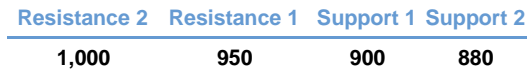




VN-INDEX – Overreacting

- The Index dropped strongly due to the negative sentiment caused by Coronavirus.
- MA10 and MA20 hooked down → the short-term downtrend is outperformed.
- Downward momentum shifts from short term to medium term due to the cross down stochastic on both Daily and Weekly time frame.
- The key support zone (950 pts) was pierced → VN-Index is having the tendency to retest 900 pts level.
- However, the Index has travelled too far from lower Bollinger band (Daily chart) and lower Bollinger band on Weekly time frame is reached → upward correction phase is expected to be occurred.

→ The short-term downtrend takes place.



	Indicator	Slope	Signal
Moving Averages	MA (10)	↓	Short-term and medium-term moving averages cross down → the short-term downtrend is confirmed.
	MA (20)	↓	
	MA (50)	↓	
	MA (100)	-	
Directional Movement Indicator	ADX (14)	↓	- +DI < -DI. - ADX = 23.7, ADX decreased. → Short-term downtrend is not confirmed.
	+DI (14)	↓	
	-DI (14)	↑	
Momentum Indicator	RSI (14)	↓	Decrease
	Stochastic (15,3,3)	↓	Downward crossing
Volatility Indicator	Volume	-	Remain at a normal level
	OBV	↓	Decrease slightly

VNDbn	2013	2014	2015	2016	2017	2018
VNIndex	505	546	579	665	984	892
YoY (%)	22.0%	8.1%	6.1%	14.8%	48.0%	9.3%
Corporate Earnings	72,626	79,722	100,461	118,701	153,103	188,345
Growth (%)	16.5%	6.8%	8.8%	12.3%	25.8%	21.6%
Corporate Equity	556,906	630,329	823,590	959,795	1,101,417	1,331,287
Market Cap	838,755	984,916	1,154,001	1,524,518	2,669,969	2,868,753
ROE (%)	13.1%	12.5%	12.4%	12.7%	14.0%	14.1%
PER (x)	12.6	12.5	13.3	15.6	18.5	15

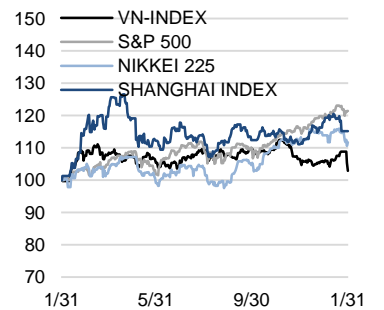
Source: Bloomberg, Fiinpro, KIS

Stock Statistics 03/02/2020

Close (pts)	936
1w change (%)	-
1w avg. daily vol.	127,792,794
52-week range (pts)	908-1,029
Mkt cap (VND bn.)	3,294.1
PER (x)	14.9
PBR (x)	2.2

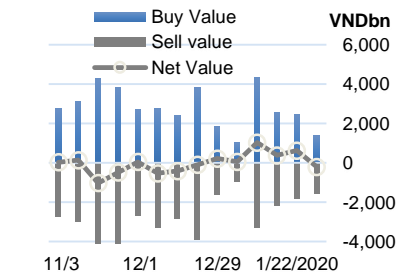
Source: Bloomberg

Performance chart



Source: Bloomberg

Foreign activities (weekly)



Source: Fiinpro

Recommendation: Negative

The VN-Index pierced the important support zone (950 pts) which increases the tendency to retest 900 pts level with the downward momentum shifts from short to medium term. In this context, investors should use correction phase to reduce proportion of leading stocks and wait for reliable signals.

VN-Index	Trend
Short term	↓
Medium term	-
Long term	↑

Index information

- VN-Index is a market capitalization weighted index that had trading data back since July 2000.
- The benchmark currently comprises of approximately 380 tickers traded on HSX.
- Real Estate, Finance, Consumer staple and Oil & Gas are the top four market sector in term market capitalization.

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