

DECEMBER

03

WEDNESDAY

“Market is bouncing back?!”

ADVISORY DIARY

- **TCL – Solid growth from core businesses**
- **FPT- Growth driver expected from retails**
- **The market is bouncing back**

TCL – Solid growth from core businesses

Real estate and oil and gas stocks have attracted much attention from investors and analysts lately. However, as these familiar stocks’ performance stall, RongViet Research finds companies operating in Logistics and Seaport services are performing relatively well, typically Tan Cang Logistic and Stevedoring Joint Stock Company (TCL-HSX). After the recent meeting, our analyst is impressed by the remarkable results and the open attitude of TCL’s representatives.

The highlight of TCL has been its stable revenue growth and high effectiveness of core operations such as container loading and Depot services, currently constituting merely 85% of total revenue. The 9M2014 consolidated net revenue and PAT increased respectively by 21.1% and 32% compared to corresponding period. This year, TCL, in order to increase Cat Lai port loading service capacity, already invested two new crane RTG 6+1 with total investment capital of VND 66.28 billion. The company has also expanded an additional 21,205 m2 container depot at the Cat Lai New port, causing Depot service revenue to increase substantially (+65.5% y-o-y). In the remaining quarter, TCL will certainly benefit from strong container throughput growth at Cat Lai port. Total 2014 throughput at Cat Lai port is estimated to be 3.6 Teus million, up by 12.5% from the previous year.

In addition, loading and unloading operations at Newport - Nhon Trach port is also improved with throughput volume in 2014 expected to increase by 37.8 % compared to 2013. Being oriented to become an ICD Newport- Nhon Trach capable of serving areas with high amounts of imports and exports , TCL will continue to invest in expanding the total Depot area to 5.2ha from 1.2ha and increase unloading and loading capacity by incorporating additional 1 crane operators Liebherr 40 ton payload . Currently, Newport - Nhon Trach port is still in the early stage of operation. However, in the long term, as Nhon Trach Industrial zone attracting more investments together with the development of surrounding industrial parks, this port would be the important transshipment point between HCMC and Dong Nai to other provinces. The investment in the expansion now would bring advantages for TCL to maximize logistics potential in this area in the future.

As a subsidiary of Saigon Newport Corporation and operates primarily in the area of Cat Lai port , accounting for 80 % port’s throughput in the south of Vietnam , TCL has a big advantage to maintain revenue and earnings stability . The investment to increase handling capacity, depot area and expand area of operation to other provinces including Dong Nai, Binh Duong and Hai Phong will help TCL capture growth opportunities in the logistics industry as the Vietnam is on running toward the signing of many free trade agreements such as FTA - EU and TPP.

FPT- Growth driver expected from retails

Today, RongViet Research has released a brief note on FPT’s operation result this year to October 2014 with “Accumulation” recommendation in long term with a target price of 61,087 VND/share. The 10-month revenue growth has exceeded the forecast thanks to the positive trend of distribution and retail in IT products. However, gross profit margin decreased from 20% in 2013 to 18.6% in 10M/2014 because of certain difficulties in IT segment and the fiber optic infrastructure expenses of telecom segment. The forecast of revenue growth is adjusted to about

24.6% (initial projection of 20%), whereby the total net revenues reached 33,672.2 bn. However, pre-tax profit forecast slightly lower than planned and reached 2,574.8 bn. Profit after tax will reach 1,675.7 bn and diluted EPS is 4,783 VND. As 3 December, the closing price is 48,200 VND, the PE for FPT is about 9.9x.

The market is bouncing back

Today's market continued the recovery momentum from the beginning of the week but with the larger and stronger effects, i.e. VNIndex added 5.45 points to 574.88 points (+ 0.96%) and HNIIndex gained 0.72 points to 88.57 (+ 0.81%) compared to yesterday's trading session. Moreover, VNIndex rose since market opened supported by the overall gain of large cap stocks in the VN30. In particular, bank related stocks including VCB and EIB gained strongly, especially EIB closed at ceiling price with 6-time- trading volume higher than 10-day average one. GAS and PVD gained VND1,500 and VND1,000 and other blue chips such as VNM, FPT and HPG also revived. Today, foreign investors remained the 6th consecutive session as net sellers on HSX with more than VND39.6 billion (the highest net sold were VIC, HAG, PVD, EIB...) and were net buyers on HNX with VND14.1 billion.

