SEPTEMBER

04

FRIDAY

"Wake me up when September ends"

ADVISORY DIARY

- **Wake me up when September ends**

"Wake me up when September ends"

Arrived the first weekend of September, along with the taciturn atmosphere of Saigon after rain and a trading session at an exhausted liquidity seems to make Green Day's "Wake me up when September ends" more tormenting. We believe investors' mood is lying within the tone. Nonetheless, it is parts and parcels of life to have ups and downs. We expect our investors not to "oversleep" through this September but to observe possible opportunities, as negative or neutral information might take turns directing the market into underpriced levels.

In the first week of September, both bounces closed in contrast with VN-Index gained 2.51% while HNX fell 0.26%. Foreign investors have turned net buying about VND51.43 billion on both bounces. Also today, FTSE announced the 3 additional shares of BID, PDR and TTF in the FTSE Vietnam Index basket and not deleted any share. The change in the composition of FTSE shares will be effective on 18/09/2015. TTF was the only share increased slightly while BID and PDR close in "red".

Looking back on the market in September in the most recent 6 years, we can see that the foreign invest is net selling in this month. Besides, compared with August last year, September is usually the month with good liquidity with the 5/6 year average in September traded higher in August.

Table: September Stock Maket during 2009-2015

Year	*Index compared with August*	*Trading volume compared with August*	*Foreign Investors net buy/sale in September*
2009	+6%	+30%	Net sale (20 million shares)
2010	+1%	+13%	Net Buy (25 million shares)
2011	-2%	+90%	Net sale (32 million shares)
2012	-3%	-14%	Net sale (3 million shares)
2013	+4%	+5%	Net Buy (12 million shares)
2014	-7%	+41%	Net sale (21 million shares)

Source: RongViet Research

Thus, on one hand, cumulative transaction values in first three trading days in September implies that foreigners behave very alike previous years. On the other hand, low trading volumes in the beginning of September are different from past years, which mean that investors started the month with conservative and cautious attitudes. And, today is another "meager" day with trading volumes to the tune of VND1,450billion. We believe that investors' concerns are still on macroeconomic issues mentioned in our previous AD, including (1) currency exchange fluctuation (2) FED's decision on lifting rate in this month (3) TPP unable to reach final agreement in this year. Currently, those concerns are more likely to be realized. Regarding to TPP's prospect, the probability of failing to take final agreement is higher. China central bank's policy in 1st September mitigated pressure on MRB depreciation. The new range (+/- 3%) has not yet made USDVND reach relative impact as USDCNY but we observe that stability of foreign exchange market is turning back gradually. Therefore, FED's lifting rate is the most concern of foreign investors now, which is especially shown by capital withdraw action of ETF funds)

TPP may miss end-2015 target is a big disappointment to investors on Vietnam Stock Market

Peru's trade minister said on Tuesday (01/09/2015) that no date has been set for a final Trans-

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Pacific Partnership (TPP) ministerial but that she expects it to take place in the next few months (from September to November). Several sources following the negotiations speculated that the next TPP ministerial could meet according to 3 scenarios which are (1) In September, (2) between the 19th October national elections in Canada and one week prior to APEC in a U.S; location relatively close to the Philippines such as Hawaii or Guam and (3) in conjunction with Nov. 18-19 Asia-Pacific Economic Cooperation (APEC) leaders' meeting in Manila, Philippines

There is a feeling among negotiators that they do not want to hold another ministerial unless they can be assured it will result in a deal, in order to avoid a repeat of the July ministerial meeting in Maui. Thus, scenario N03 and N02 would likely to occur than the first scenario. Furthermore, an Aug. 20 meeting between the U.S., Canada and Mexico on the auto rule of origin did not make major progress, while another said bilateral talks between some TPP ministers on the sidelines of a regional summit in Malaysia last month did not yield any discernible movement. In our opinion, dispute over dairy trade and monopoly periods for next-generation drugs may not be resolve in a short time period. Thus, TPP may miss end -2015 target due to unresolved dispute, thousands rally against TPP across US, New Zealand…and 2016 presidential election season in both Canada, US.

