

COMPANY REPORT
PETROVIETNAM GAS NORTH
JOINT STOCK COMPANY
(HNX: PVG)

November 2015

STOCK INFORMATION

LISTING INFORMATION	
Company name	PetroVietnam Gas North JSC
Sector	Gas distribution
Stock exchange	HNX
Ticker	PVG
Charter capital	VND 277.19B
Marcap16/11/2015	VND 249.48B
Price 16/11/2015	VND 9,000/share

SHAREHOLDER STRUCTURE	
PVGas Joint stock corporation	35.88%
Others	64.12%



KEY FINANCIAL RATIOS (VND billion)			
	2012	2013	2014
Net revenue	4,297	4,074	4,221
Gross profit	253.8	274.8	251.8
EBITDA	51.8	54.6	9.5
Net income	27.2	27.7	(3.4)
EPS (VND)	981	993	NA
Dividend	800	700	

PV Gas North engages in production and trading of gas products. As a member of PV Gas, PV Gas North can receive not only financial and brand-name boost but also favorable supply source from parent company. PV Gas North now has presented in almost all cities and provinces and has become the leading LPG distribution company in the Vietnam northern market.

INVESTMENT RATIONALE

Famous brandname: PV Gas North is a subsidiary of PV Gas, the gas distribution and trading enterprises of PVN, the sole gas supplier in VN. It has inherited all business infrastructure, customer network as well as employees' expertise from its predecessor, the state-owned gas trading company. This gave the company a lot of competitive advantages against other long-standing competitors.

Modern infrastructure with wide distribution network: PV Gas North has now partially developed the LPG storehouse system in Hai Phong, Ha Tinh, Da Nang. It has also started construction of gas charging terminal in Nghi Son, as well as enhanced and developed gas charging and distribution systems from Da Nang to other provinces in the north. It now is the leader in LPG market of north Viet Nam.

High capacity LPG storehouse: PVG has quite a large capacity warehouse. At present, warehouse system includes: LPG Dinh Vu warehouse (capacity of 1,108 tons), LPG Dinh Vu – Hai Phong (total capacity of 7,500 tons), Da Nang warehouse (capacity of 3,000 tons). North Central Coast – Vung Anh warehouse (capacity of 3,285 tons). The Dinh Vu warehouse has completed the first stage and can store up to 3000 tons of LPG, the second stage of the warehouse project will be completed soon. The Da Nang warehouse has now completed partially, and can store up to 1,500 tons. Thanks to high warehouse capacity, PVG can actively manage inventory level to reduce market risk and also take advantage of favorable market movement.

Stable supply: input to production is mainly from parent company PV Gas, which supplies most of LPG in Viet Nam so PVG has advantage in accessing LPG source regardless of movement in the market.

Potential from CNG: PVG started to enter CNG market in 2015. This is quite a new products in Viet Nam market and has high potential for growth. Distributing CNG will give PVG opportunities to diversify products as well as increase revenue.

INVESTMENT RISK

Stiff competition: Competition in the market is fierce with many local competitors. Besides, unfair competition is also happening with widespread trademark infringement.

Low profit margin: For the last 3 years, net profit margin only reached 1% with the increase in competition and increasing expenses.

BUSINESS PERFORMANCE IN THE FIRST 9 MONTHS OF 2015

PVG plan for the financial year 2015 is as follow:

A.	Production	Unit	2014	2015 plan
	LPG	Tons	197,613	176,152
	Industrial LPG	Tons	143,393	122,622
	Retail LPG	Tons	54,220	53,530
	CNG	Million SM3	N/A	28,5
B.	Business performance			
	Revenue	VND billion	4,221.0	3,771.5
	Net income	VND billion	(3.4)	17.7

According to the 9 month interim report, business performance is quite optimistic: whereas revenue declined sharply to only VND 2.003B (53% of 2015 plan), profit, however, increased and reached 21,5B, surpassing 2015 plan.



Business performance

LPG production and distribution:

PVG planned to produce 176.1 thousand tons of LPG in 2015, of which 53.5 thousand tons for retail consumption and 122.5 thousand tons for industrial consumption.

