

NOVEMBER

26

WEDNESDAY

*“The market
dropped to
below 580!”*

ADVISORY DIARY

- **Updates on the amendment of Law on Housing and Real Estate**
- **APC- The updates on the extraordinary shareholders meeting**
- **The market dropped to below 580!**

Updates on the amendment of Law on Housing and Real Estate

After National Assembly formally approved the amendment of Law on Housing and Real Estate yesterday, there may be many investors to expect the bright future of real estate stock. Under the new law, only the foreigners allowed immigrating to Vietnam, is eligible to buy houses in Vietnam. Compared with the previous complex legal bindings, housing trading activity of foreigners will be eased with three main conditions: ownership restricted to (1) 30% of condo capacity (2) 250 apartments in a ward (3) 50 years of ownership right. On the other hand, Circular 36, the reason of dip of stock market recently, also favored for the real estate sector through the decrease of lending risk ratio from 250 to 150. These changes has showed open-minded in the direction of operating real estate market in Vietnam.

However, the new law takes effect only from 7/2015. Therefore, we do not expect a leap of real estate in the short term, especially when the specific execution guidelines have not issued and many foreigners are still afraid of the administrative procedures in purchasing land in Vietnam. The positive responses of few stocks (DIG, HDG, DXG, SJS, PVH, BCI) are the evidences that our cognizance is objective and careful.

APC- The updates on the extraordinary shareholders meeting

Today, one of RongViet’s favourite stocks named An Phu JSC (HSX: APC) has launched the extraordinary shareholders meeting. The most noticeable information was a likelihood of M&A activity between APC and Thai Son Ltd. According to the Company’s sharing, Thai Son Ltd rose its ownership in APC from 19% to 50%. The member of board, as a result, witnessed a change to be in line with a change in ownership’s proportion. Specifically, there are 4 over 5 members of new boards whom come from Thai Son Ltd. As results, investors have a reason to believe that M&A would happen between these two firms in the near future. In our opinion, in case that the scenario seems to be happened, APC would receive both positive and negative effects. On the positive side, M&A activity might increase the concentration of irradiation of fishery products. Thus, the bargaining power to the customer is likely to rise remarkably. However, with the ownership equal to 50%, the majority shareholders required to commit or principle operation in order to ensure not to cause the conflict with interest of minority shareholders and to ease investor’s mind. Thus, we would observe changes in APC’s management in upcoming periods and update to the investors as soon as possible.

The market dropped to below 580!

In the morning’s session, both indices increased slightly by 0.61 points on HSX and 0.04 points on HNX. Afterward, the markets witnessed remarkable downwards. As oil price dropped to a record, stocks in oil and gas industry decreased significantly. Particularly, selling pressures were overwhelming in PVD and GAS. Accordingly, net sold volumes in foreign activity at PVD constitutes 36% of total trading’s volumes that led to a fall of VND3,000; that volumes at GAS was 49% of total trading’s volumes and caused a drop of VND4,500.

Volume of speculative stocks still remain high in spite of closing down, even getting floor price, such as FIT (VND -2,900), KLF (VND -1,400). We suppose that this is temporary effect, coming from consecutively cutting margin on some stocks. Although 300 red-tickers on both exchanges

