SEPTEMBER

25

FRIDAY

- **Looking for investment opportunities even with side-way situation**
- **Next week: waiting for macroeconomic news**

Looking for investment opportunities even with side-way situation

Stock markets ended this trading week with not much excitement; however, we still feel the patience and perseverance from investors who are looking for investment opportunities even with side-way situation. In this morning, after a short conversation with a senior investor at RongViet, he is still passionate about the profit from CEO stocks and demonstrated a bit of regret because of early profit taking.

Over the last month, CEO increased by 24%. However, not only CEO but also other stocks which related to the development of Phu Quoc recorded a significant improvement such as SKG (+30%) or DIG (+23%). If we exclude the 1-month yield, **UNI (Vien Lien JSC – HNX) could also be the stocks with optimistic prospect due to the heat of Phu Quoc real estate**. Last week, real estate analyst from RongViet Research shared several important updates from UNI's outlook.

Table 1: Returns of several stocks related to the development of Phu Quoc

	1T	3T	YTD
UNI	7%	18%	48%
CEO	24%	29%	54%
DIG	23%	-2%	-8%
VIC	5%	1%	11%
SKG	30%	56%	108%

Source: RongViet Research

"Looking for investment opportunities even with side-way situation"

Vien Lien JSC has mainly operated in telecommunication services with average of revenue at VND 20 – 25 billion/year since being found to 2010. After issuing to increase charter capital by twice in 2010, UNI decided to invest in Phu Quoc real estate. However, until 2014, UNI started to implement several projects. Currently, UNI owned 3 main projects in Phu Quoc including:

1. Project for resettlement, commerce and villas - Ham Ninh	2. Residental and urban area - Duong Dong	3. Cua Can residental area
Area: 11,3 ha	65,7 ha	61 ha
Investor: UNI	Kien Giang Tourism Ltd	UNI
Start: 10/2015	Completed	Start in 2017-2020
Commercialization: early 2016	Record revenue since Q2/2015	Favourable for residental development

Source: RongViet Research

In 3 projects, Ham Ninh and Duong Dong projects have the prospect to contribute revenue and profit in 2015 and 2016. Regarding the Cua Can project, UNI is completing the legal formalities, simultaneously, increasing the charter capital with 1:1 ratio at par (VND ~144 billion) in order to start infrastructure construction and selling residential land with certificate of house ownership and land use rights from 2017. According to the assessment from RongViet's analyst, UNI's advantages could come from the Phu Quoc real estate's prospects since 2009 when the prices

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were at low level. In addition, UNI did not have financial pressure because they did not invest by loans.

The investment highlights for UNI could be the heating up in real estate segment in Phu Quoc. The favorable sales form Duong Dong project could be the clear evidence due to the low initial investment cost. RongViet's analyst believes that UNI could be the stock with positive business result in 2015 and 2016. However, because real estate markets in Phu Quoc have been heated up and developed several signals of speculation, the business activities of Cua Can projects could receive several risk if the implementation time, especially clearance phase, will be prolonged.

At this moment, Phu Quoc has many opportunities to become the first special administrative and economic region in Vietnam due to meeting several requirements in infrastructure development in term of roads and international airport. Therefore, the prospect from business development in this island could be optimistic. After looking through listed stocks in Vietnam markets, we believe that **SKG has the most transparent growth opportunities and has doubled the price since earlier 2015.** However, according to industrial analyst, business results from SKG could drop by 10 – 15% compared to the first 6 months of 2015 due to the seasonal characteristic. Furthermore, we start to concern about the risks in term of potential competitors in this segment.

If those stocks correlate to the main theme of Phu Quoc, a senior broker from RongViet also pointed out that under the current market situation, he still successfully consult several stocks with the return better than bank yields. In addition, he also asserted that **the profit taking opportunities could be concentrated around stocks with low liquidity, especially the stocks with optimistic business results over the last half of 2015.** Reviewing the RongViet's coverlist, we recognized the positive movements of some stocks recently.

