Market today: Unconvincing Recovery

(Thien Bui– Ext: 1321)

The final session of this week witnessed 2 different movements of the VNIndex (+4.73 pts) and the HNXIndex (-0.52 pt). Liquidity surged in the HSX with more than VND5,200 billion trading value whereas the put-though orders accounted for more than VND1,900 billion. MSN was the leader with more 27,668,190 shares matched at reference price, giving a put-through value of VND1,270 billion. This is probably the transaction between Private Equity New Markets II K.S (PENM) and KKR. Another large trade came from 6.5 million shares of NVL equivalent to VND455 billion. Excluding these extreme values, liquidity in both bourses still recorded approximately at VND4,000 billion, an average value of this week.

Foreigners turned to net sellers of series net buying. In the HSX, they net bough VND197.6 billion, concentrating on VND450.7 billion of NVL and VND20.6 billion of STB shares. Foreigners slightly net sold in the HNX, majoring in PVS with high value of VND15.89 billion. It is concluded that total trading activities of off-shore investors came from extraordinary trades of NVL. If we exclude the value of NVL shares, foreigners are still net buyers in the market with a mere VND253 billion.

"Unconvincing Recovery"

VNM was most discussed today. In the documents for 2017 AGM, VNM is planning to change the company governance structure in which the Inspection Committee shall be converted into Sub-Committee of Auditing (also known as Internal Auditing Committee managed by the Board). In order to effect the obligations of the Board under the new model, VNM proposes the AGM to approve the number of Board members for the office term of 2017 – 2021 of up to 9 persons. **VNM will be the first company to apply the 1-tier board system**. Under this system, the company is governed by a unified board performing both management and supervisory functions; thus there is no supervisory board. Previously, VNM (and other JS companies in Vietnam) use the 2-tier board system which the supervisory board is separated. The system that VNM is heading for could increase the power of supervisory board (Audited Committee) when there are independent members with high expertise. This next move of VNM can increase the company's governance and credit in the eyes of investors.

Today gain of VN30 partially covered most of yesterday loss and help VNIndex reach new height. However, today gain is not very convincing as not all stocks show a clear recovery. Overall, most of large-cap stocks faced strong selling pressure in this trading week. The more it goes to the end of this month, the less stocks with their own support stories will appear. Hence, we recommend investors to take advantages of sudden strong gain of the market to sell shares that are becoming less prosperous to balance cash and stocks in their portfolios.

Analyst Pin-board

CTD- Opportunities Come from the Leading Position

(Trinh Nguyen– Ext: 1331)

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Recommendations:

VN-Index and HNX-Index decreased on average volumes but VN30-Index fell sharply. Indexes are now fluctuating on narrow range after a long rally before. Traders should maintain a balance portfolio and wait to see if indexes break their resistances or supports.

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	28.70	**Hold**	07/03/2017	25.90	28.00		24.50			10.81%	Intermediate
DIG	8.80	**Hold**	27/02/2017	8.53	10.00		7.80			3.17%	Intermediate
FPT	46.55	**Hold**	15/02/2017	46.00	50.00		44.00			1.20%	Intermediate
AAA	25.10	**Hold**	14/02/2017	25.20	28.00		23.00			3.72%	Intermediate
ITD	27.10	**Hold**	06/02/2017	25.70	28.00		23.50			5.45%	Intermediate
BVH	58.30	**Hold**	05/01/2017	61.10	66.00		58.00			-4.58%	Short-term

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
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
SKG - Competition Will Begin to Impact Earnings Results	December 16th, 2016	Neutral – Long term	72,800

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	17/03/2017	0.25% - 0.75%	0% - 2.5%	29,938	29,885	0.18%
VF4	17/03/2017	0.25% - 0.75%	0% - 2.5%	13,393	13,351	0.31%
VFA	17/03/2017	0.25% - 0.75%	0% - 1.5%	6,777	6,802	-0.37%
VFB	17/03/2017	0.25% - 0.75%	0% - 2.5%	14,096	14,105	-0.06%
ENF	10/03/2017	0% - 3%	0%	15,164	14,847	2.14%
MBVF	02/03/2017	1%	0%-1%	12,614	12,607	0.06%
MBBF	01/03/2017	0%-0.5%	0%-1%	13,566	13,552	0.10%

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