- **Update on PLC's 3Q2015 earnings result**
- **Macro economy quick update: Vietnam consumer confident index (CCI)**
- **Trading volumes: the more the better for a potential break**

"Trading volumes: the more the better for a potential break"

Update on PLC's 3Q2015 earnings result – changes on forecast variable but "Accummulation" reccommendation stays unchanged in mid-term

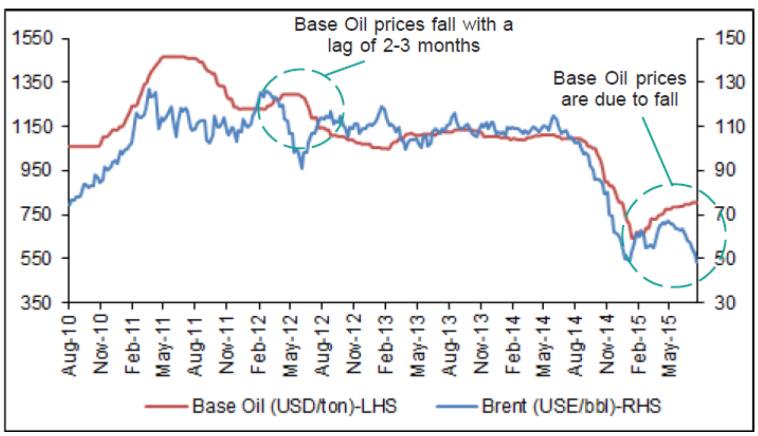
Having large market share nationwide and ready prduction facility enable PLC to continue to benefit from increasing investment in public infrastructure projects.In addition, falling crude prices making polime tarmac prices to go down which expands PLC tarmac business's profit margin considerably. However, foreign exchange volaitlity and bad debt collectability are risks facing the company now. Comparing to lubricant business, tarmac sales's margin is 5% lower.

Preliminary update on 3Q2015

Lubricant business: declining output and narrowing profit margin

3Q output estimates to be 8,800 tons (down 31.3% m-o-m) due to adverse weather and volatile FX causing export to face difficulty especially in 2015 August. For the first 3 quarters this year, lubricant output reached 64% target. Apart from falling output in 3Q2015, based oil 1 started to increase and hence affected PLC's sales margin.

Graph 1: Based oil 1 and crude oil prices



Source: Dolat Capital

Tarmac sales: rising output, profit margin remains high due to increasing polime tarmac output

July and August sales stayed good despite the rainy season making the 8 months output to reach approximately 200000 tons (~91% year target). Polime tarmac output upped strongly as to the last update about 10000-20000 tons. So, we could expect 2015 sales could be 50000-70000 tons for the whole year. Condensed tarmac prices in 3Q2015 fell 6% yoy while polime tarmac prices was down by more than 9%. However, profit margin of tarmac business continued to stay high thanks on high demand from highway projects in the country

Graph 2: Tarmac selling price of PLC

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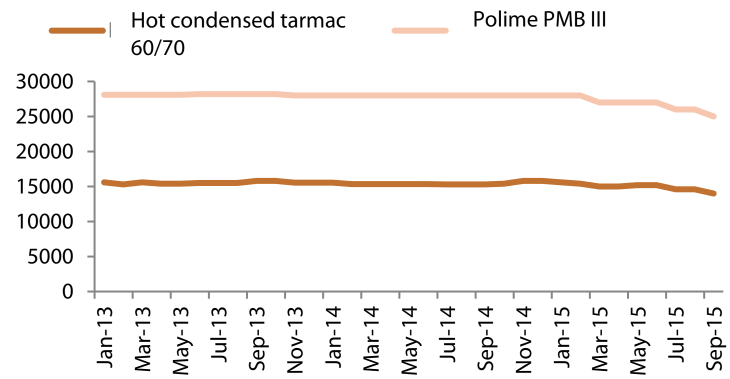


Source: RongViet Research

Chemical production: difficulties remain as production target is reached but the company must suffer from losses after tax in 2015

