

**MARCH**

**18**

**MONDAY**

*“Repeated the down-an-up-again pattern”*

**ADVISORY DIARY**

- **Discussion about textile industry**
- **Repeated the down-an-up-again pattern**

**Discussion about textile industry**

Rated as one of the most promising industries in 2015, textile is attracting more and more attention from investors. Therefore, today, we will share and discuss more about this field under the FDI perspective. To be more precise, this is FDI restriction policy in several local areas that is received special care by media earlier this year.

Well-known as a country with cheap labor cost, Vietnam is getting a new opportunity in clothing aspect when FTA, TPP trade agreements could be finalized in 2015. Under such chance, FDI is flowing into Vietnam with over 2 billion USD, accounts for 60% of 2014 exports in textile industry. However, this issue is putting the pressure on domestic competition because FDI is getting special benefit from the government in term of taxation, real estate, fees, etc. In addition, pollution in working environment is getting more and more attention from local authorities, especially on dyeing activities. As a result, FDI restriction policy in textile industry or requirement for additional conditions are executed and operated in several provinces which are the FDI destinations such as Dong Nai, Binh Duong, Ba Ria Vung Tau, Hai Duong...

This policy helps reducing the competition for human resources between domestic and foreign companies. Furthermore, if the flow of FDI keeps coming into Vietnam, supply of export could dramatically increase, especially when FDI has advantage in term of technology and price expertise. Consequently, FDI restriction policy cools down not only the human resources competition but also export market.

Relate to textile industry, we provide updated statistics from our industry experts about TNG, a textile enterprise with top production capacity in the North. Up to the end of 2/2015, the value of sign contract is approximately 15 million USD, over 50% of 2015 revenue target. According to experts in textile industry, it is not much a difficulty for TNG to sign more contracts and surpass the target. However, labor is the biggest issue which is coming from human resources competition in several FDI projects in Thai Nguyen province.

Furthermore, 1st phase of the exploitation with over ten production chains of Dai Tu factory along with the probability of expanding capacity by 35.4% require much more effort from the management team. Overall, business performance is evaluated to be positive when trade agreements are signed. As a result, investors should observe TNG in order to make a right time for a right investment.

**Repeated the down-an-up-again pattern**

After a slight recovery yesterday, the market, today, closed in red color when VNIndex and HNXIndex decreased respectively 0.35% and 0.44%. We recognized that the struggle between selling and buying pressure occurred in the moment of VNIndex’s slumping under 580 point. Therefore, the liquidity still remained VND 2,000 billion. However, the selling pressure overwhelmed leading VNIndex to lose 580 point – strong resistant range recently.

Notably, today trading session, oil and gas stocks such as PVD (-3.8%), GAS (-1.3%) dropped down as oil price hit its lowest record for the last 6 years. In terms of PVD, we reckoned that PVD turned back to 50,500 VND per stock since December 2013. Thus, after a long downtrend, PVD still had an unexpected fluctuation. Lost momentum of oil and gas stocks also affected to VN30. At the end of

trading session, VN30 only had 4 green tickers with humble level price such as VSH (+0.7%), EIB(+0.8%), GMD( +1.4%), VCB (+0.3%). On the other hand, in term of foreign trading, selling value reached to VND 246.2 billion. However, the reciprocal buying power coming from portfolio restructuring made foreign transaction still remain net purchase of VND 25 billion

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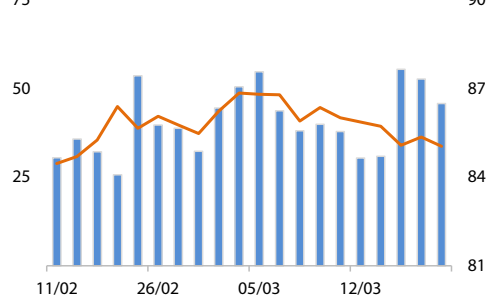
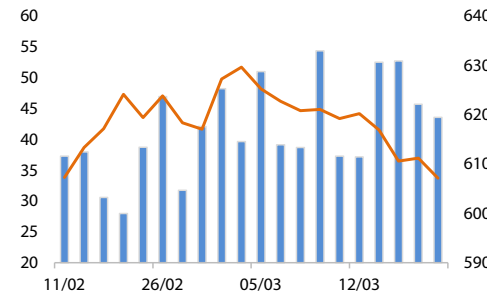
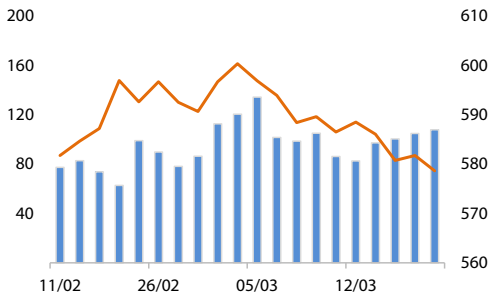
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Put-through transaction in today's session was relatively noteworthy, reaching total value of VND446 billion, constituting nearly 19% of trading volumes; especially a put-through deal of 18.9 million shares in VNE that are likely to be the same as the SCIC's ownership. After divestment failure recently, SCIC might withdraw their shares in VNE as their roadmap. Moreover, VCBS bought addition 3 million shares to rise their ownership's proportion up to 7.53%. Therefore, we expect in a management change to be more proactive.

