

MARCH

17

TUESDAY

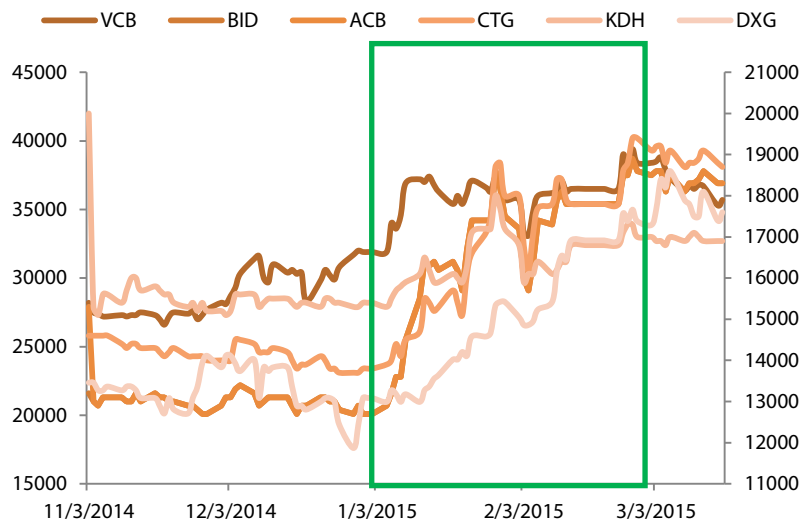
ADVISORY DIARY

• **Will the recent motivation support the growth of VNIndex?**

Liquidity was bleak and dull while the index fluctuated narrowly (with the average liquidity at VND 1,800 billion and the trading range about 14 points) in the previous week. However, since yesterday's trading session, it seems that market traded more actively after the information about an increase in the shares holding percentage in ETF VNM's portfolio. Despite the improvement of the market sentiment, we realize that banking and real estate industries – the 2 leading industries of the market in the February – have not supported the market too much recently.

Banking industry witnessed an extreme impressive jump with over a-20% growth in only two months. It reflects investors' prospect on (1) M&A activities between financial institutions, (2) tightening management from the State Bank about the quality of balance sheet as well as banking operation security (Circular 2 about debt clarification, Circular 36 about credit limit, prudential ratios in credit institution operation). Along with banking industry trend, other stocks in real estate industry also increased significantly (Banking system provides finance to real estate industry), especially DXG (+30%), KDH (+15%).

Chart. The changes in banking and real estate's stocks



Source: Bloomberg

However, the growths of these two industries have slowed down since March, even decreased (banking decreased by 3% and the real estate groups down by 3.5%) while VNIndex plunged by 2%. We supposed that market prices of these stocks were quickly reflected by industries' prospects, therefore, investors need more specific information related to business operations such as business plan, new strategy, the news from annual shareholder meeting or Q12015 earning results to persuade investors better.

Without the support of these two industries temporally, the market would probably be hard to increase sharply.

Particularly in today's market transaction, as we mentioned about the slight increase of the market in yesterday Advisory Diary, the Index fluctuated in narrow range and closed with an increase of 0.96 points. The liquidity still remained higher than the average of previous week, with more than VND2,000 billion. In a different aspect, foreign investors ended the 7th consecutive net sold trading

“Will the recent motivation support growth of VNIndex?”

sessions, with net buying value of more than VND700 million. The estimated net buying value of the foreign investors is going to be around VND700 billion this week.