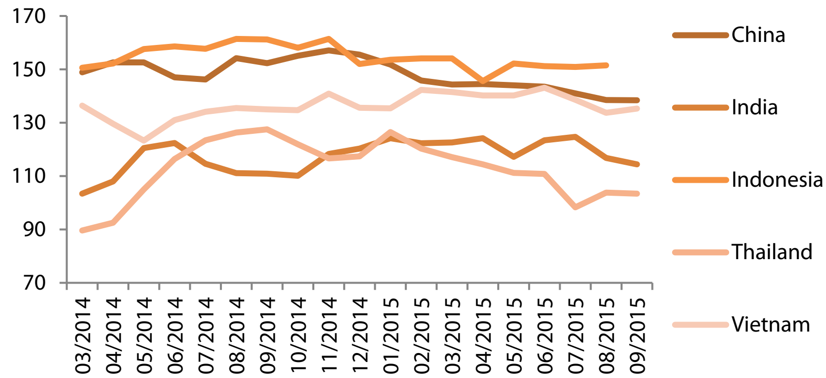
RongViet Research forecast adjustment

Following the business results, asphalt segment could improve. The output adjustment in 2015 increased to 261,000 tons, by 15% y.o.y. The optimistic prospect from polymer asphalt could help to boost the total margin remarkably increase. Accordingly, 2015 revenue was estimated at VND 7,565 billion, raised by 11% compared to 2014 and 9% compared to previous forecast. However, the recent issues from exchange rate could make PLC record a loss of VND 70 billion over the second half of 2015. Therefore, we believe that PLC could achieve VND 307 billion in profit after tax, increased by 15% compared to 2014 without significant change from previous forecast. We maintain the ACCUMULATION recommendation in INTERMEDIATE with the target price of VND 38,330/share.

Macro economy quick update: Vietnam consumer confident index (CCI)

Macro picture is quite bright as CCI and GDP forecast (done by ADB) are quite positive. In specific, ANZ reported that Vietnam CCI in September slightly moved up to 135.3 pts after strong drop in July and August (June: 143.1 pts, July: 138.6 pts and August: 133.7 pts). Vietnam CII reversal compared to that of other Asia countries is an encouraging indicator for the economy at present. Furthermore, ADB also upgraded its forecast for GDP growth rate of Vietnam in 2015 to 6.5%.

Graph 3: CCI of Vietnam and some Asia countries



Source: ANZ, RongViet Research

Trading volumes: the more the better for a potential break

After three days, large volumes of stocks arrived at investors' accounts on 23-09-2015; hence, strong selling forces prevail in today trading. VNIndex dipped 570 sometimes but could not penetrate thanks to large cap stocks such as BVH, GAS, DPM etc. Money flow became stronger during ATC helped VNIndex close at 572.72 (-0.48 pt) while HNIndex slightly go green at 78.47 pts (+0.12 pt).

Liquidity did not show any progress when matching volumes stayed around 70-80 million shares. Some noticeable cross-trade in BCI with more than 17 million shares, equivalent to about VND377 billion. Foreigners turned net sellers with major transactions in BCI and total selling of foreigners were coincidentally VND377 billion. All of these "strange" transactions took place in the middle of a M&A rumor.

Currently, we are at an important technical resistance overhead of 575 in VNIndex and 78 in HNIndex. Except for FOL lifting and TPP re-negotiation, no other news to speak of currently. Markets are in sideways movement but with positive reactions; evidence can be considered as buying forces appeared in ATC. So, 570 – 575 can be considered as a safe zone at present. "Bottom up" strategy, which has been mentioned Advisory Diary on 21/09 seems to be a good choice.

Statistically, we tried to calculate change in trading volumes and pts of 2 indexes between September and August in previous years (2009 – 2014). Results show that if trading volumes moved up and only go down slightly around 2%, upside would occur (in 2014, due to oil price effect, such event could not be seen). Therefore, liquidity will play a major role in short-term. A break is possible if volumes improve for the rest of the month. Upcoming days will give more clues. Potentially, 590 – 600 will be the next resistance level.

Volumes and points change in VNIndex

Year	Points	Volumes
2009	6.24%	30.8%
2010	2.23%	4.6%
2011	0.68%	43.0%
2012	-0.86%	-19.6%
2013	4.21%	3.1%
2014	-5.95%	33.0%
2015	1.49%	-4.37%

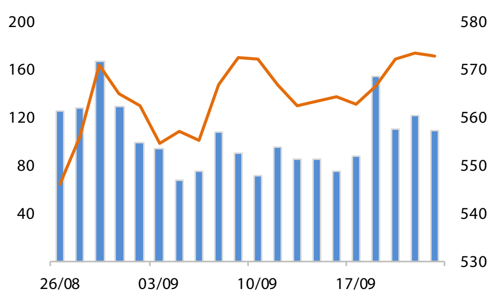
Source: RongViet Research

Volumes and points change in HNIndex

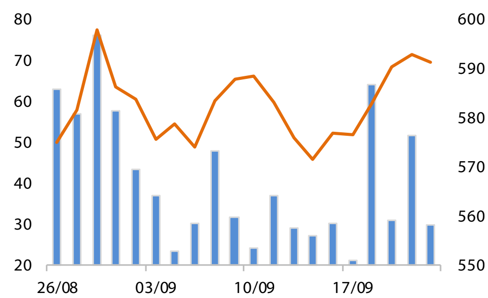
Year	Points	Volumes
2009	37.0%	7.03%
2010	13.8%	-0.86%
2011	38.3%	-2.60%
2012	-42.3%	-9.61%
2013	27.1%	-0.33%
2014	34.0%	1.84%
2015	2.0%	-0.462

