JANUARY

12

THURSDAY

6 PM CALL

Market today: Fertilizer Stocks Shined Bright

*(**Hieu Nguyen** - Ext: 1514)*

Two days since Rong Viet's Analyst Pinboard noted significant changes in tax policies for the fertilizer industry, this sector has started to rally (DPM +1,450 dong, BFC +1,900 dong, LAS +1,200 dong). The increase reflected the market's hope for the government's support for the industry, which has recently faced strong competition from imported products. Moreover, fertilizer companies are likely to benefit from the rise of urea prices, which have increased 25% since it hit a 5-year low in July 2016.

*Oil & Gas (GAS, CNG, PGD, PVD), building materials (BMP, NTP, VCS, CVT, KSB) and financial services (BVH, HCM, SSI) were the main areas that have replaced banks as the market's top performing sectors. In our view, the correction of banking stocks was necessary. The VN-Index thus decreased by only 0.03% to 686.96 points. The average liquidity on the HSX in the two recent sessions was around VND1,800 billion, an improvement from Monday. **Since the index is slowly approaching strong resistance, today's market movement was not bad at all.***

"Fertilizer Stocks Shined Bright"

Notable stocks transactions of the day:

HAG's trading turnover was over 14 million shares compared to the daily average of only 3-5 million. The force selling activities appear to have accounted for a part of this abnormal volume.

Hiep Khanh Tea (HKT) began trading on the HNX today and it declined sharply to VND7,400/share (29.5% decline). Its EAT for 10M 2016 was VND6.5 billion, which was 54.02% of its target in 2016. Although the company has its own plantation area and manufacturing processes, marketing activities need to be pushed to improve the domestic consumption, as domestic products have higher margin than other products exported to the Middle East.

CHS listed on the UPCOM today and its price reached the ceiling. Besides CHS, the UPCOM exchange now also has nine new stocks, including big name such as VIF and BTB.

Analyst Pin-board

Commodity recovery in 2016 and probable wildcards in 2017

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If you are interested in this content, please click here to view more detail.

Recommendations:

The two indexes corrected slightly on moderate volumes when they approached their strong resistances (690 with VN-Index and 84 with HNX-Index). Traders should wait for a few sessions and then buy at supports if the selling pressures are not strong.

PORTFOLIO RECOMMENDED BY TECHNICAL ANALYSIS

Ticker	Price	Action	Buying date	Buying Price	Target Price 1	Target Price 2	Cut loss Price	Selling Date	Selling Price	Gain/ Loose	Duration
BVH	62.50	Hold	05/01/2017	61.10	66.00		58.00			2.29%	Short
PVD	21.60	Hold	03/01/2017	20.80	23.00	25.0	19.50			3.85%	Intermediate
HCM	28.20	Hold	03/01/2017	28.30	30.00		27.00			-0.35%	Short
CII	30.60	Take profit	18/11/2016	28.80	31.35		27.85	09/01/2017	32.30	12.15%	Intermediate
PPC	17.00	Take profit	18/11/2016	14.50	16.20		13.70	09/01/2017	16.80	15.86%	Intermediate
VGC	15.00	Take profit	26/07/2016	13.50	17.60		12.60	09/01/2017	15.30	13.33%	Long
LHC	67.20	Hold	21/08/2015	41.50	70.00	78.0	58.00			61.93%	Long

Notes:

- **Buying Price** is the Close Price at Buying date. **Selling Price** may be the Target Price, Cut loss Price or Closing Price at Selling date depending on specific cases.
- **Target Price 2** will be updated when the stock passes Target Price 1.
- In the ex-rights date, the prices will also be adjusted accordingly
- Duration: **Short-term** is less than 01 month; **Intermediate-term** is from 01 to 03 months; **Long-term** is more than 03 months.

RONG VIET NEWS

COMPANY REPORTS	Issued Date	Recommend	Target Price
SKG - Competition Will Begin to Impact Earnings Results	December 16th, 2016	Neutral – Long term	72,800
VGC - Catalysts Ahead for VGC to Fully Realize its Potential	December 14th, 2016	Neutral – Long term	17,800
SAB - The Giant of Vietnam's Beer Industry	December 06th, 2016	Neutral – Long term	143,000
DHG - Hope awaits in 2017	November 30th, 2016	Accumulate – Long term	119,000
GMD - Encouraging result amid short-term cargo low	November 28th, 2016	Accumulate – Intermediate term	30,000

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
VF1	09/01/2017	0.25% - 0.75%	0% - 2.5%	28,506	28,441	0.23%
VF4	09/01/2017	0.25% - 0.75%	0% - 2.5%	12,701	12,674	0.21%
VFA	06/01/2017	0.25% - 0.75%	0% - 1.5%	7,017	6,697	4.78%
VFB	06/01/2017	0.25% - 0.75%	0% - 2.5%	13,822	13,814	0.06%
ENF	30/12/2016	0% - 3%	0%	14,011	13,763	1.80%
MBVF	15/12/2016	1%	0%-1%	11,905	11,966	-0.51%
MBBF	21/12/2016	0%-0.5%	0%-1%	13,413	13,403	0.07%

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