NOVEMBER

ADVISORY DIARY

26

THURSDAY

- **Positive liquidity despite negative market movement**
- **Picking stocks being in growth cycle and having high seasonal result in the last quarter**

Positive liquidity despite negative market movement

Another bearish session but liquidity remained firmly at high volume. After a slight rally yesterday, market today continued dropping as what has happened in this month. VNIndex closed at nearly the lowest intraday price of 590.4. Similar to early sessions of this week, market trading was quite active, with order-matching volume in HSX maintaining at 140-150 million shares, relatively higher than average of recent months. That is quite abnormal to what happenned in history. In our observation, in period 2014-2015, when market witnessed correction after peaking, volume in correcting session was hardly higher than volume at the peak. However, liquidity in recent correcting sessions has been 30% higher than liquidity around the peak. It means demand of market is so positive and that high demand expected to obsorb selling pressure of profit-taking activities and worries of uncertainty.

We have the same opinion with buying-side that market could witness further correcting sessions in short-term but this correction would be a chance for accumulating prospective stocks.

"Picking stocks being in growth cycle and having high seasonal result in the last quarter"

Picking stocks being in growth cycle and having high seasonal result in the last quarter

In recent Advisory Daily, we mentioned the strategy of picking stocks having postivie business result as well as market price movement in December and January. Market is seeing correcting sessions. However, according to our observation, this correction was likely due to either technically correcting after surging or cautious market psychology since market increased significantly in October and early November, with VNIndex up 8%. Therefore, this correction would make market falling to lower price so investors could take this chance for considering stocks having seasonal result in last quarter and postive price movement in December and January, which are shortlisted in the below table according to our criteria (also shown below the table)

According that shortlist, most of those stocks are belong to project-style companies (consuctrion sector, technology sector,...) and companies having high revenue in remaining months of this year such as: retailing, financial services, port, utilities,... Specifically, if combining factors of seasonal in bussiness and market price movement, there would be some tickers as: **SJS, CHP, LHG, BCI, IVS, DXG, MSN, NT2, LGC, MWG, VMD.**

(*) Notice: the stock-picking result based on historical data so investors should do more analysis on future prospectation for final investment decision.

Tuan Huynh

+ 84 8 6299 2006 | Ext: 1318

Tuan.hm@vdsc.com.vn

Table: Result of stocks having positive result in last quarter and being in growth cycle (data in period of 2013-2015)

(*) Stock-picking methodology:

- 1-month average volume > 50,000 shares

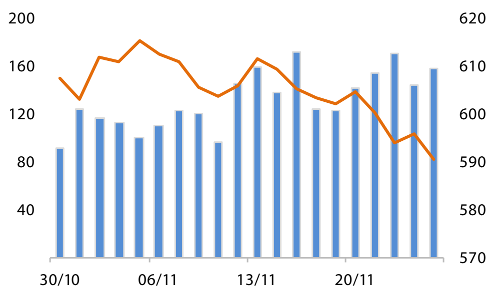
- Proportion of gross profit and PAT of Q4/2014 and Q4/2013 in gross profit and PAT in 2014 and 2013: >25%

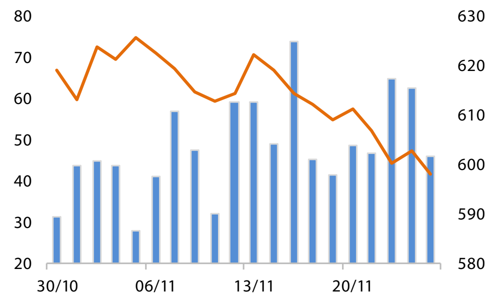
- Gross profit and PAT (trailing 4 quarters) in 2015 >10%

