

DECEMBER

17

WEDNESDAY

ADVISORY DIARY

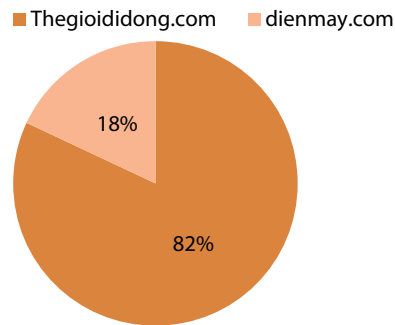
- **MWG – Management express optimism about 2015’s performance**
- **Sale off!!**

MWG – Management express optimism about 2015’s performance

Yesterday, our industry analyst attended the monthly meeting of the Mobile World Investment Corporation (MWG – HSX). At the meeting, the BOD shared the 11-month operation performance as well as the next year business plan.

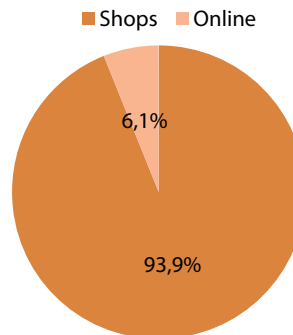
The November revenue reached VND1,620 billion, up by 6.3% compared to the previous month. The 11-month revenue was at VND14,063 billion, up by 70% y-o-y. The November’s NPAT was VND66 billion, which constituted the 11-month profit at VND609 billion, fulfilling 140% of this year guidance. The thegioididong.com chain is still the main driver of the MWG revenue with its proportion of about 82% (with 85% coming from the smartphone sales). The MWG revenue has been strongly supported by moving to use smartphone trend of users. According to the survey of TNS, the smartphone penetration of Vietnam was about 36% and expected to increase to 50% in 2015. Although the December operation result is still ahead, it can be said that the 2014 MWG operation is quite successful with its economies of scale.

Graph 1: Revenue structure using operation chain



Sources: MWG, RongViet Securities

Graph 2: Revenue structure using selling method



Sources: MWG, RongViet Securities

“Sale off!!”

In 2015, the Company continues to focus on building customer care services and promotions to ensure the existing customers of the company are entitled to the best service and not transferred

to other stores for competition in the market. At the same time, the Company continues to expand its dienmay.com as well as thegioididong.com chain to increase its market share in other potential market, especially the provincial market.

Online business (currently accounted for relatively small in revenue) will also be kept on eyes in the MWG plan. The Company plan to shorten delivery time and spend dedicated care to its customers. Moreover, the BOD also made known that they will open about 120 new stores in 2015, of which 12 are dienmay.com stores. These stores will be mainly opened in the early months of 2015 to meet rising demand for shopping in the holidays. Besides, the company is also considering the possibility to quickly open the dienmay.com chain business through merger and acquisition. With the 2015 action program, MWG leaders are aiming to achieve 40% market share milestone in December 2015, compared to the current estimate of 30%. Along with that, MWG is also striving to add its name to the list of listed companies reaching \$ 1 billion revenue milestone, corresponding approximately 23,590 billion (up 49.5% over the year).

Sale off!!

Some slight rebound did not rescue the cross-cutting slump. However, liquidity improved significantly to around VND3,620 billion, up 35.2% compared to yesterday and was the highest level since Monday. High liquidity was partly due to the wide-spread selling off, the remaining reason was due to the strong fishing bottom at the end of the trading day that pull index back a bit. Today, foreigners continued to be net sellers with net sold value at VND91.8 billion on both exchanges. Nevertheless, they turned to net buyers at some oil & gas shares, such as GAS with net bought value about VND13.2 billion while PVD and PVS were net sold again. It is worthy to note that the foreigners' demand for those stocks was quite high, PVS performance was better when closed in green. One surprising thing was VIC, MWG and HPG were net sold at large volumes, of which the majority of MWG's net sold value was through put-through transactions.

