

DECEMBER

ADVISORY DIARY

04

THURSDAY

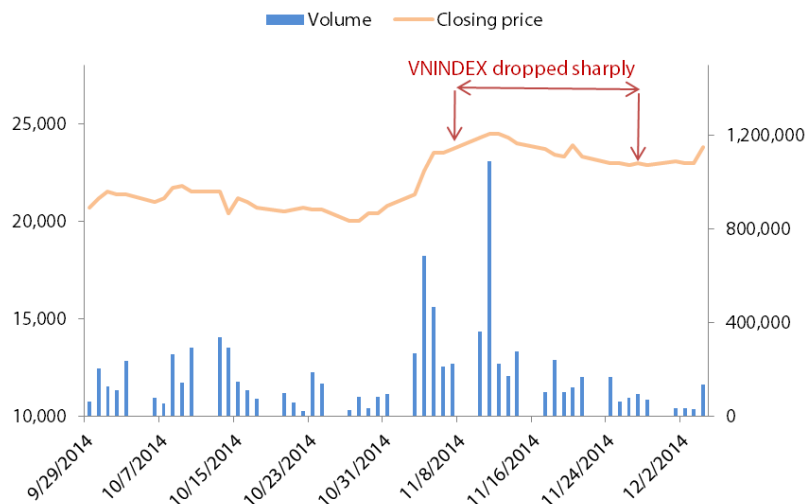
- **DHC and recent new information**
- **The investors' sentiment still not stable**

DHC and recent new information

Since we published DHC's report until recently, DHC's stock shows a positive sign in price even within the background that VN Index decreased 5.7% in last month.

As mentioned in previous report of RongViet Research, we highly appreciate the effort to improve the financial statement of the company in the last two years even though there is still some concerns. Firstly, DHC have not yet pushing the packaging production even though this section contributes higher gross profit than the paper input. Secondly, reboot Lee Man paper manufactory at Hau Giang would divide the market share of DHC at Mekong Delta. In the most recent exchange information with DHC, our concerns slowly get to be removed.

Figure: The price and trading volume of DHC



Source: RongViet Research

“The investors’ sentiment still not stable”

According to DHC, even though the carton box production contribute high gross profit margin but the company still concentrates on the core product which is Kraft paper during the recent restructuring phase . Until now, Kraft’s production line works stably and produces nearly 41 thousand tons (82% capacity) therefore the firm start pushing the section of printing packaging. During November, the volume of packaging product is estimated nearly 1.7 million barrels, increase 13% compared to the previous months. Moreover, DHC said that they would select the new printing investment option at Can Tho where concentrate group of potential customers for the firm

Previously, Lee&Man paper manufactory at Hau Giang with capacity 200 thousands paper per year is considered the main potential competitor against DHC at Mekong Delta. However, according to DHC research, Lee Man paper manufactory would not produce Kraft-paper –the primary activity of DHC but instead they would produce White top which is used as outer layer of carton boxes. This type of paper is currently imported by DHC in order to serve for their packaging manufactory. Therefore, if Lee Man starts to operate, the firm will have additional supplier of White top paper and this would shift Lee Man’s paper manufactory from competitor position to support position

for the development of the firm.

Even though the closing price today is VND 23,800 lower than our target price VND 25,200 , but with dividend 20% expected to be agreed by the extraordinary shareholders meeting, DHC could be considered as a stock to HOLD and wait for more positive movement of business activity of the firm.

The investors' sentiment still not stable

At the end of today's trading session, in spite of a decrease in liquidity by 3.14%, both bourses slightly increased by 3.5 points on HSX and 1.14 points on HNX. Noticeably, Banking stocks attracted most attentions; as a result, almost stocks in this industry closed in green. As statistic, foreign investors showed differentiated views on this group that resulted in their trading activity. For instance, EIB was net bought in spite of the second straight days of gains with volumes of 3 million shares. In contrast, foreigners intensified in SHB with the outstanding volumes of more than 10 million units

We believe that the rising momentum in Banking stocks was proceeded from a petition of postponing the Circular No.36. Particularly, at Vietnam Business Forum, banks required for a gap in order to prepare for solvency.

