

*“The fluctuation  
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- **The fluctuation is still around 550 pts**
- **HSBC: PMI reaches 52.5 in May**

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The today's session declined. HSX closed at 556.8, dropped by 5.22 pts equivalently to 0.93%; HNX decreased to 74.81 pts, lost 1.31%. Unlikely to last week, most of blue-chips were go down, such as BVH, VIC and ITA. Besides, trading volumes on both exchanges were low; only 105 million stocks (77% of the average of last week) were traded. We suggest that the “red” session today is predicable after last week's increased sessions. The domestic investors seem to wait for new event of the market, especially the action of foreign investors.

The foreign investors, today, buy VND 131 billion, mainly on blue-chip. We argue that the foreign capital flow will continuously move into the Vietnamese stock market for several reasons. (1) The two biggest EFT, VNM and FTSE, are going to restructure their portfolio in June. However, VNM is holding only 67.02% of Vietnamese stock (30/05/2014), lower than the standard regulated by VNM (70%). Therefore, VNM will probably buy more 3% of NAV, equivalently VND 310 billion. (2) P/E và P/B of both VNIndex and HNIIndex are lowest among the Asian exchanges. That means the Vietnam stocks are quite cheap, and thus, attract many attentions of international investors.

	FTSE Bursa Malaysia KLCI	Jakarta Composite Index	PSEi - Philippine SE Index	Stock EXCH Of Thai Index	HNX Index	VN Index
P/E	16.86	20.80	21.02	16.63	15.81	13.23
P/B	2.28	2.47	2.73	2.08	1.00	1.89

(Source: Bloomberg, 30<sup>th</sup> May trading session)

In conclusion, only the prediction regarding EFT's movement can influence the market. We forecast that the number of “red” sessions is higher than the “green”. However, the fluctuation is still around 550 pts. It is difficulty to exploit speculative opportunities this week. In the long-term investors, it is time to accumulate the fundamental stocks.

**HSBC: PMI reaches 52.5 in May**

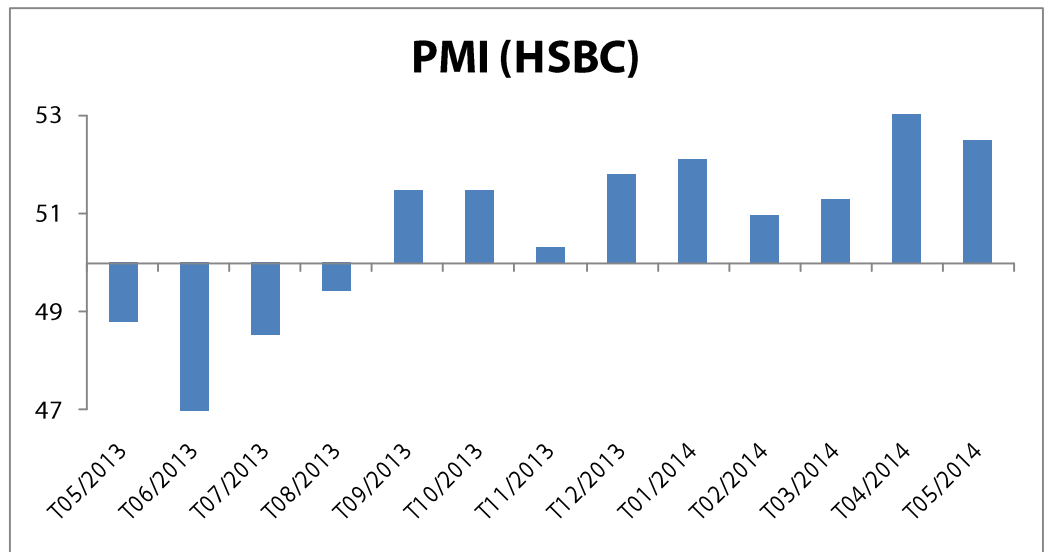
HSBC & Markit has just published PMI index which reached 52.5 points in May. Although being declined compared to high record score of 53.1 points in last month, PMI was evaluated as being positive. According to HSBC, business environment in the manufacturing sector of Vietnam continued to improve. Specifically, the total industrial output rose in 8th consecutive months, meanwhile, the number of orders increased 6 consecutive months, which greatly contributed to demand pressure. However, Ministry of Transportation's directive about tightening supervision of vehicles' weight also negatively affected manufacturing enterprises. This provision had led to the rise of logistic expense, therefore, impacted on the input prices of some goods. Under the

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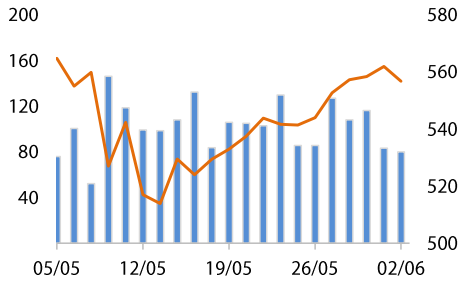
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circumstance that manufacturers are having difficulty in raising selling price due to weak demand force, the profit margin of business will be declined.

