

“Confidence slid even as indices climbed”

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- **Industrial production steadied, consumption rebounded**

Industrial production steadied, consumption rebounded

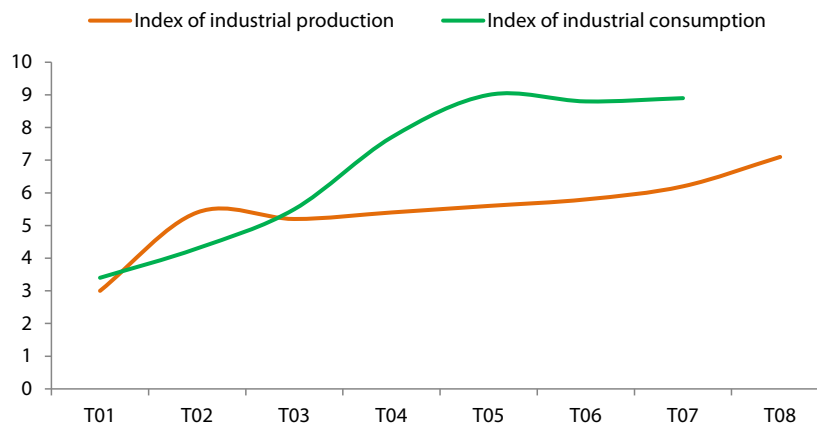
According to the General Statistics Office, the Index of Industrial Production of Vietnam added 6.7% from a year ago and 1.9% from the previous month in August with moderate improvements in many sub-indices. At 30-percent year-on-year growth in the 8-month period, electronic products and parts continued to lead in production. Other export goods such as footwear and leather products, garments and fishery products also picked up 20.2%, 14% and 14.2% over the same period of 2013, respectively.

Industrial consumption bounced back 2.7% from the previous month in July after falling slightly in June. In general, the consumption index grew an accrued 8.9% from a year earlier in July. Electronics topped the list once again at 33.9% year-on-year growth in consumption during the 7-month period, trailed by cast metal products (17%), electrical equipment (14.9%) and automobiles (15.9%). Such stalled growth in consumption is consistent with the GSO’s estimate of August’s trade data, which says the nation’s total exports and imports were little changed from the previous month in August at \$25.9 billion. Exports grew 0.7% over the one-month period to \$13 billion while imports fell 0.5% to \$12.9 billion.

Whereas motorbike consumption dropped 10.8% from a year earlier in the 7 months ending in July, automobiles saw better sales than last year. This is supported by figures revealed by the Vietnam Automobile Manufacturer Association on August 14th, which said up to 78,000 cars were sold in the local market between January and July, up by a good 32% from the same period of 2013. Such growth indicates a significant improvement in domestic automobile demand and promises a brighter future of the automobile industry of Vietnam after a long slumber.

The index of industrial inventory by August 1st grew by 1% from a previous month and 13.4% over the one year period. Garments, fisheries and electronics all saw a higher level of inventory in August. Combined with stronger consumption, heightened inventories of these export goods can be a good sign as it suggests firms are stocking more to prepare for a jump of demand in large exports markets big holidays near the end of the year.

Exhibit: Index of Industrial Production (IIP) and Index of Industrial Consumption accrued growth Jan-Aug/2014 (Unit: %)



Sources: GSO, RongViet Securities

Confidence slid even as indices climbed

As compared with yesterday's boom in which VNIndex beat its own 5-year high, market sentiment not very positive today even when VNIndex and HNIndex both closed higher. On the one hand, most stockholders wanted to lock in profits as VNIndex marched toward 630. On the other hand, cash flows showed heightened hesitation as the gauge had just made a new high and retracement was still nowhere to be seen. The deterioration of market confidence was confirmed by a 26-percent decrease of trading volume and a negative breadth.

