

MARCH

02

MONDAY

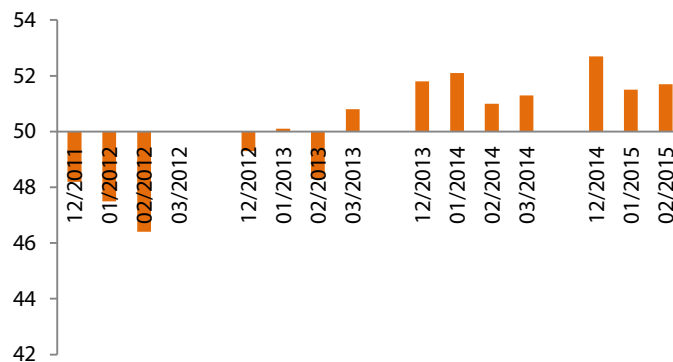
ADVISORY DIARY

- **Lights from macro as a view of PMI, index of industrial production**
- **Correction sessions would be necessary to accumulate for 2015**

Lights from macro as a view of PMI, index of industrial production

Since Luna New Year, CPI index, inventory index, index of industrial production (IIP) and PMI February all disclosed a positive outlook for macroeconomics. According to historical data in the last three years, PMI tend to decrease in February and is rebounded in the following month. However, in this February, PMI increased slightly and reached 51.7 (compared with 51.5 of January 2015). HSBC explain that the difference is caused by the increase in new order, which is higher than last month. Thus, this is the 6th consecutive month with a growth in new order.

Figure 1: PMI in certain months from 2012-2015

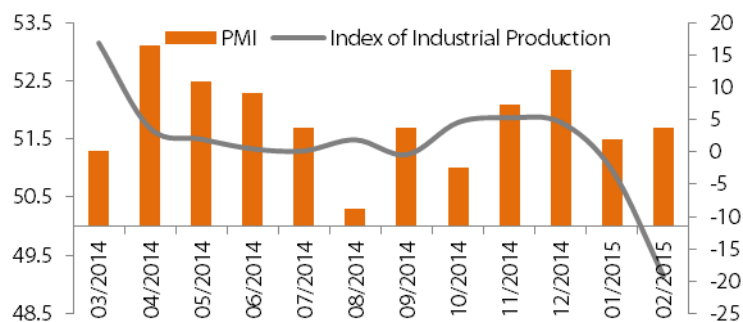


Source: RongViet Securities compiled

“The markets need downs to be ups”

As a result, increasing new orders would impulse Industrial production to rise. Tracking the index of Industrial production published by General Statistics Office of Vietnam, we witness a significant decline in February in comparison with January 2015 (-19.2%) as going through backlogs of work in February (Figure 2). However, as accumulating the two months in 2015, a growth of 12% as the same period in 2014 is still recognized. This figure is quite in line with a result demonstrating by PMI.

Figure 2: PMI and the index of Industrial production from 2014-2015



Source: RongViet Securities compiled

In the listed items used for calculating the index of Industrial production for the two months 2015, we found the highest contributor (9,1 basic point) namely processing, manufacturing industry

(+12.9% over the same period). Particularly, communications equipment and vehicle manufacturing, reached the highest increase, equivalent to over 200% and 60%. Especially, vehicle manufacturing recorded dramatic growth as compared to that of prior years, of over 20%. According to the report in January 2014 announced by VAMA, automobile consumption showed a surge of over 80% to that of January 2014 and of over 40% as calculating for the whole year 2014.

The prosperity of the automobile industry reflects a positive signal of the economy and a more generous consumer spending. According to the latest report of AC Nielsen (Q3 and Q4/2014), Vietnam Consumer Confidence Index increased more than 4 points and exceeded 100 points satisfactory for the first time. In addition, recently, a drop in both gasoline prices and raw materials reduce the price of goods and make it become cheaper. With these initiatives, we expect domestic consumption will become stronger and create the conditions that promote productive activities, becoming one of the driving forces for the improvement of the economy.

Correction sessions would be necessary to accumulate for 2015

Coming back from Lunar New Year, today advisory diary written by RongViet Securities continues to publish regularly as before. At the first edition in 2015, we wish our valued investors success and have a good health and prosperity in New Year.

Since the first day of 2015, the markets have traded with conservative sentiment in which ups and downs sessions were found with quite low liquidity of VND2,000 billion/ session. Today, the market continued to decline after an impressive rise at the beginning of 2015.

