

VN-INDEX – Bottom out

- The VN-Index dropped dramatically, piercing the congestion zone (900-920 pts) last week.
- MA10, MA20 and lower Bollinger band are moving downward parallel to each other → signaling the active downward trending market.
- However, lower Bollinger bands of three time frame was overshoot (monthly, weekly and daily) as well as the Index has travelled too far from its major MAs → creating a slingshot bounce effect.
- The significant support zone placed at 860-870 pts (Jan 2019 trough). The breakdown at this zone will increase the tendency to retest 800 pts level.

→ Consolidation or upward correction phase could be occurred this week.



	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.
	+DI (14)	↓	- ADX = 40, ADX increased. → Short-term downtrend is strong.
	-DI (14)	↑	
Momentum Indicator	RSI (14)	↓	Decrease
	Stochastic (15,3,3)	↓	Downward crossing
Volatility Indicator	Volume	↑	Increased slightly
	OBV	-	Remain at a normal level

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, Fiiipro, KIS

Recommendation: Neutral

In this scenario, downtrend is still active and downside risks are remained. Thus, investors should reduce proportion of leading stocks, stay on the sidelines 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.

Stock Statistics 02/03/2020

Close (pts)	882
1w change (%)	-5.5%
1w avg. daily vol.	169,872,200
52-week range (pts)	872-1,029
Mkt cap (VND bn.)	3,090.0
PER (x)	13.7
PBR (x)	2.0

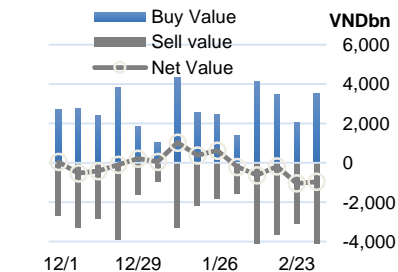
Source: Bloomberg

Performance chart



Source: Bloomberg

Foreign activities (weekly)



Source: Fiiipro

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