

Large-caps and banking stocks lead the market to the height

- Closing July, the market had a bullish trading month in the both bourses. VNIndex started July with the positive sentiment across the market and the index successfully conquered the 8-year high 640. The adverse impact of Brexit seemed to fade away and the event in some cases injected the new money to seize the opportunity of bottom fishing then helped the market break out the strong resistance. Large caps and banking stocks were the key engines driving the market go up. Closing the month, VNIndex increased to 652.26, +20 points or 3.16% MoM. Trading volume slightly increased to 2.83 billion shares, +1.80% and trading value achieved VND58 trillion, +14.27% MoM. On contrary to HSX, HNX mildly decreased by 1.19% MoM to 83.71 points
- VN-Index had 12 sessions traded with the close lower than the open, dumped VN-Index by 7.46% and 9 sessions traded with the close higher than the open, lifted VN-Index by 10.62%. There was some positive news that helped market conquer the 8-year high 640 i) bullish sentiment spread over the market; ii) large-caps increased strongly and consistently throughout the month; iii) new money injected to the market via margin lending; iv) the foreigners played as net buyers that enhanced the recovery. These factors boosted the VNIndex to surge to 681 points, then the profit taking activity retreated VNIndex to 650 zone.
- The market witnessed positive sentiment broadly; the large-caps went up 3.62%, mid-caps modestly gained 0.93% and the small-caps increased by 2.41%. For more details, VNM contributed the absolute part of 1.59% into the gain 3.15% of VNIndex, VCB 1.41%, CTG 0.3%, HPG 0.28% and VIC 0.26%. In the opposite direction, those dragged the VNIndex including GAS pulled VNIndex down 0.58%, TTF 0.16%, PVD and MSN each 0.15% and PNJ 0.1%.

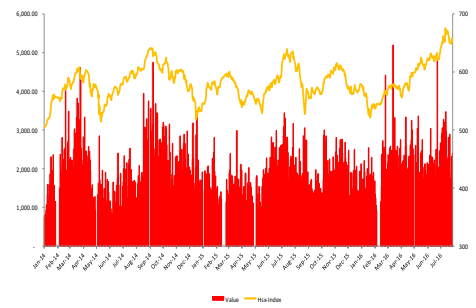
Foreigners net buying send positive signals to market

- Market in July was positive at both liquidity and upside momentum. Of which, the net buying position of foreign investors gave a hand to confirm the uptrend of the market. In HCMC bourse (HSX), foreigners had the 3 straight months of net buying. Total net buying volume in July 2016 was 63.9 million shares equaled a trading value of VND1,204 billion. Surprisingly, two giants of steel industry (HPG and HSG) had opposite position in trading activity of foreigners, of which foreign investors played as net buyer of HPG (VND286 billion of net buying value), meanwhile HSG was sold at the net selling value of VND177 billion. One more highlight of the month, the ETF E1VFN30 attracted a sizeable net inflow of VND121 billion. Overall, stocks were bought strongly are HPG at VND 286 billion, VCB at VND213 billion, SSI at VND192 billion, E1VFN30 at VND121 billion and CTG at VND 109 billion. Meanwhile, some names which foreigners sold strongly in July 2016 are HSG at VND177 billion, MSN at VND175 billion, PVD at VND89 billion, KSB at VND71 billion và HBC at VND54 billion.
- At the end of July 2016, both foreign ETF funds were net buyers at modest amount, of which DB X-Tracker FTSE Vietnam Index ETF bought nearly USD 0.4 million.

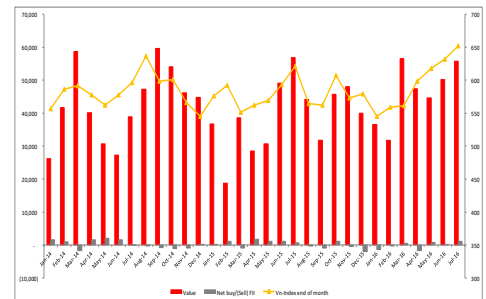
The market possibly accumulates to support mid and long term

- In July, the strong rebound drove market to the height of 680 then the profit taking activity pulled the market down. Hence the market in August might be under pressure of correction due to i/ the market established the peak within a very short time ii/ the good 1H results have been priced in iii/ local investors somehow hesitate their trading in lunar July month as usual and iv/ few good news to be added in the near future. However, we do not concern about the possibility of strong correction as i/ macro picture will be much better in 2H thanks to the aggressive action of new government, ii/ foreign investors will possibly play as net buyer in the remaining time of the year and we think the leaders of the market will continue to come from large-caps, energy, banking and brokerage stocks.
- From technical analysis, Vn-Index approached the peak of 680 in mid-July then corrected to the zone of 620-630 after that, we believe the market will need more time to accumulate at the zone of 630-650 to support the mid-term.

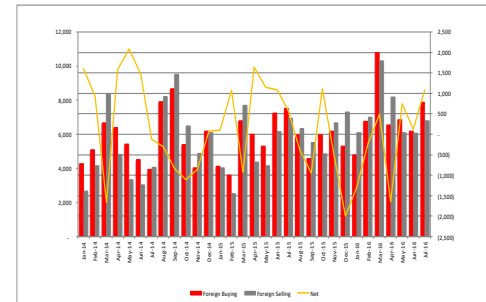
Vn-Index (RHS) & Daily trading value (bVND-LHS)



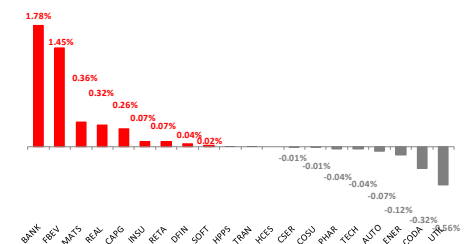
Monthly Trading value (bVND-LHS) & Foreigners activities (bVND-RHS)



FOREIGN TRADING VALUE AND THEIR NET POSITION (bVND)



INDUSTRIAL CONTRIBUTION TO VN-INDEX 7-2016



INDUSTRIAL PERFORMANCE