PboC's new exchange rate polivy may help relieve money market controlling pressure on SBC

In early September 2015, PBoC announced the reserve requirement for foreign exchange transactions that is 20% of the transaction values to be held at zero interest for a year, taking effect on October 15th 2015. The new policy, accordingly, is going to discourage speculative activities on CNY's depreciation as well as to limit the chance of PBoC having to use its foreign reserves to interfere the market. According to our analysts, the requirement could control CNY's trending decline. Within the first 3 days of September, CNY went up by 0.36%, thus making only 2.35% decrease since the exchange rate policy change went into full effect. During early September, black market USDVND rate went down slightly by 0.26% from 22,730 to 22,670. At the same time, SBV executed its interference by selling $150 million into the market on September 1st 2015. Our macroeconomics analyst believes that PBoC's recent activity shows its commitment to keeping the Chinese Yuan from being strongly depreciated. Consequently, it might at least ease the pressure on Vietnam's exchange rate policies.

Backward viewing bearish market in August, investors should be a little bit more confident in the market thanks to reducing of USDCNY at this time.To sum up, in a scenario of net selling from foreign investors (FED raising rates supports this assumption), market will hardly make any big moves as domestic sentiments are not yet relieved from unexpected news ahead (TPP might not be passed through by the end of 2015) and the lack of new opportunities

Today,04/09/2015, RongViet Research would like to release a report of Petroleum Equipment Assembly & Metal Structure (PXS - HSX).* ***Please download file HERE*

WEEKLY TECHNICAL VIEW

VN-Index

VN-Index dropped 14.06 points (or 2.46%), closed at 556.81. Trading volumes fluctuated slightly around 85 million shares per day.

The recovery of VN-Index was blocked right below its strong resistance area (575-580). VN-Index may retreat to 540 in next sessions.

VN-Index is now still in an intermediate-term downtrend and a reversal is only confirmed when the index breaks above 580 on high volumes.

Looking at technical indicators, both the MACD and the RSI turned up strongly from oversold territories and then halted. There was no clear signal to confirm a reversal. Traders should wait for VN-Index to retest the 540 area.

HNX-Index

HNX-Index lost 1.95 points (or 2.49%), closed at 76.32. The liquidity fell below 40 million shares per day.

The movement of HNX-Index was similar to VN-Index. HNX-Index could not reach 80 and turned down. The index remains in an intermediate-term down trend. A reversal only comes if HNX-Index breaks above 80 on heavy volumes.

Looking at technical indicators, almost of them turned up from oversold territories and then halted. The MACD just touched the signal line while the RSI is moving down slightly.

HNX-Index may retreat to 74-75 area. Traders should wait and not disburse too soon.

Recommendation:

After a sharp recovery, both VN-Index and HNX-Index turned down on low volumes. Traders should wait for indexes at lower areas and not disburse too soon.