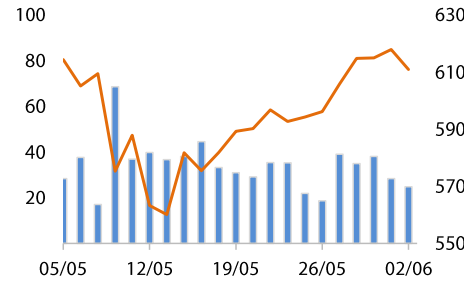


(Source: HSBC)

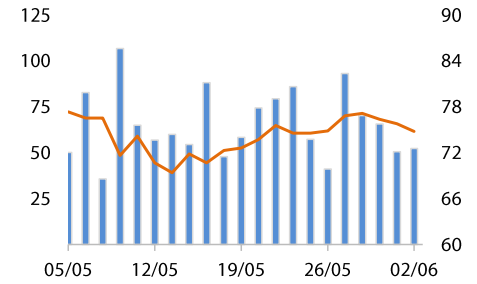
**VN INDEX** **-0.93%** **556.80**



**VN30** **-1.13%** **610.99**

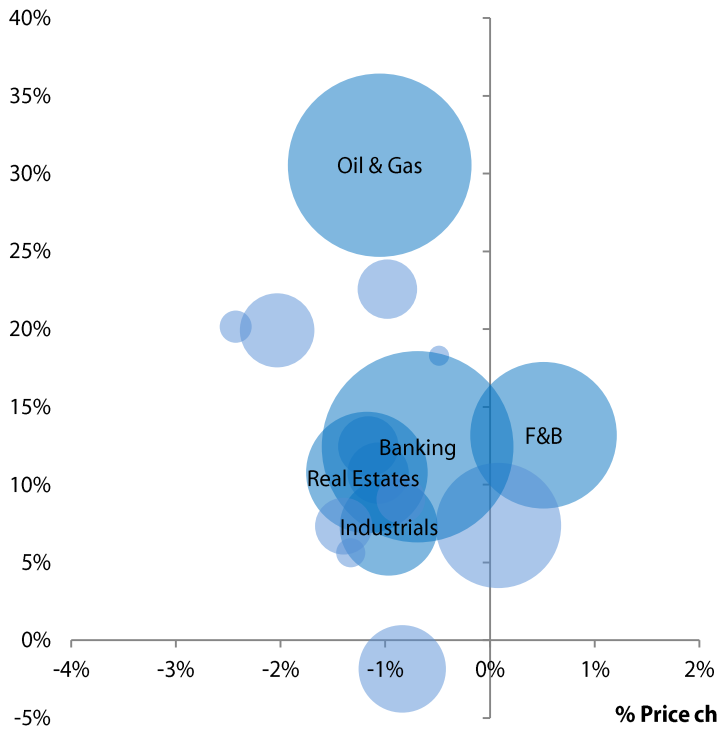


**HNX INDEX** **-1.31%** **74.81**



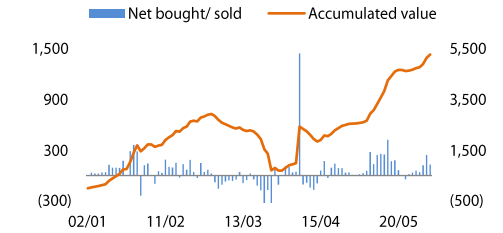
**Industry Movement**

**Industry ROE**

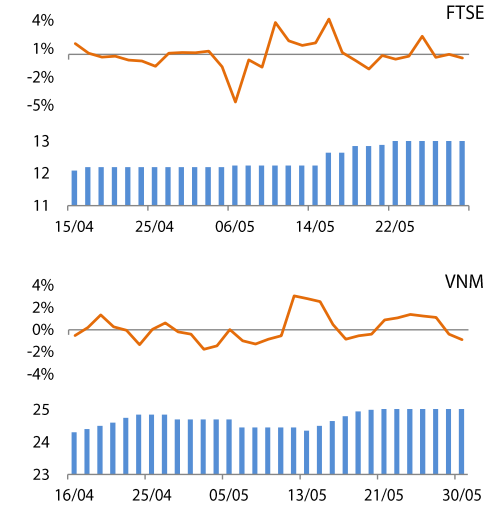


Industry	%change
Technologies	-0.5%
Industrials	-1.0%
Constructions	-0.8%
Oil & Gas	-1.1%
Distribution	-1.3%
F&B	0.5%
Household Goods	-1.1%
Cars & Parts	-2.4%
Chemicals	-1.2%
Resources	-1.0%
Insurances	-2.0%