As of Sept 2015, due to sharp decline in gas price, LPG revenue reached 2,002.8B, down 38% in comparison with corresponding period of 2014. Despite the decline in revenue, gross profit, however, increased notably, reaching 217.7B, an increase of 21% since selling price still kept at higher margin than input price.

LPG will still be the main source of revenue for PVG, but the outlook is not so positive as a result of narrowing profit margin, stiff competition and potential substitute fuel.

CNG distribution:

In 2015, PVG has invested in CNG distribution project with total designed capacity of 150M m3 per annum and total investment estimated to be 400B.

At present, PVG has officially put into operation the CNG decompressor terminal at Catalam company point with total output capacity of 6.6M Sm3 per annum and at Long Phuong ceramics company point with total capacity reaching 2M Sm3/annum. The company is also seeking for more customers, heading to total output in 2015 of 28.5M Sm3.

We believe that in the last quarter of 2015, business performance, especially the CNG business, of PVG will still be on good track. The growth potential of CNG business is clear, and the outlook is better than LPG business due to superiority of CNG to LPG, low competition and high demand.

OVERVIEW OF COMPANY

History of development

PV Gas North JSC is the successor of PV Gas North company, established in Nov 2000 as a member company of PV Gas.

In 2006, PV Gas company started equitization and held its IPO on 02/3/2007.

On 25/06/2007: PV Gas North company officially became PV Gas North JSC with Business licence number 0103108088 granted by Department of Planning and Investment of Hanoi.

Charter capital

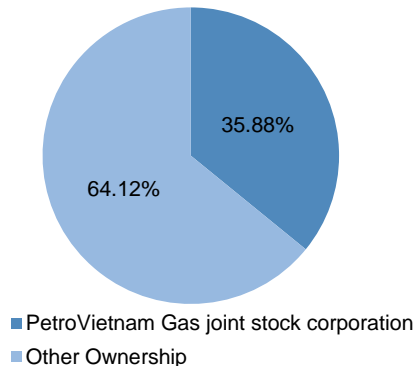
Charter capital as of Nov 2015 is 277.2B, equivalent to 27,719,850 shares.

Shareholder structure as of Sept 2015:

No.	Shareholder	No. of shares	% Ownership
1	PV Gas	9,946,631	35.88%
2	Others	17,773,219	64.12%



Shareholder structure:



Subsidiaries and affiliate companies:

	Company	Charter capital (VND billion)	% Ownership
I	Subsidiaries		
1	Ha Noi liquefied gas Ltd.	25	100%
2	Nam Dinh liquefied gas Ltd.	19	100%
3	Central Viet Nam liquefied gas Ltd.	7	100%
4	TQT commercial	1.92	80%
II	Affiliate companies		
1	Viet Nam Asset investment and trading JSC	25	5%
2	PV Oil VungAng JSC	10	10%

Source: annual report, financial statement

BUSINESS PERFORMANCE

Main business

Main business of PVG is production and distribution of liquefied gas in the North and Central of Viet Nam. In 2015, CNG business started to be in operation. The company will distribute CNG along with LPG, but the main business area is unchanged.

LPG business generates more than 95% of total revenue of PVG. Products include: 45 kg gas cylinder (for retail consumers but intensive consumption), 12 kg gas cylinder (household consumers) and wholesale LPG to industrial consumers. Industrial consumers account for about 66% of total consumption.

LPG supply

- Main supply of LPG for PVG comes from Dinh Co gas processing plant and Dung Quat Refinery plant.
- Besides domestic suppliers, PVG also remain business relationship with KDK to supply when shortage occurs.



In 2014, most of gas input was from import, with total volume of around 121 thousand tons or 62% total input, of which 52,000 tons from KDK and the rest 69,000 tons from others. Domestic supply was 75,783 tons, and mainly from Dung Quat refinery.

Customer:

LPG consumption mostly comes from industrial customers (65%), household customer and commercial retail customer accounts for about 35% of total consumption.

