

*“Sudden
turnaround of
market”*

- **Index of Industrial Production slightly decreased, consumer confidence was improved.**
- **PNJ to withdraw from SFC**
- **Sudden turnaround**

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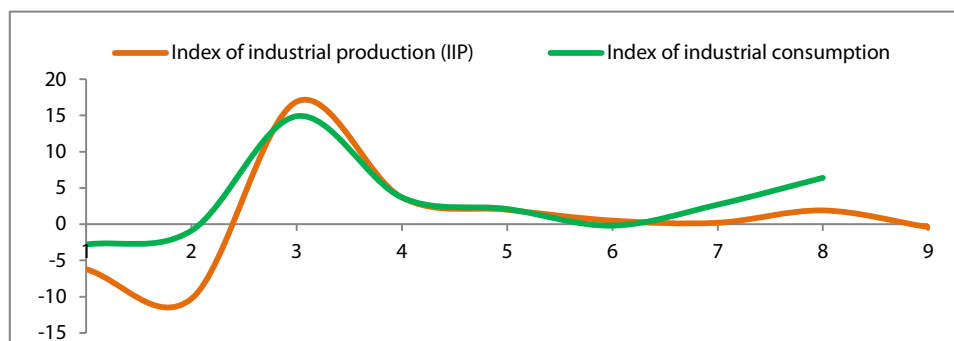
Yesterday, GSO announced data about projected Index of Industrial Production in September and consumption and inventory in last eight months. In general, the above figures give more optimistic view on manufacturing sector in Vietnam, especially the gradual improvement in terms of commodity consumption, and provide foundation for enhancing quantity of enterprises in rest of the year.

The Index of Industrial Production of Vietnam lost a monthly 0.4% in September as electricity output and consumption dropped 2.5% from the previous month while the other sub-indices such as those for manufacturing, water supply and garbage processing climbed 1%, said the GSO in its latest report. The nine-month period saw the IIP picking up a steady 6.7% from a year earlier with the electronics and electronic part production growing a good 35.9%. Goods with expected high consumption near year-end such as garments, footwear, fishery products also witnessed expanded production in the past one month.

The consumption index of the processing industry climbing 6.4%, its largest increase since March, in September also indicated a rebound in consumer confidence. This is consistent with the index of consumer confidence compiled by ANZ Roy Morgan, which rose the 4th straight month in September, and partly lifted concerns over shrinking demand. The two most exported categories of goods last month were textile-garments and electronic parts, which continued to lead in term of monthly consumption growth in August at reported rates of 11.7% and 22.7% respectively.

The improvement in domestic consumption also helped free up firms’ inventories, evidenced by the index of inventory growing 0.4% from the previous month, its slowest monthly growth since the beginning of the year and 11.6% from a year earlier in September. In conclusion, even though industrial production declined slightly, the processing/manufacturing sector, which is expected to accelerated in later months of the year, was still seen in positive growth. Given August’s optimistic consumption and inventory data, we maintain the point that demand and thus industrial production will speed up right in the few months before year-end.

Exhibit: Index of IIP and Industrial Consumption accrued growth Jan-Sep/2014 (Unit: %)



Sources: GSO, RongViet Research

PNJ to withdraw from SFC

Phu Nhuan Jewelry SJC (PNJ) announced yesterday that it would divest from SFC, a subsidiary with 50.02% of share capital owned by PNJ at a cost price of VND138.6 billion. SFC hit the ceiling the fourth straight day today, closing at VND27.200/share. If able to rid of its holding at the current price, PNJ may pocket a total VND153.4 billion with an estimated profit of VND14.8 billion.

As known from our analyst, SFC is a relatively small business with above-industry-average profitability and efficiency. For first half of FY2014, SFC's revenue was recorded at VND1,297 billion (58% of the annual guidance) and NPAT at VND17.36 billion (4.8% above target). Such optimistic results came from the fact that gasoline prices and thus the commissions for gas sellers like SFC was constantly adjusted upward whereas the Company was able to stock a substantial amount in the end of 2013. As it pushed wholesales, SFC also saw the consumption volume growing significantly as compared to the same period last year in 1H2014. Financial revenue, or interest income to be precise, also played a part in the Company's earnings jump. SFC's gasoline sales face huge demand in the long term and are in fact still growing fast. Also, as the regulations of gasoline price are lifted at some parts, there will be more chances for traders like SFC to expand their profit margins. However, it should be noted that the rate of expansion of SFC's retail network is still low, calling for more efforts from the firm in seeking for new sale sites and the risk of gasoline price volatility under loosened regulations is also worth some caution.

