JUNE

23

TUESDAY

## ADVISORY DIARY

- **The third diving stock price from legal issue this year**

**VND 8,900/share for JVC?**

JVC's price has lost nearly 50% compared to the price on 10 Jun 2015 with tremendous net-sold volumes of 9 million shares. In case that the market absorbs trading volumes of 516,000 shares as today, further 18 sessions would be required. Moreover, if the bottom-fishing activity of nearly 2.75 million shares as of yesterday, at least 3 sessions with floor prices should be needed with estimated price around VND 9,000 per share.

*Some investors have questioned to us that which JVC's price is suitable for bottom-fishing activity? We would show opinions as follows:*

Illegal problems related to imported old medical devices have become popular recently which mentioned on the variety of newspaper. These rumors are spread on the market that JVC has been under investigation. If the authorities confirm the rumor, JVC's prospective might face difficulties. JVC's main business is the sale of medical devices in form of auction at hospitals, nationwide. As a result, tender dossier of JVC would hardly be selected. Additional, the president Huong and BOD have not been determined whether they violate laws. Therefore, these issues have created a major question about their relationship of JVC with hospital and medical devices suppliers, which has been established, in the upcoming auctions.

By replacing the Chairman, JVC nearly rebuild its entire management system. However, due to the damage of the brand, apart from signed projects, JVC may face against various difficulties when bidding for new projects unless using an agency. Thus, the growth rate of JVC will not be as bright as before. JVC's prospect is now hard to measure because of the following questions (1) Will the Japan Partners continue to collaborate with JVC? (2) Would the replacement BOD make any changes to JVC? (3) What will happen to the old director whom is a significant figure in JVC business activities?

*Hence, we believe that determination the bottom price with low risk for JVC will be about determine total book value of JVC (according to the recovery assumption levels).*

According to the Q1/2015 financial statements, total inventory of JVC is quite big and even equals to 17% of total assets. However, the large amount of cash (24.5% of total asset) and short and long term financial investment as deposit (~14.6% of total asset) are JVC highlight. With the asset liquidation scenario, the JVC shareholder can receive back ~ VND 8,900/share.

Thus, with the current asset, JVC shareholders may be temporarily assured by taking back VND 8,900/ share. Investors who want to "bottom fish" should observe funds' or the corporation's action (as purchasing treasury shares or providing transparent explanation of the rumor) to make reasonable decision

*Notably, we do not recommend investors to or not to bottom fish JVC at the moment, only provide our opinion of the investors' question.*

*"The third diving stock price from legal issue this year"*

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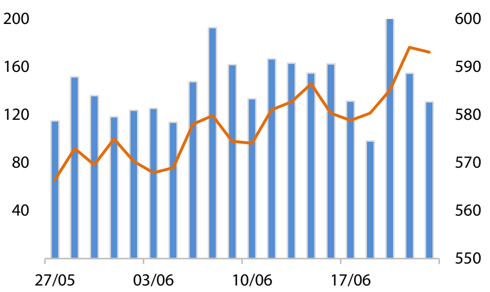
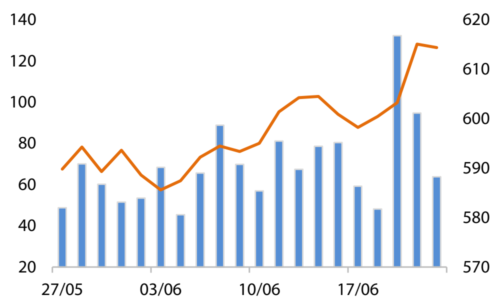
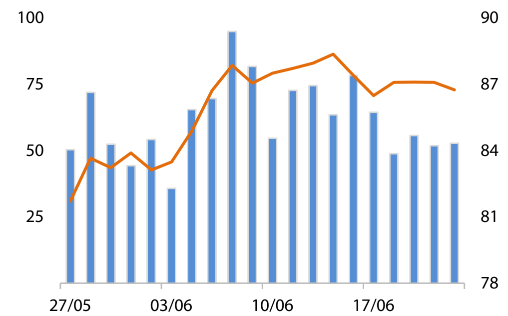
ROVGVIET SECURITIES

