JUNE

19

FRIDAY

ADVISORY DIARY

- **BCI update - The real estate projects see no real development**
- **Bumpy week**

"Bumpy week"

Nam Huynh

+ 84 8 6299 2006 | Ext: 321

Nam.hk@vdsc.com.vn

BCI update - The real estate projects see no real development

Today, RongViet Research would like to give investors some updates after our company visit at Binh Chanh Construction Investment JSC (BCI - HOSE). In 1Q/2015, BCI saw a significant decline in revenue and profit after tax, respectively 70% and 54% (yoy). Firsts, it was because the majority of Nhat Lan 3's condo sales were recorded in 2013 and 2014 and no more condos were transacted in 1Q/2015. Phong Phu 4 Residential land project sales have been slower than expected causing the fall in revenue recorded from this project in the first quarter 2015. Therefore, land and condos sales declined from VND57 bn in 1Q/2014 to VND4 bn in 1Q/2015. Besides, revenues from other business areas such as residential premises, industrial park land leasing and related utility services revenue also decreased.

Currently, Phong Phu 4 and An Lac Plaza are BCI's important projects in 2015. An Lac Plaza has the total investment amount of VND570-600 billion, which is applying for condo sizes adjustment permission expected to be granted in 3Q/2015. Our analyst has a high prospect rating for this project due to the adjacent completed public infrastructure and project located in densely populated area. Phong Phu 4 residential project, the second project, has been compensated 76ha/87ha of total area. BCI is expected to sell about 100 land plots in 2015. In addition, other large projects are quite long term.

In 2015, BCI expected to increase net revenue by 57% and profit after tax by 23% compared to 2014. Succeed of such plans highly depends on the land transfer on Dong-Tay highway project which previously belonged to Nam Hung Vuong's project. The land has the area of approximately 1 hectare, lies 700 meters away from the intersection between Ho Hoc Lam and Vo Van Kiet. Reportedly, initial investment cost was relatively low; therefore, gross profit from land transfer could be approximate to the revenue, about 100 billion dong. According to the representative of the company, there is high chance that the transfer and record of such land could be finished during the second half of this year.

Overall, BCI's advantage comes from the large and clean land area of 360 hectares. Furthermore, BCI's business results have also relatively stable for several years due to the leasing activities and services provision for Le Minh Xuan resident. However, growth in real estate segment was relatively low last year because BCI did not have "overlapping" projects for business as well as revenue and profit. Recently, BCI has been more active in term of development in real estate segment. To be more precise, we believe that the liquidation of the land in Dong Tay highway was the necessary step for further business funding and profit improvement in 2015.

Bumpy week

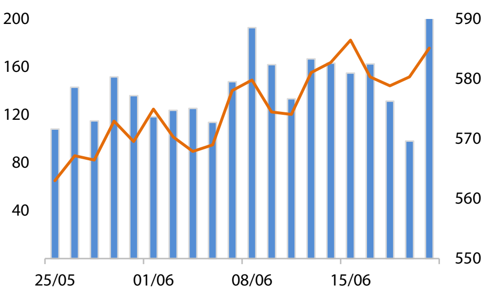
Friday trading session ended without the consensus between two indices comparing to the previous week, VNIndex with +0.34% increase while this figure was -1.02% declines in HNXIndex. Large-cap stocks had relatively successful trading session when majority of the stock have increased in price over the last week such as STB (+3%), VCB (+7%) and MBB (+8%). Specifically, being added to FTSE ETF's portfolio helped STB reached 24 million shares being traded today. Most of them came from foreign investors. In addition, positive situation from TPP when House of Representative has passed TPA made a significant impact on textile (TCM, KMR, TNG) and fishery segment (HVG, VHC, TS4).

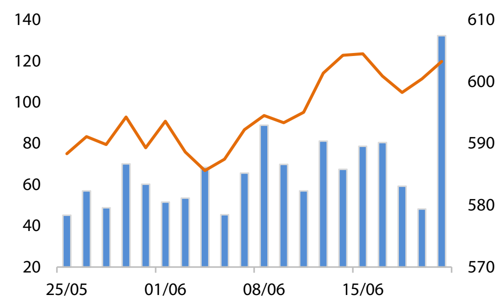
As the assessment from Advisory Diary on 12/6/2015, markets this week faced several difficulties from selling pressure around 580 points. Furthermore, portfolio restructuring activities from ETFs also created cautious sentiment of foreign and domestic investors. This is indicated through the weakening in liquidity and the cash flow coming into the markets. If we take into account today surging trading session, total trading volume this week was still lower than previous week with -13% declines, only reached 197 million shares. Total trading value achieved 2,770 million dong, decreased by 15% over the last week.