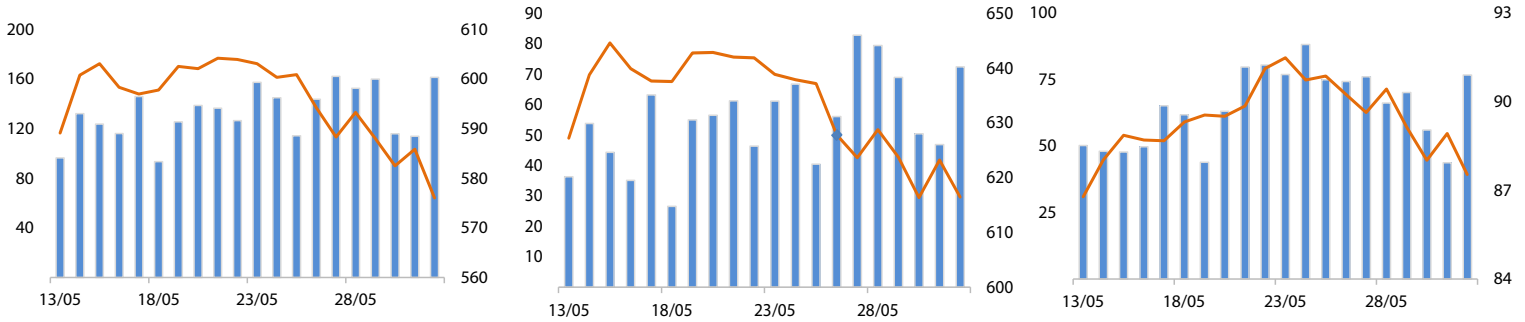
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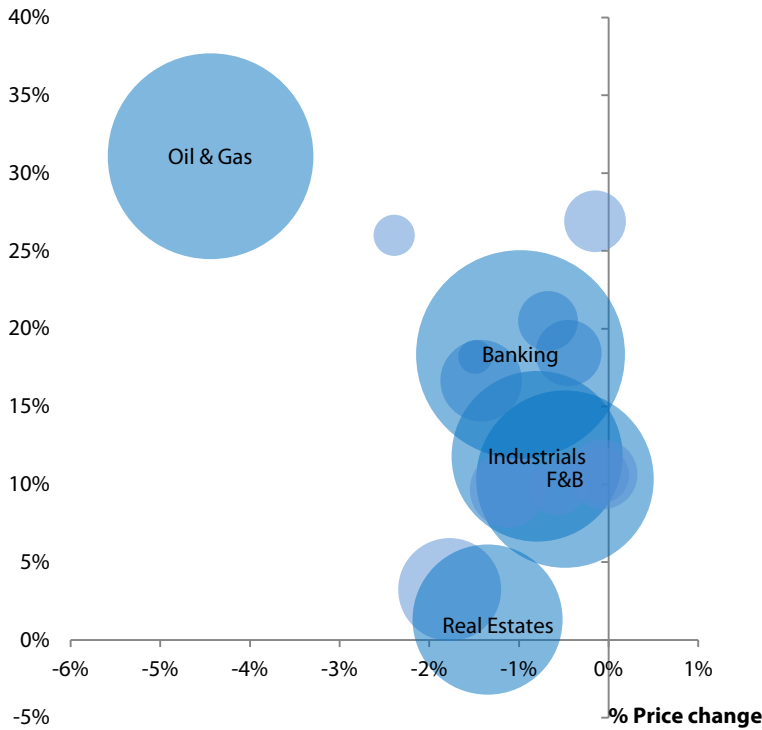
pushed VNIndex down to the 5-month bottom, entire liquidity on both jumped to VND4.124 billion, much higher than that of last sessions. In our viewpoint, strongly net sold on blue-chips of foreigner confused domestic investors, partly spreading falling trend right as positive correlation. We believe that fluctuated sessions like this will be continuously in upcoming time whereas hardly for heavy loss.

VNINDEX -1.68% 576.04 VN30 -1.08% 616.48 HNXINDEX -1.56% 87.54



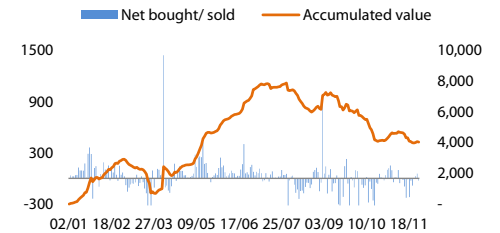
Industry Movement

Industry ROE

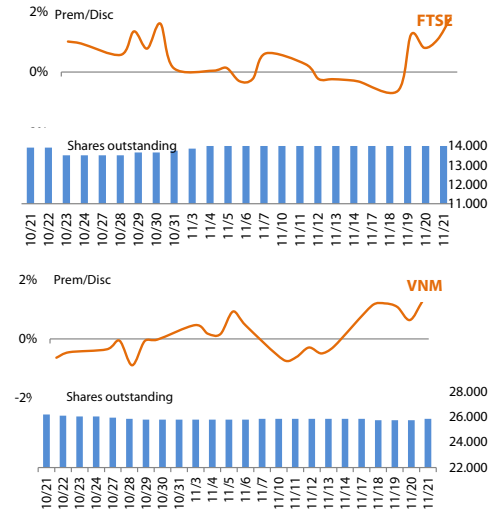


Industry	% change
Technologies	-0.7%
Industrials	-0.8%
Constructions	-1.8%
Oil & Gas	-4.4%
Distribution	-1.5%
F&B	-0.5%
Household Goods	-0.6%
Cars & Parts	-2.4%
Chemicals	-0.4%
Resources	-0.2%
Insurances	-1.4%
Real Estates	-1.4%
Financials	-1.1%
Banking	-1.0%
Utilities	-0.1%
Healthcare	-0.1%