Industrial customers are, hence, the most important source of revenue. Typical customers are ceramics producers, food processing customers, and manufacturing companies (such as Samsung Thai Nguyen, Samsung Bac Ninh, LG Hai Phong).

Output capacity

At present, PVG has 3 storage houses in Dinh Vu, Da Nang and VungAng with total designed capacity of more than 9,000 tons LPG. And it is still in process of completing the second stage of these storage houses, and expects to increase its capacity up to 15.000 tons. With the high capacity storage system, PVG can be more actively market fluctuation.

Market

LPG distribution network of PVG spreads all the northern area with 367 agencies and 13 charging terminals. Furthermore, PVG has also set up subsidiaries to expand distribution network. In 2014, the 3 subsidiaries supplied on average 4,500 tons of LPG per month.

The north market with very high population, and thus, high demand, is the main focus of PVG in development strategy.

At present, PVG accounts for about 14.75% of LPG market share in Viet Nam with 2014 output of 198 thousand tons.

LPG output of PVG (tons):

	2012	2013	2014	2015
Total output	176,331	176,065	197,613	176,152
Retail	49,672	53,089	54,220	53,530
Industrial	126,659	122,976	143,393	122,622

Market position:

While competition in market in both retail LPG and industrial LPG segmet is harsh with many suppliers, PVG can still hold its market share in the north and central of Vietnam of around 30%, thanks to advantages in supply source, financial capability and proved quality.

CNG distribution business: At the end of 2013, PVG signed a contract with PetroVietnam Gas Distribution to corporate in distributing CNG in Thai Binh. Each company, according to the contract, would contribute equally 50% of 400B total investment of the project.

The proven natural gas reserve for the project is around 4.34B Sm3 and gas yield can reach the stable volume of 200M Sm3 in approximately 20 consecutive years of production.

On Aug 7 of 2015, PV Gas started to bring the first gas flow into Tien Hai – Thai Binh through the Tien Hai – Thai Binh gas collection and distribution system. Of 200M Sm3 natural gas cultivated each year:

-About 50-70M Sm3 will be directly consumed as low pressure gas.



-The rest 150M Sm³ will be compressed into CNG and distributed to customers within the radius of 150km from compressing point.

-Consumption trend towards CNG: CNG is a clean type of gas fuel, hence, very environment friendly. Using CNG also helps prolong longevity of burning tunnel and other equipment. Other than that, CNG is cheaper than other fuels such as LPG, FO, and DO. So, CNG is both more economical and more environmental friendly than other fuel, and for that reason, more potential for growth.

- In 2015, the allotted CNG volume is 28.5M Sm³. At present, PVG has signed some contracts to supply CNG for some customers and get equipment and transportation ready to transport CNG to customer site. Besides, PVG still opens to new customers to ensure that all allotted volume will be achieved.

Investment activities

In 2014, PVG has finished some investment projects. One typical project is Gas cylinder examination and maintenance terminal in Nghi Xuan, Ha Tinh. For 2015, PVG planned to continue construction and finish following projects:

Da Nang base depot project:

- Location: Tho Quang, Son Tra, Da Nang
- Capacity: total capacity of 3,000 tons LPG (including 2 bunker tanks, 1500 tons each)
- Phase 1: 1 1500-ton tank
- Project group: Industrial project, B group
- Total investment for phase 1: 293.7B
- Construction progress: Completed phase 1 in 3rd quarter of 2015

Tien Hai low pressure gas distribution project:

- Allotted gas volume in 2015: 28.5M Sm³.
- Progress: completed, has transported gas to customers (CNG and low pressure gas)

Market overview:

World oil market:

World oil demand: The financial crisis 2008 resulted in a prolonged sluggish oil demand globally. Recovery has come to US but in other part of the world (EU, China), slow economic growth is still apparent. Hence, demand for oil has still stayed at quite low level since 2008.

World oil supply: Shale oil just recently entered the oil market thanks to development in extraction technology that helps decreasing extraction cost.

The appearance of the new comers has caused disturbancy to the glooming oversupply oil market and lead to further decrease in oil price.

The downtrend has not showed a sign of stopping since then with low price record broken month after month.

