07/12/2015

Investment Strategy December 2015

Every cloud has a silver lining

The December stock market should stay in line with the overall picture of 2015: the bull comes fast but also retreats quickly as the vulnerability of the Vietnam economy against external uncertainties "framed" stock movements in a wide, almost horizontal band marked by frequent reversals. In the first half of the month, the pessimism from the foreign sector along with trading activities of the ETFs will continue to put a drag on the market, first sending large-caps and blue-chips then mid-caps and penny stocks to lower price levels. What happened in March and August showed that the foreign sector could be excessively bearish when the devaluation pressure intensifies but would open their positions again after prices have dropped a significant amount. We believe the cycle will repeat after the FOMC's final decision is announced (16-17 December) and other variables become more transparent.

VNIndex is expected to move between 550 and 610 and HNIndex between 77 and 82 in December.

One important note for investors relates to recent warnings on the record-high level of leverage (margin lending) on the stock market. An examination of actual liquidity in the last few months combined and a survey by our own suggested that the large part of the lending might have leaked from the listed market to private equity deal such as IPOs, SOE privatization and M&A opportunities, where the owners of many companies might have pledged their very last shares for the leverage. We believe it may be a little too soon now to be concerned about a market-wide collapse as the result of a liquidity retreat.

Investors already should be picking stocks and accumulate shares for 2016. The general recommendations are to (1) rely on minimal leverage and (2) rotate the portfolio for a better cost basis during times of high-volatility. In this oscillating market, there should always be chances to "sell on the rise and buy on the dip" while still being able to secure positions in potential issues. Day trading in this period is not considered a wise move.

2016 is the second year for the government and companies to prepare for the coming flux of FDI. The process, which is expected to continue for a foreseeable future, has gather attention from all market participants while rallying resources from the private sector. We believe companies in sectors that serve the development of infrastructures (hard and soft) and manufacturing expansion rather than participate in the process, i.e. construction, technology, utilities, logistics and transport, will have no shortage of works in the upcoming year. On the contrary, local manufacturers will see stiff competition coming from countries that have entered trade agreements with Vietnam.

Analysis and Investment Advisory

Truc Doan – Head of Research

truc.dtt@vdsc.com.vn

Tai Nguyen

tai.nbp@vdsc.com.vn

Ha My Tran

my.tth@vdsc.com.vn

Diem My Tran

my.ttd@vdsc.com.vn

Lam Nguyen

lam.ntp@vdsc.com.vn

Tam Bui

tam.bt@vdsc.com.vn

Trien Le

trien.lh@vdsc.com.vn

Huong Pham

huong.pt@vdsc.com.vn

Hoang Nguyen

hoang.nh@vdsc.com.vn

Van Banh

van.btt@vdsc.com.vn

Tuan Huynh

tuan.hm@vdsc.com.vn

Kien Nguyen

kien.nt@vdsc.com.vn

Thien Bui

thien.bv@vdsc.com.vn

Trinh Nguyen

trinh.nh@vdsc.com.vn

CONTENTS

With risks coming from both inside and outside of the Vietnam economy, the stock market is expected to continue for some more time without a defined trend, a condition in which an constant-mix rebalancing strategy, i.e. buy on the dip and sell on the rise, generally generate the best returns. As the liquidity has begun to dwindle in the first few days of December, market conditions are against short-term trading and it may take some more time for stocks can find a bottom. If the market rebounds in the first half of the month, the recommendations are to reduce the position in stocks and keep cash until the overall sentiment improves. We notice that gainers have dominated in the domain of large and mid-caps whereas the majority of penny stocks have performed poorly. The stocks of large companies with sound fundamentals such as BMP, VNM, CTD, NCT, etc. weathered market volatility far better and generally saw more demand during unfavorable periods than did smaller, more speculative issues. Though they also suffered during the last down turn, these stocks should make less risky investment for the longer term.

December will be a good time to accumulate stocks for the long-term horizon. The investment portfolio of 2016 should include stocks (1) of leading companies, (2) with solid fundamental foundation and (3) belonging to sectors with positive business outlook. Given the need to prepare the infrastructures for FDI and economic growth after the conclusion of major trade agreements, the construction industry should be the first destination of growth. In fact, upbeat revenue and earnings growth have been reported by a great many listed constructors in 9M2015. Considering the rising number of transport and real estate projects in 2016, we maintain an optimistic outlook of construction industry going forward.

As the integration process is accelerating, logistics and transport companies and seaport operators are favored first by growth of cargo volume on both the import and export sides. Along with the manufacturing sector expansion, industries that cater for the manufacturing sector such as technology, utilities and supporting industries will also exhibit some good growth.

- Transport: GSP, PVT, GMD
- Seaport: HAH, VSC
- Construction: LCG, HUT, FCN, CTD
- Technology: FPT, ELC
- Utilities: NT2, CHP, SHP, PPC, REE
- Real estate: BCI, KDH, NBB, VPH, LHG
- Retail: SVC, PET
- Building materials: DNP, BMP, HT1, KSB, HPG, HSG
- Textile-garment: TCM, STK
- Oil & Gas: PGS, PVS, PLC
- Others: SKG, DHC, BMI, MAC, PAC, DMC, DPM

Under our industry outlook and capital market expectations, we present below the list of our stock picks and sample portfolios for 2016 (Table 6&7, page 19). Upon review 2015 full-year results, more detailed analyses on the issues and strategy recommendation will be included in RongViet Research *2016 Stock Market Report*.

Industries movement in November, 2015 and P/E, P/B of industries at the end of the month

68 stocks of RongViet Research (analyzing, discussing with companies) and have analysis and specific evaluation in "Company report" or "Advisory Diary" since the beginning of this year till now.

WORLD ECONOMY

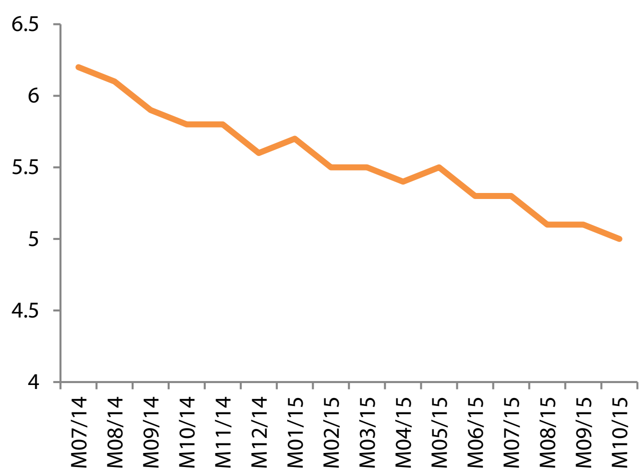
- US – Inflation and unemployment rate are approaching the target, FED rate hike is almost certain
- China – the improvement in service sector was not enough to compensate for the deterioration in production sector
- The Yuan was added to SDR basket – no impact in short-term

US – Inflation and unemployment rate are approaching the target, FED rate hike is almost certain

US's GDP growth rate in Q32015 was adjusted to 2.1% compared to the previous 1.5%. Specifically, consumption remained the pillar for economic wheel. In November, consumer confidence index of US maintained the positivity, achieved 91.3 points – slightly increased from the last month figure of 90 points. Besides the positive assessments about economic growth, labor market in October continued the improvement. According to US Department of Labor, in October, the economy created 271,000 jobs – highest figure since December 2015. Furthermore, the average salary of employees also achieved 2.5% growth rate yoy. Remarkably, unemployment rate this month also declined to the full employment rate, equivalent to 5% - FED's target. In October, inflation experienced the recovery, particularly, inflation and core inflation reached 0.2% yoy and 1.9% yoy, respectively.

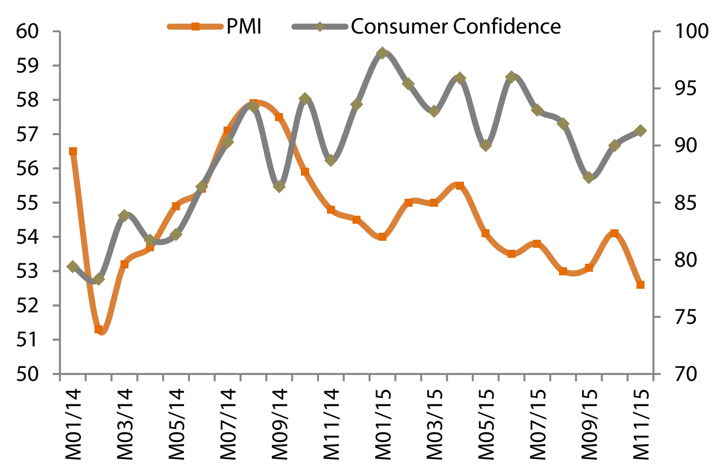
Last month, in contrast to developing countries, production activities of US economy maintained the expansion; however, the pace has been slowed down. In term of optimism, the factors which made the negative impacts on economy mainly came from the external forces. On the other hand, domestic demand continues to be the major counterweight that helps stabilize production activities. Based on recent developments, production sectors are expected to have major contribution to GDP growth rate in Q42015.

Figure 1: US unemployment rate



Sources: Tradingeconomics, RongViet Research

Figure 2: US consumer confidence index and PMI



Sources: Tradingeconomics, RongViet Research

At this moment, economic indicators have signaled the positive recovery in September, of which, there are two main aspects including inflation and unemployment rate approaching FED's target. In December, the main concern of Rongviet Research will be FOMC regular meeting on 15-16/12. With above macro indicators, the probability that FED will hike rate could be extremely high and we expect the adjustment will be approximately 25 basic points. As a result, USD index during the first week of December 2015 surpassed 100 points, highest since March, 2015.

China – the improvement in service sector was not enough to compensate for the deterioration in production sector

This month, early indicators for production and service sectors of China recorded the mix signals between domestic and Caixin statistics. Specifically, in production sector, official PMI declined from 49.8 points in October to 49.6 points in December. Meanwhile, PMI figure from Caixin demonstrated the slight improvement over the last 3 months, to 48.6 points. In term of service sector, PMI increased to 53.6 points meanwhile PMI from Caixin declined from 52 to 51.2 points. These differences could lead to important implications for the current state of China economy:

- First of all, the similarity is the contraction of production sector in China while service sector is still expanding.
- Secondly, components of PMI (in production) from General Statistic Office demonstrated that manufactoring activities from large-scale enterprises have the improvement while there is less positivity in small enterprises. However, combining with PMI from Caixin (the sample mainly includes mid and small enterprises), we believe that the business activities from such companies have improved recently. This could be the positive sign after recent monetary easing policies from the People's Bank of China.
- Thirdly, we believe that PMI of service sector from Caixin in November could not be the warning sign. If excluding the seasonal characteristics (impacts from the sale promotion during the year end), service sector of China still maintains the growth momentum.

