

MARCH

13

MONDAY

“Looking for Opportunities if the Market Corrects”

6 PM CALL

Market today: Looking for Opportunities if the Market Corrects

(Thien Bui- Ext: 1321)

Market liquidity remained abundant, with the total trading value in both bourses exceeding VND3,942 billion. However, the VNIndex and HNXIndex both declined by 2.04 points and 1.12 points, respectively. Some of the main stocks that contributed to the decline of the index included SAB, GAS, VCB, CTG and VNM, while NVL and ROS advanced strongly today.

The fact that NVL went to the ceiling today reflected market participants' surprise of the stock being added to Vaneck Vectors Vietnam after the ETF portfolio review in Q1 2017. Many previous forecasts showed that GTN, HBC, CII and KBC were the most eligible picks, and that GTN was the top pick among these companies. GTN's stock price was up more than 34% in only 1 month as a result of this, and the following disappointment resulted in GTN closing at the floor for two consecutive days.

However, the case of NVL being added to the ETF is not very surprising. Under Section 5.2 of the MVIS Global Equity Index Guide, an IPO stock is eligible for fast-track addition to the investable index universe. This can be done at either the next quarterly/semi-annual review, if it has been trading since at least the last trading day of the month prior to the review snapshot dates (i.e. the last trading day in February, May, August or November), or else at the following quarterly/semi-annual review. In order to be added to the index the IPO stock has to meet the following size and liquidity requirements:

Criteria	Novaland
Full market capitalization exceeds 150 million USD, and	~1,755 million USD
Free-float of at least 10%, and	74.41%
Average-daily-trading volume of at least 1.0 million USD, and	~4.28 million USD
250,000 shares trading per month (or per 22 days)	Jan: 24.4 million, Feb: 22.4 million, Mar: 15.8 million shares

Source: MVIS, FiinPro, RongViet Research

VanEck Vectors Vietnam ETF will buy more than 6.2 million shares of NVL, equivalent to \$20 million to achieve the allocation of 6.5%. All of these actions must be finished by this Friday.

Foreigners net bought VND262 billion in the HSX and VND8 billion in the HNX. They strongly net bought VND209 billion worth of shares of VNM. They also net sold more than VND141 billion shares of NVL, mostly through put-through trades. Ironically, NVL went to the ceiling while VNM closed in the red.

To save room for NVL, VanEck will need to sell a great deal of other blue chips. This may put pressure on the general market, especially on this Friday when the two ETFs finalize their transactions. However, almost all stocks that are being sold this way are likely to bounce back after a very short time, as we observe since the end of 2015. The market may also be influenced by the potential decision of the Fed to increase interest rates this March. If the market does end up facing a correction, any stocks that are still able to maintain their momentum will be worthwhile for consideration.

Analyst Pin-board

SRF- Making Use of Market Demand Growth

(Trinh Nguyen–Ext: 1331)

If you are interested in this content, please click [here](#) to view more detail.

Recommendations:

Indexes went down on low volumes. The decline may be extended and therefore, traders should reduce the proportion of stocks on technical recovery sessions.

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
HDG	30.00	Hold	07/03/2017	27.90	30.00		26.50			7.53%	Intermediate
DIG	8.87	Hold	27/02/2017	8.53	10.00		7.80			3.99%	Intermediate
FPT	45.75	Hold	15/02/2017	46.00	50.00		44.00			-0.54%	Intermediate
AAA	24.45	Hold	14/02/2017	25.20	28.00		23.00			1.03%	Intermediate
ITD	27.40	Hold	06/02/2017	25.70	28.00		23.50			6.61%	Intermediate
BVH	58.80	Hold	05/01/2017	61.10	66.00		58.00			-3.76%	Short-term

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
VJC - A Fairy Tale of the Vietnam Aviation Industry	March 7 th , 2017	Neutral – Long term	123,600
MWG - Waiting for The Ability to Maintain Significant Growth	February 3 rd , 2017	Sell - Intermediate	134,500
SKG - Competition Will Begin to Impact Earnings Results	December 16 th , 2016	Neutral – Long term	72,800
VGC - Catalysts Ahead for VGC to Fully Realize its Potential	December 14 th , 2016	Neutral – Long term	17,800
SAB - The Giant of Vietnam's Beer Industry	December 06 th , 2016	Neutral – Long term	143,000

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	06/03/2017	0.25% - 0.75%	0% - 2.5%	29,586	29,521	0.22%
VF4	06/03/2017	0.25% - 0.75%	0% - 2.5%	13,227	13,183	0.33%
VFA	03/03/2017	0.25% - 0.75%	0% - 1.5%	6,831	6,863	-0.47%
VFB	03/03/2017	0.25% - 0.75%	0% - 2.5%	14,087	14,055	0.23%
ENF	03/03/2017	0% - 3%	0%	14,847	14,936	-0.60%
MBVF	02/03/2017	1%	0%-1%	12,614	12,607	0.06%
MBBF	01/03/2017	0%-0.5%	0%-1%	13,566	13,552	0.10%

