true friend KIS Viet Nam Securities Corporation

Chart of the day

7 Dec 2020

High volatility zone

Market performance

The VNIndex continued to rebound last week, approaching 2019's peak as well as breakout is not confirmed.

Chart: Volatility level is high

The bullish leg is active with stable bullish momentum thanks to the expansion of Bollinger bands and upward sloping major MAs. However, the narrow spread candle was formed with above average volume, implying the high volatility market.

With congestion zone, the broken 960-970 pts area turns around to act as the short-term support. On the upside, 1,030-1,050 pts is the short-term resistance for VNIndex.

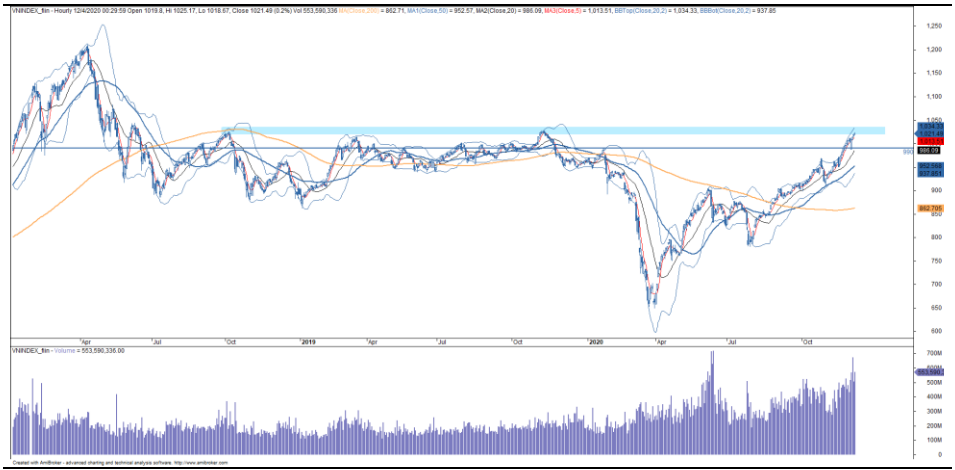
MA200 and MA50 are still widely separated as well as upward crossover between these MAs is confirmed, the medium and long-term bullish market is active.

→ Consolidation phase is expected to take place this week due to the occurrence of the narrow spread candle near 2019's peak.

Technical strategy: Hold the positions

As mentioned above, market has entered the uncertainty zone where 2019's peak was formed. Thus, investors should hold the current positions and should not increase the proportion on leading stocks at this zone.

Figure 1. Daily candlestick chart - VNIndex



Source: Fiinpro, AmiBroker , KIS

Table 1. Index statistics

Close (pts)	1,021
1w change (%)	1.1
1w avg. daily vol.	467,415,718
52-week range (pts)	649-1025
Mkt cap (VND tn)	2,916
PER (x)	16.6
PBR (x)	2.1

Source: Bloomberg

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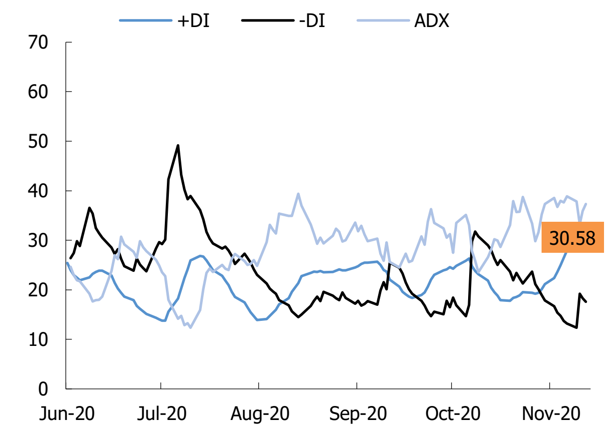
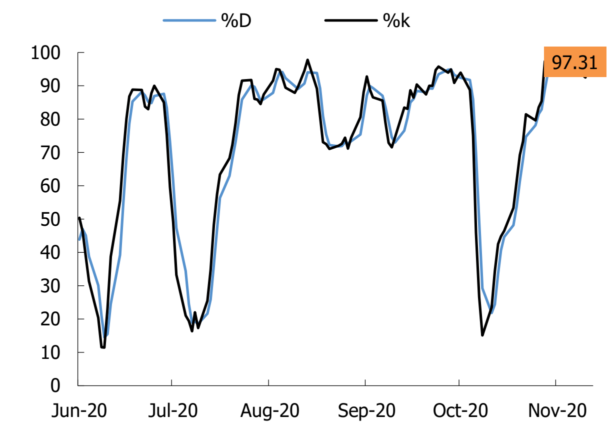
Figure 2. Directional movement indicator - VNIndex



