

DECEMBER

12

FRIDAY

ADVISORY DIARY

- **Possibility of a second increasing adjustment in the gasoline import tax**
- **"P-stocks" investors cautious**
- **Prudent in short-term**

Possibility of a second increasing adjustment in the gasoline import tax

After the first increasing adjustment of the gasoline import tax in Dec 6th, PV Oil has proposed the second one while kept retail price and payment to stabilization fund as current.

The global WTI price decreased to below USD 60/barrel in the session of Dec 11. Based on the ceiling tax rate applied for gasoline import tax released in Dec 4th by the Finance Department, the maximum tax rate of those products is 40%. If the WTI crude oil price remains below USD 60/barrel, import tax will experience second adjustment before customers can see the next gasoline decrease.

Gasoline imported taxes table

No.	WTI Platt's price (USD/barrel)	Ceiling imported taxes (%)		Imported taxes applied from Dec 6th (%)	
		Gasoline, oil	Diesel, mazut	Gasoline, oil	Diesel, mazut
1	Below 60	40	40		
2	60 - <75	35	30	27	24-26
3	75 - <95	25	20		
4	>95	20	15		

Source: Rongviet Securities

"P-stocks" investors cautious

In the week from 8th to 12th December, the world crude oil price continued to drop and lower than the level of USD60 per barrel, was the worse information that negatively affected Vietnam stock market. Even though there were a lot of reports assessed the effect of oil price to Oil & Gas stocks and the representative of listed oil-related-companies told about their company outlook when oil price reduced, the fear of investors could not erased.

After the unpredictable fluctuation of the cruel price and the negative sentiment of stocks during this week, RongViet Securities discussed with some investors, both speculative investors using margin and investors tending to fundamental factors, to observe how market sentiment of this week and next weeks are. After the survey, RongViet Securities realizes that the margin call affected deeply on investors holding "the P-stocks" while investors having stocks in other industries was not affected much. Those who hold tickers of "non-P- stocks" still remain their margin as before or change slightly. Investors who used to trust in the oil and gas stocks have started to make concern and mostly of them are standing out of those stocks to observe the global cruel price. Most of investors no longer take care on whether "P-stocks" were the cheap or expensive but they mainly focus on when the market sentiment change to positive mood. In our opinion, the market sentiment is now the priority factor which should be concern.

Prudent in short-term

After trading week from Dec 08th to Dec 12th, VNIndex slid 4.3% to 553.93 point while HNIndex down 4.6% to 84.55 point. The total matching value in both HSX and HNX was up by 10.8% compared to previous week value and reached 2,800 bn per session. The put-through value was also up 22% with some large deals in tickers like EIB, KSA, SJS, etc.

The foreign investors maintained their net sold position for the whole week and total net sold value was around VND211 bn, slightly higher than the net sold value of VND206 bn last week. The oil & gas stocks were sold most with some typical tickers such as GAS, PVD, PVS and some other tickers like HPG, KDC, HAG and SSI. Meanwhile, the banking and real estate stocks were bought most with some representative as VCB, SHB, NBB, KBC and VIC.

"Prudent in short-term"

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Monthly CPI of provinces and the country will be announced from late of next week. After considering the CPI movement in Dec of the period 2011-2013, we see that the highest level is around 0.5% while the lowest is 0.27%. Thanks to some consecutive cutting gasoline price recently, we assume that CPI in December 2014 could even be lower than bottom of period 2011-2013. Even when we consider the scenario of 0.2% for CPI in Dec 2014, the 2014 inflation is just around 2.3%, the lowest so far.

However, domestic macro information, even is positive, may not support stock market as crude oil price movement still worries investors. In short-term, due to unpredictable risk of stock market variation, we do not recommend margin using or short-term trading. In spite of that, investors could consider to accumulate good fundamental stocks for long-term in erratic sessions.

WEEKLY TECHNICAL VIEW

VN-Index

VN-Index turned down strongly and lost 24.83 points (4,29%), closed at 553,93. Trading volume rose slightly up to 548 million shares.

VN-Index could not break through resistance at 580 and plunged to 550 areas. The decrease of VN-Index stopped here on low volumes. This is also the lower support line of the current corrective channel. Traders should watch for a continuing recovery to 565 areas or a move down to 545 to test the support line again.