ANALYSTS

Truc Doan – Head of Research

+ 84 8 6299 2006 | Ext: 1308

truc.dtt@vdsc.com.vn

Thien Bui

+ 84 8 6299 2006 | Ext: 1321

Thien.bv@vdsc.com.vn

Huong Pham

+ 84 8 6299 2006 | Ext: 1314

huong.pt@vdsc.com.vn

Trinh Nguyen

+ 84 8 6299 2006 | Ext: 1331

Trinh.nh@vdsc.com.vn

Ha My Tran – Deputy Manager

+ 84 8 6299 2006 | Ext: 1309

my.tth@vdsc.com.vn

Diem My Tran

+ 84 8 6299 2006 | Ext: 1311

my.ttd@vdsc.com.vn

Kien Nguyen

+ 84 8 6299 2006 | Ext: 1320

Kien.nt@vdsc.com.vn

Hoang Nguyen

+ 84 8 6299 2006 | Ext: 1319

Hoang.nh@vdsc.com.vn

Lam Nguyen

+ 84 8 6299 2006 | Ext: 1313

lam.ntp@vdsc.com.vn

Hieu Nguyen

+ 84 8 6299 2006 | Ext: 1514

Hieu.nd@vdsc.com.vn

Quang Vo

+ 84 8 6299 2006 | Ext: 1517

Quang.vv@vdsc.com.vn

Dung Nguyen

+ 84 8 6299 2006 | Ext: 1518

dung.nv@vdsc.com.vn

DISCLAIMERS

This report is prepared in order to provide information and analysis to clients of Rong Viet Securities only. It is and should not be construed as an offer to sell or a solicitation of an offer to purchase any securities. No consideration has been given to the investment objectives, financial situation or particular needs of any specific. The readers should be aware that Rong Viet Securities may have a conflict of interest that can compromise the objectivity of this research. This research is to be viewed by investors only as a source of reference when making investments. Investors are to take full responsibility of their own decisions. VDSC shall not be liable for any loss, damages, cost or expense incurring or arising from the use or reliance, either full or partial, of the information in this publication.

The opinions expressed in this research report reflect only the analyst's personal views of the subject securities or matters; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or opinions expressed in the report.

The information herein is compiled by or arrived at Rong Viet Securities from sources believed to be reliable. We, however, do not guarantee its accuracy or completeness. Opinions, estimations and projections expressed in this report are deemed valid up to the date of publication of this report and can be subject to change without notice.

This research report is copyrighted by Rong Viet Securities. All rights reserved. Therefore, copy, reproduction, republish or redistribution by any person or party for any purpose is strictly prohibited without the written permission of VDSC. Copyright 2016 Viet Dragon Securities Corporation.

IMPORTANT DISCLOSURES FOR U.S. PERSONS

This research report was prepared by Viet Dragon Securities Corp. ("VDSC"), a company authorized to engage in securities activities in Vietnam. VDSC is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

Any U.S. recipient of this research report wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through Rosenblatt Securities Inc., 40 Wall Street 59th Floor, New York, NY 10005, a registered broker dealer in the United States. Under no circumstances should any recipient of this research report effect any transaction to buy or sell securities or related financial instruments through VDSC. Rosenblatt Securities Inc. accepts responsibility for the contents of this research report, subject to the terms set out below, to the extent that it is delivered to a U.S. person other than a major U.S. institutional investor.

The analyst whose name appears in this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA") and may not be an associated person of Rosenblatt Securities Inc. and, therefore, may not be subject to applicable restrictions under FINRA Rules on communications with a subject company, public appearances and trading securities held by a research analyst account.

Ownership and Material Conflicts of Interest

Rosenblatt Securities Inc. or its affiliates does not 'beneficially own,' as determined in accordance with Section 13(d) of the Exchange Act, 1% or more of any of the equity securities mentioned in the report. Rosenblatt Securities Inc, its affiliates and/or their respective officers, directors or employees may have interests, or long or short positions, and may at any time make purchases or sales as a principal or agent of the securities referred to herein. Rosenblatt Securities Inc. is not aware of any material conflict of interest as of the date of this publication.

Compensation and Investment Banking Activities

Rosenblatt Securities Inc. or any affiliate has not managed or co-managed a public offering of securities for the subject company in the past 12 months, nor received compensation for investment banking services from the subject company in the past 12 months, neither does it or any affiliate expect to receive, or intends to seek compensation for investment banking services from the subject company in the next 3 months.

Additional Disclosures

This research report is for distribution only under such circumstances as may be permitted by applicable law. This research report has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient, even if sent only to a single recipient. This research report is not guaranteed to be a complete statement or summary of any securities, markets, reports or developments referred to in this research report. Neither VDSC nor any of its directors, officers, employees or agents shall have any liability, however arising, for any error, inaccuracy or incompleteness of fact or opinion in this research report or lack of care in this research report's preparation or publication, or any losses or damages which may arise from the use of this research report. VDSC may rely on information barriers, such as "Chinese Walls" to control the flow of information within the areas, units, divisions, groups, or affiliates of VDSC. Investing in any non-U.S. securities or related financial instruments (including ADRs) discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on such non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the United States.

The value of any investment or income from any securities or related financial instruments discussed in this research report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.

Past performance is not necessarily a guide to future performance and no representation or warranty, express or implied, is made by VDSC with respect to future performance. Income from investments may fluctuate. The price or value of the investments to which this research report relates, either directly or indirectly, may fall or rise against the interest of investors. Any recommendation or opinion contained in this research report may become outdated as a consequence of changes in the environment in which the issuer of the securities under analysis operates, in addition to changes in the estimates and forecasts, assumptions and valuation methodology used herein.

No part of the content of this research report may be copied, forwarded or duplicated in any form or by any means without the prior.

HEAD OFFICE

141 Nguyen Du St., Dist. 1, HCMC

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

HA NOI BRANCH

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

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

NHA TRANG BRANCH

50 Bis Yersin, Nha Trang City

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

CAN THO BRANCH

95-97-99 Vo Van Tan St., Ninh Kieu Dist.,
Can Tho City

T +84 0710 381 7578
F +84 0710 381 8387
E info@vdsc.com.vn
W www.vdsc.com.vn