Taken together, even though service showed the better prospect than production sector over the period, this factor is not enough for China to compensate for the deterioration of production. In order to maintain the stable growth (at least 6.5% in 2016), there are many assessments that China needs further monetary easing policies, especially during the period that deflation is threatening consumption and US could start the rate hike at the end of this year.

Figure 3: Manufacturing PMI

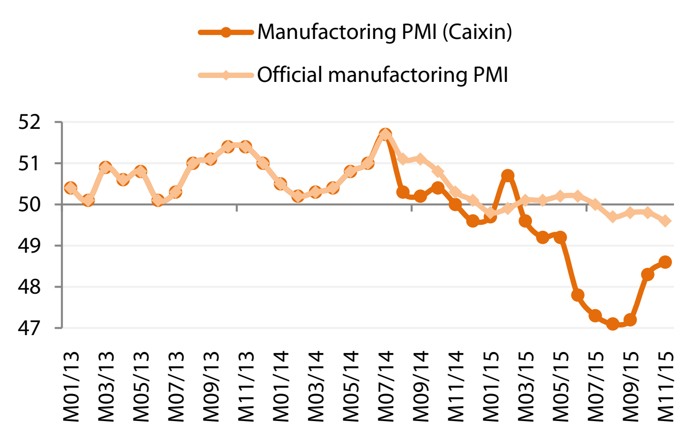
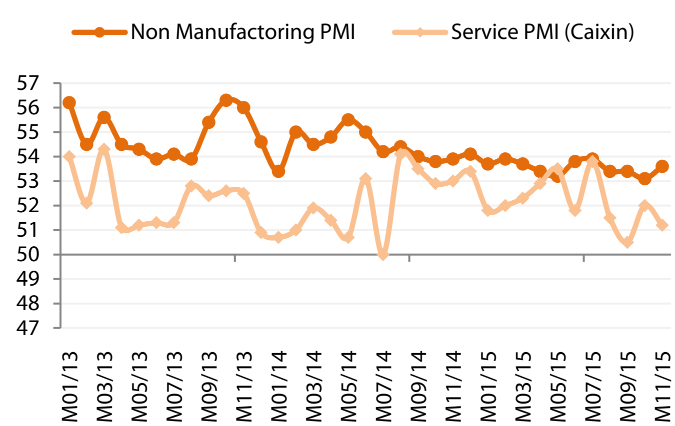


Figure 4: Service PMI



Sources: Bloomber, NBS, RongViet Research

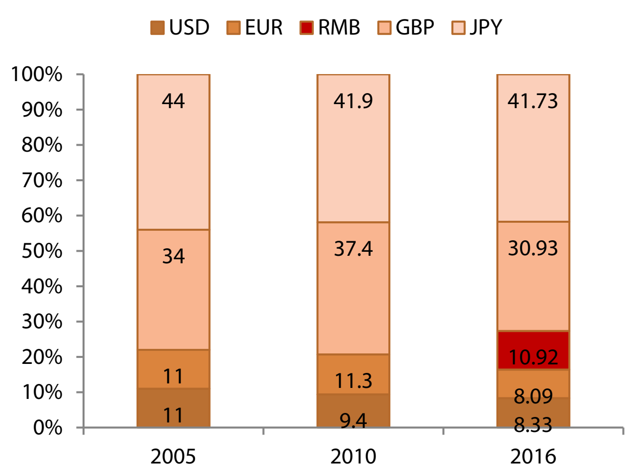
Sources: Bloomber, NBS, RongViet Research

The Yuan was added to SDR basket – no impact in short-term

Last month, IMF officially added the Yuan to international currency reserve – SDR with the 10.92% proportion. This decision will take effect since 10/01/2016, accordingly, the Yuan will rank 3rd after USD and EUR in SDR structure. The noteworthy point in the structure calculation of IMF is that the proportion of USD remains unchanged and the proportion of Yuan mostly comes from other currencies such as EUR (declined from 37.4% to 30.9%). Under this perspective, it could imply that US position is relatively solid while EU zone started to weaken. Analyzing the movement of currency pairs last month, EUR had the most significant depreciation among currencies in SDR. The reason could come from the IMF's decision and the expectation of ECB to decline the rate to increase the scale and duration of asset-purchase program. However, from the latest decision of ECB (December 04) – decline basic rate to -0.3% and prolong the asset-purchase program to March, 2015, EUR has strongly recovered and currently has the same depreciation with the Yuan after the USD rally.

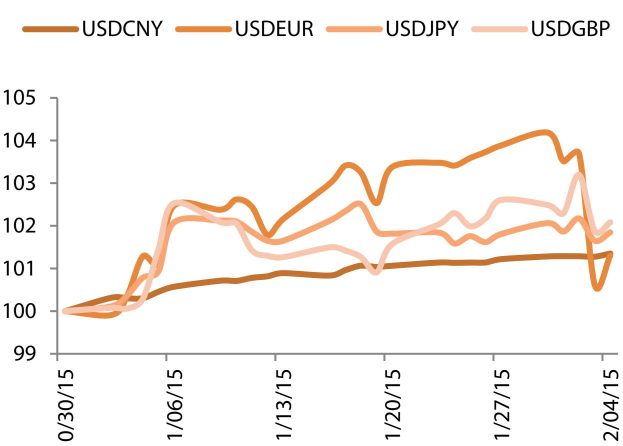
Consult the assessments related to the addition of Yuan into SDR, we agree that this issue will not have the impact on the Yuan in short-term. The monetary easing policy from China and economy prospect in 2016 will be the main factors that make the main impacts on the Yuan. In addition, recent situation of the Yuan could imply that markets expect the Yuan to continue the depreciation but policy makers in China still have the capacity to regulate and ensure the stability of Yuan's new position. However, the level of fluctuation control that could be gradually eased to meet the requirements from IMF is the aspect that need to concern about.

Figure 5: SDR structure



Sources: IMF, RongViet Research

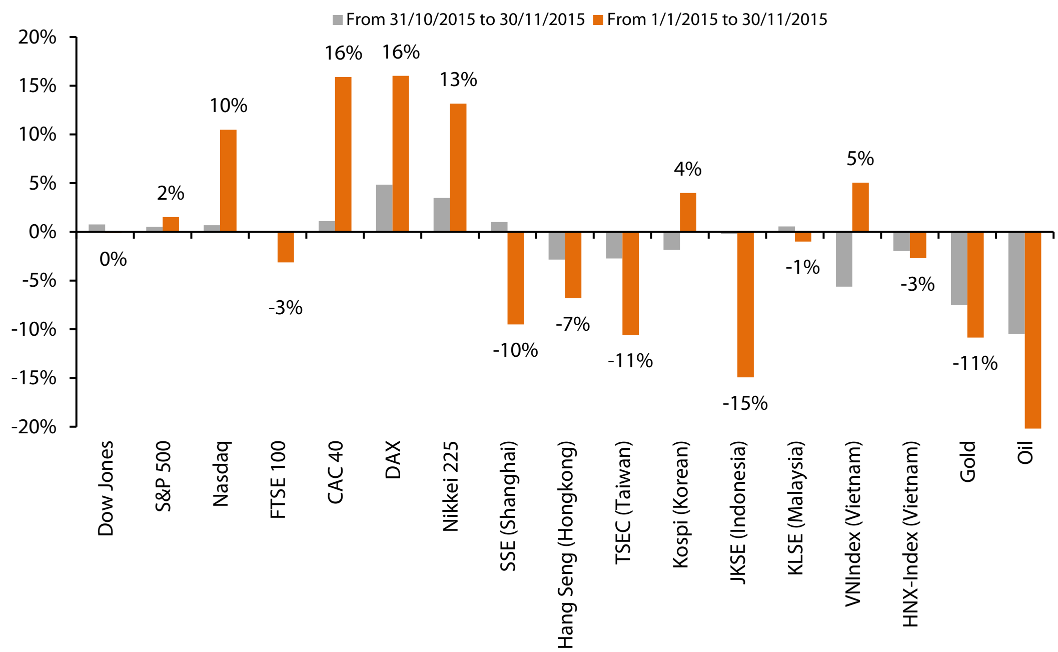
Figure 6: Exchange rates of currencies in SDR basket



Sources: Bloomberg, RongViet Research

WORLD STOCK MARKETS

Figure 7: World stock markets in November



Source: Bloomberg, RongViet Researh

After a consistent reverse in October, stock markets around the world started to mix in November when US markets maintained their strong upside while some of those in EU and Asia could not make their gains.

Strong data from employment as well as core inflation has created firm base for rate hiking in December, which also implies that US economy is recovering. Hence, Nasdaq, S&P 500 and Dow Jones slightly move up 0.68%, 0.52% and 0.76% respectively. We saw strong gain in USD thanks to expectation of higher FED rate will be announced. The oil price, on the other hand, dropped siginificantly 7.52% compared to last month. Gold price moved to a 5-year new low level at USD1,056.29/ounce.

From the other side of Atlantic Ocean, EU stocks markets ended November with CAC 40 and DAX rallied for the second month while FTSE 100 fell faintly. Major driver for the gain came from possibility ECB might expand its QE and a deeper rate cut to struggle against low inflation.

Asia shares saw clear divergence as only Nikkei 225 (+3.5%) and Shanghai Index (+1%) closed higher. For Japan market, it was the news that BoJ would keep its QE that drove the market. In China, PBOC signaled further stimulus programs would come into force. However, bad news of a a widespread inspection of securities firms, which related to market manipulation issue, caused strong drop in Shanghai Composite and Hang Sheng Index; therefore, the two indices closed lower compared to October.

VIETNAM ECONOMY

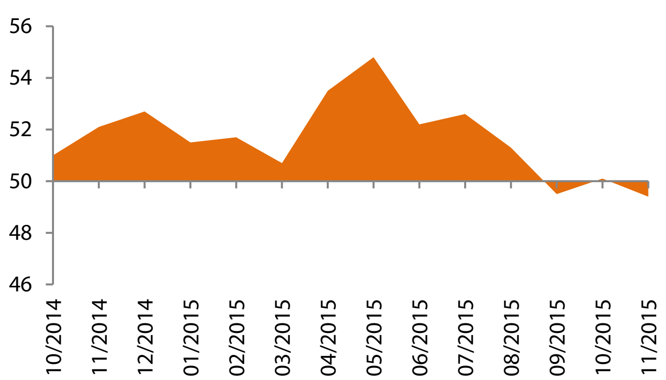
- Domestic demand has currently been the fulcrum for production
- Exchange rate seem to be tense again
- Where will Vietnam policy go in adverse choices of two biggest economies?

Domestic demand has currently been the fulcrum for production

Ending the 2-year-sustainable recovery, there has been a signal of leveling off in Vietnam manufacture activities for recent months. According to Nikkei, November PMI recorded a point of 49.4, decreasing from an October point of 50.1. It can be seen that, world economy slowdown has impacted negatively on Vietnamese production activity; particularly, new order and export order is as a notable evident.