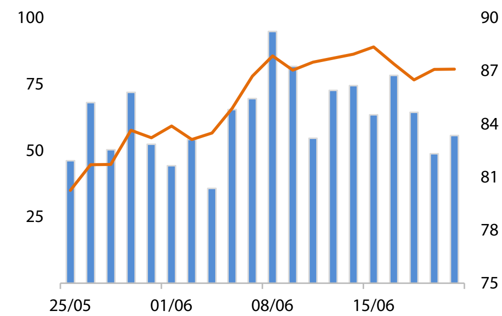
However, foreign net-buy position became more active when the trading value dramatically increased with approximately VND463 bn, 885%. The notable stocks in term of foreign activities were STB, ITA, FLC, BVH and BID.

Overall, with the tension in the past week and the completion of ETF review period, we believe that if the take-profit cash flow in this week does not reinvested in a positive way, it will be hard for the market to surge. Besides, the information about macroeconomic including GDP, CPI,... are expected to be announced next week. We supposed that the economic situation continues to improve. Therefore, the market adjustment will be an opportunity to an investor to accumulate for the Q2 results.

VNINDEX	0.83%	585.15	VN30	0.47%	603.26	HNXINDEX	0.01%	87.10

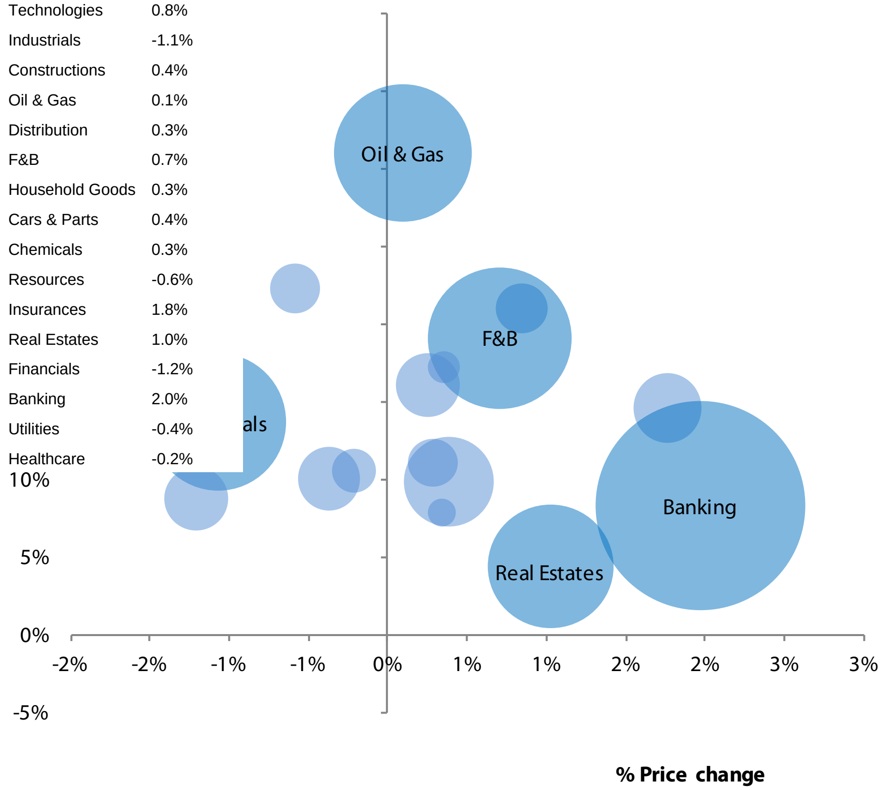




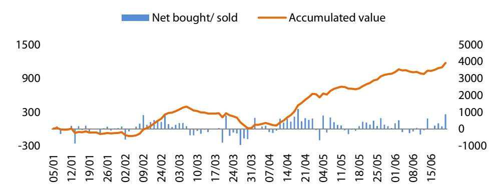


Industry Movement

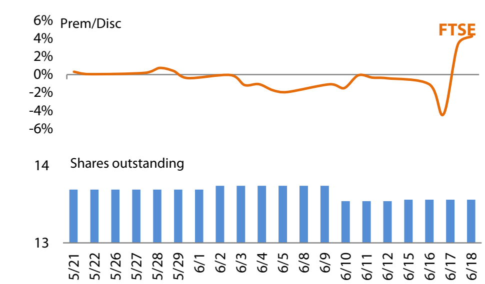
Industry	% change
Technologies	0.8%
Industrials	-1.1%
Constructions	0.4%
Oil & Gas	0.1%
Distribution	0.3%
F&B	0.7%
Household Goods	0.3%
Cars & Parts	0.4%
Chemicals	0.3%
Resources	-0.6%
Insurances	1.8%
Real Estates	1.0%
Financials	-1.2%
Banking	2.0%
Utilities	-0.4%
Healthcare	-0.2%

