

JULY

22

TUESDAY

*“DXG: 2Q2014  
financial results  
update”*

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**ADVISORY DIARY**

- **DXG: 2Q2014 financial results update**
- **CPI July after petroleum price adjustments**

#### **DXG: 2Q2014 financial results update**

In today's morning, our analyst has just had discussions with representative of Dat Xanh Real Estate Service & Construction Corporation about 2Q2014 financial results. During the second quarter, the post-tax profit was estimated to be around VND31 billion (+55% compared with the same period). The 2Q2014 revenue was about VND117 billion, of which VND95 billion came from brokerage services and cooperative investment - wholesale buying and retailing. The amount exceeding over VND21 billion was caused by DXG's real estate assignment, such as Gold Hill Bottom Land Project (Dong Nai Province). Overall in the first 6 months of 2014, DXG generated total revenue of approximately VND210 billion (~40.38% of the target) and post-tax profit of VND52 billion (~41.6% of the target).

Thus, the revenue from bulk buying and retailing still contributed significantly to the business result of DXG in the first two quarters of the year. It's our industrial analyst's perspective that this activity will continue to account for a large proportion of revenue and profit in the following quarters due to the plentiful cooperating projects. In terms of development and real estate business segment, DXG in 2014 would recognize revenue from the residential project Phuoc Long A Ward – District 9 which has just been transferred from the Thuy Loi Real Estate Investment 4B JSC. From 2015, DXG will begin to record the revenue and profit from Sunview Town project. This business segment was considered to have long-term positive prospect when DXG continues to expand its land.

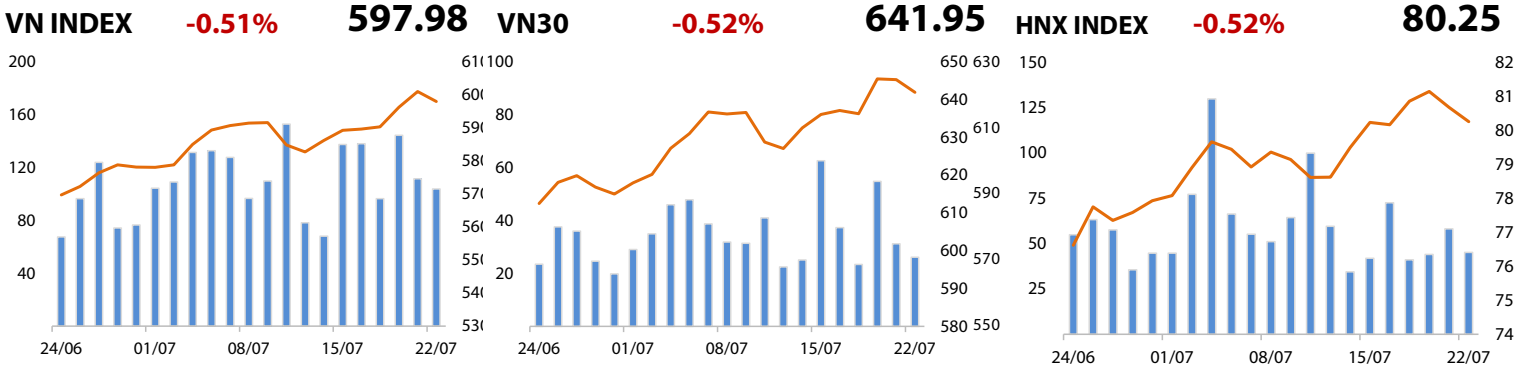
Besides DXG's advantages at the B-and-C-level apartment segment, in projects which DXG invested directly in or indirectly through cooperation, there were following outstanding projects as The Viva City, Dream City, resorts projects in Phu Quoc Island. In the recovery of the real estate market, these above projects were expected to advance financial results in the period of 2016 – 2018.