Tuan Huynh

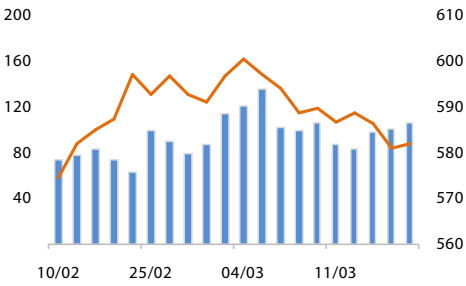
+ 84 8 6299 2006 | Ext: 326

Tuan.hm@vdsc.com.vn

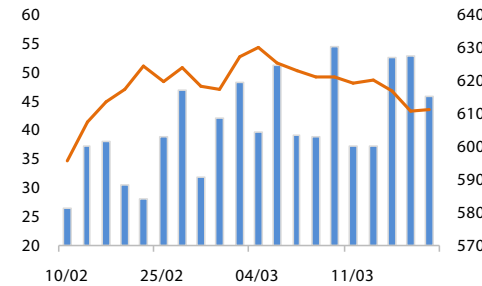
Related to macroeconomic news, yesterday, the General Administration of Customs announced the export figures in February. Specifically, in the first two months the accumulated value of trade deficit was USD1.2 billion, higher than the estimation of the General Statistics Office (GSO) announced earlier (~ USD61 million). In general, due to the Lunar New Year, exports and imports declined compared to January; however, there are significant growth over the same period, corresponding to 0.82% and 5.34%. However, the fisheries industry witnessed a significant decrease over the same period. Accordingly, the total seafood export value in the first two months fell by 15% y-o-y. According to our analyst, the reasons of that decrease can come from (1) shrimp export prices fell sharply this year compared to the same period in 2014 and (2) the supply of globally rising from the dead shrimp diseases decreased. In import perspective, the automotive product group is still noticeable with an impressive growth rate (~ 173.2% yoy). As mentioned in the 04/03/2015 Advisory Diary, our industry analyst believes that due to the stability of the factors such as low and stable interest rates, policy tightening load, the retail automotive segment continues to be the industry with strong growth opportunities in 2015.

There are many contrariwise information flow in the market including (1) surprise trade deficit figures, the pressure on the exchange rate, (2) a recent slowdown of the leading industry groups and (3) the rebalancing information of the ETF VNM. Accordingly, short-term investors can take advantages from the rebound of the market and the improvement in the liquidity from ETF effect. However, the investors should be careful to observe the movement of the macroeconomic news because the market can be less excited without additional supporting information.

