

# STOCK MARKET UPDATE 01/2019

The VNIndex once again bottomed out at 880 points, the market gained cautiously to the psychological zone 910.

- The VNIndex continued to create a trough but once again turned back to approach the psychological point 900 - 910 points. In the first two weeks of the month, the market recovered strongly after escaping the bottom of 880 points to approach the psychological point of 900. However, the liquidity continued to weaken, showing that the cautiousness is still controlling the investors. In the second half of the month, the market fluctuated on the 900 points area. In this period, the market has seen strong gaining sessions, but then the selling pressure also increased. The market was kept in the area of 900-907 points, showing that the risk of falling deeply has not yet appeared. By the end of the month, VNIndex fluctuated in a narrow band as it approached 910 points. In the trading sessions, the market witnessed a degree of differentiation between stock groups where couples of large-cap stocks gained to keep the Index from falling. In the month, the market witnessed a strong breakout of Vingroup stocks such as VIC, VHM and VRE, these stocks all contributed significantly to the rise of VNIndex. Banking stocks were mixed when MBB, TCB, VCB all recovered strongly and were the main gainers leading the market, CTG and BID were the losers. Main points of the market in the last month: i) Liquidity weakened due to the cautious sentiment of investors and the pervasive Tet holiday, causing the cash flow to be withdrawn, making the market fluctuate in a narrow range near the end of the month; ii) Foreign investors continued to have a positive net buying month to support the market; iii) The degree of differentiation among stock groups when witnessing the phenomenon of continually moving stock groups to keep the market point.
- The HSX in January had a 9-day losing streak, losing 3.92% of the VNIndex, and 13 up-days to help VNIndex recover 5.95% of the score.
- By the end of January, VNIndex closed at 910.65 points, up 18.11 points, equivalent to 2.03% compared to the end of December. Trading volume reached 2.91 billion shares, down 22.6%, trading value reached VND 58.51 trillion, down 29.1% compared to December. The average daily trading volume on the HSX reached 132 million shares, down 29.8% and the daily average trading value was VND 2,660 billion, down 35.5% from the previous month. On the contrary, HNX saw a decrease in trading month, HNXIndex closed at the end of the month at 102.88 points equivalent to 1.3% lower than the end of December, with trading volume reaching 629 million shares, down 28.2%, trading value reached VND 8.72 trillion, down 31.1% compare to December. The average daily trading volume on the HNX reached 28.59 million shares, down 34.7% and average trading value of VND 396.4 billion, down 37.3% over the previous month.
- Stocks that helped the market gain the most: VIC (helping VNIndex up 0.95%), VNM (helping VNIndex up 0.92%), VHM (helping VNIndex up 0.76%), VCB (helping VN-Index increase 0.41%) and MBB (helping VNIndex up 0.18%). On the other side, stocks that made VNIndex drop the most were SAB (making VNIndex down 0.77%), BID (making VNIndex down 0.35%), HPG and NVL (making VNIndex down 0.24%), ROS (making VNIndex down 0.14%).

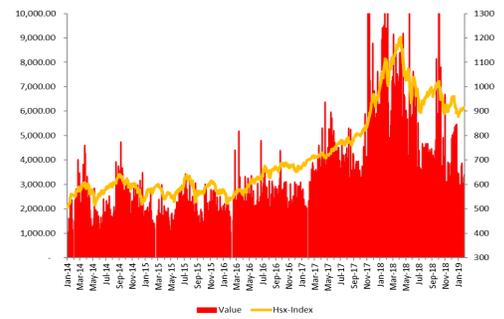
## In January, Foreign investors continued buying strongly on both exchanges.

