

VNIndex hold firm at bottom and recovered with cautious sentiment from investors under selling pressure from foreign group.

- Stock exchanges in July experienced the recovery from bottom at around 885 points. VNIndex hold firm at bottom and recovered with cautious sentiment from investors. After the significant drop in second quarter of this year which resulted in hurting investors' sentiment, the liquidity in July strongly declined. The markets successfully bottomed out during the first 2 weeks of July. Negative market signals and net-selling position of foreign investors lead the market to the bottom of this year. However, there were bottom-out activities during that time and stock exchanges hold firm to create the bottom. During the last 2 weeks of July, VNIndex ended the consecutive months of decline. Liquidity improved and cashflow started to look for investment opportunity in business result season. Sectors such as banking, real-estate... with strong prospects in earnings attracted significant cashflow. On the other hand, there is also special attention to Mid-cap, Small-cap and especially speculative stocks such as: FLC, HAG, HNG, HVG... The last trading sessions of July experienced strong fluctuation and accumulating activities at around 925 points. Strong recovery last 2 weeks leads to profit-taking and strong demand maintained uptrend. Therefore, investors' sentiment has been stabilized. Main stories of July were: i) continuous selling pressure occurred during the trading sessions earlier July resulted in huge fluctuation; ii) net-selling position of foreign investors; iii) cautious sentiment of domestic investors lead to slow disbursement; iv) cash flew into fundamental stocks with positive earnings for 2Q 2018.
- HSX had 9 decline trading days which took away 11.91% of VNIndex and 13 increase trading days which recovered 11.46% of VNIndex. VNIndex end July at 956.39 points, decreased 4.39 points and equivalent to -0.46% MoM. Total trading volume and value were 3.75 billion shares (+7.76% MoM) and 81,550 billion VND (-19.23% MoM) respectively. On average, daily trading volume and value were 170.5 million shares (+2.9% MoM) and 3,710 billion VND (+22.84% MoM) respectively. HNX experience slight drop to 106.16 points, equivalent to -0.01% MoM. Total trading volume and value were 895 million shares (-1% MoM) and 12,000 billion VND respectively. On average, daily trading volume and value were 40.68 million shares (-5.51% MoM) and 545.5 billion VND (-17.85% MoM) respectively.
- Stocks contributed most to the improvement of VNIndex were NVL (helped VNIndex increase by 0.35%), MSN (0.21%), HNG (0.19%), VRE (0.13%) and HAG (0.08%). In contrast, the main reasons for decline were SAB (-0.46%), TCB (-0.42%), VHM (-0.22%), VPB (-0.16%) and YEG (-0.11%).

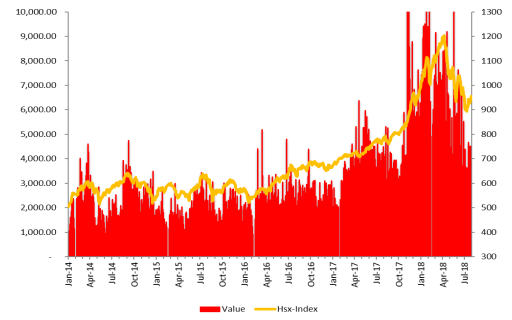
Foreign investors continued to net-sold over 2,500 billion VND, strongest position in 2018.

