AUGUST

05

WEDNESDAY

ADVISORY DIARY

- **Dripping money**

Dripping money

After the flood in Quang Ninh recently, many investors had concerned business result of non-life insurances in the near future. After discussing with BVH, PVI, PTI, BMI, we found the claims expenses estimated at about VND1-5 billion compared with total damages value of VND2,000 billion. This result is mainly due to the level of insured losses in Vietnam is still quite low, only about 0.7%. From this fact, our industry analyst said that the questions of investors are not the concern. And the damages from the flood were not heavily affected the earnings of insurance companies at the end 2015. Assessment of business situation in the first 6 months of this year, Thien Bui, our industry analyst, forecast that the Company would complete nearly 50% of the yearly plan. Longer term, positive view is maintained with the main driving forces from the motor vehicle insurance, accident and personal health insurance and commercial, property, and technical equipment insurance.

Relating to industry indices, Insurance is the most positive one when it surged about 4%. Besides, Construction Materials, Food & Beverage, Financial Services, Public Utilities also recorded a rally. Bullish sentiment covered and drove up markets after 2 consecutive negative sessions: two indices recovered today, with VNIndex closing at 607.08 (+1.05%) and HNXIndex closing at 84.53 (+1.63%). Small and midcap stocks attracted cash flow, especially such speculative tickers as FLC, HAI, KLF… VNMID and VNSML closed up 1.43% and 1.89% respectively. Market liquidity recovered but still remained low with HSX's and HNX's volume up 18.6% and 12.8% respectively. Today positive signal is buying side agreed to buy at higher price compared to yesterday despite the sentiment remained cautious.

"Dripping money"

Money is the driving force and this force comes from the expectation of investors who hold cash. Risk does not lie in negative information such as the recent fail to reach TPP agreement but due to the sentiment to use long-term fund to support short-term investment. Several expectations such as "room" expansion, TPP, stable macro factors are all long-term. When investors choose to believe in such information, investment strategies are also developed in long-run rather than paying attention to distorted factors in short-term. In the future, strength of cash flow could also be tested several times especially during recovery trading sessions. As a result, when price levels are gradually increasing, there will be requirement for higher level of cash flow with fierceness.

We believe the up days in early August, if there are, will be an opportunity for stockholders to lock in profits since a drop of liquidity could make it very difficult. For long-term investors, there may be opportunities to accumulate on stocks with attractive valuations since a sideways-going market will be more apparent in later days of the month. For investment strategy, our valued investors can refer to our Investment Strategy August 2015 named **"August stock market outlook: opportunities remain in a sideway market"**.

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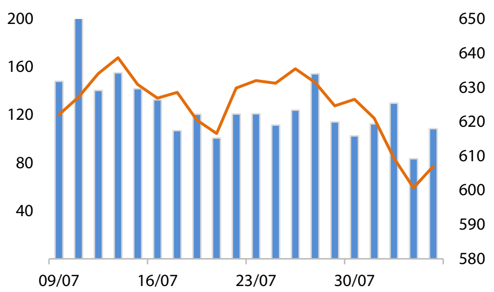
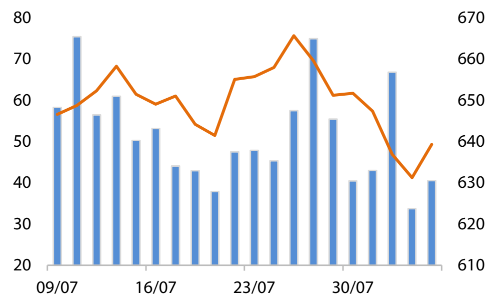
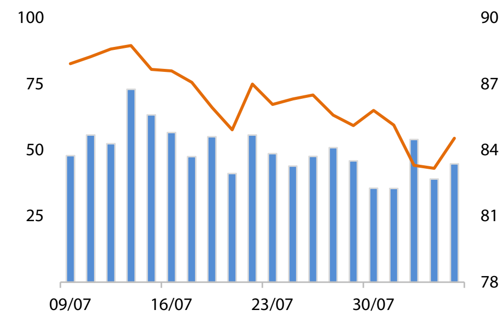
VNINDEX	1.05%	607.08	VN30	1.28%	639.33	HNXINDEX	1.64%	84.53