A variety of large-caps showed decreases, from the Oil & Gas industry such as PVD (0.9%), GAS (-0.6%) to Food and Beverage industry such as VNM (-0.9%), KDC (-0.6%) or Industrial such as HPG (-1.9%), HSG (-1.3%). Conservative sentiment also spread to Banking industry that had played roles as leading shares in recent sessions such as BID (-0.5%), CTG (-1.5%), MBB (-0.7%). Without supports from leading shares, VNIndex closed in red and dropped by 1.84 points to the prior week. However, we still recognized moderate trading, particularly Automobile distribution such as SVC (+6%), HHS (+2.8%), TMT (+6.9%). That such result was derived from positive outlook in the automobile industry. As evaluating the industry, we believe optimistic prospects thanks to (1) preferential import tax for ASEAN group in accordance with participating in ATIGA (2) infrastructure investment was attracted government's attention by increasing capital in public policy (3) regulations that tightening load trucks, probating overload, and oversized trucks.

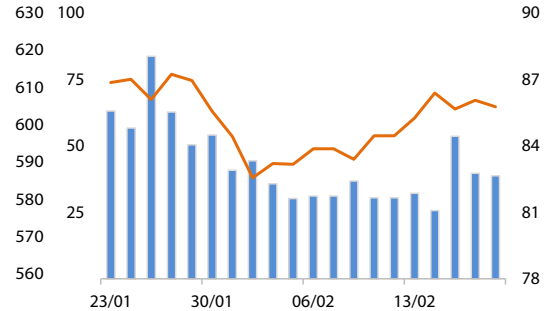
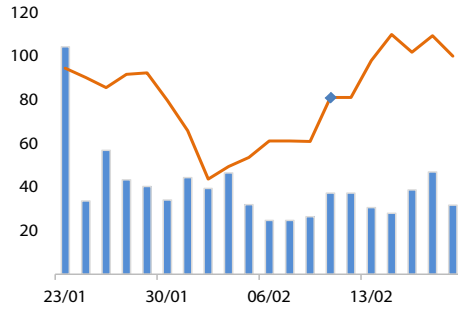
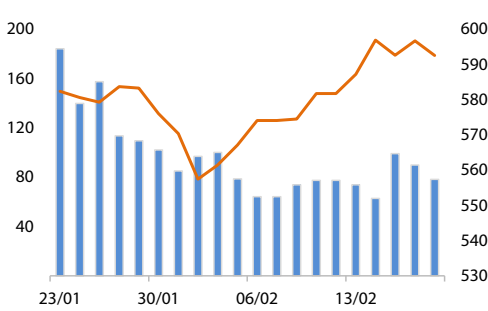
Backed to the market prospects, our strategic analyst believes that 2015 would be a year for accumulation and holding. For long-term investors, correction sessions are likely to be proper time for consideration; however, we believe that patience seems to be valued in order to attain reasonable prices. For short-term investors, ups might be the best choice for trading high liquidity stocks. Moreover, in our opinion, the market would require enough time for accumulation for a new wave, or in another way, the market needs downs to be ups. As a result, seesaw sessions are necessary criteria for preparation a new start in 2015.

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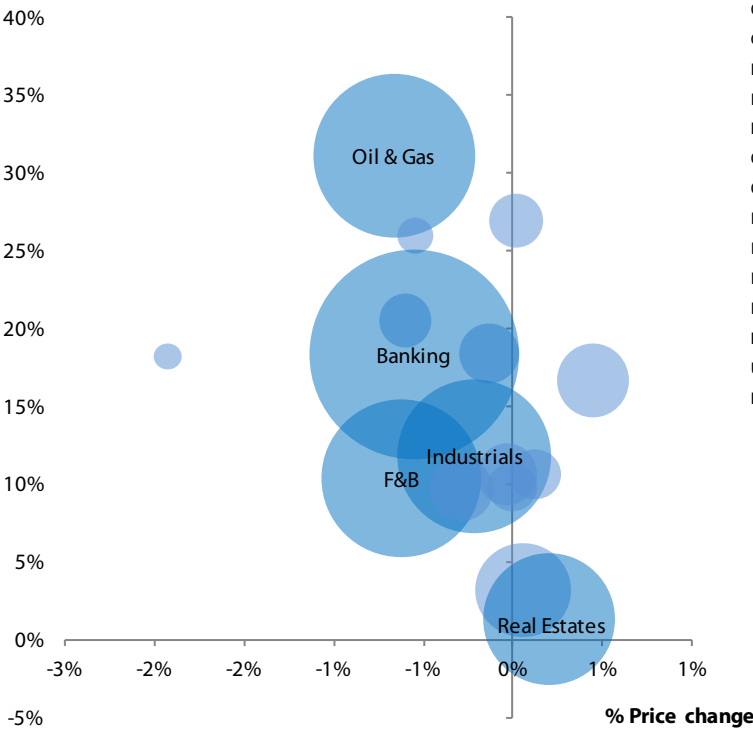
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VNINDEX -0.70% 592.57 VN30 -0.87% 618.39 HNXINDEX -0.34% 85.77

