

AUGUST

29

FRIDAY

“Securities and Poker”

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ADVISORY DIARY

Rising steak in recent sessions has fueled optimism upon every participant in the whole market. Investors' expectation seems to be improved gradually as much supporting information has arisen recently. Particularly, a decline in lending interest rate was likely to be continued and many declares, commitments regarding reforming administrative procedures, enhancing performance efficiency of the State Bank of Viet Nam. Besides, long-term government bonds have been demonstrating robust attractiveness. On another aspect, it has been said that the Government would suspend Circular 20/2014/TT-BKHCHN. As a result, Nokia takes advantage to transfer production line from foreign countries into Viet Nam. Its removal might spark a highlight in FDI's figures as well as reinforcing expectation of a trend in production moving from China to Viet Nam.

Our macro-economic analyst believes that economic picture has been showing improvements, but still in expectation. Newly positive factors have balanced under-expected factors such as bad-debt resolving, TPP's process, foreign proportion expansion, lower competition as well as advantage of SMEs enterprises which is hardly solved by low interest rate.

After extending gains for almost a week, we recognize a change in leading tickers. Currently, investors should be more conservative in choosing suitable stocks. We believe that most investors have been earning profits and been cheerful before upcoming National holiday. Therefore, in today's Advisory Diary, we are going to refer to a story about psychology in Poker game and some intriguing ideas related to security business.

Happy holiday!

“The efficiency of psychology in the game of poker”

Originated in New Orleans in the 19th century, the game of poker has seen its rules changed many times before actually growing to one of the world's most played card games. Unlike other games where players play against the house, poker players deal against each other and the house only collect a “fee” for every game played. Poker calls for a high degree of the psychological strategy as well as the ability to calculate moves and memorize the cards.

Emotion is usually the element deciding the outcome of a game of poker, and sometimes, it is the players' greatest enemy. Emotion can dominate a player's predictions, leading him to bad decision and ultimately loss. For this on result, new players often found themselves “tricked” or outwitted by the veterans.

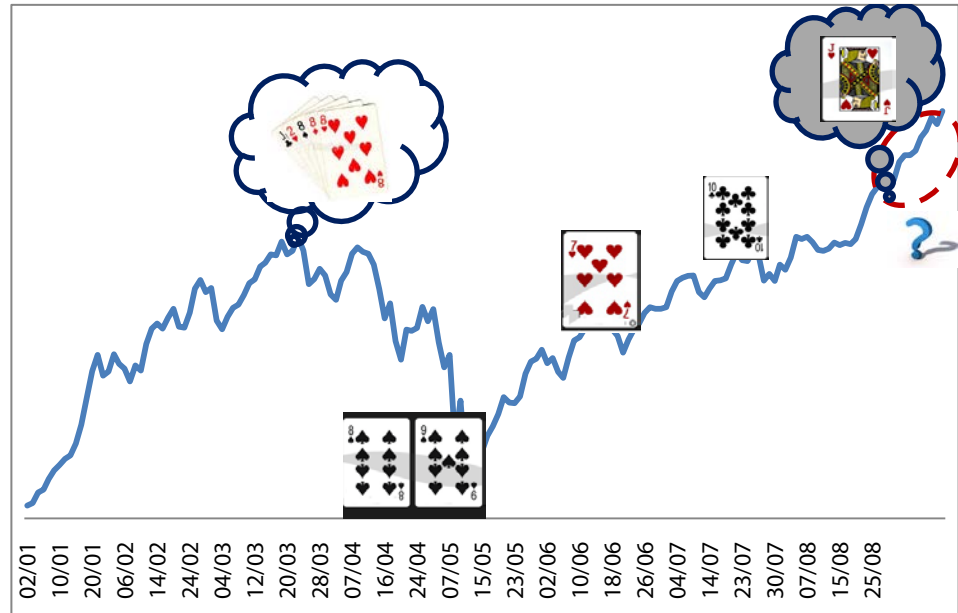
Psychological ability and math skills are crucial to the game and therefore always mastered by the world's top poker players. In a game, players have to watch the time and estimate the probability of the cards their opponents may or may not deal while minding the value of each of their bets. Sophisticated as it is, this strategy may not work very well against top experienced players. As the game is played in many rounds, for the largest amount, players must always have the right strategy to win in the game as a whole.

Securities and poker

Security is relatively similar to Poker since emotions have major influence on their decisions. Players always have to control their emotion as winning or losing, extremely bulling or bearing, as well as unexpected up or down.