# Advisory Diary

| VNINDEX | -0.17% | 593.07 | VN30 | -0.11% | 614.42 | HNXINDEX | -0.39% | 86.75 |
|---|---|---|---|---|---|---|---|---|

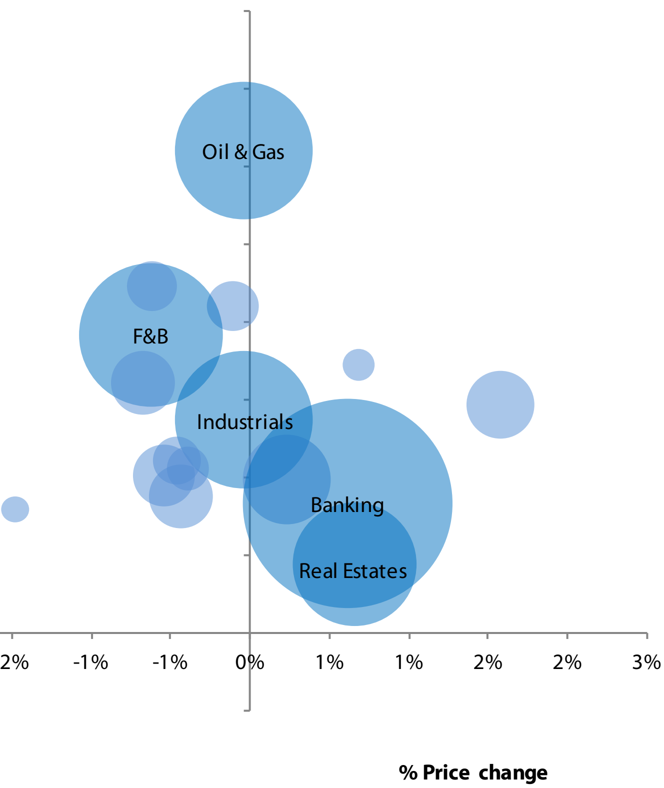


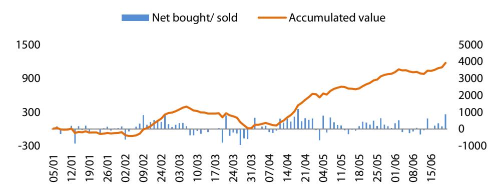




## Industry Movement

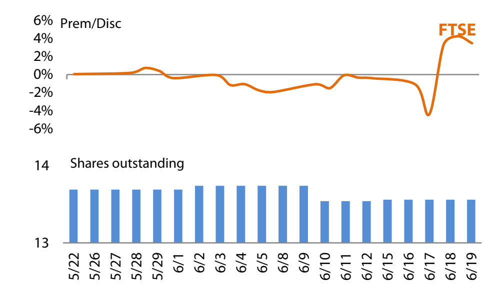
| Industry | % change |
|---|---|
| Technologies | -0.1% |
| Industrials | 0.0% |
| Constructions | 0.2% |
| Oil & Gas | 0.0% |
| Distribution | -1.5% |
| F&B | -0.6% |
| Household Goods | -0.5% |
| Cars & Parts | 0.7% |
| Chemicals | -0.7% |
| Resources | -0.6% |
| Insurances | 1.6% |
| Real Estates | 0.7% |
| Financials | -0.4% |
| Banking | 0.6% |
| Utilities | -0.5% |
| Healthcare | -0.4% |