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 remains bearish while the RSI looks oversold.

It seems that VN-Index is now quite balance at around 550 area. A recovery from this area is feasible.

HNX-Index

HNX-Index was down 4.23 points (or 4.77%), closed at 84,4. Trading volume increased slightly from 260 million shares last week to 290 million shares.

HNX-Index could not break through its EMA (26) and turned down strongly. HNX-Index fell to 84 areas (equivalent to 200-day moving average and its previous trough). It seems that HNX-Index found its balance here. Traders should watch for a recovery 86-87 next week.

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

On daily chart, two continuous doji candle stick appeared showing the balance between buying and selling forces and a reversal may come soon.

Recommendation: The two indexes fell strongly to supports. These supports are quite trusted and traders consider buying stocks for intermediate-term and long-term purposes.

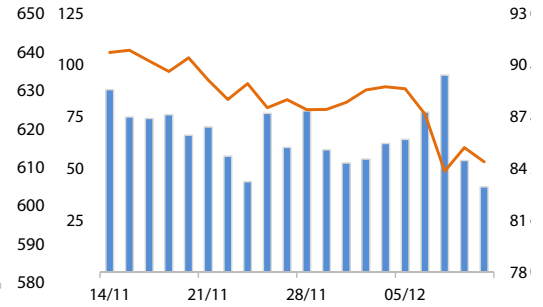
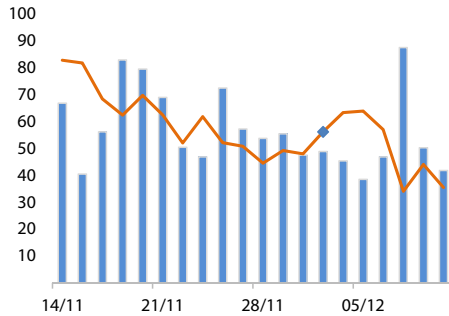
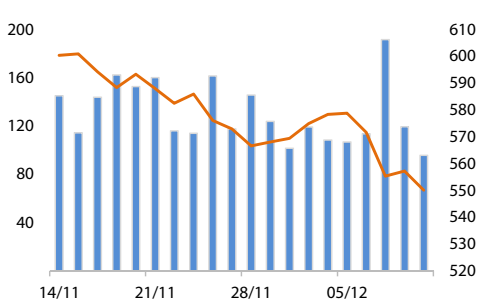


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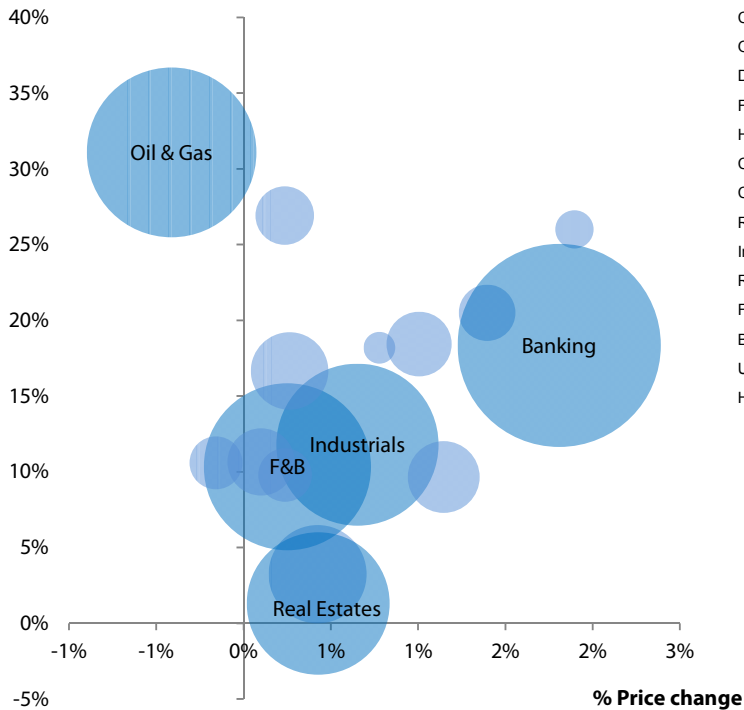
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VNINDEX 0.69% **553.93** **VN30** 0.75% **609.33** **HNXINDEX** 0.18% **84.55**