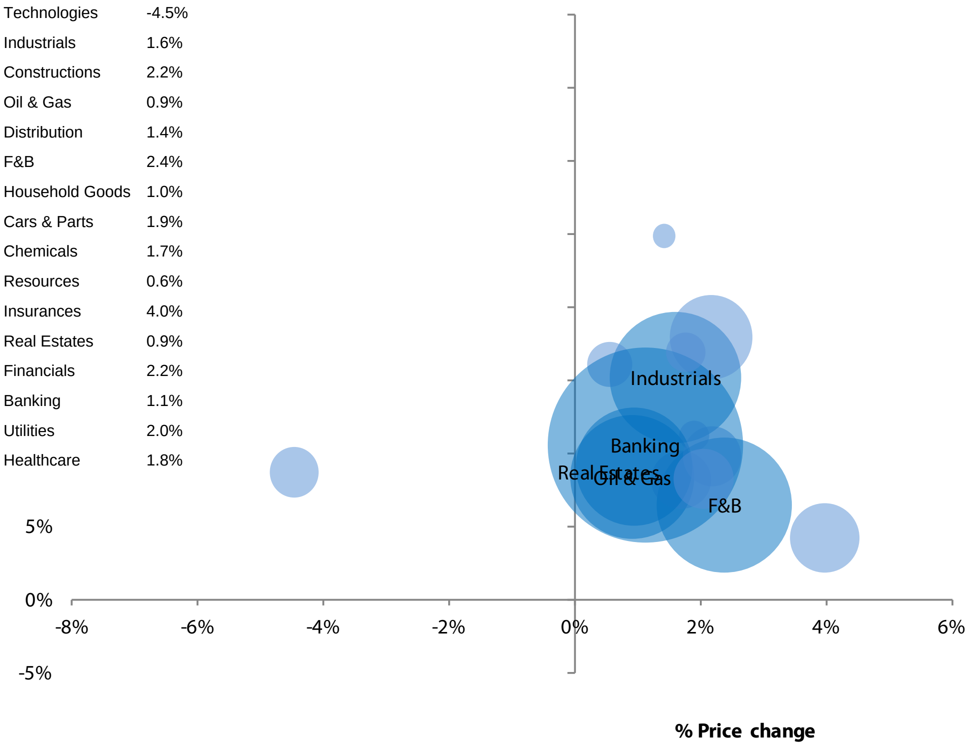




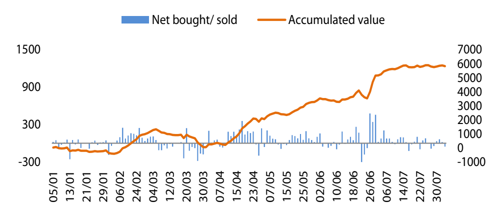


Industry Movement

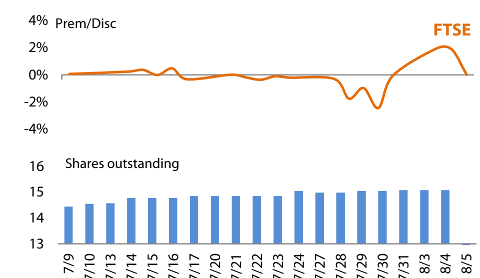
Industry	% change
Technologies	-4.5%
Industrials	1.6%
Constructions	2.2%
Oil & Gas	0.9%
Distribution	1.4%
F&B	2.4%
Household Goods	1.0%
Cars & Parts	1.9%
Chemicals	1.7%
Resources	0.6%
Insurances	4.0%
Real Estates	0.9%
Financials	2.2%
Banking	1.1%
Utilities	2.0%
Healthcare	1.8%

