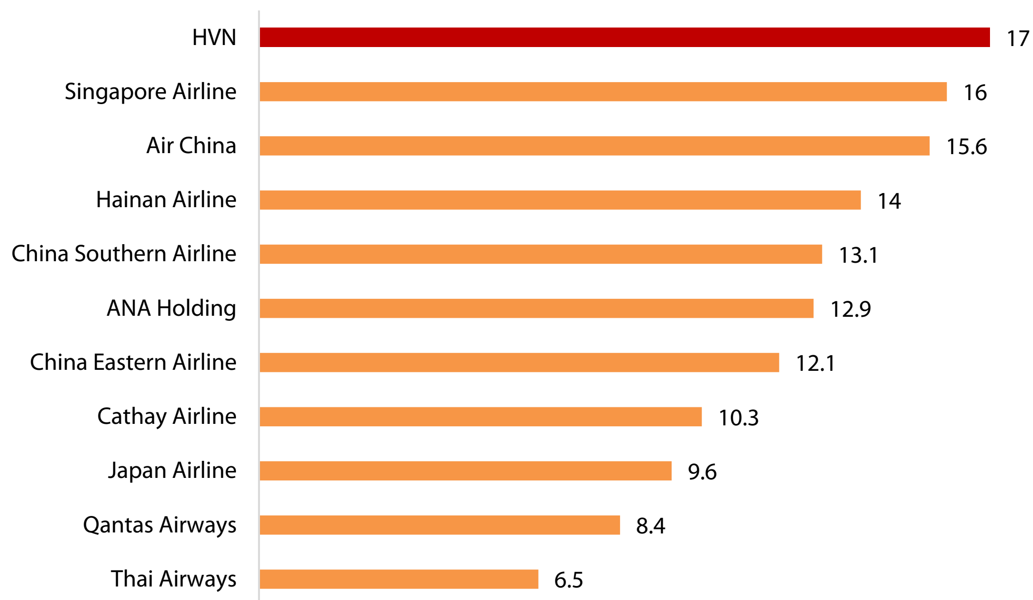
Market today: HVN Plummeted Due to Strong Selling from Its Major Shareholder

(**Hieu Nguyen** – Ext: 1514)

The price of Vietnam Airlines (HVN - UPCOM) plummeted as Techcombank continued to sell its shares. After successfully selling 3.8 million shares a few days ago, the bank seems eager to take profit on the rest of its holding in HVN. Approximately 11 million out of its 21 million shares have been traded within the past 2 days. This eagerness is understandable, considering the stock is trading at a P/E premium to its regional peers and Techcombank's buying price was only VND22,000.

"HVN Plummeted Due to Strong Selling from Its Major Shareholder"

Figure: Current P/E of Airline Stocks in Bloomberg's Asia Pacific Airline Index as of 24th Feb 2017



Source: Bloomberg

The price declining by 21% in a week has attracted many domestic investors, while their foreign peers have shown negligent interest as they only bought 100,000 shares. The domestic investors appear to be expecting a surge in the aviation sector once VJC is listed on the HOSE.

Contrary to the decline of the index (VN-Index fell by -0.33%), speculative stocks such as FIT, FLC, ITA and KLF rose strongly. Experience tells us that the increase of speculative stocks after an Index's long rally is usually the sign of a correction approaching. This potential correction might not happen in a wide range, but rather for specific stocks only. The cash flow may abandon blue chips, but it will still find other stocks. Therefore, stock picking is the key to differentiating winners and losers at the moment.

Analyst Pin-board

PGI: Business update

*(**Thien Nguyen** – Ext: 1321)*

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Recommendations:

The market kept going down on high volume. The selling pressure remained strong and the number of losers overwhelmed the number of gainers. Both two indexes are traded at around their resistances. Traders should take profit partly and wait for a few sessions.

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
KDC	37.90	Buy	23/02/2017	39.50	45.00		37.50			-4.05%	Intermediate
FPT	46.00	Hold	15/02/2016	46.00	50.00		44.00			0.00%	Intermediate
PAC	34.70	Hold	15/02/2016	36.50	40.00		34.00			-4.93%	Intermediate
AAA	26.25	Hold	14/02/2017	25.20	28.00		23.00			4.17%	Intermediate
GMD	33.90	Take profit	13/02/2017	29.45	32.00		27.50	21/02/201	32.70	11.04%	Intermediate
ITD	28.80	Hold	06/02/2017	25.70	28.00		23.50			12.06%	Intermediate
BVH	59.60	Hold	05/01/2017	61.10	66.00		58.00			-2.45%	Short-term
PVD	23.05	Take profit	03/01/2017	20.80	23.00	25.0	19.50	21/02/201	23.00	10.58%	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
MWG - Waiting for The Ability to Maintain Significant Growth	February 3rd, 2017	Sell - Intermediate	134,500
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

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	22/02/2017	0.25% - 0.75%	0% - 2.5%	29,499	29,312	0.64%
VF4	22/02/2017	0.25% - 0.75%	0% - 2.5%	13,153	13,070	0.64%
VFA	17/02/2017	0.25% - 0.75%	0% - 1.5%	6,894	6,926	-0.46%
VFB	17/02/2017	0.25% - 0.75%	0% - 2.5%	14,050	14,033	0.12%
ENF	17/02/2017	0% - 3%	0%	14,725	14,618	0.73%
MBVF	16/02/2017	1%	0%-1%	12,372	12,287	0.69%
MBBF	15/02/2017	0%-0.5%	0%-1%	13,544	13,498	0.34%

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