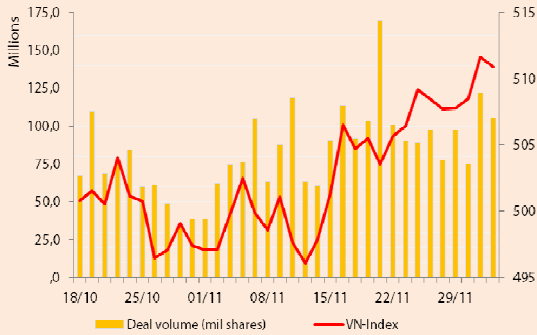
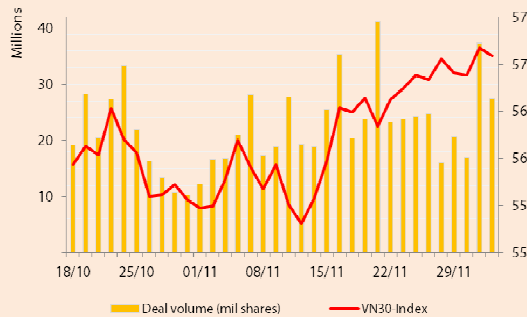


## MARKET REPORT

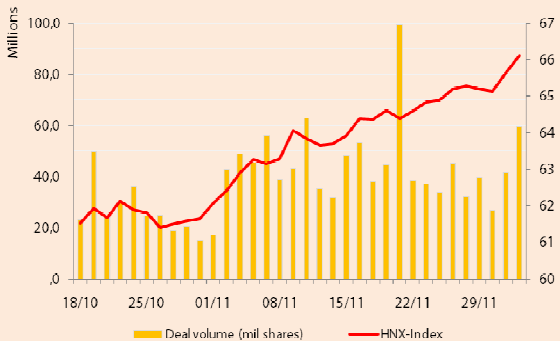
Index	VN-Index	VN30-Index	HN-Index
4/12/2013	510.88	570.91	66.12
Change (%)	-0.14%	-0.14%	0.73%



Liquidity	HSX	VN30	HNX
Deal Volume (share)	105,380,250	27,518,870	59,509,050
Total Volume (share)	111,829,030	28,404,770	60,746,722
Deal Value (VND bn)	1,357.13	587.60	461.37
Total Value (VND bn)	1,489.12	640.67	471.64



Foreign Activity	HSX	VN30	HNX
Foreign Buy (VND bn)	193.99	92.03	15.94
Foreign Sell (VND bn)	178.10	135.92	14.44
Foreign Net (VND bn)	15.88	(43.89)	1.49



### SUMMARY:

- ❑ **VNIndex retreated and couldn't escape the narrow range**
- ❑ **PXS - Petroleum Equipment Assembly-Metal Structure: Gem in the rough**

**Indices mixed together today.** Both VNIndex and VN30 gained 0.14% to 510.88 points and 570.91 points respectively while HNIndex increased by 0.73% to 66.12.

**Liquidity decreased on HSX but increased sharply on HNX.** HSX bourse had 105.38 million shares changed hands (-13.5%), worth of VND 1,357.13 billion. That on HNX was 59.5 million shares (+42.5%), worth of VND461.37 billion. KDH was the most active stock in put through transaction with 4.8 million shares at 12,800 dong/share and that was also the top net bought code of foreigners.

**VNIndex retreated and couldn't escape the narrow range.** The market was traded above reference line in almost time but it turned to downward at the end because of an increase of supply made some bluechips narrowed their gains and other small stocks declined. Some heavyweights rose well to reduce the decrease of VNIndex such as GMD (+3.87%), HSG (4.83%), OGC (4.35%), etc. While the foreigners were net buyers on total market but they improved to sale in VN30 groups and its net sold value reached to nearly 44 billion in which HAG was the top net sold code in recent days.

**Securities shares led the gains group on HNX.** Being continued from yesterday, securities shares increased significantly today with a series of hit ceiling price as APS, IVS, ORS, HPC, WSS, etc. Besides, other key stocks on this bourse as ACB, VCG, SCR, etc were maintained growth helped HNIndex increased.

