DECEMBER

15

THURSDAY

"The Market Remains Calm After a Rate Hike from the Fed"

6 PM CALL

Market today: The Market Remains Calm After a Rate Hike from the Fed

*(**Hieu Nguyen** - Ext: 1514)*

The Fed meeting ended last night with a rate hike of 0.25%. The decision was based on lower unemployment rates and inflation heading towards the Fed's target of 2%. As the US economy continues to show signs of improvement, there is a chance that the Fed will raise interest rates 3 more times in 2017 (11 out of 17 voters are calling for this).

Vietnam's stock market remained calm as investors seemed prepared for the inevitable rate hike. There was not much excitement, but also no rush to sell stocks. The market was quite balanced with 121 gainers and 115 losers, but the VN-Index (665.92 pts/ +0.12%) still heavily relied on SAB to advance. As speculation stocks cooled down, liquidity returned to a normal level (over 100 million shares traded) after the surge yesterday (194 million shares traded).

Vietjet Air JSC has just organized a roadshow for its IPO plan. Accordingly, 44.8 million shares (equivalent to 14% of Vietjet's capital) have been booked by institutional investors, notably Morgan Stanley, GIC, Dragon Capital and Mirae at a price of VND86,500/share. There were another 3.5 million shares to be distributed for a limited number of retail investors at the same price. At that price, the value of the company is assessed to be VND26,000 billion, equivalent to $1.1 billion. Meanwhile, Vietjet Air currently trades on the OTC at around VND96,000-100,000/share.

Vietjet Air 's earnings for 2016 is estimated to be VND2,100 billion. For 2017, the target for earnings is VND3,500 billion. According to the plan, the company will be listed on the HOSE in the fourth week of February 2017 at a price of VND88,800/share, translating to a forward P/E of 7.6x.

Analyst Pin-board

VTO – Opportunity for Latecomers

*(**Hoang Nguyen** – Ext: 1319)*

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Recommendations:

VN-Index and HNX-Index increased slightly on average volumes. The short-term trend of VN-Index is recovery but the longer trend is correction. Trader should maintain a portfolio with high ratio of cash and wait for reversal signals and confirmations.

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
CII	29.00	**Hold**	18/11/2016	29.45	32.0		28.5			-1.53%	Intermediate
PPC	16.60	**Hold**	18/11/2016	15.30	17.0		14.5			8.50%	Intermediate
VGC	16.00	**Hold**	26/07/2016	13.5	17.6		12.6			18.52%	Long
LHC	64.50	**Hold**	21/08/2015	41.5	70.0	78.0	58.0			55.42%	Long

Notes:

- **Buying Price** is the Close Price at Buying date. **Selling Price** may be the Target Price, Cut loss Price or Closing Price at Selling date depending on specific cases.
- **Target Price 2** will be updated when the stock passes Target Price 1.
- In the ex-rights date, the prices will also be adjusted accordingly
- Duration: **Short-term** is less than 01 month; **Intermediate-term** is from 01 to 03 months; **Long-term** is more than 03 months.

RONG VIET NEWS

COMPANY REPORTS	Issued Date	Recommend	Target Price
SAB - The Giant of Vietnam's Beer Industry	December 06th, 2016	Neutral – Long term	143,000
DHG - Hope awaits in 2017	November 30th, 2016	Accumulate – Long term	119,000
GMD - Encouraging result amid short-term cargo low	November 28th, 2016	Accumulate – Intermediate term	30,000
HPG- Unmatchable	November 21st, 2016	Accumulate – Long term	50,300
VNS - The battle for market share	November 8th, 2016	Monitor	NA

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	07/12/2016	0.25% - 0.75%	0% - 2.5%	27,884	28,189	-1.08%
VF4	07/12/2016	0.25% - 0.75%	0% - 2.5%	12,394	12,531	-1.09%
VFA	02/12/2016	0.25% - 0.75%	0% - 1.5%	6,817	6,849	-0.47%
VFB	02/12/2016	0.25% - 0.75%	0% - 2.5%	13,751	13,735	0.12%
ENF	02/12/2016	0% - 3%	0%	14,015	14,325	-2.16%
MBVF	17/11/2016	1%	0%-1%	12,326	12,041	2.37%
MBBF	23/11/2016	0%-0.5%	0%-1%	13,355	13,355	0.00%

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