

## Bullish divergence

### Market performance

The VNIndex rebounded last week thanks to high bottom fishing after the index closed the 1,000-pts threshold.

### Chart: Bullish divergence

The medium-term downtrend is confirmed as the VNIndex closed below the significant moving average such as MA50 and MA100. Besides, the Index shows a new low. That implies a bearish market.

In the short term, the index shows a bullish divergence between the index and the RSI indicator. That implies the reversal signal. Besides, the market sentiment has become optimates thanks to high volume. Therefore, the market may form a short-term bottom around the 1,000 pts zone.

However, the index does not cross up the 20-period moving average, and selling pressure is still intact at a high level. Hence, the short-term uptrend may happen for one or two weeks.

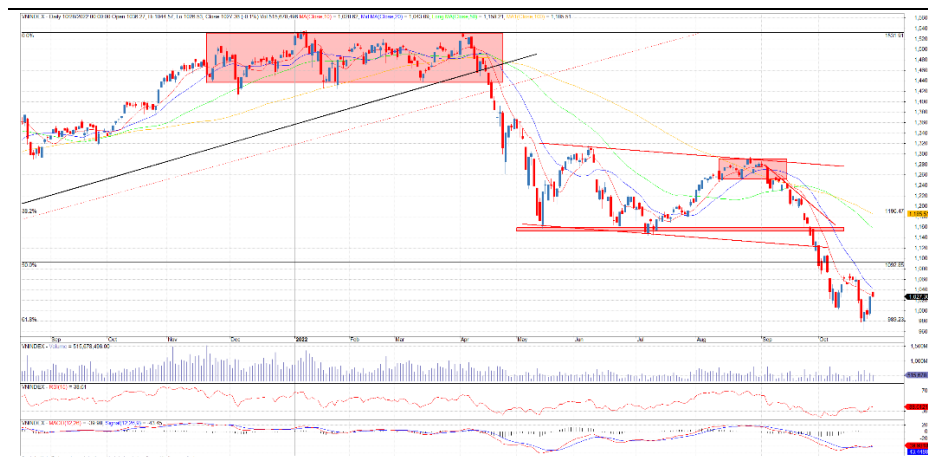
The 1,100-pts area is strong resistance. In addition, the 1,000 zone shows significant support.

→ The VNIndex shows the rebound in the short term thanks to high bottom fishing around the 1,000-pts threshold.

### Technical strategy: Stay on the sidelines

In this case, investors should stay on the sidelines and wait for the next signals.

**Figure 1. Daily candlestick chart – VNIndex**



Source: Fiinpro, AmiBroker, KIS

**Table 1. Index statistics**

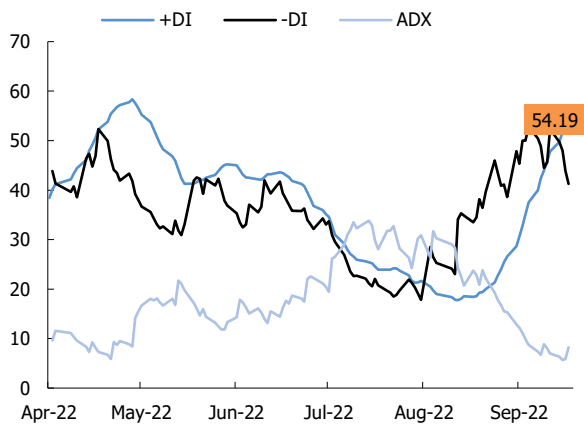
Close (pts)	1,019
1w change (%)	(4.0)
1w avg. daily vol.	384,887,260
52-week range (pts)	999-1536
Mkt cap (VND tn)	4,166
PER (x)	10.9
PBR (x)	1.7

Source: Bloomberg

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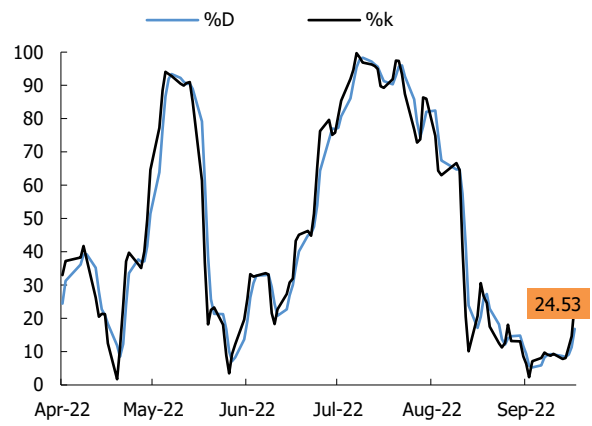
Hieu.ttm@kisvn.vn