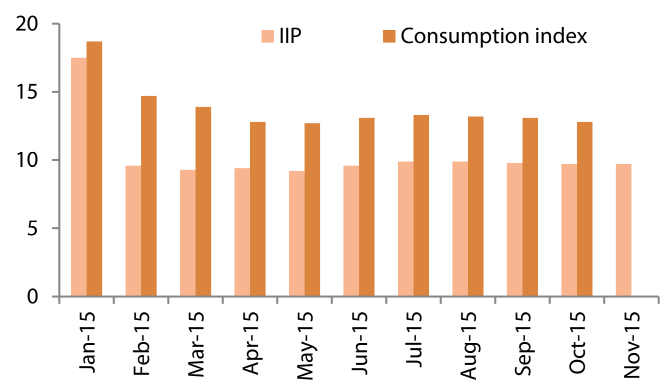
In the other hand, the fulcrum of production is domestic demand stability. As GSO's report, the consumption in both consumer and manufacturing sector has increased positively yoy. Particularly, as 10M2015 average calculation, consumption index of manufacturing sector grew 12.88% yoy (compared with a growth of 10.02% in 2014). Additionally, retail sector also recorded the same trend with an increase of 8.3% (excluding price effects), Q4 is a seasonal quarter for goods consumption; thus, the remaining of domestic purchasing power is a key counterweight to ease negative impact coming from the reduction in foreign partners' orders.

Figure 8: Vietnam PMI



Sources: Markit, RongViet Research

Figure 9: Industrial production and consumption index



Sources: GSO, RongViet Research

Exchange rate seem to be tense again

After a stable period in October, the USDVND has recognized a tense signal during November and currently approached celling level stipulated by State Bank. However, operating policies have received supports from internal factors as a gradual decrease of trade deficit over the months, high remittances which have come with strong FDI disbursement since Q32015. According to Foreign Investment Department, by the end of November, capital disbursement and FDI registration grew 17.9% and 16.7% yoy, respectively. This is an optimistic signal for economy when Vietnam is becoming a member of many free trade agreements, reaching opportunity of attracting the foreigners 'attention.

However, the pressure from external factors on exchange rate policies has been remarkable; particularly, stronger USD and China monetary easing policy. According to Bloomberg, since

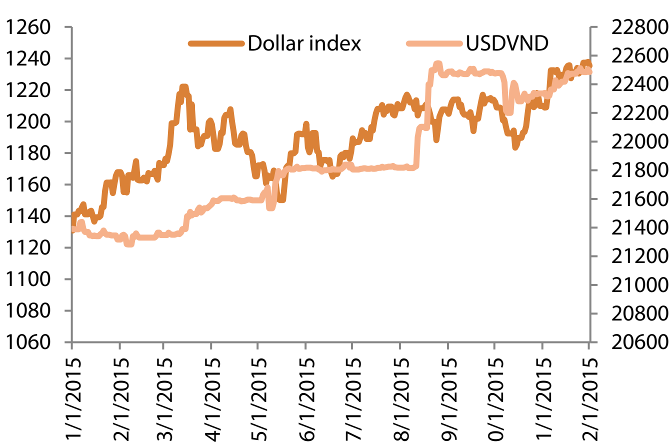
December, 2015, dollar index has recorded a growth of 10.13% yoy when US economy has continuously announced positive signs and FED has mostly approved an increase of interest rate. In late November, IMF approved CNY for becoming a member of SDR, officially coming into effects from 1st October 2016. As analyzed above, in the future, the China and US monetary policies with opposite directions is a key factor causing CNY devaluation more significantly.

Where will Vietnam policy go in such adverse choices?

For the exchange rate policy, although we think SBV owns the tools to ensure the stability of the exchange rate (foreign exchange reserves, FDI flows, remittances, reducing trade deficit, regulations controlling foreign currency transactions). Considering each factor, we believe the most powerful tool is foreign exchange reserves and the second powerful tool is regulations controlling foreign currency transactions. According to the IMF, Vietnam foreign currency reserves fell by $6.7 billion in Q32015 to about 30.3 billion, which is lower than the number at the end of 2014 but remains high compared to previous periods. Currently, this level only meets 2.1 months of imports, lower than the required 3 months of imports. If the central bank continues to sell dollars in order to keep its commitment to stabilize the exchange rate, the foreign exchange reserves will increasingly lower. With negative outlook of export activities recently, the most powerful tool is decreasing its strength.

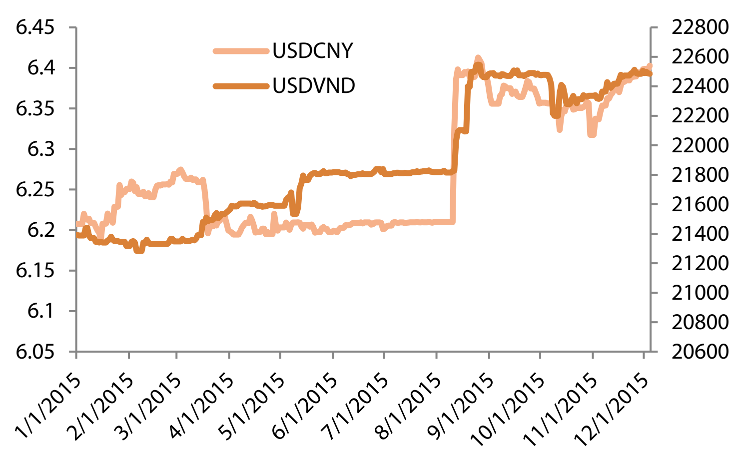
The second tool has promoted good effect reducing devaluation expectations of Vietnam dong in 10/2015 - the Circular 15. However, the exchange rate movement in November, 2015 showed the dong devaluation expectation is still too big. Notably, the supporting factors for SBV is FDI inflows now, accumulated in 11 months, the amount of FDI was $13.2 billion, a significant increase over the same period but it is still too little to rebalance above expectations. Besides, this factor does not continuously high and active so it might not create a strong impact, similar to remittances.

Figure 10: USD Index and USDVND exchange rate



Source: Bloomberg

Figure 11: Correlation between USDCNY and USDVND



Source: Bloomberg

According to Rong Viet Research, the correlation between the USDCNY and USDVND pair is increasing since the change of China exchange rate policy in August, 2015. The dong is an emerging currency which has a history of over-valuation. Thus, considering the exchange rate policy, SBV only has option for the dong devaluation but in "order" and "not too volatile". In view of Rong Viet Research, to be ready for the possibility of yuan devaluation in the upcoming period, a devaluation of 1% per quarter for VND could be a viable option.

For interest rate policy, Vietnam is under monetary easing cycle with oriented interest rate continued to fall in recent years. However, since the end of 2015, interest rate in the economy has almost bottomed. In December, 2015, the Fed will adjust interest rates for the first time after a series of monetary easing lasted 8 years. According to Goldman Sachs, during the latest rate hike of FED in 2004, most interest rates in Asia had similar trend with the lag from 2-18 months and the change from 150-300 basis points. The interest rate in Vietnam's economy has also revised up after 8 months with an increase of approximately 250 basis points.

Table 1: Central bank actions during the last Fed tightening cycle

	China	India	Korea	Taiwan	Thailand	Indonesia	Philippines	Vietnam
Date of first policy rate hike post the first Fed rate hike	10/2004	10/2005	12/2005	10/2004	08/2004	04/2005	04/2005	01/2005
Number of months between first hike and the first Fed rate hike	4	16	18	4	2	10	10	8
Cumulative tightening (bps) before global financial crisis	216	300	150	225	250	156	-75	250

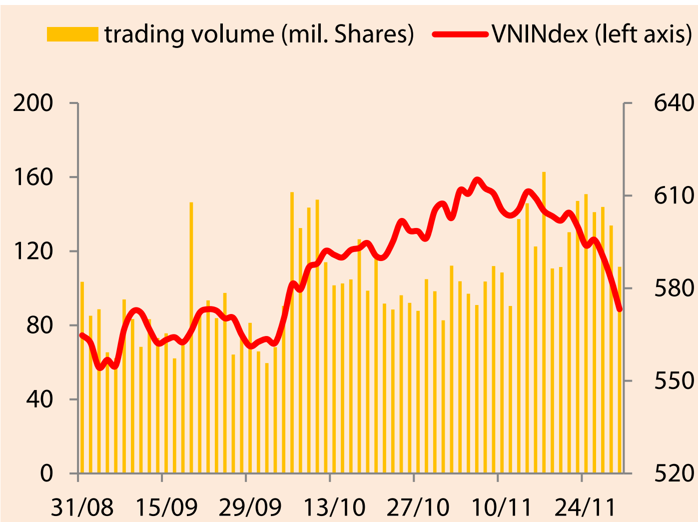
Sources: Goldman Sachs, RongViet Research

In this adjustment, we have two notice points: (1) FED will rise interest rate gradually by a quarter-point for the first hike and then will adjust 3 to 4 times with the same increase in 2016; (2) there is clear divergence in monetary policies worldwide (mostly leaning to ease monetary). According to Goldman Sachs, the rise of interest rate from FED will not have strong impact on the interest rate policy of major Asian economies in 2016. For Vietnam, we believe that FED rate hike would likely impact on the interest rate because interest rate currently hits the bottom. However, this impact will lag for at least 6 months to 1 year. So that, we expect the adjustment (if any) will occur in the second half of 2016 with expected increase by 50 - 100 basic points. However, it should be combined with internal factors of the economy in order to establish more specific expectations for interest rate policy next year.

THE STOCK MARKET IN NOVEMBER: DECLINE AMIDST HIGH LIQUIDITY

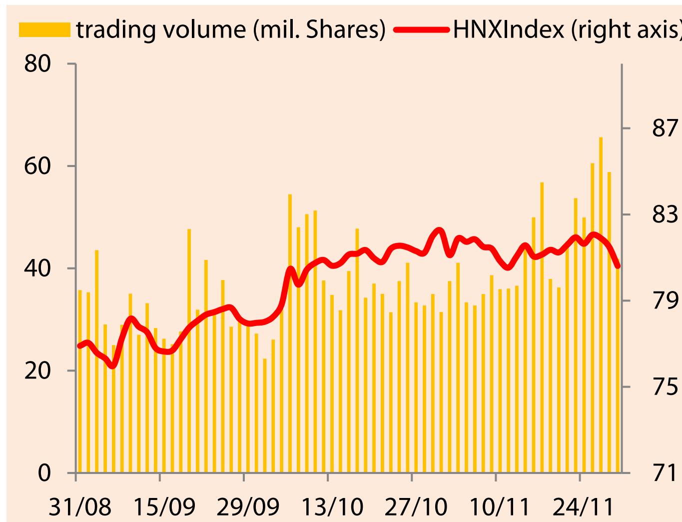
Market declined but volume was still at high level. Market was unable to maintain its uptrend. Despite peaking at 612 in some early sessions in November, market then dropped sharply due to profit-taking activities and rumors of margin-call at leading stocks. The four-leading-stock group (VNM-VCB-VIC-BVH) lost the leading role and slid 3.3% in November. VNIndex and HNIndex also decreased 5.6% and 2%, respectively compared to closing price in October.

