

JUNE

02

TUESDAY

“Domestic investors took profit in bank sector”

Trien Le

+ 84 8 6299 2006 | Ext: 325

trien.lh@vdsc.com.vn

ADVISORY DIARY

- **DHC – Q2 result is still estimated positive**
- **Domestic investors took profit in bank sector**

DHC – Q2 result is still estimated positive

DHC, currently, draws investors' attention due to performance improvement day by day and an expectation about Giao Long II plant. Thus, we inform quickly the business situation as well as the preparation for this plant after meeting with DHC's representative recently.

In the first two months of quarter II, rising demand for carton is still a factor boosting earning of DHC. Additionally, the orientation to restructure the ratio of Testliner to 50% also brings positive improvement. Proportion of Testliner has reached 46% compared 30% in 2013. DHC has tried to lower input cost by taking chances of accumulating OCC inventory while the price of this commodity was declining (USD170/ton). As DHC representative, the current inventory is able to be enough for production until 10/2015. Therefore, the recovery of OCC price (USD 200/ton) as rising demand from China is not a concern for DHC in upcoming Q2 and Q3. Moreover, the husk price has been on a downward trend 13% since the beginning of 2015. So in April and May, DHC estimate to record an EAT of VND 5.5 billion/month. Thus, DHC has accomplished 51% of annual planned EAT in 2015. According to RongViet Research, the bottom line in Q2 of DHC will be estimated around VND 16 billion (~30% yoy).

As Giao Long II plant, after selecting the Chinese supplier for machinery, DHC almost approved the designed capacity of 500,000 tons/day with total investment of VND 600 billion. Investors may refer to our latest report dated 24th April 2015 about specific concern of this project. In the AGM at the end of June, the BOM will propose a detailed plan of Giao Long II project to shareholders. In order to arrange deposit for machinery supplier, DHC will issue 6 million shares (5 million shares for strategic partners) in July. The supply and assembly package is expected to last one and a half year and will come into operation from the middle of 2017. In our opinion, this project will play a significant role in the long-term outlook of the company. With the today closing price at VND 22,000 per share, DHC is currently trading 16% under our target price (VND 26,200 per share). Thus, we recommend investor to accumulate this stock.

Domestic investors took profit in bank sector

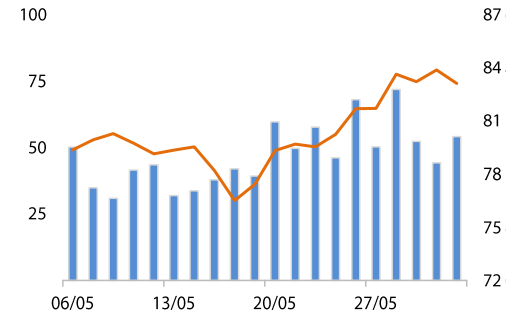
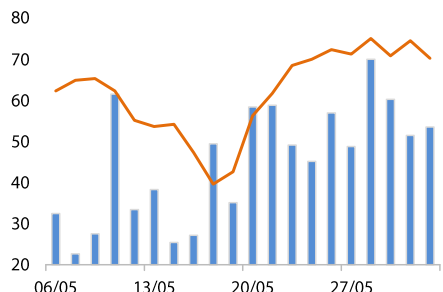
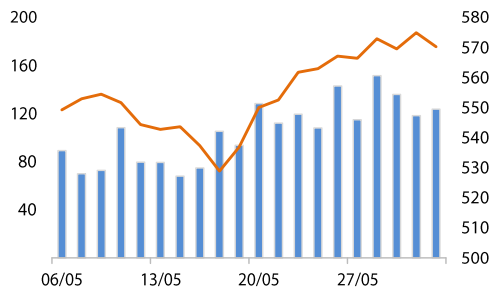
As mentioned in Advisory Diary last week, we thought a correction, which can occur after strong growth phase of bank sector, especially VCB. Observing transaction in the morning, the momentum yesterday affected on green color of this sector as BID, VCB. Thus, VNIndex sometimes hit the point 580. The fast and powerful push of VCB made investors' pressure on taking profit when VNIndex closely reached resistance. An when the leaders as VCB and bank stocks weakened due to strong selling pressure in yesterday, the index returned true value. In the end of this session, 2 bourses closed in red with 258 tumble tickers, 40% of all stocks. The foreign investors' net-buying of VND 158 billion, up 51% compared to yesterday, was only positive factor today

As profit-taking in short-term arose, we believe that the market is likely to be corrected in the following sessions. Thus, investors should consider accumulating undervalued stocks in strong correction sessions.