### MARKET COMMENTARY

**Bluechips were sold suddenly on ATC, indices on HSX bourse reversed** while HSX bourse kept in green. Positive sentiment maintained mostly trading time, however, cash flow was weakened unexpectedly at large-cap and sent the index to the negative ground. Conversely, capital on HNX bourse was still stable, especially, gaining string at HNX30 continued. Another noticeable point today was that foreigners turned to net buy modestly on HSX bourse though HAG has continued to be net sold (~VND40 billion/day) in recent days.

Lately, **Prime Minister signed State capital investment corporation (SCIC)'s restructuring project** from now to 2015. Its' highlight is that SCIC continued to hold long-term investment at four companies including FPT Telecom, VNM, DHG and VNR. On the other hand, by 2015, SCIC would draw capital out of other 376 companies, in which, Vinaconex, BVH, FPT, BMP and NTP are typical. SCIC' investment portfolio will have less than 100 companies by 2015 and the plan will be announced annually. Back to the recent sessions on Vietnam stocks market, many unofficial information related to the foreign room expansion in Dec have been released. Capital flow maintained high but that news only is not strong enough to lead VNIndex to higher ground. Meanwhile, we saw that the capital is extremely active on Ha Noi exchange, especially at some HNX30 stocks after a long quite time. *We expect that HNX30 is holding a chance to attract investors' interest when bluechips on HSX bourse have not been found their motives yet.*

### **PXS - Petroleum Equipment Assembly-Metal Structure: Gem in the rough**

**Q3 earnings rocketed thanks to revenue from the assembly of Diamond drilling platform (\$57 million).**

Q3 NPAT doubled from the previous quarter and climbed 15 times over the same



period last year although revenue increased only 20%. According to the firm, the booking of the high-margined construction value of the Diamond drilling platform falls mainly in last two quarters of the year. This is the second EPCC project (after the Topside H4-White Rhinoceros (\$50 million USD) in 2012), the Company has taken on since Sao Mai Ben Dinh manufacturing yard, which started operating in December 2011. The Diamond project was launched in March 2013 with schedule construction time of 12 months and total contract value of \$57 million. Booking from this one project was the main reason for PXS' rapid revenue growth after the first quarter. By the end of Q3, this project had contributed approximately VND500 billion VND to the Company's total revenue.

Interest expense was another point worth looking at in Q3 statements as the amount dropped over 23% from that of Q2 and of 36% over the same period of 2012, validated by the lowered interest rates platform, between 7-8% for short-term and about 11% for long term loans.

**In Q4, the Diamond project will continue to be the primary revenue driver.**

We expect that PXS will continue booking over VND300 billion from the Diamond project as revenue in the last quarter of this year. Projects such as E-House Brown Lion and BK16 rig base, which will have finished by year-end, also promise another VND60 billion. Adding up, Q4 revenue should be around VND404 billion but the gross margin may be a little lower from that of Q3. However, the withdrawal from ~6.5 million shares of PVPIPE at VND 8,481/ share may cost PXS ~VND10 billion in form of financial expense. For the bottom line, Q4 NPAT may decline to around VND28 billion. 2013 revenue and NPAT are thus expected at VND 1,080 billion and VND77.6 billion respectively.

**The plant to debt repaying plan lifts concerns over interest burden.**

This year, PXS has had a success launching its capital restructuring initiative which includes a capital raise, long-term debt restructuring and the liquidation of its unprofitable investment in PVPIPE. Tracking PXS' performance, it can be seen that interest expense has had a huge impact on the Company's net income in the two most recent years. In fact, the 480-billion-dong long-term debt the Company has taken on to fund the Sao Mai Ben Dinh project requires an equal principal payment of VND160 billion per year for the period of 2012-2014. This puts heavy pressure on the firm's financials as the progress at most of its projects has slowed down significantly in recent years. Fortunately, the Company has recently reached an agreement with its lender to extend the remaining principal payment over the five-year period of 2013-2017.

