



AUGUST

05

FRIDAY

"Starting in the red"

6 PM CALL

Market today: Starting in the red

(Lam Nguyen - Ext:1313)

Ending the first trading week of August, **VNIndex underwent four strong losses and only one slight gain**. The stories around the phenomenon of financial reporting unexpected losses after earlier posting returns of many listed companies, the story of "TTF - DRH - KSB - Tan Lien Phat", as well as the case of VNCB bank made cautious throughout the first trading week of the month. Friday trading session saw the strong decreases of bluechips such as VIC, VCB, MSN ... pulled VNIndex plummeted, penetrating the medium-term support level of 630 points and then approaching 623 points in the afternoon before closing at 627.39 points. HN index fell slightly by 0.1 % to 81.07 points. Market liquidity was VND 2,339.5 billion, equivalent to yesterday trading value.

These trading movements of the week are fairly matched with the concerns we have raised before. For most remaining time of August, beside liquidity fluctuations, we believe that earnings expectation for the second half is still the main factor affecting the evolution of stock market. For more information about the evaluation as well as specific recommendations, investors can refer to Investment Strategy Report August 2016 of RongViet Research released today.

Relating to macro news, in an attempt to prevent a post-Brexit recession, **the Bank of England cut its official interest rate to 0.25% from 0.5% for the first time since 2009**. In addition, the BOE employs Quantitative Easing to pump more money into the economy, including: 60 billion GBP to purchase government bonds and 10 billion GBP to purchase corporate bonds; 100 billion GBP of new funding to banks to help them pass on the base rate cut. The Sterling pounds lost 1.3% its value to USD after BOE's announcement. Recent economic indicators show confidence among corporates and households slumped after the Brexit wake and that a slowdown in spending threatens to send UK into a recession. The BOE has made the first move in response to post-Brexit aftermath. Unsecured economic and political conditions carry on as the UK starts its negotiation leaving the EU. In a scenario of unchecked economic conditions, the BOE must have the credibility to commit to more aggressive stimulus measures to alleviate post-Brexit repercussion. We expect that there will be further interest rate cuts and quantitative easing carried out by BOE and other central banks.

Analyst Pin-board

1H2016 earnings picture: Optimistic core earnings trend despite short-term setback

Tai Nguyen – Ext: 1310

If you are interested in this content, please click [here](#) to view more detail.

Recommendations:

The two indexes kept going down on average volumes. Hammer candlesticks appeared on both VN-Index and HNX-Index but we need confirmations on next sessions. Traders should hold a portfolio with high cash ratio.

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
VGC	14.4	Hold	26/07/2016	13.9	18.0		13.0			3.60%	Long
KBC	17.3	Hold	18/07/2016	16.8	18.0		15.5			2.98%	Intermediate
CTI	26.0	Hold	18/07/2016	26.7	29.0		25			-2.62%	Intermediate
LHC	59.5	Hold	21/08/2015	41.5	49.0	70.0	58			43.37%	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
SRF - Making full use of industry growth	August 4 th , 2016	Accumualte – Long term	32,100
ITD - Growth dynamics from development of transport infrastructure	July 28 th , 2016	Buy - Intermediate	34,900
NCT – Strong air freight outlook is the key	July 20 th , 2016	Accumualte – Long term	140,000
BCI - Gold in land	July 07 th , 2016	Accumualte – Long term	28,400
PAC - Profit driver from replacement segment	July 04 th , 2016	REDUCE – Intermediate	36,600

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	29/07/2016	0.2% - 1%	0.5%-1.5%	27,888	27,747	0.51%
VF4	29/07/2016	0.2% - 1%	0%-1.5%	12,477	12,413	0.52%
VFA	29/07/2016	0.2% - 1%	0%-1.5%	6,775	6,802	-0.40%
VFB	29/07/2016	0.3% - 0.6%	0%-1%	13,162	13,128	0.26%
ENF	22/07/2016	0% - 3%	0%	13,892	13,979	-0.62%
MBVF	21/07/2016	1%	0%-1%	11,632	11,671	-0.33%
MBBF	27/07/2016	0%-0.5%	0%-1%	13,021	12,982	0.30%
VF1	29/07/2016	0.2% - 1%	0.5%-1.5%	27,888	27,747	0.51%
VF4	29/07/2016	0.2% - 1%	0%-1.5%	12,477	12,413	0.52%

