

- **TCM - Update on July's business result**
- **Bleak atmosphere is still around**

TCM – Update on July's business result

The advisory diary on 5th August of Rong Viet Research last week had brought insights into the 2Q2014 business results of Thanh Cong Textile Garment Investment Trading Joint Stock Company. Today, we continue to update on the July's business result of the company. Accordingly, revenue of TCM in July reached approximately VND 216 billion, the NPAT after decreasing significantly in June due to foreign exchange losses, rose again and reach approximately VND 17 billion in July. Generally, revenue of TCM has remained stable and positive since May until now. For the first 7 months of the year, the company reached 54% in terms of target revenue and 62% in terms of target NPAT of 2014.

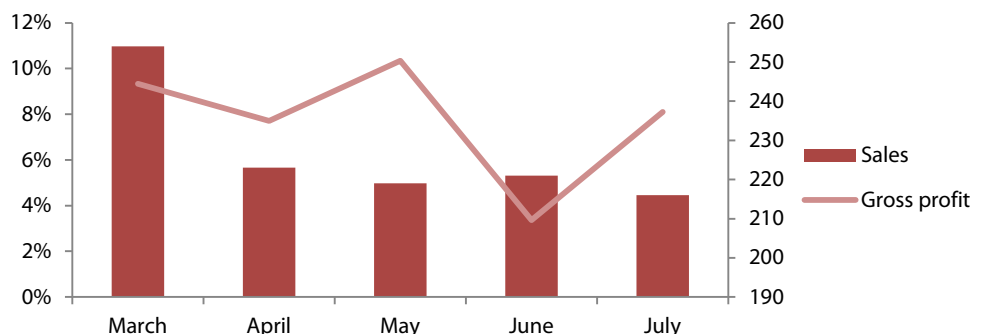
Due to business cycle of garment and textile enterprises including TCM, the period between June and August is usually low season. From September to 1Q of next year – when the shopping demand for holidays and export activity increase significantly, there is growth opportunity for textile enterprises in terms of both revenue and profit. Besides, taking advantage of the strong decline of cotton price in the past period and the declining trend for the following months of the year, business result of TCM is forecasted to accelerate in 3Q and 4Q.

At today's closing price of 27,200 VND, TCM was trading at a forward P/E ratio of approximately 7.8x. Assessing on the prospect of the enterprise, it is likely that the August's business result may still not considerably improve due to the low season of business cycle. Nevertheless, in the following months of the year, we stick to the optimistic perspective on this stock and with the current attractive price; the investors can consider accumulating with the purpose of catching newly increasing trend in 4Q2014.

Next week, our industry analyst will participate in the analyst meeting with TCM and will update to investors about the enterprise's progress of constructing new sewing factory in Hoa Phu Industrial Zone, Vinh Long.

“Bleak atmosphere is still around”

Chart: Business result of TCM in 2014



Sources: TCM, RongViet Securities

Bleak atmosphere is still around

Today's session was still in bleak atmosphere due to the lack of supporting information from macro-economy and enterprises. Ending of the session, both indices were in “red” when VN-Index reached 601.78 points (declined 0.06%) and HNX-Index reached 80.47 points (declined 0.16%). On

HNX30 and VN30, the numbers of decreasing stocks or moving around reference zone hold the majority and dominated the increasing stocks. Notably, in terms of trading volume of foreign investors in the VN30 basket, 313,850 units of VIC were bought. In addition, MPC was in the spotlight of today's session when reaching the price ceiling of VND 58,000. After the positive business result of parent company announced previously, according to the consolidated business result which had just been updated, regarding the first half of 2014, revenue and NPAT of MPC rose significantly, reaching VND 6,244 billion (+69.57% yoy) and VND 463.7 billion (+1,837% yoy) respectively, exceeded the target of proposed net profit.

Foreign investor's trading remained net selling trend with total value of VND 142 billion on both indices. In term of HSX, today was the sixth trading section that foreign investors conducted net selling transaction with total value of VND 892 billion. This factor was likely to be the main reason affecting domestic investor's sentiment in recent trading sections.

Until now, we remain our advice to clients as in our strategic report issued in August, which is selectively accumulating and maintain a high proportion of cash in the portfolio. Today, we also release the analyst report of HPG with recommendation of "accumulate" and the target price is adjusted from VND 55,100/share to VND 66,400/share. In this updated report, our industry analyst concentrates on analyzing the advantages and opportunities of HPG in terms of spreading its steel products nationally. The investors can check out the detailed report on website of Rong Viet Securities.