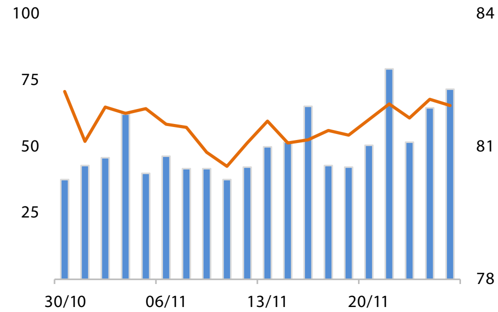
	Evaluating seasonal factor of Q4				Evaluating business growth		Evaluating price movement in Dec and Jan			
Ticker	Gross profit (GP) Q42013 /GP 2013	GP Q42014/ GP 2014	PATQ42013/ PAT2013	PATQ42014/ PAT2014	GP growth (trailing 4Q 2015)	PAT growth (trailing 4Q 2015)	Price changes 25/11/13-31/12/13	Price changes 25/11/13-24/01/14	Price changes 25/11/14-31/12/14	Price changes 25/11/14-30/01/15
VIG	51%	142%	83%	53%	7032%	37%	-13%	-13%	7%	13%
SJS	56%	91%	52%	81%	137%	246%	6%	5%	24%	52%
HUT	29%	78%	48%	90%	291%	788%	-7%	-9%	8%	10%
CHP	57%	69%	107%	101%	70%	178%	6%	5%	4%	20%
ELC	63%	67%	67%	88%	98%	118%	-1%	0%	-5%	-5%
IJC	58%	66%	73%	78%	61%	56%	1%	-3%	8%	18%
PIV	42%	65%	1899%	59%	356%	237%	-15%	65%	23%	41%
PDR	28%	64%	51%	80%	409%	1044%	-7%	-2%	17%	-10%
NLG	42%	63%	213%	108%	109%	294%	1%	2%	-1%	-2%
VIX	58%	61%	61%	60%	48%	19%	-48%	-29%	11%	38%
FLC	47%	56%	52%	30%	318%	145%	-11%	-16%	33%	32%
ASM	28%	55%	30%	66%	70%	201%	-20%	-14%	8%	6%
LHG	34%	53%	41%	128%	29%	1980%	19%	27%	7%	7%
TSC	40%	50%	174%	64%	117%	823%	-9%	-1%	11%	7%
FCN	44%	50%	42%	59%	25%	43%	-12%	-9%	6%	32%
HHS	28%	49%	28%	51%	248%	460%	-4%	-3%	0%	1%
BCI	62%	49%	71%	43%	71%	97%	11%	8%	14%	15%
TTZ	34%	47%	257%	65%	131%	837%	-14%	-19%	-7%	12%
IVS	33%	45%	179%	63%	16%	19%	20%	23%	26%	33%
DXG	38%	44%	44%	64%	136%	298%	0%	18%	3%	3%
FMC	49%	42%	85%	32%	48%	43%	-5%	3%	3%	21%
HDA	39%	39%	60%	92%	23%	151%	-14%	-16%	-3%	55%
TMT	36%	39%	207%	47%	278%	346%	0%	1%	-7%	0%
TTB	100%	38%	100%	57%	218%	415%	N/A	N/A	N/A	N/A
VSI	26%	38%	28%	56%	140%	469%	-17%	-20%	-17%	2%
CTI	31%	37%	89%	49%	126%	273%	-1%	-5%	11%	5%
DBC	34%	36%	49%	54%	33%	55%	-2%	4%	2%	26%
HAH	58%	36%	56%	39%	55%	55%	N/A	N/A	N/A	N/A
MSN	40%	35%	53%	91%	35%	244%	1%	2%	1%	18%
HT1	31%	34%	3686%	71%	26%	359%	4%	11%	-9%	22%
NT2	36%	34%	1169%	38%	53%	56%	13%	24%	0%	3%
CVT	33%	34%	50%	34%	23%	47%	-3%	3%	16%	34%
DRC	29%	33%	26%	29%	15%	13%	-7%	1%	-3%	6%
CTD	36%	33%	29%	28%	49%	63%	-6%	-1%	11%	39%

SHI	31%	33%	86%	26%	28%	128%	-18%	-18%	-6%	-8%
LGC	43%	32%	201%	96%	105%	2914%	40%	11%	24%	18%
CMS	36%	32%	36%	39%	16%	41%	-5%	-4%	4%	6%
VSC	28%	32%	33%	35%	31%	29%	-8%	-10%	7%	32%
DRH	28%	31%	134%	70%	62%	1358%	-3%	0%	-12%	8%
CMG	30%	29%	96%	54%	22%	102%	-4%	1%	0%	2%
MWG	N/A	29%	N/A	28%	54%	55%	N/A	N/A	17%	33%
KSB	28%	29%	29%	26%	26%	27%	4%	-3%	5%	38%
VMD	26%	26%	57%	50%	17%	75%	8%	2%	4%	7%