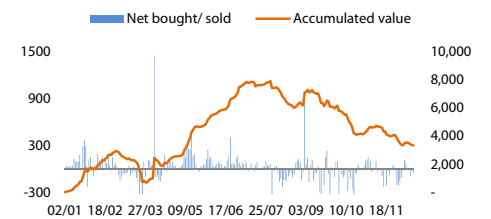


Industry Movement

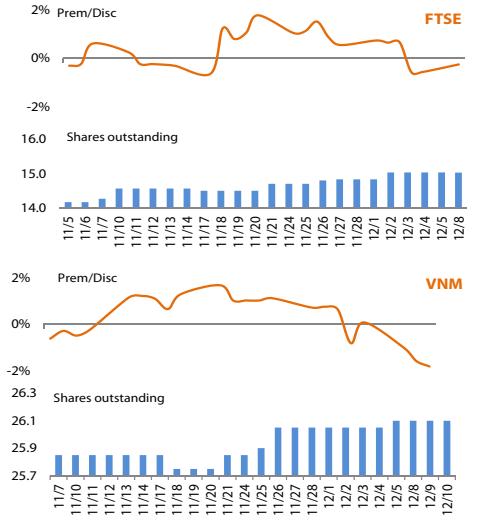
Industry ROE



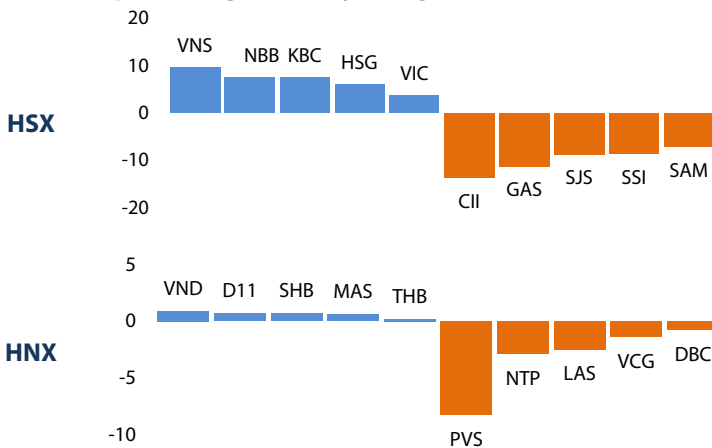
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



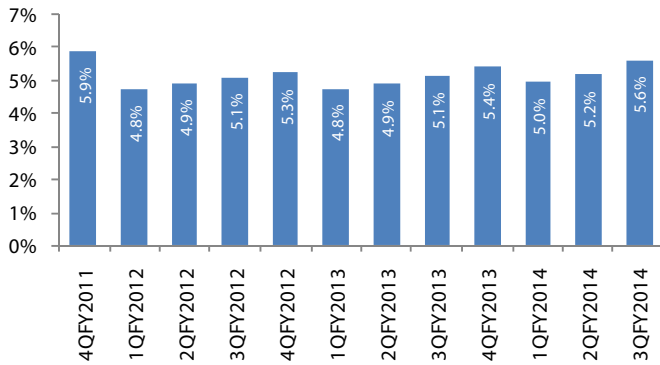
Top Active

Ticker	Price	Volume	% price change
FLC	11.0	9.71	0.0%
OGC	8.2	5.03	0.0%
VHG	12.5	4.37	3.3%
ITA	8.4	3.69	0.0%
HHS	20.5	2.63	6.2%

Ticker	Price	Volume	% price change
KLF	13.0	8.87	3.2%
PVS	26.4	3.56	-1.1%
PVX	5.7	2.54	0.0%
SCR	10.4	2.09	1.0%
API	17.6	1.56	10.0%

