

NOVEMBER

10

MONDAY

*“Indices
dropped but
stocks added”*

ADVISORY DIARY

- **CNG-Potential growth from building material industry’s well-being**
- **DHC increase dividend ratio from 12% to 20%**
- **Indices dropped but stocks added**

CNG-Potential growth from building material industry’s well-being

RongViet Securities has just published a report on CNG Viet Nam SJC (HSX - CNG). In the oil and gas industry, CNG is one of the stocks having good fundamentals, focuses on core business activities. 2014 earnings is forecasted to remain moderate growth rate thanks to stable input oil price from 2Q2014. As estimated, in 2014, revenue will reach VND1,102 billion, up 16 % y.o.y and PAT will increase by 2.68%, about VND127 billion. As regards the increasing price pattern of PVGAS, a rise in oil & gas will be able to occur in 2015. However, it might lead to a climb in expenditure but having no considerable impact on gross profit margin thanks to declining depreciation in 2015. CNG’s NAT in 2015 is estimated to decrease slightly by approximately 2.68%, reaching 123.8 billion VND whereas 2015 revenue will rise of 15%, about VND1,272 billion

In the long-term, sales growth depends remarkably on the construction materials industry; in which, the industry is said to be improving according to many reports. Thus, we appreciate the ability of CNG production will remain stable for the next year based on the focus on the construction materials customers. On the other hand, distribute of gas input (CNG gas and low-pressure compressed gas) estimated around 560.000 m3 per day (around 200 million m3 per year). According to the information by CNG Viet Nam, by realizing the potential to develop gas consumption, the firm opens an office at the North to approach the North market. However, CNG invests only when there is new customer to reduce unnecessary liabilities expenses for firm. For these reasons, we recommend LONG-TERM ACCUMULATION of this stock with a target price of 46,000 VND.

DHC increase dividend ratio from 12% to 20%

DHC published the resolution on adjusting plan regarding to revenue, PAT, specially dividend payment ration in 8 November 2014. Accordingly, revenue and PAT respectively increased 525 billion and 38 billion VND. In term of DHC, difficulty coming from late order for manufacture in the end of the year has passed away. The revenue in October has recorded a recovery of more than 50 billion VND. Therefore, in accordance with our analyst, DHC has been able to break out this adjustment and achieve 538 billion in revenue and 46.7 billion in PAT as estimated in the report dated 29/9/2014.

The attracting information, currently, is the ability of increasing dividend ratio mentioned in this report. With this resolution, raising the rate from 12% to 20% is definitely occurring. However, the payment in cash or bonus shares has still been solved when considering investment fund of printers for packaging plant. As DHC’s share, DHC will try to limit or event not use loan for this project. This has been estimated to impact on payment in cash. So, to balance cash flow, we believe that dividend payment will be applied in both cash and bonus shares at an appropriate rate

Compared with the closing rate of 20,800 VND per share in the end of October, market price of DHC, today, increased 13.94% to 23,700 VND per share. With the target price of 25,200 VND per share, DHC still continues attractive share for dividend favorite investors.

Indices dropped but stocks added

The market started off the week on high excitement, backed by numerous positive news. Specifically, Prime Minister of Singapore Lee Hien Long revealed the high likelihood that the Agreement Trans-Pacific Partnership (TPP) be signed at the beginning of next year with negotiations reaching final rounds. Meanwhile, the news of petrol price cut of VND950/per liter as well as the successful issuance of \$ 1 billion 10 -year bond with yield of 4.8 % still see lingering effects. Therefore, all sectors were covered in green from the very beginning of today's trading session where the Mid - cap group was the most active with an increase of 0.65%.

The optimism in investors' sentiment was also demonstrated by ample liquidity today. Particularly, the trading value reached to the highest in the three recent weeks, about VND3,249 billion. Thus, positively incipient sign has been come back today after many corrections in the past few weeks. Profit-taking, as a result, was overwhelming at the session end. With accelerated selling pressure, VNIndex closed in red due to declines in leading stocks, especially GAS (-0,95%). Moreover, some shares in VN30 group witnessed a remarkable drop such as PVD, HAG, DRC. We recognize that until the early Friday, as of the announcement of an investment deal between GEM and HAG, HAG increased by 3.6% in 4 consecutive days. Thus, a decline of 0.6% in this share in today's session was relatively reasonable.

