23 July, 2014

FIMEX JSC(FMC – HSX)

Leaping in overseas waters

Particulars (VND bn)	Q2-FY15	Q1-FY15	*+/- qoq*	Q2-FY14	*+/-yoy*
Net Revenues	729.9	504.3	45%	689.3	6%
PAT	15.7	11.8	33%	18.4	-14%
EBIT	25.5	18.3	40%	26.6	-4%
EBIT margin (%)	3.5%	3.6%	-13bps	3.9%	-37bps

Sources: FMC, RongViet Securities

- Shrimp faces difficulties to rocket on supply upturn
- FMC and the analysis on expansion strategy into various markets
- Increasing capacity credited to the operation of An San factory
- Optimistic business result in 2015

Outlook and Valuation:

In the vast majority of processed shrimp, FMC has an advantage in crucial markets such as Japan, US, EU. The market shares are going to shift more flexibly to gain from tax incentives in short-term. Specifically, the higher contribution of EU, Canada and Korea market compensates for the lower contribution of Japan, US market. Otherwise, production capacity rise significantly by 50% since An San B factory is put into operation. Thus, the supply ability is guaranteed. Moreover, FMC also operates in orientation of a closed-end system by expand self-supply farming. Currently, the Company has ability to self-supply 10% of raw material and expects to rise of 19% by 2020.

In addition, the ownership proportion also shows remarkable changes. Currently, HVG's proportion has increased from 39% (2014) to 53.5%. As discussion, HVG shows no interference in FMC's management until now. However, we believe that, with HVG's support, the development of farming as well as financial ability is likely to appear in FMC. Thus, we recommend **ACCUMULATE** for the price of VND27,000 per share in **INTERMEDIATE-TERM**.

Key financials

Y/E Dec (VND bn)	**FY2013**	**FY2014**	**1Q-2015**	**FY2015E**
Net Revenues	2,184.4	2,880.8	3,536.3	3,829.3
% chg	42.2%	31.9%	22.8%	8.3%
PAT	32.7	57.3	70.5	73.7
% chg	437.0%	74.9%	23.1%	4.6%
EBIT margin (%)	1.5%	2.0%	2.0%	1.9%
ROA (%)	5.5%	6.0%	6.0%	5.8%
ROE (%)	16.7%	18.5%	18.3%	18.0%
EPS (VND)	2,946	4,379	3,524	3,686
Adjusted EPS (VND)	0	4,379	3,524	3,686
Book value (VND)	18,115	19,145	19,412	21,598
Cash dividend (VND)	1,500	1,500	1,500	1,500
P/E (x)	4.8	3.2	4.0	3.9
P/BV (x)	0.8	0.7	0.7	0.7

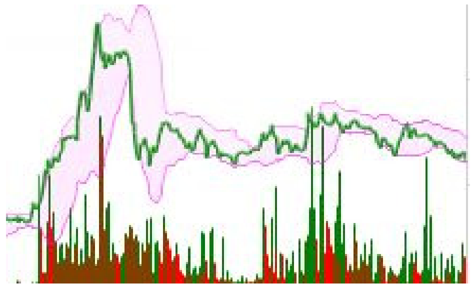
Sources: FMC, RongViet Securities, Stock price as of 07/23/2015

ACCUMULATE

CMP (VND)	22,200
Target price (VND)	27,000
Investment Period	Intermediate-term

Stock Info

Sector	Fisheries
Market Cap (VND bn)	456
Current Shares O/S	20,000,000
Beta	0.92
Free float (%)	36.15
52 weeks High	27,600
52 weeks Low	13,100
Avg. Daily Volume (in 20 sessions)	49,365



Peformance (%)

	3T	1N	3N
FMC	-13	34	62
Food product	10,9	7	122
VN30 Index	13	6	50
HSX Index	11	2	32

Major Shareholders (%)

Hung Vuong JSc	53.5
Soc Trang Provincial People's Committee	10.4
Foreigner Investor Room (%)	44.0

