

DECEMBER

05

FRIDAY

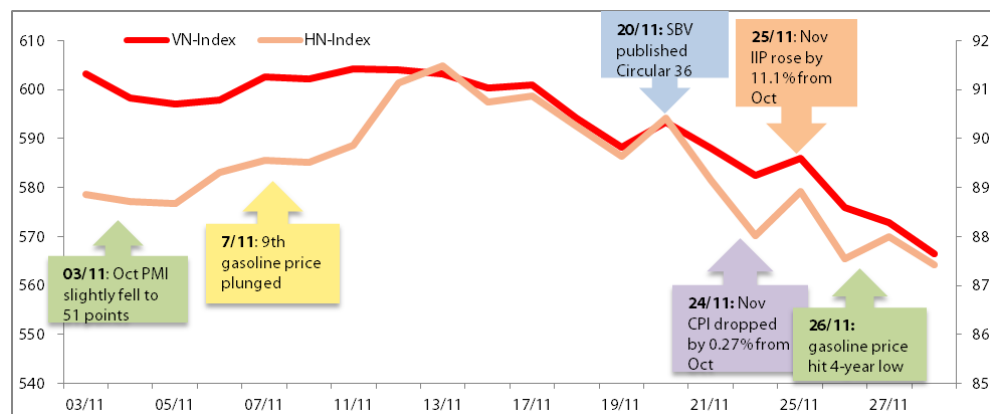
ADVISORY DIARY

- **Investment strategy in December 2014: Seizing opportunities for long-term targets**
- **Slowing down...?**

Investment strategy in December 2014: Seizing opportunities for long-term targets

Though assured by the sentimental stability in the market, we see that the adverse reactions, especially by the foreign sector, against energy stocks remain a risk that may limit liquidity for an extended period. Therefore, we only expect the stock market to go sideways or inch up a little in December. That, combined with the currently lower trading volume, does not promise much for those who trade on a “T+” basis. When expected returns are negligible, trading costs must be given more serious thoughts. For short-term investors, it is advisable to focus for stocks of companies with positive Q4 earnings outlook in such industries as logistics, fishery, construction and textile. In December, we expect VNIndex to move between 565 and 595 and HNIndex between 86 and 91. Again, we think long-term investors can still hold on to and accumulate good stocks. Short-term investors may consider buying if the market receive supports from the foreign sector and trading value sustain at VND3,000 billion/day or higher.

Graph: VNIndex, HNIndex movements and related news



Source: RongViet Securities compiled

“Slowing down...?”

Slowing down...?

The securities market today has a balance trading session as two bourses closing with the winner and loser equal to each other. VN Index increase since the beginning of the trading session but declined at the end of morning session and closing at an increase price of 0.07%. Meanwhile, HNX index continue net bought in the second time continuously with total net bought nearly VND 63 billion on HSX such as IJC, VIC, VCB....Meanwhile, IJC is being bought considerably with total net bought double to yesterday. Oil and gas such as PVD and PVS continue to be an obstacle for both indices.

According to the latest news, ECB would cut interest rate; as a result, it led to a likelihood of Euro’s depreciation. It was such optimistic information for companies that most loans were Euro, including BCC and NT2. Today, both of these stocks closed at green color; particularly BCC increased of VND600 meanwhile NT2 reached the ceiling price in the third consecutive trading days thanks to information of dividend payout of 5% and preparation for being listed on HOSE.

Today, NBB has a successful trading session. During trading session, stocks price was 21.300 VND (increase ~4%) with a remarkable total trading volume (occupy about 7.6% total daily trading

volume). However, closing price of NBB is 20.800 VND and total trading volume maintain at high level in the 10 closest session, about 466

NBB increase points today might be because of the positive information that is published recently concerning this stock. Yesterday, NBB just announced the successful of issuing 4.6 million individual stocks to two investors that is nominated by their partner-Creed Group (Japan) with the price equal to 19.800 VND per stocks and increase share capital from VND 537 billion to VND 583 billion. The total money expected to receive after issuing would be about VND 91 billion. On 3rd December, NBB also announced that they just received the approval of 1/500 for NBB Garden III project, size about 8.16 ha; the investing capital estimated nearly VND 3.500 billion. This is the project that NBB sign the agreement to transfer 50% capital investment to Creed Group

At the end of November, NBB announced to sell the City Gate Tower apartment projects (district 8, Ho Chi Minh City), the project that NBB already convert 80% to Creed Group since the third quarter this year. As Rong Viet Research mentioned in the latest report about NBB (14/10/2014), Creed Group also participate to develop City Gate Towers through buying VND 600 billion bonds of the project. Therefore, the financial source to construct the project is already guaranteed. On one side, open sale City Gate Towers marked a turning point in the business activities in the real estate sectors of NBB. On the other hand, this issuing to increase share capital also aids the firm to have additional source of financial to balance out the loan maturity in this year. Currently, the target price of NBB is currently at 26.800 VND per stocks, which higher 30% compared with the closing price today.