In contrast to Banking stocks, Oil&Gas shares extended its losses. Excluding GAS that remained unchanged, a variety of Oil & Gas such as PVD, PVS, PXS, PVE were sunk in red. Selling pressure was overwhelming as compared to the prior weeks. However, we did not recognize any incipient signal for a return as it happened before.

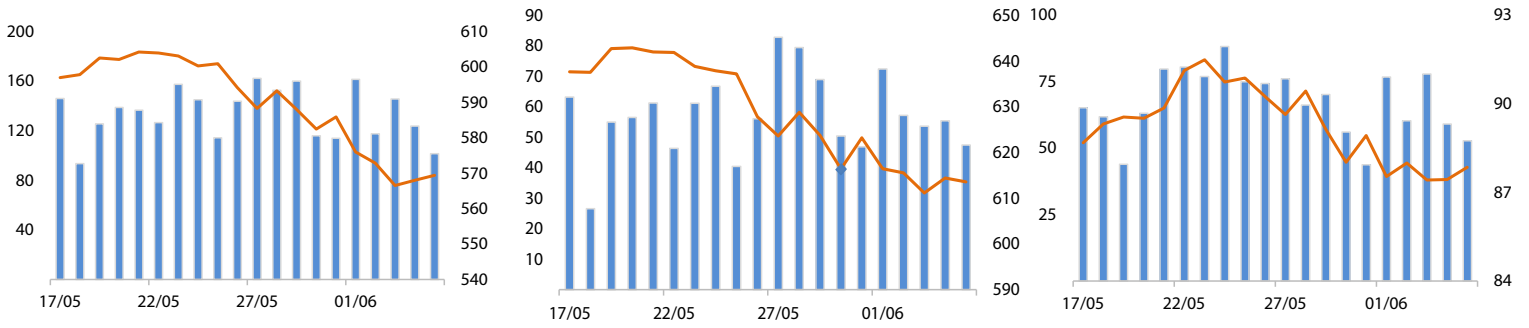
FTSE ETF is going to announce the result of portfolio review tomorrow. As mentioned in the latest advisory diary, we expect that SSI would be added to FTSE ETF's portfolio; in contrast, STB, DRC and VSH are likely to be eliminated. As our observation, the price movement in these stocks seems to be unchanged prior to the announcement of FTSE ETF's review.