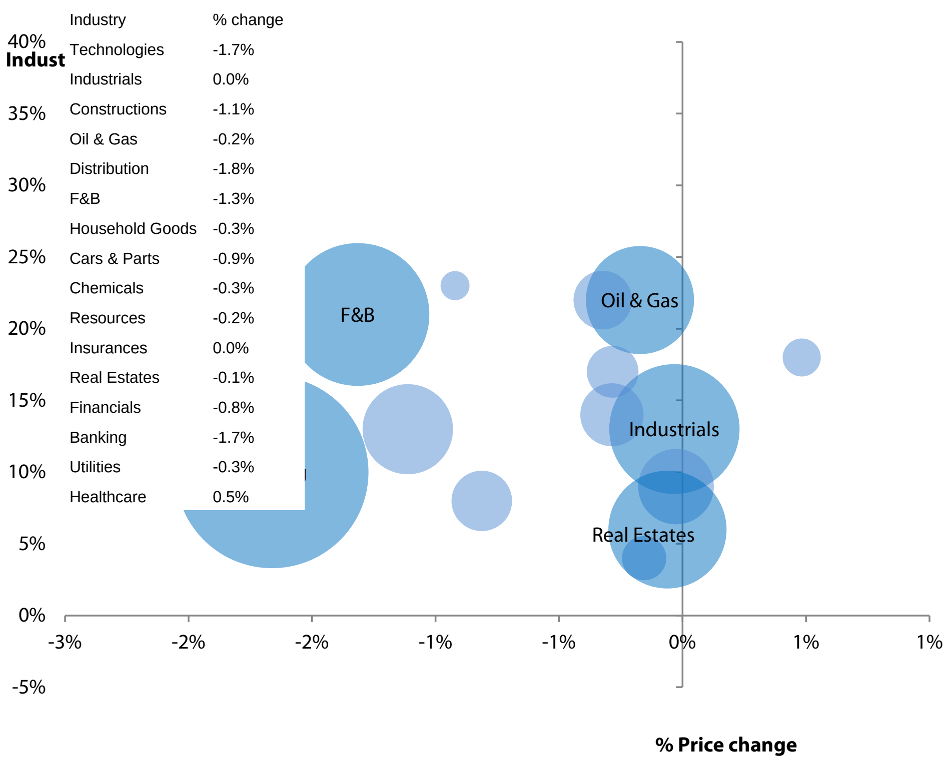
VNINDEX	-0.89%	590.40	VN30	-0.77%	598.04	HNXINDEX	-0.19%	81.90



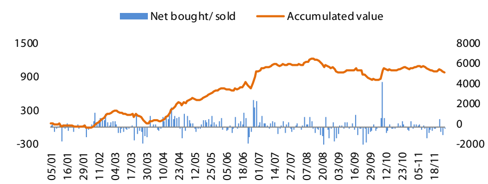




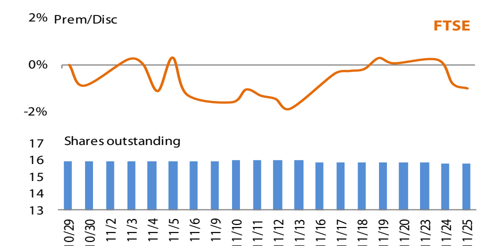
Industry Movement

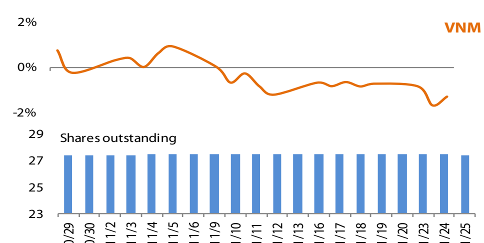


Foreign Investors Trading



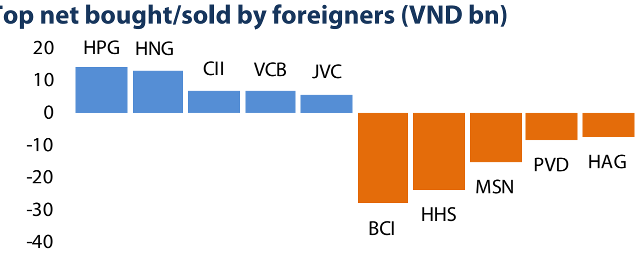
ETF



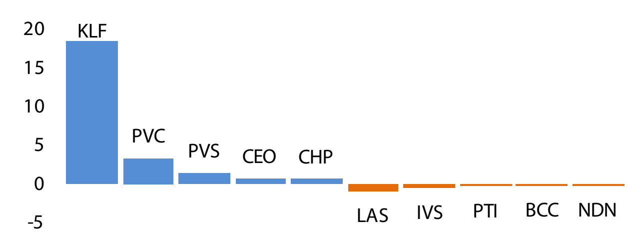


Top net bought/sold by foreigners (VND bn)