**Figure 2. Directional movement indicator - VNIndex**



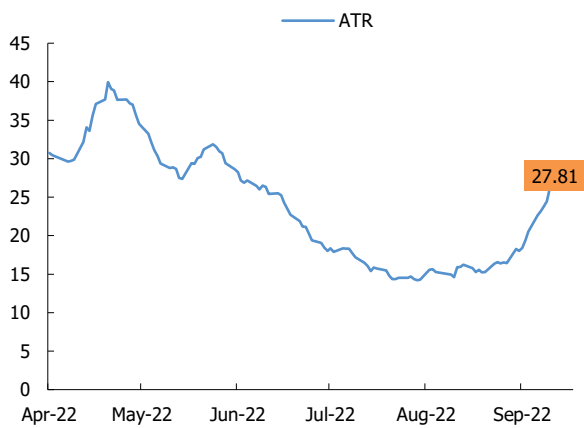
Source: Fiinpro, AmiBroker, KIS

**Figure 3. Momentum indicators (Stochastic) - VNIndex**



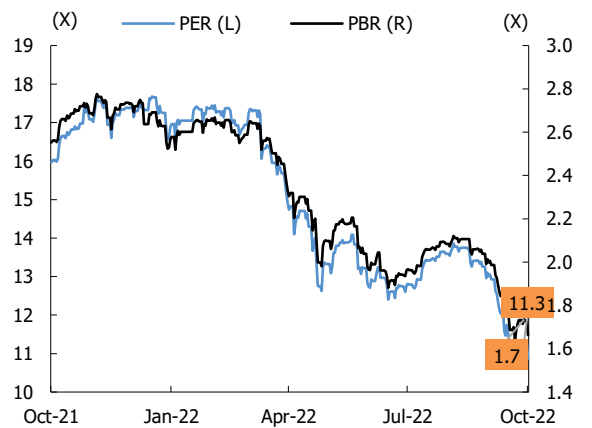
Source: Fiinpro, AmiBroker, KIS

**Figure 4. Volatility indicators (ART) - VNIndex**



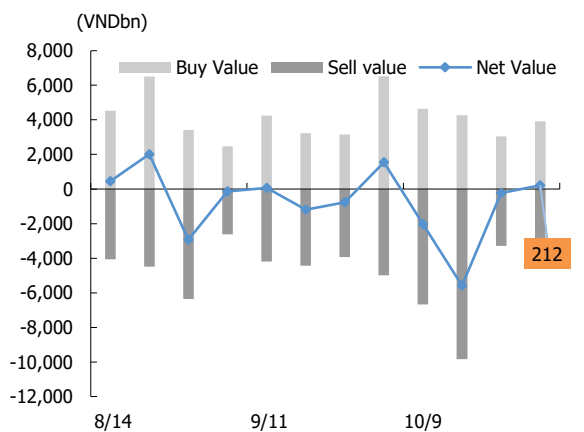
Source: Fiinpro, AmiBroker, KIS

**Figure 5. PE and PB - VNIndex**



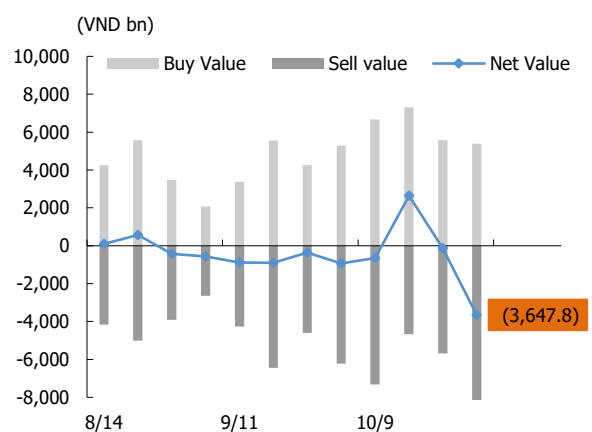
Source: KIS, Bloomberg

**Figure 6. Weekly foreign net buy / sell**



Source: Fiinpro, KIS

**Figure 7. Weekly domestic institution net buy / sell**



Source: Fiinpro, KIS

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