Trien Le

+ 84 8 6299 2006 | Ext: 339

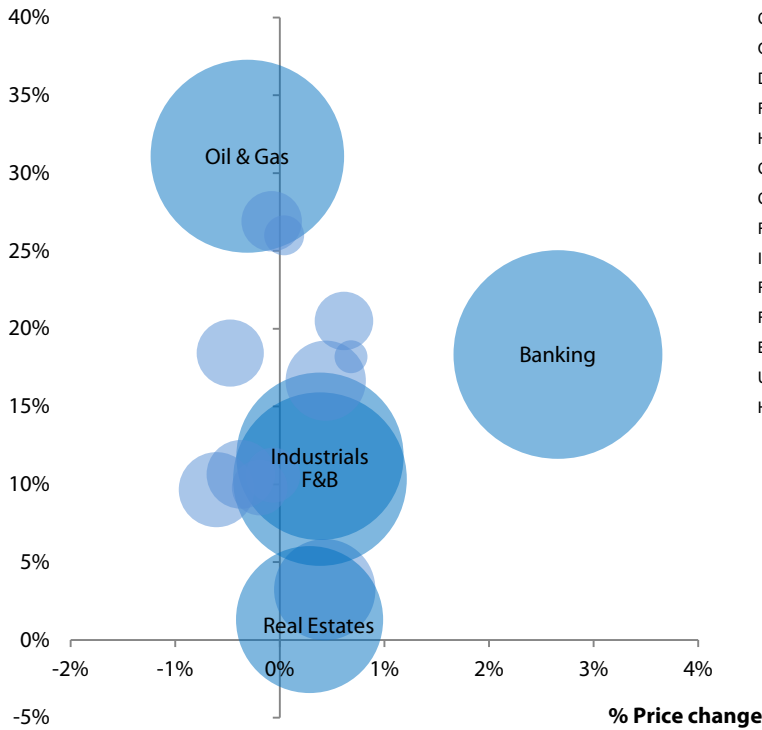
trien.lh@vdsc.com.vn

VNINDEX 0.61% **578.38** **VN30** 0.81% **624.31** **HNXINDEX** 0.20% **88.75**



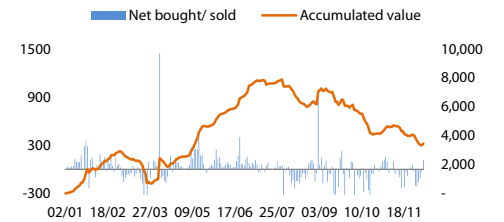
Industry Movement

Industry ROE

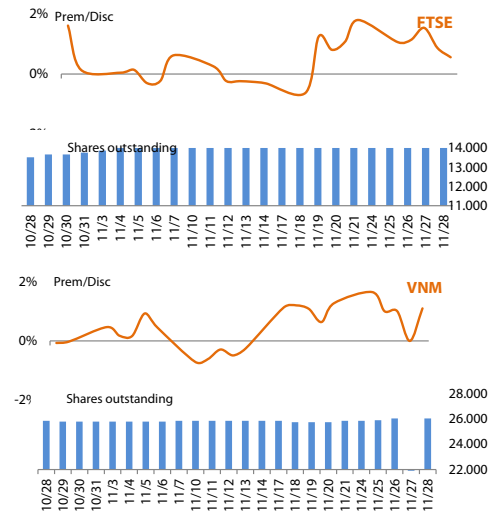


Industry	% change
Technologies	0.6%
Industrials	0.4%
Constructions	0.4%
Oil & Gas	-0.3%
Distribution	0.7%
F&B	0.4%
Household Goods	-0.2%
Cars & Parts	0.0%
Chemicals	-0.5%
Resources	-0.1%
Insurances	0.4%
Real Estates	0.3%
Financials	-0.6%
Banking	2.7%
Utilities	-0.4%
Healthcare	-0.1%

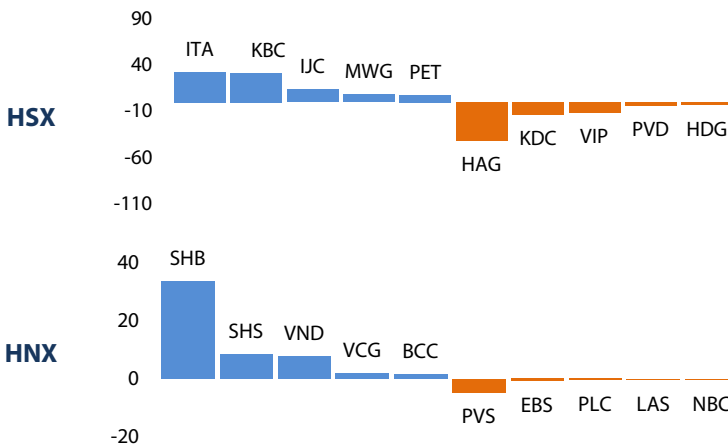
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



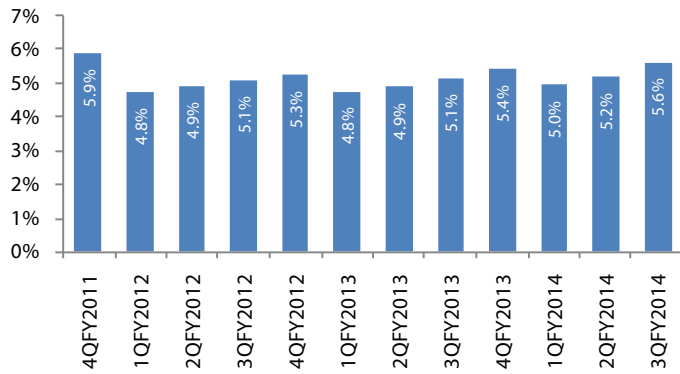
Top Active

Ticker	Price	Volume	% price change
FLC	11.5	11.35	0.0%
ITA	8.9	9.76	1.1%
VIP	18.0	4.90	6.5%
KBC	16.7	4.58	1.8%
VHG	14.2	3.55	0.7%