VNINDEX -0.81% 570.31

VN30 -0.84% 588.63

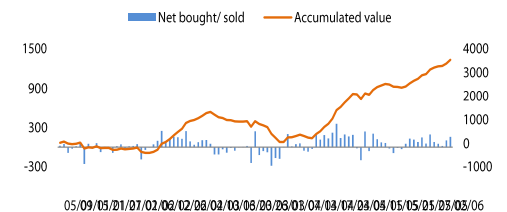
HNXINDEX -0.91% 83.13



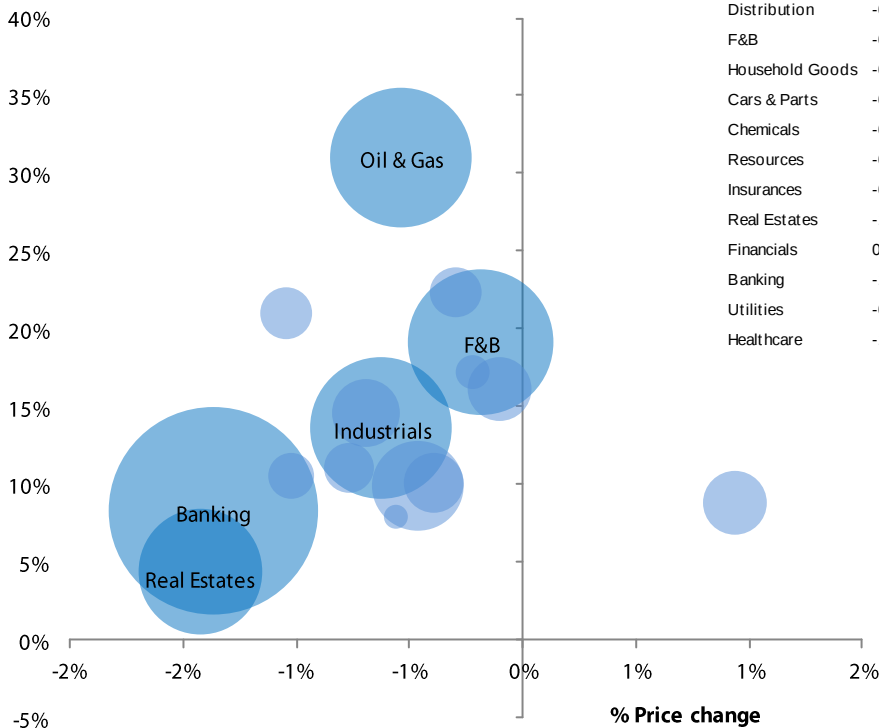
Industry Movement

Industry	%change
Technologies	-1.0%
Industrials	-0.6%
Constructions	-0.5%
Oil & Gas	-0.5%
Distribution	-0.6%
F&B	-0.2%
Household Goods	-0.8%
Cars & Parts	-0.2%
Chemicals	-0.1%
Resources	-0.3%
Insurances	-0.7%
Real Estates	-1.4%
Financials	0.9%
Banking	-1.4%
Utilities	-0.4%
Healthcare	-1.0%

