

NOVEMBER

14

FRIDAY

“Up and down around 600”

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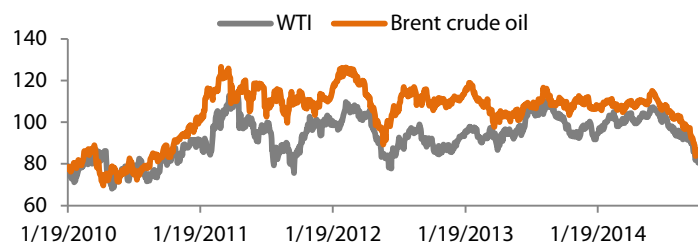
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ADVISORY DIARY

- **Weekly technical analysis**
- **Up and down around 600**

Looking back the whole week, market was unlikely to receive any prominent macro information as last week. The spotlight could be that WTI oil price dropped by 28% compared to early year and stood at USD74.37 per barrel, lower than break-even point of USD80 per barrel that we mentioned in previous Advisory diary. In this situation, we realized that a significant and strong drop of oil prices caused negative impact to Oil & Gas stocks in recent trading sessions. Some leading tickers such as GAS, PVD, PVS were erratic and foreign investors kept net sold.

Graph: Change in WTI and Brent crude oil price



Source: Bloomberg

Due to less optimism of 3Q2014 earnings than last quarter (see **infographic**), oil & gas stocks became less attractive. Although the cut of oil prices was a negative point for investment in oil & gas stocks, we supposed that it might be a suitable time for investors to consider and accumulate good fundamental stocks when facing the unexpected movement of world oil prices.

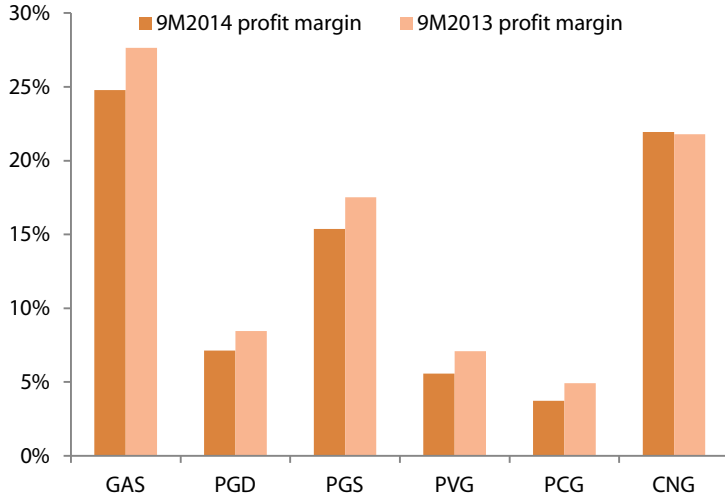
When oil & gas became less interesting, cash flow was still moving. Pennies in Securities group are likely to grab attention of investors, especially foreign investors. Some typical stocks in this group were BVS (~VND6 billion), IVS (~VND 8 billion), SHS (~VND 19.2 billion). In contrast, although there were a lot of 3Q2014 earnings in terms of real estate companies to be made known, investors were still neutral. Foreign investors kept net sold a lot of real estate stocks such as HAG, HBC and NBB.

We also would like to share some information related to GEM (Global Emerging Market) fund that mentioned last week's Advisory diary. In today's extraordinary general meeting, VHG made known that this fund is going to invest USD30 million. This capital will divide into two periods and up to the ending of the year, GEM will disburse about USD 15 million. In July, VHG announced that changing its company name and investing in rubber and construction segment. In this meeting, company also announced to have additional issuance with a 1:1 rate for existing shareholders and raise VND 300 billion corporate bonds.