Real Estates	-1.2%
Financials	0.1%
Banking	-0.7%
Utilities	-1.4%
Healthcare	-0.9%

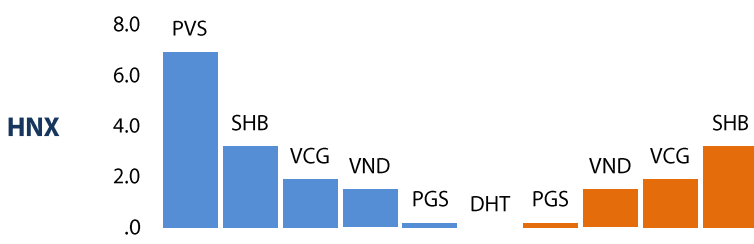
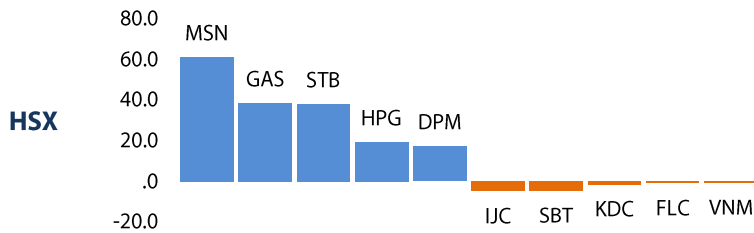
**Foreign Investors Trading**



**ETF**



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



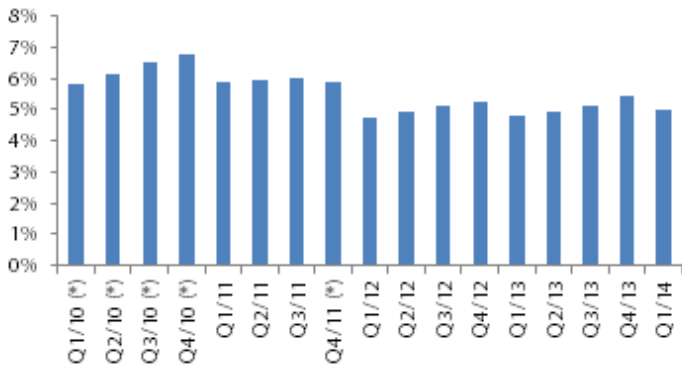
**Top Active**

Ticker	Price	Volume	% price change
FLC	10.60	14.30	-4.5%
ITA	7.70	4.70	-2.5%
HQC	6.40	4.10	-3.0%
IJC	11.70	3.79	-6.4%
SSI	23.30	3.05	-3.3%

Ticker	Price	Volume	% price change
PVX	5.10	9.30	2.1%
SCR	8.10	6.08	-2.6%
KLS	10.80	5.49	-3.4%
SHB	8.80	4.71	-2.1%
SHS	7.90	2.35	-2.6%

