

APRIL

27

FRIDAY

ADVISORY DIARY

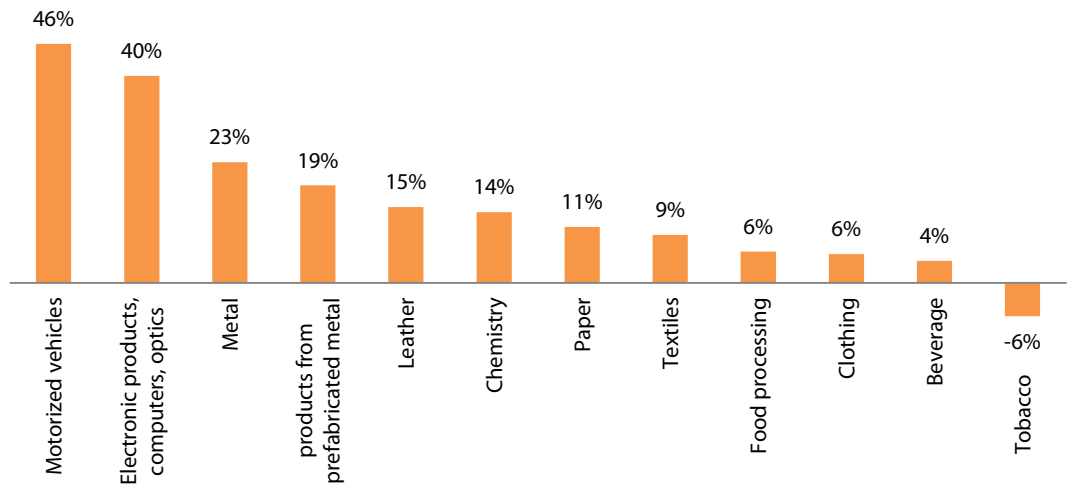
- **Market report April-2015 – continue with bright brushstrokes**
- **The effect before holidays**

Market report April-2015 – continue with bright brushstrokes

General statistics office recently published the report on socio-economic in April 2015. With the general perspective, macroeconomic indicators such as industrial production, retail and consumption... have continued to steadily improve along with the momentum from first quarter of 2015.

With the estimation from first 4 months of 2015, the index of industrial production increased by 9.5% y.o.y with notable segments such as mining (+6.7% y.o.y), processing & manufacturing (+10.1% y.o.y), electricity distribution (+10.6% y.o.y) and water supply % sewage treatment (+6.4%). Secondary industries also had significant growth especially motorized vehicle production, textiles, leather, papermaking... It could be seen that the industries we have forecasted with strong growth in 2015 have dramatically surge over the last few months. In addition, inventory index has also improved with the growth of 11.3% y.o.y, lower than 13.9% of 2014. Such issue indicated a recovery of the economy and reasons could come from the increase in the demand of production and consumption after Tet holiday and right before 30/4 – 1/5. Along with the growth of production, improvement of macro economy could be observed through the consumption index of processing and manufacturing industry with +35.6% comparing to last month and +12,35% y.o.y. Specifically, motorized vehicle production, electronic products and mining are the segments with highest surge of improvement.

Figure: Consumption growth rate in several industries in April (%)

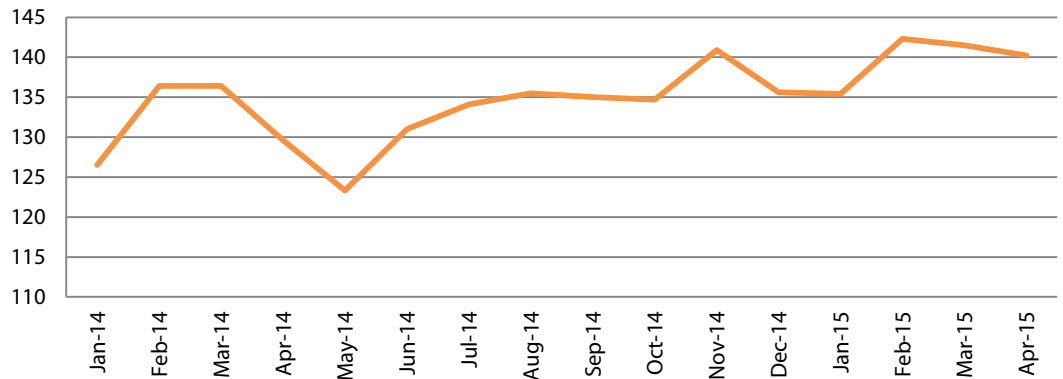


Sources: RongViet research, GSO

“The effect before holidays”