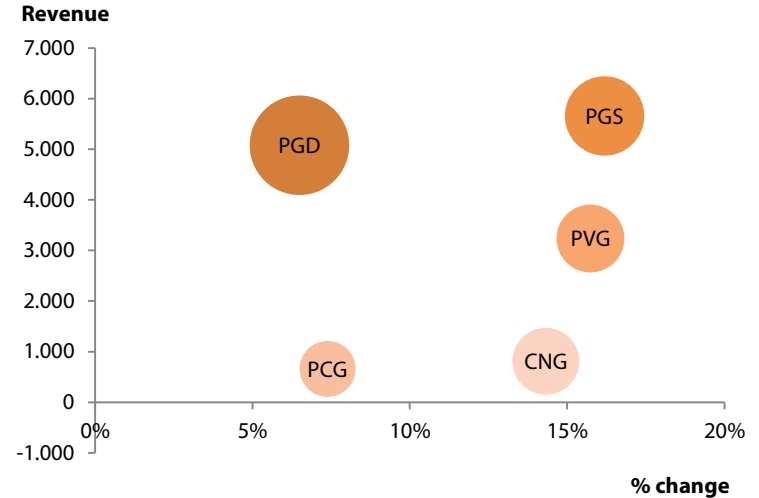
As statistically, liquidity on both exchanges had been improved markedly as against last week, maintained at VND 3,000 billion, surging 22% from last week. Additionally, 2 indexes moved on contrary trends, VN-Index slumped 0.37% as last week, whereas HNIndex advanced 1.33%, closing at 90.43 points. We supposed that the overall trend was restricted accumulation. In next week, we will not expect any more breaking-news except for news related to Congress meeting (Result of confidence voting, discussion on Real Estate & Housing law,...). Indexes were anticipated to continuously crawl in next week. Besides of that, activities of cutting margin on some speculative stocks could made motivation for capital flow to go into stocks with good fundamental and less risky.