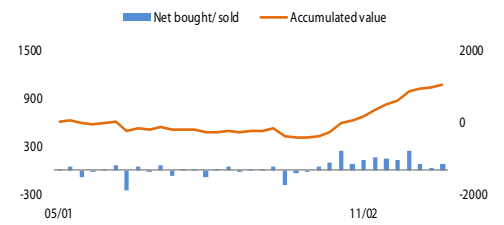


Industry Movement

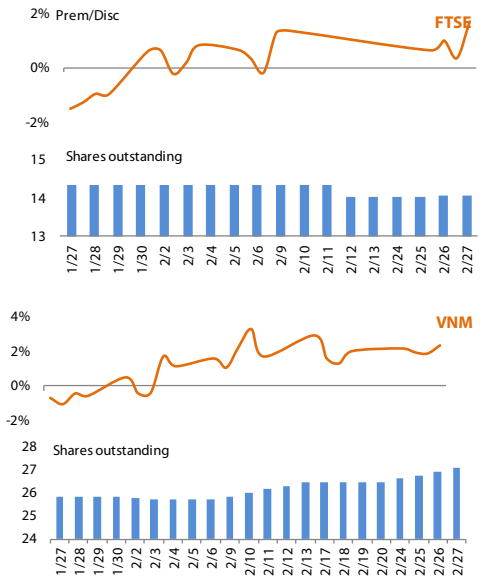
Industry ROE



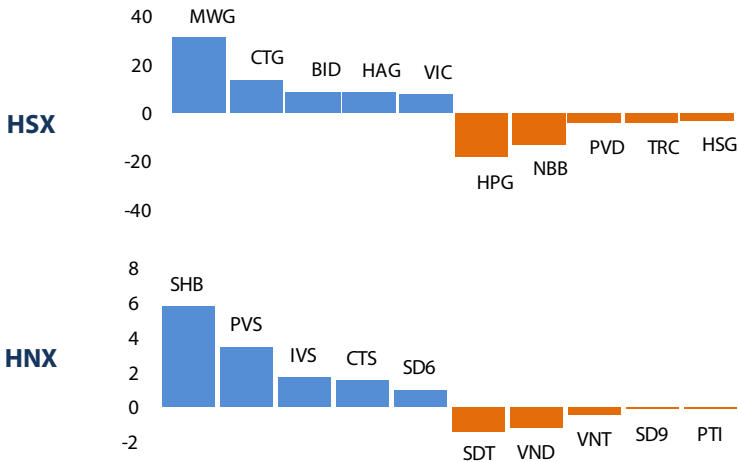
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



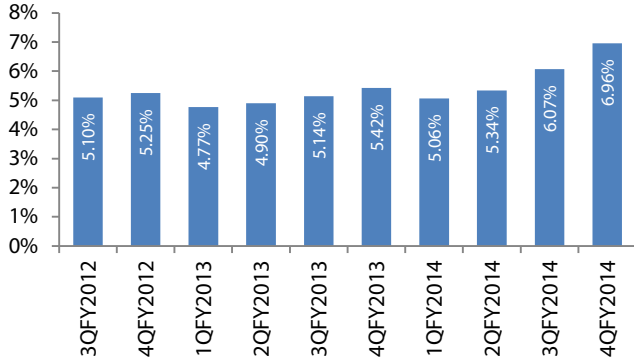
Top Active

Ticker	Price	Volume	% price change
FLC	9.9	6.90	-2.0%
OGC	7.0	3.80	-4.1%
ITA	7.6	3.70	-1.3%
PVT	14.2	3.50	-4.7%
HTI	10.3	3.20	6.2%

Ticker	Price	Volume	% price change
PVX	4.50	4.70	-8.2%
KLF	10.50	4.50	-2.8%
SCR	9.10	3.30	-4.2%
SHB	8.20	2.10	-2.4%
PVS	26.10	1.90	-3.0%