Figure 12: VNIndex movement



Source: RongViet Research

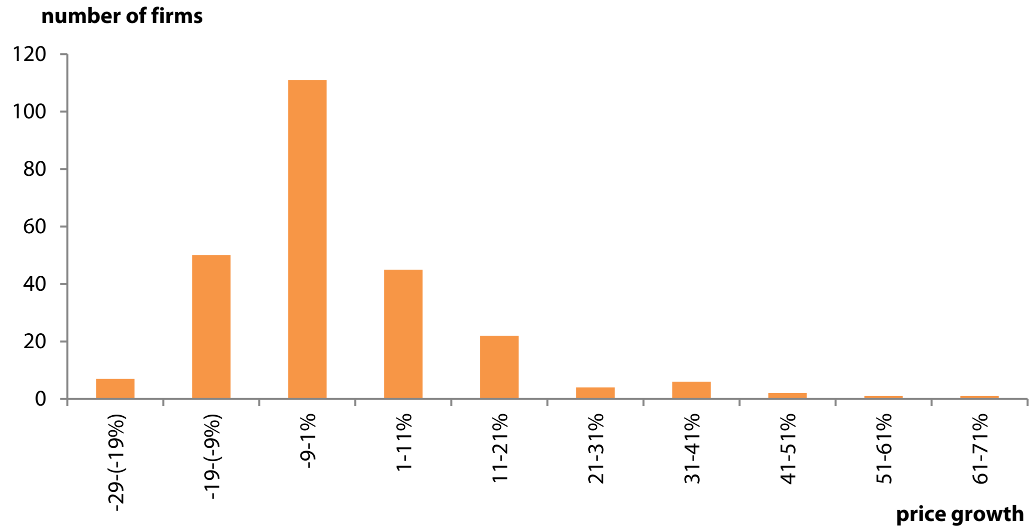
Figure 13: HNIndex movement



Source: RongViet Research

Besides, in November, market also witnessed wide breadth farvored to losers, with number of losers to gainers at 378/230. In addition, statistics of high liquidity stocks (volume above 50,000 shares per session) and having price surge above 5% showed that they were almost belong to speculative stocks, such as: FLC, TSC, SHN, SCR, DLG, SHS, JVC, KLF, OGC,….

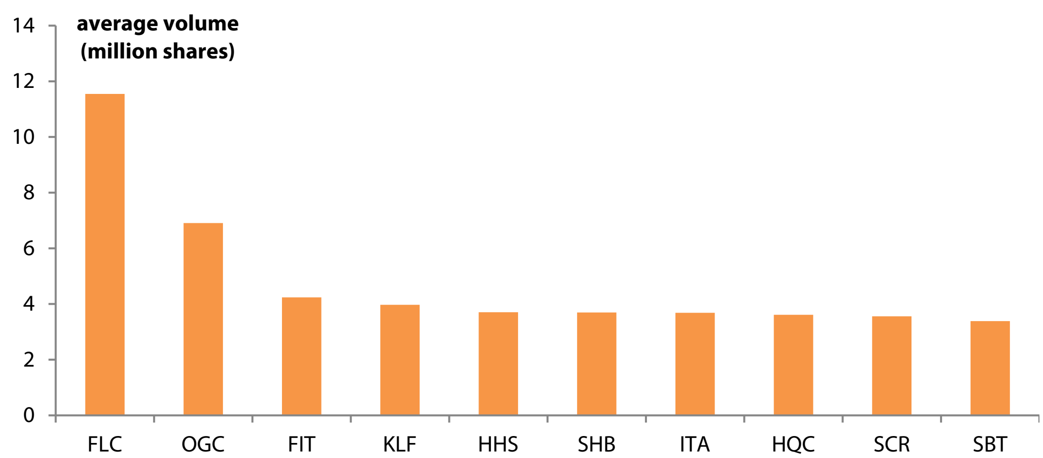
Figure 14: Distribution of price growth in November of high liquidity stocks (volume above 50,000 shares per session)



Source: Bloomberg, Rongviet Research

However, liquidity was abnormal. According to the two-year statistics, liquidity around peaks is usually higher than liquidity of adjacent downtrend sessions. However, in November, liquidity did not follow that rule, that liquidity around peak lower 26% than liquidity of downtrend sessions. This was in part due to increasing volume of speculative stocks. Volume of those stocks accounted for over 30% total volume of market and surged 70% compared to average in October.

Figure 15: Top ten highest liquidity in November



Source: Bloomberg, RongViet Research

Q3 Business Results: Q3 performance did not meet our expectation due to exchange rate losses

According to statistics of listed companies (605 listed firms having both 2014Q3 and 2015Q3 results), we realized that revenue and profit were not positive, with revenue and PAT growth of just 5% y-o-y. Specifically, large-cap stocks (belong to VN30) even recorded 6% decrease in PAT. If excluding securities services, insurance and banking, revenue of VN30 increased only 9% while PAT decreased 7% y-o-y. This decrease caused by finance cost. In Q3, this cost saw unregular item of exchange rate loss, with unrealized exchange rate loss increasing 37 times and realized loss up10 times against the same period in last year. Therefore, although gross margin increased 400 bps, finance cost caused operating down 7.3% y-o-y and PAT down 6.7% y-o-y.

Table 2: Business results of stocks in VN30 (exluding securities services, insurance, banking sector) (unit: billion dong)

	2014Q3	2015Q3	growth (y-o-y)
Revenue	64,404	70,469	9.4%
Gross profit	15,037	18,805	**25.1%**
Gross margin	23%	27%	4.0%
Selling and administration expense	-6,424	-8,887	38.3%
Finance revenue	3,010	2,355	-21.8%
Finance expense	-1,912	-3,752	**96.2%**
In which: interest cost	-1,407	-1,252	-11.0%
Finance gain/cost	1,098	-1,397	-227.2%
Operating income	9,710	9,002	-7.3%
Operating margin	15%	13%	-2.0%
Other profit	35	-25	-171.4%
PBT	9,718	9,057	-6.8%
PAT	8,018	7,484	**-6.7%**
Net margin	12%	11%	-1.0%
EBIT	11,125	10,309	-7.3%

Source: RongViet Research

Table 3: Finance cost structure of stocks in VN30 (excluding securities services, insurance, banking) (unit: billion dong)

	2014Q3	2015Q3	Growth (y-o-y)
Interest cost	1.415	1.158	**-18%**
Payment discount, interest of deffered payment	4	79	1,875%
Investment losses	13	0	-100%
Realized exchange rate losses	65	758	**1,066%**
Unrealized exchange rate losses	12	462	**3,750%**
Provision for investment	-45	0	-100%
Others	416	1.134	173%

Source: RongViet Research

However, considering specific sectors, there were some sectors having attractive profit growth, typically: retail, basics material, leisure, construction and construction material,…, which had strong domestic demand so they immunize against exchange rate fluctuation.

Table 4: Business performance by sectors

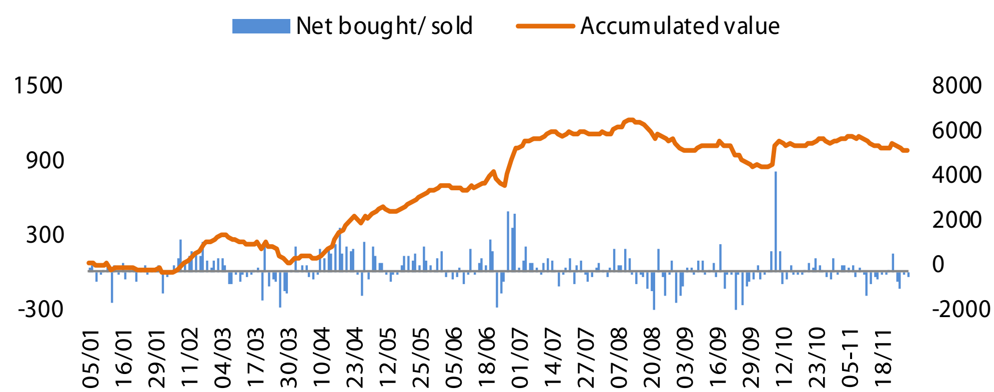
	Market cap (bn. dong)	ROE	P/E	P/B	ROA (%)	ROS (%)	EV/EBITDA	+/- price	+/- Revenue Q3	+/- PAT Q3
Industrial Goods & Services	164,561	14%	16.44	2.55	6	8	8.56	-3.9%	27%	26.9%
Food & Beverage	217,757	23%	16.56	5.82	10	14	0.83	3.2%	16%	-12.3%
Banks	334,493	10%	16.22	1.74	1	0	14.52	-10.4%	N/A	8.6%
Construction & Materials	73,274	13%	9.41	1.56	4	6	5.35	4.1%	14%	36.4%
Financial Services	29,353	8%	14.14	1.39	5	26	8.07	-6.4%	22%	-46.0%
Basic Resources	19,317	4%	7.39	4.54	1	1	9.04	-1.1%	-1%	277.7%
Retail	9,742	32%	6.89	1.24	15	9	7.89	8.1%	5%	813.7%
Health Care	13,715	15%	10.31	1.91	8	6	(3.45)	-2.2%	5%	-8.7%
Oil & Gas	105,637	24%	7.23	1.69	14	13	(17.39)	-11.4%	-23%	-16.3%
Utilities	34,234	17%	8.48	1.45	8	11	8.09	-1.0%	-6%	-41.9%
Real Estate	131,102	5%	24.52	2.56	2	9	5.16	-3.2%	13%	-22.2%
Media	1,390	12%	11.78	1.13	6	4	7.29	-2.2%	16%	0.0%
Insurance	51,499	8%	25.85	2.32	2	0	12.62	-10.3%	N/A	N/A
Personal & Household Goods	25,474	16%	10.51	2.04	7	6	12.09	5.2%	2%	17.1%

Travel & Leisure	7,695	13%	10.50	2.25	7	9	21.73	-0.3%	6%	153.4%
Technology	22,662	19%	11.18	2.10	8	4	4.68	-3.2%	-20%	10.5%
Chemicals	38,373	12%	8.08	1.29	7	8	6.52	-1.3%	24%	10.7%
Automobiles & Parts	7,927	22%	9.85	2.19	10	8	67.68	-0.7%	4%	-0.2%

Source: RongViet Research

FOREIGN TRADING ACTIVITIES: CONSERVATIVE

Figure 16: Total buy/sell of foreigners in November



Source: RongViet Research

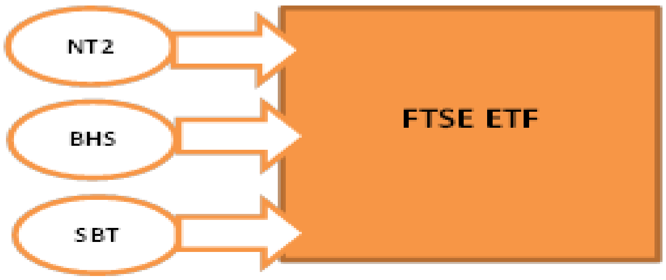
Foreigners were net sellers in November due to anxiety of higher FED rate in December as well as USD/VND fluctuation. Total net selling values in November were estimated at VND554 billion in HSX. Foreigners strongly short MSN (-VND474 billion), HHS (-VND195 billion), VIC (-VND150.8 billion), HAG (-VND150 billion), KDC (-VND128.4 billion) and GAS (-VND108.7 billion). Other stocks such as DLG (VND163.5 billion), VCB (VND103.9 billion), CII (90.3 billion), HNG (VND80.7 billion), BID (VND66.5 billion) and NT2 (VND64.8 billion) were net bought. In HNX, total net buying values were around VND127 billion, in which CEO was the most favorite one with highest accumulated value of VND 39.8 billion.