Domestic market

LPG demand in Viet Nam:

LPG market in Viet Nam came into being quite late in comparison with in other countries but has seen periods of rapid growth: for the period of 1998-2005, consumption grew at the rate of 30% per year. In 2000, LPG demand was 400,000 tons, in 2006, it increased up to 810,000 tons, and in 2010, the number was 1,173 thousand tons. After that, growth rate declined. LPG demand reached 1,417 thousand tons in 2014.

Viet Nam LPG demand 2006 – 2013

Unit: thousand tons

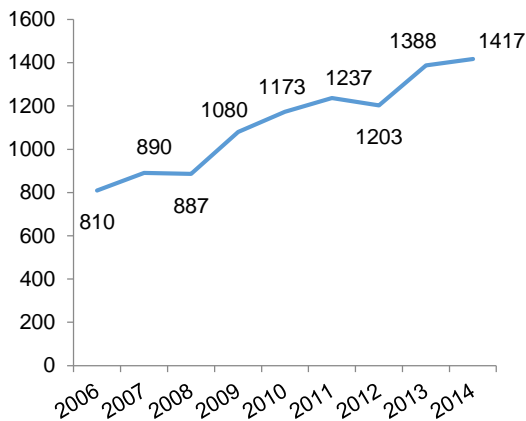
	2006	2007	2008	2009	2010	2011	2012	2013



5 years world oil price

Source: Bloomberg

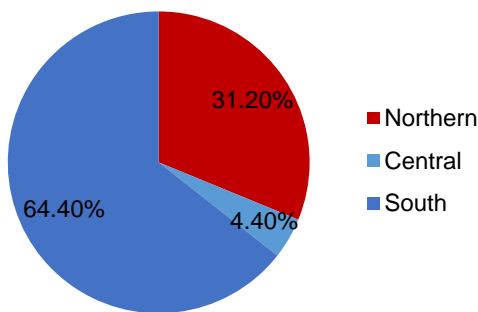
Total LPG demand



Import	465	609	627	719	613	657	626	690
Domestic production	345	281	260	361	560	590	577	698
Total demand	810	890	887	1080	1173	1237	1203	1388
% domestic production	43%	32%	29%	33%	48%	47%	48%	50%

Average LPG demand growth rate is around 10-11% per year. According to Gas association of Vietnam, LPG demand will increase 6.4% YoY and reaching 1.4 million ton in 2015. From 2016 to 2020, gas demand is expected to grow at the rate of 6% per year and reaching 2 million tons in 2020. Hence, it is clear that growth prospects in gas market are still available.

LPG consumption by geography



LPG market in Vietnam is divided into 3 smaller sub-market: the north, the central and the south. The south market accounts for the largest proportion of consumption, around 64.4% of total domestic consumption. Consumption of the north and the central market is respectively 31.2% and 4.4%. However, the north market has seen the highest growth rate, up to 25% per year.

LPG supply in Viet Nam:

LPG supply in Viet Nam comes from both domestic production and import. Domestic production only meets half of demand and comes from two producers: Dinh Co gas processing factory and Dung Quat refinery.

From 2008 backwards, LPG used to be imported from nearby countries such as Malaysia, Singapore, Taiwan, China or Hong Kong. But, from 2009 onwards, PV Gas started to import frozen LPG from Middle-East through ship, LPG import from traditional market became quite scare and unstable, and concomitantly, Dung Quat refinery gave out plenty of production, LPG import decreased notably. In the future, most of LPG import will continue to come from Middle-East.

The north market overview:

The north market accounts for about 31% of total domestic consumption with demand growth of around 25% per year. It, hence, is an attracting market with high potential for business. Consumption in 2012, 2013 was respectively 372,000 tons, 403,000 tons. Of 403,000 tons in 2013, 261,000 tons was consumed by retail users, 142,000 tons was by industrial users.