Sudden turnaround of market.

In today's session, market saw a spectacular turnaround. In last minutes of the ATC, 2 indices exceeded reference marks, adding 0.25% on VNIndex and 1.07% on HNIIndex. Also, this session was the first increasing session within 2 recent weeks. Erratic sentiment of market in last 2 weeks was not too strange to investors. However, the improvement of 10 point from the morning's session bottom, closing at 605.1 of VNIndex, partly made market more excited. With the dominant of green tickers on two exchanges, 160/53 on HSX and 134/77 on HNX, along with participation of some purple tickers had made market's picture brighter than last session. However, there were also heavy-weighted tickers plunged to flooring price, such as MWG (-12,000) hay VIC (-3,500). Today, market's liquidity rose moderately, getting VND 3,500 billion (+17% compared to last session).

Today, foreign investors continued to reversely trading compared to market when they kept net sold with a value of VND 379.8 billion. Among that, VIC accounted for a major of net sought value of VND 336 billion, even in the first additional issuance session. On the other hand, top selling stocks is also large-caps such as GAS, SSI, VCB, PPC and HPG.

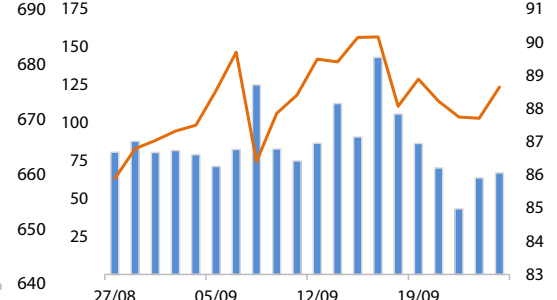
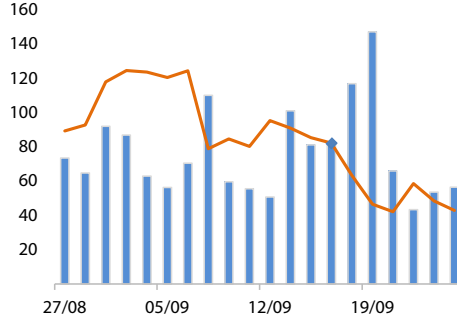
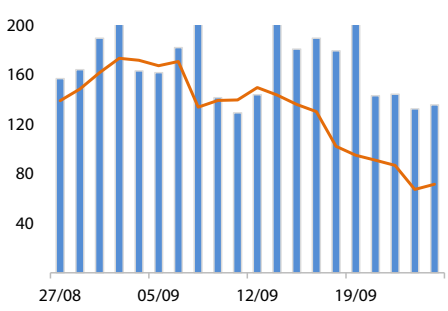
Although VNIndex in today's session did not have many changes, but trigger intense emotion. Strong sell transaction in the beginning of trading session and strong buy transaction when closing, including GAS, had affect the sentiment market, therefore, we felt that a recovery in today's session is "less natural". With these reason, we think that long-term investors still have time to pick suitable stocks and prices in the upcoming sessions.

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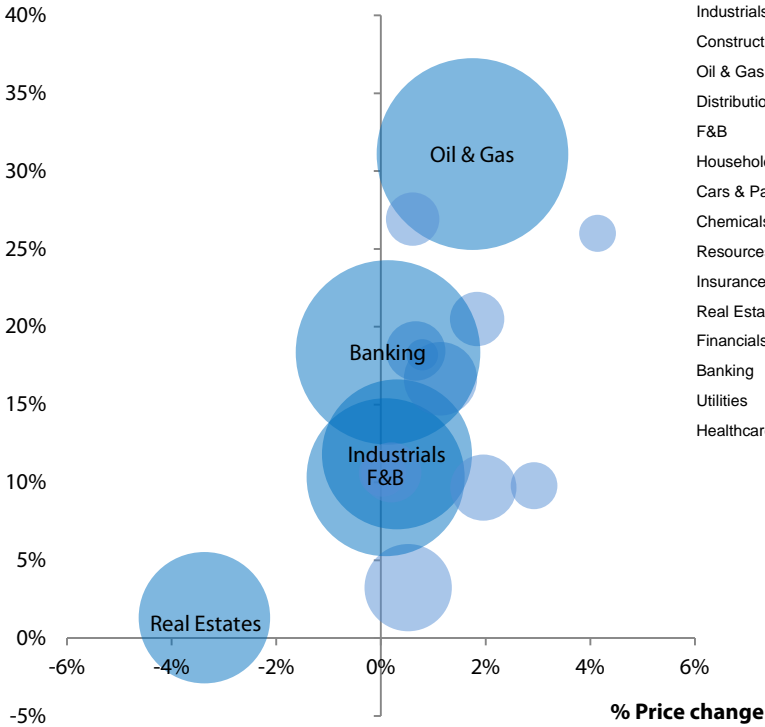
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VNINDEX 0.25% **605.10** **VN30** -0.27% **653.39** **HNXINDEX** 1.07% **88.65**