Both ETFs traded at discount in November. VNM ETF traded at 1.1% below its NAV with 300,000 fund certificates withdrawn. FTSE ETF also traded at 0.4% discount with 165.000 fund certificates lower than those in October. Total outflows from two foreign ETFs were recorded at VND184 billion in November.

ETFs will conduct their reconstitutions in this month. We forecast HHS will be the new constituent while IJC will be deleted from current portfolio. The review result of FTSE ETF has been published on December 04 with three new constituents named NT2, BHS and SBT without deleting any current stock.

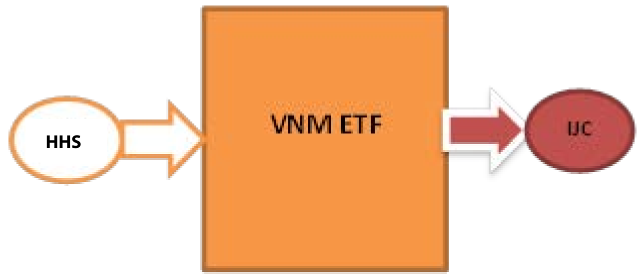
Adverse market developments compounded by concern on the imminent first FED rate hike since the last financial crisis could well justify foreign investors' cautious action recently. Therefore, we believe that foreign investors' behavior would only be clearer after all information from the FED meeting on Dec 17 and ETF rebalancing period end on Dec 18.

Figure 17: Add/deletion of FTSE ETF



Source: www.ftse.com

Figure 18: Add/deletion of VNM ETF



Source: RongViet Research

DECEMBER STOCK MARKET OUTLOOK: EVERY CLOUD HAS A SILVER LINING

The stock market experienced again how fickle foreigners can be as more than VND500 billion was drained from the HSX in November, where some of the largest-caps such as MSN, VIC, KDC, HAG and even VNM were subject to the selling pressure. We believe the overseas pessimism will continue to haunt local trading this month. The period from 7th to the 19th of December will see the last review in 2015 of VNM ETF and FTSE Vietnam ETF, the two largest ETFs investing in Vietnam stocks. We estimate the funds will dispose a substantial number of Vietnamese shares though still adding several new issues, e.g. BHS, NT2, SBT, etc. into their basket, which will also add to the figure of foreigner net sales this month.

In a broader view, the likely increase of the US interest rate after the FED's December meeting plus clear signs of a slowdown in China and the resulting weakening of renminbi will challenge to the SBV's ability to maintain the interest rate – exchange rate fragile balance in the intermediate term. The falling pulses of the Chinese economy have urged many institutions to forecast up to 6.3% of devaluation of for the yuan against the dollar next year. Meanwhile, the first interest rate hike in the almost a decade in the US threatens to downgrade further emerging and frontier markets like Vietnam on the allocation order.

The December stock market should stay in line with the overall picture of 2015: the bull comes fast but also retreats quickly as the vulnerability of the Vietnam economy against external uncertainties "framed" stock movements in a wide, almost horizontal band marked by frequent reversals. In the first half of the month, the pessimism from the foreign sector along with trading activities of the ETFs will continue to put a drag on the market, first sending large-caps and blue-chips then mid-caps and penny stocks to lower price levels.

What happened in March and August showed that the foreign sector could be excessively bearish when the devaluation pressure intensifies but would open their positions again after prices have dropped a significant amount. We believe the cycle will repeat after the FOMC's final decision is announced (16-17 December) and other variables become more transparent.

VNIndex is expected to move between 550 and 610 and HNIndex between 77 and 82 in December.

One important note for investors relates to recent warnings on the record-high level of leverage (margin lending) on the stock market. An examination of actual liquidity in the last few months combined and a survey by our own suggested that the large part of the lending might have leaked from the listed market to private equity deal such as IPOs, SOE privatization and M&A opportunities, where the owners of many companies might have pledged their very last shares for the leverage. We believe it may be a little too soon now to be concerned about a market-wide collapse as the result of a liquidity retreat.

Investors already should be picking stocks and accumulate shares for 2016. The general recommendations are to (1) rely on minimal leverage and (2) rotate the portfolio for a better cost basis during times of high-volatility. In this oscillating market, there should always be chances to "sell on the rise and buy on the dip" while still being able to secure positions in potential issues. Day trading in this period is not considered a wise move.

2016 is the second year for the government and companies to prepare for the coming flux of FDI. The process, which is expected to continue for a foreseeable future, has gather attention from all market participants while rallying resources from the private sector. We believe companies in sectors that serve the development of infrastructures (hard and soft) and manufacturing expansion rather than participate in the process, i.e. construction, technology, utilities, logistics and transport, will have no shortage of works in the upcoming year. On the contrary, local manufacturers will see stiff competition coming from countries that have entered trade agreements with Vietnam.

The fruits of economic growth will first go to those take part in the preparation of infrastructures

The way economic growth and integration affect the different sectors can be visualized as a waterfall. To draw foreign investment and facilitate trade, Vietnam first needs infrastructures, especially transport infrastructures like expressway, bridges, seaports, etc. The building of these projects is a huge source of work to heavy and civil constructors.

Once the facilities are in place, firms will need to import equipment and materials for their production and later on, to distribute their products. This is where logistics and transport services come in. But production does not start there. Firms also need capital, payment services, packages, mechanics, inspection services, gas, water, electricity along with all sorts of supporting goods and services. Finally, when companies have profits and wages have been improved, retail consumption and financial services (insurance, securities…) will feel the growth.

Construction is the service sector experiencing great demand

Vietnam **construction sector** has recorded positive improvements in business performance this year. Total construction value over the first 3 quarters of the year increased by 12% yoy, an excess of the Ministry of Construction's yearly target by 10%. Dollar contribution of the industry to Vietnam's GDP also increased by 9.0%, highest in the last 5 years in the nine months ended September.

Table 5: Construction value over the first 9 months of 2015

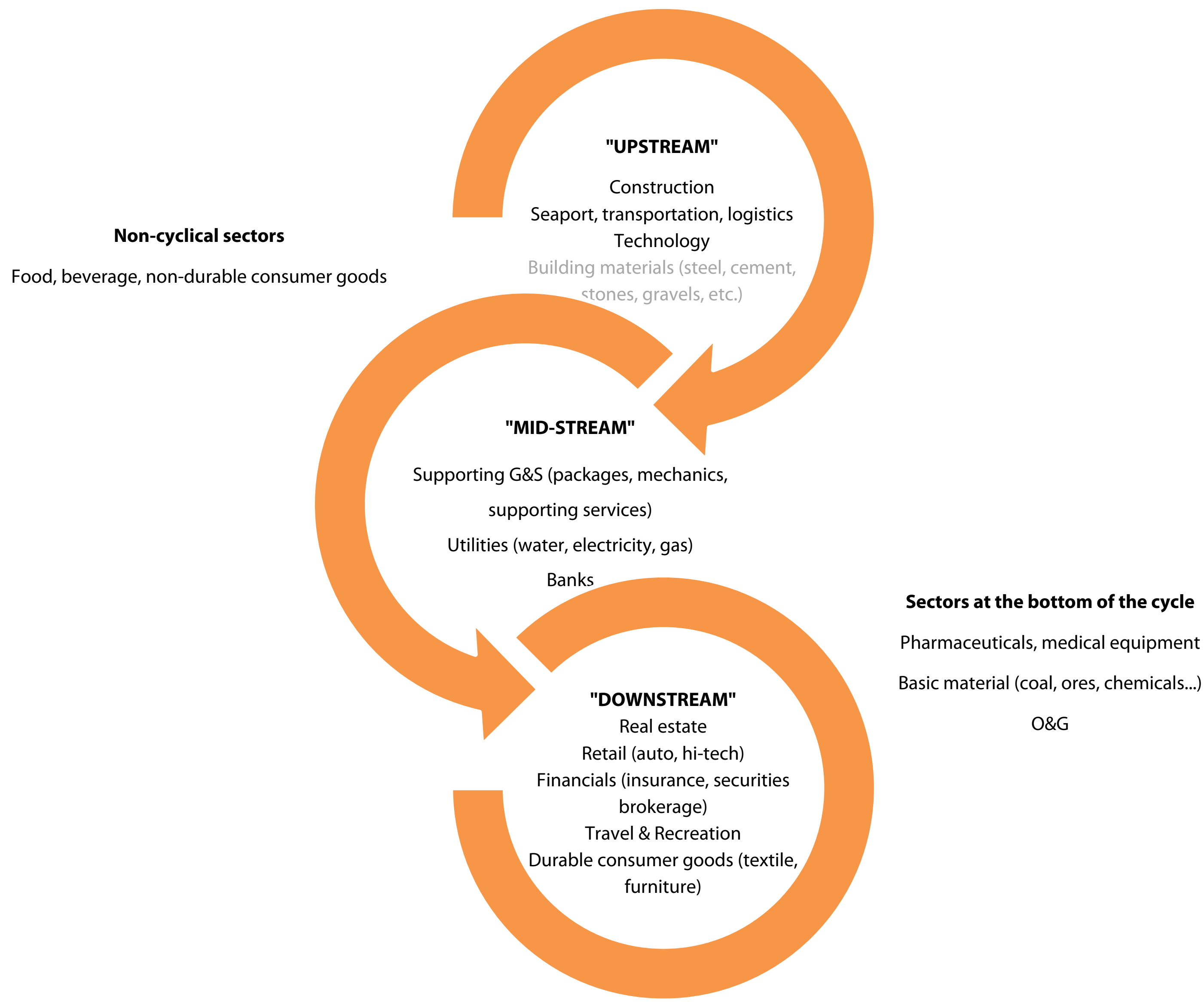
VND Trillion (current price)	9M2015	9M2014	Growth rate
The construction value	**660.9**	**587.6**	*12.47%*
By sector			
- Public sector	58.0	61.7	*-6.00%*
- Non-public sector	561.4	487.7	*15.11%*
- Foreign investment sector	41.5	38.2	*8.64%*
By type			
- Residential	266.5	260.0	*2.50%*
- Non-residential	106.5	87.6	*21.58%*
- Civil engineering	214.8	168.7	*27.33%*
- Specialized	73.1	71.3	*2.52%*

Sources: General Statistics Office, RongViet Research

By the end of Q3/2015, construction industry saw one of the highest growth rates in net income (132%). While real estate projects bring huge contracts for top civil contractors such as CTD and HBC, companies the like of CII, HUT and FCN benefited greatly from the boom of transport projects across the country. Total capital raised for BOT projects over the first 9 months of 2015 reached VND40 trillion, an equivalent to the total amount raised in 2014.