COMMERCIAL OIL& GAS INDUSTRY 9M2014 RESULT REVIEW

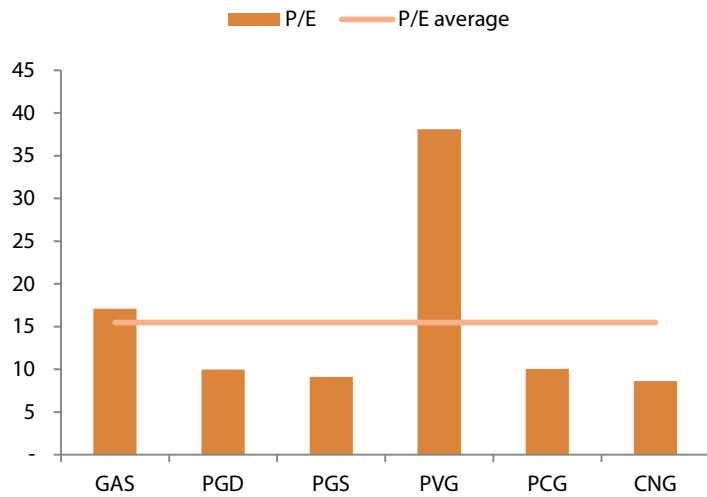
Changes in Gross profit margin



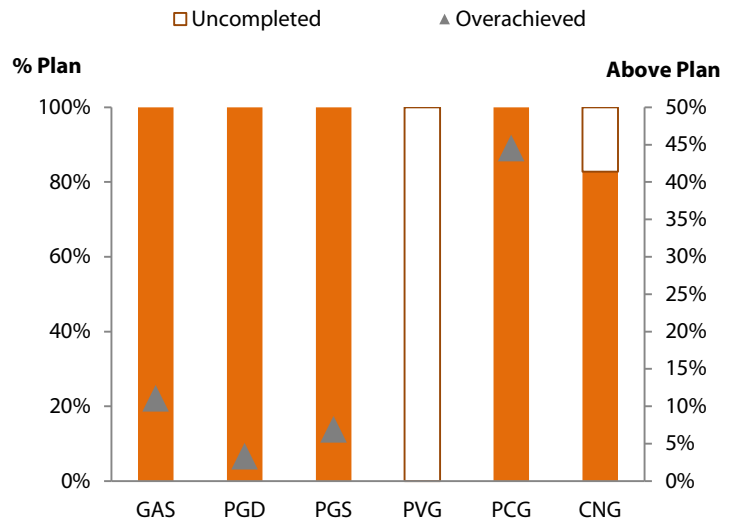
Change in Revenue



Target P/E and average industry P/E

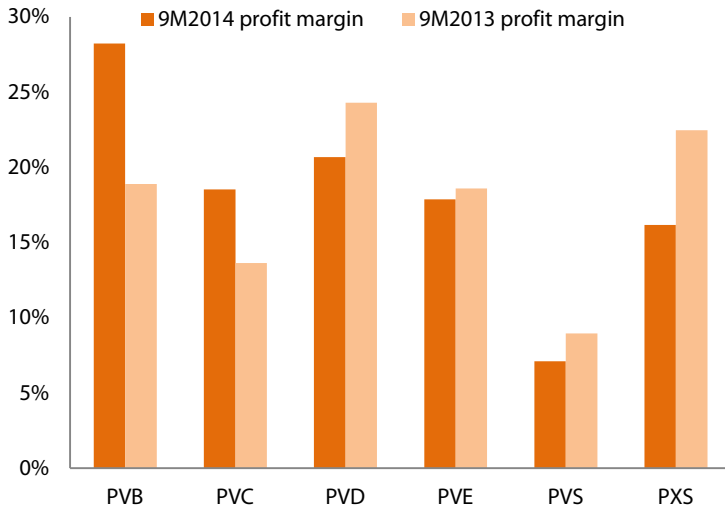


2014 Profit target completion progress

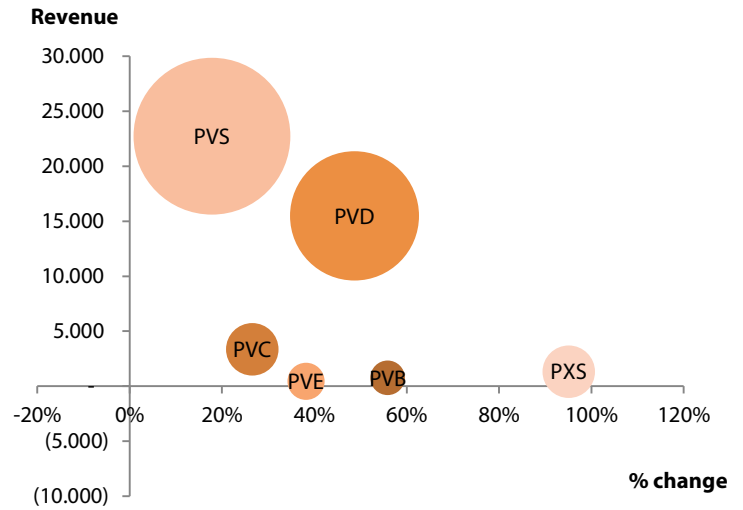


SERVICES OIL& GAS INDUSTRY 9M2014 RESULT REVIEW

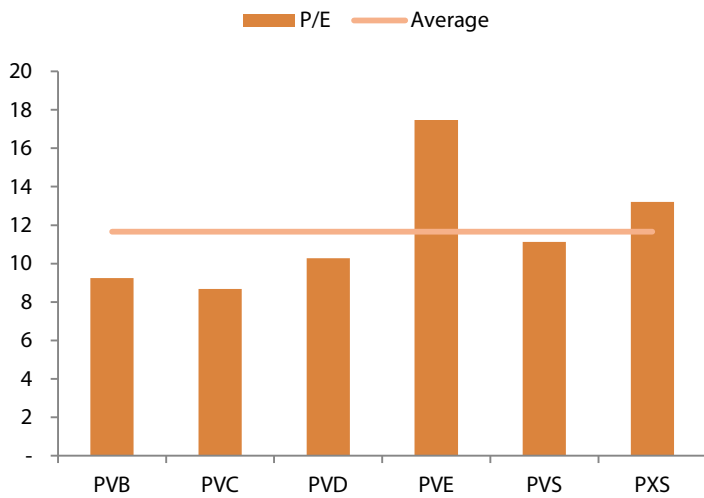
Changes in Gross profit margin



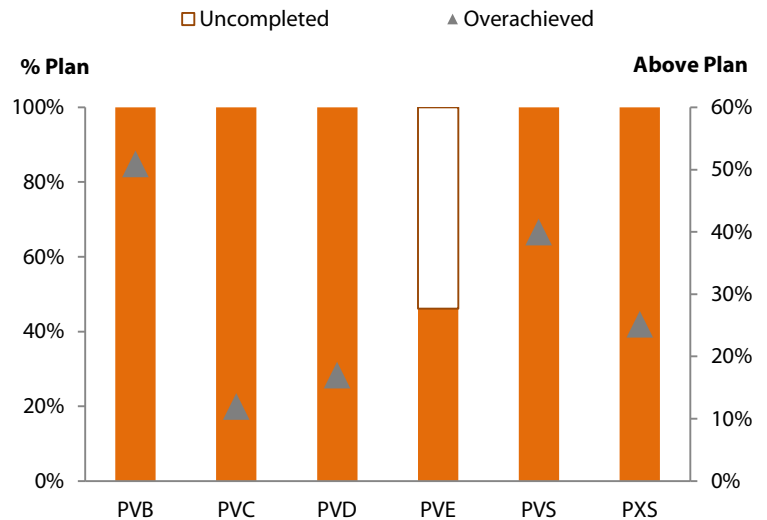
Change in Revenue



Target P/E and average industry P/E



2014 Profit target completion progress



WEEKLY TECHNICAL VIEW

VN-Index

VN-Index lost 2.23 points (or 0.37%), closed at 600.36. Trading volume rose 20% up to 661.5 million shares.

This week, VN-Index approached its strong resistance area at around 605 but could not break above yet. The rise of liquidity showed that the selling forces were strong. VN-Index is still moving in the intermediate-term corrective channel. Traders should watch for a break above 605 areas or a move down to 590 to test the 200-day moving average again.

In a long-term, the uptrend of VN-Index is in progress. In an intermediate-term, the state is correction. In a short-term, VN-Index is fluctuating in a trading range (580-605).

Looking at technical indicators, the MACD and the RSI appears neutral.

If VN-Index breaks above threshold at 605 on high volume then it has great opportunity to finish its intermediate-term correction.

HNX-Index

HNX-Index continued to perform much better than VN-Index when it added 1.19 points (or 1.33%), closed at 90.74. Liquidity also rose strongly with 380 million shares changed hands (+47%).

HNX-Index when up strongly to its resistance at around 91-91.5 and the liquidity was quite impressive but then the index turned down on high volume. The 91-91.5 area is still strong resistance. Next week, trades should watch for a break above 91.5 or a move down to its support at around 89.

Looking at technical indicators, both the MACD and the RSI remain bullish.

Recommendation:

The two indexes moved in opposite directions. VN-Index went down while HNX-Index climbed up. The same thing is both of them turned down at strong resistances. It seems that the markets are not ready to go further in a short-term. Traders should accumulate stocks patiently for long-term purposes, especially on corrective



