Market today: The VN-Index Reached New High

(Quang Vo – Ext: 1517)

Despite the lack of support from many banking stocks, the VN-Index climbed to a new record high of 786.81 on the strength of the VN-30's stocks including SAB, GAS and VCB. The VN-30 also outperformed the market in terms of breadth as the VN-30 saw a positive ratio of gainers/losers at 14/13 (vs. a negative ratio of 124/159 of the VN-Index). This indicated that the stock-picking strategy based on each stock's catalysts is reasonable. We recommend investors to pay attention to stocks enjoying positive Q2-2017 results and even stocks falling into the oversold territory in the earning seasons.

"The VN-Index Reached New High"

RongViet Research's Comment on Q2 2017 Earnings Result:

BFC recently announced its Q2 2017 sales and PAT growing by 0.7%YoY and 16.8% YoY, respectively, in line with our estimates. For Q3 2017, BFC expects a PBT of VND86 billion, decreasing by 17% YoY. We see this guideline as conservative given the better weather condition in 2017 compared with 2016 and the decreasing material prices.

VNM has released its Q2 2017 result VND13,348 billion in revenue (+7.2% YoY) and VND2,916 billion in net profit (+3.2% YoY). Total revenue increased by 11% to VND25,397 billion in H1 2017, thanks to gaining more market shares in most of products such as liquid milk, powdered milk and yogurt. Domestic market was still the main contributor with 85% of total revenue and recorded a good growth of 17% while the foreign market saw a decrease of 13.6%. Although the gross margin in the first 6 months stayed at the same level as last year (48.5%), the lower of SG&A over the revenue in H1 2017 lifted the net profit 17%.

QNS announced a slight decrease in PAT in Q2 2017. For Q2 2017, revenue of QNS recorded a growth of 29% to VND2,098 billion, mainly thanks to sugar. In details, sugar in Q2 2017 achieved VND550 billion in revenue, 1.5x higher than last year while soy milk only slightly increased by 1.8% to VND1,100 billion. Despite a lower gross margin and no other income in Q2 2017, the absence of prepaid expense for technology and science development fund kept PBT the same as last year. However, the higher business income tax lowered PAT by 3.6%.

Macro-economic comment: Vietnam's manufacturing PMI drifted down to 51.7 in July from 52.5 in June. The decline in the headline index was partly driven by slower increases in output and new orders. This is also the case with new export orders, which is in line with our observations in recent import growths (3mma import growth has been stable at 31% in July 2017).

Analyst Pin-board

The Health of Manufacturing Sector is Still Good

(Ha My Tran – *Ext: 1309)*

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RONGVIET RESEARCH – 2Q17 Results Update