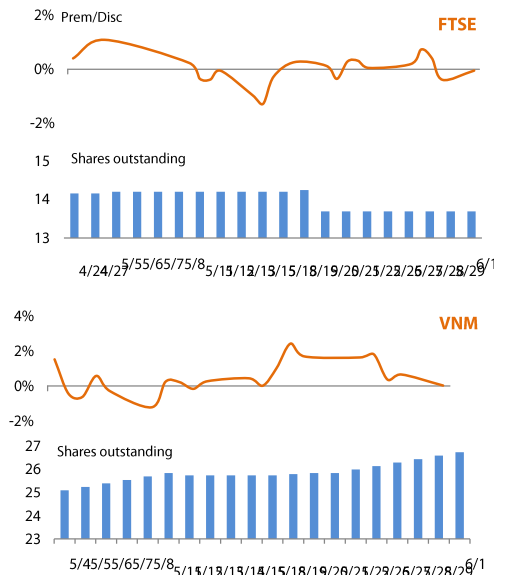
Foreign Investors Trading



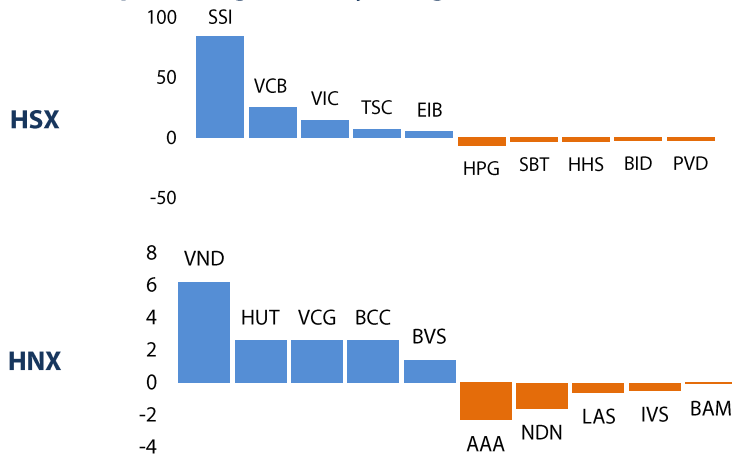
Industry ROE



ETF



Top net bought/sold by foreigners (VND bn)



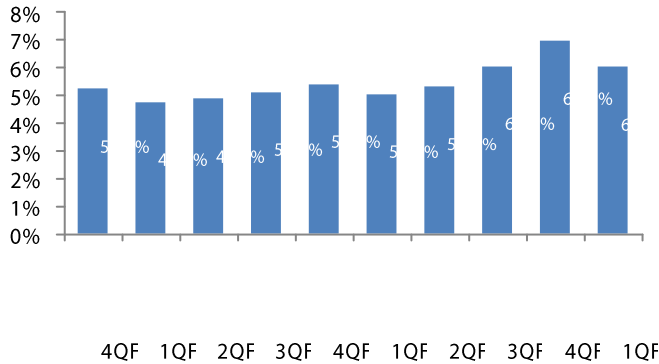
Top Active

Ticker	Price	Volume	% price change
FLC	9.1	15.38	1.1%
SSI	21.9	8.98	1.4%
HAI	9.8	6.28	2.1%
OGC	2.7	3.88	-3.6%
BID	20.6	3.70	-1.4%

Ticker	Price	Volume	% price change
FIT	14.7	6.84	3.5%
KLF	7.4	5.96	-1.3%
SHB	8.0	4.72	-1.2%
PVC	22.8	2.17	5.1%
SCR	6.8	2.13	-4.2%