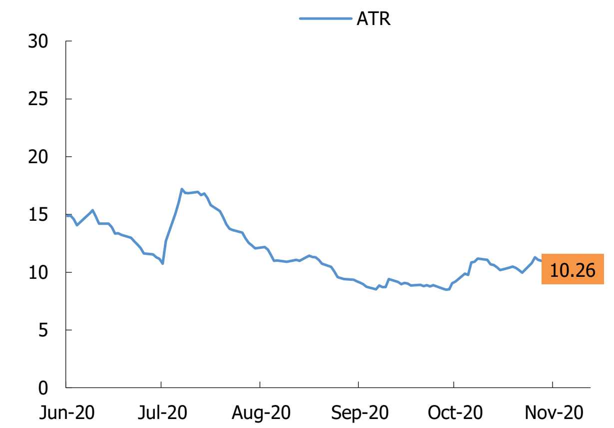
Source: Fiinpro, AmiBroker, KIS

Figure 3. Momentum indicators (Stochastic) - VNIndex



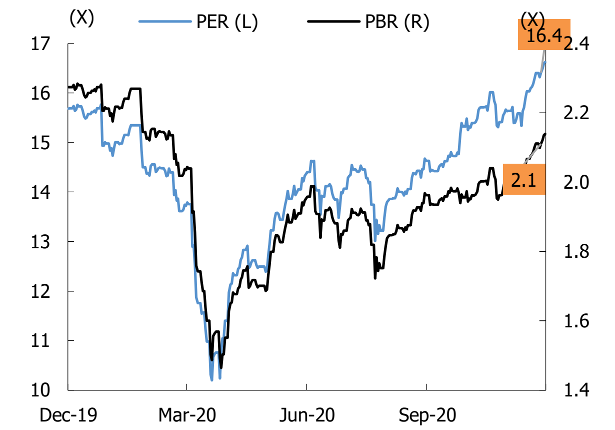
Source: Fiinpro, AmiBroker, KIS

Figure 4. Volatility indicators (ART) - VNIndex



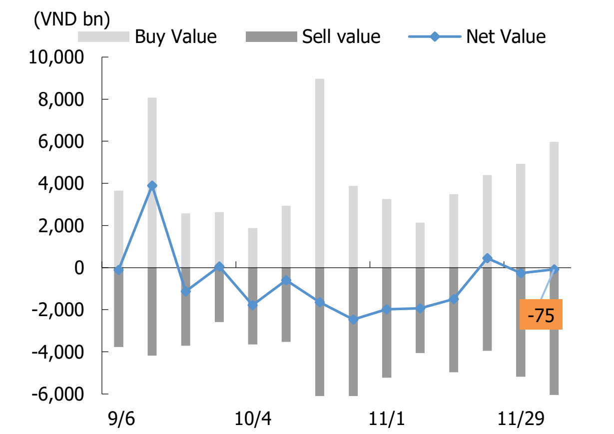
Source: Fiinpro, AmiBroker, KIS

Figure 5. PE and PB - VNIndex



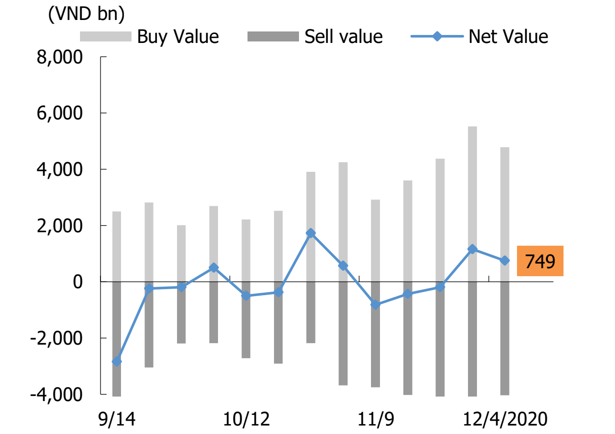
Source: KIS, Bloomberg

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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