CSM's depreciation expense, interest expense and selling expense increase significantly thereby reducing its profitability. In the first 9 months of the year, interest expense reached VND 36.6 billion, up 22% year-on-year; selling expense reached VND 98.3 billion, up 28% year-on-year; depreciation expense reached VND 71 billion, up 50% year-on-year.
- The Company is expected to consume about 62,000 radial tires with an average selling price of VND 5.5 million per tire this year. We think that the expected consumption of this product is not high enough to create significant profit in Q4 2014.

### **GHC: Gia Lai Hydro power (DHC-HSX)**

- GHC announced its Q3 business results. Revenue reached VND 26.8 billion, down 0.4% year-on-year with net income reaching VND 9.3 billion, up 297% year-on-year. In the first 9 months of 2014, net income reached VND 38 billion, up 13% year-on-year. GHC owns two small hydropower plants in Gia Lai Province. H'Chan plant which has capacity of 12MW. H'Mun plant which has capacity of 16.2 MW. The average annual electricity production of GHC is around 130 million kWh.
- The Company's revenue is relatively stable thanks to the annual electricity price remains stable. The Company's revenue is often fluctuated around VND 130 billion.
- We appreciate the Company thanks to its stable earnings and cash flow from operating. The primary expenses of the Company are depreciation expense (approximately 20 billion per year) and interest expense. Interest expense has been declining in the last few years as the Company has paid its debt significantly. In 2014, the Company issued 10.5 million shares to stockholders thereby mobilizing capital to reduce debt significantly. We expect the Company will run out of debt in 2015. Thanks to high cash flow from operating, the Company always pays high dividends to shareholders. We expected dividend to reach VND 2500. We forecast net income to reach VND 70 billion in 2015,

**GLOBAL STOCK MARKET NEWS**



- Over the week, the US stock market went through its 4<sup>th</sup> uptrend week in a row, as the Dow Jones and the S&P500 both climbed to new peaks. Optimistic economic prospects for this year and the next are supported by positive news in reports on the US economy, coupled with actions from central banks in China and Europe toward global economy stimulation. At the end of the week, the Dow Jones edged up by 0.99% to 17,810.06, the Nasdaq advanced by 0.52% to 4,712.97, and the S&P was up by 1.15% to 2,063.5.
- According to the US Department of Labor, as of Nov 15<sup>th</sup>, number of unemployment insurance claims declined by 2,000 to 291,000, marking its 10<sup>th</sup> week of below-300,000 in a row. As of Nov 8<sup>th</sup>, number of insured unemployment dropped by 73,000 to 2.33 million, the lowest in nearly 14 years.
- In its preliminary report, Markit Economics cited the US PMI for November as the lowest in 10 months as output growth and new orders considerably declined. In particular, PMI slipped to 54.7 from October's 55.9.
- As of Nov 16<sup>th</sup>, the US consumer confidence index rose to its 6-year high. Besides, October's existing-home sales had soared to the highest in 1 year. Improvements in the labor market and strong economic upturn are supporting market's confidence and bolstering spending.
- The US Department of Labor reported that core inflation rate, excluding energy and food, edged up by 0.2% in October, following the previous month's 0.1% increase. This is the largest advance since May. However, if energy is included, October's CPI would be the same as last month's, due to constant energy price decreases in the last 4 months. Accordingly, in the 12 months up to October, core CPI was up by 1.8%, higher than September's growth rate of 1.7%, while CPI remained unchanged at 1.7%. As wage growth rate slowed and energy and goods prices slumped, inflation pressure tends to dwindle,

especially when the US dollar is seeing strong appreciation.

- People's Bank of China (PBOC) announced that the 1-year lending rate would be lowered by 40 basic points to 5.6%, and the 1-year deposit rate would be reduced by 25 basic points, effective from Nov 22<sup>nd</sup>. This is the first time in 2 years that PBOC decides to cut lending rate. The prolonged recess in the sectors of manufactures and real estates, which has driven consumer spending down, can be counted to explain this decision. The move is expected to stimulate economic growth as China is heading to its lowest growth in 25 years.
- China's November Manufacturing PMI, as reported by HSBC and Market Economics, sank to a 6-month low level of 50 from October's 50.4. Accordingly, the Manufacturing Output Index of output also fell to a 7-month low of 49.5, which is below the recess – growth level of 50. Manufactures has been stagnant in the recent months as inventories has been stacking up and demand was weak.
- In November, the Manufacturing and Services PMI in the Eurozone declined, raising concerns on the area's economic growth drivers. In particular, the Manufacturing PMI was 50.4 and the Services PMI was 51.3. These simultaneous decreases have pressured significantly on the European Central Bank (ECB) for more efforts to achieve economic rebound.