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Exhibit 1: 2QFY2015

Particulars (VND bn)	Q2-FY15	Q1-FY15	+/-(qoq)	Q2-FY14	+/-(yoy)	+/-(yoy)
Net Revenues	729.9	504.3	44.7%	689.3	5.9%	-0.8%
Gross profits	57.1	43.0	32.8%	53.9	6.0%	27.5%
SG&AC	30.3	23.4	29.6%	28.2	7.5%	17.7%
Operating Income	26.8	19.6	36.7%	25.7	4.4%	60.8%
EBITDA	32.3	24.3	32.8%	32.3	0.1%	21.9%
EBIT	25.5	18.3	39.6%	26.6	-4.3%	24.2%
Financial expenses	10.4	6.4	61.3%	6.8	53.7%	70.4%
- Interest Expenses	5.4	3.1	73.9%	2.4	127.7%	54.7%
Dep. and amortization	-6.8	-6.0	12.3%	-5.6	20.9%	14.5%
Non-recurring Items (*)						
Extraordinary Items (*)	0.1	-2.2	-104.3%	0.9	-89.2%	
PBT	20.1	15.2	32.6%	24.3	-17.1%	18.6%
PAT	15.7	11.8	32.6%	18.4	-14.5%	21.6%
(*) Adjusted PAT	15.6	13.5	15.5%	17.7	-11.7%	

Sources: FMC, RongViet Securities

Exhibit 2: 2QFY2015 performance analysis

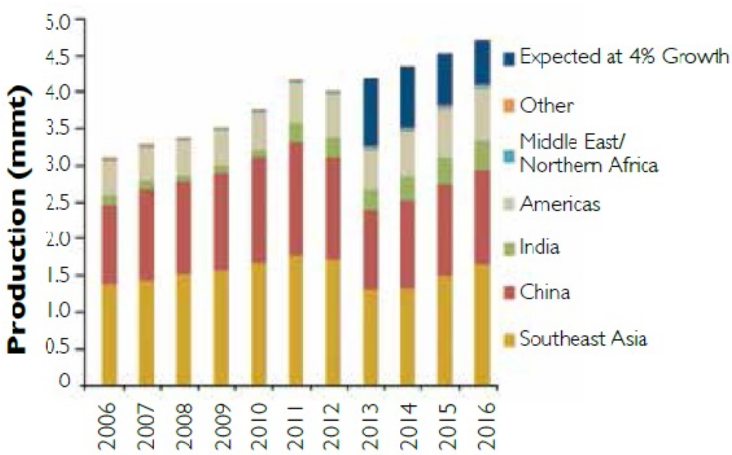
Particulars	Q2-FY15	Q1-FY15	+/- (qoq)	Q2-FY14	+/- (yoy)
Profitability Ratios (%)					
Gross Margin	7.8%	8.5%	-70bps	7.8%	1bps
EBITDA Margin	4.4%	4.8%	-40bps	4.7%	-26bps
EBIT Margin	3.5%	3.6%	-13bps	3.9%	-37bps
Net Margin	2.2%	2.3%	-20bps	2.7%	-51bps
Adjusted Net Margin	2.1%	2.7%	-54bps	2.6%	-43bps
Turnover *(x)					
-Inventories	5.8	4.0	1.8	10.3	-4.4
-Receivables	15.6	10.6	5.0	13.3	2.3
-Payables	19.3	24.6	-5.3	40.9	-21.6
Leverage (%)					
Total Debt/ Equity	2.3	1.8	0.5	1.9	0.3

Source: FMC, (*) Annualized turnover

Shrimp faces difficulties to rocket on supply upturn

According to the Food and Agriculture Organization of the United Nations (FAO), global production of raw shrimp has declined 4% since 2012 after peaking at 4 million tons in 2011 and no sooner than 2014 had signs of recovery began to show. At the forecast growth rate of 8% per annum between 2014 and 2016, GOAL predicts shrimp production would have found the 2011 peak again by the end of 2016.