Expectation on intrinsic value of an enterprise or economic perspectives puts certain impact on the market. Similarly to unfold community cards, a player could earn more gains as most playing cards appear. However, all players in the game are known a common card whereas asymmetric information might somehow appear in securities market. Thus, perceiving our ability and deciding

upon games of cards is also key criteria for success.



Source: RongViet Research

The winner of most sets is not necessarily a person who gains the most. Similarly, gains in few sessions seem likely to be even more than that of in almost trading sessions. Perceiving rules in Poker might provide investors a good application on investment decision and hence becoming wiser in any games.

WEEKLY TECHNICAL VIEW

VN-Index

VN-Index went up strongly, added 16.51 points (+2,66%), closed at 636,65. Trading volume rose 16.3% up to 743 million shares.

VN-Index broke above the 5-year historical high (633) easily. The 630-633 thresholds became the support of VN-Index. Traders should watch for an extended move higher to trend line resistance at around 655 or a move back to 630 to rebase before a move higher.

On weekly chart, two big white candlesticks appeared continuously on rising volumes, showing that the money flow is running into the market.

Looking at technical indicators, the MACD turned from neutral to bullish while the RSI appears overbought at 80,5.

The negative divergence between RSI, MACD and price line vanished completely.



HNX-Index

HNX-Index gained points for the whole 5 sessions of the week, closed at 87.04 (+3.7 points or 4,44%). Totally, 426 million shares changed hands (+43.4%).

HNX-Index broke out strongly from the current up channel. On weekly chart, a big white candlestick appeared, showing strong buying force. Traders should watch for an extended move higher to previous peak at 93 or a move back to retest its trend line support at around 84,5.

Looking at technical indicators, the RSI and MACD remain in a bullish uptrend.

The ADX rose sharply and steady, showing that the current trend of HNX-Index is very strong.



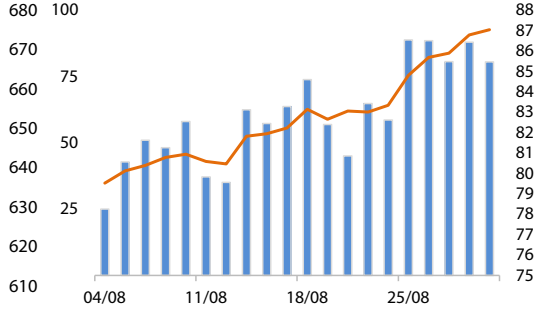
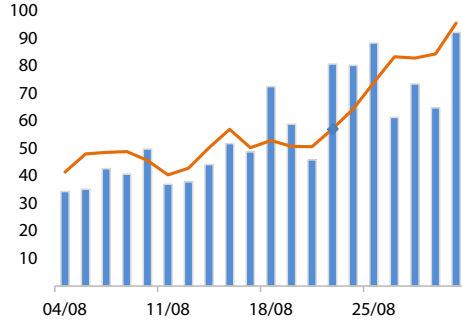
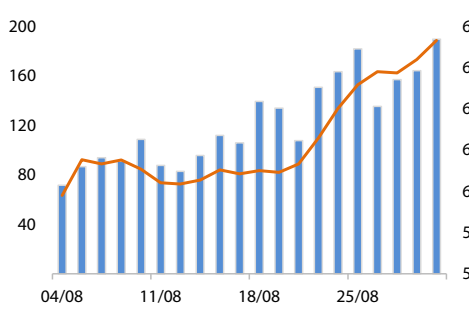
Recommendation:

Both indexes broke above their strong resistances on high volume. The uptrend is stronger and investors should hold stocks longer and let the profits run.