**VNINDEX -0.53% 578.68**

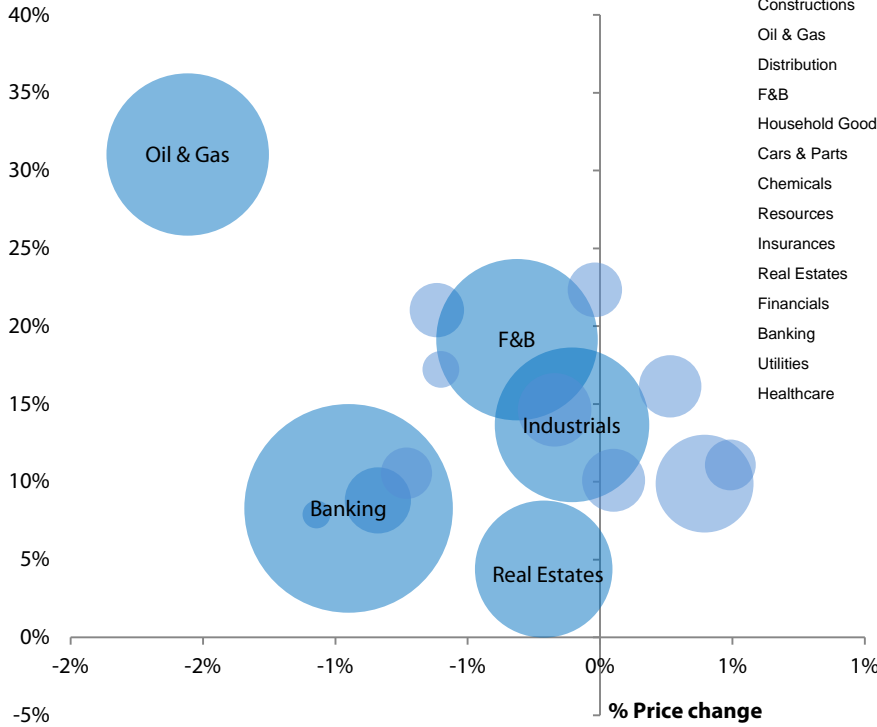
**VN30 -0.66% 607.18**

**HNXINDEX -0.36% 85.05**



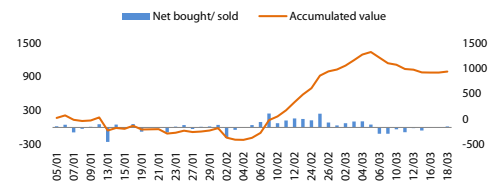
**Industry Movement**

**Industry ROE**

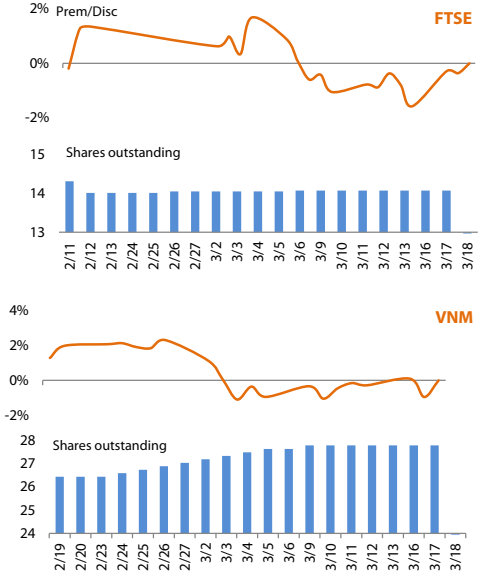


Industry	% change
Technologies	-0.6%
Industrials	-0.1%
Constructions	0.4%
Oil & Gas	-1.6%
Distribution	-1.1%
F&B	-0.3%
Household Goods	0.5%
Cars & Parts	-0.6%
Chemicals	0.3%
Resources	0.0%
Insurances	-0.2%
Real Estates	-0.2%
Financials	-0.8%
Banking	-0.9%
Utilities	0.1%
Healthcare	-0.7%