Exhibit: Crustacean production by region from 2006-2016E



Source: FAO (2009-2012) and GOA's survey (2013-2016)

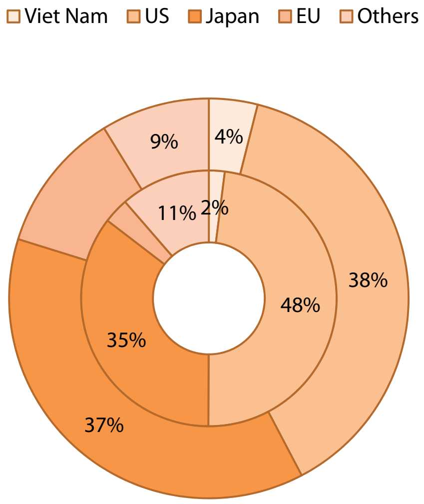
The Asian market now constitutes about 80% of global supply. In the 2006-2011 periods, total production grew over 7%, faster than global average production growth rate of 4%. GOAL also forecasts that production in Vietnam, India would move on at a 2-digit growth rate in in years to come.

The early mortality syndrome (EMS) has posed great risk to shrimp farmers all over the globe. The epidemic has had a significant impact on supply from Asian countries, especially Thailand, since late 2013. Total production in Thailand; fell by 21% to just over 167,000 tons in 2014 as a result of the disease. However, we expect contagion to be well within control in 2015 and shrimp supply from Thailand would surge of 30% from the previous year. The incremental supply could result in a dramatic decline in shrimp price following the peak established in late October-November 2014. Not only prices but Vietnam export volumes took an 18% plunge from a year earlier in Q1. For those reasons, we believe the shrimp industry will experience a significant loss of momentum this year despite the Vietnam Association of Seafood Exporters and Producers' (VASEP) estimated growth rate of 10.7%.

FMC and the analysis on expansion strategy into various markets

Japan and WE are the main export markets constituting nearly 80% of FMC's revenue. However, the contribution structure, however, has witnessed a major shift in recent years as demand in the both markets declined considerably. Japan market accounted for 37% of FMC's total export and US market only 35% of total revenue in 1Q2015. Revenue from other smaller markets such as EU, Korea and Canada are expected to help cover the shortfall of consumption by the two largest buyers. In the first three months of the years, contribution of the EU market made an impressive jump to 11% from 2% in 1Q2014.

Exhibit: FMC's revenue breakdown by market in Q12014 and Q12015 FMC



(*) Small circle demonstrates 1H 2014
Large circle demonstrates 1H 2015
Source: FMC, RongViet Securities

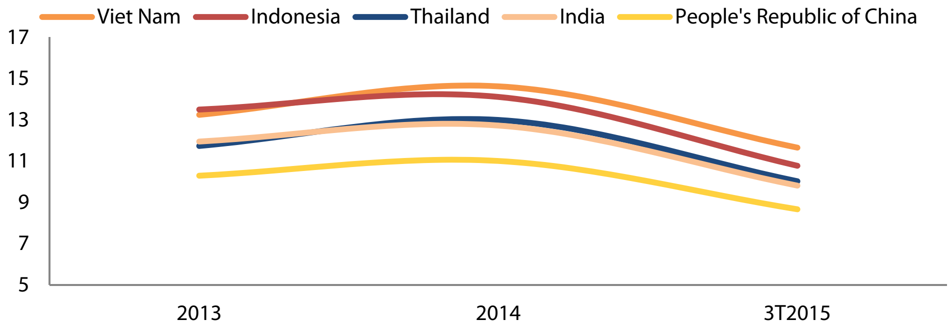
Given this revenue shift, FMC's export volumes rose 9% in the first year-half in spite of lower total revenue (2% from 1H2014). We believe that FMC's growth seems to be ensured by boosting export volumes in other markets under circumstance of a fall of 7% in average shrimp price. Over 90% of the Company's product is currently in form of processed shrimps that supports for the expansion into a variety of export markets. The most concerns on FMC's prospects are the possibility of retaining their shares in traditional markets and the impact of newly established market structure on business results. By deeply analysis on main export markets such as Japan, US and EU, the concerns would be eventually unveiled.

Japan - Profitable but low in demand

Japan is one of the three largest shrimp consumers of the world where people have a growing taste for whiteleg shrimps (vannamei) as compared to tiger prawns. Whiteleg shrimps contributed over 50% of shrimp and prawn exports to this market in last two years. However, export volumes continuously declined at a rate between 2% and 14% in the 2012-2014 periods, driven by weakened demand as the result of (1) economic stagnation and (2) a sharp depreciation of the Japanese yen that made their products be relatively expensive to US's products

With total export value of USD743 million or 24.2% of Japan's shrimp imports, Vietnam was the largest shrimp exporter to Japan in 2014, competing with other countries such as Thailand, Indonesia, India, China. From our observations, the prices of Vietnamese shrimps are 10-14% higher than the other markets.