Along with concerns about sharply falling in oil prices, the market today appeared more bad news about the Russian economy. In fact, the Russian economic downturn is no longer a new issue and we have given some impact assessment on some shares of industry groups. However, the newspaper wrote and quoted articles about the Russian economy had caused negative impacts on stocks having commercial trade with Russia, such as HVG. The Company made known that its business activities in this year are not affected by the Russian economy, but according to my industry analyst, the difficulties which Russia are facing will somehow impact negatively on HVG earnings.

With regard to Vietnam and Russia's relationship, last week, Vietnam ended the negotiation about FTA between Vietnam and the Customs Union's member-states Russia, Belarus and Kazakhstan and the agreement will be signed at the beginning of next year. In the context of Russian economy recession, the FTA being signed will somewhat improve the competitiveness of Vietnam's goods, especially products that Vietnam has advantages such as products in agriculture, fishery and textile fields. Currently, these products of Vietnam are still considered quite low compared to the average region and the whole world so the ability that Russian consumers will switch to use Vietnamese commodities is relatively high. As a result, the weakening of Russian economy might not necessarily to have negative impacts on trade relations between Vietnam and Russia.

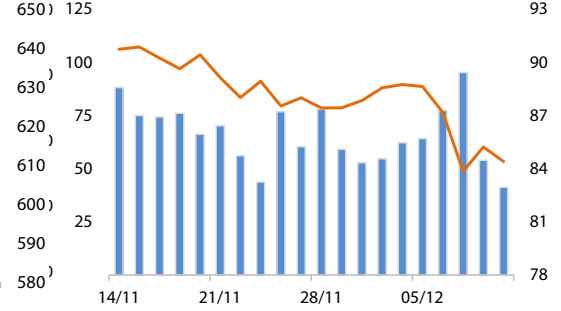
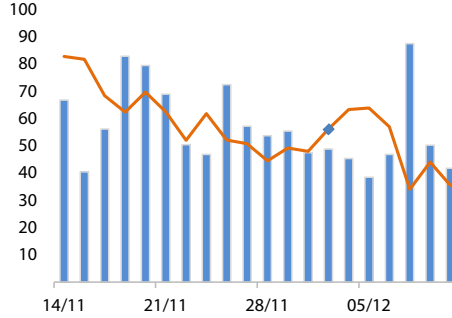
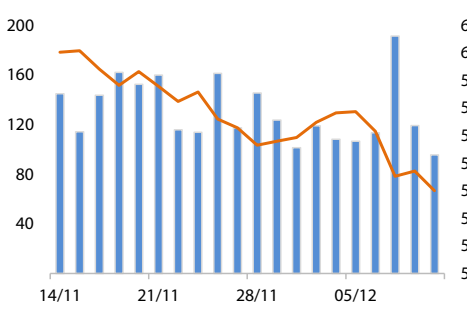
The market decline has contributed to bring prices of some good fundamental stocks to attractive level. Therefore, we believe that instead of having a too negative outlook on the market, investors may see the market today as a late "Black Friday" to accumulate additional shares for medium and long term objectives.

