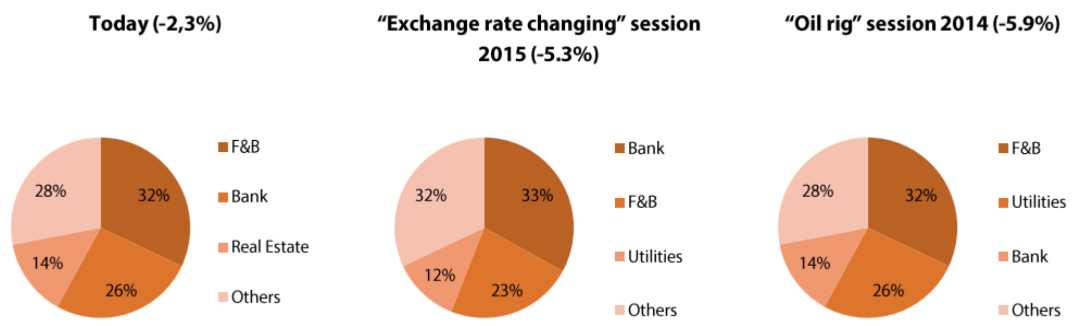
Market today: A Freefall Ahead of the Launching of the Derivatives Market

***(Hieu Nguyen** – Ext: 1514)*

BID, after the recent rally, suddenly hit the floor in the morning session and sparked rumors about the arrest of former BIDV Chairman Tran Bac Ha. This, coupled with the tensions between the US and North Korea, has caused the VNIndex to slump by 2.26% and close at 773.66 points. The impact of banking and food & beverage stocks on today's index is most noticeable.

The decline was unusual, albeit seen many times in the past. Since 2014, there was a total of 19 trading sessions when the market decreased by over 2%, which means that on average there was one deep decline session every 2.5 months. **Today's decrease still could not be compared to other unforgettable down sessions in the past.**

Figure: Sectors that led the drop in unusually down sessions



"A Freefall Ahead of the Launching of the Derivatives Market"

We believe that arrest rumors are just an excuse for the sharply fall of the VNIndex, as these are past stories and do not affect the current intrinsic value of the business. In fact, as indicated in the new strategy report, the shrinking cash flows in the last month and the lack of new support information are the main obstacles for the index to conquer and maintain above 800 points.

A memorable trading day just before the debut of the derivatives market in Vietnam. If the derivatives market were opened today, with a 1:10 leverage ratio, those who choose to short the VN-30 future index would have earned over 20% in just one day. The return would have been too attractive for market players who prefer high-risk and high-return investments. Thus, tomorrow the market will keep an eye on the first session of the derivatives market, opening 15 minutes earlier than the stock market. As preparation, investors can follow RongViet Research's articles on this subject in our APs on May 26 and today.