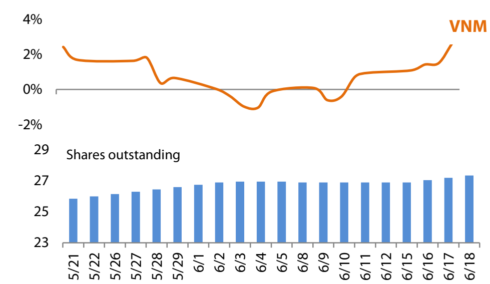


Foreign Investors Trading



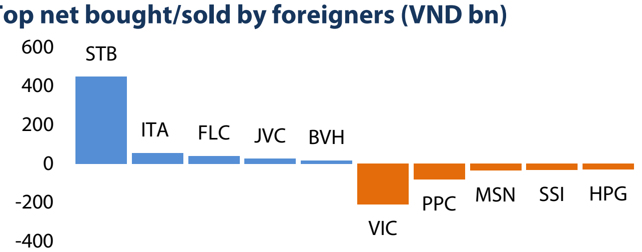
ETF



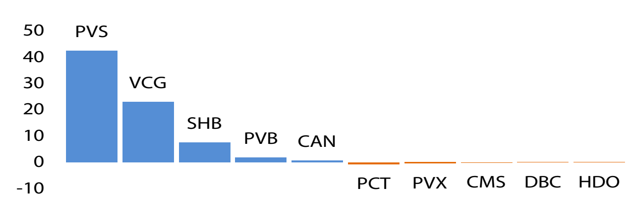


Top net bought/sold by foreigners (VND bn)

HSX



HNX



Top Active

Ticker	Price	Volume	% price change
STB	19.0	24.39	2.7%
FLC	9.3	21.90	2.2%
CII	24.0	15.68	3.0%
OGC	2.9	11.93	3.6%
ITA	6.9	10.54	3.0%

Ticker	Price	Volume	% price change
SCR	8.3	5.11	-1.2%
FIT	13.7	4.59	-2.1%
KLF	7.2	3.91	-1.4%
VCG	14.1	3.18	1.4%
PVS	27.6	2.40	0.0%

WEEKLY TECHNICAL VIEW

VN-Index

VN-Index gained 1.97 points (or 0.34%), closed at 584.7. Trading volume decreased 9.5% down to 691 million shares.

VN-Index is now struggling right below 588 and above its support at around 578 (equivalent to 200-day moving average).

VN-Index must break far away from the SMA(200) on high volumes and the SMA(200) must turn up itself to confirm uptrend. Otherwise, VN-Index will withdraw to 570 area to test the EMA(26) as well as the SMA(100).

Looking at technical indicators, both the MACD and the RSI turned from bullish to neutral. The ADX sideways, showing that the current trend of VN-Index is weak.

After a long bull from 530 to 588, VN-Index is now slowing down. A break up or down on high volume will determine the next trend of the index.

HNX-Index

Contrary to VN-Index, HNX-Index lost 0.85 points (or 0.98%), close at 87.1. Trading volumes also reduced 19% down to 297 million shares.

After failing of breaking above threshold of 89, HNX-Index turned down and now is stable around 87 area. The support of HNX-Index is around 85 where the SMA(200) and EMA(26) converged.

Looking at technical indicators, both the MACD and the RSI turned down slightly but remains bullish.

The intermediate trend of HNX-Index is up and quite solid based on volumes and technical indicators. Traders should accumulate stocks on corrections.

Recommendation:

Both VN-Index and HNX-Index is struggling below theirs resistances. The intermediate-trend is still bullish and traders should keep stocks longer for more profits.