Besides, PXS has increased its chartered capital from VND375 billion to VND500 billion via private placements and share offerings to current shareholders. McPEC Offshore & Marine Pte Ltd (McPECOM), a Singaporean peer of PXS, bought 10% of the new capital and is committed to two years of holding. In search for overseas works and the foreign shareholder now has its representative standing as the head of PXS' International Marketing Unit. Last quarter, McPECOM handed over to PXS the 360-ton E-house - Brown Lion project.

As mentioned above, PXS has withdrawn from the remaining investment in PVPIPE for VND55.1 billion. This, combined with the proceeds from the latest share issuance, is going to fund the first installment of the long-term debt payment, effectively trimming the debt principal balance to ~VND320 billion. A reduced debt pile and stretched pay-back period should make the service of principal and interests less of a problem for a few more years.

**2014 looks promising with new contracts in place.**

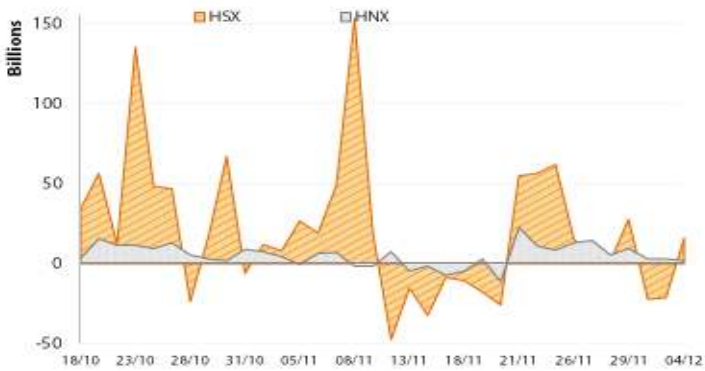
PXS said that it has signed the contracts for two more EPCC projects, namely Thai Binh and P3, P4 drilling rigs with have estimated contract values of \$30 million and VND600 billion and construction periods between 7 and 12 months. The Thai Binh project is in the procurement process and construction should start by the end of December. On the other hand, the execution of the Diamond project is scheduled to stretch over to 2014 with remaining work value of about \$18.5 million to be recognized in next year's first quarter.

To sum up, the three EPCC projects should contribute about VND1,600 billion to next year's revenue. The firm itself has estimated revenue at about VND1,800 billion and NPAT around VND120-135 billion for the fiscal year of 2014.

**Outlook and valuation**

As PXS does most of its business in a niche market of the construction sector, it has been able to maintain a relatively high profit margin compared to its industry peers. Moreover, the completion of Sao Mai Ben Dinh marine service base for first-time running at the beginning of 2012 has greatly enhanced the Company reputation. With proven capacity and infrastructure quality, PXS has begun to take on more high-value EPCC projects to replace the current plain processing works. In another aspect, the firm's plans to solidify its capital structure and pay back VND160 billion of long-term debt should partly relieve the interest service in the following years. Furthermore, the signing of two more EPCC (engineering, procurement, construction and commissioning) contracts, namely Thai Binh (\$30 million) and P3, P4 (VND600 billion) has established a solid ground growth for revenue growth 2014. With Company's tendency to pay out lucrative and stable cash dividends, PXS's dividend yield is also an investment attraction. Based on these arguments, we rate the stock as **ACCUMULATE** in the intermediate term with a target price of 15,500 VND.

**FOREIGNERS TRADING**



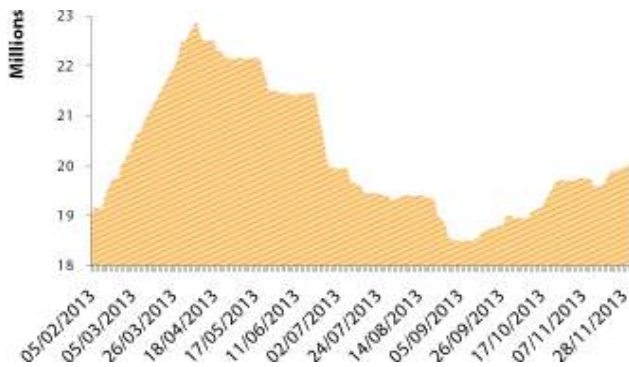
**Foreigners turned to be net buyers on both exchanges.** Total net bought value today was VND17.3 billion. The top net bought stock was KDH (VND61.76 billion). Conversely, the top net sold stock was HAG again (VND 40,4 billion).