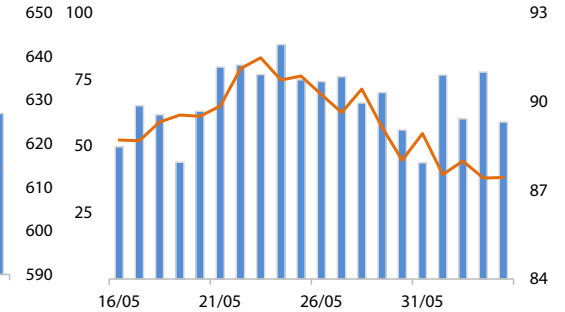
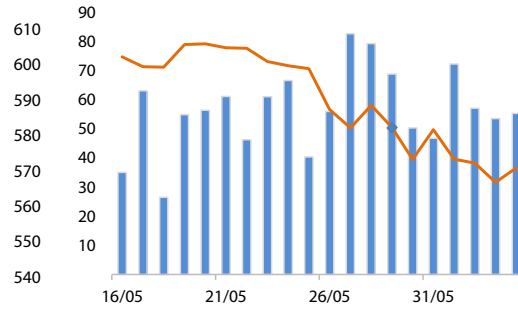
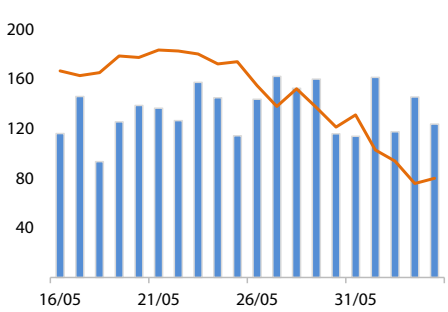
Today's trading session closed with the overwhelming number of gainers on both floors (54 % stocks on HSX and 34 % increase code on HNX) with liquidity on both exchanges increased by 9.3 % compared to yesterday . Investors' sentiment today may be affected by the publication of the World Bank for Vietnam Economic outlook being "positive ", given the lack of supporting market information. Market development today also showed recent information regarding Circular 36 and falling oil prices seem to have settled down and no longer interfere decision of investors.

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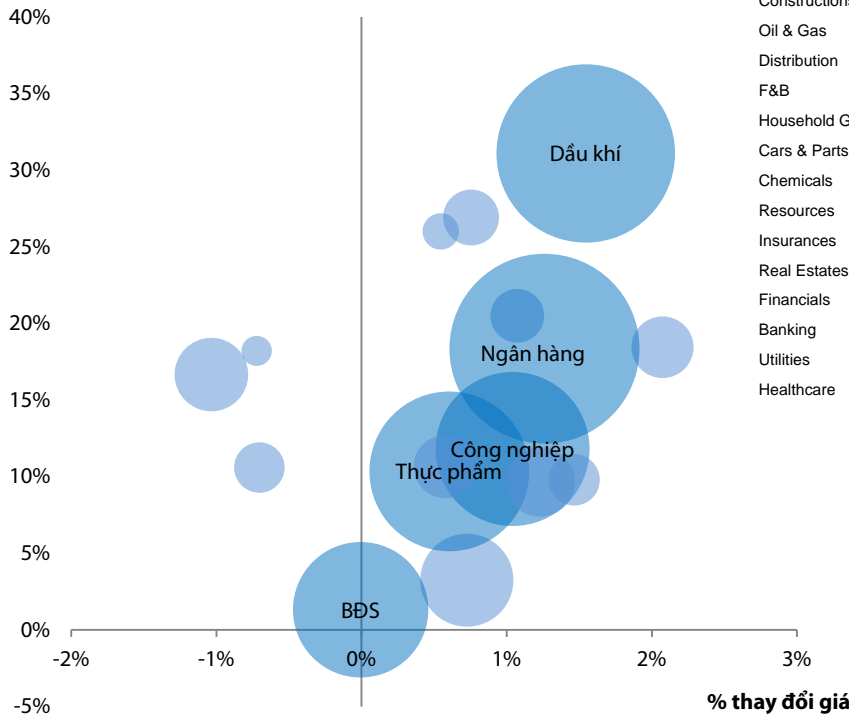
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VNINDEX 0.96% 574.88 VN30 0.93% 619.29 HNXINDEX 0.82% 88.57