Unit: VND Billion

Note: *Latest Updates*

Ticker	2Q17				1H17				Compared with our estimation
	Net Revenue	%YoY	PAT	%YoY	Net Revenue	%YoY	PAT	%YoY	
BFC	2,052	1%	111	17%	3,225	6%	168	30%	😐
BMP	979	9%	128	-13%	1,737	9%	228	-34%	☹
CHP	167	108%	59	-935%	412	135%	198	11090%	☺
CTD	6,183	24%	412	16%	10,544	29%	713	20%	😐
DBC	1,073	-33%	-33	-117%	2,549	-11%	-20	-108%	☹
DHC	201	47%	16	-23%	361	31%	29	-25%	😐
DHG	926	6%	186	20%	1,808	7%	359	17%	😐
DPM	2,372	-2%	231	-39%	4,350	-2%	454	-42%	☹
DQC	223	10%	26	-63%	418	-7%	50	-53%	☹
DRC	864	-3%	35	-69%	1,764	8%	105	-47%	☹
FPT	10,718	20%	512	-1%	20,136	16%	925	7%	😐
GMD	1,006	6%	100	-16%	1,866	4%	196	4%	☹
HAX	1,035	21%	-7	-167%	1,814	40%	21	-38%	😐
HPG	10,740	33%	1,535	-24%	21,005	38%	3,469	14%	😐
HSG	7,231	57%	272	-39%	13,444	50%	687	-21%	☹
IMP	276	17%	34	75%	500	17%	60	47%	😐
MBB	3,479	57%	1,108	39%	6,380	50%	1,998	33%	☺
NKG	3,105	43%	194	-19%	5,497	38%	350	14%	☺
NT2	1,781	14%	190	-50%	3,550	20%	456	-34%	☹
PAC	680	15%	56	100%	1,372	21%	77	54%	😐
PC1	816	-11%	69	-31%	1,383	-12%	129	-37%	😐
PGI	572	9%	47	19%	1,084	8%	79	23%	😐
PHR	245	4%	75	135%	658	59%	142	108%	☺
PNJ	2,345	46%	129	7%	5,476	39%	378	54%	😐
PPC	1,682	11%	451	-335%	3,158	-2%	593	-270%	☺
PTB	1,031	9%	84	57%	1,954	10%	141	33%	😐
PVT	1,369	-21%	45	-61%	3,021	-7%	152	-20%	☹
RAL	530	-9%	35	-12%	1,408	1%	83	23%	☹
REE	1,156	33%	337	134%	2,244	58%	668	175%	☺
SKG	112	9%	62	-5%	201	6%	106	-11%	😐
STK	470	17%	24	-19%	918	38%	49	52%	😐
SVC	3,573	8%	20	-20%	6,722	11%	40	-6%	😐
TCM	772	-1%	70	154%	1,547	2%	118	137%	☺
TNG	597	20%	28	8%	999	17%	42	6%	☹
VCB	7,299	16%	2,016	27%	14,586	19%	4,222	23%	😐
VFG	578	-5%	36	-24%	1,051	-5%	62	-18%	☹
VNM	13,348	7%	2,922	4%	25,398	11%	5,857	18%	😐

Recommendations (By Technical Analysis):

Indexes kept going down sharply at the beginning but recovered partly at the end of the session. In a short-term, the trend is still down and therefore, traders should lower the proportion of stock in technical recovery sessions.

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
PHR	38.80	**Cutloss**	21/06/2017	36.40	40.00		33.00	21/7/2017	34.20	-6.04%	Intermediate
CHP	27.30	**Take profit**	16/06/2017	25.20	30.00		24.00	21/7/2017	28.60	13.49%	Intermediate
RDP	21.9	**Take profit**	16/06/2017	16.20	18.00		15.00	21/7/2017	23.00	41.98%	Intermediate
BID	22.20	**Cutloss**	14/06/2017	20.00	22.00		18.00	21/7/2017	19.25	-3.75%	Intermediate
CAV	53.01	**Cutloss**	13/06/2017	56.20	62.00		53.50	21/7/2017	53.20	-5.34%	Intermediate
PVI	34.30	**Take profit**	12/06/2017	33.50	37.00		31.00	21/7/2017	34.70	3.58%	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 NEWS

COMPANY REPORTS	Issued Date	Recommend	Target Price
CTD - Diversifying for Future Growth	July 31st, 2017	Accumulate - Long term	251,200
SHP – A Long-term Growth Story	July 20th, 2017	Neutral – Intermediate term	25,400
CHP – Beyond the Expectation	July 20th, 2017	Accumulate - Intermediate term	31,900
NKG – Proving Its Capability	July 19th, 2017	Buy - Intermediate term	39,800
HSG – The most Profitable Business Has Received the Highest Priority	July 19th, 2017	Buy - Intermediate term	40,000

Please find more information at http://www.vdsc.com.vn/en/companyReport.rv?categoryId=302

FUND CERTIFICATES 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	28/07/2017	0.25% - 0.75%	0% - 2.5%	32,264	32,336	-0.22%
VF4	28/07/2017	0.25% - 0.75%	0% - 2.5%	14,671	14,692	-0.14%
VFA	16/03/2017	0.25% - 0.75%	0% - 1.5%	6,777	6,802	-0.37%
VFB	28/07/2017	0.25% - 0.75%	0% - 2.5%	15,648	15,165	3.18%
ENF	21/07/2017	0% - 3%	0%	16,918	17,306	-2.24%
MBVF	20/07/2017	1%	0%-1%	13,163	13,307	-1.08%
MBBF	19/07/2017	0%-0.5%	0%-1%	13,907	13,932	-0.18%

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