The gap between price and NAV of VNM ETF and FTSE ETF were 0.31% and 0.77%, respectively. VNM ETF created more 50,000 shares yesterday; its number of outstanding shares now is 20.05 million units.

**ETFs VIEW**

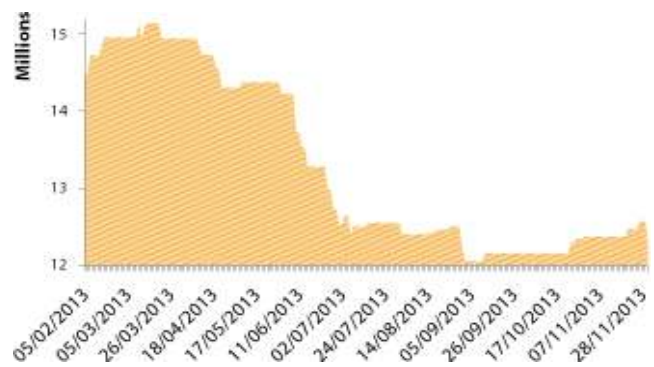
**Market Vector Vietnam ETF**

**Shares Out**

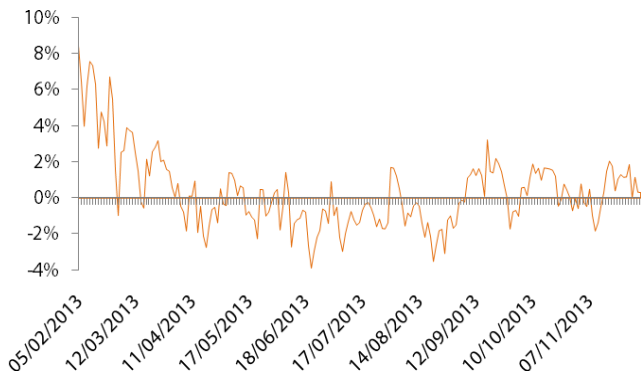


**FTSE Vietnam ETF**

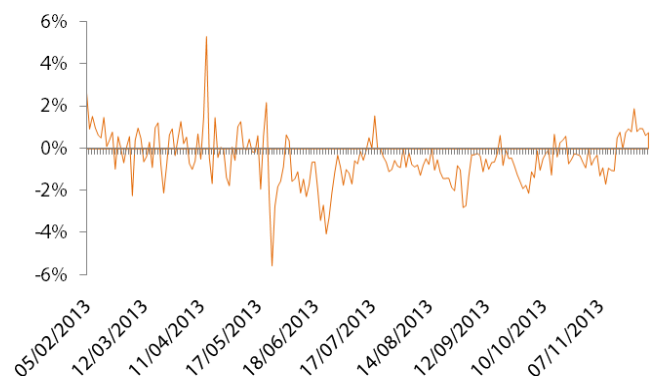
**Shares Out**



**Difference between Price and NAV (%)**



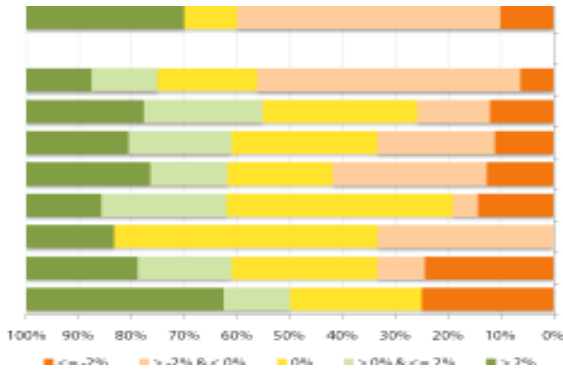
**Difference between Price and NAV (%)**