Thuy Nguyen

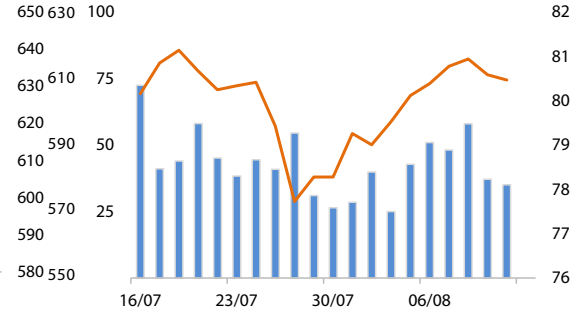
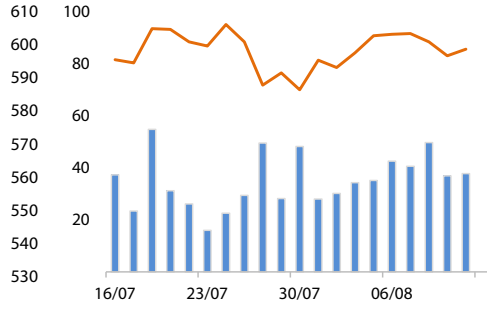
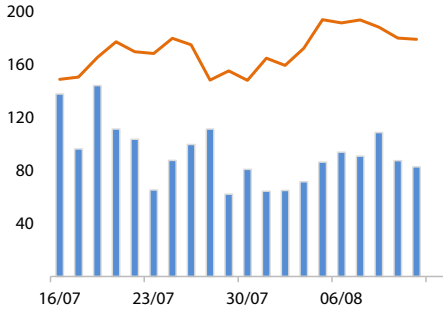
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VNINDEX -0.06% 601.78