The participation in both segments helped CTD in achieving positive growth rates in revenue (64%), profit (75%) and stock price (145%) during the nine-month period.

Figure 19: Economic growth "waterfall"



Source: RongViet Research

We are relatively optimistic about the 2016 business prospect of construction companies. First of all, the Government has adopted a accommodating stance against private sector investment in transport projects, as evidenced by Decree 15/2015/ND-CP on the Public Private Partnership (PPP) format of infrastructure investment. Secondly, the significant increase in the number of real estate projects in 2015, which will likely extend into 2016, can maintain core business growth for the contractors. The migration of global manufacturers to Vietnam to take the advantage of the benefits from TPP and FTAs will also boost the construction of factories, workshops and warehousing systems.

The main risks for the construction industry will be an interest rate increase and a cut public investment. An infrastructure project often commands a high level of leverage. This means when the interest rate increases, the project's investment efficiency and present value of cash flows, along with profits for the investor will deteriorate. Given the shortcomings of BOT, many companies have shift to the BT format, i.e. exchanging infrastructures for land, for quicker capital recovery and fast land bank expansion. However, the determination of the project's construction value as well as the price of the land use right have been subject to increasing scrutiny from the State. Generally, companies specializing in construction such as HBC, CTD and FCN have certain advantages as compared to those deeply involved in transport project investment like CII, HUT, PPI and LCG.

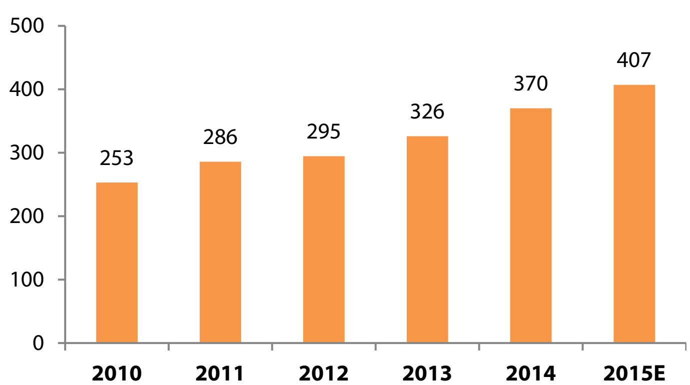
The implication of this is that investors should focus companies with a good brand name, large capability, strong project portfolio and ready-to-book contract backlog. Regarding infrastructure segment, we prefer companies with near-completed projects.

Transportation, warehouse and logistics benefit from integration and growth of trade in goods

Despite of not taking the affect, TPP and other FTA agreements has had the significant impacts on Vietnam trade in goods and significantly increased the demand for **logistics**, **port, transport services,** and warehouses. Over the first 10 months of 2015, the cargo volume through Vietnam port system achieved over 349 million tons, raised by 12% yoy. Specifically, the volume that has gone through Hai Phong port increased by 13.2% yoy, reached 67.5 million tons.

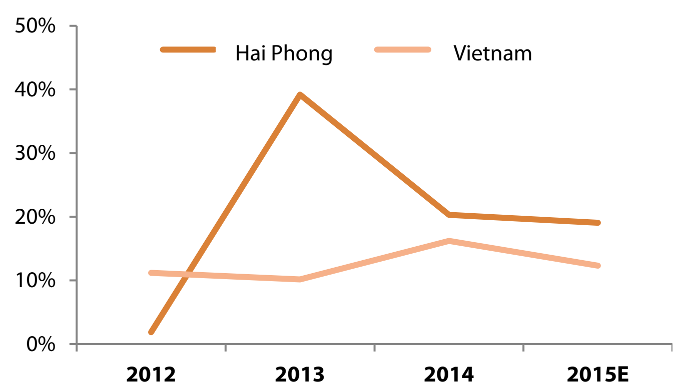
Vietnam logistics enterprises have been inferior compared to foreign companies in term of market shares, management skills and technology; however, we have the advantages in term of the accessibility to land expansion and the most apparent evidence coming from port services. In 9M2015, business results were not remarkable with 4% increase in revenue and 9% decline in profit after tax. However, results from leading companies, especially the port segment, demonstrated the contrast picture while NCT, VSC, HAH, DVP, DXP and TMS recorded over 30% growth rate in profit after tax; specifically, GMD increased its revenue by 23% and if excluding the profit from the sale of Gemadept Tower over the same period, profit after tax from GMD still improved by 6 times.

Figure 20: Vietnam seaport throughput (million tons)



Source: RongViet Research

Figure 21: Container volume growth



Source: RongViet Research

Considering transportation segment, **oil & gas transportation** companies such as PVT and GSP are being supported from (1) low prices in gasoline and (2) the demand increase in petroleum products due to the decline in prices and the improvements in industrial production. In the future, the increase in national refining capacity along with new refineries (Nghi Son) and the expansion of Dung Quat could be the main catalyst for the growth of oil & gas transportation companies. Short-term concerns, especially unrealized foreign exchange loss are holding the stocks at attractive prices for long-term investment.

Majority of port and logistic stocks are having low P/E ratios (8x – 9x compared to 12x of VNIndex) with low leverage (except sea transportation) and healthy cash flow. With the potential growth of the industry under free trade agreements, the upside potential for stock increase has been relatively large. In this segment, investor should prioritize the companies with strong positions in the industry, high market shares and good customer system. Due to the geographic location, regarding of sea transportation companies, we are interested in companies operating at the center of cargo hub of the country such as Hai Phong and Cat Lai.

DECEMBER INVESTMENT STRATEGY

With risks coming from both inside and outside of the Vietnam economy, the stock market is expected to continue for some more time without a defined trend, a condition in which an constant-mix rebalancing strategy, i.e. buy on the dip and sell on the rise, generally generate the best returns.

As the liquidity has begun to dwindle in the first few days of December, market conditions are against short-term trading and it may take some more time for stocks can find a bottom. If the market rebounds in the first half of the month, the recommendations are to reduce the position in stocks and keep cash until the overall sentiment improves. From the beginning of the year, the ratio of gaining to losing stocks on the two exchanges is roughly 50-50. Yet we notice that gainers have dominated in the domain of large and mid-caps whereas the majority of penny stocks have performed poorly. The stocks of large companies with sound fundamentals such as BMP, VNM, CTD, NCT, etc. weathered market volatility far better and generally saw more demand during unfavorable periods than did smaller, more speculative issues. Though they also suffered during the last down turn, these stocks should make less risky investment for the longer term.

December will be a good time to accumulate stocks for the long-term horizon. The investment portfolio of 2016 should include stocks (1) of leading companies, (2) with solid fundamental foundation and (3) belonging to sectors with positive business outlook.

Given the need to prepare the infrastructures for FDI and economic growth after the conclusion of major trade agreements, the construction industry should be the first destination of growth. In fact, upbeat revenue and earnings growth have been reported by a great many listed constructors in 9M2015. Considering the rising number of transport and real estate projects in 2016, we maintain an optimistic outlook of construction industry going forward.

As the integration process is accelerating, logistics and transport companies and seaport operators are favored first by growth of cargo volume on both the import and export sides. Along with the manufacturing sector expansion, industries that cater for the manufacturing sector such as technology, utilities and supporting industries will also exhibit some good growth.

- Transport: GSP, PVT, GMD
- Seaport: HAH, VSC
- Construction: LCG, HUT, FCN, CTD
- Technology: FPT, ELC
- Utilities: NT2, CHP, SHP, PPC, REE
- Real estate: BCI, KDH, NBB, VPH, LHG
- Retail: SVC, PET
- Building materials: DNP, BMP, HT1, KSB, HPG, HSG
- Textile-garment: TCM, STK
- Oil & Gas: PGS, PVS, PLC
- Others: SKG, DHC, BMI, MAC, PAC, DMC, DPM

Under our industry outlook and capital market expectations, we present below the list of our stock picks and sample portfolios for 2016. Upon review 2015 full-year results, more detailed analyses on the issues and strategy recommendation will be included in RongViet Research *2016 Stock Market Report*.

TABLE: SAMPLE PORTFOLIO FOR LARGE-CAPITALIZATION STOCKS

Ticker	Portfolio weights
CTD	28%
BMP	25%
VSC	22%
HPG	14%
FPT	11%
Portfolio standard deviation (%/year)	19%
Portfolio beta (x)	0,8

Ticker	Portfolio weights
VSC	34%
NTP	23%
DRC	18%
REE	18%
HSG	7%
Portfolio standard deviation (%/year)	22%
Portfolio beta (x)	0,8

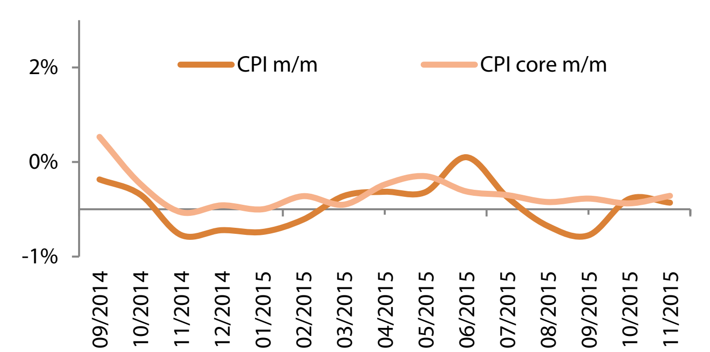
TABLE: SAMPLE PORTFOLIO FOR SMALL AND MEDIUM-CAPITALIZATION STOCKS

Ticker	Portfolio weights
PLC	41%
MAC	24%
PVT	14%
ELC	13%
VNE	9%
Portfolio standard deviation (%/year)	24%
Portfolio beta (x)	0,9

Ticker	Portfolio weights
PAC	30%
DHC	23%
SVC	19%
FCN	17%
HAH	10%
Portfolio standard deviation (%/year)	18%
Portfolio beta (x)	0,7