Huong Pham

+ 84 8 6299 2006 | Ext: 317

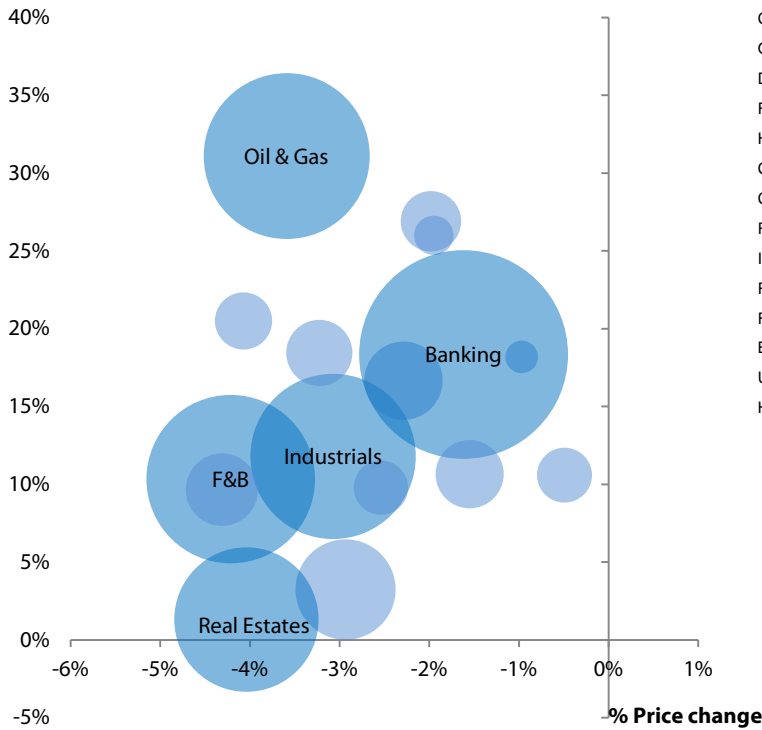
huong.pt@vdsc.com.vn

VNINDEX -3.16% 518.22 VN30 -3.73% 569.71 HNXINDEX -2.46% 80.61



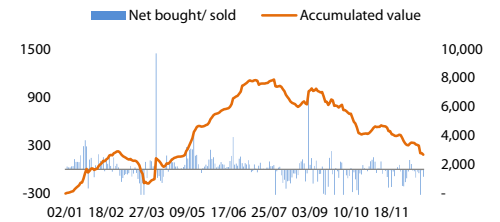
Industry Movement

Industry ROE

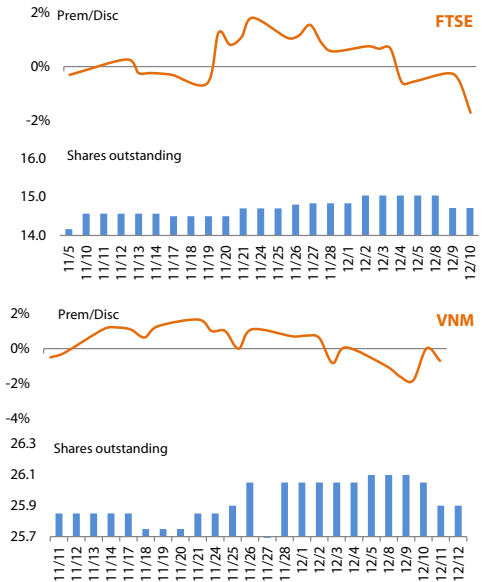


Industry	% change
Technologies	-4.1%
Industrials	-3.1%
Constructions	-2.9%
Oil & Gas	-3.6%
Distribution	-1.0%
F&B	-4.2%
Household Goods	-2.5%
Cars & Parts	-1.9%
Chemicals	-3.2%
Resources	-2.0%
Insurances	-2.3%
Real Estates	-4.0%
Financials	-4.3%
Banking	-1.6%
Utilities	-1.5%
Healthcare	-0.5%

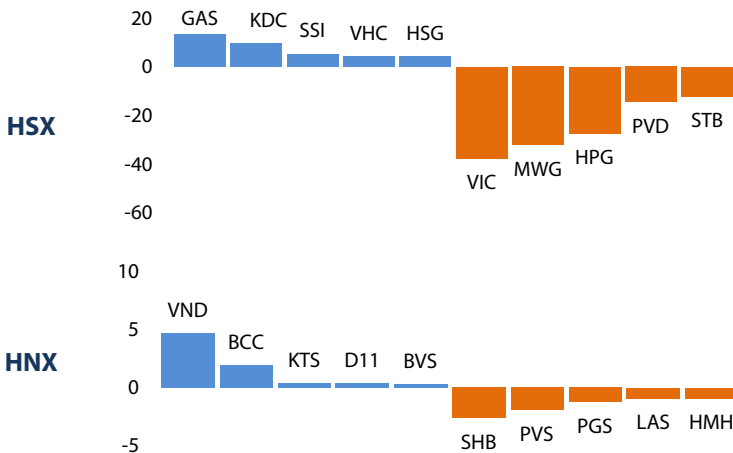
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