**MARKET SUMMARY**

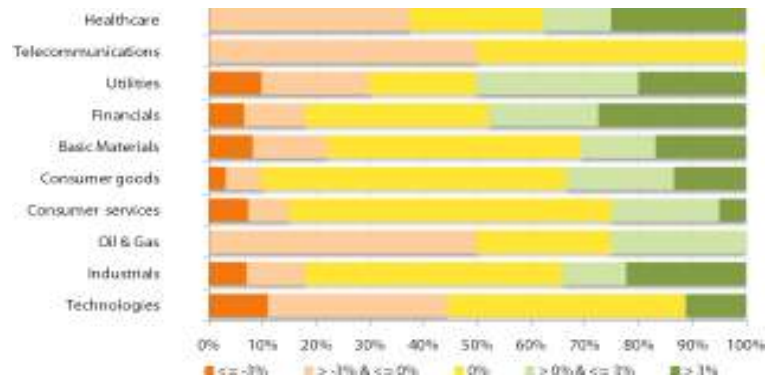
**HSX**

**Sector Performance**



**HNX**

**Sector Performance**



**Top 05 Gainers/Losers**

Ticker	Price	(+) %	±% (T-10)	Ticker	Price	(+) %	±% (T-10)
<b>COM</b>	26.1	6.97%	-10.00%	<b>PXI</b>	4.0	-6.98%	-2.44%
<b>VHC</b>	24.6	6.96%	11.82%	<b>SVI</b>	33.4	-6.96%	-4.57%
<b>CLP</b>	9.3	6.90%	8.14%	<b>TTP</b>	20.6	-6.79%	-10.43%
<b>NVT</b>	6.3	6.78%	0.00%	<b>VHG</b>	9.7	-6.73%	-37.42%
<b>HLG</b>	6.4	6.67%	4.92%	<b>TDW</b>	16.8	-6.67%	-8.70%

**Top 05 Gainers/Losers**

Ticker	Price	(+) %	±% (T-10)	Ticker	Price	(+) %	±% (T-10)
<b>INC</b>	4.4	10.00%	15.79%	<b>BHC</b>	1.8	-10.00%	-18.18%
<b>SHN</b>	1.1	10.00%	37.50%	<b>SPI</b>	6.3	-10.00%	40.00%
<b>VE4</b>	8.8	10.00%	0.00%	<b>VTC</b>	2.7	-10.00%	8.00%
<b>VIG</b>	3.3	10.00%	13.79%	<b>DNC</b>	7.3	-9.88%	-17.98%
<b>MKV</b>	9.0	9.76%	7.14%	<b>NHA</b>	3.9	-9.30%	5.41%

**Top 05 Leading Volume/Value**

Ticker	Volume (1,000 share)	Weight (%)	Ticker	Volume (VND billion)	Weight (%)
<b>FLC</b>	5.84	5.5	<b>REE</b>	58.13	4.28
<b>HQC</b>	4.87	4.6	<b>HAG</b>	56.15	4.13
<b>ITA</b>	4.54	4.3	<b>PVT</b>	54.23	3.99
<b>PVT</b>	4.27	4.1	<b>NTL</b>	50.29	3.70
<b>OGC</b>	3.88	3.7	<b>FLC</b>	46.30	3.41

**Top 05 Leading Volume/Value**

Ticker	Volume (1,000 share)	Weight (%)	Ticker	Volume (VND billion)	Weight (%)
<b>SCR</b>	5.65	9.30	<b>VCG</b>	52.58	11.15
<b>VCG</b>	4.97	8.18	<b>SCR</b>	40.63	8.61
<b>HUT</b>	3.97	6.54	<b>HUT</b>	31.14	6.60
<b>SHB</b>	3.39	5.58	<b>KLS</b>	25.42	5.39
<b>SHS</b>	2.89	4.75	<b>SHB</b>	23.74	5.03