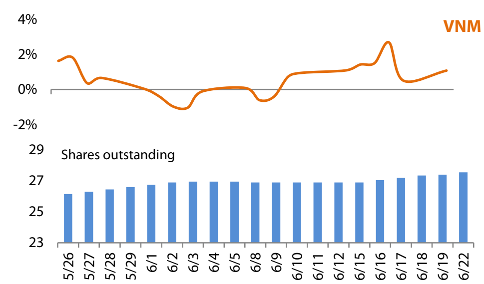



## Foreign Investors Trading



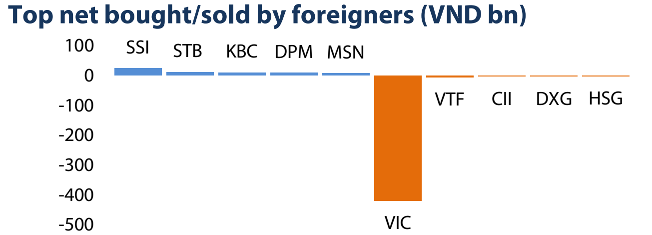

## ETF



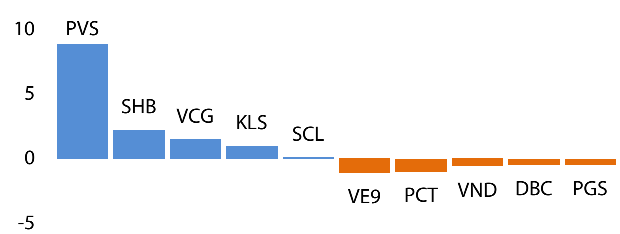




## Top net bought/sold by foreigners (VND bn)

HSX




HNX



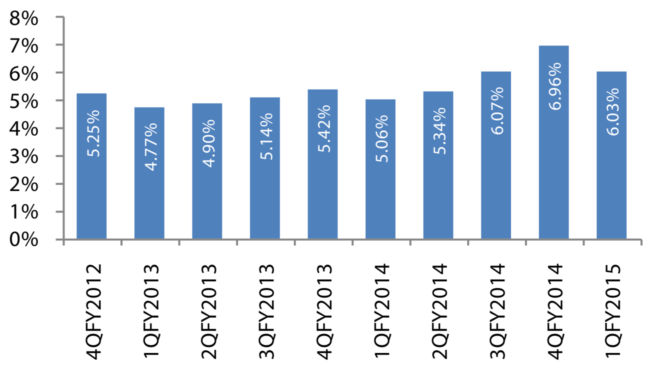

## Top Active

| Ticker | Price | Volume | % price change |
|---|---|---|---|
| FLC | 8.8 | 20.69 | -2.2% |
| OGC | 2.8 | 8.21 | -6.7% |
| MBB | 15.8 | 6.49 | 0.6% |
| CTG | 20.6 | 3.16 | 2.0% |
| VHG | 10.2 | 2.78 | 4.1% |

| Ticker | Price | Volume | % price change |
|---|---|---|---|
| SHB | 8.3 | 4.60 | 0.0% |
| SCR | 8.1 | 3.39 | 1.2% |
| KLF | 7.1 | 3.22 | 1.4% |
| FIT | 13.3 | 2.38 | 2.3% |
| SHN | 17.4 | 1.45 | 9.8% |