At the end of week, VN-Index and HNX-Index rose by 2.15% and 1.38% from the previous week. However, two important technical indicators are volume and value of transactions decreased drastically. This demonstrates the positive news about economic prospects Vietnam cannot completely erase concerns about the impact of Circular 36 as well as the sharp decline of world oil prices. However, investors are stable and accumulated in some separate stocks which are the factors to supporting the market in recent days.

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WEEKLY TECHNICAL VIEW

VN-Index

VN-Index turned up and added 12,18 points (or 2,15%), closed at 578,76. Trading volume reduced 15,8% down to 516 million shares.

VN-Index gained points for the whole five trading sessions of the week but the volumes remained at below average level. VN-Index is still moving in an intermediate-term corrective channel. Traders should watch for a continue recovery to 585-590 area or a move down to support area at around 560.

The 26, 50, and 100 moving averages are going down, showing that the current trend of VN-Index is downtrend.

Looking at technical indicators, the MACD turned up but is still below the signal line. The RSI recovered slightly but remains bearish.

It might be a technical recovery of VN-Index at this stage and traders should be patient and wait for more signals next week.



HNX-Index

HNX-Index increased 1,21 points (or 1,38%), closed at 88,63. The liquidity reduced for the third continuous week, with only 260 million shares changed hands (-12,75%).

HNX-Index touched its support trendline at 86,6 and then turned up slightly. At this moment the index is struggling right below the 26-day moving average. Traders should watch for a continuing recovery to 91 area or a move down to its support at around 87,5.

Looking at technical indicators, both the MACD and the RSI look neutral.

HNX-Index is now may be in a accumulative stage.



Recommendation:

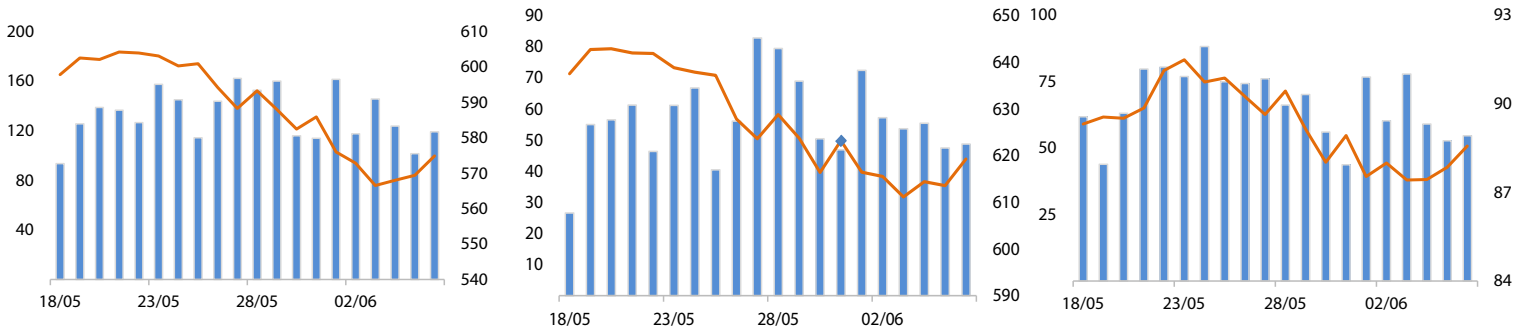
The two indexes turned up from support areas but the trading volumes were quite low. Traders should keep waiting patiently. Short-term traders may sell at resistances and buy at supports.

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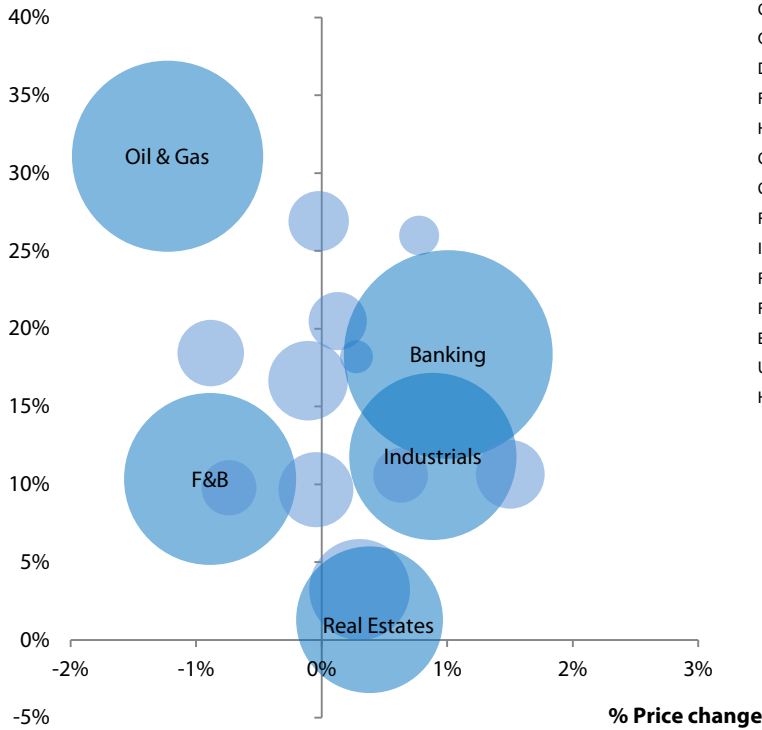
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VNINDEX 0.07% **578.76** **VN30** 0.06% **624.67** **HNXINDEX** -0.14% **88.63**