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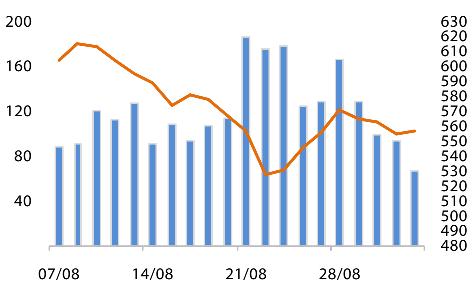
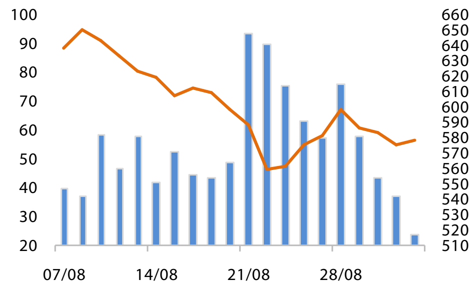
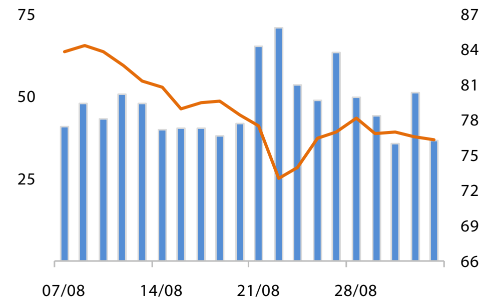
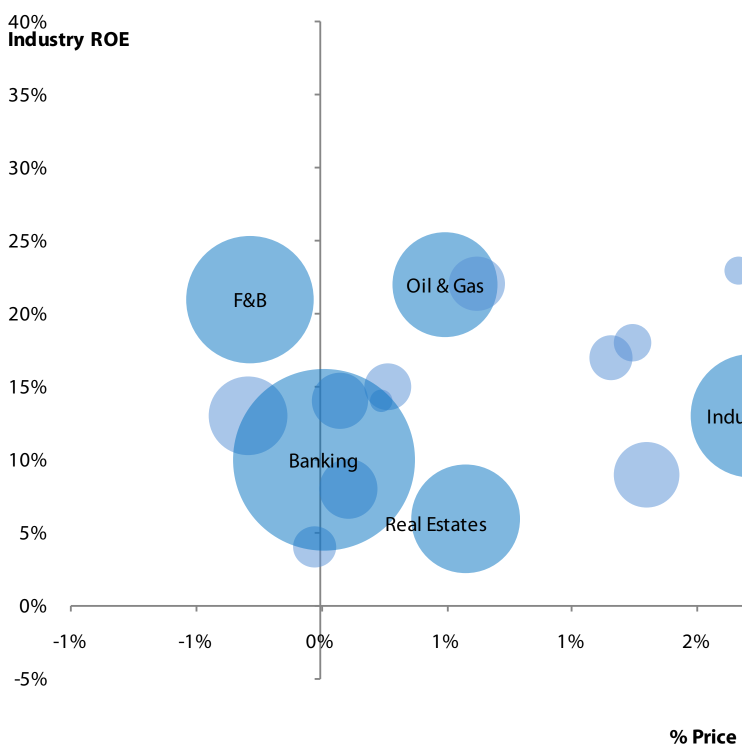
VNINDEX	0.45%	556.81	VN30	0.56%	578.78	HNXINDEX	-0.34%	76.32





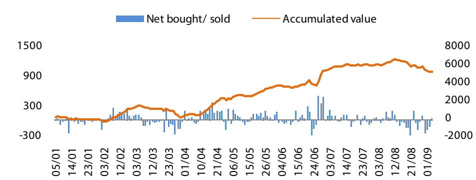


Industry Movement

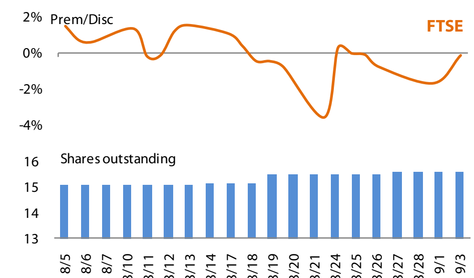


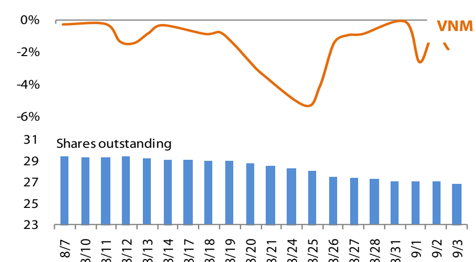
Industry	% change
Technologies	0.3%
Industrials	1.7%
Constructions	-0.3%
Oil & Gas	0.5%
Distribution	0.2%
F&B	-0.3%
Household Goods	1.2%
Cars & Parts	1.7%
Chemicals	0.1%
Resources	0.0%
Insurances	1.3%
Real Estates	0.6%
Financials	0.1%
Banking	0.0%
Utilities	0.6%
Healthcare	1.2%

