

“Bottom fishing in PVX after the second consecutive days at floor prices”

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• **Bottom fishing in PVX after the second consecutive days at floor prices**

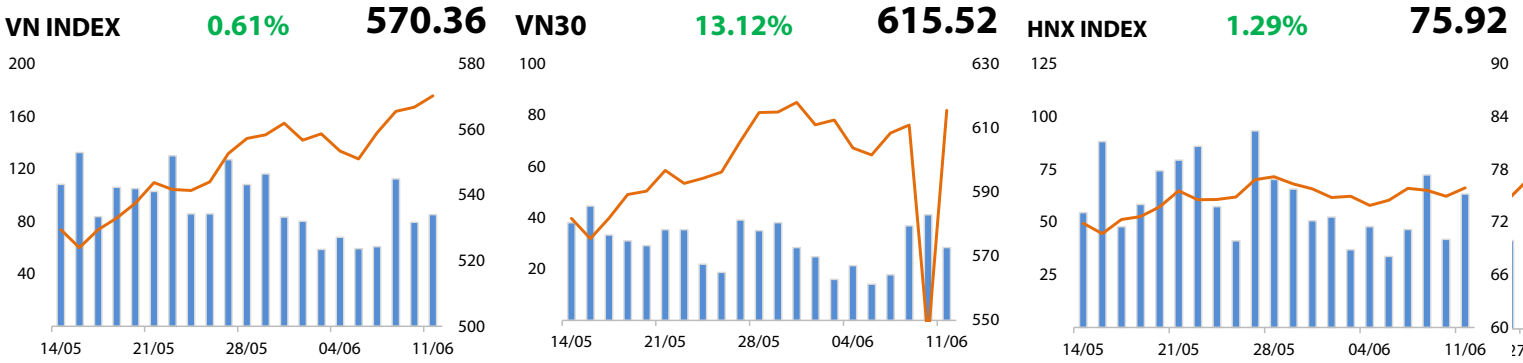
While gain momentum in GAS in the recent two sessions had caused VNIndex a “green on the outside but red on the inside”, today’s session was relatively eventful in most stocks in VN30 group such as STB (+2.97%), FPT (+3.56%), KDC (+3.48%). Pennies also showed divergence as ceiling prices concentrating on prospective performance such as TCM, NBB that were high recommendations in prior advisory diaries. With active sentiment, VNIndex closed at over 570 points, increased of 0.61% to previous sessions.

On HSX bourse, PVX was the most impressive ticker with over 10 million shares changed hands shortly at the floor price of 4,000 VND per unit at the beginning of the morning session. The total trading volumes in the stock reached to 25 million shares, constituting of over 40% that of HNX’s volumes regardless of the scenario of compulsory delisting in the following months. Accompanied by a loss amount of VND300-400 billion in the first half year and projected loss amount of VND1,000 billion in 2014, PVX would record three-year consecutive losses that do not meet essential requirements to be listed on HNX.