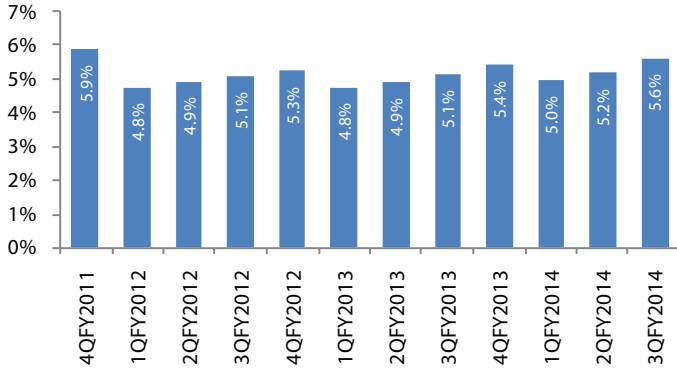
Top Active

Ticker	Price	Volume	% price change
FLC	10.0	17.43	-4.8%
ITA	7.8	9.53	-4.9%
SSI	27.9	9.08	-4.5%
OGC	7.8	7.61	-1.3%
VHG	11.5	7.14	-6.5%

Ticker	Price	Volume	% price change
KLF	12.0	8.87	-4.8%
SCR	9.3	7.76	-6.1%
PVX	5.0	6.78	-7.4%
SHB	8.1	3.99	-4.7%
PVS	23.8	3.56	0.4%

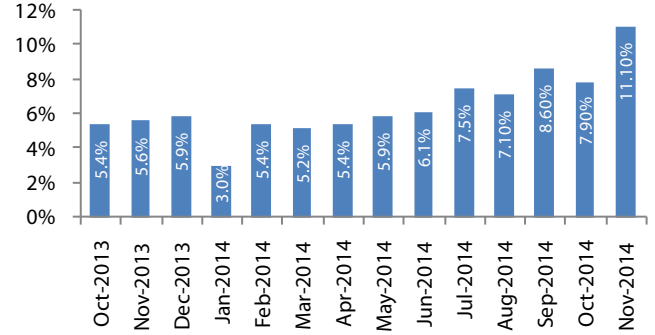
MACRO WATCH

Graph 1: GDP Growth



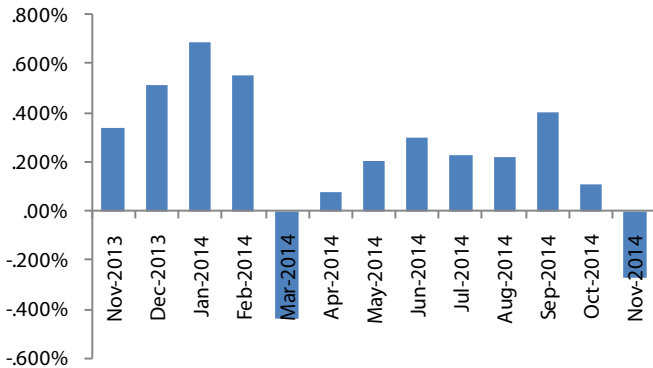
Sources: GSO. Rongviet Securities database
(* Comparison price in 1994)

Graph 2: IIP



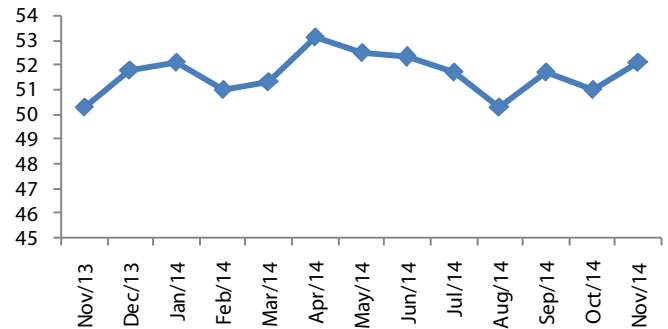
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



