

## Market eases off two-day rallies



After a two-day recovery late last week, the local market fell back in the first session of July on Monday as selling pressure built up on pessimistic investor sentiment. The VN-Index lost 3.07 points, or 0.73%, from the session earlier to close at 419.3.

The market opened in the black and rose further to touch the daily high of 424.95 before falling into the red and then drifted lower until the end of the morning session. In the afternoon, trading saw further small losses and the market closed just a tad above the lows.

Liquidity remained the biggest concern as investors stayed on the sidelines. Trading on the Hochiminh Stock Exchange slid 30.8% in volume and 41.8% in value to 38.6 million shares worth VND620 billion.

Laggards outnumbered advancers by three-fold, of which 67 tickers went limit-down. MSN did its part to pare the loss by adding 1.39 points to the index while heavyweights VIC, EIB, VCB dragged the index down by 1.76 points.

Sacombank (STB) was the most liquid stock on the bourse with 1.9 million shares traded worth VND43.3 billion, followed by OGC and VSH with over 1.1 million shares traded each.

Foreign participation levels were very low although net buying was seen again. Foreign investors accounted for 10.8% and 7.9% of the market's buying and selling value respectively.

HCMC Securities Corp. said the local market had paid more attention to outside events this year than before but is still primarily driven by local factors. With little to cheer about and the summer doldrums, prices declined across the board on Monday. For the time being, the market will move sideways and go down in a fairly orderly fashion.

Viet Capital Securities Co. said both the short-term momentum and the trend indicator are showing a test of lower levels is possible and the next support can be found at 410 points.

For short-term trades, we now stay on the sidelines. The medium-term pattern remains neutral for now and we want to see a clear break above 442 points to confirm that a new medium-term bottom was built out. On the other hand, a clear break below 400 points

would argue that a new medium-term downtrend has started,? it said.

On the Hanoi market, the HNX-Index fell 0.98 points, or 1.38%, against the previous session to close at 70.09. Liquidity continued to slump with 24.3 million shares worth VND223 billion changing hands.

The session saw 176 stocks falling and 69 others getting higher, of which 67 hit the ceiling prices. VND remained the leader in terms of both volume and value with 3.3 million shares worth VND32.9 billion.

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