Table 2: Returns of several stocks in RongViet's coverlist

	1T	3T	YTD	Target price	Period	Upside Potential
PLC	8%	22%	32%	38,300	Intermediate	12%
TCM	12%	13%	19%	42,500	Long term	13%
GMD	8%	13%	20%	44,400	Long term	28%
DNP	23%	26%	24%	21,900	Long term	15%

Source: RongViet Research

Next week: waiting for macroeconomic news

Preliminary information on September macro-economy has been announced by Ministry of Planning and Investment (MPI):

(1) Industrial manufacturing sector continued to grow positively and reached its highest height since 2011 (+10.1% y-o-y);

(2) Consumption maintained its growth momentum. 9-month accumulate total retail and consumer service revenue went up 9.5% (excluding price factor), 6.2% higher y-o-y.

(3) Trade deficit increased quite slowly after recent FX volatility. After 9 months, total deficit was around USD3.9 billion, accounting for 3.2% total export turnover.

(4) Sharp rising FDI: total FDI flows reached VND17.15 billion, equivalent to 153.4% y-o-y.

After these pieces of good news, we expect GDP and PMI, which will be reported next week will be also positive ones. We believe investors' sentiment may find stable macro-economy as a buffer for next week trading. On the other hand, TPP renegotiation will be held next week in Atlanta. As far as we concern, recent meeting between USA, Canada, Mexico and Japan did not reach its consensus on automobile issues; however, representatives of these countries said that they had discussed about these disputes before this meeting in Atlanta. Next week, markets could focus to “listen” to both international and national information, and “seek” businesses with optimistic business results.

WEEKLY TECHNICAL VIEW

VN-Index

VN-Index gained 4,13 points (or 0,73%), closed at 570,38. Trading volumes fluctuated from 80 to 90 million shares per day.

VN-Index challenged the 575 threshold for the third time in a month. This is a strong resistance and VN-Index needs a break out on high volume to pass through.

In recent weeks, VN-Index accumulated right below its strong resistance on moderate liquidity. The 26-day moving average turned up slightly while the SMA(200) turned sideways.

An ascending triangle pattern may be forming but we need a break out to confirm.

Looking at technical indicators, both the MACD and the RSI remains bullish but not too strong. The MACD is still below 0 while the RSI is below 50.

VN-Index is still in an accumulated stage and traders should wait patiently for a break out. In a short-term, VN-Index is supported at around 565.

HNX-Index

HNX-Index added 0,92 points (or 1,18%), closed at 78,67. Trading volumes increased slightly (11%) up to 172 million shares.

The movement of HNX-Index was similar to VN-Index. HNX-Index is now challenging its strong resistance zone (78-79). The good signal is that HNX-Index cut above its EMA(26) and remains above this line for 4 sessions.

An ascending triangle pattern may be forming but we need a break out to confirm.

Looking at technical indicators, both the MACD and the RSI kept going up slightly.

In a short-term, HNX-Index is supported at around 77.

Recommendation:

Both VN-Index and HNX-Index are traded right above their strong resistances on moderated volumes. Traders should accumulate stocks at supports or wait for a break above resistances on high volumes.

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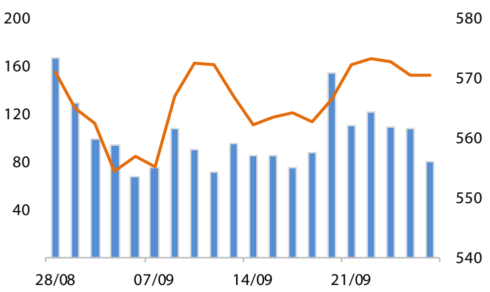
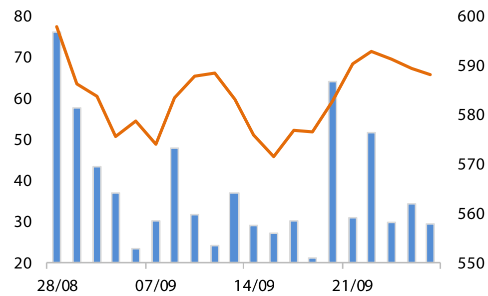
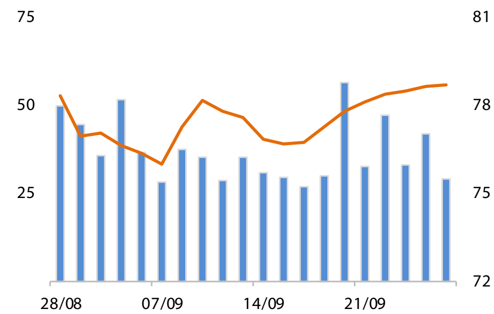
VNINDEX 0.02% **570.38**