Ticker	Price	Volume	% price change
SHB	9.1	10.37	4.6%
KLF	13.2	5.67	0.8%
SCR	10.5	3.32	-1.9%
SHS	12.2	2.34	-0.8%
PVS	33.7	2.10	-2.6%

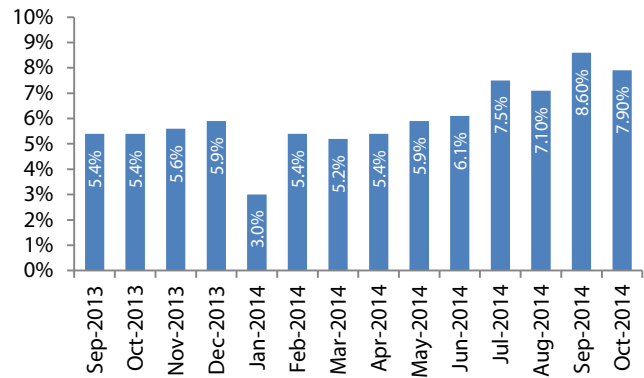
MACRO WATCH

Graph 1: GDP Growth



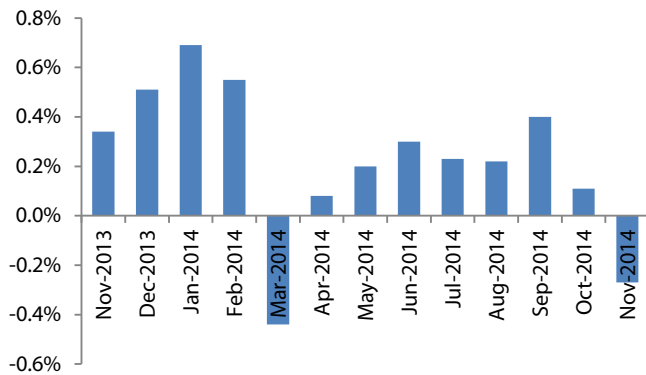
Sources: GSO. Rongviet Securities database
(*) Comparision price in 1994

Graph 2: IIP



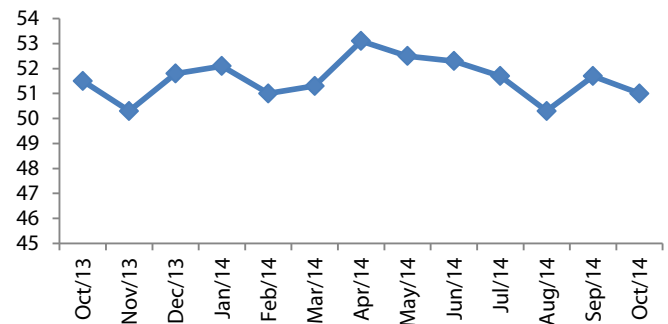
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



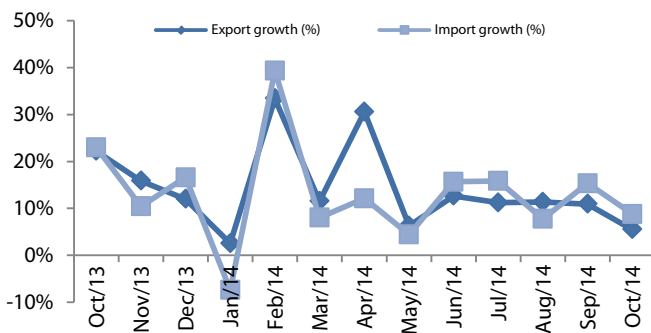
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