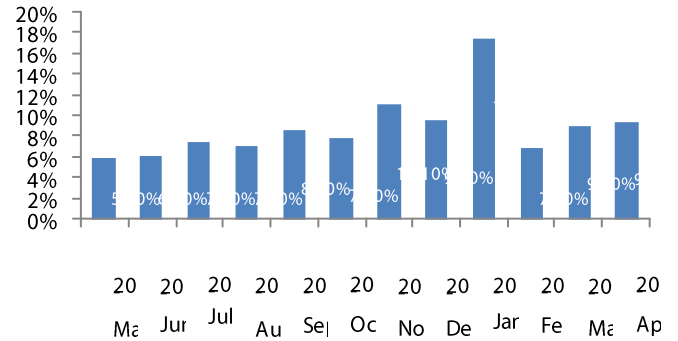
MACRO WATCH

Graph 1: GDP Growth



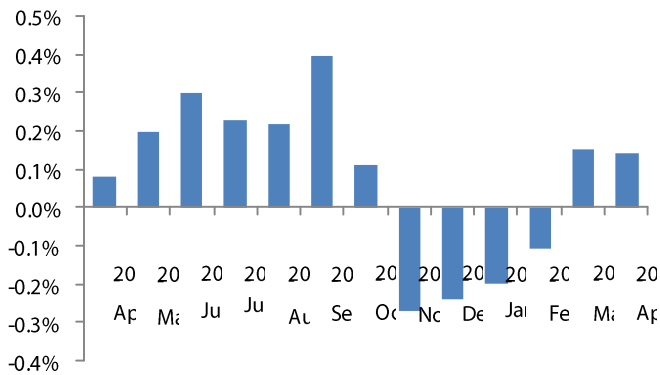
Sources: GSO. Rongviet Securities database
(* Comparison price in 1994)

Graph 2: IIP



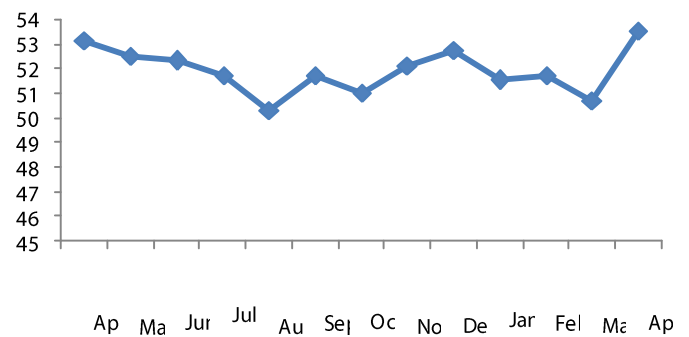
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



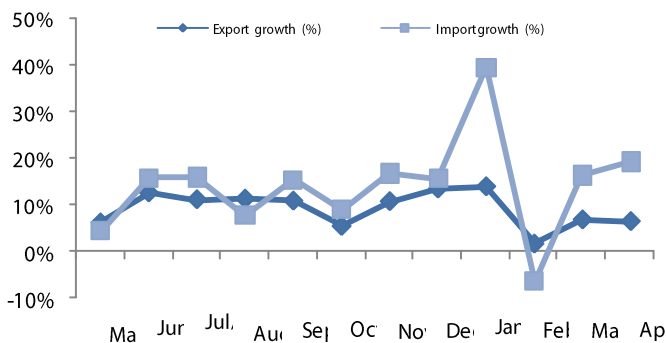
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



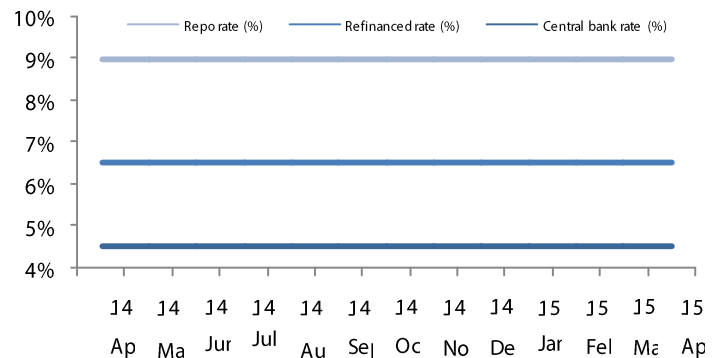
Sources: GSO. Rongviet Securities database