VN30 -0.22% **588.11**

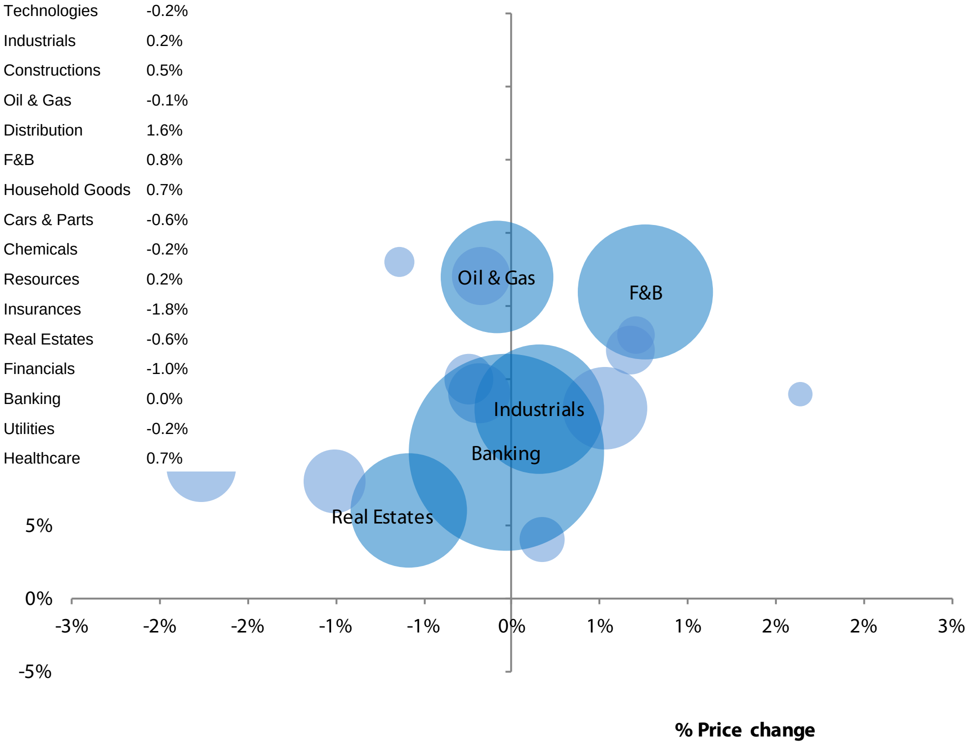


HNXINDEX 0.08% **78.67**

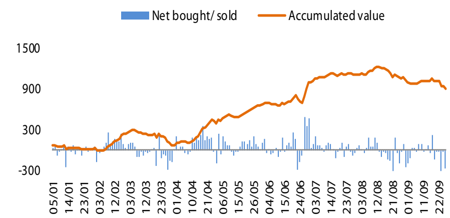


Industry Movement

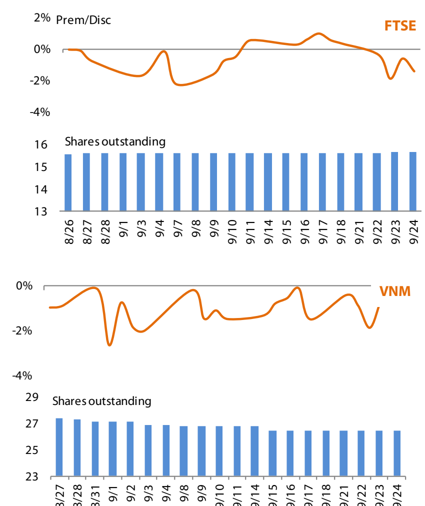
Industry	% change
Technologies	-0.2%
Industrials	0.2%
Constructions	0.5%
Oil & Gas	-0.1%
Distribution	1.6%
F&B	0.8%
Household Goods	0.7%
Cars & Parts	-0.6%
Chemicals	-0.2%
Resources	0.2%
Insurances	-1.8%
Real Estates	-0.6%
Financials	-1.0%
Banking	0.0%
Utilities	-0.2%
Healthcare	0.7%



