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TUESDAY

"History votes for upside"

Market today: History votes for upside

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

VNIndex finally passed 620 points; the last time this happened was July 2015. The Index reached that points at the very early today, and continued to raise to 624.75 points. HNIndex increased to 82.21 points as well. Liquidity in term of order-matching values from both indexes was VND 2,729 billion, up 34% compared to yesterday. Net buy from foreigners at HSX and HNX was VND 147 billion and 34 billion respectively, focusing on Oil & Gas stocks such as PVT, PVD, GAS and PVS.

Oil& Gas stocks, together with Financial sector, were one main reason for today upside. GAS and PVD attracted great cash flow thanks to increasing oil price. Stocks in banking sector had a mixed story: BID, CTG up while VCB and MBB stood still. This seems to agree with our view in last week's reports: Banking stocks are testing supply-demand after breaking their long-term resistance. Last noticeable point of the day: went ceiling, which could be result from rumor of private issuance at high price.

Oil & Gas stocks joined the lead. Last night crude oil WTI futures and crude oi Brent futures contracts recorded at USD47.7/barrel (+3.16%) and USD49/barrel (+2.33%). Supply disruptions in oil exporting countries such as Venezuela and Nigeria continued to support the oil price. Besides, the coincident shortage of 1.5 barrels/day due to Canada wildlife fires also strengthen the sentiment of investors. Our analyst comments that the effect will soon be lessened and oil price might face correction. However, we are still positive on long-term prospect of oil price after form up a bottom in 1Q2016. Investors who prefer short-term trading could buy oil & gas stocks but only buy on weakness. Also, investors should notice that oil price is heading quickly to the resistance of $50/barrel (increased more than 80% from the bottom in Feb 2016), which means that correction will happen soon.

*VNIndex broke out strong resistance of 620 pts. Liquidity surged and improved market breadth are signs of more confidence. **History is supporting an upward trend to higher ground** at 635 – 640 as since 2006 VNIndex has experienced 5 times approaching 620 – 625 and continued to move higher 3 out of 5 times, one of which was "giant wave 2007". Blue-chips, especially **banking stocks** will be leaders of market. However, divergence between stocks and high concentration of capital inflows will limit the ability to earn profit of investors. We also recommend investors to eye on **cyclical stocks such as real estate, aquaculture and financial service (securities firms) stocks**.*

Analyst Pin-board

PPC - Company report releases on May 17th, 2016

*(**Lam Nguyen**- Ext:1313)*

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

Recommendations:

VN-Index and HNX-Index jumped up on rising volumes. The indexes may go higher thanks to large cap stocks and approach previous peaks. Traders should maintain a portfolio which is balance between stock and cash.

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
PDB	25.6	**Buy**	13/05/2016	25.9	28.5		24			-1.16%	Intermediate
ITD	24.1	**Hold**	11/03/2016	18.7	22.0		17			28.88%	Intermediate
BCC	13.5	**Hold**	22/01/2016	13.7	15.0		12.5			-1.46%	Intermediate
LHC	49.3	**Hold**	21/08/2015	40.5	49.0		37			18.80%	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
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
DRC - Expecting on replacement segment	May 11th, 2016	Accumulate – Intermediate	52,000
PTB - As right as a trivet	April 27th, 2016	Accumulate – Long term	130,000
SKG - Using tailwind for a boost	April 27th, 2016	Neutral– Long term	120,000

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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