

DECEMBER

01

THURSDAY

“Excessive Trading of Oil & Gas Stocks – November PMI”

6 PM CALL

Market today: Excessive Trading of Oil & Gas Stocks – November PMI

(Thien Bui - Ext: 1321)

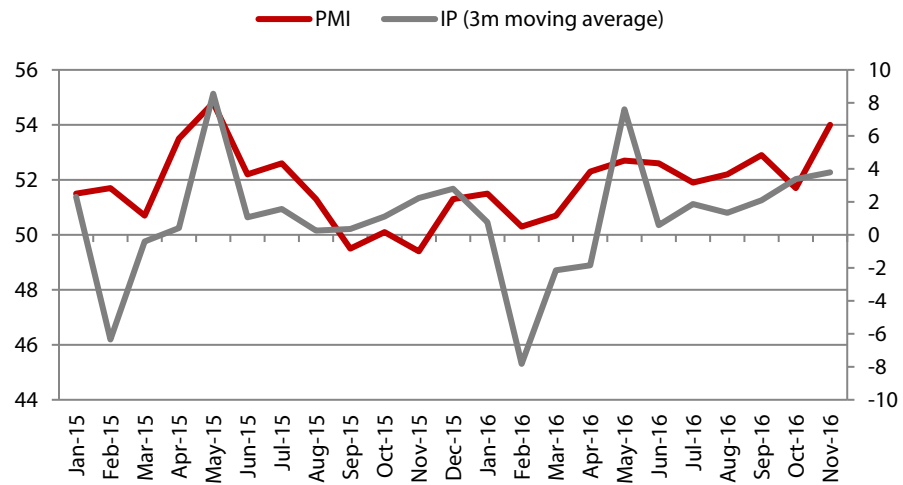
After 2 years, OPEC members finally reached an agreement to cut oil production. OPEC countries agreed to reduce production by 1.2 million bpd, reaching a maximum of 32.5 million bpd. Non OPEC members also accepted to cut down production by 600,000 bpd. After the meeting, Brent oil surged more than 8% to reach a 1 year high of \$53/barrel. Our analyst will have more in depth comments about this event in today Analyst's Pinboard.

Oil & gas stocks also rallied today, due to the new surge in oil prices. Many shares such as PVD, PXS, and GAS went to the ceiling, and there were also some other strong gainers like PVS and PGS. In the morning, the VNIndex gained more than 5 pts and the HNIndex increased by more than one point. However, foreigners were not very excited about oil & gas stocks, and were net sellers of these stocks. VNM continued to be net sold by foreign investors, and the stock price fell by 2%. The VNIndex accordingly only closed with a 1.47 point increase and the HNIndex increased by 0.92 pts. ***News of OPEC's decision might only be short term, and it came at a convenient time for Vietnam, as the VN Index had just previously dropped. We think that today's rally for oil & gas stocks is only a temporary effect happening amid the VN Index trying to retest its previous support level of 670 pts.***

Macroeconomic News: Nikkei announced the November PMI of Vietnam. The Nikkei manufacturing PMI rose to 54 in November, up from 51.7 in October. Today's PMI reading suggests that Vietnam's manufacturing health has remained strong. Based on our observation of the PIM data, we see some specific things that should be addressed:

- The new export orders and employment indices rose faster than last month, displaying improvements in external demand and labour market conditions. This was broadly in line with recent recovery in trade growth.
- The output index rebounded quickly, reaching a 16-month high, suggesting that manufacturing activity held up well. As a result, the manufacturing sector may be a strong contributor to GDP growth in 2016.
- The price indices of both input and output continued to climb, signaling a further increase in price pressures. The rate of inflation accelerated sharply in the manufacturing sector, which is a source of concern for policy makers, in terms of being able to keep inflation below 5% in 2017.

Figure: Vietnam PMI and IP (3m moving average)



Source: Nikkei, GSO, RongViet Research

Analyst Pin-board

Oil & Gas – OPEC’s Agreement Needs the Test of Time

(Kien Nguyen – Ext: 1320)

If you are interested in this content, please click [here](#) to view more detail.

