MAY

16

MONDAY

"Lower cash flows"

6 PM CALL

Market today: Lower cash flows

(Tuan Huynh - Ext: 1318)

Lower cash flows, narrower breadth but the index moved higher. Today, the order-matching value in HSX was only VND1,500 billion, decreasing 10% compared to last week average. Besides, number of declined tickers remained higher than advanced tickers, with 118 decliners and 93 advancers in HSX. However, VNIndex continued to increase by 5 pts. Today, although some banking stocks lost their positive movements, higher prices at other common large cap leaders as VIC, VNM, GAS made the index to the higher level. Besides, foreigners' net buying of VND35 billion was also a plus for the increase of the index.

Today increase of VNM's price may come from the catalyst relating to FOL lifting. It is likely that major shareholders of VNM agreed a plan to lift the FOL to 100%. Therefore, the term relating to FOL would be not necessary to propose this plan to the AGM held on this Saturday (21/05/16). This plan is quite similar to what SSI applied in last year, exactly in September 2015. However, "when the FOL of 100% comes into practice" is still a big question. We believe that individual investors would raise many questions about this plan at the next AGM and we hope they would be answered clearly.

Current market situation quite fitted with our expectation, mentioned in recent 6PM call news. We expected last week that market in this week would see the divergence in banking stocks and see the returns of familiar leaders as VNM, BVH. However, current low liquidity is out of our expectation. Theoretically, this low cash flows, if remained, would lead to temporary gap between supply-demand, causing stock prices to lower for some consecutive sessions. These sessions, if happening, would make traders feel nervous and even make them give cut loss decisions. Consequently, market sentiment may become more negative. Therefore, to avoid that situation, large cash flows at leaders should appear in next sessions to push the index to higher price level. We expected that higher crude oil price and discussions at BVH and VNM's AGMs would attract additional cash flows to our market.

Analyst Pin-board

Vietnam insurance industry – small fish in big pond

(Thien Bui- Ext:1321)

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

NT2 Q1 Result updates

PLC - Result Update report for Q12016

(Kien Nguyen- Ext:1322)

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

Recommendations:

VN-Index recovered strongly thanks to a few large cap stocks while HNX-Index kept going up. The liquidity remains low on both stock exchanges. 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	25.8	**Buy**	13/05/2016	25.9	28.5		24			-0.39%	Intermediate
ITD	23.9	**Hold**	11/03/2016	18.7	22.0		17			27.81%	Intermediate
BCC	13.5	**Hold**	22/01/2016	13.7	15.0		12.5			-1.46%	Intermediate
LHC	49.4	**Hold**	21/08/2015	40.5	49.0		37			19.04%	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
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
TCM - Core operation sees improvement	April 27th, 2016	Accumulate – Long term	30,500
MWG- Endeavor to sustain the long-term growth	April 19th, 2016	Buy – Long term	93,000
VSC - Ready for a high and sustainable growth period	April 15th, 2016	Accumulate – Long term	76,000

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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