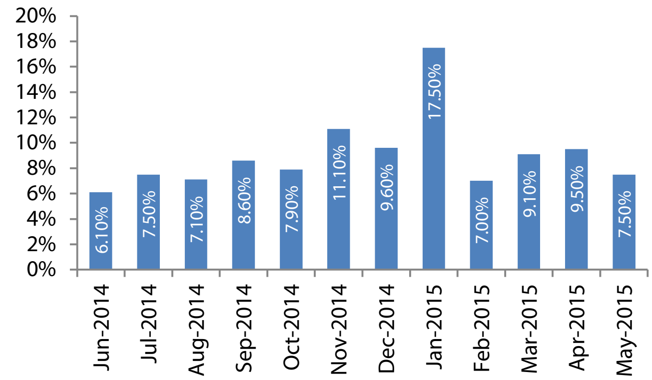
# MACRO WATCH

### Graph 1: GDP Growth



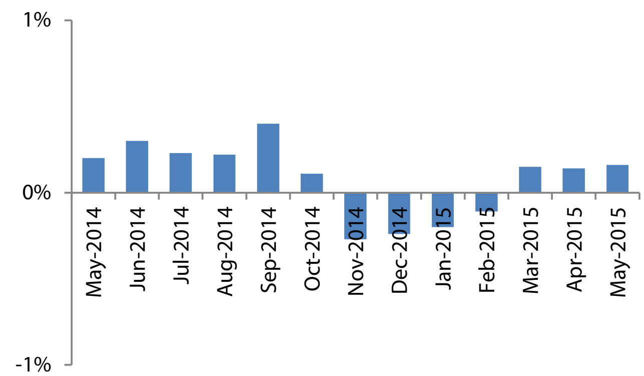

*Sources: GSO. Rongviet Securities database*
*(*) Comparision price in 1994*

### Graph 2: IIP



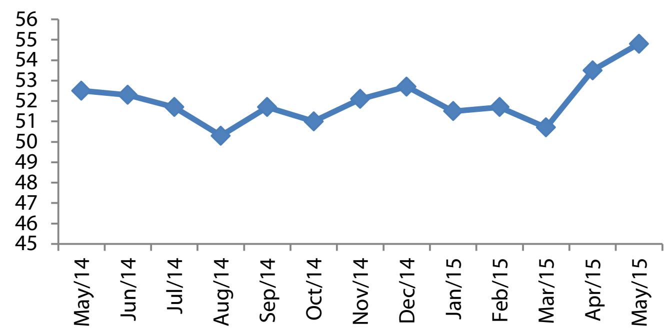

*Sources: GSO. Rongviet Securities database*

### Graph 3: Monthly CPI



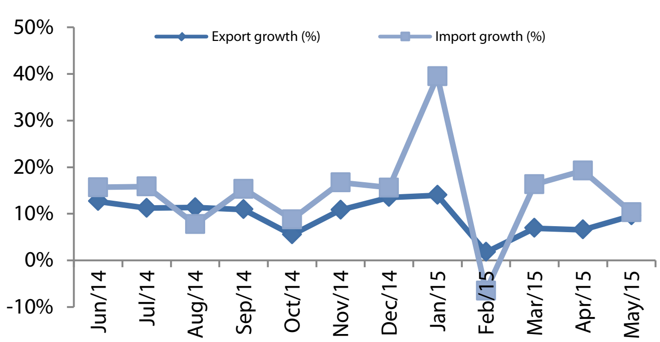

*Sources: GSO. Rongviet Securities database*

### Graph 4: HSBC - PMI



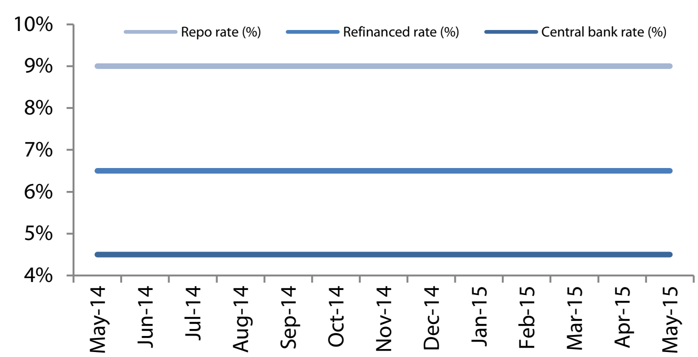

*Sources: GSO. Rongviet Securities database*

### 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 |
|---|---|---|---|
| MWG - Optimistic business outlook in 2015 | May 25th, 2015 | Buy – Intermediate term | 101,000 |
| FPT - Positive recovery in the technology business | May 12th, 2015 | Accumulate – Long term | 60,900 |
| GSP- Heading for a new growth period | May 11th, 2015 | Accumulate – Long term | 16,600 |
| STK - Running on all cylinders | May 7th, 2015 | | 30,800 |
| VPH - Emerging from its lowest | May 5th, 2015 | Buy – Intermediate term | 15,300 |

*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 | 16/06/2015 | 0% - 0.75% | 0% - 2.5% | 11,620 | 11,627 | -0.06% |
| VEOF | 16/06/2015 | 0% - 0.75% | 0% - 2.5% | 9,740 | 9,463 | 2.93% |
| VF1 | 19/06/2015 | 0.2% - 1% | 0.5%-1.5% | 21,904 | 21,861 | 0.20% |
| VF4 | 17/06/2015 | 0.2% - 1% | 0%-1.5% | 9,736 | 9,678 | 0.59% |
| VFA | 19/06/2015 | 0.2% - 1% | 0%-1.5% | 7,289 | 7,312 | -0.32% |
| VFB | 19/06/2015 | 0.3% - 0.6% | 0%-1% | 12,167 | 12,170 | -0.02% |
| ENF | 12/06/2015 | 0% - 3% | 0% | 11,156 | 11,006 | 1.36% |
| MBVF | 18/06/2015 | 1% | 0%-1% | 10,551 | 10,541 | 0.09% |
| MBBF | 17/06/2015 | 0%-0.5% | 0%-1% | 12,120 | 12,139 | -0.16% |

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