Figure: Shrimp export price at Japan by countries from 2013-1Q2015



Source: RongViet Securities compiled

Amidst Vietnamese exporters, FMC had about ~7% of market shares in the Japanese market last year but the percentage rose to 8% in 1Q2015. The expansion of market share affected to FMC's export revenue quite positively despite a decline in the revenue contribution of this particular market (down to 35% in 1Q2015). We estimate FMC's volume of export to this market decreased about 7% in 1Q2015 as compared to a drop of 10% in the volume of all Vietnamese exporters.

For Japan's export market prospects, we believe that a recovery is hardly possible in case that both vital reasons impacting on demand seem not be solved. The gap between JPY and USD has been incremental; therefore, JPY currency is currently weakened compared to US dollar. Significant changes in demand, as a result, would not be found easily. We forecast shrimp volumes to Japan in 2015 might drop by 12% to the same period and FMC's revenue in Japan is estimated at over VND1,100 billion.

Regarding product structure, nobashi and breaded shrimps are FMC's main products, contributing nearly 50% of the firm's revenue. Company revealed that Japan exports offer a net profit margin so high that if 50% of total exports come from this market, it would make up 2/3 of the Company's net income. Therefore, a change in the contribution of the Japanese market has significant implications not only for FMC's revenue but also its bottom line.

Figure: Type of FMC's products from 2010-2014

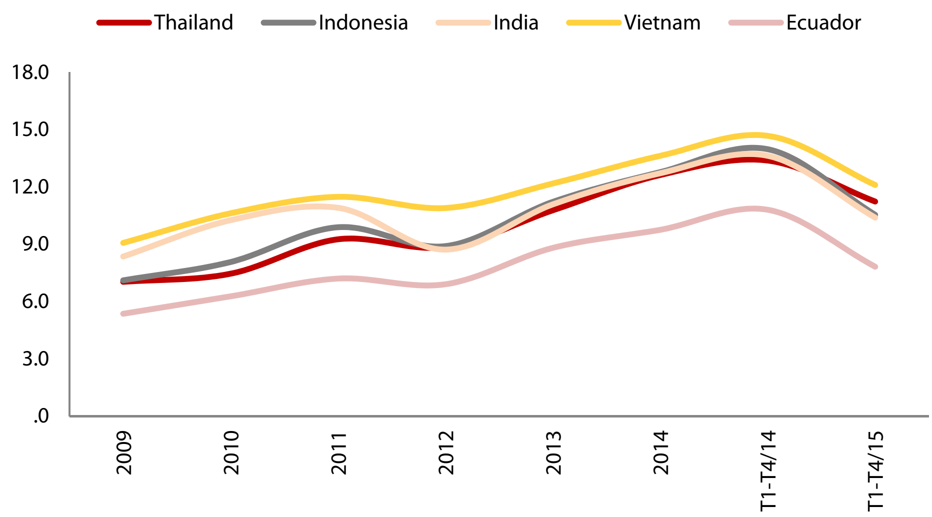
Items	2010	2011	2012	2013	2014
Frozen Block	17%	4%	2%	2%	3%
Cooked IQF	9%	7%	16%	19%	18%
Fresh IQF	23%	38%	25%	28%	31%
Nobashi	29%	36%	36%	34%	33%
Breaded shrimp	18%	13%	15%	13%	9%
Other processed shrimp	1%	0%	3%	2%	3%
Vegatables	2%	2%	3%	2%	2%
Others	0%	0%	0%	0%	1%
Prawn %	94%	77%	65%	41%	31%
Vannamei %	0%	23%	35%	59%	69%

Source: FMC

The US market to pick up speed in the second half

Similar to Japan, US is one of the world's three largest shrimp consuming nation. At average rate year-over-year growth rate of 23%, demand growth of this market has exhibited an upward trend in the last two years. However, six-month export data tells a different story. Up to April 2015, export value to the US decreased by ~12% meanwhile volume fell 9% from a year earlier, which from what our understanding was due to substantial shrimp inventory in the country. Also, better control of the EMS increased supply pressure as countries such as Indonesia, Thailand, India and Mexico boosted production. As a result, shrimp price in the first six months plummeted.