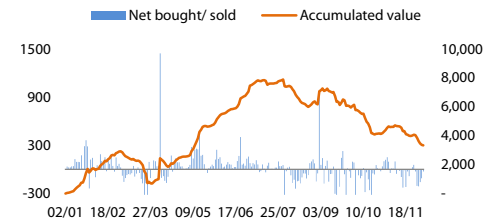
Industry Movement

ROE Ngành

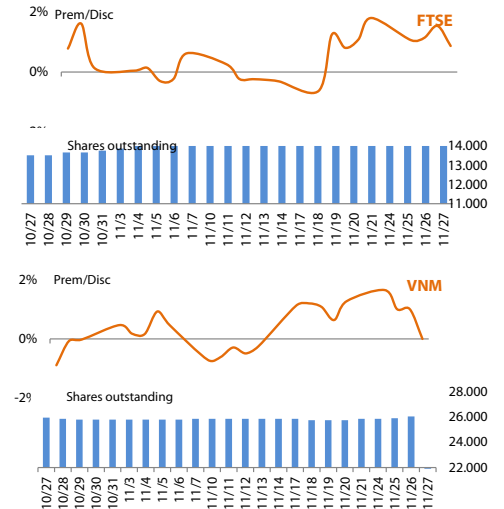


Industry	% change
Technologies	1.1%
Industrials	1.0%
Constructions	0.7%
Oil & Gas	1.5%
Distribution	-0.7%
F&B	0.6%
Household Goods	1.5%
Cars & Parts	0.5%
Chemicals	2.1%
Resources	0.8%
Insurances	-1.0%
Real Estates	0.0%
Financials	1.2%
Banking	1.3%
Utilities	0.6%
Healthcare	-0.7%

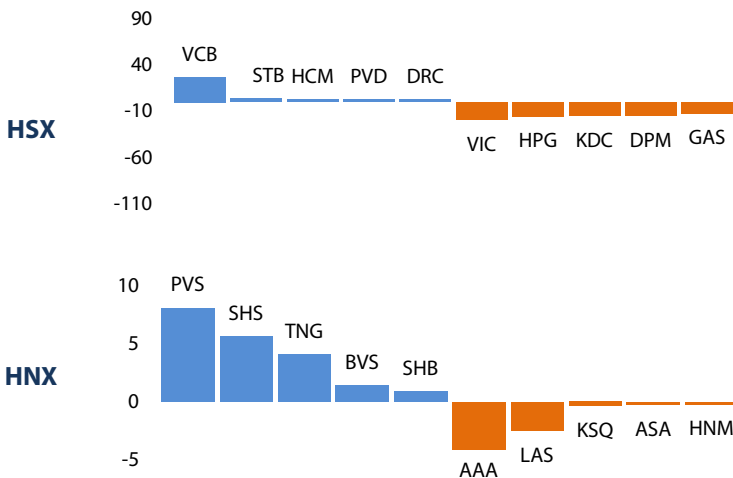
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



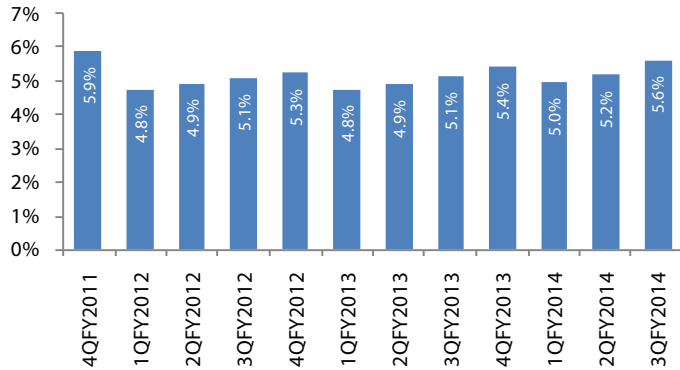
Top Active

Ticker	Price	Volume	% price change
FLC	11.5	12.18	C
PVT	17.9	7.85	2
ITA	8.8	4.72	C
VHG	14.1	4.51	-1
OGC	8.1	4.24	-1

Ticker	Price	Volume	% price change
KLF	13.1	6.84	0.8%
SCR	10.7	4.59	1.9%
VGS	8.2	3.40	5.1%
PVX	6.3	2.47	1.6%
SHB	8.7	2.20	1.2%