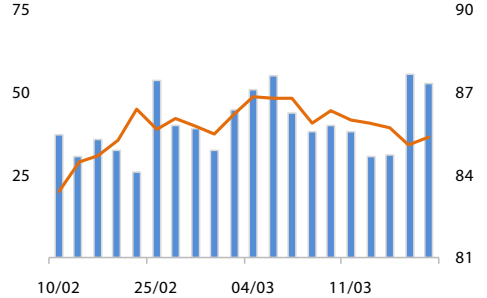
VNINDEX 0.17% **581.76**



VN30 0.10% **611.24**

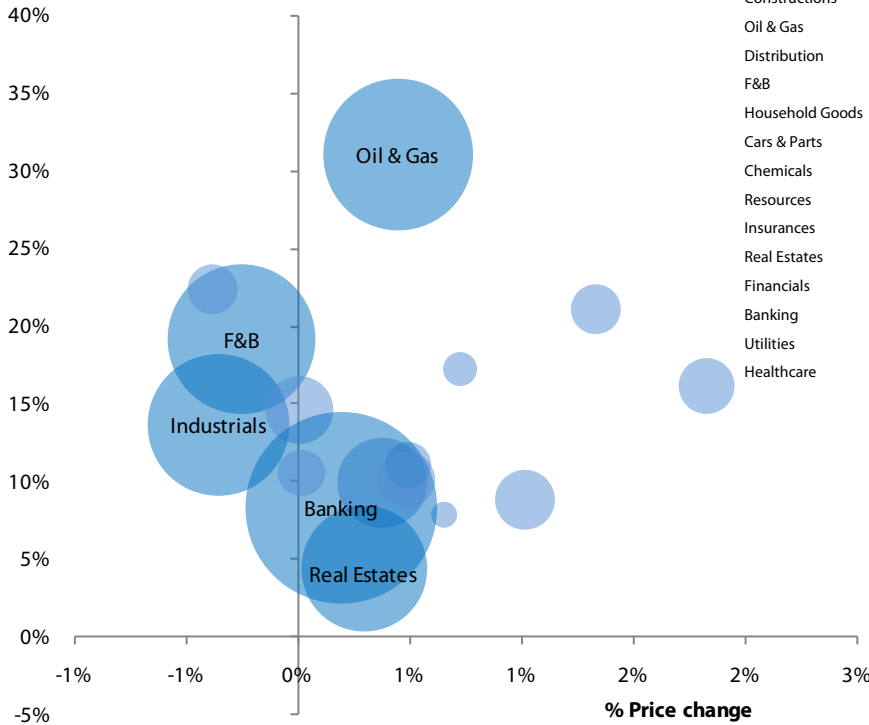


HNXINDEX 0.33% **85.36**

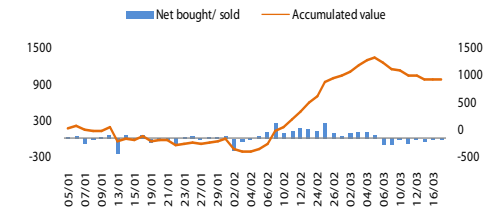


Industry Movement

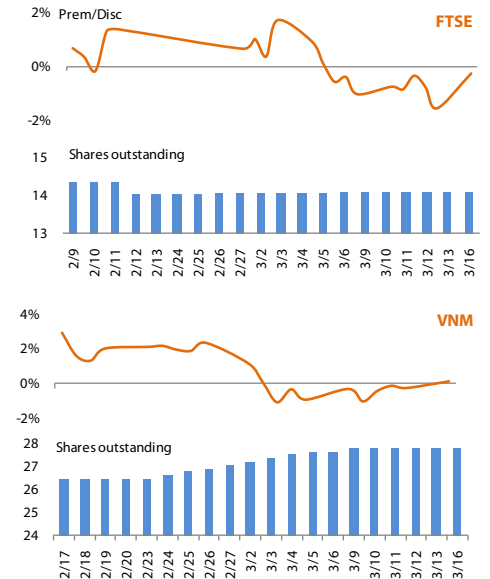
Industry ROE



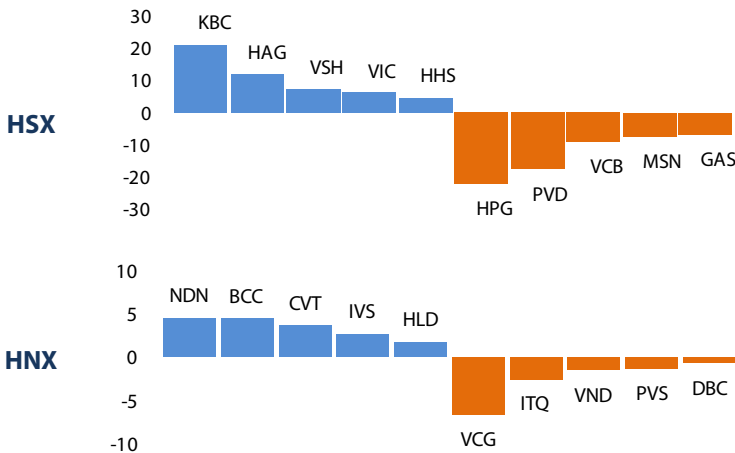
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



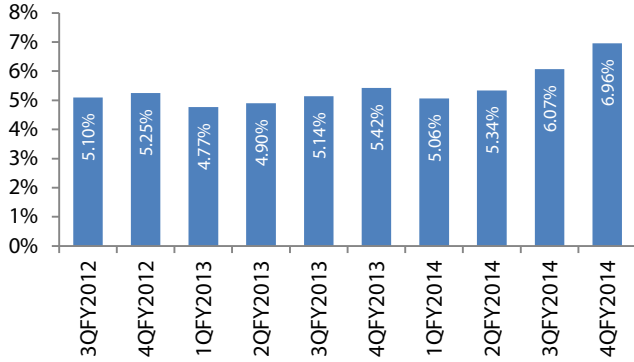
Top Active

Ticker	Price	Volume	% price change
FLC	12.2	18.28	0.0%
ITA	7.6	4.93	2.7%
KBC	17.0	4.76	-1.2%
HQC	6.9	3.36	-1.4%
LGC	24.9	2.88	6.9%