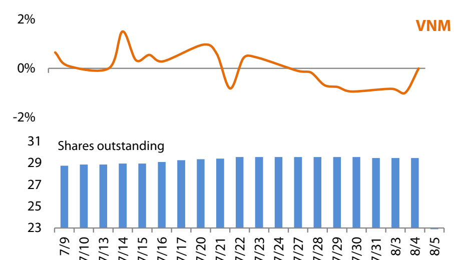


Foreign Investors Trading



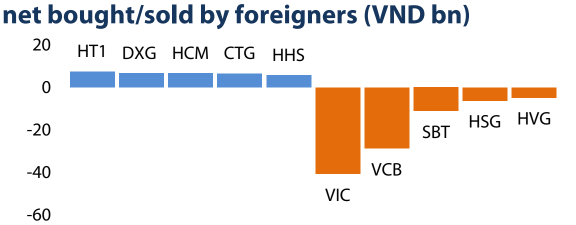
ETF



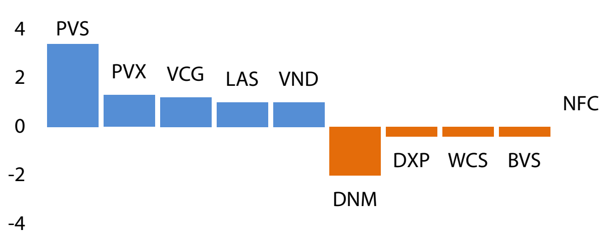


Top net bought/sold by foreigners (VND bn)

HSX



HNX



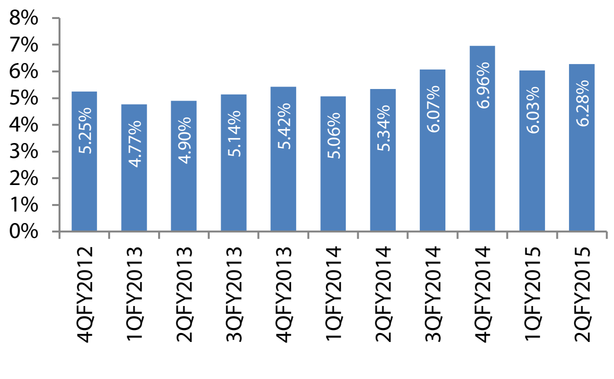
Top Active

Ticker	Price	Volume	% price change
FLC	8.1	8.61	3.8%
SBT	15.9	4.74	0.6%
DLG	7.3	3.47	5.8%
VHG	9.4	3.13	4.4%
CII	27.0	3.08	1.9%

Ticker	Price	Volume	% price change
KLF	6.1	5.65	8.9%
FIT	12.7	4.31	4.1%
PVX	3.8	3.17	5.6%
KVC	21.3	3.13	-9.7%
SHB	8.3	2.57	1.2%

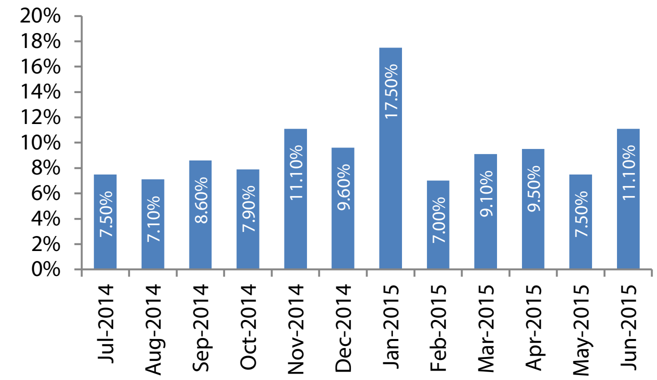
MACRO WATCH

Graph 1: GDP Growth



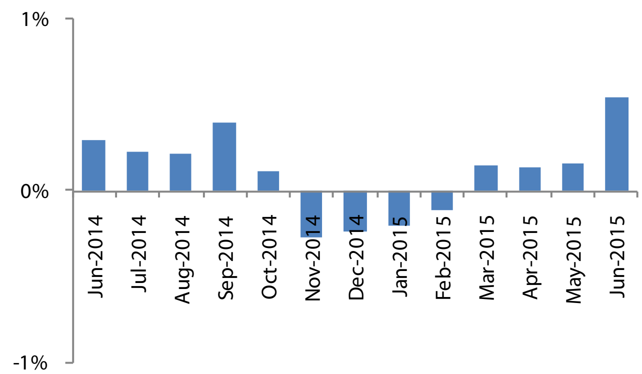
Sources: GSO. Rongviet Securities database
(*) Comparision price in 1994