- Regarding foreign trading: The January stock market ended to see a rise of VNIndex, the VNIndex after escaping the bottom of 880 has maintained a positive trend to approach the area of 900-910 in the second phase. In the following week, the bright spot was foreign trading was exciting and positive. In January, foreign investors bought 342.6 million shares, worth VND13,414 billion, while sold 294 million shares, worth VND11,707.7 billion. Total net buying volume reached 48.6 million shares, equivalent to net buying value of VND 1,706.5 billion. The net buying of foreign investors partly created a motivation for investors' psychology. On HOSE, foreign investors saw a fifth net buying month in a row, with a net buying value of 1,180 billion dong, a net buying volume of 34 million shares, a net buying value of nearly 150 billion dong of E1FVN30 fund certificate. Notably, the put-through transaction contributed about VND 600 billion on the total net buying value on this floor. The stocks that were bought the most by foreign investors were: VNM net bought 566 billion dong, MWG net bought 565 billion dong, VCB net bought 318 billion dong and VRE net bought 224 billion dong. On the other side, VJC was sold the most with net selling value of 412 billion dong, this is the second consecutive month this share reached the top net selling, followed by VIC being net sold 234 billion dong, DHG was net sold 228 billion dong and HPG also saw a net selling of 218 billion dong. Notably, new shares transferred from UPCOM to HOSE is POW, which was also net bought by foreign investors with VND 178 billion. The HNX was back to net buying with 183 billion dong after 4 months of net selling. On UPCOM, foreign investors had the 3rd consecutive month of net buying, with value down 76% from the previous month and reaching VND 198 billion, but in terms of volume they still net selling 1.7 million shares.
- Regarding the activities of two foreign ETF funds: In January, both foreign ETF funds returned to net buying with the value of more than USD13.8 million, of which Market Vector Vietnam ETF fund purchased nearly VND12.4 million and DB Fund. X-Tracker FTSE Vietnam Index ETF net bought more than 1.4 million dollars.

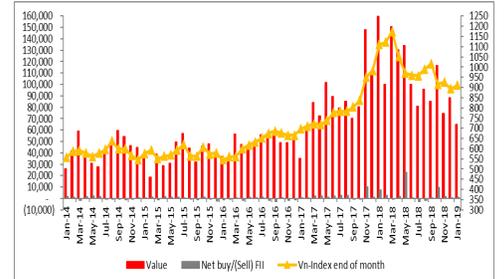
## Market commentary in 2/2019: The market has surpassed the downtrend in the medium and short term.

- The market performance in the January was quite positive when the VNIndex once again broke out of the bottom and surpassed the middle and short-term downtrend. In the first half of the month, the market gained positively and brought VNIndex to reach 900-907. Half a month later due to lower liquidity, the market fluctuated in a narrow range accumulated at the 910 area until the end of the month. How will the market follow in February when the third time falls into the Lunar New Year? Factors affecting the market will be: i) Macroeconomic indicators all show Vietnam's economy is in a positive period; ii) Vietnam stock market is being priced relatively attractive when P / E is lower than some regional countries; iii) Foreign investors continued net buying to support investor sentiment; iv) The market once again created a solid bottom at 880 points, creating a stable sentiment for investors when the market's risk of falling is low. But besides, there are still negative points that can affect the market mainly from the trade war between the US and China.
- Technical analysis: The market once again created a strong bottom at 880 points and rebounded, the VNIndex approached 900 points then fluctuated in the 910 area. The medium-term downtrend and entering the uptrend. We expect the market will accumulate in the short-term uptrend after a period of accumulation. Market index is surpassing MA20 because the rising force is still supporting the market. VNIndex is also approaching MA50 at 920 points. So, in the coming time, the market will continue to fluctuate according to the uptrend, the resistance 1 will be in the 930 - 950 points area, the resistance 2 will be in the 975 - 990 points area, and the market support will be 880 - 900 points.

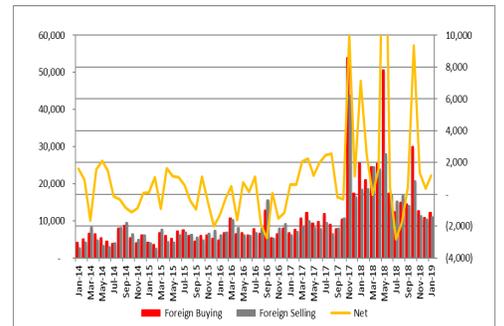
## Vn-Index (RHS) & Daily trading value (bVND-LHS)



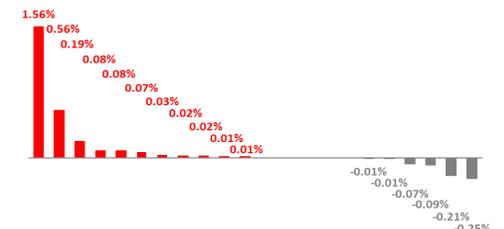
## Monthly Trading value (bVND-LHS) & Foreigners activities (bVND-RHS)



## FOREIGN TRADING VALUE AND THEIR NET POSITION (bVND)



## INDUSTRIAL CONTRIBUTION TO VN-INDEX 01-2019



## INDUSTRIAL PERFORMANCE