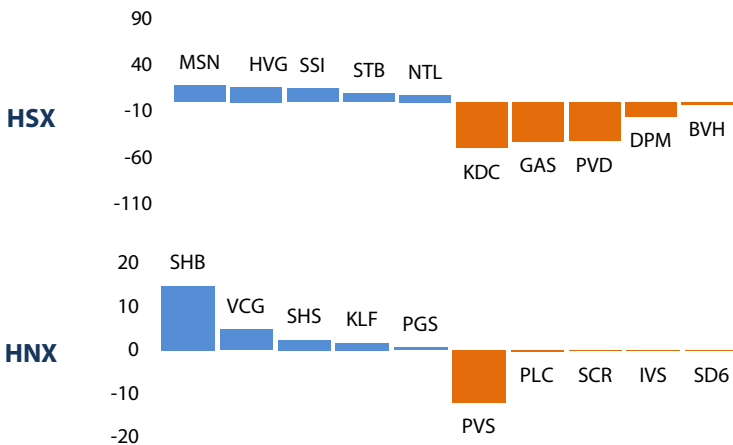
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



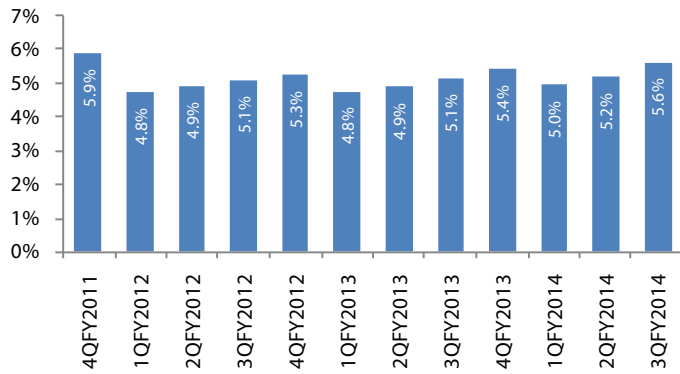
Top Active

Ticker	Price	Volume	% price change
FLC	11.6	29.04	-4.9%
VHG	13.7	9.18	-6.2%
SSI	29.8	9.06	0.7%
ITA	8.7	7.97	-1.3%
PVT	17.2	4.66	-3.9%

Ticker	Price	Volume	% price change
KLF	13.0	16.53	-9.7%
PVX	6.1	7.64	-1.6%
SCR	10.0	5.56	0.0%
FIT	27.0	5.45	-9.7%
HUT	15.3	4.08	0.7%

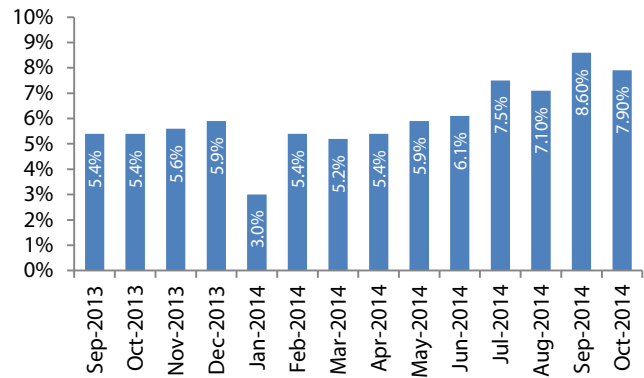
MACRO WATCH

Graph 1: GDP Growth



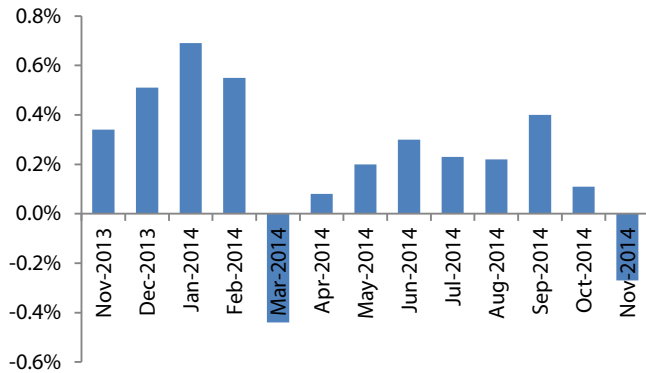
Sources: GSO. Rongviet Securities database
(*) Comparision price in 1994