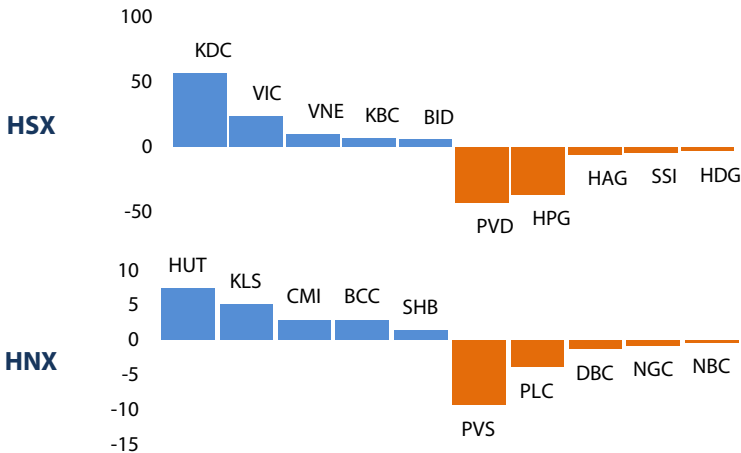
**Foreign Investors Trading**



**ETF**



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



**Top Active**

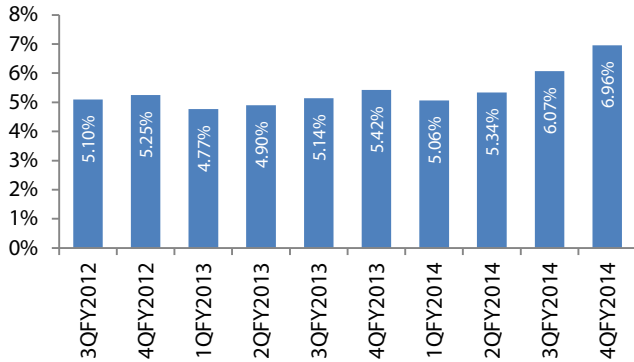
Ticker	Price	Volume	% price change
FLC	12.0	23.99	-1.6%
SAM	13.7	3.72	3.0%
CTG	18.2	3.11	-2.7%
BID	18.0	2.50	-1.6%
HAG	21.9	2.07	-1.8%

Ticker	Price	Volume	% price change
KLF	10.9	5.40	-1.8%
FIT	19.3	4.07	1.6%
SHB	8.7	3.20	-1.1%
HUT	16.8	3.14	3.1%
PVS	25.2	1.59	-1.6%

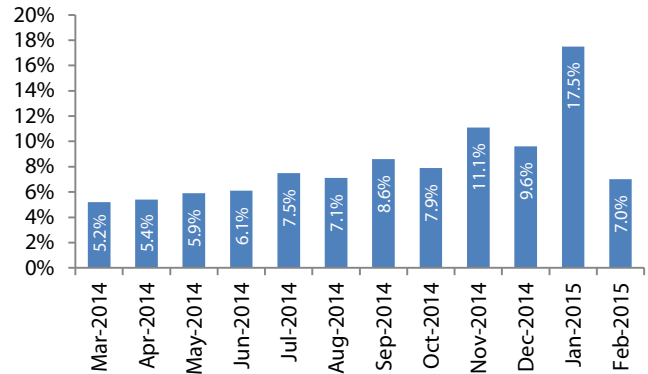
**MACRO WATCH**

**Graph 1: GDP Growth**



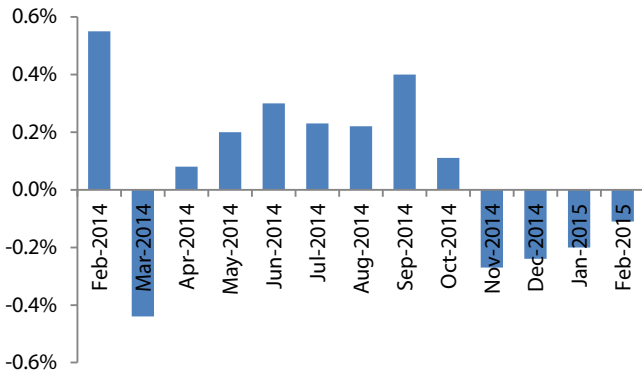
Sources: GSO. Rongviet Securities database  
(\* Comparison price in 1994)