Source: RongViet Research

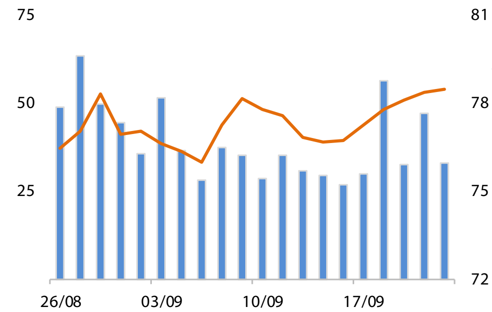
VNINDEX -0.08% **572.72**



VN30 -0.26% **591.23**

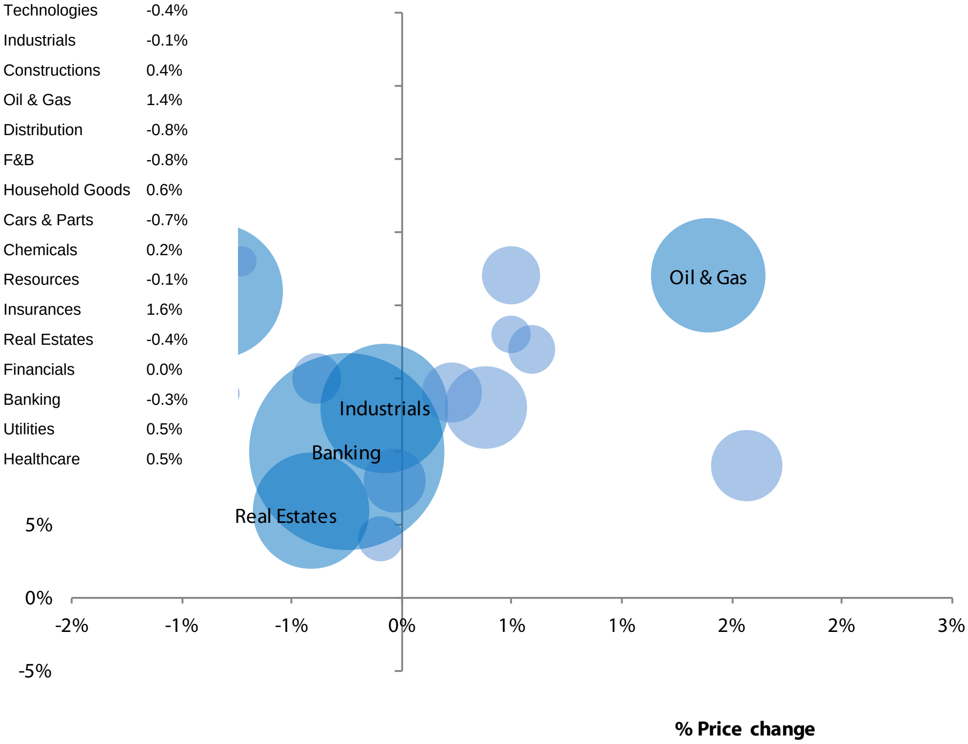


HNXINDEX 0.15% **78.47**

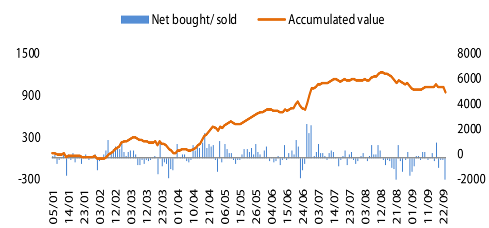


Industry Movement

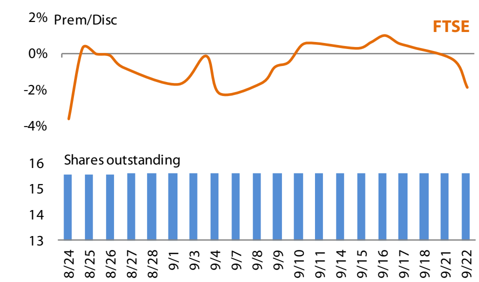
Industry	% change
Technologies	-0.4%
Industrials	-0.1%
Constructions	0.4%
Oil & Gas	1.4%
Distribution	-0.8%
F&B	-0.8%
Household Goods	0.6%
Cars & Parts	-0.7%
Chemicals	0.2%
Resources	-0.1%
Insurances	1.6%
Real Estates	-0.4%
Financials	0.0%
Banking	-0.3%
Utilities	0.5%
Healthcare	0.5%