Recommendations:

VN-Index and HNX-Index gained points for the second consecutive session but selling pressures rose at the end of the day. Trading volume remained steady. Reversal signals are not strong enough and therefore, trader should maintain a portfolio that balance between stock and cash.

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
CII	29.55	Hold	18/11/2016	29.45	32.0		28.5			0.34%	Intermediate
DAG	15.10	Hold	18/11/2016	15.0	17.0		14.3			0.67%	Intermediate
PPC	16.50	Hold	18/11/2016	15.30	17.0		14.5			7.84%	Intermediate
VGC	15.60	Hold	26/07/2016	13.5	17.6		12.6			15.56%	Long
CTI	27.10	Hold	18/07/2016	26.7	29.0		25.0			1.50%	Intermediate
LHC	63.00	Hold	21/08/2015	41.5	70.0	78.0	58.0			51.81%	Long

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
DHG - Hope awaits in 2017	November 30 th , 2016	Accumulate – Long term	119,000
GMD - Encouraging result amid short-term cargo low	November 28 th , 2016	Accumulate – Intermediate term	30,000
HPG- Unmatchable	November 21 st , 2016	Accumulate – Long term	50,300
VNS - The battle for market share	November 8 th , 2016	Monitor	NA
VSC- Long-run Outlook Remains Positive	November 3 rd , 2016	Buy – Intermediate term	71,200

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	23/11/2016	0.25% - 0.75%	0% - 2.5%	28,537	28,309	0.81%
VF4	23/11/2016	0.25% - 0.75%	0% - 2.5%	12,705	12,618	0.69%
VFA	18/11/2016	0.25% - 0.75%	0% - 1.5%	6,777	6,646	1.97%
VFB	18/11/2016	0.25% - 0.75%	0% - 2.5%	13,719	13,737	-0.13%
ENF	18/11/2016	0% - 3%	0%	14,223	14,326	-0.72%
MBVF	10/11/2016	1%	0%-1%	12,041	12,135	-0.77%
MBBF	09/11/2016	0%-0.5%	0%-1%	13,329	13,340	-0.08%

ANALYSTS

Truc Doan – Head of Research

+ 84 8 6299 2006 | Ext: 1308

truc.dtt@vdsc.com.vn

Lam Nguyen

+ 84 8 6299 2006 | Ext: 1313

lam.ntp@vdsc.com.vn

Thien Bui

+ 84 8 6299 2006 | Ext: 1321

Thien.bv@vdsc.com.vn

Ha My Tran – Deputy Manager

+ 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

Kien Nguyen

+ 84 8 6299 2006 | Ext: 1320

Kien.nt@vdsc.com.vn

Hoang Nguyen

+ 84 8 6299 2006 | Ext: 1319

Hoang.nh@vdsc.com.vn

Tai Nguyen – Deputy Manager

+ 84 8 6299 2006 | Ext: 1310

tai.ntp@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

Hieu Nguyen

+ 84 8 6299 2006 | Ext: 1514

Hieu.nd@vdsc.com.vn

DISCLAIMERS

This report is prepared in order to provide information and analysis to clients of Rong Viet Securities only. It is and should not be construed as an offer to sell or a solicitation of an offer to purchase any securities. No consideration has been given to the investment objectives, financial situation or particular needs of any specific. The readers should be aware that Rong Viet Securities may have a conflict of interest that can compromise the objectivity of this research. This research is to be viewed by investors only as a source of reference when making investments. Investors are to take full responsibility of their own decisions. VDSC shall not be liable for any loss, damages, cost or expense incurring or arising from the use or reliance, either full or partial, of the information in this publication.

The opinions expressed in this research report reflect only the analyst's personal views of the subject securities or matters; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or opinions expressed in the report.

The information herein is compiled by or arrived at Rong Viet Securities from sources believed to be reliable. We, however, do not guarantee its accuracy or completeness. Opinions, estimations and projections expressed in this report are deemed valid up to the date of publication of this report and can be subject to change without notice.