- In term of foreign investors, July experienced different level of emotion. Early July, stock exchanges faced significant drop and even broke short-term bottom from 5/2018. Consequently, investors' sentiment was in down mood and liquidity decreased sharply. At that time, bottom-up money was activated. In the second half of July, markets slightly improved and turned to accumulation phase. Fluctuating trading sessions due to the impacts of foreign investors created cautious sentiment for the domestic group. In HOSE, foreign investors net-sold 2,564 billion VND, equivalent to 43.3 million shares. Selling activities focused mainly on pillar stocks such as VIC, VHM, HPG, MSC... Specifically, VIC was under the strongest selling force with the net-sold value of 1,863 billion VND. This is also the 4th consecutive month on the top of net-selling stocks with the accumulated amount reaching 9,013 billion VND. VHM, HPG and MSN were net-sold 393 billion VND, 342 billion VND, 266 billion VND respectively. In July, foreign investors net-bought VCB (366 billion VND), DXG (205 billion VND), KBC (127 billion VND), VIS (110 billion VND). In HNX, foreign investors net-bought 171.7 billion VND, equivalent to 8.5 million shares.
- About 2 foreign ETFs: Market Vector Vietnam ETF net-sold 1.5 million USD and DB X-Tracker FTSE Vietnam Index ETF net-sold 8.6 million USD. To sum up, both funds net-bought more than 10.2 million USD.

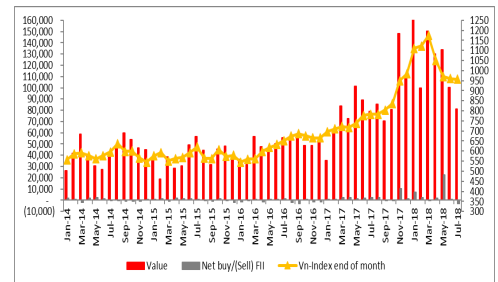
Markets in 08/2018:

- VNIndex bottomed out in July 2018 at around 885 points. Stock exchanges during that time were under significant influence of cautious sentiment. The reasons came from the continuous decline in indices under the strong selling pressure from foreign investors. After that, the bottom-up money activated, helped markets stood firmly. Therefore, there is recovery and stock exchange fluctuated at around 925 since.
- In August, the big question is whether indices will continue to recover. We believe the main factors will be: i) positive impacts thank to Q2 business results and there will also be division between companies achieved growing results and declining earnings; ii) stocks at attractive price will open up investment opportunities in banking, securities, real-estate, construction, material, retails...; iii) net-selling position demonstrated no signal to stop; iv) positive macroeconomic.
- Technical analysis: stock exchanges successfully stood their ground twice to achieve the bottom at 885 points. This is the lowest level of this year. In the second half of July, VNIndex mostly traded around the sentiment level of 925 points and surpassed the middle line of downtrend. Therefore, VNIndex broke the downtrend and approaches the resistance at 956 points, equivalent to 23.5% line of Fibonacci. We believe stock exchanges in August will maintain the accumulation phase at around 956 points, creates the strong base to reach the upcoming resistance level at 1,004 points, equivalent to 38.2% line of Fibonacci.
- What stock exchanges need the most right now is strong cashflow and high liquidity with daily trading volume at around 180 million shares. The supporting level of VNIndex was 900– 925 points.

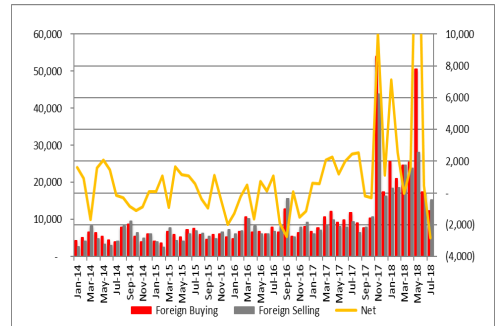
Vn-Index (RHS) & Daily trading value (bVND-LHS)



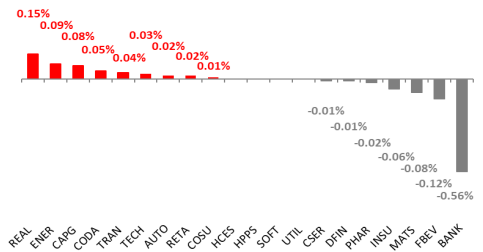
Monthly Trading value (bVND-LHS) & Foreigners activities (bVND-RHS)



FOREIGN TRADING VALUE AND THEIR NET POSITION (bVND)



INDUSTRIAL CONTRIBUTION TO VN-INDEX 07-2018



INDUSTRIAL PERFORMANCE