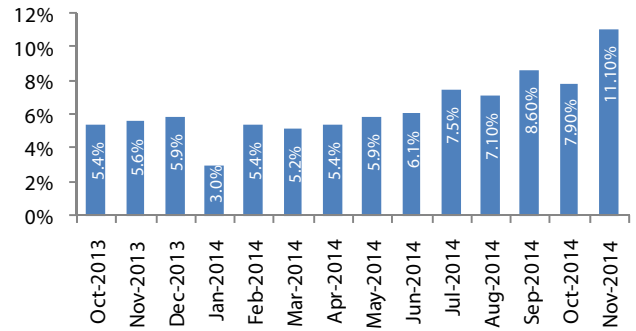
MACRO WATCH

Graph 1: GDP Growth



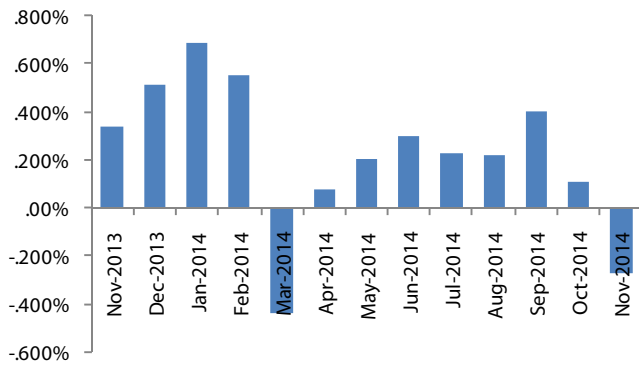
Sources: GSO, Rongviet Securities database
(* Comparison price in 1994)

Graph 2: IIP



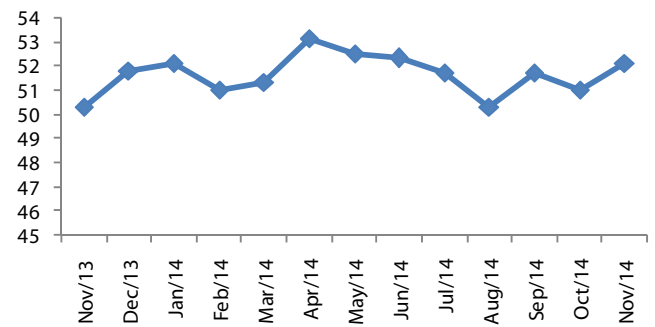
Sources: GSO, Rongviet Securities database

Graph 3: Monthly CPI



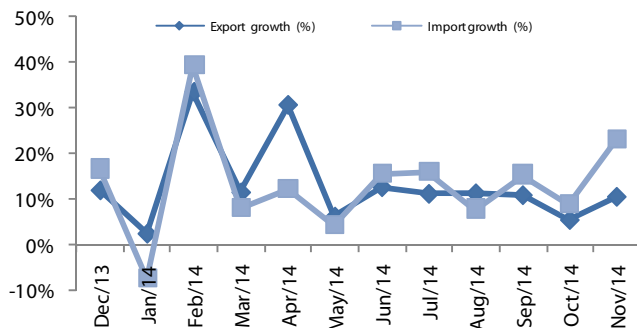
Sources: GSO, Rongviet Securities database

Graph 4: HSBC - PMI



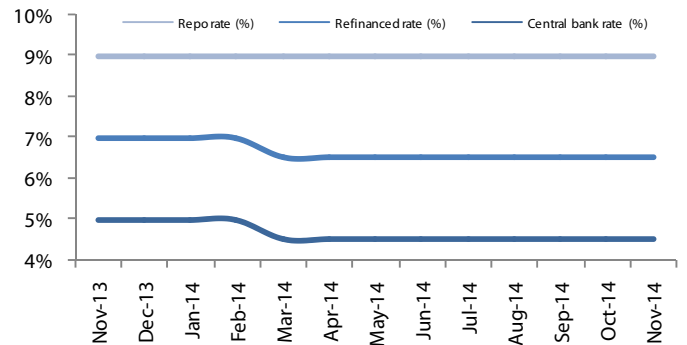
Sources: GSO, Rongviet Securities database

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
FPT - Growth driver expected from retails	Dec 12 th , 2014	Accumulate – Long term	61,000
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	

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	04/12/2014	0.20% - 1.00%	0.50%-1.50%	21,927	21,723	0.94%
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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