Market today: VNIndex Comes to a Halt Ahead of New Record High

(Quang Vo – Ext: 1517)

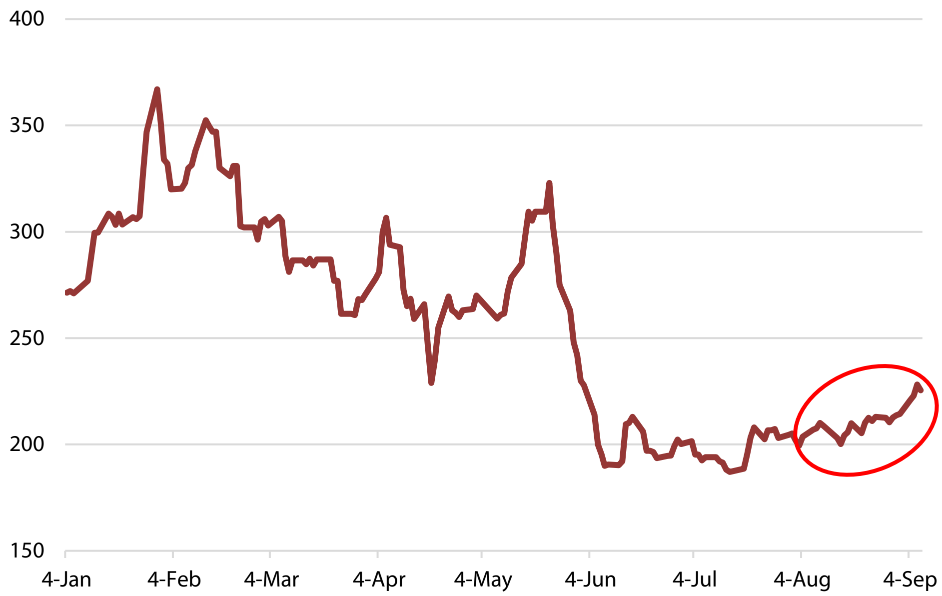
The market showed more positive signs (compared with yesterday's session) as we saw more gainers and slightly improved liquidity. The VNIndex (796.72, +0.4%) has successfully closed above its record high in August (796.6), despite being faced with some selling pressure in the last few minutes. That said, we continue to be skeptical about the next upcoming rally as only few large caps were in charge of pushing the VNIndex up, and the market breadth has not reached positive levels.

HPG and HSG edged down today at the same time with steel prices in the Shang Hai Steel Futures Exchange decreasing by 0.2% to CNY4,080 per ton. Our steel analyst comments that the fall in the world steel prices seems to be temporary, while the uptrend could persist until the end of this year. Besides, stable supply-demand condition seen in the domestic steel industry also supported a further increase on steel prices.

Rubber shares also showed negative signs on the back of increasing world rubber prices. As for the recently world rubber prices rise, our rubber analyst believes that steady supply-demand outlook is the main contributor. Regarding the demand side, Chinese economic data in the first eight months of 2017 was better than the market's expectation, especially in terms of GDP growth in H1 2017 was 6.9%, which is higher than previous forecast at about 6.5–6.6%. Besides, the fact that rubber stockpiles in Qindao, China's main commodity hub, fell for the fifth week in a row by 13 percent to 149,600 MT, is also expected to boost natural rubber import in China. On the supply side, heavy rain disrupts rubber tapping in the south and west coasts of Thailand, where the amount of rainfall is at 107% and 86% above multiyear average levels, respectively. In addition, the International Tripartite Rubber Council (ITRC) said that it would continue to monitor and analyze the market trend as well as explore other possible measures towards strengthening rubber prices, ***signaling that rubber price trend in the long term may continue to improve.***

"VNIndex Comes to a Halt Ahead of New Record High"

Figure: World Rubber Prices (JPY/Kg)



Source: Bloomberg, RongViet Research

In World Macro-Economic News:

Tonight, the European Central Bank (ECB) will announce the result of the meeting on monetary policy. Before the meeting, several leaders of major financial institutions have put pressure on the ECB to tighten monetary policy by raising interest rates. At the same time, the exchange rate EUR / USD continues to rise today for the 4th consecutive session, hitting 1.1975 according to our latest update.

In spite of the pressure on tightening of monetary policy, however, we find that ECB will properly show more concern about the appreciation of the euro. According to forecasts of some financial institutions, ECB is likely to continue its asset purchase program until the end of December and reduce its forecasted inflation next year when the euro will be appreciated. Meanwhile, a clearer signal of a tightening of monetary policy is expected to be announced at the next policy meeting in late October. The gain momentum of the euro is expected to slow down in order to wait for the tightening of monetary policy from the ECB in the latter part of the year.