Analyst Pin-board

Capital Strongly Flew into Penny Stocks in July

(Quang Vo – *Ext: 1517)*

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

Preliminary Assessment on the Effects of Future Index Contracts

(Thien Bui – *Ext: 1321)*

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

RONGVIET RESEARCH – 2Q17 Results Update

Unit: VND Billion

Ticker	2Q17				1H17				Compared with our estimation
	Net Revenue	%YoY	PAT	%YoY	Net Revenue	%YoY	PAT	%YoY	
BFC	2,052	1%	111	17%	3,225	6%	168	30%	😐
BMP	979	9%	128	-13%	1,737	9%	228	-34%	☹
CHP	167	108%	59	-935%	412	135%	198	11090%	☺
CTD	6,183	24%	412	16%	10,544	29%	713	20%	😐
DBC	1,073	-33%	-33	-117%	2,549	-11%	-20	-108%	☹
DHC	201	47%	16	-23%	361	31%	29	-25%	😐
DHG	926	6%	186	20%	1,808	7%	359	17%	😐
DPM	2,372	-2%	231	-39%	4,350	-2%	454	-42%	☹
DQC	223	10%	26	-63%	418	-7%	50	-53%	☹
DRC	864	-3%	35	-69%	1,764	8%	105	-47%	☹
FPT	10,718	20%	512	-1%	20,136	16%	925	7%	😐
GMD	1,006	6%	100	-16%	1,866	4%	196	4%	☹
HAX	1,035	21%	-7	-167%	1,814	40%	21	-38%	😐
HPG	10,740	33%	1,535	-24%	21,005	38%	3,469	14%	😐
HSG	7,231	57%	272	-39%	13,444	50%	687	-21%	☹
HVN	19,308	14%	23	-95%	40,142	17%	766	-54%	☹
IMP	276	17%	34	75%	500	17%	60	47%	😐
MBB	3,479	57%	1,108	39%	6,380	50%	1,998	33%	☺
NKG	3,105	43%	194	-19%	5,497	38%	350	14%	☺
NT2	1,781	14%	190	-50%	3,550	20%	456	-34%	☹
PAC	680	15%	56	100%	1,372	21%	77	54%	😐
PC1	816	-11%	69	-31%	1,383	-12%	129	-37%	😐
PGI	572	9%	47	19%	1,084	8%	79	23%	😐
PHR	245	4%	75	135%	658	59%	142	108%	☺
PNJ	2,345	46%	129	7%	5,476	39%	378	54%	😐
PPC	1,682	11%	451	-335%	3,158	-2%	593	-270%	☺
PTB	1,031	9%	84	57%	1,954	10%	141	33%	😐
PVT	1,369	-21%	45	-61%	3,021	-7%	152	-20%	☹
RAL	530	-9%	35	-12%	1,408	1%	83	23%	☹
REE	1,156	33%	337	134%	2,244	58%	668	175%	☺
SHP	145	53%	34	2871%	224	72%	22	n/a	☺
SKG	112	9%	62	-5%	201	6%	106	-11%	😐
STK	470	17%	24	-19%	918	38%	49	52%	😐
SVC	3,573	8%	20	-20%	6,722	11%	40	-6%	😐
TCM	772	-1%	70	154%	1,547	2%	118	137%	☺
TNG	597	20%	28	8%	999	17%	42	6%	☹
VCB	7,299	16%	2,016	27%	14,586	19%	4,222	23%	😐
VFG	578	-5%	36	-24%	1,051	-5%	62	-18%	☹
VJC	11,283	89%	1,413	104%	16,390	44%	1,790	45%	😐
VNM	13,348	7%	2,922	4%	25,398	11%	5,857	18%	😐

RONG VIET NEWS

COMPANY REPORTS	Issued Date	Recommend	Target Price
CTD - Diversifying for Future Growth	July 31st, 2017	Accumulate - Long term	251,200
SHP – A Long-term Growth Story	July 20th, 2017	Neutral – Intermediate term	25,400
CHP – Beyond the Expectation	July 20th, 2017	Accumulate - Intermediate term	31,900
NKG – Proving Its Capability	July 19th, 2017	Buy - Intermediate term	39,800
HSG – The most Profitable Business Has Received the Highest Priority	July 19th, 2017	Buy - Intermediate term	40,000

Please find more information at http://www.vdsc.com.vn/en/companyReport.rv?categoryId=302

FUND CERTIFICATES 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	03/08/2017	0.25% - 0.75%	0% - 2.5%	32,485	32,599	-0.35%
VF4	03/082017	0.25% - 0.75%	0% - 2.5%	14,786	14,828	-0.28%
VFA	16/03/2017	0.25% - 0.75%	0% - 1.5%	6,777	6,802	-0.37%
VFB	28/07/2017	0.25% - 0.75%	0% - 2.5%	15,648	15,165	3.18%
ENF	28/07/2017	0% - 3%	0%	17,127	16,918	1.24%
MBVF	27/07/2017	1%	0%-1%	13,229	13,163	0.50%
MBBF	26/07/2017	0%-0.5%	0%-1%	13,925	13,907	0.13%

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