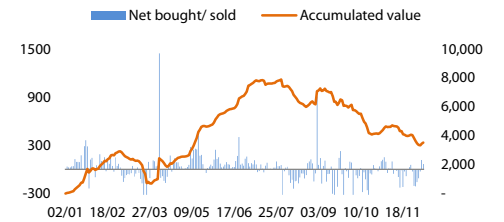
Industry Movement

Industry ROE

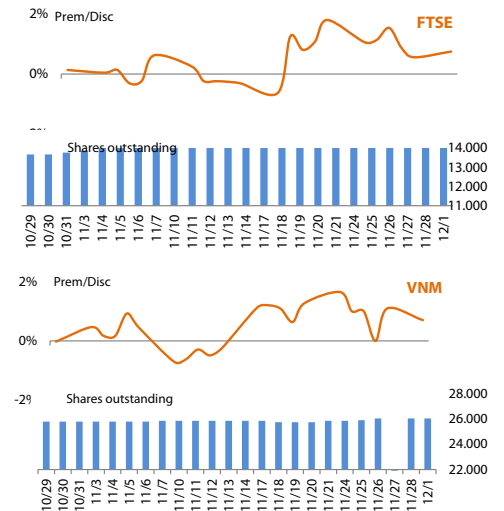


Industry	% change
Technologies	0.1%
Industrials	0.9%
Constructions	0.3%
Oil & Gas	-1.2%
Distribution	0.3%
F&B	-0.9%
Household Goods	-0.7%
Cars & Parts	0.8%
Chemicals	-0.9%
Resources	0.0%
Insurances	-0.1%
Real Estates	0.4%
Financials	0.0%
Banking	1.0%
Utilities	1.5%
Healthcare	0.6%

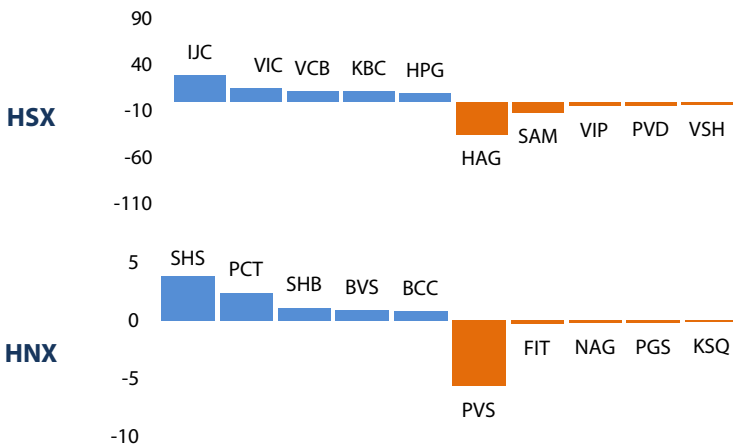
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



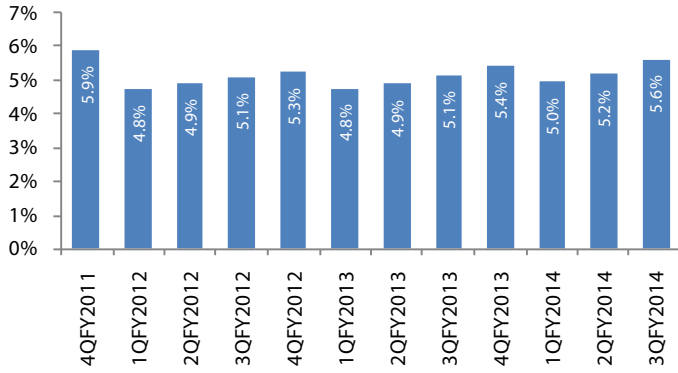
Top Active

Ticker	Price	Volume	% price change
FLC	11.4	9.22	-0.9%
ITA	8.8	4.49	-1.1%
VHG	14.5	4.12	2.1%
SAM	14.5	3.33	1.4%
HAG	24.0	3.14	-0.4%