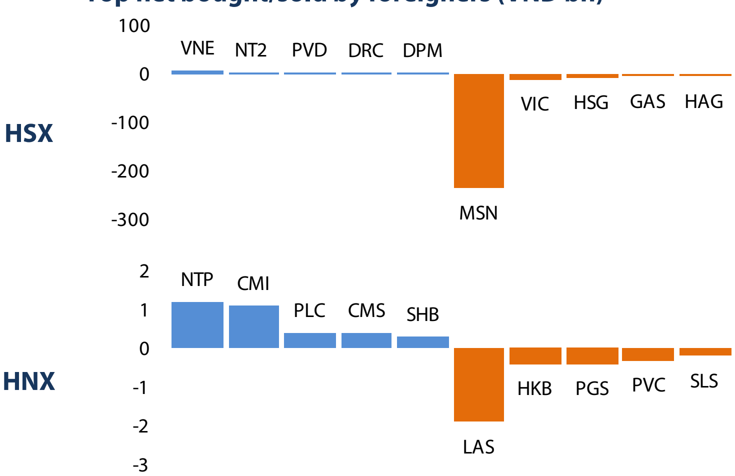
Foreign Investors Trading



ETF



Top net bought/sold by foreigners (VND bn)



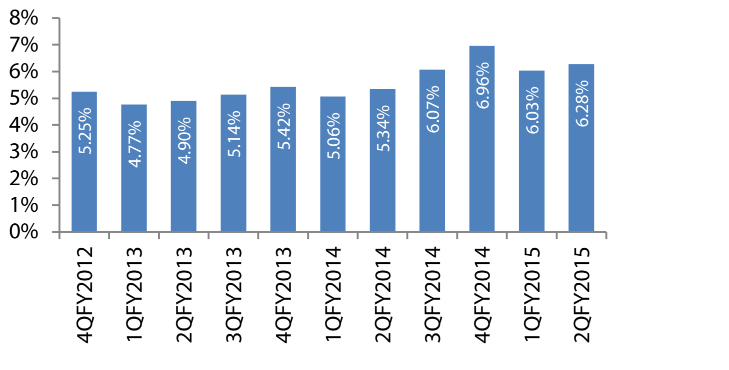
Top Active

Ticker	Price	Volume	% price change
CII	23.3	3.16	-1.3%
HHS	15.9	3.09	-1.2%
VHG	8.3	2.58	-1.2%
FIT	9.9	1.90	-2.9%
DXG	18.2	1.73	1.1%

Ticker	Price	Volume	% price change
KLF	4.5	2.68	0.0%
PVS	21.2	1.61	-0.9%
CEO	16.8	1.44	0.6%
SHB	6.8	1.38	-1.4%
VCG	11.7	1.22	0.0%

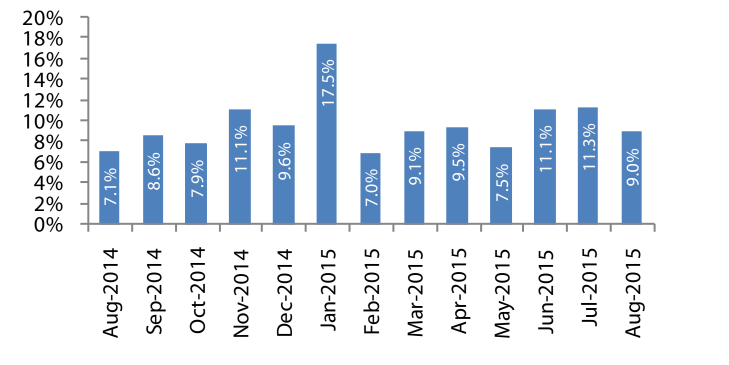
MACRO WATCH

Graph 1: GDP Growth



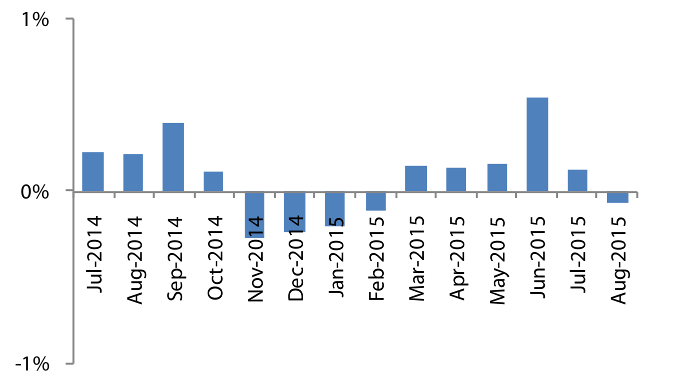
Sources: GSO. Rongviet Securities database
(*) Comparision price in 1994

