OCTOBER

19

WEDNESDAY

"The surge of banking stocks"

6 PM CALL

Market today: The surge of banking stocks

(Hieu Nguyen – Ext: 1514)

Rarely the market got off in the right foot like today. VN-Index increased thanks to the excellence performance of large-cap stocks. While VNMID went sideway and VNSML fell 0.03%, VN30 surged 0.93%, including the rally of all 4 biggest stocks in terms of market capitalization VNM, GAS, VCB and VIC. Though the rally somewhat slowed down in the afternoon, VN-Index still closed at 688.89 pts, 1.01% higher than yesterday, while the HNX-Index also rose 0.64% to 85.54 points. Outperform sectors included steel (HPG, HSG, NKG, TLH), Utilities (GAS, PGS, PGD) and Construction materials (HT1, VCS, NTP). Liquidity continued to improve as total trading turnover on both exchanges was VND3,637 bn.

Banking sector claimed the spotlight today. BID, VCB and CTG on HSX, and SHB and ACB on HNX both contributed greatly to the rally, from which the reason could be the "word of mouth" about FOL and lowering required reserve ratio. However, according to Rong Viet analyst, the news was not new at all. Since 2015, the Central bank had already issued a circular allowing banks that were in the process of restructuring to have lower required reserve ratio. No listed bank was on that list. For FOL, it is still a story with a long-term roadmap of 2-3 years. In market view, no matter the reason, the increase of banking sector pulled up the index today. The question is that as the VN-Index approached 690 pts, whether banking stocks are strong enough, or there will be another sectors step in to help the index breakthrough the resistance level tomorrow. We will find out soon.

Analyst Pin-board

PHP – Improving profitability

*(**Hoang Nguyen** – Ext: 1319)*

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RONG VIET NEWS

COMPANY REPORTS	Issued Date	Recommend	Target Price
NNC - Stone industry: Firm base for intermediate	October 05th, 2016	Neutral – Long term	94,400
REE – Buying opportunities open as earnings bottom out	September 29th, 2016	Accumulate – Long term	27,000
CHP – Back to normal routine	September 29th, 2016	Accumulate – Intermediate term	23,400
VFG – Stable operation prevails over peers	September 26th, 2016	Accumulate – Long term	112,000
PPC – Unfavourable 2016	September 19th, 2016	Buy	19,400

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	12/10/2016	0.2% - 1%	0.5%-1.5%	28,910	28,704	0.72%
VF4	12/10/2016	0.2% - 1%	0%-1.5%	12,941	12,834	0.83%
VFA	07/10/2016	0.2% - 1%	0%-1.5%	6,404	6,443	-0.61%
VFB	07/10/2016	0.3% - 0.6%	0%-1%	13,550	13,616	-0.48%
ENF	07/10/2016	0% - 3%	0%	14,759	14,631	0.87%
MBVF	06/10/2016	1%	0%-1%	12,307	12,127	1.48%
MBBF	05/10/2016	0%-0.5%	0%-1%	13,262	13,236	0.20%
VF1	12/10/2016	0.2% - 1%	0.5%-1.5%	28,910	28,704	0.72%
VF4	12/10/2016	0.2% - 1%	0%-1.5%	12,941	12,834	0.83%

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