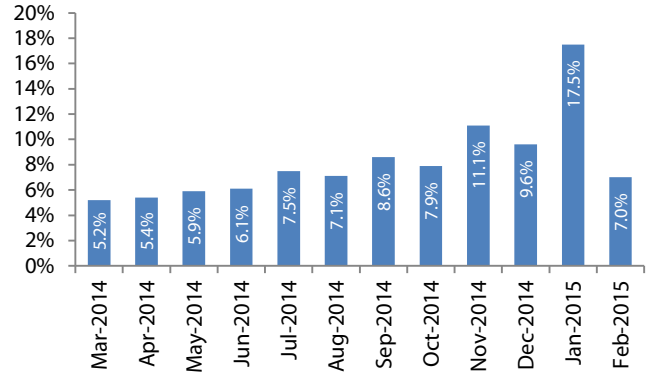
MACRO WATCH

Graph 1: GDP Growth



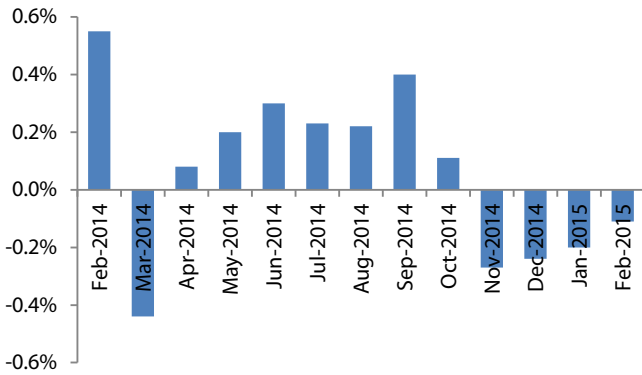
Sources: GSO. Rongviet Securities database
(* Comparison price in 1994)

Graph 2: IIP



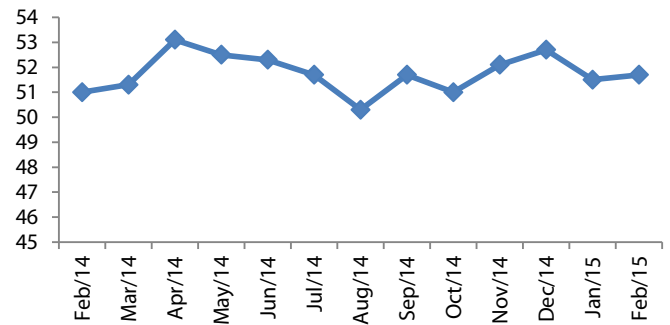
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



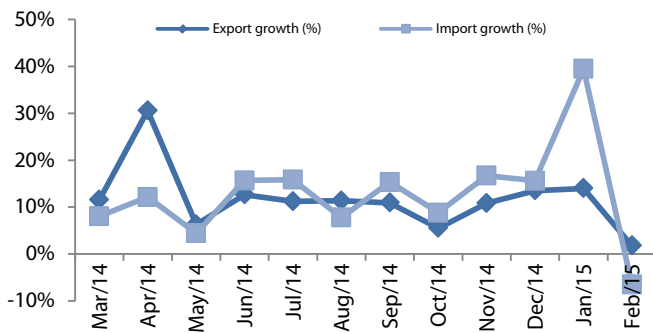
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



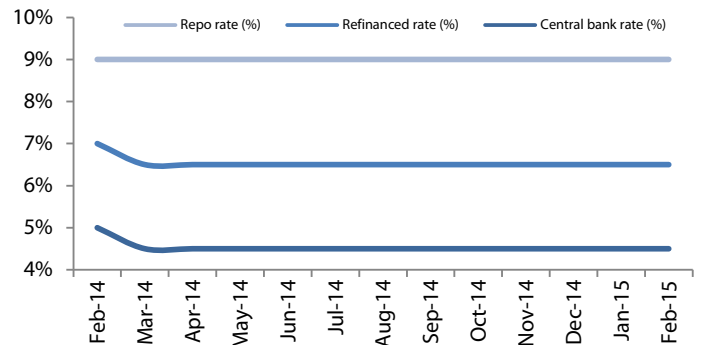
Sources: GSO. Rongviet Securities database

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 th , 2015	Accumulate – Intermediate term	27,500
HMH - Positive outlook from various supporting factors	Jan 06 th , 2015	Accumulate – Long term	33,800
DPM - Tail wind from crude oil	Dec 26 th , 2014	Buy – Intermediate term	36,100
VNM - 2014 - At the pit stop	Dec 19 th , 2014	Accumulate – Long term	110,000
PCT – Restructuring	Dec 11 th , 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	27/01/2015	0%-0.75%	0%-2.5%	11,583	11,454	1.13%
VEOF	27/01/2015	0%-0.75%	0%-2.5%	9,627	9,567	0.63%
VF1	30/01/2015	0.2% - 1%	0.5%-1.5%	21,515	21,452	0.29%
VF4	28/01/2015	0.2% - 1%	0%-1.5%	9,337	9,218	1.29%
VFA	30/01/2015	0.2% - 1%	0%-1.5%	7,415	7,371	0.58%
VFB	30/01/2015	0.3% - 0.6%	0%-1%	12,015	11,912	0.86%
ENF	23/01/2015	0% - 3%	0%	10,481	10,790	-2.86%
MBVF	22/01/2015	1%	0%-1%	11,115	11,176	-0.54%
MBBF	21/01/2015	0%-0.5%	0%-1%	11,880	11,921	-0.34%

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