Market today: Active Capital Inflows

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While VIC was the main factor that helped VNIndex to burst out in the morning session with highest peak of 943.45 points, SAB turned out as the brightest star in the afternoon after going to the ceiling at VND320,000 /share and singly saving VNIndex from a declining day. SAB stood alone pushing VNIndex to increase 2.9 points while the top 10 most affected decreasing stocks made VNIndex decrease by 2.33 points.

HOSE's trading volume also reached 359.5 million shares, equivalent to VND8,850 billion, thanks to the contribution of DIG when it went "crazy" in the last 30 minutes before today's session closed. After the Ministry of Construction's divestment of 118 million shares of DIG, this stock's matching volume went up to 128.4 million shares, equivalent to VND2,468 billion, making up 28% of the total trading value of HOSE. DIG's price has also gone to the ceiling at VND19,300/share, doubling its level at the beginning of 2017.

The VNIndex finally broke through the 940 level. Abundant capital inflow focusing on large-cap stocks was the main reason. A paradox we have noticed is that when large-cap stocks rally, the market breadth becomes narrower. However, when large-cap stocks become inactive, investors immediately rush for mid- and small-cap stocks. In conclusion, we think the capital inflow is not only abundant but also very active during this period.

Corporate news:

Hochiminh Stock Exchange (HOSE) has announced the registration volume result for the upcoming IPO of Becamex IDC on December 1 2017. In specifics, there are 18.95 million shares registered to participate in the IPO (just 6% out of the total offered volume). Despite having the leading position in developing industrial and commercial real estate in Vietnam, the above under-subscription figure has been anticipated due to the following reasons.

"Active Capital Inflows"

Firsts, the extent of information disclosure was deem insufficient given the enterprise size and complicated transactions between internal parties. Second, the firm's business plan after IPO has been set surprisingly far below expectation together with a dubious execution of its real estate projects creating a hurdle for investors to evaluate the firms' future. Meanwhile, the firm sets a bidding price relatively high at VND31,000/share reflecting almost revalued net asset value (RNAV) of the enterprise, therefore, diminishes investors' attractiveness.

With selling volume of 311 million shares (nearly 24% of capital), the total amount needed to absorb at the starting price is up to VND9,650 billion, nearly 7 times higher than the size of the recent auction of IDICO (Upcom: IDC). In terms of buyers, we observe that despite the involvement of onshore and offshore investment funds, most of the buyers of cases like this normally comes from the offshore one. Therefore, in order to enhance the attractiveness of investors in future capital mobilization, Becamex IDC can adjust the scale of capital mobilization (specific project financing plans) and the most important thing to do is increase the openness for investors, which we believe the foremost condition to protect the interest of investors. Investors who are interested in Becamex IDC can access to our IPO note, which is posted on the website today.

Analyst Pin-board

CHP - Preparing for New Growth Phase in 2019

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Technical Analysis Recommendation

VN-Index kept going up mainly thanks to SAB while HNX-Index reduced slightly. Trading volumes increased strongly on HOSE due to unusually high liquidity of DIG. The selling forces were quite strong. Traders consider buying stocks on corrections.

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	57.50	**Hold**	21/09/2017	49.40	54.00		47.00			16.40%	Intermediate
MBB	24.25	**Hold**	21/09/2017	22.10	25.45		20.75			9.73%	Intermediate
CHP	26.85	**Hold**	18/09/2017	26.90	29.00		25.00			-0.19%	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
PAC - There Are Still Many Difficulties	November 09th, 2017	Neutral – 1 year	41,100
PHR - Conservative Optimism	November 07th, 2017	Buy – 1 year	46,000
PME - Pioneering in Promoting Technology of Domestic Manufacturers	November 06th, 2017	Buy – 1 year	124,000
IDICO - Quality Assets Await to Unlock	October 30th, 2017	Buy – 1 year	33,500
BMP - Facing up to Challenge of Rising Input Price	October 26th, 2017	Neutral – 1 year	89,000

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	23/11/2017	0.25% - 0.75%	0% - 2.5%	38,152	37,710	1.17%
VF4	20/11/2017	0.25% - 0.75%	0% - 2.5%	17,174	17,010	0.96%
VFB	17/11/2017	0.25% - 0.75%	0% - 2.5%	15,756	15,759	-0.02%
ENF	17/11/2017	0% - 3%	0%	18,389	17,870	2.90%
MBVF	16/11/2017	1%	0%-1%	13,856	13,798	0.42%
MBBF	15/11/2017	0%-0.5%	0%-1%	14,457	14,472	-0.10%

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