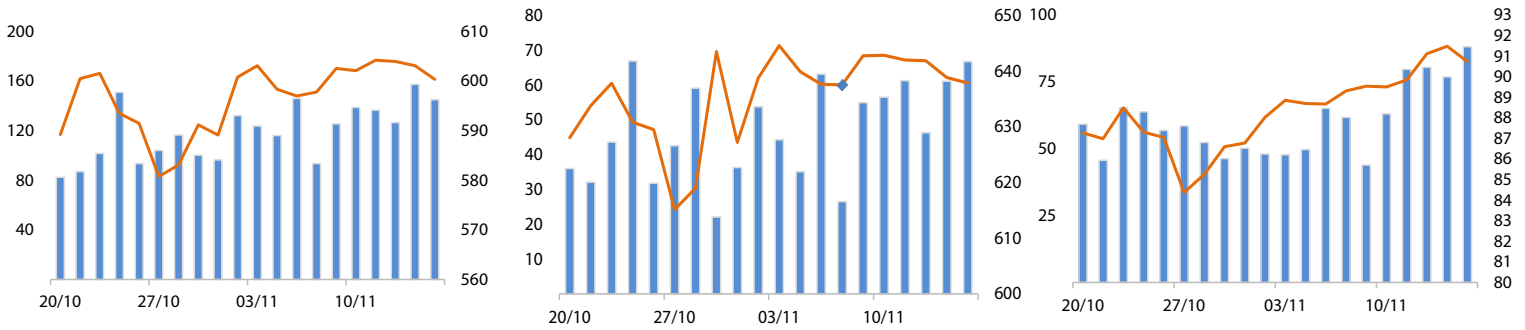
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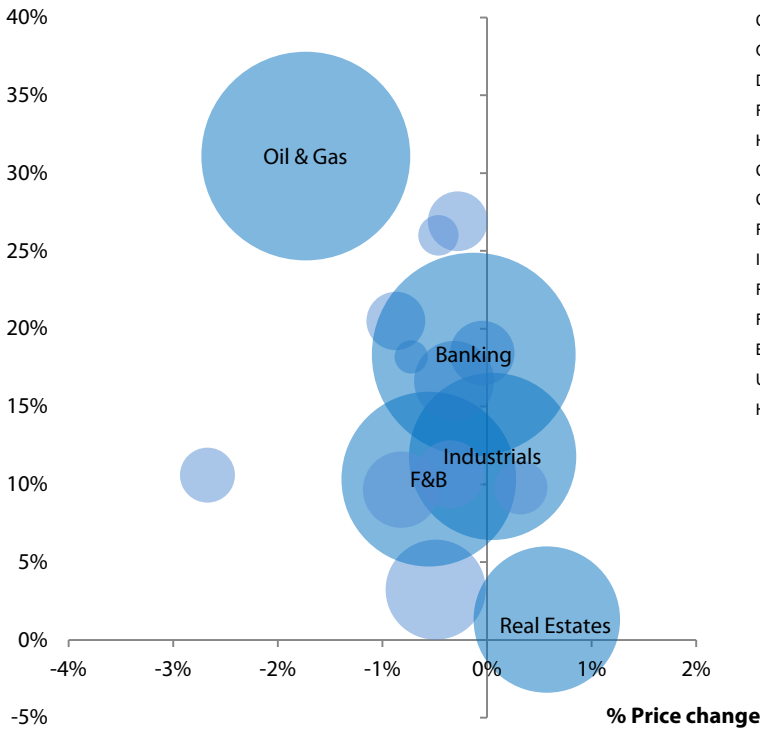
sessions.

VNINDEX -0.46% 600.36 VN30 -0.15% 637.90 HNXINDEX -0.82% 90.74



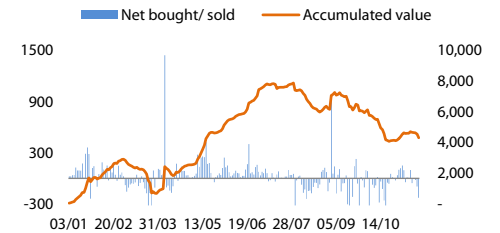
Industry Movement

Industry ROE

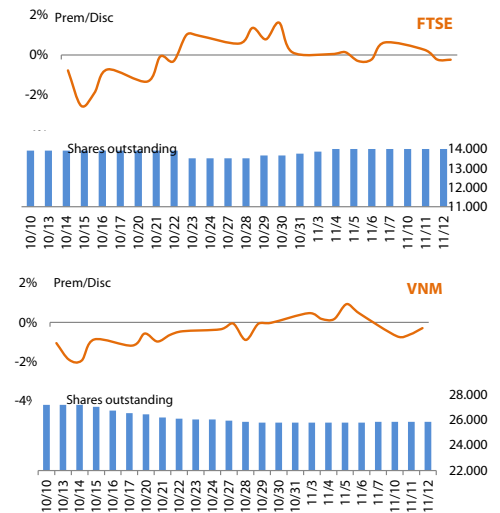


| Industry | % change |
|-----------------|----------|
| Technologies | -0.9% |
| Industrials | 0.1% |
| Constructions | -0.5% |
| Oil & Gas | -1.7% |
| Distribution | -0.7% |
| F&B | -0.6% |
| Household Goods | 0.3% |
| Cars & Parts | -0.5% |
| Chemicals | 0.0% |
| Resources | -0.3% |
| Insurances | -0.3% |
| Real Estates | 0.6% |
| Financials | -0.8% |
| Banking | -0.1% |
| Utilities | -0.3% |
| Healthcare | -2.7% |