Figure: Shrimp prices by countries in Japan market from 2013-1Q2015



Sources: RongViet Securities

In the US, Vietnamese shrimps face stiff competition from products originating from Indonesia, India, Thailand and Ecuador. Vietnam was downgraded to the 6th largest shrimp exporter to the US in the first months in 2015, falling from the 4th position in 2014. Due to the abovementioned decline in shrimp prices, Vietnamese shrimps, usually10-14% higher than products from competing sources, became less competitive. Moreover, as the local currency is pegged to the dollar, Vietnam shrimps grew increasingly expensive. As a result, the percentage of US sales in FMC's total exports shrank from 46% in 2014 to 37% in 1Q2015. However, we discovered that the firm's share in Vietnam's exports of shrimps to the US in fact rose to 7,5% in the first quarter from 5,6% in 2014. This proved that FMC's position in the US is better than other Vietnamese producers.

We expect US shrimp purchases to rebound after 2Q2015 when last December inventories are depleted. The increase in demand might spark a 5-10% recovery of shrimp prices from the second quarter. However, this may lead to by the increased supply from Thailand, India, Ecuador and Indonesia and thus fiercer competition against Vietnamese shrimps. In that picture, substantial proportions of deep-processing products and a lower anti-dumping tax rate are key advantages for companies like FMC. However, the firm has no intention to boost sales in the US market in the long term due to high risk of changing anti-dumping tax rate. On the other hand, exports to the US is mainly frozen shrimps (cooked or raw IQF shrimps). The contribution of these items in net income is not as much as products sold to the Japanese market. In the same scenario analysis, if the US market makes up 50% of total export, it would only account for 1/3 of net income. Nevertheless, the Companies said they would still have measures to take advantage of the zero anti-dumping tax. It should be noted, however, that the specific anti-dumping tax on FMC products has not been officially approved and will be announced at the end of September.

EU market- Incremental proportion thanks to competition advantage

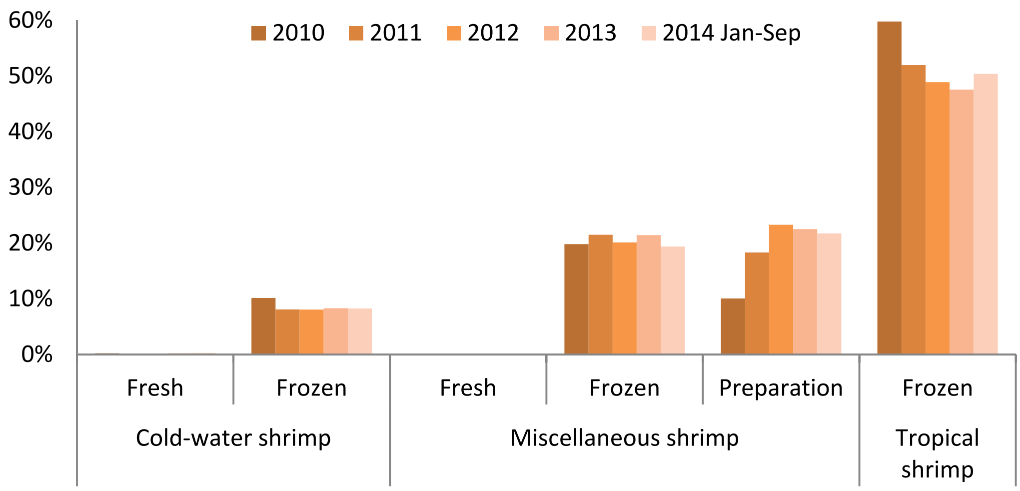
The European market made up a small percentage of FMC's export revenue, about 2% in 2014 but it had increased to 11% in 1Q2015. We estimate FMC's market share in Europe, a market with a taste for tropical frozen seafood, has recently jumped from 0.5% to 5% with such key products as IQF shrimps and frozen shrimps. According to EUMOFA, the shrimps imported from tropical countries such as Ecuador, India, Vietnam and Thailand accounted for 40%-60% of the region's total shrimp imports last year. Previously, Ecuador and Thailand took advantage of low export tariffs, 3.6% and 4.2% respectively; but this year, the incentive for Thailand has been lifted, replaced by a new tax rate of approximately 12%. With the turn of event, Thailand Shrimp Association predicted that the country's market share in Europe could fall from 20% to 5%. Since this downfall opens a huge opportunity for Vietnamese shrimps, FMC will boost export to Europe to make up for the loss of sales in the US market.