#### **CPI July after petroleum price adjustments**

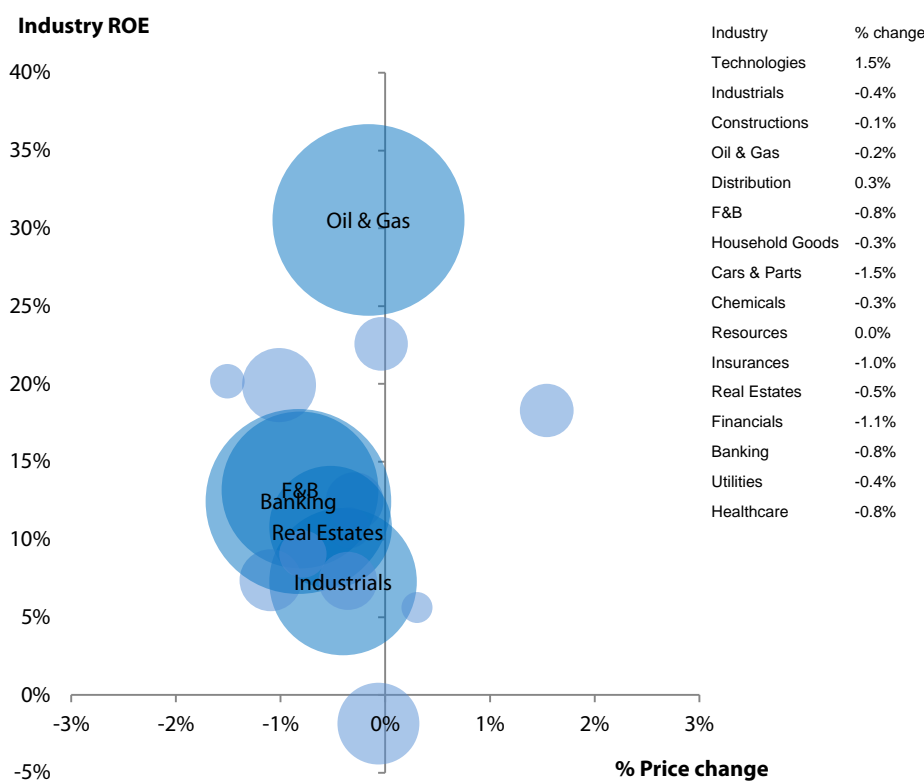
The price of crude oil surged since the middle of June due to accelerated tension in Iraq, the Ministry of Finance has adjusted retail oil price two times with an increase of nearly 3%. The land transport fee also had a significant rise, from 40 – 100% at the end of March. These two factors have a large proportion in total selling cost of many sectors which serve daily living demand. Therefore, the increase of transport fee will not only directly impact on transportation price index (made up 8.87% in CPI index), but also on the other group such as housing, construction material, etc.

According to The Bureau of Price Management, the food commodity classification rose slightly in this month. Particularly, the rice price fluctuated from VND50 to VND325/kg due to the import demand from Malaysia and Philippines as well as the increase in rice price of Thailand market. Additionally, other food commodities such as pork also increased from VND1,000 to VND3,000/kg.

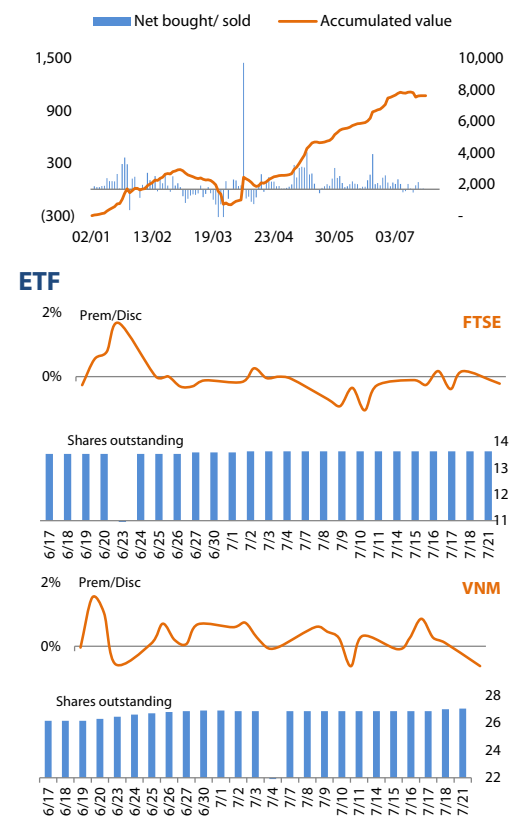
Hence, based on the price premises, it is in our analyst's estimation that the CPI of July might go up approximately 0.3% compared with previous month. Commenting on the CPI of 2014, our analyst maintains the perspective on inflation's forecast at 5.5% as the updated report for 5 months which has just been published.



