JUN

18

FRIDAY

6 PM CALL

Market today: Investors are following Q2 earning results and upcom stocks

*(**Thien Bui** - Ext: 1321)*

Trading technical analysis was biased by ETFs' activities. A large number of HHS shares were sold by VanEck Vectors Vietnam ETF. Besides, VIC was also strongly shorted (3.1 million shares). 2 ETFs, as usual, reduced their holdings at lots of large cap stocks such as VCB, NT2, SSI etc. On the other sides, GTN with 5 million shares, equivalent to VND113 billion, which were added in Db X-trackers FTSE Vietnam UCITS ETF, went ceiling. Both indices closed lower due to pressure from these ETFs.

Besides influence of ETF factors, the market today was also affected by the delay of exercise of trading of securities that has been sold/bought but not yet arrived to the account of the buyer, and intraday trading mechanisms, which are "the soul" of Circular 203/2015 /TT-BTC. The State Securities Commission of Vietnam (SSC) stated that they need more time to complete the system and risk management regulation. Though the mechanisms will only apply for stocks in VN-30 Index at in the beginning, but it could still have a major impact on the market, and the prospect of Vietnam stock market to get promote to emerging market under the MSCI benchmark. As mentioned in our investment strategy report in 2016, we expect the promotion prospect of Vietnam stock market not be viable until 2017, when the market fulfills some requirements such as raising the ownership limit of foreign investors, stricter regulations on disclosure obligations, and the available of short-selling activity (sale of securities is a form of secured short-selling). With the absent of these factors, the promotion prospect has diminished a bit for now. However, these are only some small factors of the total 18 criteria in group (C) of MSCI. Therefore, we still keep our appreciation for the promotion prospects of Vietnam market in 2017.

"Investors are following Q2 earning results and upcom stocks"

*An inactive week for VNIndex and HNIndex. Excluded ETFs' activities, VNIndex and HNIndex still closed lower compared to last week. Average weekly trading values dropped 7.2%. After the significant decline on Monday, market witnessed rebound in three days with increasing trading values. Besides, Upcom stocks turned active. Therefore, we think that investors took chance to closed their positions in 2 main bourses and directed capital inflows to Upcom shares. So, there are 2 invest strategies for coming weeks in June: (**1) follow companies that have firm earning results in 2Q/2016 and (2) follow "upcom premium trend".***

Next week, the whole world will toward to the referendum about the decision to stay in or get out of the EU or "Brexit". The possibility is nearly equal for the two sides and hard to predict. Recently, global market has tended to decline partly because many investors prefer to choose safer investment such as gold or government bonds. The impact of Brexit on Vietnam stock market, at first, is related to psychological in short term. The macro analyst of RongViet Research will have some more detailed assessment of the impact of Brexit to Vietnam next week.

Analyst Pin-board

Commodity market: steel price

*(**Danh Pham** - Ext:1511)*

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Recommendations:

VN-Index and HNX-Index kept moving down after a long rally. The correction may last longer and the two indexes may find to lower supports. Traders should take profit partly and wait until reversal signals appear.

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
VGC	15.4	**Hold**	09/06/2016	16.2	18.0		14.7			-4.94%	Intermediate
MCG	3.0	**Hold**	02/06/2016	3.3	4.0		3.0			-9.09%	Intermediate
NT2	32.0	**Hold**	02/06/2016	31.2	35.0		29.5			2.56%	Intermediate
PDB	25.4	**Hold**	13/05/2016	25.9	28.5		24			-1.93%	Intermediate
ITD	31.5	**Hold**	11/03/2016	17.7	21.0		16			77.97%	Intermediate
BCC	13.9	**Hold**	22/01/2016	13.7	15.0		12.5			1.46%	Intermediate
LHC	51.0	**Hold**	21/08/2015	40.5	49.0		37			22.89%	Long

Notes:
- **Buying Price** is the Close Price at Buying date. **Selling Price** may be the Target Price, Cutloss 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
PGS - CNG divestment improves PGS's financial capability	May 26th, 2016	Accumulate – Intermediate	20,600
REE - Unwavering long-term prospect	May 18th, 2016	Accumulate – Long term	26,800
PPC – Stability	May 17th, 2016	Neutral – Long term	19,100
PLC - Expect better business results in Q22016	May 16th, 2016	Accumulate – Intermediate	32,300
NT2 - Secure position	May 13th, 2016	Accumulate – Long term	34,800

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	10/05/2016	0.2% - 1%	0.5%-1.5%	25,104	25,156	-0.21%
VF4	10/05/2016	0.2% - 1%	0%-1.5%	11,252	11,258	-0.06%
VFA	06/05/2016	0.2% - 1%	0%-1.5%	6,835	6,782	0.78%
VFB	06/05/2016	0.3% - 0.6%	0%-1%	12,893	12,872	0.16%
ENF	06/05/2016	0% - 3%	0%	12,687	12,587	0.79%
MBVF	05/05/2016	1%	0%-1%	11,238	11,269	-0.28%
MBBF	04/05/2016	0%-0.5%	0%-1%	12,686	12,671	0.12%
VF1	10/05/2016	0.2% - 1%	0.5%-1.5%	25,104	25,156	-0.21%
VF4	10/05/2016	0.2% - 1%	0%-1.5%	11,252	11,258	-0.06%

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