Figure: Tax barrier of export countries into EU market

Countries	Import tax (%)
Ecuador	3.6%
Thailand	12%
Vietnam	10.8%

Source: RongViet Research

Figure: Demand by product types in EU market



Source: FAO

Addition to European market, FMC has also planned to increase its presence in Korea, taking advantage of the newly signed Korea-Vietnam FTA. Currently, Korean exports make up only small proportion of FMC revenue (~5%). According to the firm's management, FMC have received 10 new orders from Korea since the beginning of the year. This helped FMC counteract the contraction of sales in other markets in the first six months of 2015.

The An San factory will lift production capacity

As export orders climb, FMC's current factory has been running near full capacity. In 2014, the Company renovated its fried shrimp factory to double capacity but was still unable to fully satisfy maker demand. Therefore, An San B factory with an estimated capex of VND100 billion was put into operation in

2Q2015 as a proper solution to solve the capacity issue. The new factory increased FMC's total capacity by 50%, or 7,500 tons/year.

Regarding the input for An San, the rate of self-supplied material of the farm is as low as 10%. The Company has no intention to expand its farming area from the current 60ha; however, new farming techniques are being applied. For example, shrimps are cultivated in small ponds with canvas spread over bottom in order to prevent epidemic and 16 large ponds will be changed into 40 small ponds at a cost of about VND10 billion. The Company said from their experience, the new technique might bring better results. Evidenced by a gross profit margin of 30-40%, FMC's farming is a key element to the firm's business performance. However, we are still quite concerned about the epidemic as well as the loss ratio. Thus, the process of stocking, feeding and harvesting in FMC's shrimp farms should still be monitored. By the end of June, the Company has stocked in 80 ponds due to the lasting hot climate. FMC will have stocked 100 ponds by mid-July, 2 months later than the initial plan.

Optimistic business result in 2015

In 1H2015, revenue reached VND1, 234 billion and shrimp sales volume 4,600 ton (+7% yoy). The average export price was around 12.6 USD per kg, down 1 USD per kg over the same period of 2014. As a result, total revenue was only 98% as high as that a year earlier. However, the downward trend in shrimp material was the key factor to improve profitability. We estimate FMC's gross profit margin was nearly 2% higher than 1H2014 in the two quarters ending June. As a result, net income rose 19% yoyo to VND35 billion or 35% of the year's guidance. Moreover, we notice the volume of vegatable products was almost doubled. In spite of its small revenue contribution (2-5%), this once difficult segment has now showed optimistic improvements.

We believe that shrimp price will improve starting 3Q2015 as a result of increased US demand once inventories have evaporated. On the other hand, the seasonal factor dictates that most of the year's profit is recorded in the second half year. Thus, we expect substantial improvements FMC's business performance in the coming quarters. 2015 revenue and PBT are projected at VND3,536 billion (+23% yoy) and VND88 billion (+18% yoy); the latter will meet about 90% of FMC's whole-year guidance. The resulting 2015 EPS would about VND3,524.

Outlook and Valuation

With competitive strength in processed shrimp products, FMC has an advantage in crucial markets such as Japan, US and Europe. The firm's shares in these markets are experiencing some major shifts, allowing more flexibility to take advantage of favorable tariffs in the short term. Specifically, increasing contribution of the European, Canadian and Korean markets has compensated for the contraction of exports to Japan and the US. On the other hand, production capacity was risen significantly (50%) in 2Q2015 as An San B factory was put into operation. Moreover, FMC aims to construct closed-end supply chain by consolidating its self-supply ability. Currently, the Company is able to produce 10% of raw input, which number is expected to rise of 19% by 2020.