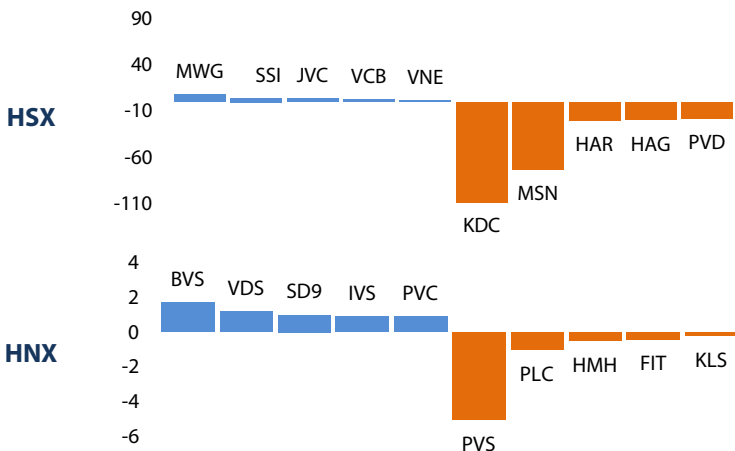
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



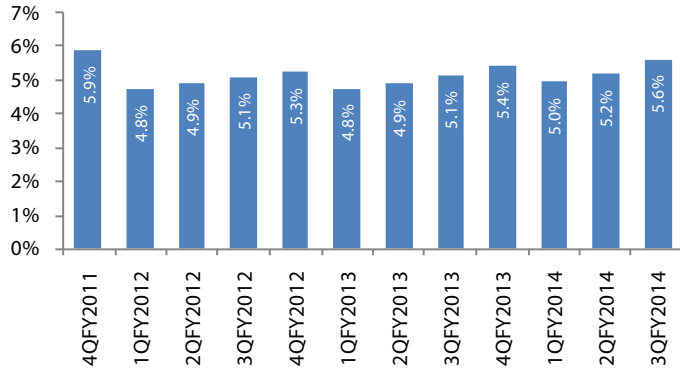
Top Active

| Ticker | Price | Volume | % price change |
|--------|-------|--------|----------------|
| FLC | 12.0 | 26.07 | 0.8% |
| ITA | 8.9 | 7.82 | -1.1% |
| OGC | 9.1 | 7.32 | -2.2% |
| VHG | 16.3 | 7.17 | -0.6% |
| KBC | 17.2 | 6.80 | -2.3% |

| Ticker | Price | Volume | % price change |
|--------|-------|--------|----------------|
| KLF | 14.20 | 24.94 | 3.7% |
| PVX | 6.60 | 15.11 | 0.0% |
| SCR | 10.20 | 5.94 | -2.9% |
| SHN | 4.90 | 5.60 | 2.1% |
| HUT | 14.50 | 3.62 | 5.8% |

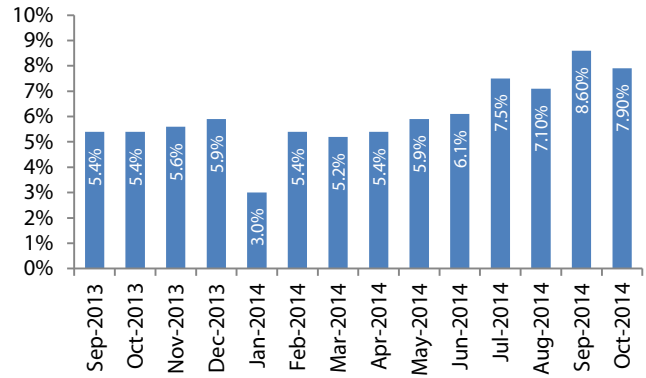
MACRO WATCH

Graph 1: GDP Growth



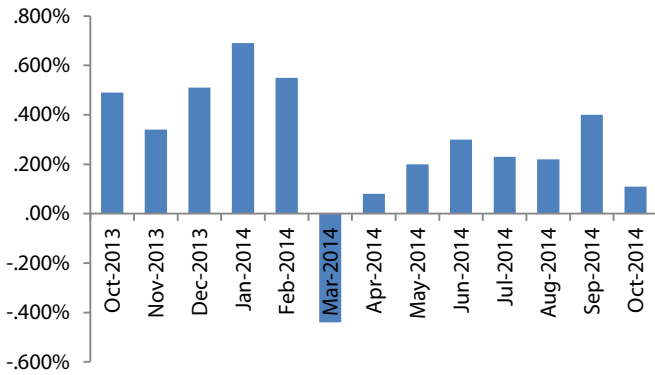
Sources: GSO. Rongviet Securities database
(* Comparison price in 1994)