Ticker	Price	Volume	% price change
KLF	11.1	14.86	3.7%
FIT	19.0	4.57	2.7%
PVX	5.0	1.89	0.0%
S99	12.9	1.81	1.6%
SHB	8.8	1.56	0.0%

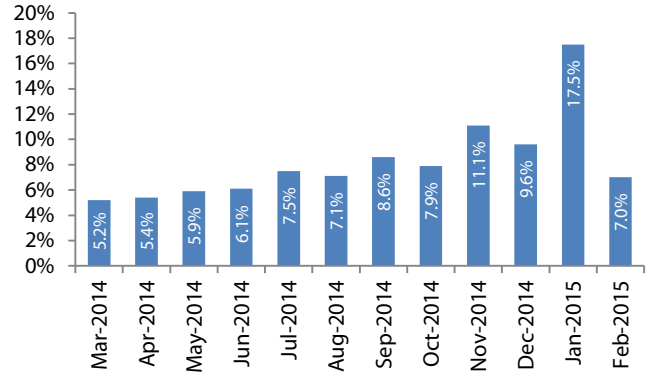
MACRO WATCH

Graph 1: GDP Growth



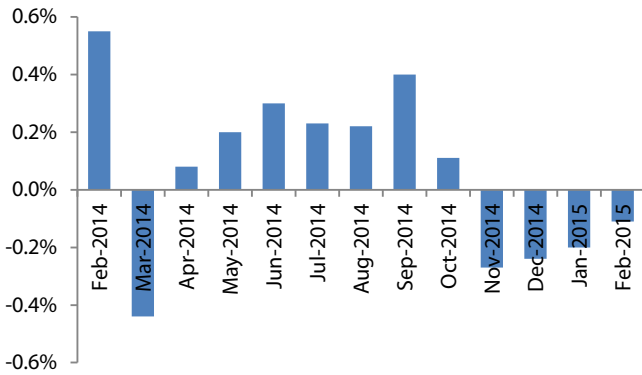
Sources: GSO. Rongviet Securities database
(* Comparison price in 1994)

Graph 2: IIP



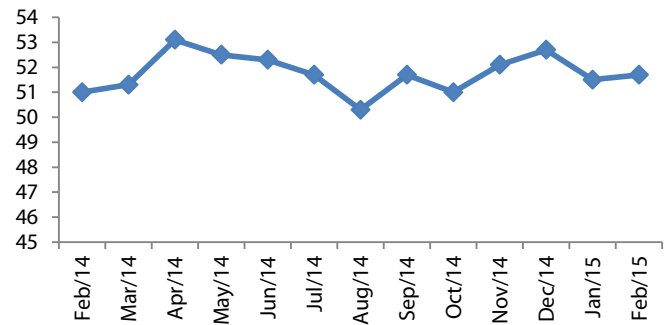
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



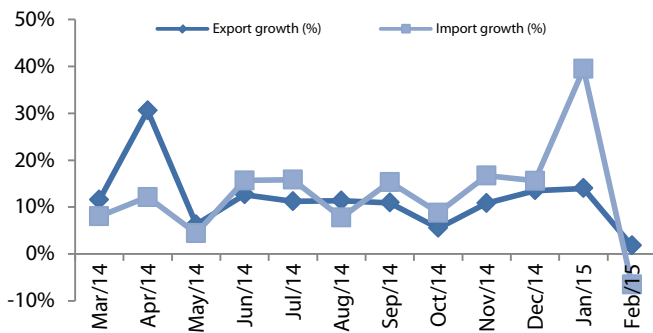
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



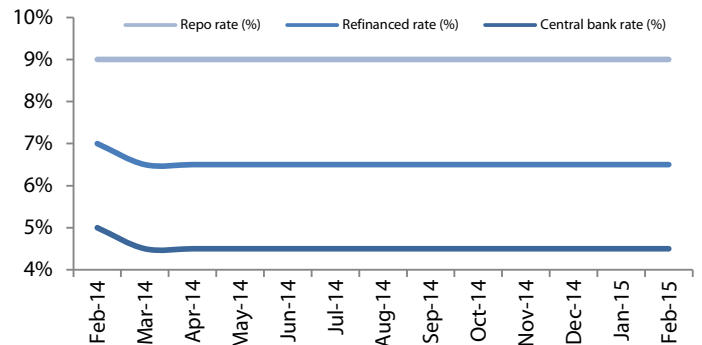
Sources: GSO. Rongviet Securities database