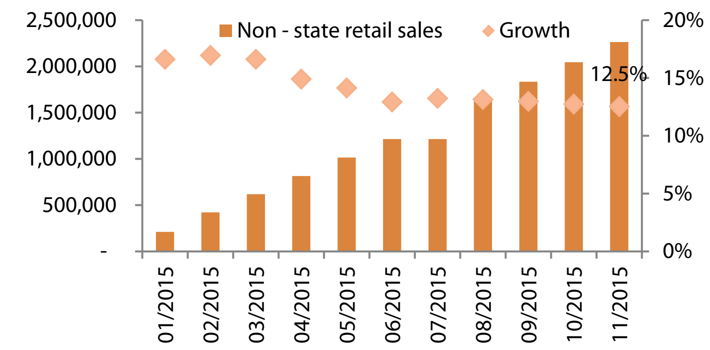
NOVEMBER MACRO WATCH

Core inflation jumped 0.14%



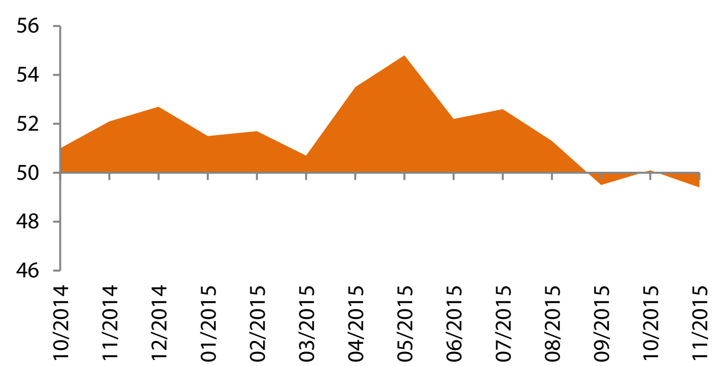
Sources: GSO. Rongviet Securities database

Retail Sales improved slightly



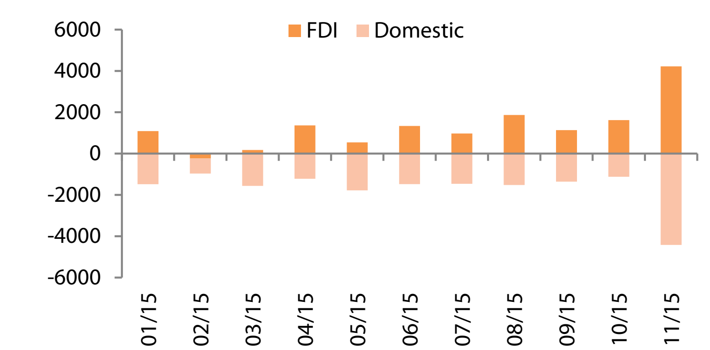
Sources: GSO. Rongviet Securities database

PMI saw a slight slowdown



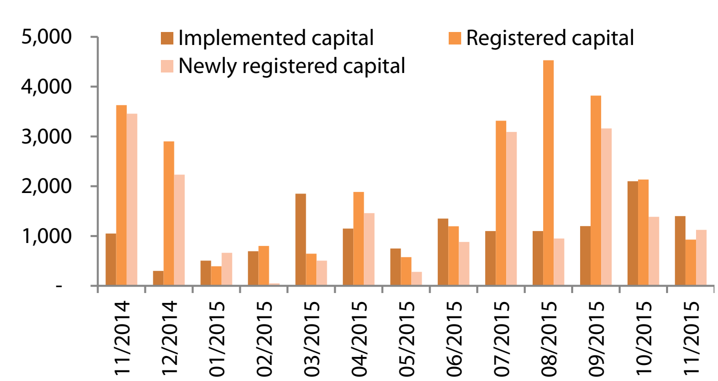
Sources: Markit, Rongviet Securities database

Domestic firms' trade deficit increased significantly



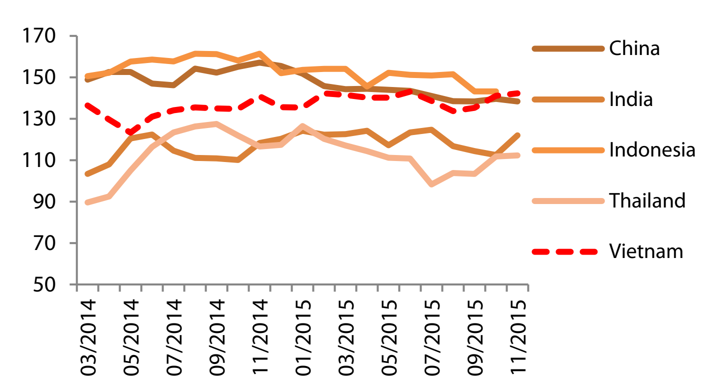
Sources: GSO, Rongviet Securities database

Implemented FDI capital remained high



Sources: GSO, Rongviet Securities database

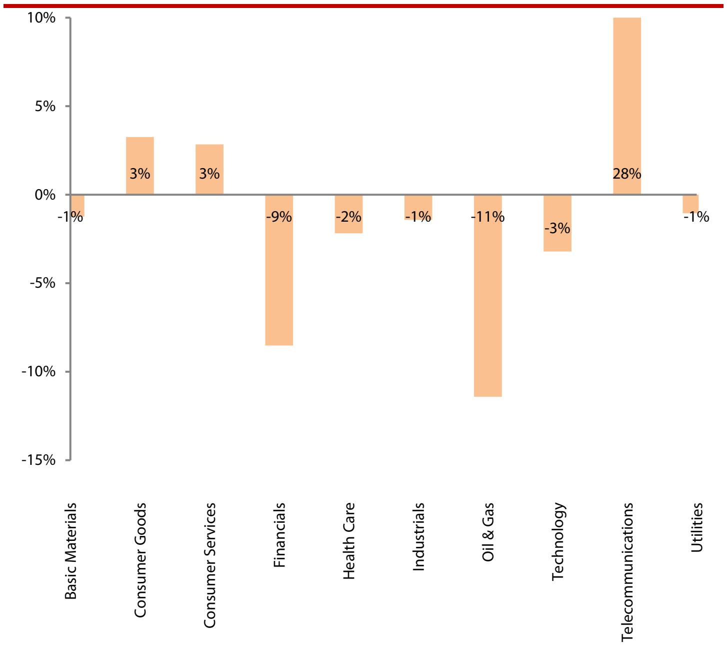
Vietnamese consumer confidence is the top among Asian's