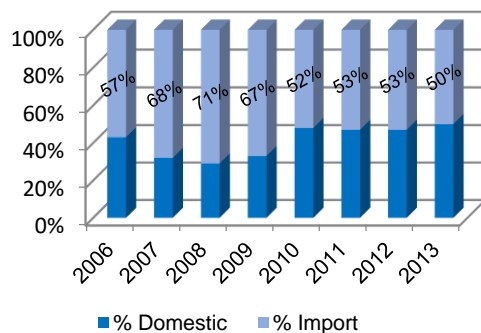
Leading players::

PV Gas North (PVG) is now the leading company in retail LPG trading in the north market with market share of about 30%. Demand concentrates in big city, such as Ha Noi (50% of total demand), Nam Dinh (17%), Quang Nam – Da Nang (16%) and Hai Phong (8%).

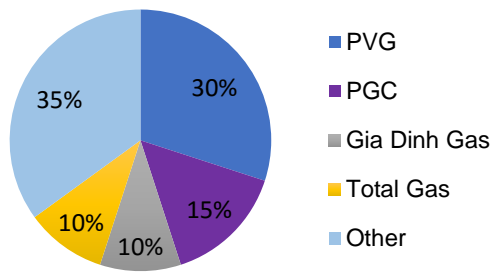
Petrolimex Gas (PGC) is also a reliable trademark in the north market with market share of around 15%. At present, PGC has storage system with capacity of 3.800 tons LPG in Dinh Vu, Thuong Ly, and Duc Giang.

Gia dinh Gas is a brandname of Gia Dinh Gas (Ha Noi), one subsidiary of An Pha gas JSC. With market share of about 10%, it is one of top 5 largest companies in the north market.

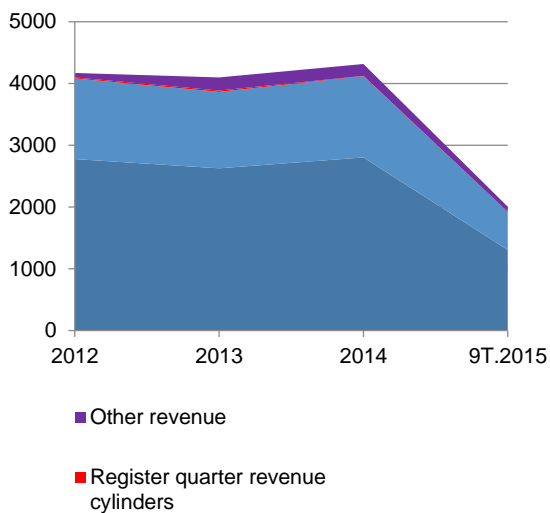
LPG supply source



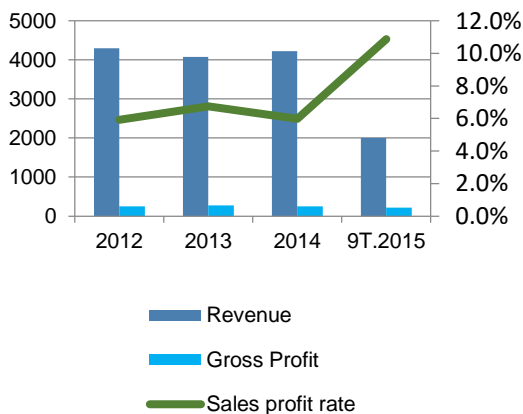
LPG market share in the North market



Revenue structure



Revenue and gross profit



Expenses structure

PSI – Hà Nội
 Hội sở: Tầng 2 toà nhà Hanoitourist, số 18
 Lý Thường Kiệt, Quận Hoàn Kiếm, Tp. Hà Nội.
 Điện thoại: (84-4) 3934 3888
 Fax: (84-4) 3934 3999

PSI – Chi nhánh TP. Hồ Chí Minh
 Số 24-26 Hồ Tùng Mậu, Quận 1, Tp.
 Hồ Chí Minh
 Điện thoại: (84-8) 3914 6789
 Fax: (84-8) 3914 6969

PSI – Chi nhánh Vũng Tàu
 Tầng 5, toà nhà Silver Sea, số 47 Ba
 Cu, Tp. Vũng Tàu
 Điện thoại: (84-64)
 254520/22/23/24/26
 Fax: (84-64) 625 4521

PSI – Chi nhánh Đà Nẵng
 Tầng 3, toà nhà số 53 Lê Hồng Phong,
 Quận Hải Châu, Tp. Đà Nẵng
 Điện thoại: (84-511) 389 9338
 Fax: (84-511) 389 9339

FINANCIAL POSITION

Business results

Revenue of PVG increased steadily in recent years. The main sources of revenue are LPG sales to industrial customers, which account for about 65% of total revenue and retail LPG with 31%.