On contrary to the optimism in domestic investors, net-sold values of VND54 billion in foreigners were found on both bourses. We believe that the positive in investors' sentiment has just come back. However, to affirm a gain momentum, it should be tested by upcoming session and by the liquidity indicator.

Tam Bui

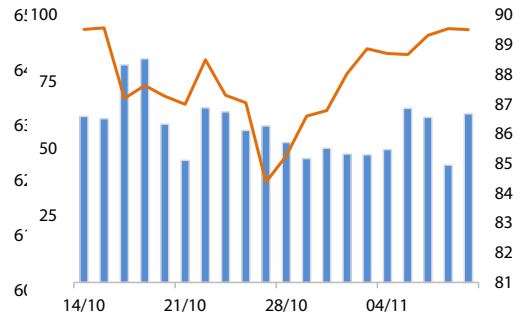
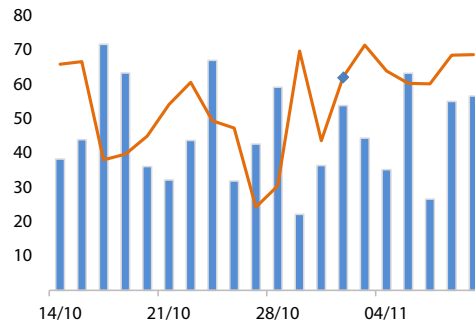
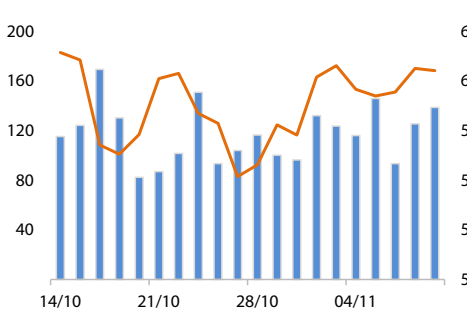
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VNINDEX -0.08% 602.12