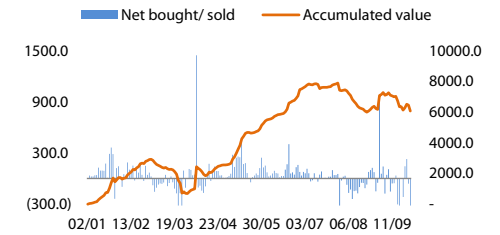


Industry Movement

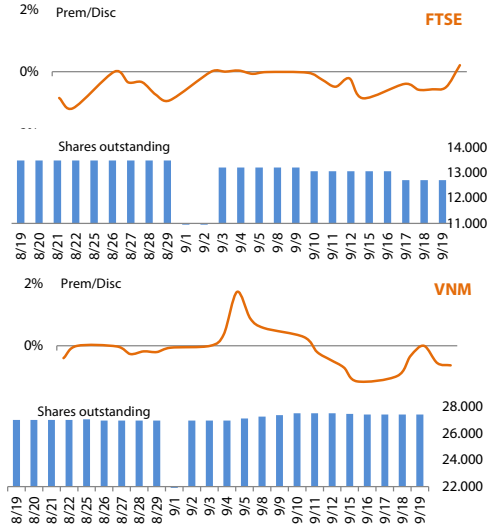
Industry ROE



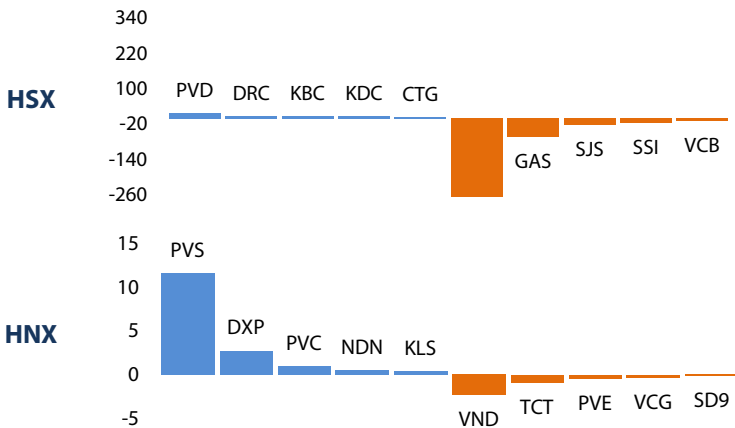
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



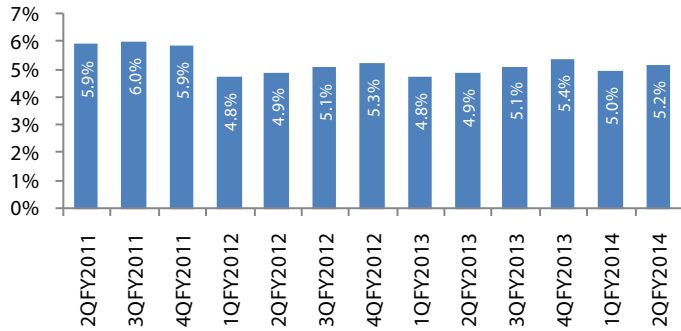
Top Active

Mã	Giá	KLGD	% thay đổi giá
FLC	11,6	15,09	0,9%
VIC	52,0	7,75	-6,3%
ITA	8,7	4,67	1,2%
SSI	28,8	4,59	1,8%
KSA	9,2	4,24	7,0%

Ticker	Price	Volume	% price change
PVX	6.60	14.92	4.8%
PVS	42.10	6.63	1.9%
FIT	19.50	4.52	5.4%
KLS	12.70	3.40	1.6%
SHS	12.50	2.93	5.9%

