MAY

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FRIDAY

“Oil & Gas Stocks – The Brightest Point in The Market”

Market today: Oil & Gas Stocks – The Brightest Point in The Market

***(Quang Vo –** Ext: 1517)*

Despite the negative movement of crude oil prices, oil & gas stocks had impressive performance today as the majority ended in the green. The best performers were PVD and PVC, as both stocks reached the ceiling.

The positive signals in the demand supported PVD’s stock price, following a series of declining sessions. PVD’s Q1 results showed a record-low loss of VND200.9 billion, which was the main reason for the decline of its stock price. This loss came not only from its core business (renting oil drilling rigs) but also provisions for bad debts of VND100 billion. Therefore, investors held a pessimistic view for PVD’s prospects. In the second quarter, all of PVD’s 5 Jack-up drilling rigs have been operating and the company has cut costs for its PVD V drilling rig. This shows that the company’s drilling activities are showing signs of recovery, which is positive for the company’s future outlook. We believe that PVD’s Q2 business results will be much better, as compared to the first quarter. However, we hold the view that the recovery of PVD is still questionable, given its large bad debts.

Foreign investors returned to net buy PVD shares today after strongly selling 4.4 million shares during the last 4 sessions. This is another positive sign for PVD. However, we do not recommend for investors to buy the stock due to concerns about the recovery in its core business.

The positive signals in oil drilling activities also supported PVC, which supplies drilling mud, as its stock price also moved to the ceiling today.

The Vn-Index closed around the 720 level. The decrease of the market’s liquidity (~18%) displays that the profit taking pressure was insignificant. Although the index closed in the red, the market’s breadth was still positive due to inflows to mid-cap and small-cap stocks. Overall, we think the capital flows rotated in the market, and that positive signals have remained in the market in recent sessions.

Analyst Pin-board

A Rewind of Foreign Investors' Trading Activities in April

***(Thien Bui** – Ext: 1321)*

If you are interested in this content, please click here to view more detail.

Recommendations:

VN-Index corrected slightly on reducing volume while HNX-Index gained points. The market is still quite positive and trader should consider hold the stocks longer and buy 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/ Loss	Duration
HDG	28.5	**Take profit**	07/03/2017	25.90	28.00		24.50	24/4/2017	29.00	11.97%	Intermediate
FPT	47.1	**Cutloss**	15/02/2017	46.00	50.00		44.00	25/4/2017	45.65	-0.76%	Intermediate
ITD	25.4	**Cutloss**	06/02/2017	25.70	28.00		23.50	25/4/2017	24.70	-3.89%	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 SECURITIES

RONG VIET NEWS

COMPANY REPORTS	Issued Date	Recommend	Target Price
REE – Higher Value due to the Reduction of ex rate risk	April 20th, 2017	Accumulate – Long term	32,800
TCM - Benefits from the Rebound in Textile Demand	April 4th, 2017	Accumulate – Long term	25,300
PVS - Positive Prospects from Energy Projects	April 3rd, 2017	Accumulate – Long term	21,900
HSG - Robust Core Business	March 22th, 2017	Neutral – Intermediate	51,700
MWG - Waiting for The Ability to Maintain Significant Growth	February 3rd, 2017	Sell - Intermediate	134,500

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	24/04/2017	0.25% - 0.75%	0% - 2.5%	30,060	30,023	0.12%
VF4	24/04/2017	0.25% - 0.75%	0% - 2.5%	13,404	13,386	0.13%
VFA	16/03/2017	0.25% - 0.75%	0% - 1.5%	6,777	6,802	-0.37%
VFB	21/04/2017	0.25% - 0.75%	0% - 2.5%	14,284	14,200	0.59%
ENF	14/04/2017	0% - 3%	0%	15,451	15,556	-0.67%
MBVF	13/04/2017	1%	0%-1%	12,785	12,726	0.46%
MBBF	19/04/2017	0%-0.5%	0%-1%	13,656	13,641	0.11%

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