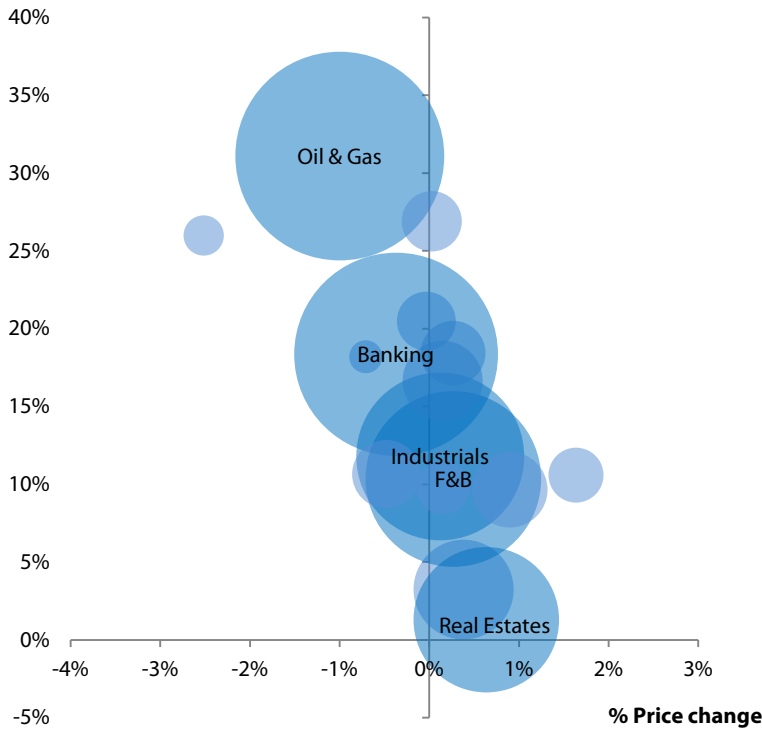
VN30 0.02% 642.90

HNXINDEX -0.04% 89.51



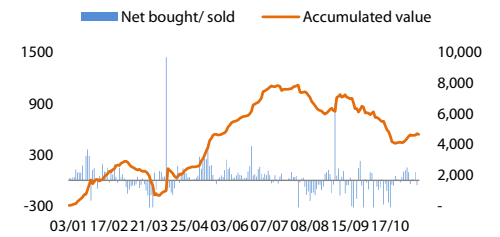
Industry Movement

Industry ROE

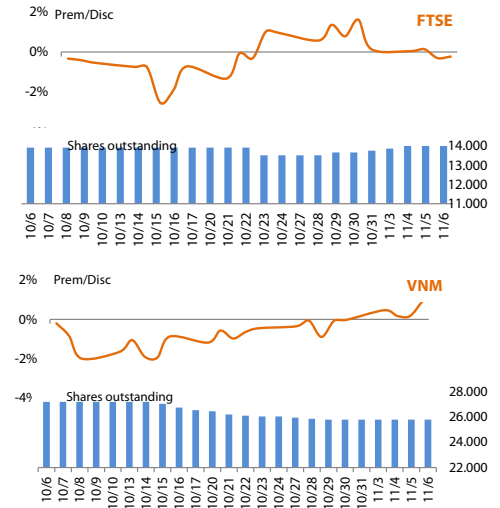


Industry	% change
Technologies	0.0%
Industrials	0.1%
Constructions	0.4%
Oil & Gas	-1.0%
Distribution	-0.7%
F&B	0.3%
Household Goods	0.2%
Cars & Parts	-2.5%
Chemicals	0.3%
Resources	0.0%
Insurances	0.1%
Real Estates	0.6%
Financials	0.9%
Banking	-0.4%
Utilities	-0.5%
Healthcare	1.6%

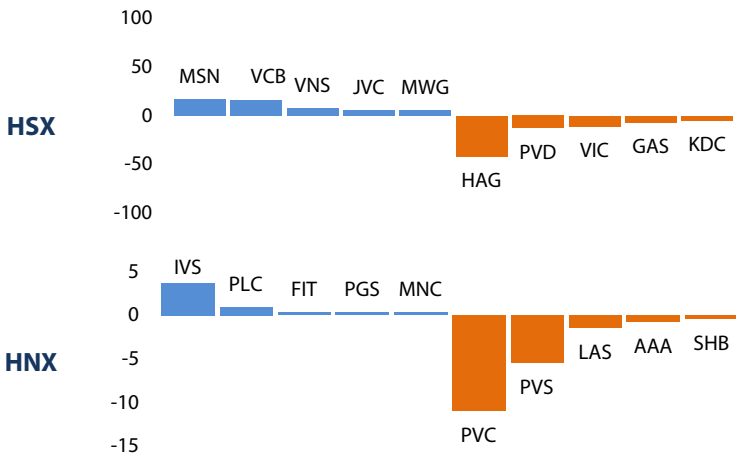
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



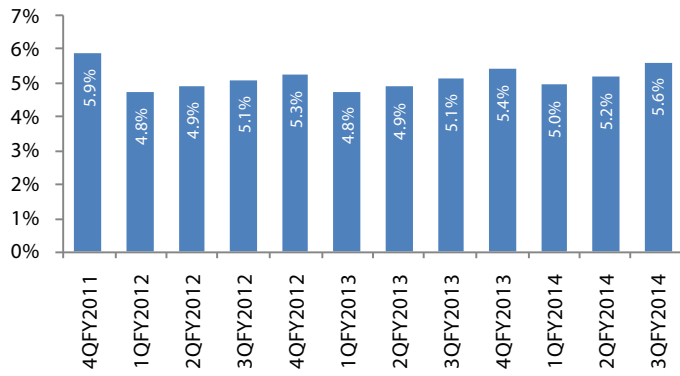
Top Active

Ticker	Price	Volume	% price change
FLC	12.0	18.92	2.6%
HAG	25.4	7.26	-1.6%
VHG	16.2	6.12	0.6%
OGC	9.1	5.89	-1.1%
KBC	17.6	5.38	-1.1%

Ticker	Price	Volume	% price change
KLF	11.90	20.60	2.6%
SHS	12.20	4.30	3.4%
FIT	30.30	3.70	5.2%
PVX	6.20	3.60	-3.1%
SCR	10.10	2.90	-1.0%