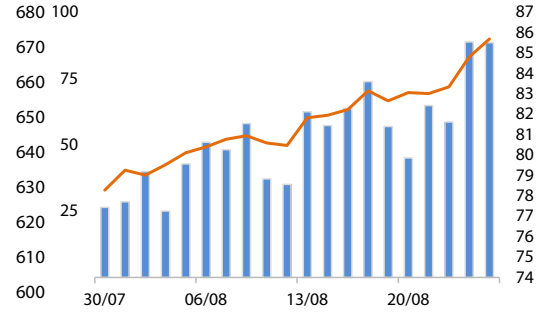
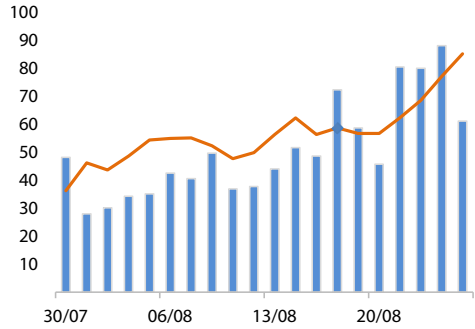
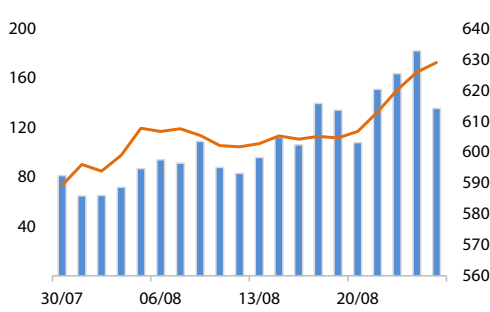
As the result, VNIndex tested the 630 mark three times but succeeded at none. The gauge managed to maintain its foothold on the up side thanks to the rise of leading blue-chips such as VIC, FPT, BVH and top percentile mip-caps such as DRC, CSM, PGS and TCM. Meanwhile, small-cap stocks were largely consumed by the selling pressure.

In general, indices were not able to maintain the growth. If investors' sentiment cannot improve and market strength keeps tilting the to the sell side, we believe retracement is not too far away. Anyway, it needs more than one trading day like this to confirm the market's weakening.

Tai Nguyen

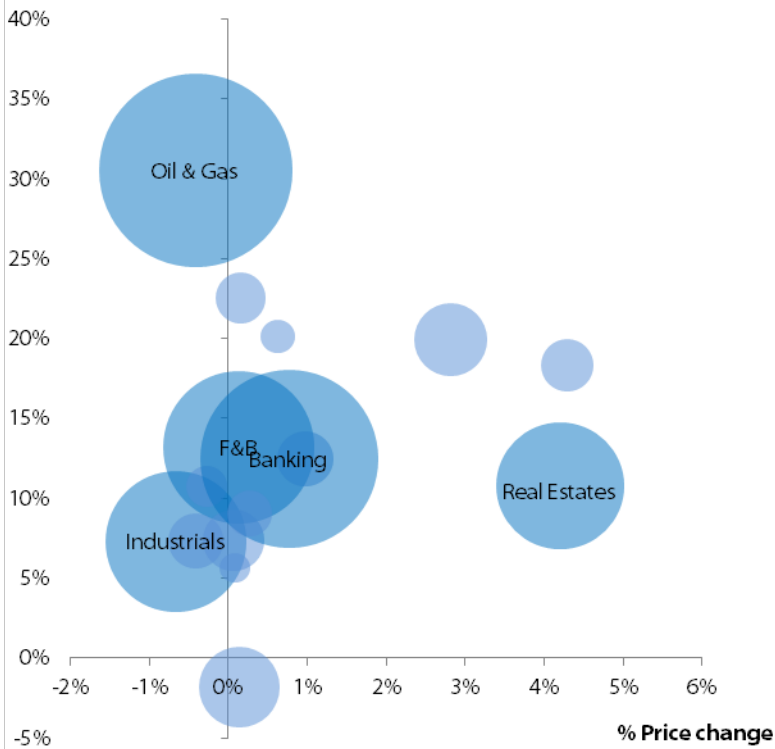
+ 84 8 6299 2006 | Ext: 315

tai.ntp@vdsc.com.vn



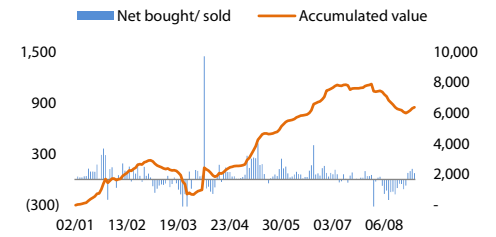
Industry Movement

Industry ROE

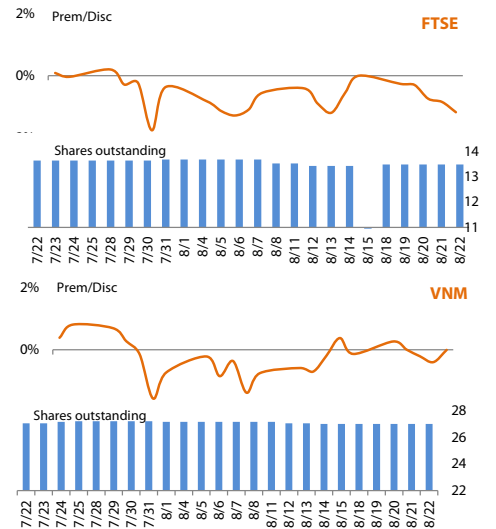


Industry	% change
Technologies	4.3%
Industrials	-0.7%
Constructions	0.1%
Oil & Gas	-0.4%
Distribution	0.1%
F&B	0.1%
Household Goods	-0.3%
Cars & Parts	0.6%
Chemicals	1.0%
Resources	0.2%
Insurances	2.8%
Real Estates	4.2%
Financials	0.1%
Banking	0.8%
Utilities	-0.4%
Healthcare	0.3%

