

## Short-term downtrend?

### Market performance

The VNIndex reversed to go down last week due to high selling pressure on some large-cap stocks.

### Chart: Retest 900-920 pts

The uptrend is still intact in the medium and long term as the VNINDEX closes above moving averages such as the 50-period and 100-period moving averages. Besides, the index forms a new peak since March 2020, around 960 pts.

In the short term, the VNIndex breaks down the MA10 and MA20 with high volume, implying the short-term downtrend. Moreover, the momentum and breadth indicators show the negative signals that support the bearish market.

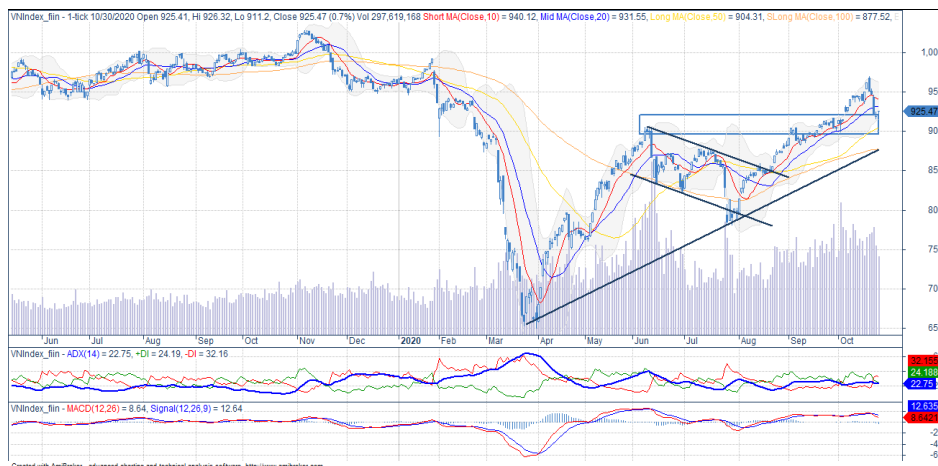
The 900-920 pts, which overlaps with the MA50 and upper line of the rectangle pattern, is significant support. On the upside, 960-970 pts is the short-term resistance for the index.

→ The short-term downtrend is still active due to signals of following trend indicators.

### Technical strategy: Stay on the sidelines

As mentioned above, the downtrend forms in the short term that pushes downside risk high. Therefore, investors should decrease their proportion and stay on the sidelines.

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



Source: Fiiopro, AmiBroker, KIS

**Table 1. Index statistics**

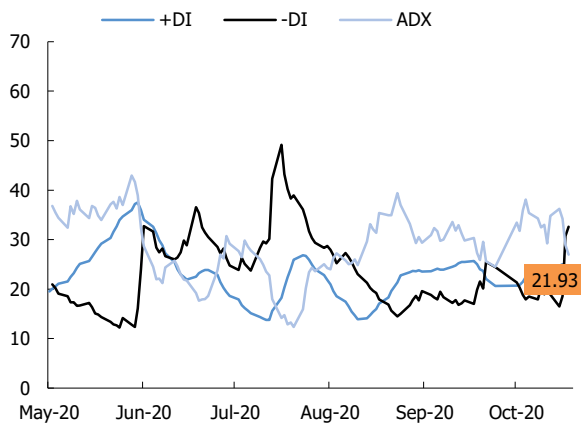
Close (pts)	925
1w change (%)	(3.8)
1w avg. daily vol.	378,885,930
52-week range (pts)	649-1,029
Mkt cap (VND tn)	2,916
PER (x)	15.1
PBR (x)	2.0

Source: Bloomberg

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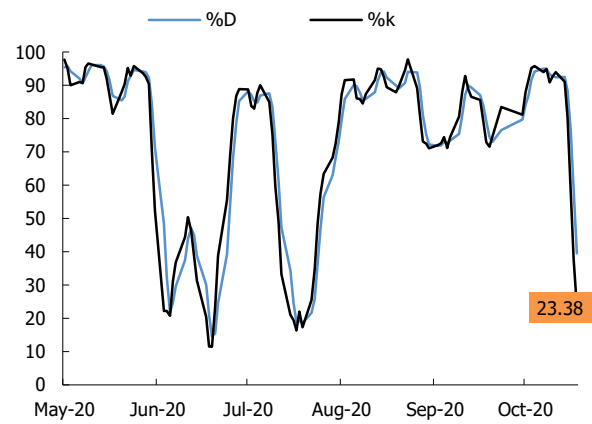
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**Figure 2. Directional movement indicator - VNIndex**