In term of retail and consumer goods & services, total retail sales and goods & services in first 4 months of 2015 increased by 8.8% y.o.y after excluding price increasing factor of 8%. ANZ-Roy Morgan recently published consumer confidence index (CCI) of Vietnam markets with a slight decrease (-1%) comparing the previous month. However, considering all first 4 months of 2015, CCI average was 139.9, up by 5.8% y.o.y. Furthermore, April-2015 has the highest increase of 8.18% y.o.y since Jan-2015. From assessment of our macroeconomic analysts, increase in CCI explained the recovery of retail market in 2015. In addition, the rise of consumption could due to the recovery of macro economy factors with low oil and commodities’ prices.

Figure: Consumer Confidence Index from 2014 to now



Sources: RongViet Research, ANZ-Roy Morgan

However, in term of import & export, trade deficit is still happening with April export was estimated at 13.8 bil USD and import was at 14.4 bil USD. Overall, over the last 4 months, trade deficit reached approximately 3bil USD. The reason lies on the low level of crude oil prices which reduces value of oil exports. However, FDI reached the opposite results with the increase of trade surplus of approximately 464 mil USD y.o.y. According to our analysts, export growth concentrated on several group of products such as automobiles, rice and seafood. We assess that the trade deficit could continue to occur while the oil price is being stabilized at 55 USD/barrel (WTI) and 65USD/barrel (Brent).

The effect before holidays

Stock market today (27/4/2015) experienced a negative decline of liquidity with total trading volume of 95.43 million units, equivalent to 1,475.36 billion dong in value. Furthermore, if we exclude put through trading, especially 244 billion dong of VIC, trading value today will be dramatically lower with only 1,100 billion dong. It is easy to see the gloomy atmosphere from today trading session under holidays’ effect on investors with slow cash flow. VNIndex fell 3.37 points (-0.6%) to 562.4 and HNXIndex increased by 0.16 points (+0.2%) to 82.75. The notable highlight from today market was from Ocean Group JSC (OGC), ending today trading session with price floor – 4,000 VND maintaining throughout all session with no buy order. The reasons could be from the acquisition between OceanBank and State bank of Vietnam with the price of 0 VND (OGC hold 800 billion dong of OCB). Even though the final deal has not been reached, investors seem to already make their own decision with 10.4 million units oversold. In this period of time over the last few years, we usually gave out a metaphor that “sell in May and go away”. However, under selling pressure from previous periods and circumstance of deep decline from the market, whether this statement could be true?

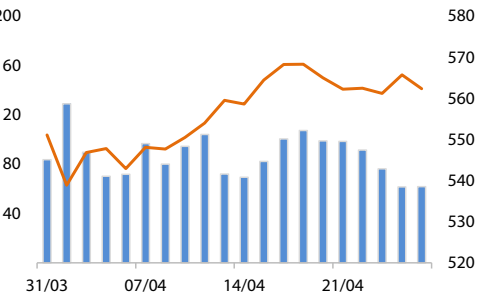
Today (27/4), our analysts attended Masan Group Corporation’s annual general meeting (MSN – HOSE). In 2015, the company plans to achieve 2 billion USD in revenue from 3 main segments (1) animal feed (2)Nui Phao quarry, 200 – 250 million USD, (3) consumer good industry, beer, 700 – 800 million USD. We realize that the most important part of this plan is to contribute 50% of total sales in 2015 (1 billion USD) from animal feed segment. Our industry analysts assess that the expansion of animal feed segment in 2015 is one of the stepping stones for MSN to approach animal protein market in Vietnam with the potential of 16 billion USD. At the end of last year, the Company also acquired Saigon Nutrifood .Therefore, the closed production chain from animal feed to processing products are gradually implemented by MSN. At today AGM, even though the Company refused to disclose detail information on first quarter of 2015, according to our preliminary estimates, revenue and profit after tax could increase by 30% and 15% respectively. As a result, first quarter of 2015’s revenue could reach 3,529.5 billion dong along with 26.33 billion dong of profit after tax.