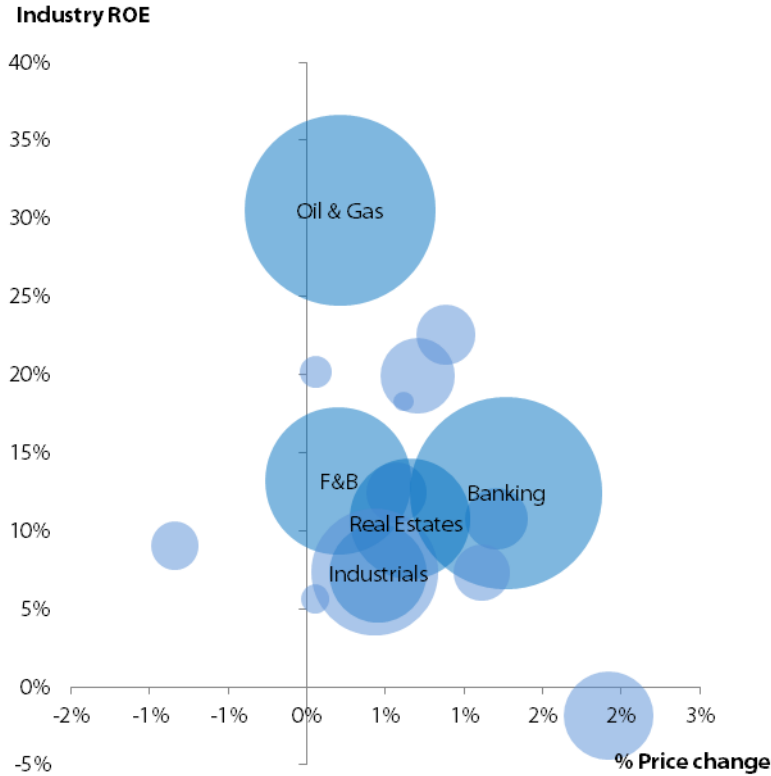
In the last two days, excess selling volumes at the floor prices in PVX had recorded above 10 million units. Thus, overwhelming demand and high capital flow absorbability today caused surprises. To comment on the trading in PVX, Mr. Le Vuong Hung – Director of brokerage division stated that “over 10 million shares changed hand shortly at the floor price at the beginning of morning session instead of any eventful moment showed the possibility of “real bottom fishing” demand. Especially, the closed price of VND4,200 per share, that was higher than the floor price, demonstrated clearly the bottom fishing action. Moreover, accelerating demand in PVX also lift positive demands on other stocks which led HNX to be green. Therefore, it apparently affected optimistically on the active market today.”

In the attempt to save the inefficient business activities of PVX, PVN has launched a series of solutions aiming to restructure this corporation. Specifically, (1) the restructure of debt, negotiation of lowered interest rates and required divestment from unrelated services, (2) the business support through the bidding contract EPC Thermolectric Thai Binh Plant 2 (value USD1.2billion) and Vung A Project which were approved with adjusted investment of VND800 billion. In our perspective, the ability to overcome accumulated loss in 2014 is not feasible. The unexpected profit could only occur if PVX can divest from subsidiaries with good price. Currently, in the divested list from 13 subsidiaries, PVX has successfully divested approximately 3.75 million stocks (~14% of invested capital) with gained profit of about VND9.4 billion. Considering the price of the remaining 12 companies, it is apparent that under the context of current market prices are less than VND10,000/share, the capital’s withdrawal with higher price than the initial value seems to be not optimistic.

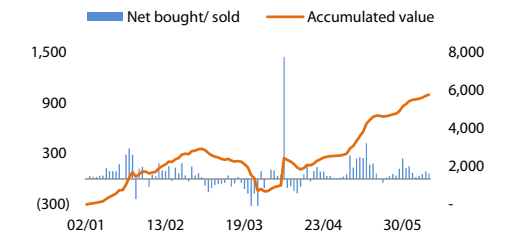
Ticker	Volume	PVX’s ownership	Market price	Investment	Average investment price
PXM	7,650,000	51%	900	N/a	N/a
PFL	18,012,975	36.00%	3,200	201,640,000,000	11,194
PTL	36,014,630	36.40%	3,100	367,500,000,000	10,204
PSG	9,164,900	26.20%	700	86,820,000,000	9,473
SDP	3,000,000	27.00%	7,000	30,000,000,000	10,000
PVA	5,000,000	22.90%	1,900	55,000,000,000	11,000
PXL	13,236,005	16.00%	4,000	136,070,000,000	10,280
PID	2,000,000	50.00%	7,000	20,000,000,000	10,000
PVV	3,000,000	10.00%	3,000	30,000,000,000	10,000
PVL	7,000,000	14.00%	3,600	86,100,000,000	12,300
PHH	1,200,000	6.60%	7,000	13,200,000,000	11,000
ICG	216,128	1.10%	7,500	2,450,000,000	11,336