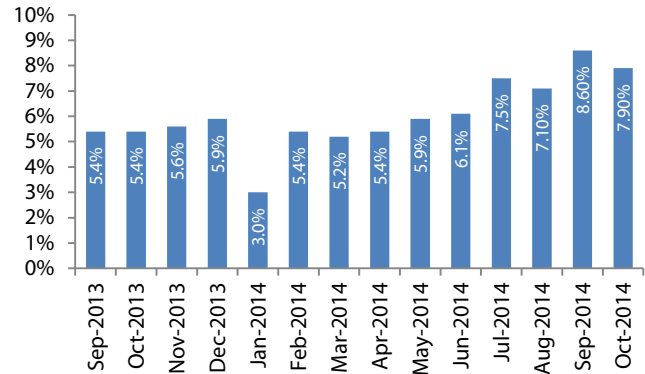
MACRO WATCH

Graph 1: GDP Growth



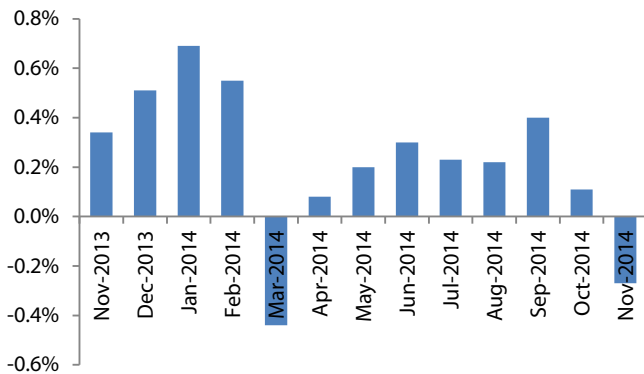
Sources: GSO. Rongviet Securities database
(* Comparison price in 1994)

Graph 2: IIP



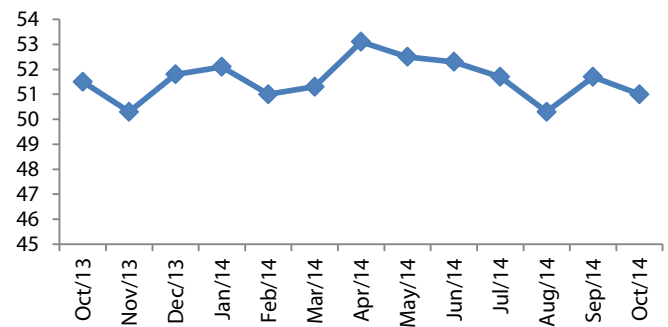
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



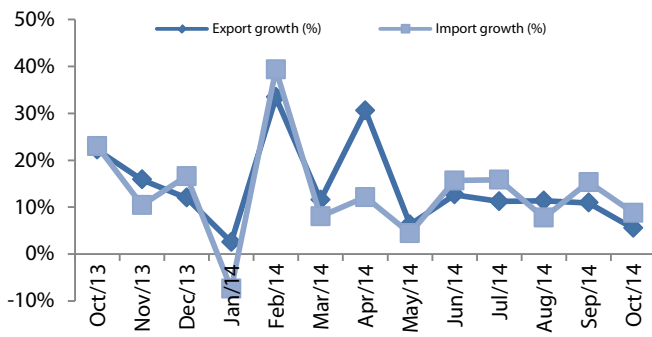
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



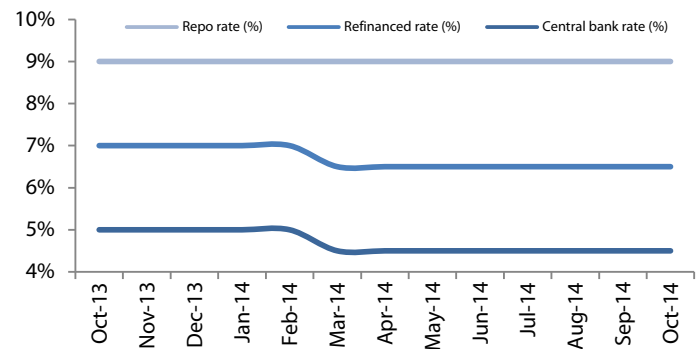
Sources: GSO. Rongviet Securities database

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
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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