Kien Nguyen

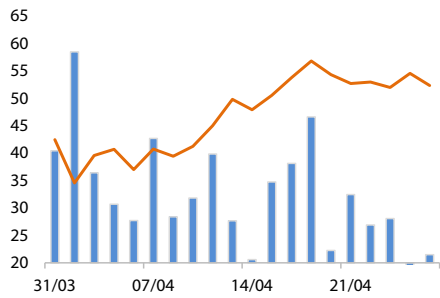
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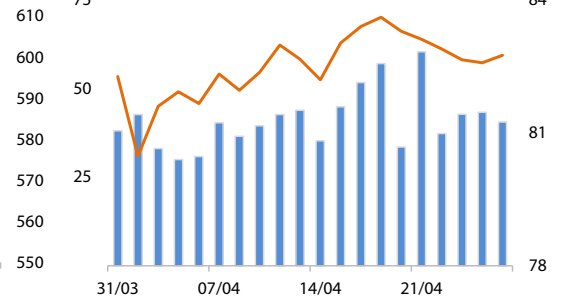
VNINDEX -0.60% 562.40



VN30 -0.49% 593.15

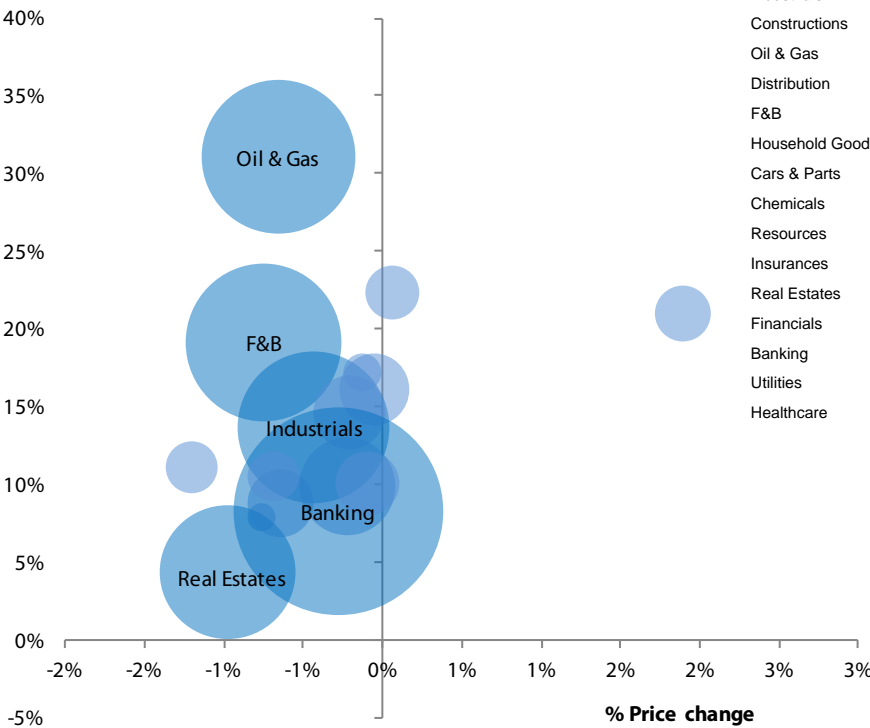


HNXINDEX 0.21% 82.75



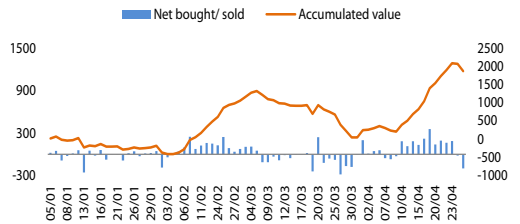
Industry Movement

Industry ROE

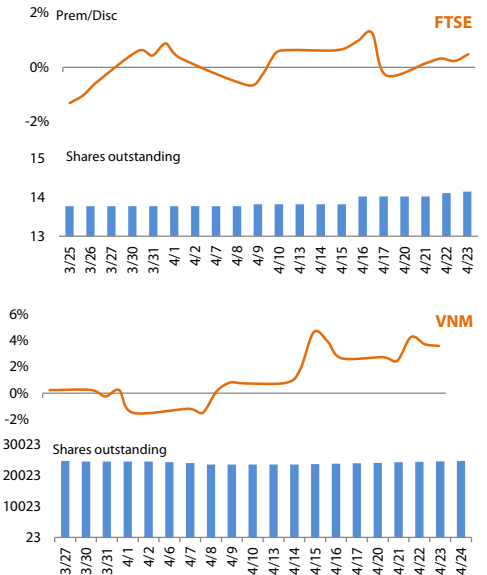


Industry	% change
Technologies	1.9%
Industrials	-0.4%
Constructions	-0.2%
Oil & Gas	-0.7%
Distribution	-0.8%
F&B	-0.7%
Household Goods	-1.2%
Cars & Parts	-0.1%
Chemicals	0.0%
Resources	0.1%
Insurances	-0.2%
Real Estates	-1.0%
Financials	-0.6%
Banking	-0.3%
Utilities	-0.1%
Healthcare	-0.7%