ANALYSTS

Truc Doan – Head of Research

+ 84 8 6299 2006 | Ext: 1308

truc.dtt@vdsc.com.vn

Lam Nguyen

+ 84 8 6299 2006 | Ext: 1313

lam.ntp@vdsc.com.vn

Ngoan Phung

+ 84 8 6299 2006 | Ext: 1516

Ngoan.ptp@vdsc.com.vn

Thien Bui

+ 84 8 6299 2006 | Ext: 1321

Thien.bv@vdsc.com.vn

Ha My Tran – Deputy Manager

+ 84 8 6299 2006 | Ext: 1309

my.tth@vdsc.com.vn

Diem My Tran

+ 84 8 6299 2006 | Ext: 1311

my.ttd@vdsc.com.vn

Kien Nguyen

+ 84 8 6299 2006 | Ext: 1320

Kien.nt@vdsc.com.vn

Hoang Nguyen

+ 84 8 6299 2006 | Ext: 1319

Hoang.nh@vdsc.com.vn

Tai Nguyen – Deputy Manager

+ 84 8 6299 2006 | Ext: 1310

tai.ntp@vdsc.com.vn

Huong Pham

+ 84 8 6299 2006 | Ext: 1314

huong.pt@vdsc.com.vn

Trinh Nguyen

+ 84 8 6299 2006 | Ext: 1331

Trinh.nh@vdsc.com.vn

Hieu Nguyen

+ 84 8 6299 2006 | Ext: 1514

Hieu.nd@vdsc.com.vn

DISCLAIMERS

This report is prepared in order to provide information and analysis to clients of Rong Viet Securities only. It is and should not be construed as an offer to sell or a solicitation of an offer to purchase any securities. No consideration has been given to the investment objectives, financial situation or particular needs of any specific. The readers should be aware that Rong Viet Securities may have a conflict of interest that can compromise the objectivity of this research. This research is to be viewed by investors only as a source of reference when making investments. Investors are to take full responsibility of their own decisions. VDSC shall not be liable for any loss, damages, cost or expense incurring or arising from the use or reliance, either full or partial, of the information in this publication.

The opinions expressed in this research report reflect only the analyst's personal views of the subject securities or matters; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or opinions expressed in the report.

The information herein is compiled by or arrived at Rong Viet Securities from sources believed to be reliable. We, however, do not guarantee its accuracy or completeness. Opinions, estimations and projections expressed in this report are deemed valid up to the date of publication of this report and can be subject to change without notice.

This research report is copyrighted by Rong Viet Securities. All rights reserved. Therefore, copy, reproduction, republish or redistribution by any person or party for any purpose is strictly prohibited without the written permission of VDSC. Copyright 2016 Viet Dragon Securities Corporation.

IMPORTANT DISCLOSURES FOR U.S. PERSONS

This research report was prepared by Viet Dragon Securities Corp. ("VDSC"), a company authorized to engage in securities activities in Vietnam. VDSC is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

Any U.S. recipient of this research report wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through Rosenblatt Securities Inc., 20 Broad Street 26th Floor, New York NY 10005, a registered broker dealer in the United States. Under no circumstances should any recipient of this research report effect any transaction to buy or sell securities or related financial instruments through VDSC. Rosenblatt Securities Inc. accepts responsibility for the contents of this research report, subject to the terms set out below, to the extent that it is delivered to a U.S. person other than a major U.S. institutional investor.

The analyst whose name appears in this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA") and may not be an associated person of Rosenblatt Securities Inc. and, therefore, may not be subject to applicable restrictions under FINRA Rules on communications with a subject company, public appearances and trading securities held by a research analyst account.

Ownership and Material Conflicts of Interest

Rosenblatt Securities Inc. or its affiliates does not 'beneficially own,' as determined in accordance with Section 13(d) of the Exchange Act, 1% or more of any of the equity securities mentioned in the report. Rosenblatt Securities Inc, its affiliates and/or their respective officers, directors or employees may have interests, or long or short positions, and may at any time make purchases or sales as a principal or agent of the securities referred to herein. Rosenblatt Securities Inc. is not aware of any material conflict of interest as of the date of this publication.

Compensation and Investment Banking Activities

Rosenblatt Securities Inc. or any affiliate has not managed or co-managed a public offering of securities for the subject company in the past 12 months, nor received compensation for investment banking services from the subject company in the past 12 months, neither does it or any affiliate expect to receive, or intends to seek compensation for investment banking services from the subject company in the next 3 months.

Additional Disclosures

This research report is for distribution only under such circumstances as may be permitted by applicable law. This research report has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient, even if sent only to a single recipient. This research report is not guaranteed to be a complete statement or summary of any securities, markets, reports or developments referred to in this research report. Neither VDSC nor any of its directors, officers, employees or agents shall have any liability, however arising, for any error, inaccuracy or incompleteness of fact or opinion in this research report or lack of care in this research report's preparation or publication, or any losses or damages which may arise from the use of this research report. VDSC may rely on information barriers, such as "Chinese Walls" to control the flow of information within the areas, units, divisions, groups, or affiliates of VDSC. Investing in any non-U.S. securities or related financial instruments (including ADRs) discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on such non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the United States.

The value of any investment or income from any securities or related financial instruments discussed in this research report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.

Past performance is not necessarily a guide to future performance and no representation or warranty, express or implied, is made by VDSC with respect to future performance. Income from investments may fluctuate. The price or value of the investments to which this research report relates, either directly or indirectly, may fall or rise against the interest of investors. Any recommendation or opinion contained in this research report may become outdated as a consequence of changes in the environment in which the issuer of the securities under analysis operates, in addition to changes in the estimates and forecasts, assumptions and valuation methodology used herein.

No part of the content of this research report may be copied, forwarded or duplicated in any form or by any means without the prior.

HEAD OFFICE

141 Nguyen Du St., Dist. 1, HCMC

-  +84 8 6299 2006
-  +84 8 6299 7986
-  info@vdsc.com.vn
-  www.vdsc.com.vn

HA NOI BRANCH

2C Thai Phien St., Hai Ba Trung Dist.,
Ha Noi City

-  +84 8 6288 2006
-  +84 8 6288 2008
-  info@vdsc.com.vn
-  www.vdsc.com.vn

NHA TRANG BRANCH

50 Bis Yersin, Nha Trang City

-  +84 058 3820 006
-  +84 058 3820 008
-  info@vdsc.com.vn
-  www.vdsc.com.vn

CAN THO BRANCH

95-97-99 Vo Van Tan St., Ninh Kieu Dist.,
Can Tho City

-  +84 0710 381 7578
-  +84 0710 381 7789
-  info@vdsc.com.vn
-  www.vdsc.com.vn