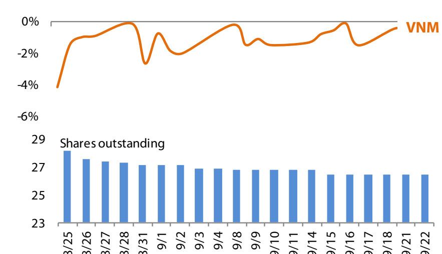


Foreign Investors Trading



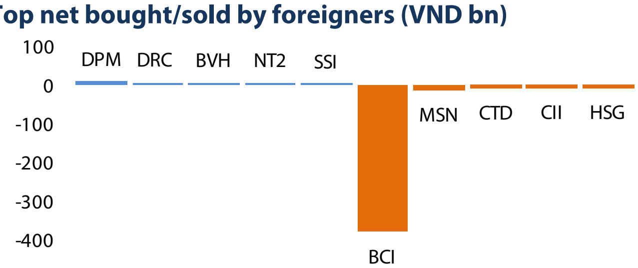
ETF





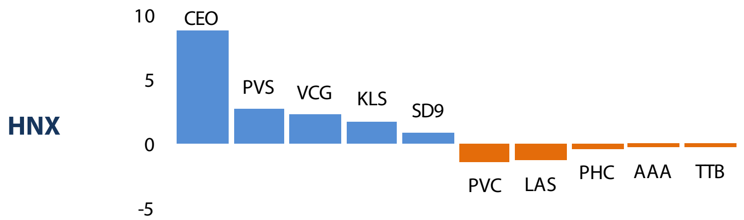
Top net bought/sold by foreigners (VND bn)

HSX



Top Active

Ticker	Price	Volume	% price change
VHG	8.4	7.34	3.7%
JVC	5.1	3.79	-5.6%
FIT	10.1	3.20	0.0%
FLC	6.7	2.94	-1.5%
CII	23.5	2.76	1.3%



Ticker	Price	Volume	% price change
S99	8.2	3.56	9.3%
VCG	11.9	2.19	2.6%
PVS	21.9	1.98	3.8%
CEO	17.4	1.92	1.8%
KLF	4.5	1.59	-2.2%