In 2015, due to decline in market price, revenue also saw a marked decline: In 9 months of 2015, revenue only reached 2000B, only attained 53% of 2015 plan. However, profit still saw positive trend: over 9 months of 2015, net income reached 21B, already surpassed 2015 plan. Gross profit margin increased notably from around 5-6% of previous years to 11%.

Profitability ratio

	2012	2013	2014	9T.2015
Net revenue	4,297	4,074	4,221	2002.8
Gross profit	254	275	252	217.7
Gross profit margin	5.9%	6.7%	5.5%	10.9%
Operating profit	29	33	(3)	26.6
Operating margin	0.7%	0.8%	-0.1%	1.3%
Other income	7	3	3	1
Other income margin	0.2%	0.1%	0.1%	0.05%
Income before tax	37	37	0.3	27.6
Before tax margin	0.9%	0.9%	0.01%	1.4%
Net income	27	28	(3)	21.5
Net income margin	0.64%	0.68%	-0.08%	1.07%

Source: annual reports, financial statements

Expenses structure

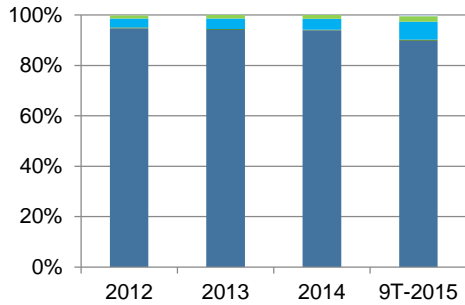
COGS accounts for more than 90% of PVG revenue in recent years. However, due to faster decrease of input price than selling price, COGS portion declined to only 89% for 9 months of 2015, the lowest level since 2007.

Selling expense and administrative expense, in contrast, increased sharply: selling expense increased from 3.6% of revenue in 2012 to 7% in 2015, administrative expense increased from 1.2% to 2.1%. The increase resulted from harsh competition in the market and the newly established infrastructure and promotion activities for CNG business.

In the future, we expect selling and administrative expense may increase slightly in the last quarter of 2015 and then become stable and stay.

Financial expense only accounts for 0.3-0.5% of revenue.

	2012	2013	2014	9T.2015
Net revenue	4,297	4,074	4,221	2002.8
COGS	4,043	3,799	3,969	1,785
COGS to net revenue ratio	94.1%	93.2%	94%	89%
Financial expenses	27	22	15	10.8
Financial expenses/revenue	0.63%	0.54%	0.36%	0.54%
Of which: interest expense	25	15	14	8.9
Loss on currency translation	1.2	6.2	1.1	0.9



■ Other costs ■ Enterprise cost Management
 ■ Cost of sales ■ Financial expenses
 ■ Cost of goods sold

Selling expenses	155	171	184	140.8
Selling expenses/revenue	3.6%	4.2%	4.4%	7%
Administrative expenses	53	52	61	42.8
Administrative expense/revenue	1.2%	1.3%	1.4%	2.1%

Source: annual report, financial statement

Financial strength

Total assets are quite stable in general. As of Sept 2015, total assets reached VND 1.224,3B, decreased slightly from the beginning of 2015. Of total assets, short term assets account for VND 809B, or 59% of total assets, long term assets account for VND 557B.

Account receivable makes up more than 40% of total assets. Despite having a warehouse system of quite large capacity, inventory is quite low.

For 9 months of 2015, long term assets saw an increase in weight due to investing activities to bring the CNG compressure and distribution system into operation.

We assess the capital structure is good, and quite suitable for a commercial company as PVG.