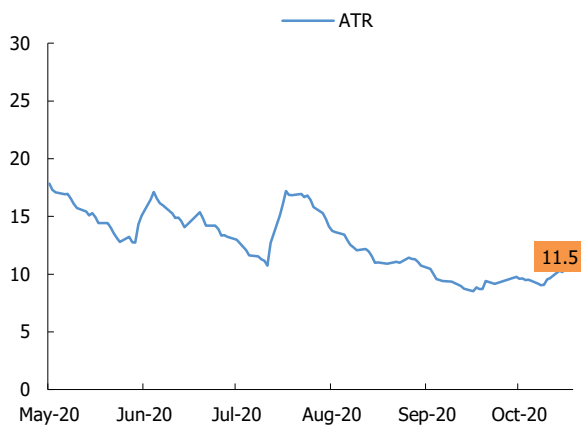
Source: Fiinpro, AmiBroker, KIS

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



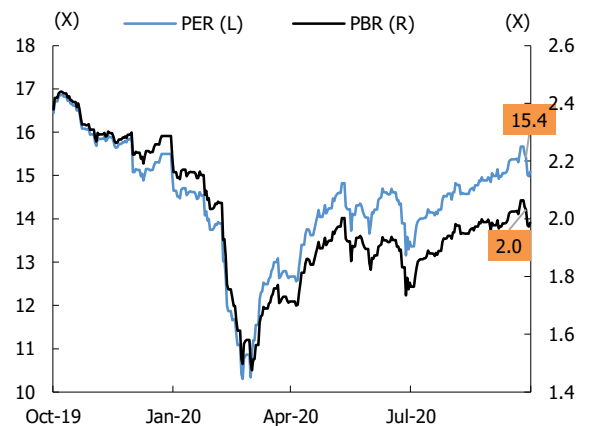
Source: Fiinpro, AmiBroker, KIS

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



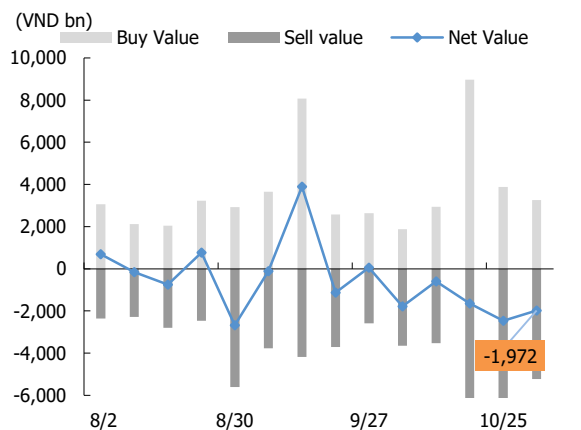
Source: Fiinpro, AmiBroker, KIS

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



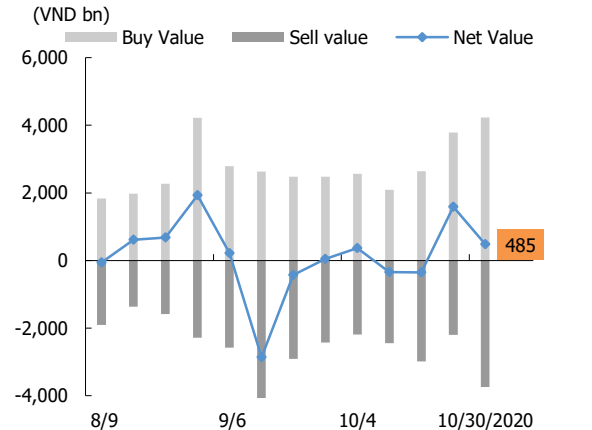
Source: KIS, Bloomberg

**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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