

## Banking sector lead stock exchange recovery.

- Stock exchanges ended July with exciting movement in indices. Since earlier July, penny stocks positively lifted the indices to help VNIndex achieve 780 points. However, for 3 consecutive weeks in July, strong selling pressure along with deteriorating cashflow pushed VNIndex back to 750 points thresholds. The final week experienced the dramatic recovery of indices. Stock exchanges regained the balance thanks to the adjustments which declined the supply of stocks with cheap prices and continuous bottom-up activities. Moreover, main momentum came from the Banking sector lifting the markets to reach 780 points twice in July. Main stories for July were i) deteriorating liquidity due to the caution of investors, creating selling pressure; ii) continuous cash inflow from foreign investors; iii) Blue chips and speculative stocks took turn to lead the markets. HSX in July experienced 10 decline trading sessions which costed 5.69% of VNIndex. Meanwhile, 11 increase trading days accounted for 6.6% improvement in index.
- At the end of July, VNIndex closed at 783.55 points, increased by 7.08% (+0.91% m.o.m). Total trading volume reached 4.44 billion shares (-3.69% m.o.m) while total trading value declined by 11.88% m.o.m, equivalent to 81,750 billion VND. On average, daily trading volume was 211.63 million shares (+0.9% m.o.m) and daily trading value was 3,893 billion VND (-7.66% m.o.m). Like HSX, HNX also experienced growing month. HNXIndex ended July with 101.18 points, increased by 2.06% m.o.m. Total trading volume was 1.49 billion shares (+12.88% m.o.m) and trading value reached 14,220 billion VND (-1.79% m.o.m). On average, daily trading volume and value were 70.95 million shares (+17.72% m.o.m) and 677.14 billion VND (+2.88% m.o.m) respectively.
- List of stock that contributed most to the increase of VNIndex: SAB (0.98% of VNIndex's improvement), GAS (0.44%), BID (0.33%), ROS (0.26%), VIC (0.25%). In contrast, VNM (-0.39%), PLX (-0.21%), VCB (-0.15%) CII (-0.09%) and HT1 (-0.08%) were the group contributed most to the decline of VNIndex.

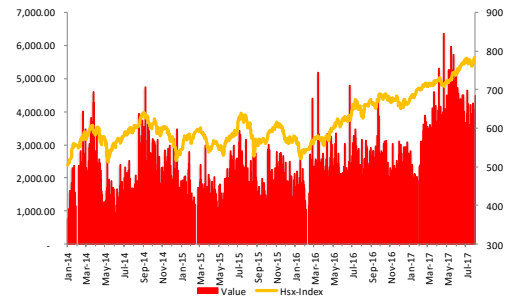
## Foreign investors maintain strong net-buying position, accumulated 11,600 billion VND over the first 7 months of 2017.

- Regarding of foreign investors: July 2017 passed with high volatility in indices of both stock exchanges. On HSX, VNIndex continued to have growing month with the peak of 786.81 points even though there was strong selling pressure throughout 3 out of 4 weeks, even reached 750 supporting level. Foreign investors positively contributed to the growth with strong net-buying position for 7 consecutive months with total value at over 11,600 billion VND. PGD leads the marking with net-buying value of 1,271 billion VND, followed up by VCI in securities sector with 717 billion VND. HPG still attracted foreign investors with 364.6 billion VND. In contrast, SSI has been net sold over 373 billion. Second position was HSG with 272 billion VND. CTG and MSN were net sold 130 billion VND and 129 billion VND respectively. On HSX, foreign investors continued to net-buy over 2,807 billion VND (+33% m.o.m). Total volume achieved 63 million shares. On the other hand, HNX experienced two consecutive months with total net-selling value at 263.6 billion, equivalent to total volume of 25.9 million shares.
- In term of ETFs: both ETFs returned to net-selling position with total value at 2 million USD, contrast to the movement of foreign investors. In July, only DB X-Tracker FTSE Vietnam Index ETF net-sold while Market Vector Vietnam ETF had no trading activities.

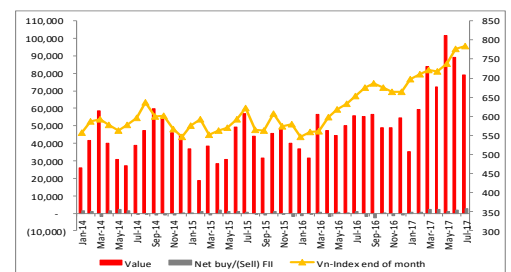
## Markets in 08/2017: Receive positive supports to achieve the economic plan for late-2017.

- Over July 2017, market indices experienced strong volatile month when approaching the supporting level of 750 points after return to 780 points. In August, we believe in the positivity in stock exchanges thanks to i) lower interest rates due to State Bank's policies which support stronger capital inflow into businesses, directly impacts enterprises; ii) positive supports to achieve the economic plan at the end of this year; iii) listed large cap group, especially Banking sector already announced the business results for first half 2017 with positive growth in earnings and prospects; iv) positive cash inflow from foreign investors will maintain. In short-term, market could receive profit-taking pressure because of the current peak in indices. Therefore, strong surge in indices will not be likely to happen and there will be accumulating trading sessions to reach sustainable 800 points. In term of intermediate and long-term, stock exchanges are still under uptrend thanks to the factors mentioned above. Sectors that are expected to have positive prospects include: Banking, Securities, Real Estate, Construction and Construction materials, Pharmaceuticals, Food & Beverage, Consumer Goods...
- Under technical point of view: VNIndex experienced July 2017 with negativity when approaching 750 points supporting level before the strong recover. It could be said that it will be the strong support for VNIndex. We forecasted that VNIndex will conquer new 780 – 790 level thanks to positive cash inflow from foreign and domestic investors. There will be struggle in short-run with accumulating sessions. As a result, the supporting level will be 750 – 760 points while the resistance is 790 points in short-term.

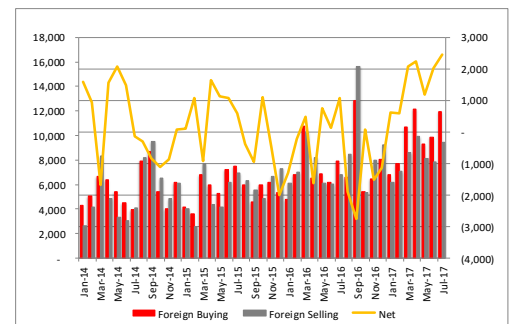
Vn-Index (RHS) & Daily trading value (bVND-LHS)



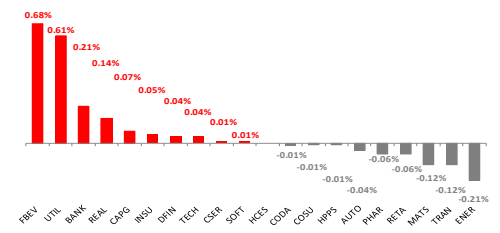
Monthly Trading value (bVND-LHS) & Foreigners activities (bVND-RHS)



FOREIGN TRADING VALUE AND THEIR NET POSITION (bVND)



INDUSTRIAL CONTRIBUTION TO VN-INDEX 07-2017



INDUSTRIAL PERFORMANCE

