Market today: BID Reaches the Ceiling, and Steel Stocks Continue to Increase Steadily

*(**Hieu Nguyen** – Ext: 1514)*

The market performed quite well today. In particular, the steel stocks slightly rose, following the steady increase in recent days. As mentioned in our AP two weeks ago *Construction Steel Price is in a Strong Upward Trend*, market conditions are in favor of steel mills' sale growth and profit margin stability. In today's AP, we continue with the update on **HSG**, and maintain our target price of **VND36,300/share (22% upside).**

Meanwhile, BID unexpectedly reached the ceiling, leading to the increase of banking stocks in the afternoon session. Currently, raising capital is one of BID's urgent tasks as its CAR is only around 9%, which barely meets the Circular 36's requirement and is very low compared to Basel II's requirement. **As the market is waiting for its issuance for a long time, rumor about today's preliminary signing between BID and a Korean bank has brought great excitement to the market**. However, the issuance of a state-owned bank requires approval by the SBV, and the negotiation process could take months to complete. For example, in the VCB deal, we found that it is not easy for a foreign partner to accept a high premium price, while the SBV is unlikely to accept a discount compared to the bank's current market cap. Therefore, we think that investors should not put too much expectation on the story.

Thanks to banking stocks, VNIndex climbed to 782.76 points (+0.53%). All four futures contracts also rose. In particular, VN30F1709, the contract with the shortest term, closed at 758.1 points (up 5.5 points), relatively lower than VN30, which closed at 770.08 points (+0.72%).

"BID Reaches the Ceiling, and Steel Stocks Continue to Increase Steadily"

Analyst Pin-board

HSG- Anticipating a Sharp Rebound in Q4 FY2016-2017

(Ha Trinh – *Ext: 1331)*

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Multiple Impacts from the Amendment Proposals on VAT Regulations

(Quang Vo – *Ext: 1517)*

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Major Oil & Gas Projects in Vietnam - Part 1

(Vu Tran – *Ext: 1518)*

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Technical Analysis Recommendation

Indexes continued going up. The liquidity remained low on HSX but increased on HNX. The current uptrend is still valid and therefore, traders should hold the portfolio longer.

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
KSB	52.50	**Buy**	31/08/2017	52.50	55.00		50.00			0.00%	Short-term
PHR	41.20	**Hold**	21/08/2017	40.20	44.00		38.00			2.49%	Intermediate
RDP	20.50	**Hold**	16/08/2017	20.80	24.00		19.50			-1.44%	Intermediate
ITD	18.95	**Hold**	16/08/2017	19.50	22.00		18.00			-2.82%	Long-term
HSG	29.85	**Hold**	16/08/2017	29.15	31.00		28.00			2.40%	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
NLG - Large Land Bank to Ensure Long-Term Development	August 30th, 2017	Neutral – 1 year	30,000
PTB - A Bright Prospect For PTB's Wood Processing Business	August 22nd, 2017	Neutral – 1 year	138,700
QNS - Picture mixed with light and darkness	August 21st, 2017	Buy – 1 year	87,400
CTD - Diversifying for Future Growth	July 31st, 2017	Accumulate - Long term	251,200
SHP – A Long-term Growth Story	July 20th, 2017	Neutral – Intermediate term	25,400

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	8/25/2017	0.25% - 0.75%	0% - 2.5%	32,631	32,474	0.48%
VF4	8/25/2017	0.25% - 0.75%	0% - 2.5%	14,841	14,766	0.51%
VFA	3/16/2017	0.25% - 0.75%	0% - 1.5%	6,777	6,802	-0.37%
VFB	8/25/2017	0.25% - 0.75%	0% - 2.5%	15,504	15,557	-0.34%
ENF	8/18/2017	0% - 3%	0%	17,191	17,339	-0.85%
MBVF	8/17/2017	1%	0%-1%	13,308	13,280	0.21%
MBBF	8/16/2017	0%-0.5%	0%-1%	13,985	13,958	0.19%

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