Sources of capital

PVG has quite stable structure of capital. Liabilities accounts for around 70% total capital, owner equity makes up the rest 30%. As of Sept 2015, liabilities accounted for 67% source of capital with value of VND 823B, a 5% decrease in weight in comparison with 2014. The major liabilities are accounts payable and short term loan (71% of total liabilities).

Cash flows

Operating cash flows in the last 2 recent years were positive, implying good cash management and high quality of earning. Besides, the company is still growing its distribution network and building more storehouses, so investing cash flows for 2014 and 9 months of 2015 were negative.

VALUATION

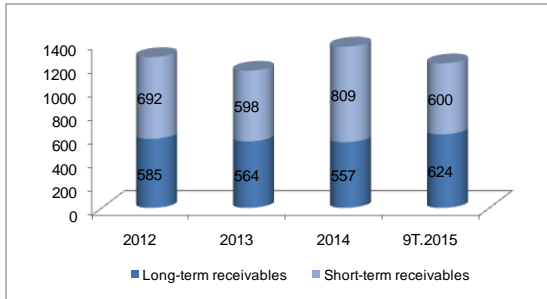
Comparables method:

We use multiples method (P/E and P/B multiples) to perform valuation of the company stock. To perform P/E and P/B comparison, we select comparable companies in the gas industry in Viet Nam and also in other countries. The average P/E and P/B are 9.26 and 0.95 respectively.

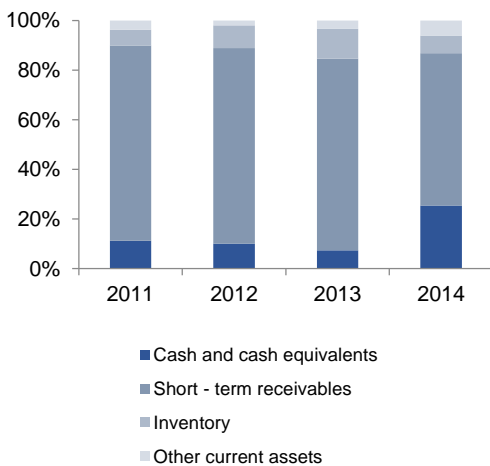
The target price corresponding to the above P/E and P/B level are as following:

P/E multiples method					
	2011	2012	2013	2014	2015F
EPS	5,141	981.4	993	-125	798.17
P/E	1.87	8.25	13.29		8.7
P/E Industry					10.56
P/E HNX					9.09
P/E average					9.26
Target price					7,394
P/B multiples method					
	2011	2012	2013	2014	2015F
BV	15,254	14,765	14,813	13,653	14,194
P/B	0.63	0.55	0.89	0.69	0.68

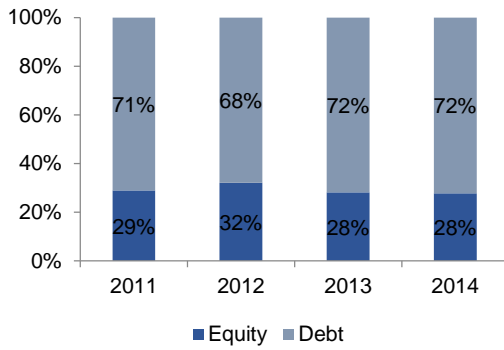
Assets structure



Current assets structure



Source of capital structure



P/B Industry					1.39
P/B HNX					1.03
P/B average					0.95
Target price					13,413