HSX



HNX



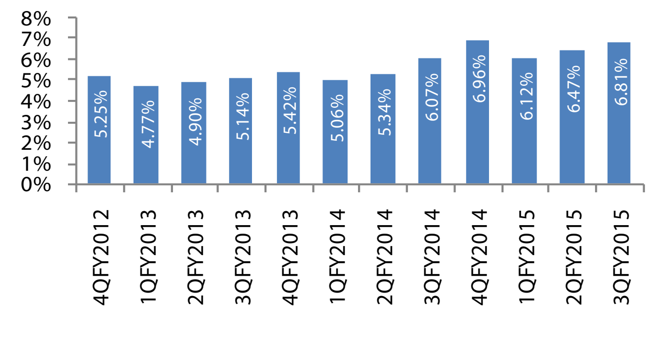
Top Active

Ticker	Price	Volume	% price change
OGC	4.1	16.53	-4.7%
FLC	8.6	14.94	-4.4%
HAI	6.4	7.50	1.6%
SBT	18.9	6.11	-1.6%
HHS	16.0	6.06	0.0%

Ticker	Price	Volume	% price change
KLF	5.0	9.56	8.7%
PVX	3.5	8.03	2.9%
VIX	8.3	4.04	1.2%
SCR	8.8	3.97	-3.3%
TIG	12.0	2.80	-0.8%

MACRO WATCH

Graph 1: GDP Growth



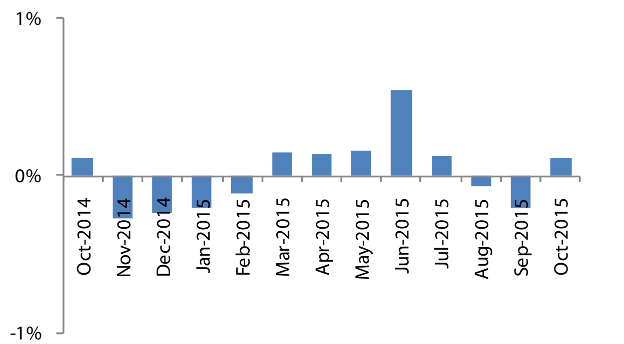
Sources: GSO. Rongviet Securities database

(*) Comparision price in 1994

Graph 2: IIP

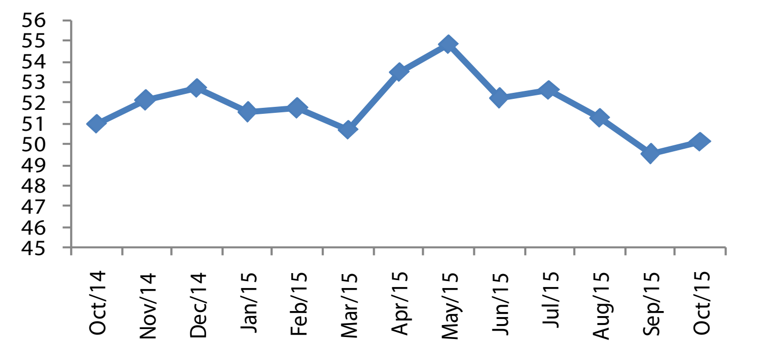
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



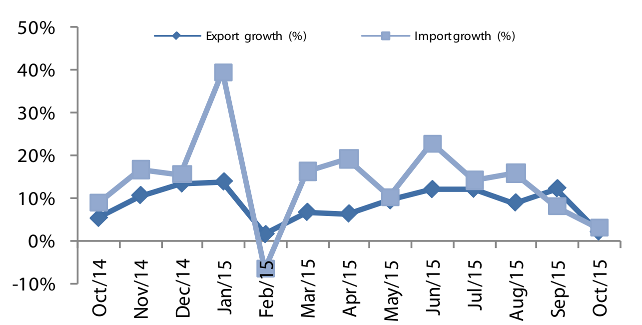
Sources: GSO. Rongviet Securities database