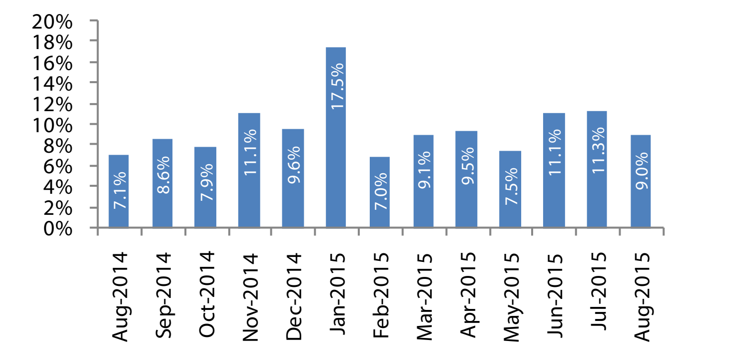
MACRO WATCH

Graph 1: GDP Growth

Sources: GSO. Rongviet Securities database

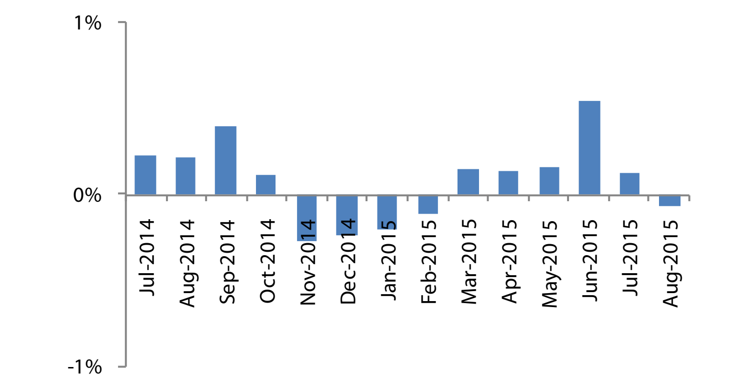
(*) Comparision price in 1994

Graph 2: IIP



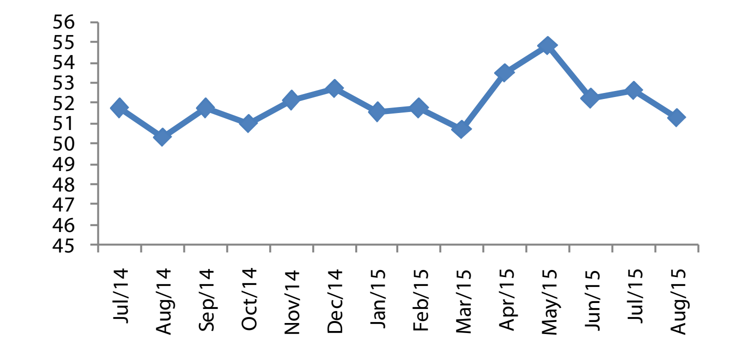
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



Sources: GSO. Rongviet Securities database

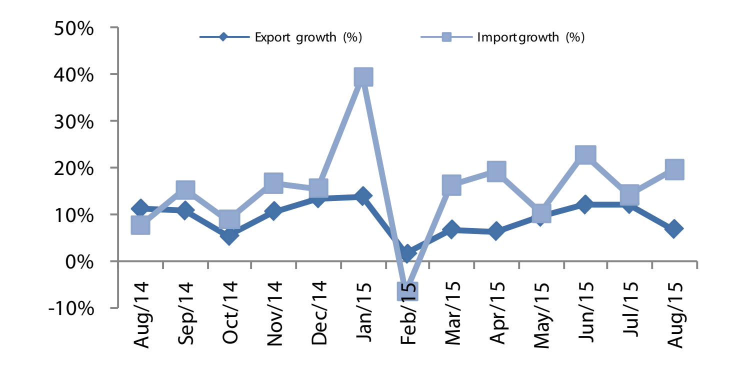
Graph 4: HSBC - PMI



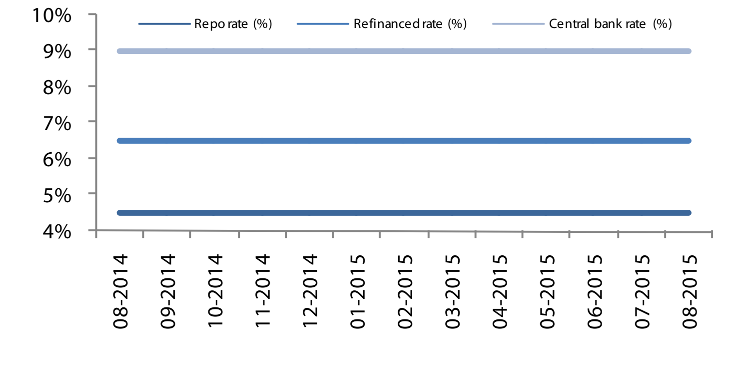
Sources: GSO. Rongviet Securities database

Graph 5: Trade Growth

Graph 6: Interest



Sources: GSO. Rongviet Securities database



Sources: SBV. Rongviet Securities database

RONG VIET NEWS

COMPANY REPORTS	Issued Date	Recommend	Target Price
PXS - Invest to strengthen construction capacity	Sept, 4th 2015	Accumulate - Intermediate	17,000
SHP - Positive over long-term	Sept, 3rd 2015	Accumulate - Intermediate	20,800
PET - Tracking the progress of Thanh Da land plot transfer	Aug, 20th 2015	Stable	N/a
VNC - Embrace the new wave of international commerce	Aug, 14th 2015	Neutral – Long term	28,900
MAC – Bigger Propellers, further waters	Aug, 7th 2015	Buy – Long term	17,600

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
VFF	08/09/2015	0% - 0.75%	0% - 2.5%	11,844	11,861	-0.14%
VEOF	08/09/2015	0% - 0.75%	0% - 2.5%	9,791	9,874	-0.84%
VF1	11/09/2015	0.2% - 1%	0.5%-1.5%	22,509	22,496	0.06%
VF4	11/09/2015	0.2% - 1%	0%-1.5%	10,037	10,024	0.12%
VFA	11/09/2015	0.2% - 1%	0%-1.5%	7,100	7,032	0.97%
VFB	11/09/2015	0.3% - 0.6%	0%-1%	12,313	12,303	0.08%
ENF	04/09/2015	0% - 3%	0%	11,207	11,297	-0.80%
MBVF	27/08/2015	1%	0%-1%	10,416	10,364	0.50%
MBBF	03/09/2015	0%-0.5%	0%-1%	12,328	12,304	0.20%

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