Graph 2: IIP



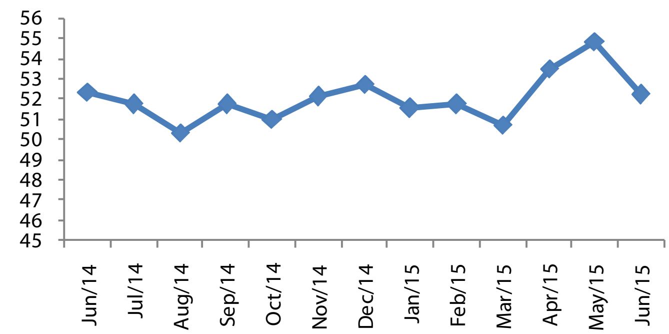
Sources: GSO. Rongviet Securities database

Graph 3: Monthly CPI



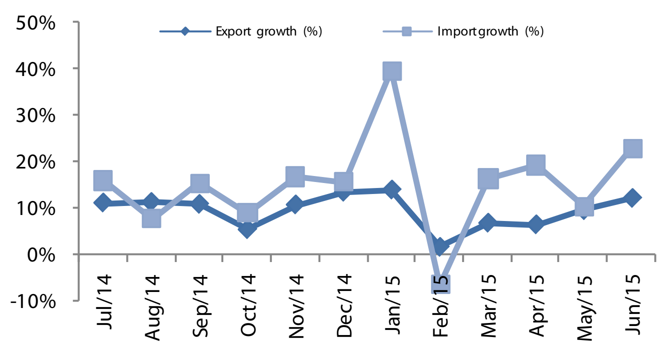
Sources: GSO. Rongviet Securities database

Graph 4: HSBC - PMI



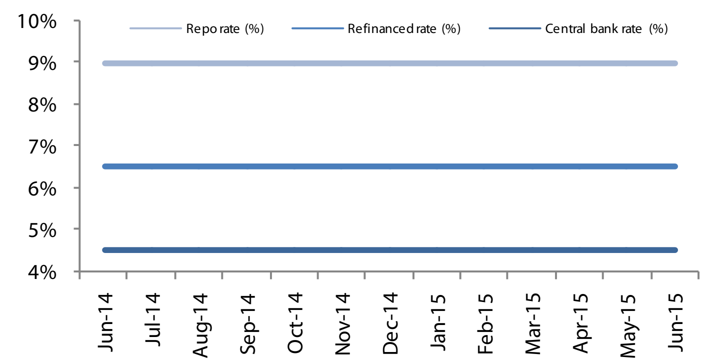
Sources: GSO. Rongviet Securities database

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
NT2 - Growth in stability	July, 30th 2015	Buy – Intermediate term	30,200
FMC - Leaping in overseas waters	July 23rd, 2015	Accumulate – Intermediate term	27,000
SVC - Firing up the engine	July 20th, 2015	Accumulate – Intermediate term	24,100
LCG - A new cycle begins	July 16th, 2015	Accumulate – Intermediate term	9,500
PVD - Well-positioned in the industry but still early to expect upturn	July 14th, 2015	Accumulate – Intermediate term	61,700

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
VFF	21/07/2015	0% - 0.75%	0% - 2.5%	11,817	11,748	0.59%
VEOF	21/07/2015	0% - 0.75%	0% - 2.5%	9,945	10,100	-1.53%
VF1	31/07/2015	0.2% - 1%	0.5%-1.5%	23,561	23,582	-0.09%
VF4	29/07/2015	0.2% - 1%	0%-1.5%	10,715	10,752	-0.34%
VFA	31/07/2015	0.2% - 1%	0%-1.5%	7,606	7,606	0%
VFB	31/07/2015	0.3% - 0.6%	0%-1%	12,282	12,260	0.18%
ENF	24/07/2015	0% - 3%	0%	11,626	11,557	0.60%
MBVF	30/07/2015	1%	0%-1%	10,578	10,626	-0.45%
MBBF	29/07/2015	0%-0.5%	0%-1%	12,300	12,295	0.04%

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