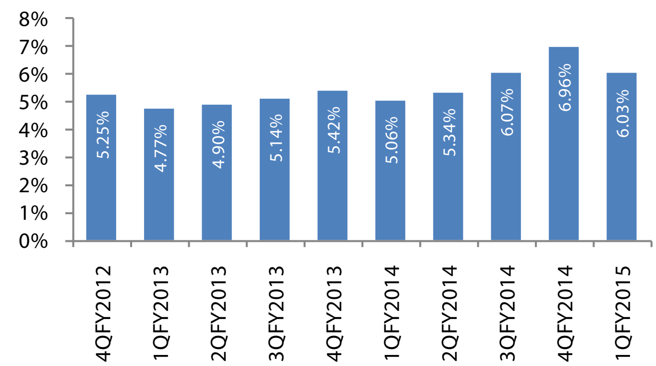
Khai Tran

+84 8 6299 2006 | Ext: 278

khai.tq@vdsc.com.vn

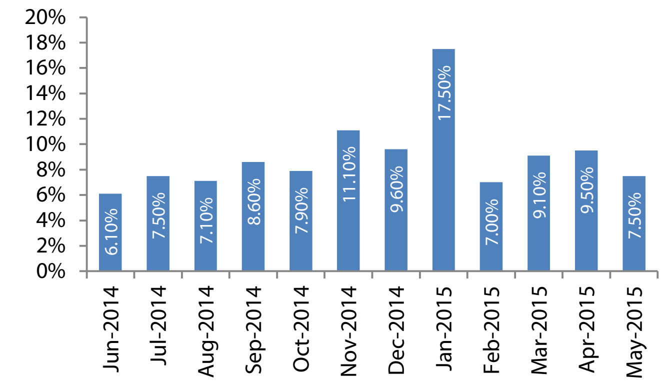
MACRO WATCH

Graph 1: GDP Growth



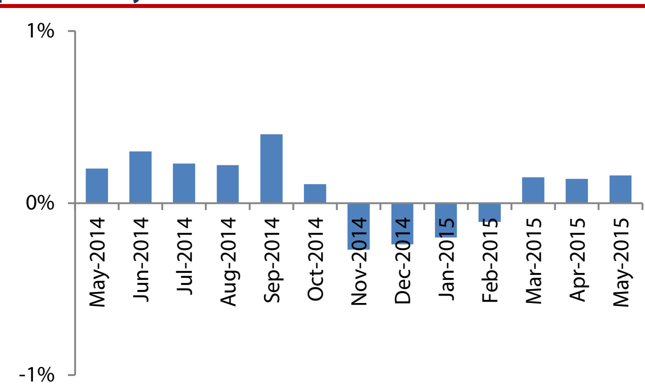
Sources: GSO. Rongviet Securities database
(*) Comparision price in 1994

Graph 2: IIP



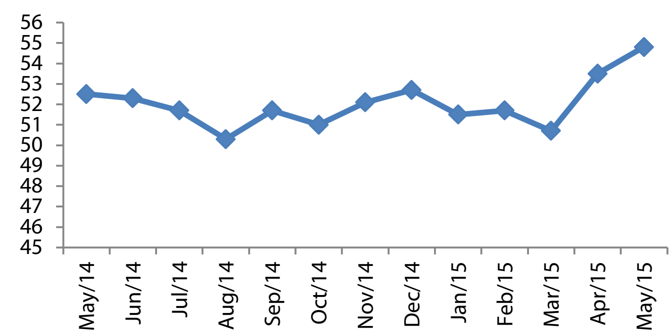
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



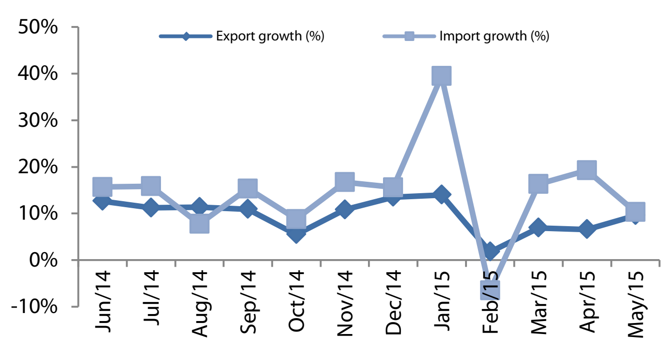
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



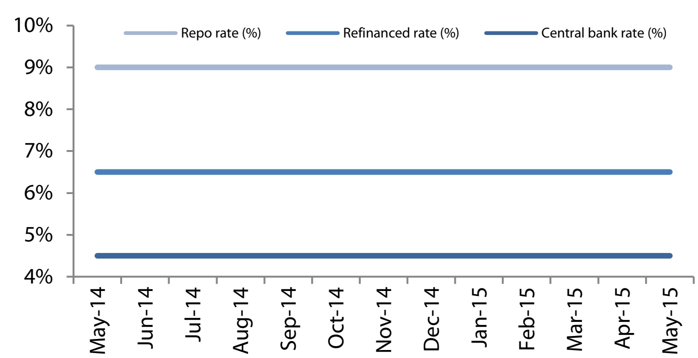
Sources: GSO. Rongviet Securities database