MACRO WATCH

Graph 1: GDP Growth



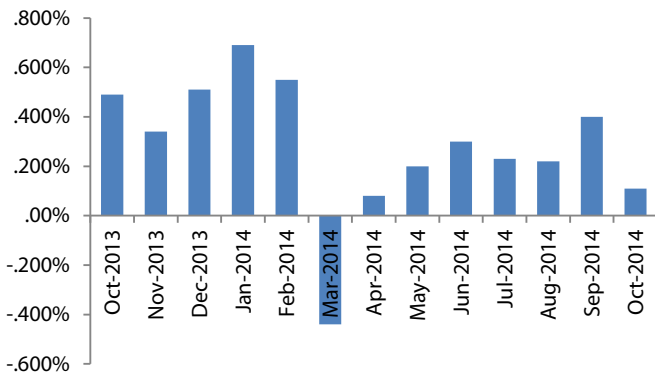
Sources: GSO. Rongviet Securities database
(* Comparison price in 1994)

Graph 2: IIP



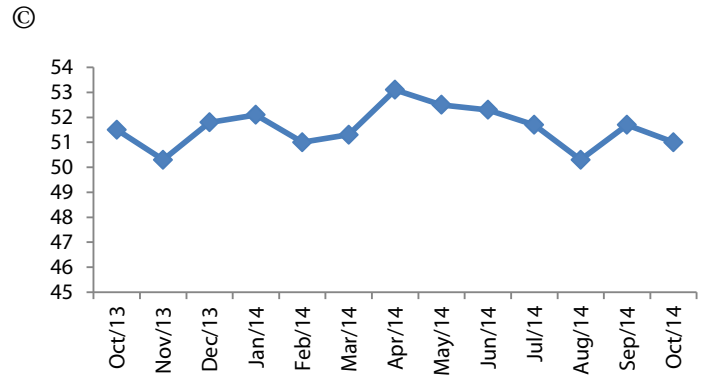
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



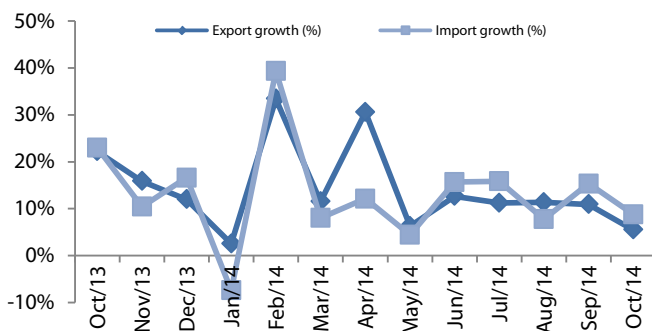
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



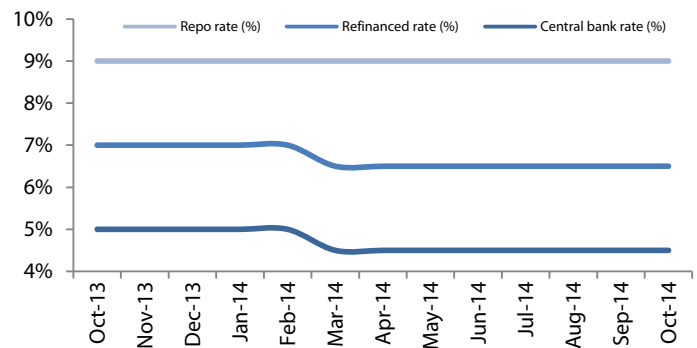
Sources: GSO. Rongviet Securities database

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
BMP -Every cloud has a silver lining	Oct 30 th , 2014	Buy – Long term	87,700
SBA - Growth season ahead	Oct 24 th , 2014	Buy – Intermediate term	14,500
APC - Incremental demands for irradiation industry	Oct 23 rd , 2014	Buy – Intermediate term	22,000
TCM - Moving up the value chain	Oct 14 th , 2014	Accumulate – Long term	42,500
DHC - Restructuring yielded juicy fruits	Sep 29 th , 2014	Buy – Intermediate term	25,200

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
FF	28/10/2014	0-0.75%	0-2.5%	11,821	11,829	-0.07%
VF1	03/11/2014	0.20% - 1.00%	0.50%-1.50%	22,943	22,604	1.50%
VF4	29/10/2014	0.20% - 1.00%	0.00%-1.50%	9,998	10,274	-2.69%
VFA	31/10/2014	0.20% - 1.00%	0.00%-1.50%	7,527	7,560	-0.44%
VFB	31/10/2014	0.30% - 0.60%	0.00%-1.00%	11,938	11,932	0.05%
ENF	24/10/2014	0.00% - 3.00%		10,535	10,641	-1.00%

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