**Graph 2: IIP**



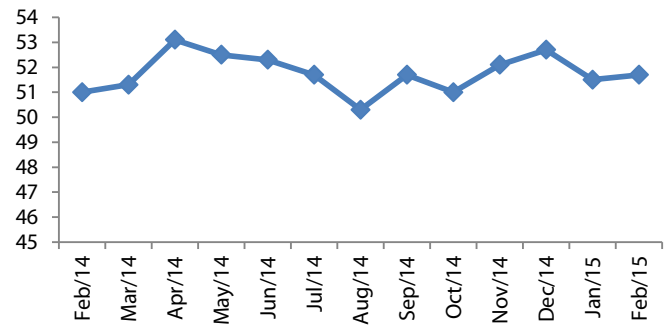
Sources: GSO. Rongviet Securities database

**Graph 3: Monthly CPI**



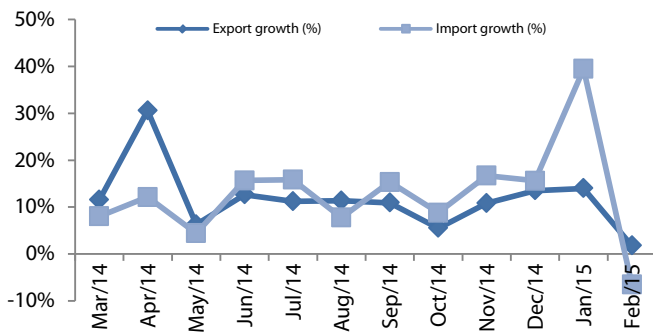
Sources: GSO. Rongviet Securities database

**Graph 4: HSBC - PMI**



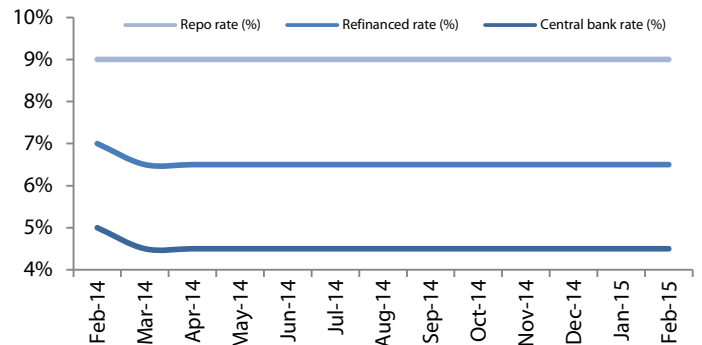
Sources: GSO. Rongviet Securities database

**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
PAC- Opportunities along with challenges	Jan 14 <sup>th</sup> , 2015	Accumulate – Intermediate term	27,500
HMH - Positive outlook from various supporting factors	Jan 06 <sup>th</sup> , 2015	Accumulate – Long term	33,800
DPM - Tail wind from crude oil	Dec 26 <sup>th</sup> , 2014	Buy – Intermediate term	36,100
VNM - 2014 - At the pit stop	Dec 19 <sup>th</sup> , 2014	Accumulate – Long term	110,000
PCT – Restructuring	Dec 11 <sup>th</sup> , 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	10/03/2015	0%-0.75%	0%-2.5%	11,730	11,725	0.04%
VEOF	10/03/2015	0%-0.75%	0%-2.5%	9,871	9,695	1.82%
VF1	16/03/2015	0.2% - 1%	0.5%-1.5%	21,715	21,772	-0.26%
VF4	11/03/2015	0.2% - 1%	0%-1.5%	9,530	9,552	-0.23%
VFA	13/03/2015	0.2% - 1%	0%-1.5%	7,402	7,457	-0.73%
VFB	13/03/2015	0.3% - 0.6%	0%-1%	12,187	12,179	0.06%
ENF	06/03/2015	0% - 3%	0%	10,951	10,868	0.76%
MBVF	26/02/2015	1%	0%-1%	11,081	11,100	-0.17%
MBBF	11/03/2015	0%-0.5%	0%-1%	12,032	11,966	0.55%

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