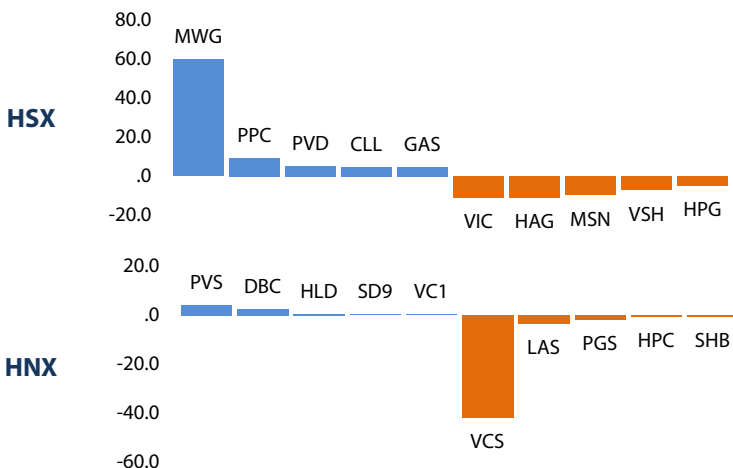
**Industry Movement**



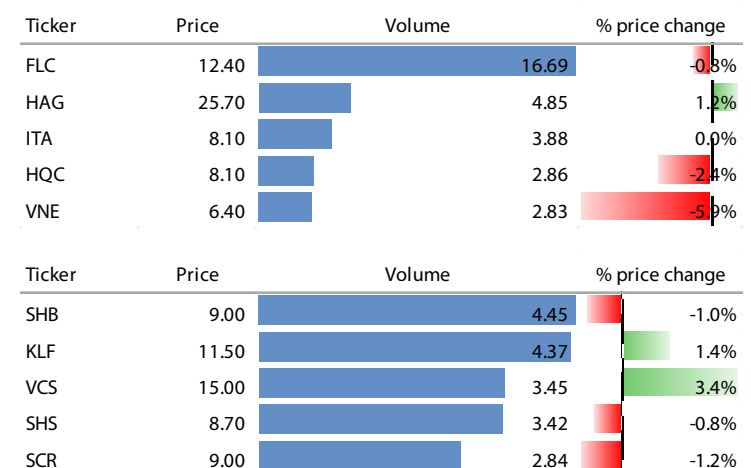
**Foreign Investors Trading**



**Top net bought/sold by foreigners (VND bn)**

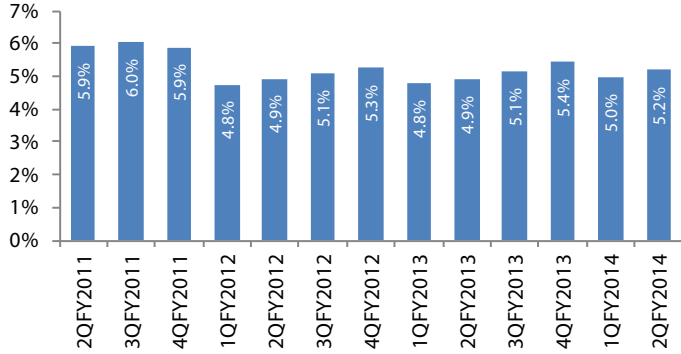


**Top Active**



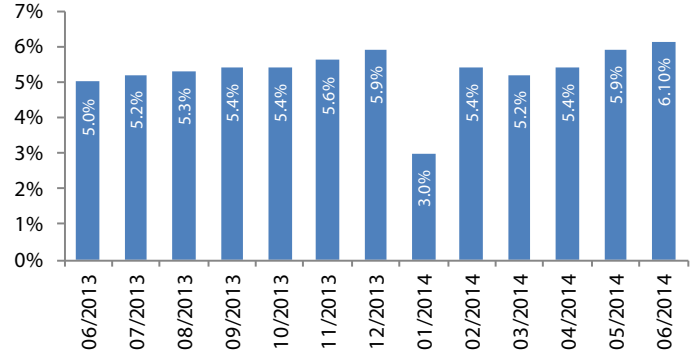
**MACRO WATCH**

**Graph 1: GDP Growth**



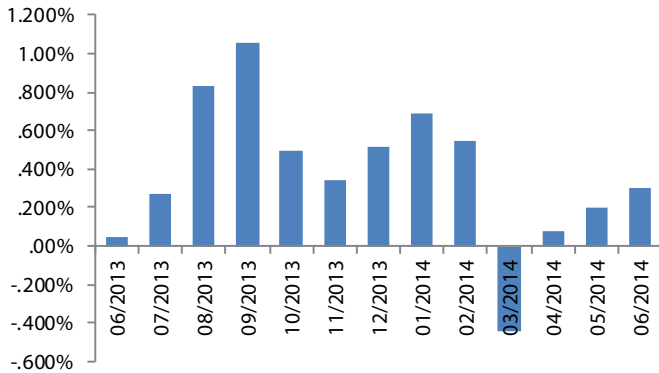
Sources: GSO, Rongviet Securities database  
(\* Comparison price in 1994)

**Graph 2: IIP**



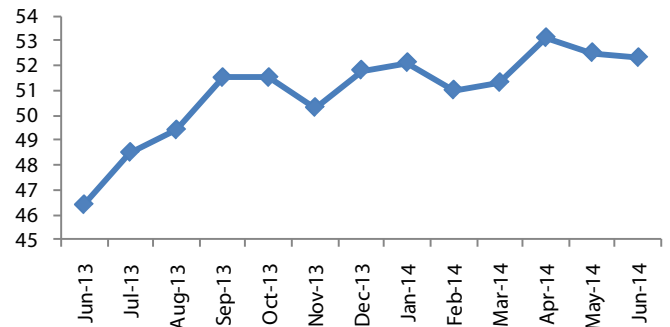
Sources: GSO, Rongviet Securities database

**Graph 3: Monthly CPI**



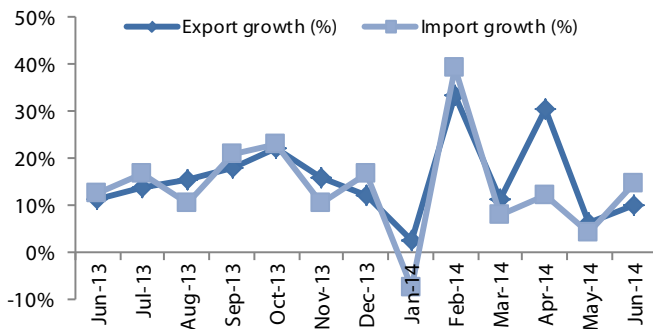
Sources: GSO, Rongviet Securities database

**Graph 4: HSBC - PMI**



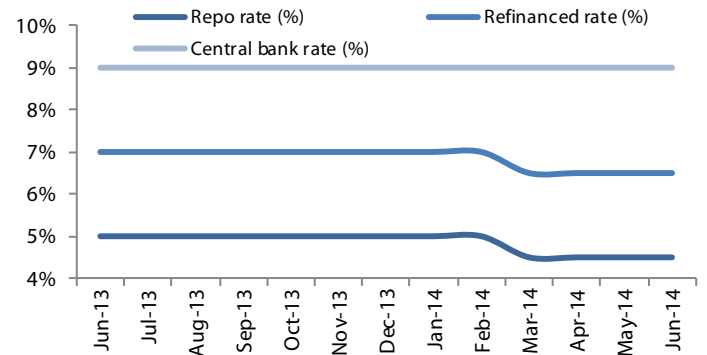
Sources: GSO, Rongviet Securities database

**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 <sup>th</sup> , 2014	Buy – Long-term	28,000
FPT-Leaping revenue	May 27 <sup>th</sup> , 2014	Accumulate – Intermediate-term	51,600
NBB-Strengthened cash flows	May 07 <sup>th</sup> , 2014	Buy – Long-term	36,300
DIG-Reboot	April 28 <sup>th</sup> , 2014	Accumulated – Long-term	19,200
HPG-Sustainable Development	April 24 <sup>th</sup> , 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	01/07/2014	0.75%	0.75%	10,881	10,833	0.44%
VF1	03/07/2014	0.20% - 1.00%	0.50%-1.50%	21,377	21,100	0.60%
VF4	02/07/2014	0.20% - 1.00%	0.00%-1.50%	9,704	9,527	1.86%
VFA	04/07/2014	0.20% - 1.00%	0.00%-1.50%	7,411	7,377	0.47%
VFB	04/07/2014	0.30% - 0.60%	0.00%-1.00%	10,853	10,799	0.50%
ENF	27/06/2014	0.00% - 3.00%		9,888	9,785	1.05%

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