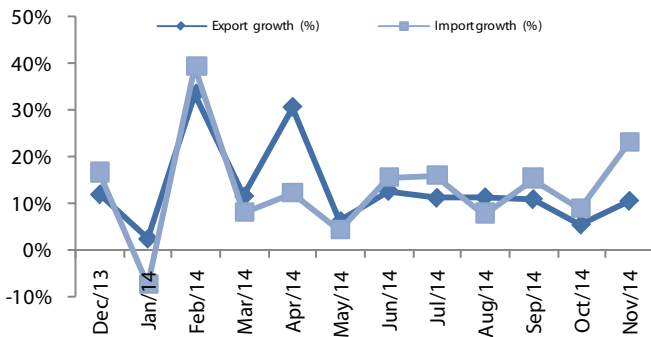
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



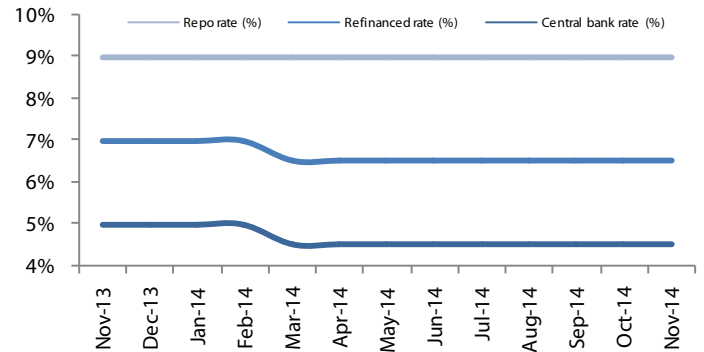
Sources: GSO. Rongviet Securities database

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
PCT – Restructuring	Dec 11 th , 2014	Monitor	
FPT - Growth driver expected from retails	Dec 3 rd , 2014	Accumulate – Long term	61,000
GDT - Still being on upward trend	Nov 27 th , 2014	Accumulate – Long term	41,300
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	

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	09/12/2014	0%-0.75%	0%-2.5%	11,378	11,576	-1.71 %
VEOF	09/12/2014	0%-0.75%	0%-2.5%	9,800	9,815	-0.15%
VF1	12/12/2014	0.2% - 1%	0.5%-1.5%	20,890	21,111	-1.05%
VF4	10/12/2014	0.2% - 1%	0%-1.5%	9,102	9,565	-4.84%
VFA	12/12/2014	0.2% - 1%	0%-1.5%	7,373	7,443	-0.95%
VFB	12/12/2014	0.3% - 0.6%	0%-1%	11,841	11,832	0.08 %
ENF	05/12/2014	0% - 3%	0%	10,889	10,807	0.76%
MBVF	04/12/2014	1%	0%-1%	11,135	11,060	0.68%
MBBF	10/12/2014	0%-0.5%	0%-1%	11,766	11,768	-0.02%

ANALYSTS

Truc Doan – Head of Research

+ 84 8 6299 2006 | Ext: 314

truc.dtt@vdsc.com.vn

Ngoc Chung

+ 84 8 6299 2006 | Ext: 318

ngoc.cb@vdsc.com.vn

Lam Nguyen

+ 84 8 6299 2006 | Ext: 318

lam.ntp@vdsc.com.vn

Ha My Tran

+ 84 8 6299 2006 | Ext: 348

my.tth@vdsc.com.vn

Tai Nguyen

+ 84 8 6299 2006 | Ext: 315

tai.ntp@vdsc.com.vn

Diem My Tran

+ 84 8 6299 2006 | Ext: 344

my.ttd@vdsc.com.vn

Trien Le

+ 84 8 6299 2006 | Ext: 339

trien.lh@vdsc.com.vn

Tam Bui

+ 84 8 6299 2006 | Ext: 348

tam.bt@vdsc.com.vn

Huong Pham

+ 84 8 6299 2006 | Ext: 317

huong.pt@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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