**Top net buy/sell value by Foreign (VND bn)**

Ticker	Buy Value	Sell Value	Net buy	Ticker	Buy Value	Sell Value	Net Sell
<b>KDH</b>	61.77	0.01	61.76	<b>HAG</b>	4.77	45.21	(40.44)
<b>GMD</b>	15.19	0.10	15.09	<b>CSM</b>	0.01	7.46	(7.44)
<b>OGC</b>	8.41	-	8.41	<b>GAS</b>	17.95	24.44	(6.49)
<b>SVI</b>	4.92	-	4.92	<b>HSG</b>	0.50	6.60	(6.11)
<b>CTG</b>	4.28	-	4.28	<b>DPM</b>	4.88	9.09	(4.21)

**Top net buy/sell value by Foreign (VND bn)**

Ticker	Buy Value	Sell Value	Net buy	Ticker	Buy Value	Sell Value	Net Sell
<b>PVS</b>	4.97	2.37	2.60	<b>PGS</b>	0.03	7.49	(7.47)
<b>ICG</b>	1.64	-	1.64	<b>UNI</b>	-	0.35	(0.35)
<b>AAA</b>	1.26	0.01	1.25	<b>PVG</b>	-	0.30	(0.30)
<b>SHB</b>	1.14	0.14	1.00	<b>DBC</b>	-	0.18	(0.18)
<b>VIG</b>	0.86	-	0.86	<b>IDJ</b>	-	0.12	(0.12)


**CORPORATE ACTIONS**

Stock	Ex-right date	Record date	Event	Ratio	Year	Execute Date	Register Period	Transfer Period	Price
DAD	07/12/2013	09/12/2013	Cash Payment	17%	2013	09/01/2014			
KTS	07/12/2013	09/12/2013	Cash Payment	20%	2013	20/12/2013			
NTB	07/12/2013	09/12/2013	Cash Payment	15%	1-2013	26/12/2013			
VHL	07/12/2013	09/12/2013	Annual Shareholders Meeting 2014						
DPR	04/12/2013	06/12/2013	Cash Payment	15%	1-2013	25/12/2013			
DPR	04/12/2013	06/12/2013	Consulting shareholders in writing						

Sources: HSX, HNX

## INVESTMENT CERTIFICATION INFORMATION

Dealing day	Fund Name	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
26/11/2013	VFF	0.75%	0.75%	10.325	10.316	0.09%
29/11/2013	VF1		0.5%	19.342	19.182	0.84%
29/11/2013	VFB	-	0.50%	10.161	10.146	0.15%
29/11/2013	VFA	1.00%	0.50%	7.206	7.191	0.21%

## CONTACTS

Head office: VietDragon Tower. 141 Nguyen Du. Dist. 1. HCMC

Tel: +84 8 3930 2156/ 8 6299 2006

Fax: (84 8) 6291 7986

### Research

Ho Thi Thanh Huyen

Tel: +84 8 6299 2006/ Ext: 339

huyen.htt@vdsc.com.vn

-----  
Doan Thi Thanh Truc

Tel: +84 8 6299 2006/ Ext: 314

truc.ntt@vdsc.com.vn

### Sales & Brokerage

Nguyen Anh Tuan

Tel: +84 8 3930 2156/ Ext: 225

tuan.na@vdsc.com.vn

Le Vuong Hung

Tel: +84 8 3930 2156/ Ext: 201

hung.lv@vdsc.com.vn

### Foreign & Institutional Sales & Brokerage

Dang Thi Lan Huong

Tel: +84 8 3930 2156/ Ext: 203

huong.dtl@vdsc.com.vn

Pham Phong Thanh

+84 8 3930 2156/ Ext: 219

thanh.pp@vdsc.com.vn

#### HỘI SỞ TẠI TP.HCM

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

**T** +84 8 6299 7006  
**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 7579  
**F** +84 0710 381 7789  
**E** info@vdsc.com.vn  
**W** www.vdsc.com.vn



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