Foreign Investors Trading



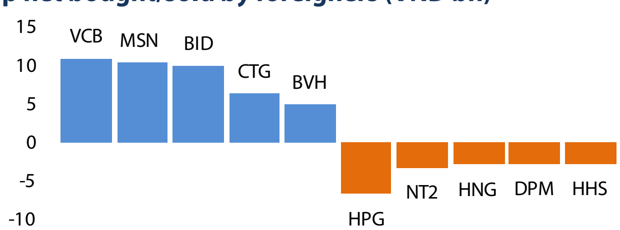
ETF



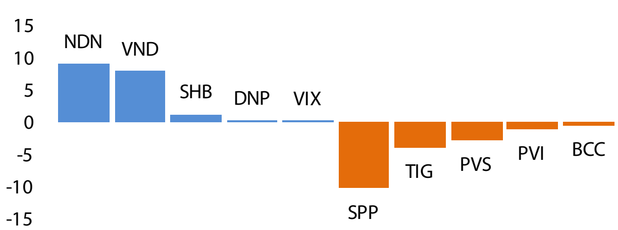


Top net bought/sold by foreigners (VND bn)

HSX



HNX



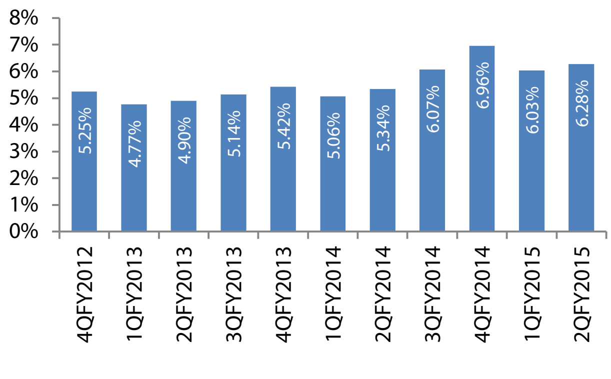
Top Active

Ticker	Price	Volume	% price change
PDR	15.9	4.16	-0.6%
CII	22.6	4.02	-1.7%
VHG	7.8	3.80	4.0%
FIT	9.3	3.31	-1.1%
BGM	3.5	2.59	6.1%

Ticker	Price	Volume	% price change
KVC	10.4	2.42	-9.6%
TIG	11.3	2.35	-2.6%
KLF	4.5	2.32	-2.2%
PVX	3.0	2.18	-3.2%
NDN	14.3	1.60	0.0%

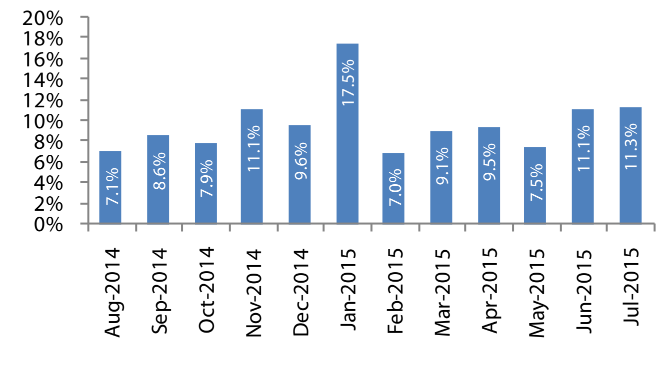
MACRO WATCH

Graph 1: GDP Growth



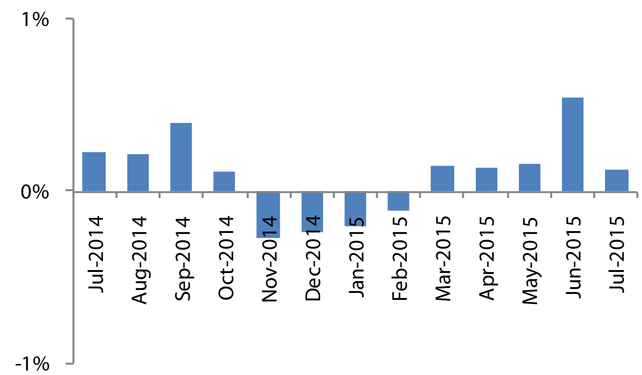
Sources: GSO. Rongviet Securities database
(*) Comparision price in 1994