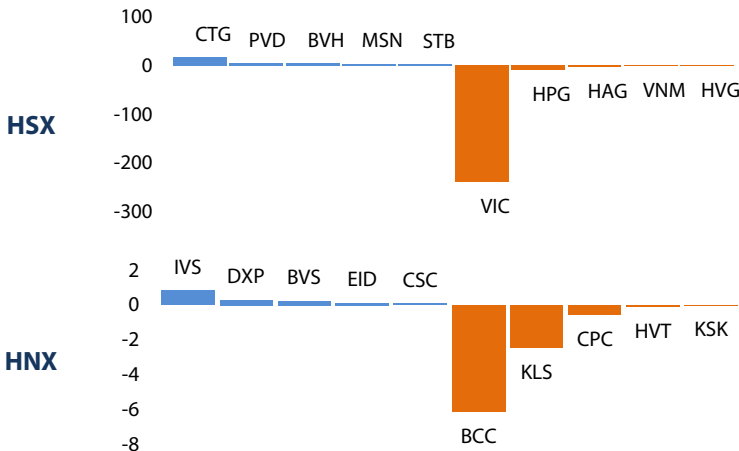
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



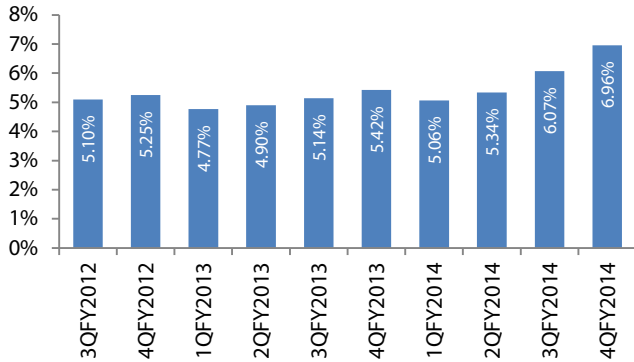
Top Active

Ticker	Price	Volume	% price change
FLC	9.9	6.90	-2.0%
OGC	7.0	3.80	-4.1%
ITA	7.6	3.70	-1.3%
PVT	14.2	3.50	-4.7%
HTI	10.3	3.20	6.2%

Ticker	Price	Volume	% price change
PVX	4.50	4.70	-8.2%
KLF	10.50	4.50	-2.8%
SCR	9.10	3.30	-4.2%
SHB	8.20	2.10	-2.4%
PVS	26.10	1.90	-3.0%

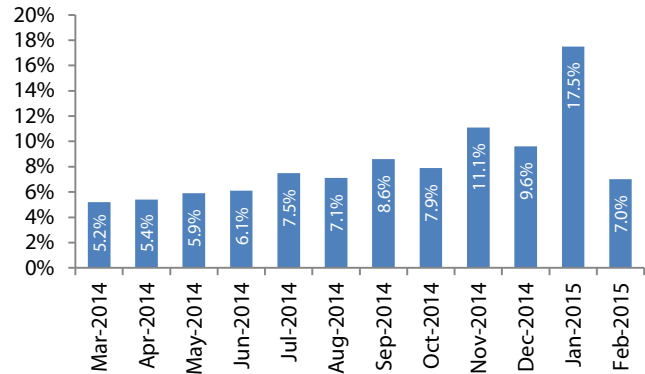
MACRO WATCH

Graph 1: GDP Growth



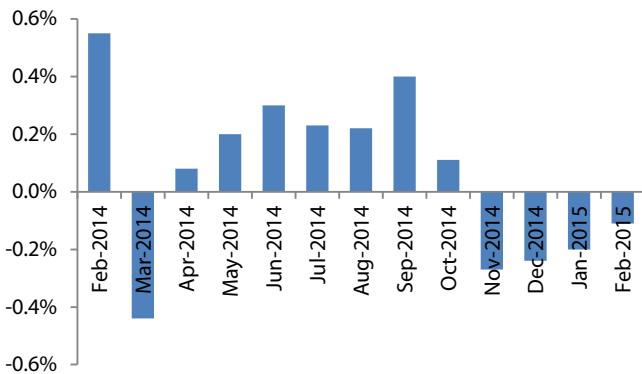
Sources: GSO. Rongviet Securities database
(* Comparison price in 1994)