Graph 2: IIP



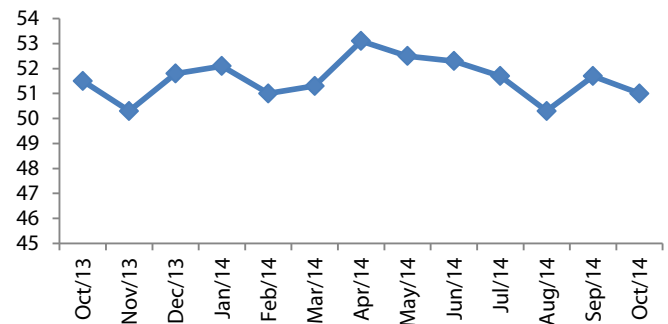
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



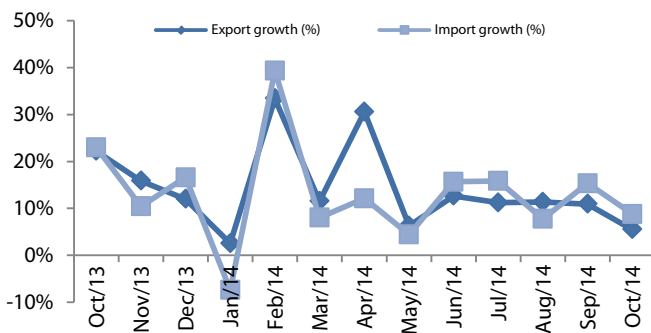
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



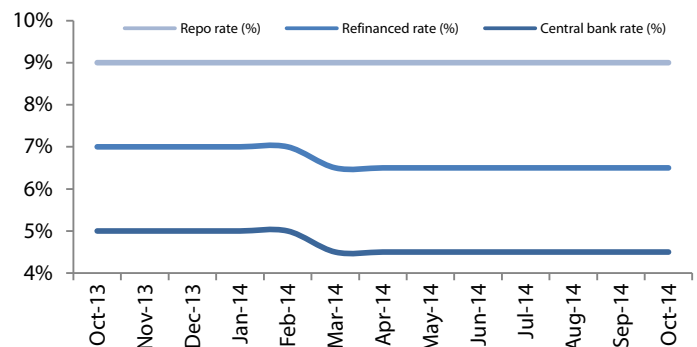
Sources: GSO. Rongviet Securities database

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
PGS - 2015: A year of challenge	Nov 24 th ,2014	Neutral - Long term	37,800
NBB - A turning point with City Gate Towers	Nov 14 th ,2014	Buy - Long term	26,800
CMI-Project restarts spark new hopes	Nov 13 th , 2014	Monitor	
CNG - Potential growth from building materials industry's well-being	Nov 10 th , 2014	Accumulate – Long term	46,000
GMD - Positive developments from core businesses	Nov 7 th , 2014	Accumulate – Long term	44,400

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	11/11/2014	0-0.75%	0-2.5%	11,815	11,868	-0.45%
VEOF	11/11/2014	0-0.75%	0-2.5%	10,367	10,283	0.82%
VF1	20/11/2014	0.20% - 1.00%	0.50%-1.50%	22,293	22,545	-1.12%
VF4	12/11/2014	0.20% - 1.00%	0.00%-1.50%	10,357	10,338	0.18%
VFA	14/11/2014	0.20% - 1.00%	0.00%-1.50%	7,567	7,570	-0.03%
VFB	14/11/2014	0.30% - 0.60%	0.00%-1.00%	11,949	11,950	-0.01%
ENF	07/11/2014	0.00% - 3.00%		10,996	10,504	4.. 8%
MBVF	13/11/2014	1%	0%-1%	11,096	11,119	-0.21%
MBBF	12/11/2014	0-0.5%	0-1%	11,742	11,734	0.07%

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