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
DRC - Expecting on replacement segment.	November 13th, 2015	Accumulate – Long term	52,000
NKG- Capital ravels to be untangled	November 6th, 2015	Neutral – Intermediate term	17,400
DMC - Restructuring sparks positive changes	October 30th, 2015	Accumulate – Intermediate term	49,000
HSG - New investments: The engine of growth	October 29th, 2015	Accumulate – Long term	52,500
KSB - Rock-solid foothold in the construction stone	October 28th, 2015	Buy – Intermediate term	38,400

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
VFF	03/11/2015	0% - 0.75%	0% - 2.5%	12,058	12,047	0.09%
VEOF	03/11/2015	0% - 0.75%	0% - 2.5%	10,674	10,488	1.77%
VF1	11/11/2015	0.2% - 1%	0.5%-1.5%	24,055	24,092	-0.15%
VF4	11/11/2015	0.2% - 1%	0%-1.5%	10,886	10,869	-0.02%
VFA	05/11/2015	0.2% - 1%	0%-1.5%	7,517	7,461	0.76%
VFB	05/11/2015	0.3% - 0.6%	0%-1%	12,490	12,409	0.66%
ENF	06/11/2015	0% - 3%	0%	12,233	12,170	0.52%
MBVF	05/11/2015	1%	0%-1%	10,974	10,991	-0.15%
MBBF	04/11/2015	0%-0.5%	0%-1%	12,489	12,438	0.41%

ANALYSTS

Truc Doan – Head of Research

+ 84 8 6299 2006 | Ext: 1308

truc.dtt@vdsc.com.vn

Hoang Nguyen

+ 84 8 6299 2006 | Ext: 1319

Hoang.nh@vdsc.com.vn

Lam Nguyen

+ 84 8 6299 2006 | Ext: 1313

lam.ntp@vdsc.com.vn

Tuan Huynh

+ 84 8 6299 2006 | Ext: 1318

Tuan.hm@vdsc.com.vn

Kien Nguyen

+ 84 8 6299 2006 | Ext: 1320

Kien.nt@vdsc.com.vn

Ha My Tran

+ 84 8 6299 2006 | Ext: 1309

my.tth@vdsc.com.vn

Diem My Tran

+ 84 8 6299 2006 | Ext: 1311

my.ttd@vdsc.com.vn

Van Banh

+ 84 8 6299 2006 | Ext: 1316

Van.btt@vdsc.com.vn

Thien Bui

+ 84 8 6299 2006 | Ext: 1321

Thien.bv@vdsc.com.vn

Tai Nguyen

+ 84 8 6299 2006 | Ext: 1310

tai.ntp@vdsc.com.vn

Tam Bui

+ 84 8 6299 2006 | Ext: 1315

tam.bt@vdsc.com.vn

Huong Pham

+ 84 8 6299 2006 | Ext: 1314

huong.pt@vdsc.com.vn

Trinh Nguyen

+ 84 8 6299 2006 | Ext: 1331

Trinh.nh@vdsc.com.vn

Trien Le

+ 84 8 6299 2006 | Ext: 1317

trien.lh@vdsc.com.vn

HEADQUARTER
Floor 1-2-3-4, Viet Dragon Tower
141 Nguyen Du Street, Dist.1, HCMC
T + 84 8 6299 2006
F + 84 8 6291 7896
E info@vdsc.com.vn
W www.vdsc.com.vn

HA NOI BRANCH
2C Thai Phien street, Hai BaTrung Dist., Ha Noi city
T + 84 4 6288 2006
F + 84 4 6288 2008
E info@vdsc.com.vn
W www.vdsc.com.vn

NHA TRANG BRANCH
50 Bis Yersin street, Nha Trang city, Khanh Hoa city
T + 84 058 3820 006
F + 84 058 3820 008
E info@vdsc.com.vn
W www.vdsc.com.vn

CAN THO BRANCH
08 Phan Đinh Phung street, Ninh Kieu Dist., Can Tho city
T + 84 0710 381 7578
F + 84 0710 381 7789
E info@vdsc.com.vn
W www.vdsc.com.vn