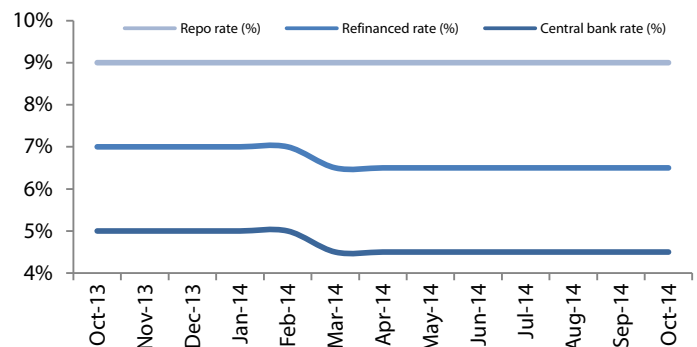
Sources: GSO. Rongviet Securities database

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
GDT - Still being on upward trend	Nov 27 th ,2014	Accumulate – Long term	41,300
PGS - 2015: A year of challenge	Nov 24 th ,2014	Neutral - Long term	37,800
NBB - A turning point with City Gate Towers	Nov 14 th ,2014	Buy - Long term	26,800
CMI-Project restarts spark new hopes	Nov 13 th , 2014	Monitor	
CNG - Potential growth from building materials industry's well-being	Nov 10 th , 2014	Accumulate – Long term	46,000

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	25/11/2014	0-0.75%	0-2.5%	11,766	11,765	0.01%
VEOF	25/11/2014	0-0.75%	0-2.5%	10,091	10,223	-1.29%
VF1	01/12/2014	0.20% - 1.00%	0.50%-1.50%	21,610	21,999	-1.77%
VF4	26/11/2014	0.20% - 1.00%	0.00%-1.50%	9,906	10,131	2.22%
VFA	28/11/2014	0.20% - 1.00%	0.00%-1.50%	7,429	7,522	-1.24%
VFB	28/11/2014	0.30% - 0.60%	0.00%-1.00%	11,823	11,961	-1.15%
ENF	21/11/2014	0.00% - 3.00%		10,943	11,064	-1.09%
MBVF	20/11/2014	1%	0%-1%	11,075	11,096	-0.19%
MBBF	19/11/2014	0-0.5%	0-1%	11,752	11,742	0.09%

ANALYSTS
Truc Doan – Head of Research

+ 84 8 6299 2006 | Ext: 314

truc.dtt@vdsc.com.vn

Ngoc Chung

+ 84 8 6299 2006 | Ext: 318

ngoc.cb@vdsc.com.vn

Lam Nguyen

+ 84 8 6299 2006 | Ext: 318

lam.ntp@vdsc.com.vn

Ha My Tran

+ 84 8 6299 2006 | Ext: 348

my.tth@vdsc.com.vn

Tai Nguyen

+ 84 8 6299 2006 | Ext: 315

tai.ntp@vdsc.com.vn

Diem My Tran

+ 84 8 6299 2006 | Ext: 344

my.ttd@vdsc.com.vn

Trien Le

+ 84 8 6299 2006 | Ext: 339

trien.lh@vdsc.com.vn

Tam Bui

+ 84 8 6299 2006 | Ext: 348

tam.bt@vdsc.com.vn

Huong Pham

+ 84 8 6299 2006 | Ext: 317

huong.pt@vdsc.com.vn

HỘI SỞ TẠI TP.HCM

Tầng 1-2-3-4, tòa nhà Viet Dragon
141 Nguyễn Du, P.Bến Thành, Q.1, TP.HCM

- T** +84 8 6299 2006
- F** +84 8 6291 7986
- E** info@vdsc.com.vn
- W** www.vdsc.com.vn

CHI NHÁNH HÀ NỘI

2C Thái Phiên, Q.Hai Bà Trưng, Hà Nội

- T** +84 4 6288 2006
- F** +84 4 6288 2008
- E** info@vdsc.com.vn
- W** www.vdsc.com.vn

CHI NHÁNH NHA TRANG

50 Bis Yersin, TP.Nha Trang, Khánh Hòa

- T** +84 058 3820 006
- F** +84 058 3820 008
- E** info@vdsc.com.vn
- W** www.vdsc.com.vn

CHI NHÁNH CẦN THƠ

08 Phan Đình Phùng, Q.Ninh Kiều, TP.Cần Thơ

- T** +84 0710 381 7578
- F** +84 0710 381 7789
- E** info@vdsc.com.vn
- W** www.vdsc.com.vn



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