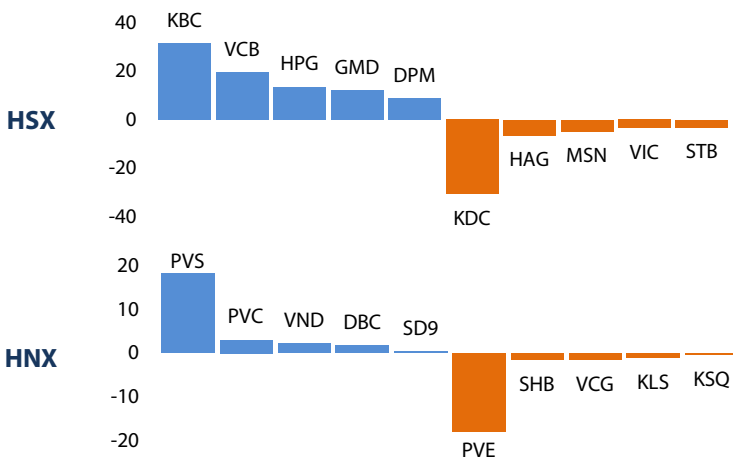
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



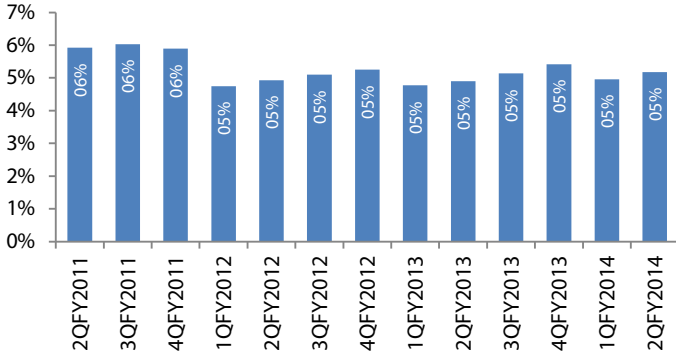
Top Active

Ticker	Price	Volume	% price change
FLC	12.6	12.86	-3.1%
ITA	8.6	6.90	-1.2%
KBC	13.2	5.78	6.5%
HAG	26.0	5.10	0.0%
SSI	28.1	3.99	-0.4%

Ticker	Price	Volume	% price change
SHB	9.3	11.52	0.2%
PVX	5.1	9.06	1.9%
KLF	12.6	7.17	-1.3%
SCR	10.1	5.24	-0.6%
PVS	41.5	5.14	2.8%

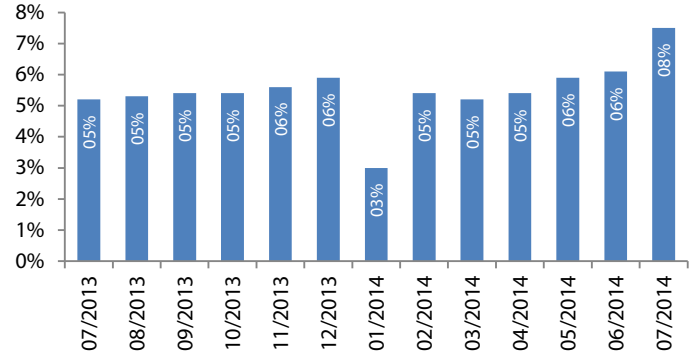
MACRO WATCH

Graph 1: GDP Growth



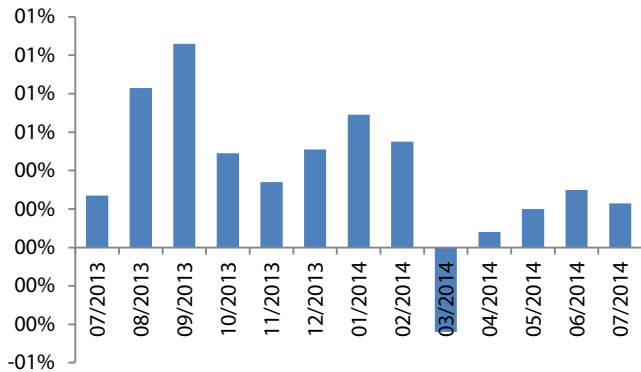
Sources: GSO, Rongviet Securities database
(* Comparison price in 1994)

