SEPTEMBER

6PM CALL

05

TUESDAY

"The Market Goes Up but Its Breadth Is Quite Narrow"

Market today: The Market Goes Up but Its Breadth Is Quite Narrow

***(Hieu Nguyen** – Ext: 1514)*

VNIndex (792.31 points, + 0.45%) continued its rally after the holiday season. Today's increase was driven by VCB, GAS, VIC, VNM, and VJC, whose price rose sharply in the last two sessions after the company announced a payment of 40% stock dividend (ex-dividend date on September 25th). The market went up, but market breadth was quite narrow with 128 gainers and 146 losers. Pharmaceuticals and hydropower stocks underperformed, while rubber stocks have not reacted yet to the fact that natural rubber prices have rebounded significantly from the bottom in June. Liquidity continued to be low, with trading value on the HSX reaching only VND3,100 billion.

The banking sector has shown signs of recovery recently, and this could be the market reaction for the prime minister's aim to boost credit growth in the remaining months. VCB (+2%) and ACB (+1.4%) were today's top gainers, with VCB receiving strong demand from foreign investors, which could be attributable to Db x-trackers FTSE Vietnam ETF. According to our estimation, the fund needs to buy 1.4 million–1.6 million VCB shares in this review period. Meanwhile, MBB (-0.4%) will conduct ESOP in the near future, leading to little room for foreign investors to buy in.

The talk of the town during the holiday was that Vingroup (VIC +1,6%) **launched construction of VINFAST, a USD3.5 billion car factory project** (USD1 billion– USD1.5 billion in the first phase). The automobile industry is the next business segment of the corporation after Real Estate, Travel-Entertainment, Retail, Healthcare, Education and Agriculture. The success of this project is debatable since after 2018, competition in the market is expected to be fierce as 0% import tariffs will be applied on cars with over 40% localization rate in the ASEAN states. **On the bright side, VIC will enjoy favorable loan interest as automobile is a priority sector, and VIC's products may enjoy lower excise taxes if they meet the localization rate requirement.** VINFAST would introduce its first electric motorbikes in 12 months and its first cars in 24 months.

Analyst Pin-board

VNR Updates

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

Technical Analysis Recommendation

Indexes continued going up but the trading volume remained low. The current uptrend is still valid but the lack of liquidity shows that correction may come soon. Traders consider taking profit partly.

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
KSB	52.80	**Buy**	31/08/2017	52.50	55.00		50.00			0.57%	Short-term
PHR	41.40	**Hold**	21/08/2017	40.20	44.00		38.00			2.99%	Intermediate
RDP	20.20	**Hold**	16/08/2017	20.80	24.00		19.50			-2.88%	Intermediate
ITD	18.70	**Hold**	16/08/2017	19.50	22.00		18.00			-4.10%	Long-term
HSG	29.65	**Hold**	16/08/2017	29.15	31.00		28.00			1.72%	Intermediate

Notes:

- **Buying Price** is the Close Price at Buying date. **Selling Price** may be the Target Price, Cut loss 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
NLG - Large Land Bank to Ensure Long-Term Development	August 30th, 2017	Neutral – 1 year	30,000
PTB - A Bright Prospect For PTB's Wood Processing Business	August 22nd, 2017	Neutral – 1 year	138,700
QNS - Picture mixed with light and darkness	August 21st, 2017	Buy – 1 year	87,400
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

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	8/25/2017	0.25% - 0.75%	0% - 2.5%	32,631	32,474	0.48%
VF4	8/25/2017	0.25% - 0.75%	0% - 2.5%	14,841	14,766	0.51%
VFA	3/16/2017	0.25% - 0.75%	0% - 1.5%	6,777	6,802	-0.37%
VFB	8/25/2017	0.25% - 0.75%	0% - 2.5%	15,504	15,557	-0.34%
ENF	8/18/2017	0% - 3%	0%	17,191	17,339	-0.85%
MBVF	8/17/2017	1%	0%-1%	13,308	13,280	0.21%
MBBF	8/16/2017	0%-0.5%	0%-1%	13,985	13,958	0.19%

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