Khai Tran

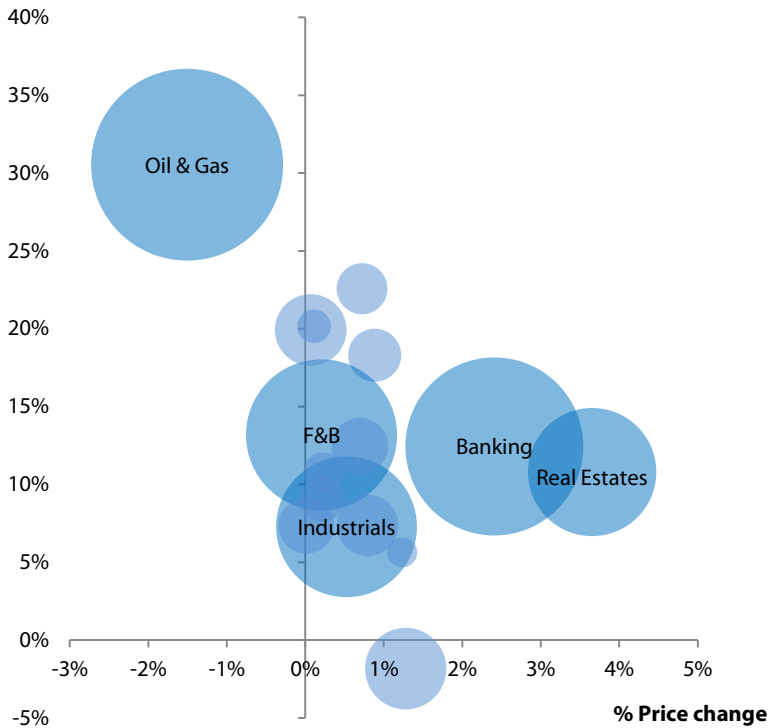
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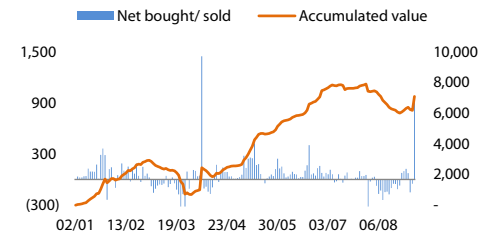
Industry Movement

Industry ROE

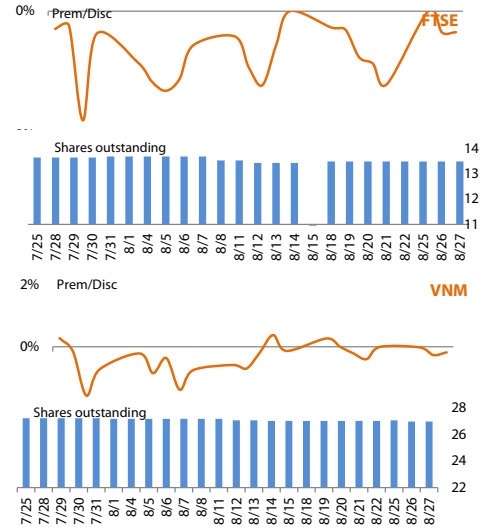


Industry	% change
Technologies	0.9%
Industrials	0.5%
Constructions	1.3%
Oil & Gas	-1.5%
Distribution	1.2%
F&B	0.2%
Household Goods	0.2%
Cars & Parts	0.1%
Chemicals	0.7%
Resources	0.7%
Insurances	0.1%
Real Estates	3.7%
Financials	0.8%
Banking	2.4%
Utilities	0.0%
Healthcare	0.2%

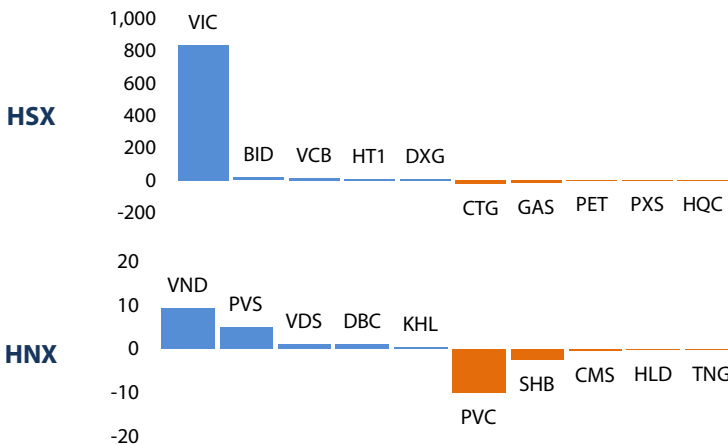
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)

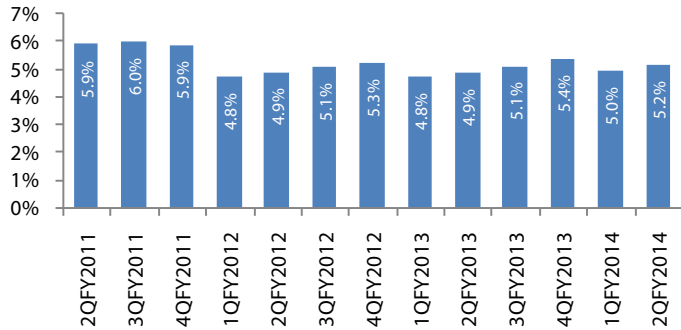


Top Active

Ticker	Price	Volume	% price change
FLC	12.60	22.09	0.0%
ITA	9.20	11.76	4.6%
SAM	12.00	8.40	4.4%
CII	22.30	6.48	2.8%
VHG	10.40	4.85	6.1%
PVX	5.70	10.45	0.0%
SHB	9.50	9.72	3.3%
KLF	13.10	6.17	0.0%
PVS	40.30	4.75	-2.0%
SCR	10.60	4.73	1.0%