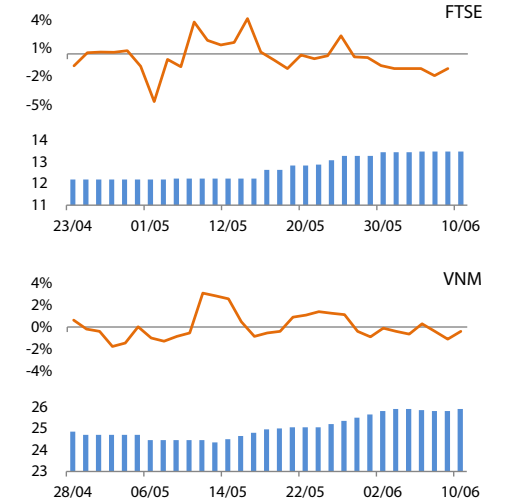
Industry Movement



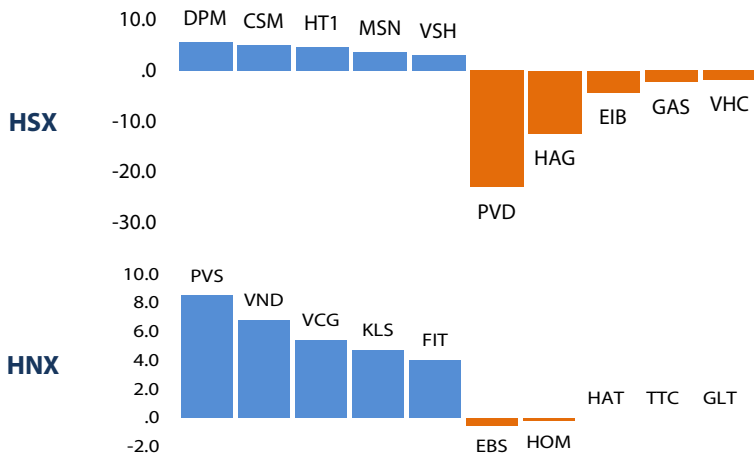
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



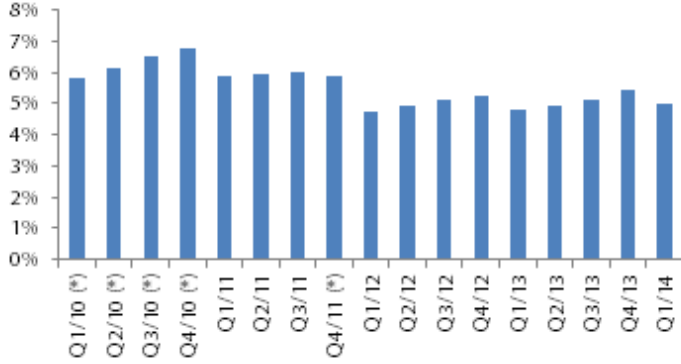
Top Active

Ticker	Price	Volume	% price change
FLC	10.80	6.89	3.8%
ITA	8.00	4.27	1.3%
HQC	7.10	3.99	2.9%
SSI	25.10	3.48	2.9%
STB	20.80	3.34	3.0%

Ticker	Price	Volume	% price change
PVX	4.20	25.71	-6.1%
SHB	9.20	5.29	2.8%
SCR	8.40	4.29	2.6%
KLF	11.30	3.94	-0.6%
KLS	11.90	3.76	3.1%

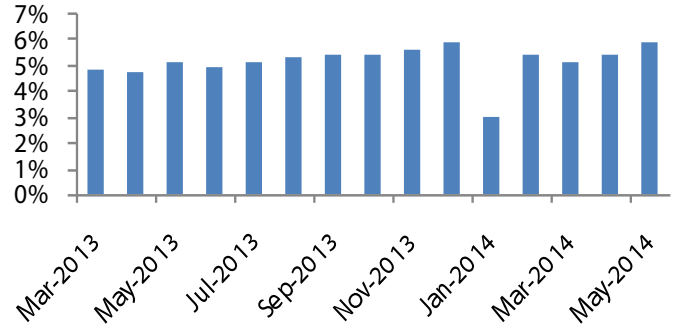
MACRO WATCH

Graph 1: GDP Growth



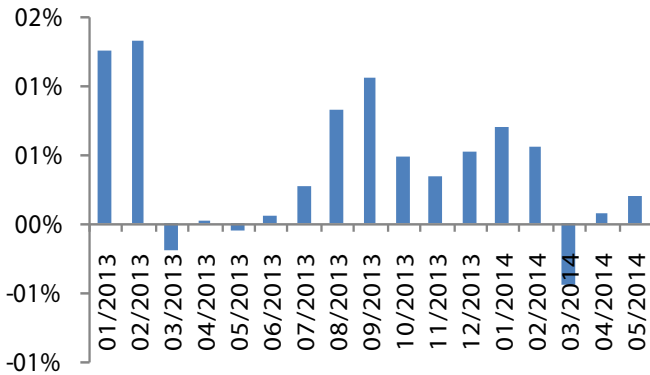
Sources: GSO, Rongviet Securities database
(*) Comparison price in 1994