## VIETNAM STOCK MARKET NEWS

### Vietnam's macroeconomic highlights

- State Bank of Vietnam issued Circular 36/2014/TT-NHNN on adequacy ratios for the operations of credit institutions and foreign bank branches. Accordingly, commercial banks, and branches of foreign banks are allowed to grant credits by lending, and depreciating valuable papers for customers in order to invest in stocks only when their non-performing debt is below 3%. The maximum of total credit lending for stock investment is 5% of charter capital, allocated capital.
- Petrolimex reported that retail price for Ron 92 fuel was lowered by VND 1,140/litre since Nov 22<sup>nd</sup>, which is below the minimum decrease of VND 1,141/litre as required by the ministry. Particularly, the price cuts made per-litre price for RON 95 fuel fall to VND 20,850, RON 92, and E5, both VND 20,250. Petrolimex also reduced retail price for 0.05S diesel oil by VND 590 to VND 18,650, for petroleum by VND 450, and mazut oil by VND 530.
- As reported by Hochiminh City Statistics Office, November's CPI was 0.36% lower than last month's reading and 2.41% higher yoy. Comparing to that in Dec, 2013, CPI for HCMC in November inched up by 2.02%. Hence, after the sharp rise in September due to tuition fee increase, the city's CPI has declined for 2 months in a row.
- Hanoi Statistics Office reported that CPI fell back by 0.3% in November following the strong increase in September (driven by tuition fee) and another soft one in October.
- Vietnam Oil and Gas Group (Petro Vietnam) has registered to sell nearly 19 million PVT stocks to restructure its investments. At the moment, Petro Vietnam is holding 149.43 million PVT stocks, or 58.41% of outstanding shares. If the transaction goes through, Petro Vietnam's holding in PV Trans will fall back to 130,487,346 shares, or 51%. According to its Proposal for Restructuring, Petro Vietnam is expected to reduce its holding in PVT even further to at least 36%. Trading is expected to take place from Nov 24<sup>th</sup> to Dec 31<sup>st</sup>, 2014.
- **FPT**- In 10M 2014, FPT posted a revenue of VND 27,296 billion, a 22% yoy increase, completing 109% of accumulated target. Sales was driven mostly by Distribution, Retail, Exports of softwares and Telecommunication. Profit before tax came to VND 2,059 billion, up by 0.4% yoy, 96% of target met. Profit after tax was VND 1,745 billion, 3% higher yoy. Profit after tax for shareholder of the parent company edged up by 6% yoy to VND 1,345 billion. Basic EPS was VND 3,911, a 6% yoy increase.
- **TCM**- The company announced its 2015 target profit after tax of more than VND 170 billion. In its consolidated financial statements for Q3, in 9M2014, TCM recorded VND 129.57 billion of profit after tax. Therefore, based on estimates of 2014 business performance, Q4 2014 will see VND 603.7 billion of revenue and VND 35.63 billion of profit after tax. As mentioned previously by the Board of Management, in Q4, the company will bring into operation the phase 1 of a sewing factory of 26 lines with production of 10 million products/year. For 2015 targets include revenue of VND 2,780.8 billion (9% growth), profit after tax of VND 170.3 billion (4% growth).
- **SJS**- SJS has made publically available its 9M 2014 financial statements. Accordingly, Sudico posted VND 84.7 billion of revenue, a 61% yoy decrease, completing 9% of the year's target. Profit before tax was over VND 26 billion, meeting 20% of 2014 target. Shareholders profit after tax of the parent company came to more than VND 27.5 billion, 19% lower. EPS posted VND 343. As of Sep 30<sup>th</sup>, total assets showed VND 5,724 billion, mostly made up by inventories of VND 4,729.5 billion. Total liabilities recorded VND 4,072 billion, or 71% of total assets, including VND 1,576 billion of short-term debts and VND 517 billion of long-term debts. Retained profit after tax was VND -292 billion.

### Latest stock news

- From Nov 17<sup>th</sup> to 21<sup>st</sup>, foreign investors net sold 2.74 million stocks, or VND 307 billion on the HSX. They remained net seller throughout the week, especially on Nov 18<sup>th</sup>, when net selling amounted VND 218 billion. Large-cap stocks were sold the most; KDC saw the largest net selling position, followed by MSN, VIC, GAS, DPM...
- From Nov 28<sup>th</sup>, HSC will cut its margin policy for KLF, FLC, and FIT. The current margin ratio of these 3 are 40%, but will be reduced to 30%. Previously, since Nov 13<sup>th</sup>, SSI also lowered its margin policy for KLF from 50% to 20%, for FLC from 50% to 30%, and for FIT from 40% to 30%. Overall, the 2 largest brokerage houses by market share both have tightened their margin policy for these 3 stocks.

**BUY SIGNAL FROM TECHNICAL**

No	Ticker	Name	Price	EPS	PE	Bookvalue	VOL 20
1	APC	An Phu Irradiation	18.5	1,958	9.45	14,345	91,430
2	BIC	BIDV Insurance	14.2	1,380	10.29	12,413	130,064
3	CVN	Vinam Group	3.9	(4,478)	(0.87)	7,533	128,360
4	GDT	Duc Thanh Wood	36.8	4,806	7.66	19,570	11,774
5	SBC	Saigon Beer Transportation	22.8	(6,227)	(3.66)	11,261	40,678
6	L10	Lilama 10	16.3	3,169	5.14	20,554	12,449
7	L44	LILAMA 45.4	7.7	229	33.60	14,714	26,070
8	NAG	NAGAKAWA	8.4	263	32.00	9,585	361,375
9	TNC	Thong Nhat Rubber	15.1	765	19.73	15,387	77,482
10	PPE	PVPower Engineering	9.7	401	24.17	7,707	69,615
11	VAT	Van Xuan Telecom	8.3	2,138	3.88	12,985	10,195
12	VTV	Cement Materials and Transport	24.5	1,828	13.40	24,789	46,905

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