MACRO WATCH

Graph 1: GDP Growth



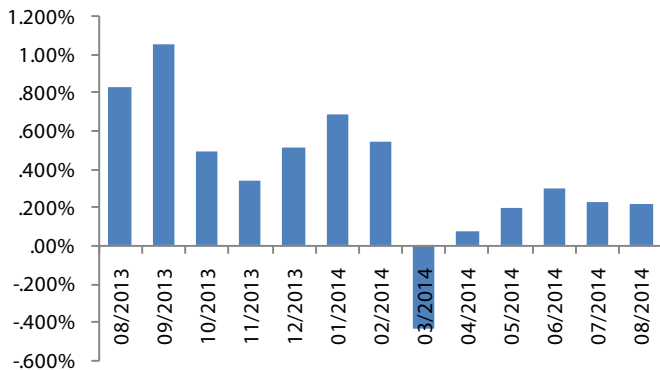
Sources: GSO. Rongviet Securities database
(* Comparison price in 1994)

Graph 2: IIP



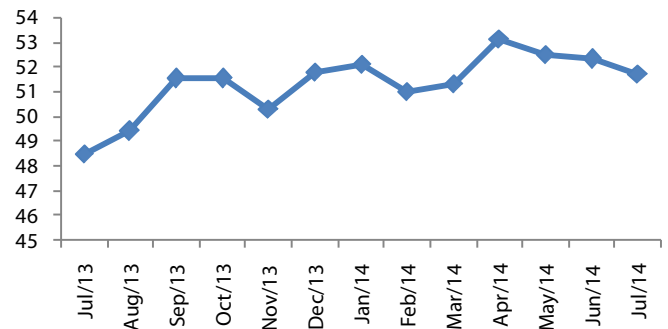
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



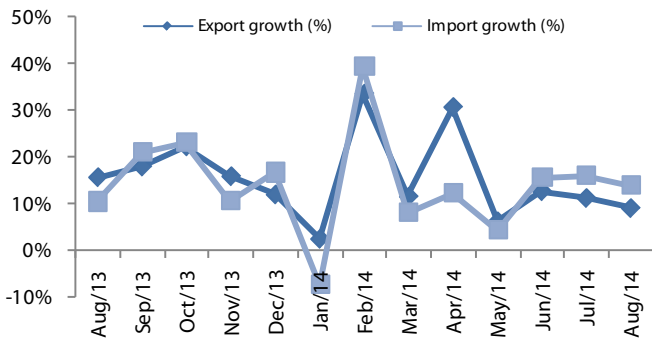
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



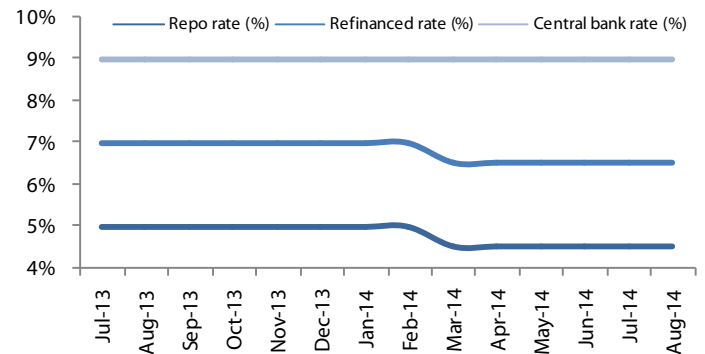
Sources: GSO. Rongviet Securities database

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
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 chaater with co-investment	Jul 31 st , 2014	Buy – Intermediate term	27.400
DBC-Benefit from decline in material price	May 27 th , 2014	Buy – Long-term	28.000
FPT-Leaping revenue	May 27 th , 2014	Accumulate – Intermediate-term	51.600

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	12/08/2014	0-0.75%	0-2.5%	11.191	11.182	0.08%
VF1	14/08/2014	0.20% - 1.00%	0.50%-1.50%	22.289	22.263	0.11%
VF4	13/08/2014	0.20% - 1.00%	0.00%-1.50%	10.088	10.211	-1.21%
VFA	15/08/2014	0.20% - 1.00%	0.00%-1.50%	7.571	7.537	0.45%
VFB	15/08/2014	0.30% - 0.60%	0.00%-1.00%	11.110	11.120	-0.10%
ENF	08/08/2014	0.00% - 3.00%		10.255	10.152	1.01%

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