Graph 2: IIP



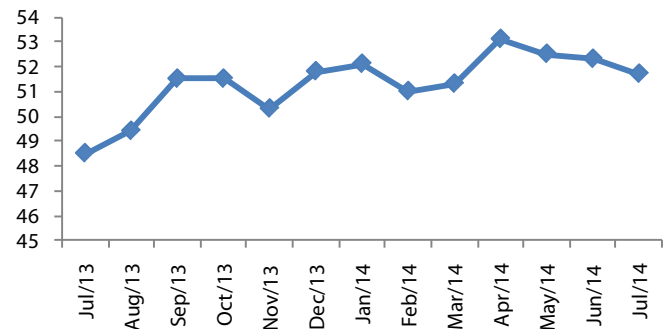
Sources: GSO, Rongviet Securities database

Graph 3: Monthly CPI



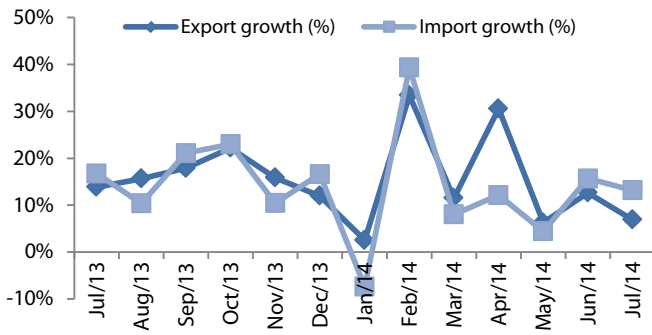
Sources: GSO, Rongviet Securities database

Graph 4: HSBC - PMI



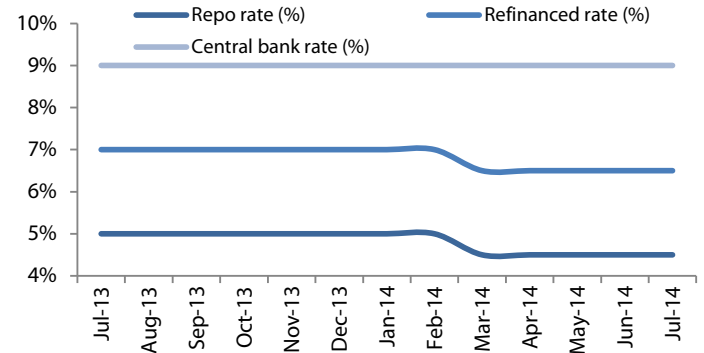
Sources: GSO, Rongviet Securities database

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%

ANALYSTS
Truc Doan – Head of Research

+ 84 8 6299 2006 | Ext: 314

truc.dtt@vdsc.com.vn

Thuy Nguyen

+ 84 8 6299 2006 | Ext: 317

thuy.nt@vdsc.com.vn

Ngoc Chung

+ 84 8 6299 2006 | Ext: 318

ngoc.cb@vdsc.com.vn

Tai Nguyen

+ 84 8 6299 2006 | Ext: 315

tai.ntp@vdsc.com.vn

Ha My Tran

+ 84 8 6299 2006 | Ext: 348

my.tth@vdsc.com.vn

Lam Nguyen

+ 84 8 6299 2006 | Ext: 318

lam.ntp@vdsc.com.vn

Diem My Tran

+ 84 8 6299 2006 | Ext: 344

my.ttd@vdsc.com.vn

Tam Bui

+ 84 8 6299 2006 | Ext: 348

tam.bt@vdsc.com.vn

HỘI SỞ TẠI TP.HCM

Tầng 1-2-3-4, tòa nhà Viet Dragon
141 Nguyễn Du, P.Bến Thành, Q.1, TP.HCM

- T** +84 8 6299 2006
- F** +84 8 6291 7986
- E** info@vdsc.com.vn
- W** www.vdsc.com.vn

CHI NHÁNH HÀ NỘI

2C Thái Phiên, Q.Hai Bà Trưng, Hà Nội

- T** +84 4 6288 2006
- F** +84 4 6288 2008
- E** info@vdsc.com.vn
- W** www.vdsc.com.vn

CHI NHÁNH NHA TRANG

50 Bis Yersin, TP.Nha Trang, Khánh Hòa

- T** +84 058 3820 006
- F** +84 058 3820 008
- E** info@vdsc.com.vn
- W** www.vdsc.com.vn

CHI NHÁNH CẦN THƠ

08 Phan Đình Phùng, Q.Ninh Kiều, TP.Cần Thơ

- T** +84 0710 381 7578
- F** +84 0710 381 7789
- E** info@vdsc.com.vn
- W** www.vdsc.com.vn



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