RONGVIET SECURITIES

MAY

6 PM CALL

03

FRIDAY

“Conservative on market prosperity for a continuous break out”

Market today: **Conservative on market prosperity for a continuous break out**

*(**Thien Bui** - Ext: 1321)*

As many stocks was sold in ATC, VNIndex slightly decreased by 1.49 pts. HNIndex, on the contrary, increased to 82.66 pts. Constructions and Real estate stocks (for example VCG, HUT, VCS in HNIndex or VIC, CTD, HPG in VNIndex) still performed well today. These sectors contributed greatly to HNIndex, yet they could not offset the negative effect from GAS and banking stocks in VNIndex. Although today was a down session, it was still the highest session of the week in terms of liquidity and trading value. In both exchanges, excluding put through transaction, trading volume was 175 million shares (an equivalent of VND 2,450 billion).

Foreign investors continue to net buy. They were net buyers to the total values of VND375 billion and VND53 billion in HSX and HNX worth of shares. The result for 2Q/2016 constitution of Db x-trackers FTSE Vietnam ETF has been released. GTN is the only ticker that will be added while none will be deleted from the list. Next week, Van Eck Market Vector Vietnam ETF will also publish the result of its reconstitution. We forecast the fund would neither add nor exclude any tickers. The 2 new portfolios will come in force by the end of Friday (17/06).

The final result of OPEC meeting, as expected, does not have a significant impact on oil price. Despite the early assumption, Saudi Arabia has become more lenient about maintaining market share as in 2014; and turned around to be the first member to agree to the ceiling production rate in the group. However, the maximum volume per day is agreed upon 13 members. Oil price showed a slight down turn but gained back up right after the decision. In general, this fluctuation is not significant. On a different perspective, current oil price seems to be stable at this period when supply and demand is predicted to be equivalent.

Market tended to slow down after a strong gain. Market breadth was quite balanced. The average difference between intraday high and closed price of large-cap stocks was only around 1.04%. Investors continued to divest in speculative stocks like VHG, FLC, HAR etc. ***However, we are still conservative on market prosperity and underweigh chances for VNIndex to break the resistance 625 – 628 pts****. Market withstood the first T+ days ago and another T+ pressure would come with an uneasy condition that market is very close to the strong resistance of 625, which market failed to conquer in mid of May. There are more events to follow in this month: they are FED hiking rates, Brexit or other political events such as Shangri-La dialogue taking place from June 03-05 and dialogue between ASEAN and China about the conduct in East Sea. Two events existed prior to the time final decision will be declared by the Court of Arbitration about the China’s so-called U-shaped line that encompasses more than 80% of the East Sea.*

Finally, as usual, RongViet Research will introduce to our valued investors “Investment Strategy Report for June on Monday (06/06/2016).

Analyst Pin-board

SRF- A promising year

(Trinh Nguyen - Ext:1331)

If you are interested in this content, please click here to view more detail.

Recommendations:

VN-Index reduced slightly while HNX-Index kept going up. The two indexes are now moving around their previous peaks and therefore corrections may happen. The intermediate and long-term trends are up and therefore traders should maintain the current portfolio longer.

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
MCG	3.5	**Buy**	02/06/2016	3.3	4.0		3.0			6.06%	Intermediate
NT2	31.6	**Buy**	02/06/2016	31.2	35.0		29.5			1.28%	Intermediate
PDB	24.0	**Hold**	13/05/2016	25.9	28.5		24			-7.34%	Intermediate
ITD	24.9	**Hold**	11/03/2016	17.7	21.0		16			40.68%	Intermediate
BCC	13.8	**Hold**	22/01/2016	13.7	15.0		12.5			0.73%	Intermediate
LHC	50.4	**Hold**	21/08/2015	40.5	49.0		37			21.45%	Long

Notes:
- **Buying Price** is the Close Price at Buying date. **Selling Price** may be the Target Price, Cutloss 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
PGS - CNG divestment improves PGS's financial capability	May 26th, 2016	Accumulate – Intermediate	20,600
REE - Unwavering long-term prospect	May 18th, 2016	Accumulate – Long term	26,800
PPC – Stability	May 17th, 2016	Neutral – Long term	19,100
PLC - Expect better business results in Q22016	May 16th, 2016	Accumulate – Intermediate	32,300
NT2 - Secure position	May 13th, 2016	Accumulate – Long term	34,800

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	10/05/2016	0.2% - 1%	0.5%-1.5%	25,104	25,156	-0.21%
VF4	10/05/2016	0.2% - 1%	0%-1.5%	11,252	11,258	-0.06%
VFA	06/05/2016	0.2% - 1%	0%-1.5%	6,835	6,782	0.78%
VFB	06/05/2016	0.3% - 0.6%	0%-1%	12,893	12,872	0.16%
ENF	06/05/2016	0% - 3%	0%	12,687	12,587	0.79%
MBVF	05/05/2016	1%	0%-1%	11,238	11,269	-0.28%
MBBF	04/05/2016	0%-0.5%	0%-1%	12,686	12,671	0.12%
VF1	10/05/2016	0.2% - 1%	0.5%-1.5%	25,104	25,156	-0.21%
VF4	10/05/2016	0.2% - 1%	0%-1.5%	11,252	11,258	-0.06%

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