Graph 2: IIP



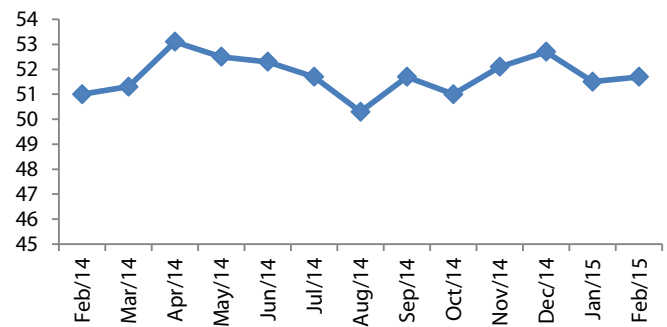
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



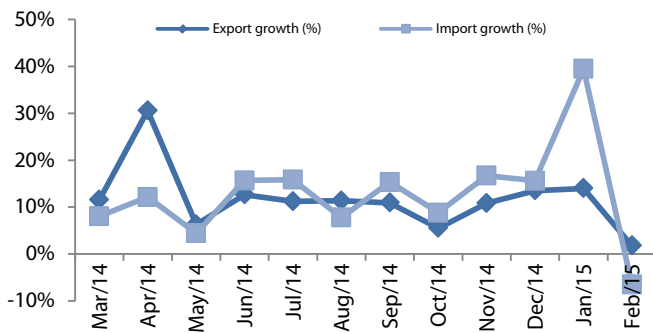
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



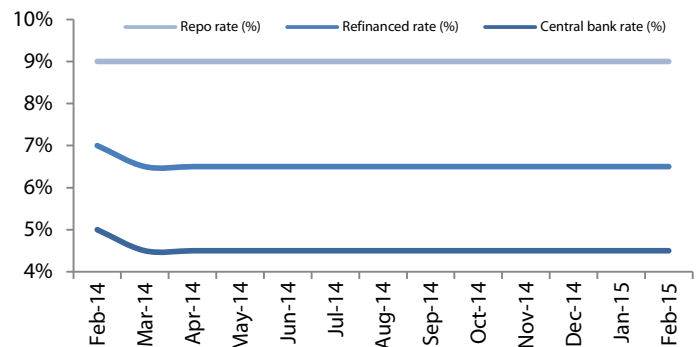
Sources: GSO. Rongviet Securities database

Graph 5: Trade Growth



Sources: GSO. Rongviet Securities database

Graph 6: Interest



Sources: SBV. Rongviet Securities database

RONG VIET NEWS

COMPANY REPORTS	Issued Date	Recommend	Target Price
PLC - A firm foothold	April 14 th , 2015	Accumulate – Intermediate term	40,000
BT6 - Restructuring scheme to bring a brighter prospect	Jan 27 th , 2015	Monitor	
PAC- Opportunities along with challenges	Jan 14 th , 2015	Accumulate – Intermediate term	27,500
HMH - Positive outlook from various supporting factors	Jan 06 th , 2015	Accumulate – Long term	33,800
DPM - Tail wind from crude oil	Dec 26 th , 2014	Buy – Intermediate term	36,100

Please find more information at <http://vdsc.com.vn/tabid/149/language/vi-VN/default.aspx>

FUND CERTIFICATION INFORMATION

Fund name	Trading Day	Subscription Fee (% of trading value)	Redemption Fee (% of trading value)	NAV per unit at valuation date	NAV per unit last valuation date	Change in NAV
VFF	07/04/2015	0%-0.75%	0%-2.5%	11,783	11,757	0.22%
VEOF	07/04/2015	0%-0.75%	0%-2.5%	9,405	9,357	0.51%
VF1	16/04/2015	0.2% - 1%	0.5%-1.5%	21,202	20,973	1.09%
VF4	15/04/2015	0.2% - 1%	0%-1.5%	9,097	9,006	1.01 %
VFA	10/04/2015	0.2% - 1%	0%-1.5%	7,124	7,087	0.53%
VFB	10/04/2015	0.3% - 0.6%	0%-1%	12,152	12,152	0.01%
ENF	10/04/2015	0% - 3%	0%	10,798	10,633	1.55%
MBVF	09/04/2015	1%	0%-1%	10,267	10,854	-5.41%
MBBF	08/04/2015	0%-0.5%	0%-1%	12,083	12,072	0.09%

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