Graph 2: IIP



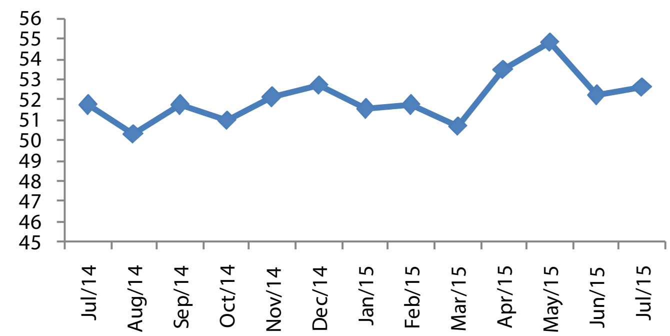
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



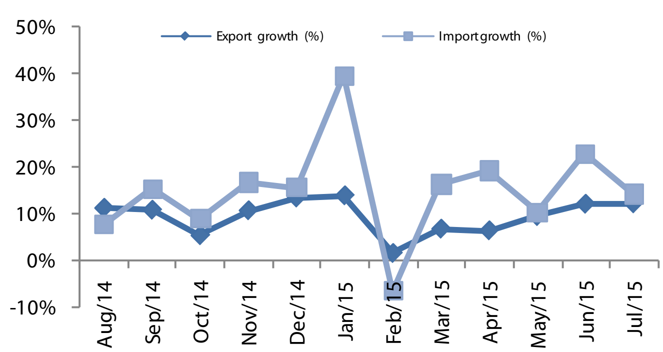
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



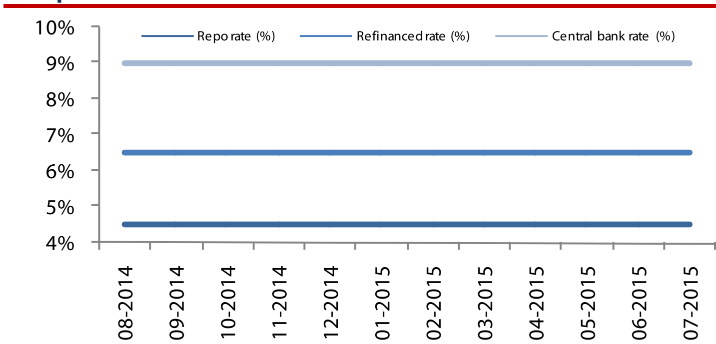
Sources: GSO. Rongviet Securities database

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
PET - Tracking the progress of Thanh Da land plot transfer	Aug, 20th 2015	Stable	N/a
VNC - Embrace the new wave of international commerce	Aug, 14th 2015	Neutral – Long term	28,900
MAC – Bigger Propellers, further waters	Aug, 7th 2015	Buy – Long term	17,600
NT2 - Growth in stability	July, 30th 2015	Buy – Intermediate term	30,200
FMC - Leaping in overseas waters	July 23rd, 2015	Accumulate – Intermediate term	27,000

Please find more information at http://www.vdsc.com.vn/en/companyReport.rv?categoryId=302

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	25/08/2015	0% - 0.75%	0% - 2.5%	11,797	11,791	0.05%
VEOF	25/08/2015	0% - 0.75%	0% - 2.5%	9,464	10,082	-6.13%
VF1	28/08/2015	0.2% - 1%	0.5%-1.5%	22,191	22,015	0.80%
VF4	28/08/2015	0.2% - 1%	0%-1.5%	9,884	9,831	0.54%
VFA	28/08/2015	0.2% - 1%	0%-1.5%	7,293	7,293	-2.24%
VFB	28/08/2015	0.3% - 0.6%	0%-1%	12,293	12,314	-0.17%
ENF	20/08/2015	0% - 3%	0%	11,518	11,578	-0.52%
MBVF	13/08/2015	1%	0%-1%	10,514	10,658	-1.35%
MBBF	19/08/2015	0%-0.5%	0%-1%	12,262	12,318	-0.45%

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