MACRO WATCH

Graph 1: GDP Growth



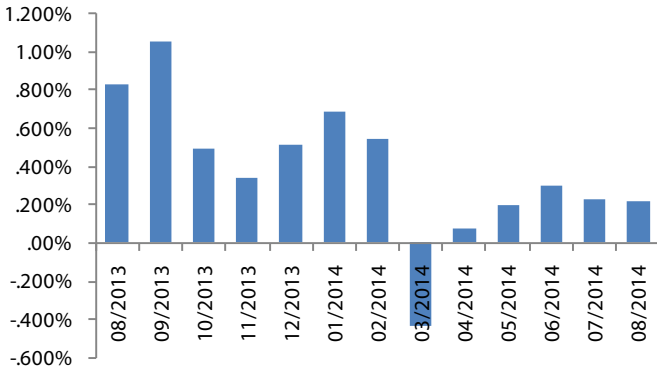
Sources: GSO. Rongviet Securities database
(*) Comparision price in 1994

Graph 2: IIP



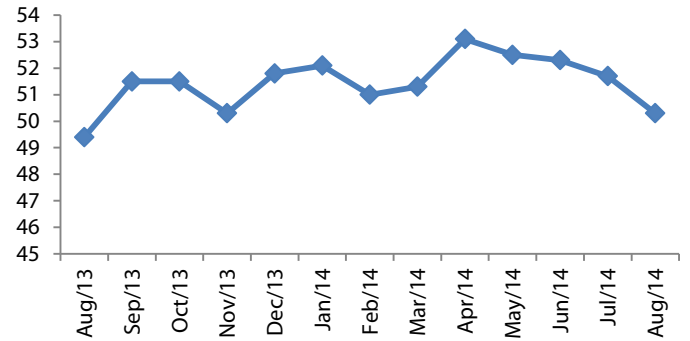
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



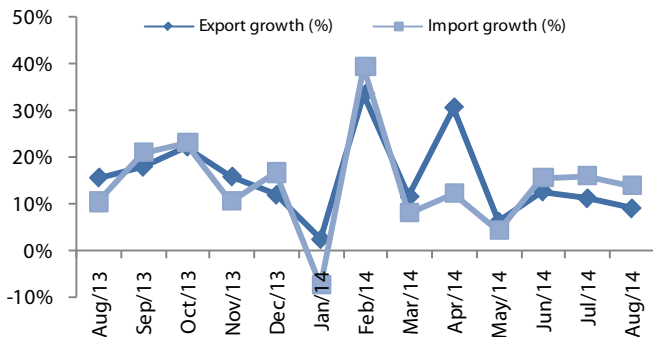
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



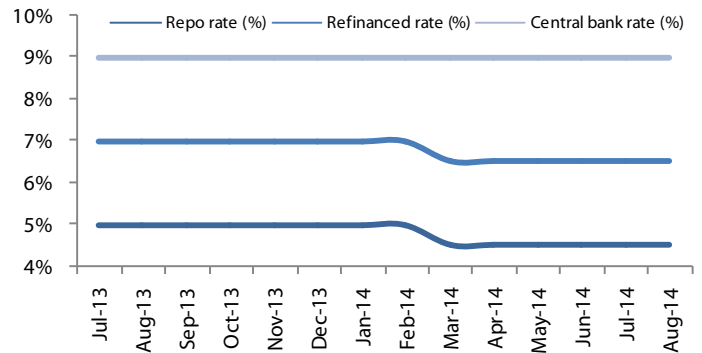
Sources: GSO. Rongviet Securities database

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
PVD – Busy O&G exploitation brought warmth	Sep 17 th , 2014	Accumulate – Long term	122,00
REE - Solid ground s for sustainable growth	Sept 9 th , 2014	Neutral - Long term	29,700
HSG - The hard part has gradually done!	Aug 21 st , 2014	Accumulate – Intermediate term	48,100
HPG - On the way to dominate nationwide' market shares	Aug 12 th , 2014	Accumulated – Intermediate-term	66,400
NBB - A new chapter with co-investment	Jul 31 st , 2014	Buy – Intermediate term	27,400

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	16/09/2014	0-0.75%	0-2.5%	11,645	11,476	1.47%
VF1	18/09/2014	0.20% - 1.00%	0.50%-1.50%	23.917	23.531	1.64%
VF4	17/09/2014	0.20% - 1.00%	0.00%-1.50%	10.868	10.733	1.26%
VFA	18/09/2014	0.20% - 1.00%	0.00%-1.50%	7.709	7.777	-0.88%
VFB	18/09/2014	0.30% - 0.60%	0.00%-1.00%	11.532	11.451	0.72%
ENF	12/09/2014	0.00% - 3.00%		10.705	10.740	-0.33%

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