Graph 2: IIP



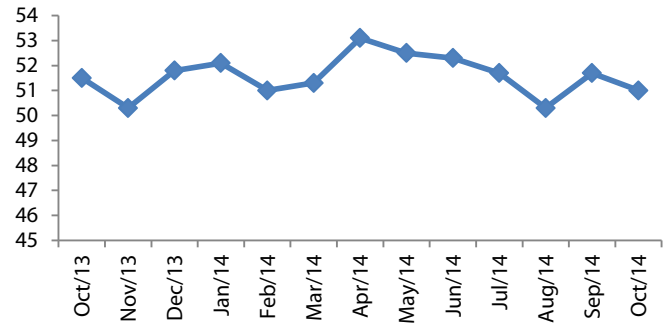
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



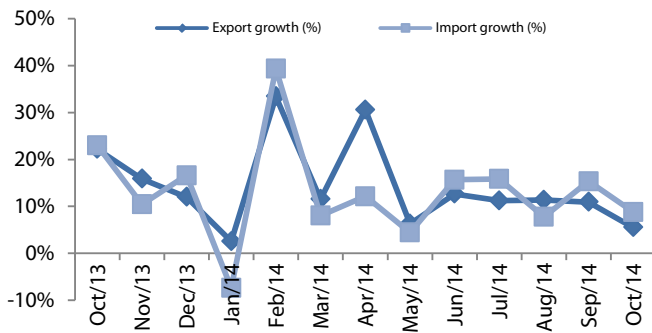
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



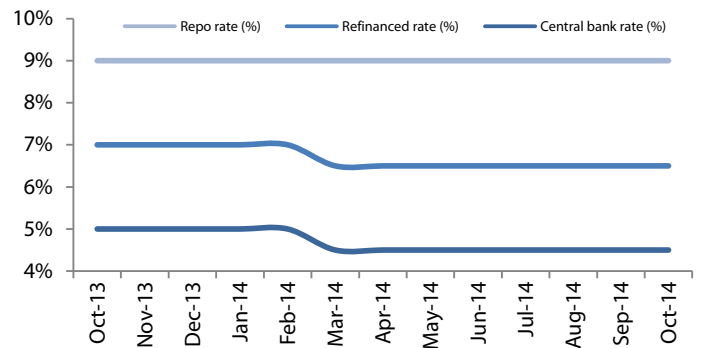
Sources: GSO. Rongviet Securities database

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 |
|--|-----------------------------|-------------------------|--------------|
| CNG - Potential growth from building materials industry's well-being | Nov 10 th , 2014 | Accumulate – Long term | 46,000 |
| GMD - Positive developments from core businesses | Nov 7 th , 2014 | Accumulate – Long term | 44,400 |
| BMP -Every cloud has a silver lining | Oct 30 th , 2014 | Buy – Long term | 87,700 |
| SBA - Growth season ahead | Oct 24 th , 2014 | Buy – Intermediate term | 14,500 |
| APC - Incremental demands for irradiation industry | Oct 23 rd , 2014 | Buy – Intermediate term | 22,000 |
| TCM - Moving up the value chain | Oct 14 th , 2014 | Accumulate – Long term | 42,500 |
| DHC - Restructuring yielded juicy fruits | Sep 29 th , 2014 | Buy – Intermediate term | 25,200 |

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 | 04/11/2014 | 0-0.75% | 0-2.5% | 11,868 | 11,821 | 0.40% |
| VF1 | 10/11/2014 | 0.20% - 1.00% | 0.50%-1.50% | 22.946 | 22.801 | 0.64% |
| VF4 | 05/11/2014 | 0.20% - 1.00% | 0.00%-1.50% | 10.338 | 9.998 | 3.40% |
| VFA | 07/11/2014 | 0.20% - 1.00% | 0.00%-1.50% | 7.570 | 7.527 | 0.57% |
| VFB | 07/11/2014 | 0.30% - 0.60% | 0.00%-1.00% | 11.950 | 11.938 | 0.10% |
| ENF | 31/10/2014 | 0.00% - 3.00% | | 10.504 | 10.535 | -0.29% |

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