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
PAC- Opportunities along with challenges	Jan 14 th , 2015	Accumulate – Intermediate term	27,500
HMH - Positive outlook from various supporting factors	Jan 06 th , 2015	Accumulate – Long term	33,800
DPM - Tail wind from crude oil	Dec 26 th , 2014	Buy – Intermediate term	36,100
VNM - 2014 - At the pit stop	Dec 19 th , 2014	Accumulate – Long term	110,000
PCT – Restructuring	Dec 11 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	10/03/2015	0%-0.75%	0%-2.5%	11,730	11,725	0.04%
VEOF	10/03/2015	0%-0.75%	0%-2.5%	9,871	9,695	1.82%
VF1	16/03/2015	0.2% - 1%	0.5%-1.5%	21,715	21,772	-0.26%
VF4	11/03/2015	0.2% - 1%	0%-1.5%	9,530	9,552	-0.23%
VFA	13/03/2015	0.2% - 1%	0%-1.5%	7,402	7,457	-0.73%
VFB	13/03/2015	0.3% - 0.6%	0%-1%	12,187	12,179	0.06%
ENF	06/03/2015	0% - 3%	0%	10,951	10,868	0.76%
MBVF	26/02/2015	1%	0%-1%	11,081	11,100	-0.17%
MBBF	11/03/2015	0%-0.5%	0%-1%	12,032	11,966	0.55%

ANALYSTS
Truc Doan – Head of Research

+ 84 8 6299 2006 | Ext: 355

truc.dtt@vdsc.com.vn

Hoang Nguyen

+ 84 8 6299 2006 | Ext: 328

Hoang.nh@vdsc.com.vn

Lam Nguyen

+ 84 8 6299 2006 | Ext: 323

lam.ntp@vdsc.com.vn

Tuan Huynh

+ 84 8 6299 2006 | Ext: 326

Tuan.hm@vdsc.com.vn

Ha My Tran

+ 84 8 6299 2006 | Ext: 319

my.tth@vdsc.com.vn

Tai Nguyen

+ 84 8 6299 2006 | Ext: 319

tai.ntp@vdsc.com.vn

Diem My Tran

+ 84 8 6299 2006 | Ext: 320

my.ttd@vdsc.com.vn

Van Binh

+ 84 8 6299 2006 | Ext: 324

Van.btt@vdsc.com.vn

Trien Le

+ 84 8 6299 2006 | Ext: 325

trien.lh@vdsc.com.vn

Tam Bui

+ 84 8 6299 2006 | Ext: 324

tam.bt@vdsc.com.vn

Huong Pham

+ 84 8 6299 2006 | Ext: 323

huong.pt@vdsc.com.vn

Nam Huynh

+ 84 8 6299 2006 | Ext: 321

Nam.hk@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



This report is prepared in order to provide information and analysis to clients of Rong Viet Securities only. It is and should not be construed as an offer to sell or a solicitation of an offer to purchase any securities. No consideration has been given to the investment objectives, financial situation or particular needs of any specific. The readers should be aware that Rong Viet Securities may have a conflict of interest that can compromise the objectivity this research. This research is to be viewed by investors only as a source of reference when making investments. Investors are to take full responsibility of their own decisions. VDSC shall not be liable for any loss, damages, cost or expense incurring or arising from the use or reliance, either full or partial, of the information in this publication.

The opinions expressed in this research report reflect only the analyst's personal views of the subject securities or matters; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or opinions expressed in the report. The information herein is compiled by or arrived at Rong Viet Securities from sources believed to be reliable. We, however, do not guarantee its accuracy or completeness. Opinions, estimations and projections expressed in this report are deemed valid up to the date of publication of this report and can be subject to change without notice.

This research report is copyrighted by Rong Viet Securities. All rights reserved. Therefore, copy, reproduction, republish or redistribution by any person or party for any purpose is strictly prohibited without the written permission of VDSC.