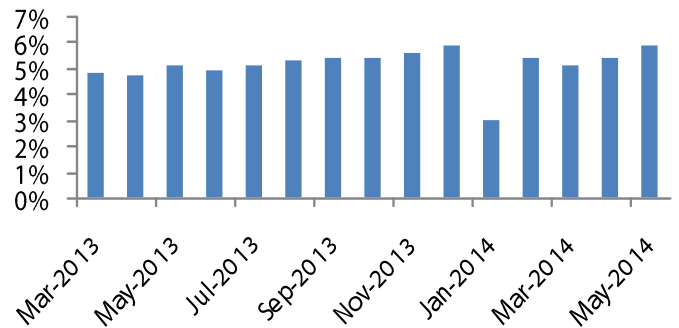
**MACRO WATCH**

**Graph 1: GDP Growth**



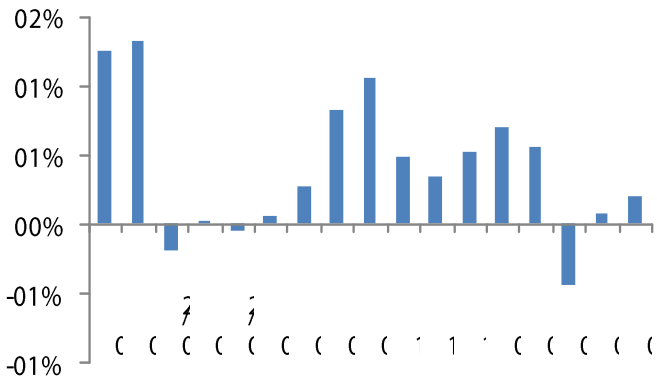
Sources: GSO, Rongviet Securities database  
(\* ) Comparison price in 1994

**Graph 2: IIP**



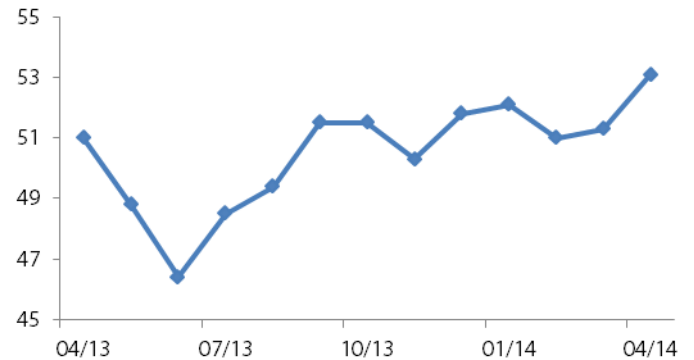
Sources: GSO, Rongviet Securities database

**Graph 3: Monthly CPI**



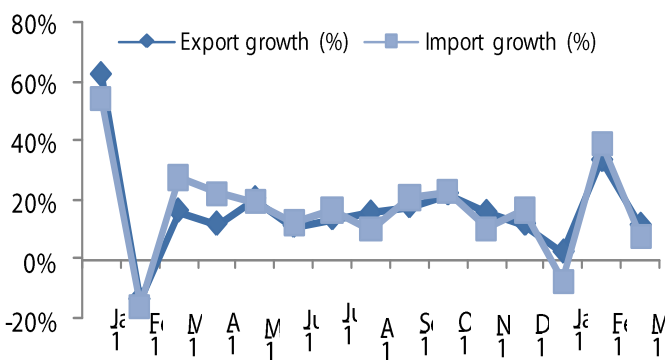
Sources: GSO, Rongviet Securities database

**Graph 4: HSBC - PMI**



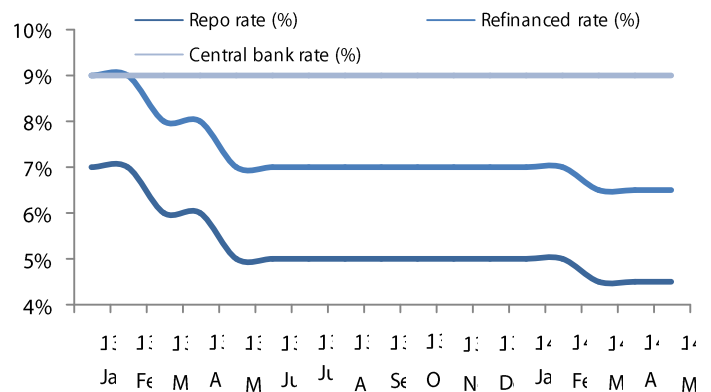
Sources: GSO, Rongviet Securities database

**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
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
CSM-Radial and long-term growth	April 4 <sup>th</sup> , 2014	Neutral – Intermediate-term	46,700

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	27/05/2014	0.75%	0.75%	10,740	10,688	0.49%
VF1	29/05/2014	0.20% - 1.00%	0.50%-1.50%	20,682	20,387	1.45%
VF4	28/05/2014	0.20% - 1.00%	0.00%-1.50%	9,249	8,997	2.80 %
VFA	30/05/2014	0.20% - 1.00%	0.00%-1.50%	7,362	7,349	0.19%
VFB	30/05/2014	0.30% - 0.60%	0.00%-1.00%	10,763	10,764	-0.01%
ENF	23/05/2014	0.00% - 3.00%		9,592	9,358	2.50 %

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