The ownership structure of FMC has also experienced remarkable changes with HVG's interest having increased from 39% in 2014 to the current 53.5%. From what we understand, HVG has no intention to interfere with FMC's management, at least for now. However, we believe with HVG will likely provide FMC with support in the financial aspect as well as the development of shrimp farms. For those reasons, we recommend **ACCUMULATE** FMC in the **INTERMEDIATE-TERM** at a target price of **VND27,000** per share.

Exhibit 6: Key assumptions

Indicators	Forecast	
	FY2015E	FY2016F
Revenue growth (%)	23	8
Gross profit margin (%)	7	7
EBIT (%)	3	3

Source: RongViet Research

VND Billion

INCOME STATEMENT	FY2013	FY2014	FY2015E	FY2016F
Revenue	2,184.4	2,880.8	3,536.3	3,829.3
COGS	2,050.8	2,660.9	3,289.3	3,570.6
Gross profit	**133.6**	**219.8**	**247.0**	**258.7**
Selling Expense	61.6	80.0	102.6	111.1
G&A Expense	30.6	57.8	53.0	55.1
Finance Income	11.3	10.4	11.5	12.6
Finance Expense	17.7	18.6	14.8	16.3
Other profits	0.6	1.1	0.0	0.0
PBT	**35.6**	**74.9**	**88.1**	**88.8**
Tax	2.8	17.7	17.6	15.1
Minority's Interest	0.0	0.0	0.0	0.0
PAT to Equity Shareholder	**32.7**	**57.3**	**70.5**	**73.7**
EBIT	**46.4**	**87.9**	**102.1**	**104.3**
EBITDA	61.1	105.5	121.3	124.9

%

FINANCIAL RATIO	FY2013	FY2014	FY2015E	FY2016F
Growth				
Revenue	42.2%	31.9%	22.8%	8.3%
Operating Income	52.0%	98.3%	11.5%	1.2%
EBITDA	14.2%	72.6%	14.9%	3.0%
EBIT	29.1%	89.6%	16.2%	2.1%
PAT	437.0%	74.9%	23.1%	4.6%
Total Assets	61.6%	55.5%	4.8%	10.1%
Equity	50.5%	62.6%	1.4%	11.3%
Internal growth rate	6.8%	8.8%	10.5%	10.7%
Profitability				
Gross profit/Revenue	6.1%	7.6%	7.0%	6.8%
Operating profit/ Revenue	1.9%	2.8%	2.6%	2.4%
EBITDA/ Revenue	2.8%	3.7%	3.4%	3.3%
EBITDA/ Revenue	2.1%	3.1%	2.9%	2.7%
Net margin	1.5%	2.0%	2.0%	1.9%
ROAA	5.5%	6.0%	6.0%	5.8%
ROIC or RONA	23.5%	28.0%	26.2%	25.4%
ROAE	16.7%	18.5%	18.3%	18.0%
Efficiency				
Receivable Turnover	16.8	15.6	15.1	15.6
Inventory Turnover	8.5	6.7	7.1	8.7
Payable Turnover	27.5	29.9	34.6	31.8
Liquidity				
Current	1.2	1.3	1.3	1.3
Quick	0.6	0.7	0.8	0.9
Solvency				
Total Debt/Equity	214.8%	201.2%	211.2%	207.9%
Current Debt/Equity	172.2%	178.9%	182.2%	181.7%
Long-term Debt/ Equity	0.0%	0.0%	0.0%	0.0%