Graph 2: IIP



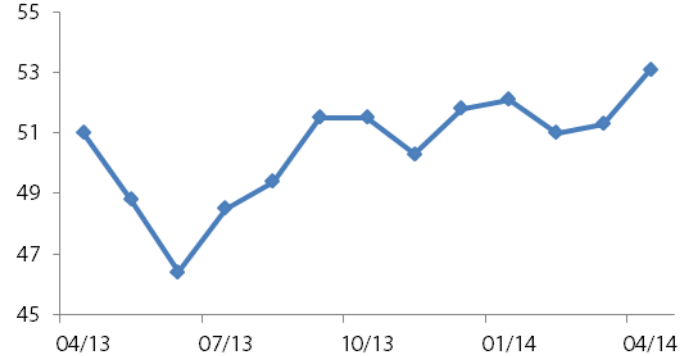
Sources: GSO, Rongviet Securities database

Graph 3: Monthly CPI



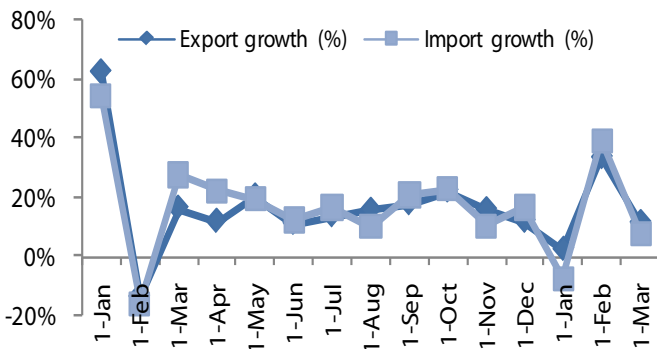
Sources: GSO, Rongviet Securities database

Graph 4: HSBC - PMI



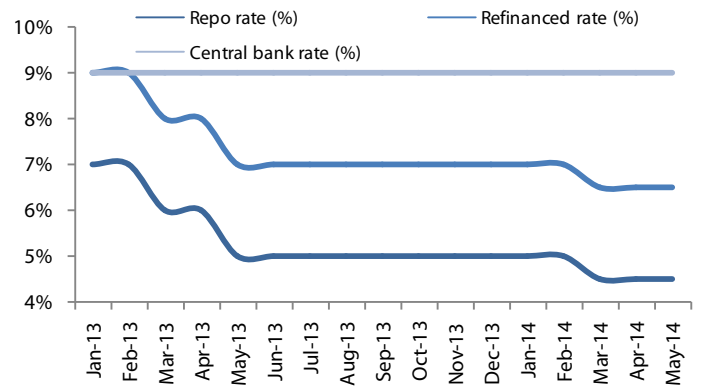
Sources: GSO, Rongviet Securities database

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
DBC-Benefit from decline in material price	May 27 th , 2014	Buy – Long-term	28,000
FPT-Leaping revenue	May 27 th , 2014	Accumulate – Intermediate-term	51,600
NBB-Strengthened cash flows	May 07 th , 2014	Buy – Long-term	36,300
DIG-Reboot	April 28 th , 2014	Accumulated – Long-term	19,200
HPG-Sustainable Development	April 24 th , 2014	Accumulated – Intermediate-term	55,100

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	27/05/2014	0.75%	0.75%	10,740	10,688	0.49%
VF1	29/05/2014	0.20% - 1.00%	0.50%-1.50%	20,682	20,387	1.45%
VF4	28/05/2014	0.20% - 1.00%	0.00%-1.50%	9,249	8,997	2.80 %
VFA	30/05/2014	0.20% - 1.00%	0.00%-1.50%	7,362	7,349	0.19%
VFB	30/05/2014	0.30% - 0.60%	0.00%-1.00%	10,763	10,764	-0.01%
ENF	23/05/2014	0.00% - 3.00%		9,592	9,358	2.50 %

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