Analyst Pin-board

Replacing Foreign Drugs with Cost-effective Domestic Medicine – a Trend in Upcoming Regulations

(Hieu Nguyen – *Ext: 1514)*

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Technical Analysis Recommendation

Indexes continued going lightly. The trading volume remained quite low. The current uptrend is still valid but the lack of liquidity shows that correction may come soon. Traders consider taking profit partly.

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
KSB	52.30	**Buy**	31/08/2017	52.50	55.00		50.00			-0.38%	Short-term
PHR	41.00	**Hold**	21/08/2017	40.20	44.00		38.00			1.99%	Intermediate
RDP	20.00	**Hold**	16/08/2017	20.80	24.00		19.50			-3.85%	Intermediate
ITD	18.60	**Hold**	16/08/2017	19.50	22.00		18.00			-4.62%	Long-term
HSG	28.65	**Hold**	16/08/2017	29.15	31.00		28.00			-1.72%	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
VSH - Optimistic Long-Term Prospects	September 06th, 2017	Buy – 1 year	22,100
NLG - Large Land Bank to Ensure Long-Term Development	August 30th, 2017	Neutral – 1 year	30,000
PTB - A Bright Prospect For PTB's Wood Processing Business	August 22nd, 2017	Neutral – 1 year	138,700
QNS - Picture mixed with light and darkness	August 21st, 2017	Buy – 1 year	87,400
CTD - Diversifying for Future Growth	July 31st, 2017	Accumulate - Long term	251,200

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	8/25/2017	0.25% - 0.75%	0% - 2.5%	32,631	32,474	0.48%
VF4	8/25/2017	0.25% - 0.75%	0% - 2.5%	14,841	14,766	0.51%
VFA	3/16/2017	0.25% - 0.75%	0% - 1.5%	6,777	6,802	-0.37%
VFB	8/25/2017	0.25% - 0.75%	0% - 2.5%	15,504	15,557	-0.34%
ENF	8/18/2017	0% - 3%	0%	17,191	17,339	-0.85%
MBVF	8/17/2017	1%	0%-1%	13,308	13,280	0.21%
MBBF	8/16/2017	0%-0.5%	0%-1%	13,985	13,958	0.19%

ANALYSIS & INVESTMENT ADVISORY DEPARTMENT

Truc Doan
Head of Research
truc.dtt@vdsc.com.vn
+ 84 28 62992006 (1308)

Ha My Tran
Deputy Manager
my.tth@vdsc.com.vn
+ 84 28 62992006 (1309)
- Macroeconomics

Lam Nguyen
Senior Strategist
lam.ntp@vdsc.com.vn
+ 84 28 6299 2006 (1313)
- Banking
- Conglomerates

Thien Bui
Senior Analyst
thien.bv@vdsc.com.vn
+ 84 28 6299 2006 (1321)
- Market Strategy
- Financial Services
- Personal Goods

Hoang Nguyen
Senior Analyst
hoang.nh@vdsc.com.vn
+ 84 28 6299 2006 (1319)
- Transportation
- Industrial Real Estates

Hieu Nguyen
Senior Analyst
hieu.nd@vdsc.com.vn
+ 84 28 6299 2006 (1514)
- Market Strategy
- Pharmaceuticals
- Durable Household Goods

Duong Lai
Senior Analyst
duong.ld@vdsc.com.vn
+ 84 28 6299 2006 (1522)
- Real Estates
- Building Materials

Vu Tran
Senior Analyst
vu.thx@vdsc.com.vn
+ 84 28 6299 2006 (1518)
- Oil & Gas
- Food & Beverage

Trinh Nguyen
Analyst
trinh.nh@vdsc.com.vn
+ 84 28 6299 2006 (1331)
- Steel
- Construction
- Technology

Quang Vo
Analyst
quang.vv@vdsc.com.vn
+ 84 28 6299 2006 (1517)
- Market Strategy
- Basic Materials
- Personal Goods

Son Phan
Analyst
son.pnt@vdsc.com.vn
+ 84 28 6299 2006 (1519)
- Utilities
- Natural Rubber

Thu Le
Analyst
thu.lta@vdsc.com.vn
+ 84 28 6299 2006 (1521)
- Automobiles and Parts

Ha Tran
Assistant
ha.ttn@vdsc.com.vn
+ 84 28 6299 2006 (1526)

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