Graph 2: IIP



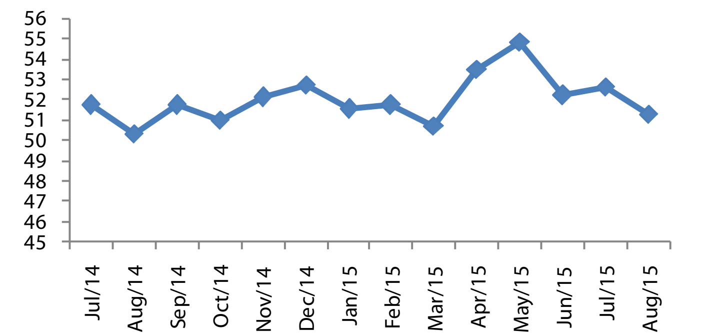
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



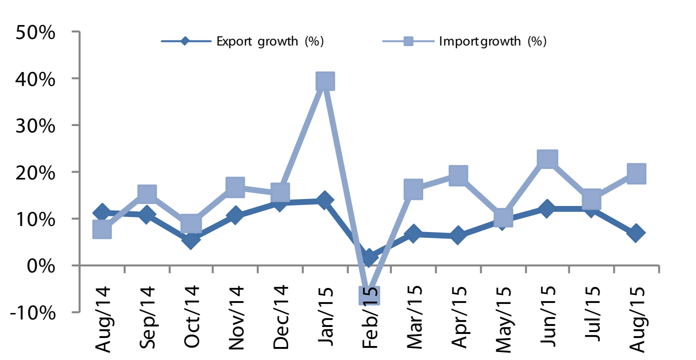
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



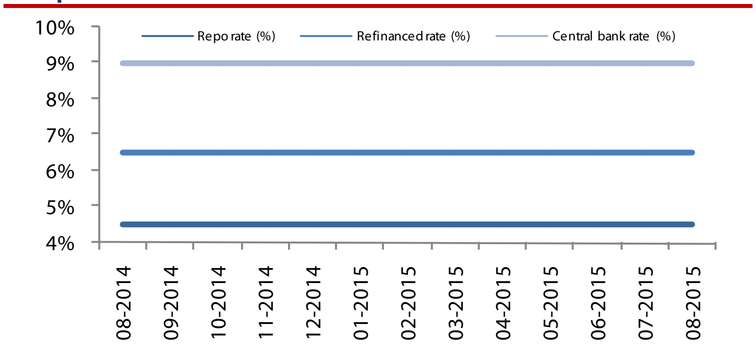
Sources: GSO. Rongviet Securities database

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
PXS - Invest to strengthen construction capacity	Sept, 4th 2015	Accumulate - Intermediate	17,000
SHP - Positive over long-term	Sept, 3rd 2015	Accumulate - Intermediate	20,800
PET - Tracking the progress of Thanh Da land plot transfer	Aug, 20th 2015	Stable	N/a
VNC - Embrace the new wave of international commerce	Aug, 14th 2015	Neutral – Long term	28,900
MAC – Bigger Propellers, further waters	Aug, 7th 2015	Buy – Long term	17,600

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	08/09/2015	0% - 0.75%	0% - 2.5%	11,844	11,861	-0.14%
VEOF	08/09/2015	0% - 0.75%	0% - 2.5%	9,791	9,874	-0.84%
VF1	11/09/2015	0.2% - 1%	0.5%-1.5%	22,509	22,496	0.06%
VF4	11/09/2015	0.2% - 1%	0%-1.5%	10,037	10,024	0.12%
VFA	11/09/2015	0.2% - 1%	0%-1.5%	7,100	7,032	0.97%
VFB	11/09/2015	0.3% - 0.6%	0%-1%	12,313	12,303	0.08%
ENF	04/09/2015	0% - 3%	0%	11,207	11,297	-0.80%
MBVF	27/08/2015	1%	0%-1%	10,416	10,364	0.50%
MBBF	03/09/2015	0%-0.5%	0%-1%	12,328	12,304	0.20%

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