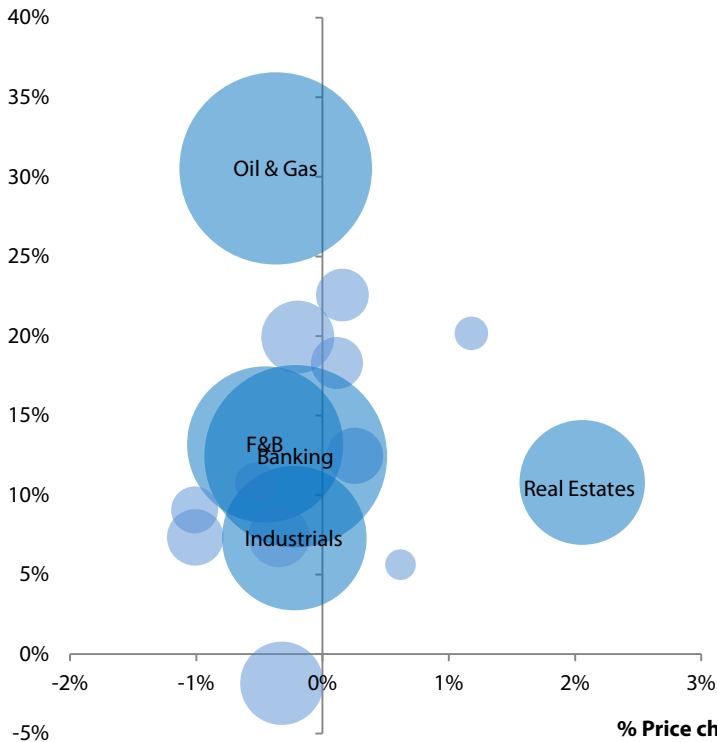
VN30 0.27% 639.96

HNXINDEX -0.15% 80.47

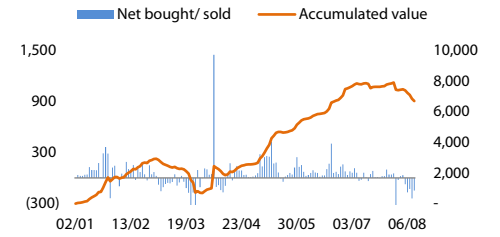


Industry Movement

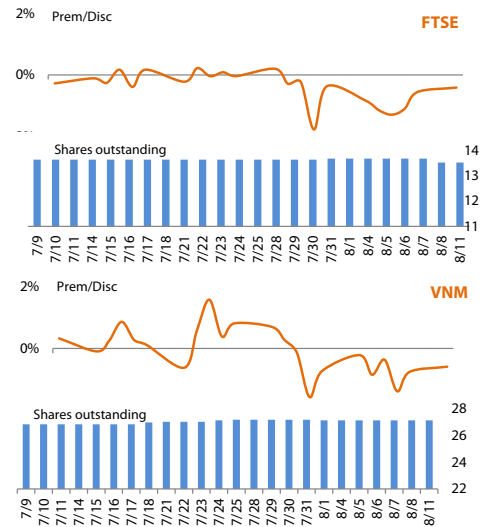
Industry ROE



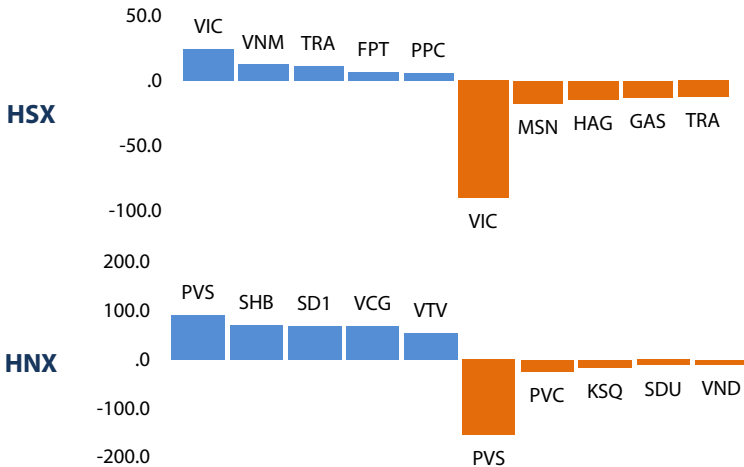
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



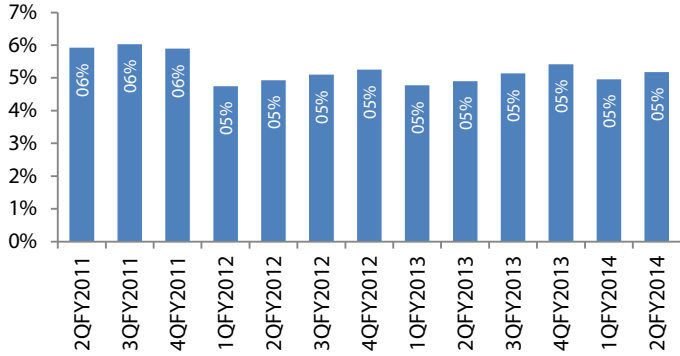
Top Active

Ticker	Price	Volume	% price change
FLC	14.10	14.92	0.0%
HQC	7.80	3.90	-2.5%
SAM	11.40	3.52	-0.9%
IJC	14.60	2.07	-1.4%
PVT	14.30	1.93	-1.4%

Ticker	Price	Volume	% price change
KLF	13.00	5.60	4.0%
SCR	9.10	5.31	0.0%
PVX	4.60	3.82	0.0%
KLS	11.30	2.17	0.0%
PVS	34.10	1.55	0.6%