FINANCIAL STATEMENTS

INCOME STATEMENT (VND billion)				CASH FLOWS (VND billion)				2012	2013	2014
	2012	2013	2014							
Net revenue	4297	4075	4221	Operating cash flows						
COGS	4043	3800	3969	Net income	27	28	(3)			
Gross profit	254	275	252	Adjustments:						
Financial income	(15)	(18)	(9)	Depreciation	22	(4.6)	22			
Financial expenses	27	22	15	Increase in inventory	(6)	(46)	51			
<i>Of which: interest expense</i>	26	16	14	Increase in account receivable	183	(164)	179			
Selling expense	156	171	184	Increase in account payable	263	265	(152)			
Administrative expense	54	52	61	Net operating cash flow	(38)	78	97			
Operating income	29	34	(3)							
Gains	8	3	3	Investing cash flow						
Losses	1	0	0	Increase in fixed assets	(54)	36	(15)			
Net gain	7	3	3	Increase in short term investment	5	0	0			
Earning before tax	37	37	0	Increase in long term investment	1	0	0			
Current income tax	9	9	4	Net investing cash flow						
Deferred income tax	0	1	2							
Net income	27	28	(3)	Financing cash flow						
FINANCIAL POSITION (VND billion)				Stock insurance	(14)	1	(32)			
	2012	2013	2014	Net short term borrowing	150	20	104			
CURRENT ASSETS	692	898	809	Net long term borrowing	(54)	(102)	(16)			
Cash and cash equivalent	70	66	207	Dividend paid	(27)	(28)	3			
Short term investment	0	0	0	Net financing cash flow	55	(107)	59			
Account receivable	546	694	496							
Inventory	63	108	58	Net cash flow	(30)	6	141			
Other current assets	14	30	49	Beginning cash	90	60	66			
LONG TERM ASSETS	585	564	557	Ending cash	60	66	207			
Long term receivable	0	0	0							
Fixed assets	286	279	290	FINANCIAL RATIOS	2012	2013	2014			
Real estate investment	0	0	0	Liquidity ratios						
Long term investment	10	10	10	Current ratio	1.04	0.94	0.9			
Other long term assets	289	276	257	Quick ratio	0.95	0.83	0.83			
TOTAL ASSETS	1277	1462	1366	Operating ratios						
				Account receivable turnover	7.87	5.87	8.52			
LIABILITIES	868	1051	987	Inventory turnover	64.58	35.08	68.94			
Short term borrowing	666	951	903	Total asset turnover	3.36	2.79	3.09			
<i>Other short term borrowing and leasing</i>	243	263	367	Leverage ratios						
<i>Account payable</i>	387	650	503	Debt ratio	0.68	0.72	0.72			
<i>Deferred revenue</i>	0.7	7.9	2.8	Debt to equity ratio	2.12	2.56	2.61			
Long term loans	201	100	84	Profitability ratio						
<i>Other long term loans</i>	93			Gross profit margin	5.91%	6.74%	5.97%			
OWNER EQUITY	409	410	378	Operating profit margin	0.69%	0.82%	-0.07%			
Charter capital	277	277	277	ROA	2.13%	1.88%	-0.25%			
Additional paid in capital	20	20	20	ROE						
Retained earnings	29	30	(2)	Other ratios						
Other sources of capital	84	84	84	EPS (VND)	981	993	(125)			
TOTAL LIABILITIES AND OWNER EQUITY	1277	1462	1366	BVPS (VND)	14.7	14.8	13.6			

Source: Audited financial statements

STOCK RECOMMENDATION SYSTEM

PSI stock recommendation generation is based on the disparity between valuation results and stock price at the time of valuation. The recommendation is valid 6 months from the publication date. Each stock will receive one in 3 ratings in the recommendation system corresponding to 3 levels of disparity. Ratings are subject to change after every update or review to become more suitable to business performance of the company reported.

- **BUY:** if market price is 15% lower than valuation result
- **HOLD:** if market price is between +/- 15% range of valuation result
- **SELL:** if market price is 15% higher than valuation result

PETROVIETNAM SECURITIES INCORPORATED

Hanoi tourist Building, 18 Ly Thuong Kiet, HoanKiem, Ha Noi

Phone: + 84 4 3934 3888 - Fax: +84 3934 3999

Website: www.psi.vn

DISCLAIMER NOTICE

Copyrighted 2015 by PSI. Information used in the report is collected from reliable sources and PSI makes no guarantee on the accuracy of the information. Opinions in the report are current opinions of the author(s) as of the original publication date appearing on this report only, and they may not reflect official opinions of PSI. None of the information or opinions in the report should be construed as an offer to sell or a solicitation of an offer to purchase or subscribe for any investment. This report shall not be copied, reproduced, distributed in whole or in part without the express permission of PSI.