This research report is copyrighted by Rong Viet Securities. All rights reserved. Therefore, copy, reproduction, republish or redistribution by any person or party for any purpose is strictly prohibited without the written permission of VDSC. Copyright 2016 Viet Dragon Securities Corporation.

IMPORTANT DISCLOSURES FOR U.S. PERSONS

This research report was prepared by Viet Dragon Securities Corp. ("VDSC"), a company authorized to engage in securities activities in Vietnam. VDSC is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

Any U.S. recipient of this research report wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through Rosenblatt Securities Inc., 40 Wall Street 59th Floor, New York, NY 10005, a registered broker dealer in the United States. Under no circumstances should any recipient of this research report effect any transaction to buy or sell securities or related financial instruments through VDSC. Rosenblatt Securities Inc. accepts responsibility for the contents of this research report, subject to the terms set out below, to the extent that it is delivered to a U.S. person other than a major U.S. institutional investor.

The analyst whose name appears in this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA") and may not be an associated person of Rosenblatt Securities Inc. and, therefore, may not be subject to applicable restrictions under FINRA Rules on communications with a subject company, public appearances and trading securities held by a research analyst account.

Ownership and Material Conflicts of Interest

Rosenblatt Securities Inc. or its affiliates does not 'beneficially own,' as determined in accordance with Section 13(d) of the Exchange Act, 1% or more of any of the equity securities mentioned in the report. Rosenblatt Securities Inc, its affiliates and/or their respective officers, directors or employees may have interests, or long or short positions, and may at any time make purchases or sales as a principal or agent of the securities referred to herein. Rosenblatt Securities Inc. is not aware of any material conflict of interest as of the date of this publication.

Compensation and Investment Banking Activities

Rosenblatt Securities Inc. or any affiliate has not managed or co-managed a public offering of securities for the subject company in the past 12 months, nor received compensation for investment banking services from the subject company in the past 12 months, neither does it or any affiliate expect to receive, or intends to seek compensation for investment banking services from the subject company in the next 3 months.

Additional Disclosures

This research report is for distribution only under such circumstances as may be permitted by applicable law. This research report has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient, even if sent only to a single recipient. This research report is not guaranteed to be a complete statement or summary of any securities, markets, reports or developments referred to in this research report. Neither VDSC nor any of its directors, officers, employees or agents shall have any liability, however arising, for any error, inaccuracy or incompleteness of fact or opinion in this research report or lack of care in this research report's preparation or publication, or any losses or damages which may arise from the use of this research report. VDSC may rely on information barriers, such as "Chinese Walls" to control the flow of information within the areas, units, divisions, groups, or affiliates of VDSC. Investing in any non-U.S. securities or related financial instruments (including ADRs) discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on such non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the United States.

The value of any investment or income from any securities or related financial instruments discussed in this research report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.

Past performance is not necessarily a guide to future performance and no representation or warranty, express or implied, is made by VDSC with respect to future performance. Income from investments may fluctuate. The price or value of the investments to which this research report relates, either directly or indirectly, may fall or rise against the interest of investors. Any recommendation or opinion contained in this research report may become outdated as a consequence of changes in the environment in which the issuer of the securities under analysis operates, in addition to changes in the estimates and forecasts, assumptions and valuation methodology used herein.

No part of the content of this research report may be copied, forwarded or duplicated in any form or by any means without the prior.

HEAD OFFICE

141 Nguyen Du St., Dist. 1, HCMC

T +84 8 6299 2006
F +84 8 6299 7986
E info@vdsc.com.vn
W www.vdsc.com.vn

HA NOI BRANCH

2C Thai Phien St., Hai Ba Trung 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, Nha Trang City

T +84 058 3820 006
F +84 058 3820 008
E info@vdsc.com.vn
W www.vdsc.com.vn

CAN THO BRANCH

95-97-99 Vo Van Tan St., Ninh Kieu Dist.,
Can Tho City

T +84 0710 381 7578
F +84 0710 381 8387
E info@vdsc.com.vn
W www.vdsc.com.vn