VND Billion

BALANCE SHEET	FY2013	FY2014	FY2015E	FY2016F
Cash and equivalents	151.6	262.0	372.4	496.6
Short-term investment	0.0	0.0	0.0	0.0
Receivables	131.5	237.3	229.9	260.4
Inventories	300.1	493.3	427.6	392.8
Other current assets	22.5	23.0	23.0	25.3
Total Current Asset	**605.7**	**1,015.6**	**1,052.9**	**1,175.1**
Tangible Fixed Assets	91.6	86.6	92.6	99.1
Intangible Fixed Assets	10.5	10.2	10.0	9.7
Construction in Progress	16.0	20.2	34.7	27.7
Investment Property	0.0	0.0	0.0	0.0
Long-term Investment	10.4	10.4	10.4	10.4
Other long-term assets	7.6	10.3	7.7	7.9
Long-term Asset	0.0	0.0	0.0	0.0
Total Asset	**136.1**	**137.8**	**155.4**	**154.9**
Payables	71.1	30.8	59.2	50.0
Other current liabilities	28.6	47.3	53.0	62.4
Current Debt	405.6	684.9	707.3	785.0
Long-term Debt	0.0	0.0	0.0	0.0
Other long-term liabilities	0.5	7.4	0.5	0.5
Total Liability	**505.8**	**770.5**	**820.1**	**897.9**
Owner's Equity	**235.5**	**382.9**	**388.2**	**432.0**
Capital	130.0	200.0	200.0	200.0
Retained Earnings	35.5	60.7	101.2	144.9
Funds & Reverses	43.9	50.4	50.4	50.4
Others	**0.0**	**0.0**	**0.0**	**0.0**
Total Equity	**235.5**	**382.9**	**388.2**	**432.0**
Minority's Interest	0.0	0.0	0.0	0.0
TOTAL RESOURCES	**741.3**	**1,153.4**	**1,208.3**	**1,329.9**

CASH FLOW STATEMENT	FY2013	FY2014	FY2015E	FY2016F
Profit before tax	35.6	74.9	88.1	88.8
-Depreciation	20.9	23.0	19.1	20.6
-Adjustments	*14.2*	*26.4*	*9.8*	*11.0*
+/- Working capital	-109.3	-339.9	86.9	-10.3
Net Operating CFs	**-38.6**	**-215.6**	**203.9**	**110.2**
+/- Fixed Asset	-20.9	-39.6	-38.1	-18.6
+/- Deposit, equity investment	0.0	0.0	0.0	0.0
Interest, dividend, cash profit received	4.3	6.6	2.8	3.4
Net Investing CFs	**-16.6**	**-33.0**	**-35.3**	**-15.3**
+/- Capital	52.4	105.1	-35.1	0.0
+/- Debt	146.5	271.7	-25.4	15.4
Dividend paid & other	-5.1	-18.3	2.3	13.9
Net Financing CFs	**193.8**	**358.5**	**-58.3**	**29.2**
+/- cash & equivalents	138.6	109.9	110.4	124.2
Beginning cash & equivalents	**12.7**	**151.6**	**262.0**	**372.4**
Impact of exchange rate	0.2	0.5	0.0	0.0
Ending cash & equivalents	**151.6**	**262.0**	**372.4**	**496.6**

RESULT UPDATE

This report is created for the purpose of providing investors with an insight into the discussed company that may assist them in the decision-making process, The report comprises analyses and projections that are based on the most up-to-date information with the objective which is to determine the reasonable value of the stock at the time such analyses are performed, Through this report, we strive to convey the complete assessment and opinions of the analyst relevant to the discussed company, To send us feedbacks and/or receive more information, investors may contact the assigned analyst or our client support department,

RATING GUIDANCE

Ratings / Return Potential	BUY	ACCUMULATE	NEUTRAL	REDUCE	SELL
Intermediate- term (up to 6 months)	>20%	10% to 20%	-5% to10%	-15% to- 5%	<-15%
Long-term (over 6 months)	>30%	15% to 30%	-10% to 15%	-15% to -10%	<-15%

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RongViet Securities Corporation (RongViet) was established in 2007, licensed to perform the complete range of securities services including: brokerage, financial investment, underwriting, financial and investment advisory and securities depository, RongViet now has an operating network that spreads across the country, Our major shareholders, also our strategic partners, are reputable institutions, i,e Eximbank, Satra, Viet Dragon Fund Management, etc,,, Along with a team of the professional and dynamic staffs, RongViet has the man power as well as the financial capacity to bring our clients the most suitable and efficient products and services, Especially, RongViet was one of the very first securities firms to pay the adequate attention to the development of a team of analysts and the provision of useful research report to investors,

The **Analysis and Investment Advisory Department** of RongViet Securities provides research reports on the macro-economy, securities market and investment strategy along with industry and company reports and daily and weekly market reviews

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