

Money ways back, market approaches the resistance 720

- In the extension of bullish trend of prior month, the market grew vigorously in terms of both liquidity and sentiment. Large caps and bluechips continued to play the key role to lead market up. Although the market corrected a bit when money flow rotated from large caps to small caps in some points of trading month, the support level of 700 saved the market from the threat of sharp decline. After money backs into large caps, the market rebounded solidly and tried to approach the resistance of 720 for some trading days. The consecutive session of uptrend also triggered the profit taking activity that restrained the bullish sentiment somewhat. We see that the movement of this month was similarly to the prior with the key point of smart money first allocated into large caps then rotated to mid& small caps. However, comparing with January, liquidity of February was much more positive which contributed fuel to drive the uptrend momentum. We see real estate stocks and large caps outperformed the market.
- For whole month review, VN-Index had 8 trading sessions of decline, which eroded VN-Index 2.54% and 11 trading sessions of advance, lifted VN-Index by 4.47%. VNIndex managed to close at 710.79 points, well increased by 13.51 points or 1.94% MoM. Total trading volume achieved 3.27 billion shares, +94.45% MoM and trading value at VND60.5 trillion, +66.03% MoM. For average daily trading calculation in HSX, daily trading volume came at 172.30 million shares, +74.35% MoM and daily trading value also soared to VND3,186 billion, +48.53% MoM. HNX also surged to 85.83 points, +2.81% MoM with trading volume doubled MoM at 864 million shares and trading value at VND7.9 trillion. For average daily trading calculation in HNX, daily trading volume came at 45.47 million shares, +78.96% MoM and daily trading value also soared to VND415.79billion, +57.07% MoM.
- Top advancers of the month include: ROS lifted VN-Index by 0.52%, VIC +0.50%, VJC +0.42%, NVL +0.23% and VNM +0.22%. In the opposite direction, those dragged the VNIndex including VCB, pulled VNIndex down 0.42%, BHN -0.40%, HPG -0.11%, BID -0.09% and CTG -0.07%

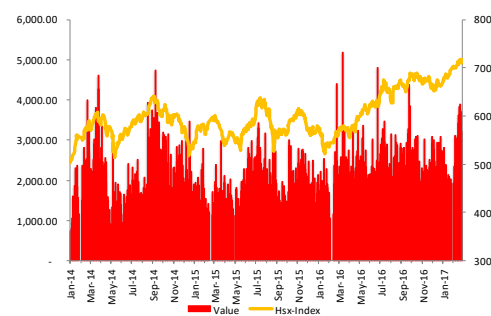
Foreign investors buy two months in a row

- On Ho Chi Minh stock exchange (HSX), foreign investors established the net buying position for two consecutive months with trading value of VND 597 billion. The money inflow of foreigners helped market more positive in February. On the side of long position, VNM was bought strongly at VND508 billion, SAB at VND 108 billion, SSI at VND75 billion and VCB at VND 63 billion. On the side of short position, HPG was on top at VND 107 billion, PVD at VND 97 billion, DXG at VND 67 billion, DRC at VND61 billion and HSG at VND59 billion. On HNX, foreigners also recorded the net buyer at value of VND 47 billion, down 59% MoM. In details, foreigners bought PVS at VND 18 billion, SHB at VND 13 billion and DBC at VND 10 billion. Otherwise, PGS was sold at VND 20 billion, VND at VND 12 billion and NTP at VND 10 billion.
- At the end of January, 2 foreign ETFs had the net buying amount of USD 3.6 million, of which Market Vector Vietnam ETF bought USD 12.3 million meanwhile DB X-Tracker FTSE Vietnam Index ETF continued to sell USD 8.7 million.

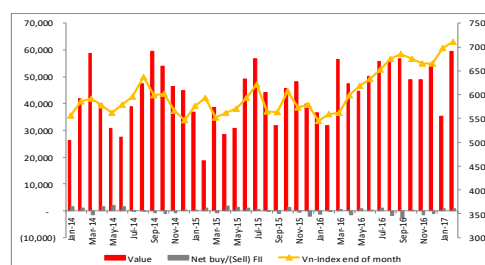
The market to be challenged at strong resistance of 720-730

- The market recorded the breakthrough when maintained the 9-year height of 700 during February. The positive signals of long position of foreigners and booming liquidity which continue to enhance market. However, we think market will face the huge challenge ahead when 720 level seems to be the hard resistance to overcome. The key factors that impact directly to the market movement in March include: i/ ETF rebalancing which is forecasted to exclude many big names will put strong selling pressure on overall market, ii/ Fed generates the meeting in mid-March which has raised the high possibility of hiking rate that will harm the market in short term, iii/ the expectation of sound 1Q earnings to be released. We favor the sectors which have peak season in the remaining time of the year such as banking stocks, construction material and natural rubber stocks.
- From the view of technical analysis, VN-Index once tried to conquer the 720-level then failed as the selling pressure stayed strong at this resistance. We think the market will go sideways and accumulate at 710-720 level in March. In case the money strength goes down, the support level will reduce to 700-710 and resistance level will be at 720-725.

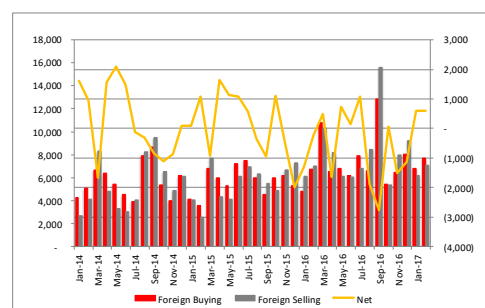
Vn-Index (RHS) & Daily trading value (bVND-LHS)



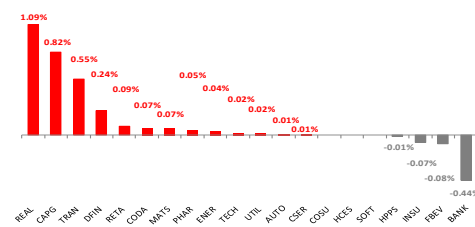
Monthly Trading value (bVND-LHS) & Foreigners activities (bVND-RHS)



FOREIGN TRADING VALUE AND THEIR NET POSITION (bVND)



INDUSTRIAL CONTRIBUTION TO VN-INDEX 02-2017



INDUSTRIAL PERFORMANCE