Sources: ANZ. Rongviet Securities database

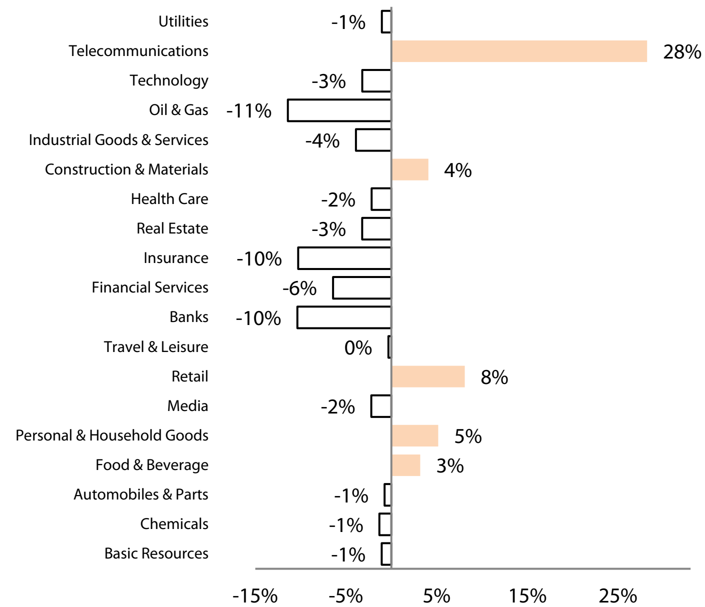
INDUSTRY INDEX

Level 1 industry movement



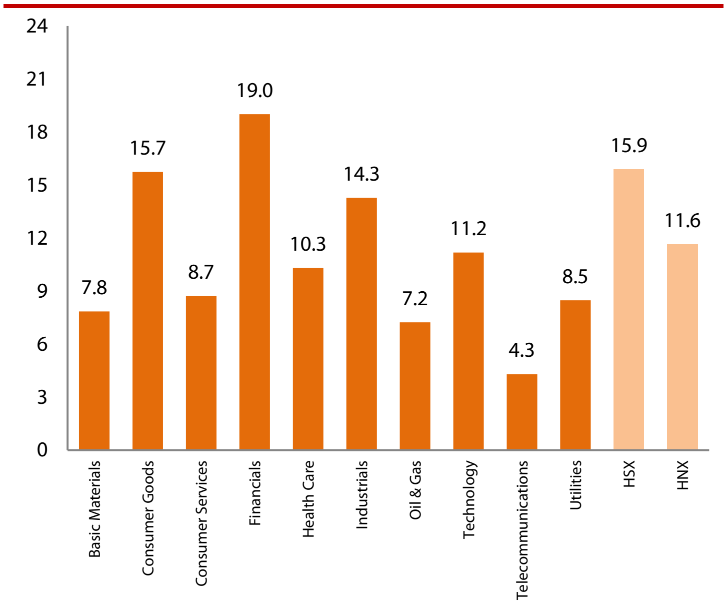
Source: RongViet Research

Level 2 industry movement



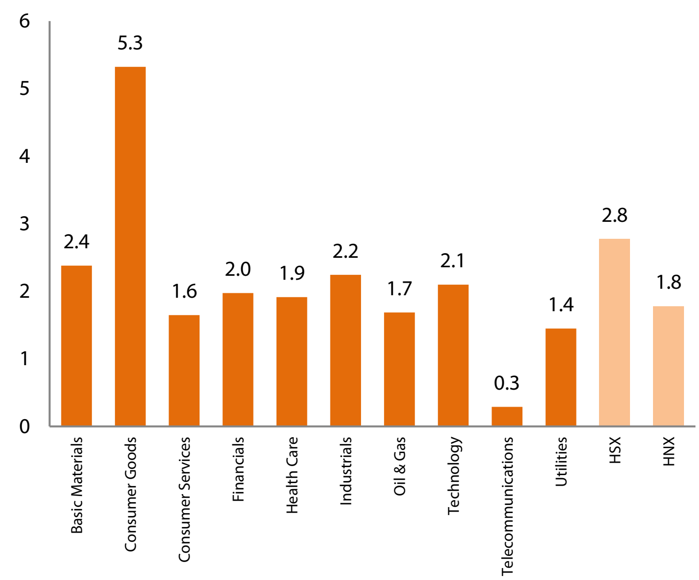
Source: RongViet Research

Industry PE comparison



Source: RongViet Research

Industry PB comparison



Source: RongViet Research

HIGHLIGHT STOCKS

Fundamental stocks with earning outlook from stable to positive

No.	Ticker	Subsector	Mkt cap* (billion dong)	Mkt price* (VND)	+/- yoy 9T2015 (%) Rev	+/- yoy 9T2015 (%) NPAT	ROA (%)	ROE (%)	Trailing* P/E (x)	P/B* (x)	Valuation (VND/cp)	Recommendation /Outlook
1	CTD	Heavy Construction	6,348	146,000	64.1	75.3	9.1	18.78	12.19	2.3		Optimistic - Long term
3	CII	Heavy Construction	4,823	21,800	-18.9	196.1	7.55	22.48	4.74	1.38		Optimistic - Long term
4	HBC	Heavy Construction	1,410	18,800	42.7	403.5	1.73	11.04	11.83	1.35		Stable - Intermediate term
5	FCN	Heavy Construction	928	20,100	57.6	10.4	6.63	20.43	5.9	1.29		Optimistic - Long term
5	LCG	Heavy Construction	541	7,200	9.8	77.8	0.74	1.54	36.73	0.55	9,500	Buy - Intermediate term
6	GMD	Transportation Services	4,426	36,900	26.9	-35.7	3.69	6.36	13.85	0.89	44,400	Accumulate - Long term
7	TCL	Transportation Services	635	30,400	0.9	-0.5	0	20.56	5.9	1.23		Optimistic - Long term
8	HMH	Transportation Services	200	15,500	26.3	-25.5	13.62	14.66	5.46	0.79		Optimistic - Long term
9	MAC	Transportation Services	140	10,600	18.9	431.1	10.77	15.38	6.5	0.92	16,900	Buy - Long term
10	VSC	Marine Transportation	2,920	71,000	7.6	39.0	19.16	25.69	9.42	2.43		Optimistic - Long term
11	PVT	Marine Transportation	2,584	10,100	4.0	-12.5	3.06	8.05	8.86	0.8	15,900	Buy - Long term
12	VTO	Marine Transportation	552	6,900	-14.3	-25.5	2.05	4.02	12.81	0.51		Stable - Intermediate term
13	GSP	Marine Transportation	462	15,400	5.8	64.2	8.46	13.4	8.58	1.22	15,400	Neutral - Long term
14	VNC	Business Support Services	274	26,100	20.8	6.2	10.54	15.3	10.53	1.66	28,900	Neutral - Long term
15	APC	Business Support Services	212	17,700	7.4	15.0	12.26	15.23	8.22	1.14		Optimistic - Intermediate term
16	DHC	Paper	468	27,200	19.8	47.6	14.19	21.61	7.92	1.62	38.000	Buy - Intermediate term
17	PAC	Auto Parts	1,056	34,500	6.8	33.1	7.21	17.53	11.62	2.06		Optimistic - Intermediate term
18	DRC	Tires	4,066	44,800	5.4	15.7	12.04	25.37	10.46	2.65	52,000	Accumulate - Long term
19	CSM	Tires	2,013	27,100	22.4	-13.9	8.94	21.6	6.76	1.45		Stable - Intermediate term
20	FPT	Software	19,276	47,900	2.7	7.5	7.55	19.02	11.04	2.26	52,900	Neutral - Long term
21	NT2	Alternative Electricity	7,505	28,200	8.5	20.2	8.74	24.09	7.36	1.68	29,700	Neutral - Intermediate term
22	CHP	Alternative Electricity	2,684	21,300	54.2	5.604.3	11.24	25.5	7.36	1.84	23,600	Accumulate - Intermediate term
23	SHP	Alternative Electricity	1,799	19,200	-0.5	-29.0	5.32	14.37	10.73	1.51	22,000	Accumulate - Intermediate term
24	CNG	Gas Distribution	910	33,500	-14.7	-2.9	17.78	27.03	8.22	2.21		Optimistic - Long term
25	PGS	Gas Distribution	910	18,100	-20.2	-15.3	3.85	10.84	8.1	0.95	25,000	Buy - Intermediate term
26	REE	Diversified Industrials	6,861	25,400	8.5	-10.8	11.27	16.05	7.02	1.13	29,700	Accumulate - Long term
27	VIC	Real Estate Holding & Development	79,696	42,300	-8.6	-71.0	1.26	5.13	58.69	3.52		Optimistic - Long term
28	DIG	Real Estate Holding & Development	2,167	10,000	8.8	11.1	0.91	1.85	43.23	0.76		Stable - Long term
29	DXG	Real Estate Holding & Development	2,168	18,800	239.9	324.7	13.16	26.24	5.82	1.47		Optimistic - Intermediate term

30	NBB	Real Estate Holding & Development	1,263	21,700	-40.9	11.5	1.32	3.19	28.99	1	26,800	Accumulate - Long term
31	NTL	Real Estate Holding & Development	872	13,900	45.6	112.3	4.47	6.98	13.93	0.95		Stable - Intermediate term
32	LHG	Real Estate Holding & Development	399	15,300	25.2	524.1	4.29	9.66	6.44	0.62	25,700	Buy - Long term
33	VPH	Real Estate Holding & Development	390	8,300	2.6	47.2	0.58	2.05	37.97	0.78	10,200	Buy - Intermediate term
34	HHS	Specialty Retailers	3,636	15,900	228.2	550.4	26.64	39.72	3.37	1.2	20,100	Buy - Short term
35	SVC	Specialty Retailers	807	31,900	25.7	102.4	3.56	10.27	8.83	1		Optimistic - Intermediate term
36	PNJ	Clothing & Accessories	3,882	41,000	-22.3	-22.6	6.82	15.75	19.09	2.89		Optimistic - Intermediate term
37	MWG	Electronic Equipment	10,617	76,000	60.3	52.4	23.25	50.88	11.41	4.94	101,000	Buy - Intermediate term
38	PET	Electronic Equipment	1,261	14,700	-5.9	-7.7	3.18	11.91	7.04	0.89		Stable - Long term
39	ELC	Computer Services	960	24,400	181.5	102.8	6.91	11.14	13.45	1.56	33,000	Buy - Long term
40	BMI	Full Line Insurance	2,002	24,100	8.9	24.6	2.57	6.34	14.39	0.91	23,000	Neutral - Intermediate term
41	BID	Banks	72,819	20,800	14.9	27.8	0.84	16.56	10.41	1.79		Optimistic - Long term
42	SKG	Travel & Tourism	2,124	88,500	37.9	72.6	38.78	40.3	11.83	3.84	100,000	Neutral - Long term
43	VNS	Travel & Tourism	2,043	30,000	14.2	7.7	12.66	23.5	6.15	1.33		Stable - Long term
44	PCT	Travel & Tourism	269	11,700	-14.6	28.7	6.11	8.62	11.97	1.06		Optimistic - Intermediate term
45	KSB	General Mining	789	33,400	24.8	34.5	15.16	23.77	6.44	1.46	38,400	Accumulate - Intermediate term
46	HPG	Diversified Industrials	22,426	30,300	7.3	6.7	14.83	26.41	6.52	1.58		Optimistic - Intermediate term
47	HSG	Diversified Industrials	4,298	32,300	11.5	71.0	7.05	24.48	6.31	1.12	39,900	Accumulate - Long term
48	PLC	Integrated Oil & Gas	3,151	38,900	4.5	44.1	9.44	28.69	8.96	2.35	40,500	Neutral - Intermediate term
49	HT1	Building Materials & Fixtures	8,775	27,300	13.6	487.5	6.01	18.82	11.54	2.06		Optimistic - Intermediate term
50	BMP	Building Materials & Fixtures	5,821	127,000	17.5	43.8	23.75	27.01	11.66	2.96		Optimistic - Long term
51	NTP	Building Materials & Fixtures	3,743	60,000	20.0	13.5	12.89	23.09	10.58	2.3		Optimistic - Long term
52	DNP	Building Materials & Fixtures	289	21,300	88.6	176.5	0	29.97	5.98	1.08	21,900	Neutral - Long term
53	GDT	Furnishings	468	38,800	7.4	2.9	18.13	25.96	8.93	2.29		Optimistic - Intermediate term
54	TCM	Clothing & Accessories	1,512	30,100	11.0	1.8	7.78	20.34	8.69	1.7		Optimistic - Intermediate term
55	TNG	Clothing & Accessories	587	19,800	38.3	47.1	4.98	22.32	6.2	1.4		Optimistic - Long term
56	GMC	Clothing & Accessories	471	39,800	0.5	17.4	9.43	28.24	6.87	2.02		Optimistic - Long term
57	VNM	Food Products	147,617	123,000	16.1	35.3	28.72	37.37	19.41	7.77		Optimistic - Long term
58	DBC	Food Products	1,650	25,700	17.0	91.2	6.79	15.89	5.51	0.84		Optimistic - Long term
59	HVG	Farming, Fishing & Plantations	2,516	13,300	19.6	-73.8	1.14	4.85	16.77	0.93		Neutral - Intermediate term
60	FMC	Farming, Fishing & Plantations	490	24,700	-2.4	96.7	8.11	25.23	4.73	1.25	25,500	Neutral - Intermediate term
61	DMC	Pharmaceuticals	1,045	39,100	-21.8	5.4	14.71	19.31	7.59	1.41	49,000	Buy - Intermediate term
62	DPR	Commodity Chemicals	1,292	32,000	-23.0	2.8	6.28	8.47	6.21	0.58		Neutral - Long term
63	DPM	Specialty Chemicals	11,778	31,600	4.2	24.3	12.9	14.66	8.98	1.31	35,800	Accumulate - Intermediate term
64	LAS	Specialty Chemicals	2,288	30,500	-10.2	-14.6	15.91	28.14	5.87	1.75		Stable - Long term

65	CMI	General Mining	147	9,300	-42.1	-50.2	5	10.44	7.27	0.8		Stable - Long term
66	PVD	Oil Equipment & Services	10,511	30,900	-22.8	-17.7	7.87	16.3	5.34	0.83	42,200	Buy - Long term
67	PVS	Oil Equipment & Services	8,532	19,300	-15.7	9.0	6.87	17.27	4.68	0.88		Optimistic - Intermediate term
68	PXS	Oil Equipment & Services	810	13,600	9.5	-9.7	6.68	16.52	6.7	1.01	17,000	Buy - Intermediate term

Source: RongViet Research, (*) Data as of 04/12/2015

RONGVIET SECURITIES

VIET DRAGON SECURITIES CORPORATION

Floor 1-2-3-4, Viet Dragon Tower,

141 Nguyen Du St. - Dist 1 – HCMC

Tel: (84 8) 6299 2006

Fax : (84 8) 6291 7986

Email: info@vdsc.com.vn

Website: www.vdsc.com.vn

Hanoi Branch

2C Thai Phien St., Hai Ba Trung Dist, Hanoi City

Tel: (84 4) 6288 2006

Fax: (84 4) 6288 2008

Can Tho Branch

8 Phan Dinh Phung –

Can Tho

Tel: (84 71) 381 7578

Fax: (84 71) 381 7579

Nha Trang Branch

50Bis Yersin St, Nha Trang

Tel: (84 58) 382 0006

Fax: (84 58) 382 0008