Ticker	Price	Volume	% price change
KLF	13.2	7.95	0.0%
SCR	10.6	4.06	1.0%
PVX	6.2	3.83	0.0%
VCG	14.5	2.90	3.6%
PVS	33.3	2.26	-1.2%

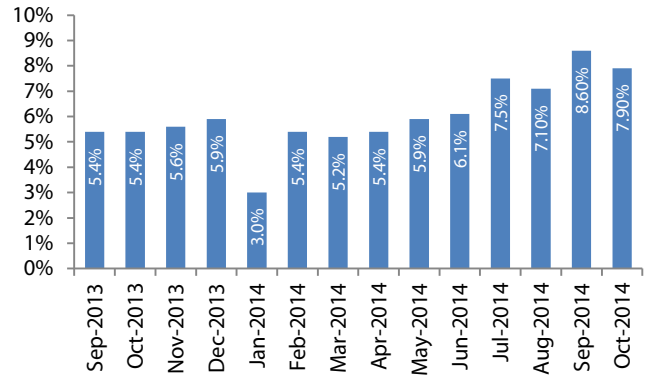
MACRO WATCH

Graph 1: GDP Growth



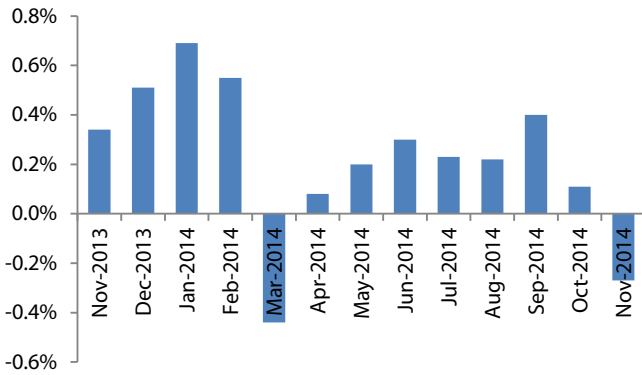
Sources: GSO. Rongviet Securities database
(*) Comparision price in 1994

Graph 2: IIP



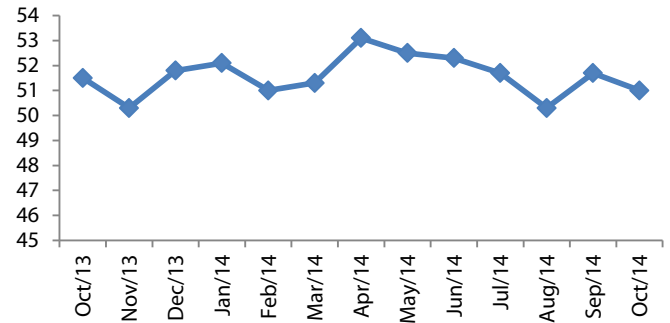
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



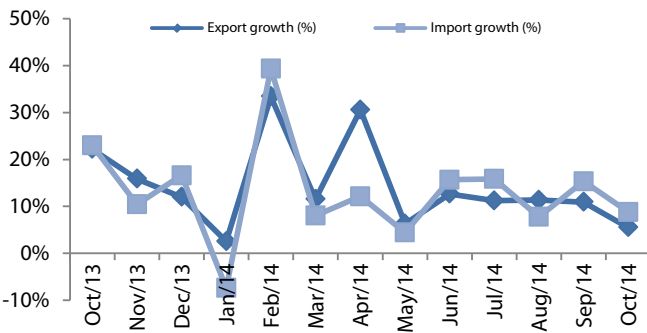
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



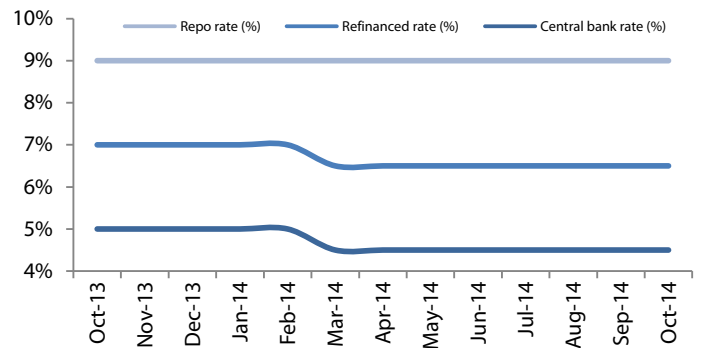
Sources: GSO. Rongviet Securities database

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%

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