Market today: Liquidity Shrinks

(Quang Vo – Ext: 1517)

The VNIndex (802.33, -0.27%) continued to fluctuate in a narrow range today. While VN30 supported the index in the morning session with the number of gainers doubled that of losers, selling pressure appeared in the afternoon session, which quickly brought the index to the negative territory. As for outperformers, only BHN showed significant support on the VNIndex. On the other end of spectrum, downward pressure from large caps including SAB and VNM was much stronger.

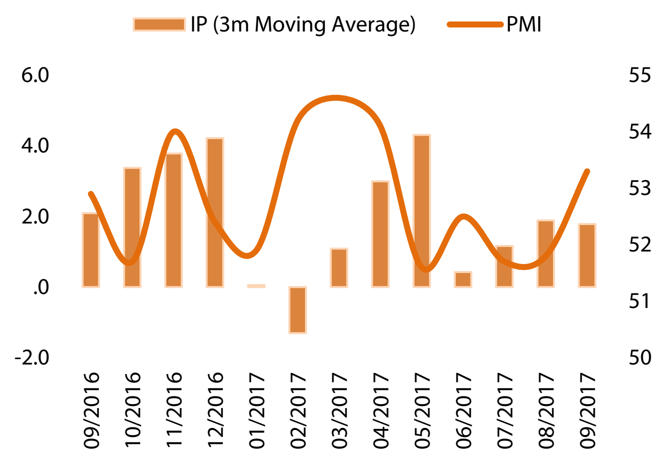
We should notice that the market liquidity was shrinking today. The total matching value was only VND2,125B, which is much smaller than the VND3,200B average in September, as well as the VND2,700B average last Friday. It is also worthy to note that there were 243 stocks over the total of 343 stocks on the HSX seeing their liquidity decreasing. This implicates that the decrease of liquidity came from the whole market, not only from several stocks.

We believe low liquidity was among the main reasons that caused selling pressure in the afternoon session. It is likely that the phenomenon is temporary and that market sentiment will improve soon. Overall, we believe investors could continue accumulating stocks expected to record good Q3 results.

"Liquidity Shrinks"

In macro-economic news: Vietnam's manufacturing PMI rose to 53.3 in September from 51.8 in August. The increase in the headline index was partly driven by faster rise in output, new orders and employment. This is also the case with new export orders, thanks to strong customer demand for Samsung Note 8. In addition, the rate of job creation quickened to a six-month high; this signaled that manufacturers are ready to step into the final quarter. According to GSO's estimation in September, 3mma import growth was 22.1% YoY while that of FDI sector was higher, at around 23.5%YoY. This implies a continuous rise in exports in the coming months. In addition, domestic demand will remain solid in the final quarter. Overall, we are optimistic about the outlook of the manufacturing sector in the final quarter, which will contribute to the accomplishment of target GDP growth in 2017.

Figure: Vietnam PMI and industrial production growth



Source: Markit, GSO, RongViet Research

Analyst Pin-board

CHP – To Maintain Growth Momentum in Q3 2017

(Thanh Son – *Ext: 1519)*

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

Technical Analysis Recommendation

Indexes rose at the beginning of the trading session but then weakened and closed down. Trading volumes continued dropping to a very low level. The market is now in fragile state and traders should wait for a correction.

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
FPT	48.20	**Hold**	21/09/2017	49.40	54.00		47.00			-2.43%	Intermediate
MBB	21.60	**Hold**	21/09/2017	22.10	25.45		20.75			-2.26%	Intermediate
CHP	27.20	**Hold**	18/09/2017	26.90	29.00		25.00			1.12%	Intermediate
PHR	41.30	**Hold**	21/08/2017	40.20	44.00		38.00			2.74%	Intermediate
RDP	21.30	**Hold**	16/08/2017	20.80	24.00		19.50			2.40%	Intermediate
ITD	20.20	**Hold**	16/08/2017	19.50	22.00		18.00			3.59%	Long-term
HSG	28.40	**Hold**	16/08/2017	29.15	31.00		28.00			-2.57%	Intermediate

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
DPM - 2019 – The Turning Point	September 29th, 2017	Neutral – 1 year	22,400
KDF - An Attractive Business Model	September 28th, 2017	Neutral – 1 year	68,000
HDG - Higher Market Position Thanks to Ha Do Centrosa Garden Project	September 26th, 2017	Buy – 1 year	39,700
IMP - Benefiting from Many Supporting Policies	September 18th, 2017	Buy – 1 year	80,000
VNM – Growing constantly	September 15th, 2017	Neutral – 1 year	169,300

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

FUND CERTIFICATES 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	29/09/2017	0.25% - 0.75%	0% - 2.5%	34,076	33,970	0.31%
VF4	29/09/2017	0.25% - 0.75%	0% - 2.5%	15,422	15,403	0.12%
VFA	16/03/2017	0.25% - 0.75%	0% - 1.5%	6,777	6,802	-0.37%
VFB	22/09/2017	0.25% - 0.75%	0% - 2.5%	15,622	15,618	0.03%
ENF	22/09/2017	0% - 3%	0%	17,553	17,450	0.59%
MBVF	21/09/2017	1%	0%-1%	13,460	13,508	-0.36%
MBBF	20/09/2017	0%-0.5%	0%-1%	14,319	14,313	0.04%

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