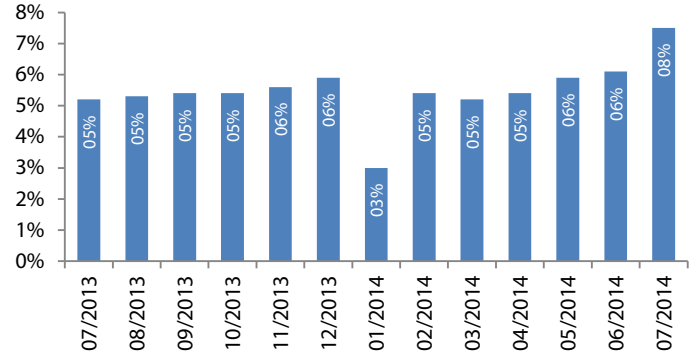
MACRO WATCH

Graph 1: GDP Growth



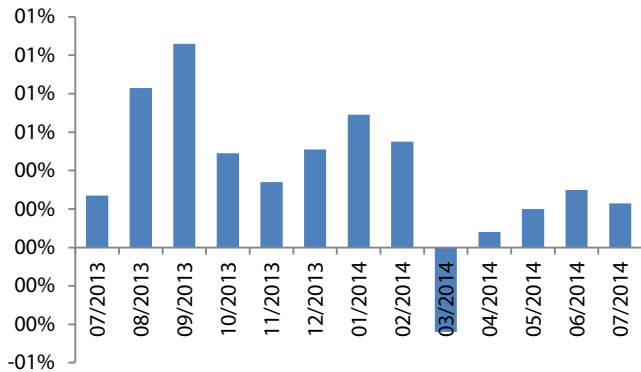
Sources: GSO, Rongviet Securities database
(* Comparison price in 1994)

Graph 2: IIP



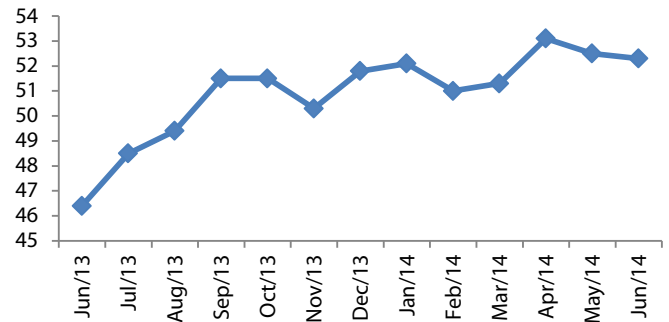
Sources: GSO, Rongviet Securities database

Graph 3: Monthly CPI



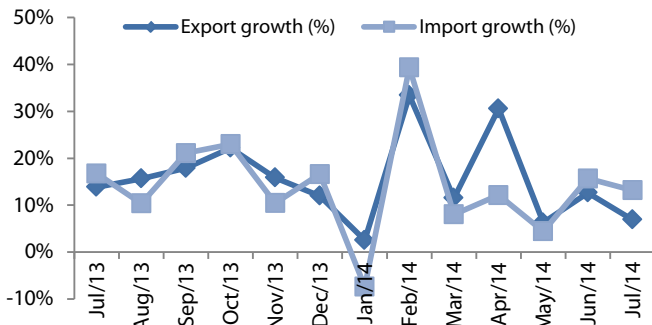
Sources: GSO, Rongviet Securities database

Graph 4: HSBC - PMI



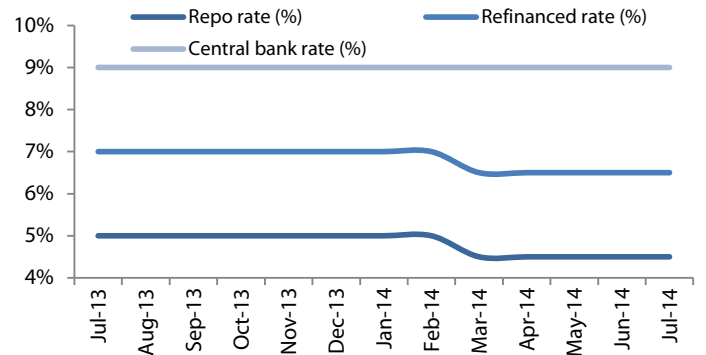
Sources: GSO, Rongviet Securities database

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
HPG - On the way to dominate nationwide' market shares	Aug 12 nd , 2014	Accumulated – Intermediate-term	66,400
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
NBB-Strengthened cash flows	May 07 th , 2014	Buy – Long-term	36,300
DIG-Reboot	April 28 th , 2014	Accumulated – Long-term	19,200

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
VFF	05/08/2014	0-0.75%	0-2.5%	11,182	11,053	1.17%
VF1	07/08/2014	0.20% - 1.00%	0.50%-1.50%	22.263	21.759	2,32%
VF4	06/08/2014	0.20% - 1.00%	0.00%-1.50%	10.211	9.946	2,67%
VFA	08/08/2014	0.20% - 1.00%	0.00%-1.50%	7.537	7.422	1,55%
VFB	08/08/2014	0.30% - 0.60%	0.00%-1.00%	11.120	11.002	1,08%
ENF	01/08/2014	0.00% - 3.00%		10,152	10,233	-0.79%

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