OCTOBER

03

MONDAY

6 PM CALL

Market today: Short-term correction has not ended yet

*(**Thien Bui** – Ext: 1321)*

VNIndex quickly lost its momentum short after the early morning. VCB, BVH, VIC and MSN were strongly sold and as a result, the index closed in red. By the end of the day, VNIndex closed down 2.68 pts at 683.05 pts. On the other hand, HNIndex closed in green as it added 0.35 pt to last Friday's close. VN30 stocks were major contributors to today drop as VN30 Index lost more than 6pts. VNMID (+0.28%) and VNSMD (+0.24%) were on the other side. Some of today best gainers were CTD, DHG, BIC, BMP and VNS. Foreigners turned to net sellers in HSX again to the tune of VND153 billion worth of shares. They net sold VIC (-VND28.9 billion), HPG (-VND22.6 billion) and KBC (-VND17.8 billion).

VNIndex corrected for the second day. Market breadth was quite neutral and we could say that market condition was stable. The difference between intraday high and closed price excluding VN30 stocks was only 1.31%. We think market is in short-term correction to gain more momentum before reaching new height 700 pts. For investors who aim for mid and long-term target and look forward to stocks for Q3 earning season, we think there will be chances to accumulate more stocks when market bounds back to resistance 675 – 681 pts.

"Short-term correction has not ended yet"

Updates on PMI. Released data on GDP in Q32016 showed manufacturing is a main locomotive of economic growth at the moment, which is similar to the newest figure PMI provided by Nikkei's survey. In September, the manufacturing PMI rose to 52.9 from 52.2 previously. Operating conditions in the manufacturing sector improved on the back of faster gains in employment and stock of purchases, which account for 30% PMI's calculation. Output and new orders also increased at a weaker pace. In general, all indicators showed the manufacturing sector is in good health, lifting Vietnam PMI to the highest level during the last 16 months, maintaining the 2nd position in the ASEAN region, after Philippines.

With regards to prices, input prices continued to rise and approached the average level during the surveyed period. Meanwhile, producers began to transfer the rise of input prices to their customers by raising the output prices. According to Nikkei, outprices just increased marginally and thus, we expect this fact has not put pressure on inflation in the rest of 2016.

Analyst Pin-board

Comments on foreign trading activity

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RONG VIET NEWS

COMPANY REPORTS	Issued Date	Recommend	Target Price
REE – Buying opportunities open as earnings bottom out	September 29th, 2016	Accumulate – Long term	27,000
CHP – Back to normal routine	September 29th, 2016	Accumulate – Intermediate term	23,400
VFG – Stable operation prevails over peers	September 26th, 2016	Accumulate – Long term	112,000
PPC – Unfavourable 2016	September 19th, 2016	Buy	19,400
PGI - Strong financial status with improving business results	September 09th, 2016	Neutral	20,256

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	09/09/2016	0.2% - 1%	0.5%-1.5%	29,247	29,080	0.57%
VF4	08/09/2016	0.2% - 1%	0%-1.5%	12,962	12,953	0.07%
VFA	26/08/2016	0.2% - 1%	0%-1.5%	6,563	6,604	-0.62%
VFB	26/08/2016	0.3% - 0.6%	0%-1%	13,344	13,282	0.47%
ENF	26/08/2016	0% - 3%	0%	14,251	14,223	0.20%
MBVF	01/09/2016	1%	0%-1%	11,794	11,559	2.03%
MBBF	31/08/2016	0%-0.5%	0%-1%	13,080	13,052	0.21%
VF1	09/09/2016	0.2% - 1%	0.5%-1.5%	29,247	29,080	0.57%
VF4	08/09/2016	0.2% - 1%	0%-1.5%	12,962	12,953	0.07%

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