Graph 5: Trade Growth



Sources: GSO. Rongviet Securities database

Graph 6: Interest



Sources: SBV. Rongviet Securities database

RONG VIET NEWS

COMPANY REPORTS	Issued Date	Recommend	Target Price
MWG - Optimistic business outlook in 2015	May 25th, 2015	Buy – Intermediate term	101,000
FPT - Positive recovery in the technology business	May 12th, 2015	Accumulate – Long term	60,900
GSP- Heading for a new growth period	May 11th, 2015	Accumulate – Long term	16,600
STK - Running on all cylinders	May 7th, 2015		30,800
VPH - Emerging from its lowest	May 5th, 2015	Buy – Intermediate term	15,300

Please find more information at http://vdsc.com.vn/tabid/149/language/vi-VN/default.aspx

FUND CERTIFICATION INFORMATION

Fund name	Trading Day	Subscription Fee (% of trading value)	Redemption Fee (% of trading value)	NAV per unit at valuation date	NAV per unit last valuation date	Change in NAV
VFF	05/05/2015	0% - 0.75%	0% - 2.5%	11,672	11,683	-0.09%
VEOF	05/05/2015	0% - 0.75%	0% - 2.5%	9,238	9,456	-2.31%
VF1	08/05/2015	0.2% - 1%	0.5%-1.5%	20,675	20,520	0.75%
VF4	06/05/2015	0.2% - 1%	0%-1.5%	8,978	9,098	-1.38%
VFA	04/05/2015	0.2% - 1%	0%-1.5%	7,154	7,168	-0.20%
VFB	08/05/2015	0.3% - 0.6%	0%-1%	12,126	12,133	-0.05%
ENF	04/05/2015	0% - 3%	0%	10,834	10,779	0.51%
MBVF	04/05/2015	1%	0%-1%	10,449	10,439	0.10%
MBBF	29/04/2015	0%-0.5%	0%-1%	12,075	12,064	0.09%

ANALYSTS

Truc Doan – Head of Research

+ 84 8 6299 2006 | Ext: 355

truc.dtt@vdsc.com.vn

Hoang Nguyen

+ 84 8 6299 2006 | Ext: 328

Hoang.nh@vdsc.com.vn

Lam Nguyen

+ 84 8 6299 2006 | Ext: 323

lam.ntp@vdsc.com.vn

Tuan Huynh

+ 84 8 6299 2006 | Ext: 326

Tuan.hm@vdsc.com.vn

Kien Nguyen

+ 84 8 6299 2006 | Ext: 326

Kien.nt@vdsc.com.vn

Ha My Tran

+ 84 8 6299 2006 | Ext: 319

my.tth@vdsc.com.vn

Tai Nguyen

+ 84 8 6299 2006 | Ext: 319

tai.ntp@vdsc.com.vn

Diem My Tran

+ 84 8 6299 2006 | Ext: 321

my.ttd@vdsc.com.vn

Van Banh

+ 84 8 6299 2006 | Ext: 324

Van.btt@vdsc.com.vn

Thien Bui

+ 84 8 6299 2006 | Ext: 325

Thien.bv@vdsc.com.vn

Trien Le

+ 84 8 6299 2006 | Ext: 325

trien.lh@vdsc.com.vn

Tam Bui

+ 84 8 6299 2006 | Ext: 324

tam.bt@vdsc.com.vn

Huong Pham

+ 84 8 6299 2006 | Ext: 323

huong.pt@vdsc.com.vn

Nam Huynh

+ 84 8 6299 2006 | Ext: 321

Nam.hk@vdsc.com.vn

HỘI SỞ TẠI TP.HCM

Tầng 1-2-3-4, tòa nhà Viet Dragon
141 Nguyễn Du, P.Bến Thành, Q.1, TP.HCM

T +84 8 6299 2006
F +84 8 6291 7986
E info@vdsc.com.vn
W www.vdsc.com.vn

CHI NHÁNH HÀ NỘI

2C Thái Phiên, Q.Hai Bà Trưng, Hà Nội

T +84 4 6288 2006
F +84 4 6288 2008
E info@vdsc.com.vn
W www.vdsc.com.vn

CHI NHÁNH NHA TRANG

50 Bis Yersin, TP.Nha Trang, Khánh Hòa

T +84 058 3820 006
F +84 058 3820 008
E info@vdsc.com.vn
W www.vdsc.com.vn

CHI NHÁNH CẦN THƠ

08 Phan Đình Phùng, Q.Ninh Kiều, TP.Cần Thơ

T +84 0710 381 7578
F +84 0710 381 7789
E info@vdsc.com.vn
W www.vdsc.com.vn