Graph 5: Trade Growth



Sources: GSO. Rongviet Securities database

Graph 6: Interest



Sources: SBV. Rongviet Securities database

RONG VIET NEWS

COMPANY REPORTS	Issued Date	Recommend	Target Price
GSP- Heading for a new growth period	May 11 th , 2015	Accumulate – Long term	16,600
STK - Running on all cylinders	May 7 th , 2015		30,800
VPH - Emerging from its lowest	May 5 th , 2015	Buy – Intermediate term	15,300
DHC-Giao Long factory (phase 2) adds lights to the long-term plan	April 24 th , 2015	Buy – Intermediate term	26,200
PLC - A firm foothold	April 14 th , 2015	Accumulate – Intermediate term	40,000

Please find more information at <http://vdsc.com.vn/tabid/149/language/vi-VN/default.aspx>

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
VFF	05/05/2015	0% - 0.75%	0% - 2.5%	11,672	11,683	-0.09%
VEOF	05/05/2015	0% - 0.75%	0% - 2.5%	9,238	9,456	-2.31%
VF1	08/05/2015	0.2% - 1%	0.5%-1.5%	20,675	20,520	0.75%
VF4	06/05/2015	0.2% - 1%	0%-1.5%	8,978	9,098	-1.38%
VFA	04/05/2015	0.2% - 1%	0%-1.5%	7,154	7,168	-0.20%
VFB	08/05/2015	0.3% - 0.6%	0%-1%	12,126	12,133	-0.05%
ENF	04/05/2015	0% - 3%	0%	10,834	10,779	0.51%
MBVF	04/05/2015	1%	0%-1%	10,449	10,439	0.10%
MBBF	29/04/2015	0%-0.5%	0%-1%	12,075	12,064	0.09%

ANALYSTS

Truc Doan – Head of Research

+ 84 8 6299 2006 | Ext: 355

truc.dtt@vdsc.com.vn

Hoang Nguyen

+ 84 8 6299 2006 | Ext: 328

Hoang.nh@vdsc.com.vn

Lam Nguyen

+ 84 8 6299 2006 | Ext: 323

lam.ntp@vdsc.com.vn

Tuan Huynh

+ 84 8 6299 2006 | Ext: 326

Tuan.hm@vdsc.com.vn

Kien Nguyen

+ 84 8 6299 2006 | Ext: 326

Kien.nt@vdsc.com.vn

Ha My Tran

+ 84 8 6299 2006 | Ext: 319

my.tth@vdsc.com.vn

Tai Nguyen

+ 84 8 6299 2006 | Ext: 319

tai.ntp@vdsc.com.vn

Diem My Tran

+ 84 8 6299 2006 | Ext: 321

my.ttd@vdsc.com.vn

Van Binh

+ 84 8 6299 2006 | Ext: 324

Van.btt@vdsc.com.vn

Trien Le

+ 84 8 6299 2006 | Ext: 325

trien.lh@vdsc.com.vn

Tam Bui

+ 84 8 6299 2006 | Ext: 324

tam.bt@vdsc.com.vn

Huong Pham

+ 84 8 6299 2006 | Ext: 323

huong.pt@vdsc.com.vn

Nam Huynh

+ 84 8 6299 2006 | Ext: 321

Nam.hk@vdsc.com.vn

HỘI SỞ TẠI TP.HCM

Tầng 1-2-3-4, tòa nhà Viet Dragon
141 Nguyễn Du, P.Bến Thành, Q.1, TP.HCM

T +84 8 6299 2006

F +84 8 6291 7986

E info@vdsc.com.vn

W www.vdsc.com.vn

CHI NHÁNH HÀ NỘI

2C Thái Phiên, Q.Hai Bà Trưng, Hà Nội

T +84 4 6288 2006

F +84 4 6288 2008

E info@vdsc.com.vn

W www.vdsc.com.vn

CHI NHÁNH NHA TRANG

50 Bis Yersin, TP.Nha Trang, Khánh Hòa

T +84 058 3820 006

F +84 058 3820 008

E info@vdsc.com.vn

W www.vdsc.com.vn

CHI NHÁNH CẦN THƠ

08 Phan Đình Phùng, Q.Ninh Kiều, TP.Cần Thơ

T +84 0710 381 7578

F +84 0710 381 7789

E info@vdsc.com.vn

W www.vdsc.com.vn



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 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.