

Wait for the breakout

Market performance

The VNIndex rebounded sharply last week as the index retested the 1,000-pts threshold, the significant support in the short term.

Chart: Wait for the breakout

The VNIndex forms the Island reversal, the bullish pattern. That implies an uptrend in the short term. Besides, the index closes above the MA50 and MA10, showing the last selling signal may be false.

However, the 1,200-pts threshold is the significant resistance in the long term as the index has tested this area 3 times but failed to break it. Therefore, a breakout for this level will be a necessary signal to confirm the uptrend.

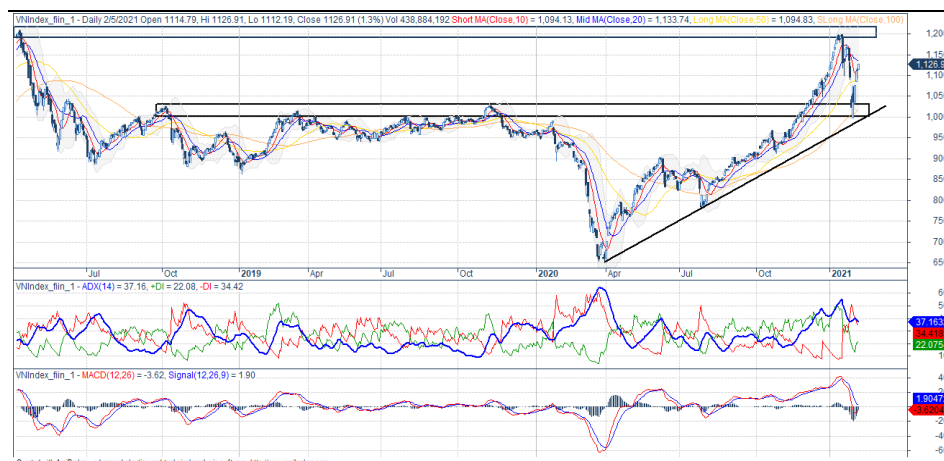
With congestion zone, 990-1,030 pts area acts as the short-term support as well as 1,200 pts zone is the short-term supply zone.

→ If the signal of breaking the 1,200-threshold does not appear, the uptrend will not confirm, and risks may increase in the short term.

Technical strategy: Wait for the valid signal

As mentioned above, there is no signal for the bearish momentum in the medium- and long-term as well as we are still in the uptrend. Thus, Traders should be careful and wait for the next signals.

Figure 1. Daily candlestick chart - VNIndex



Source: Fiiopro, AmiBroker, KIS

Table 1. Index statistics

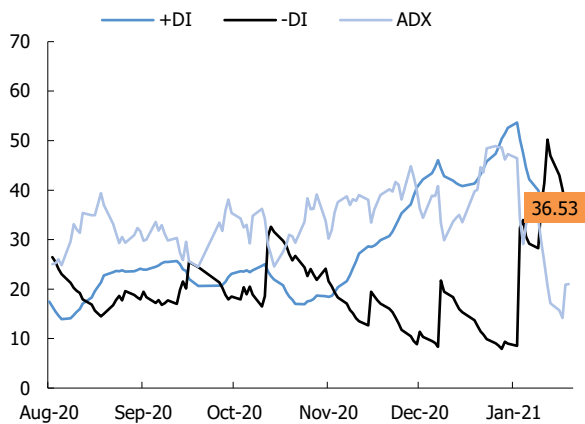
Close (pts)	1,126
1w change (%)	6.6
1w avg. daily vol.	570,179,860
52-week range (pts)	649-1201
Mkt cap (VND tn)	2,916
PER (x)	17.3
PBR (x)	2.4

Source: Bloomberg

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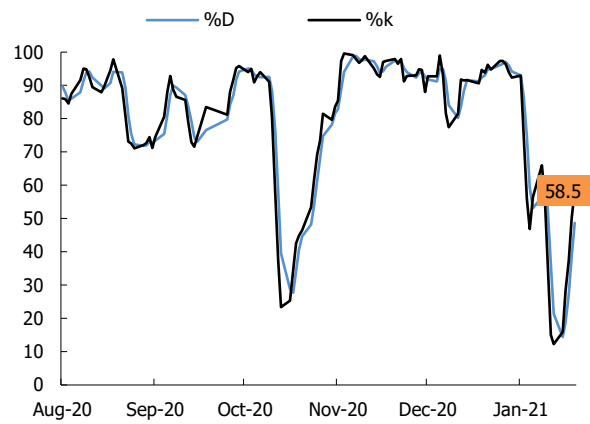
Hieu.ttm@kisvn.vn

Figure 2. Directional movement indicator - VNIndex



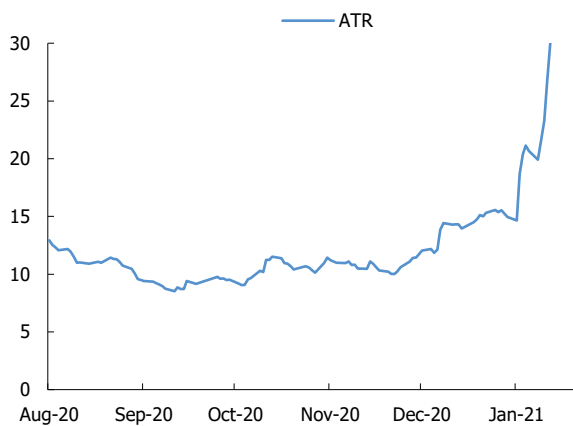
Source: Fiinpro, AmiBroker, KIS

Figure 3. Momentum indicators (Stochastic) - VNIndex



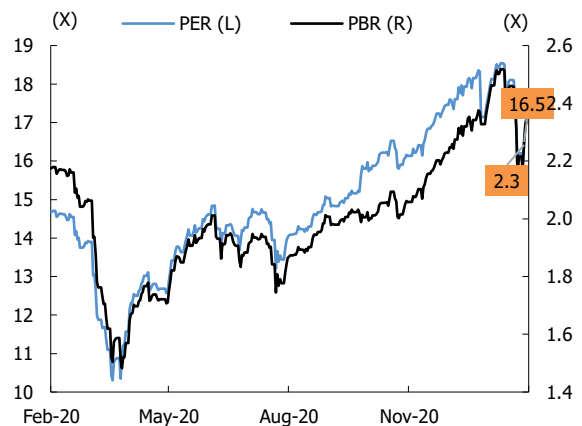
Source: Fiinpro, AmiBroker, KIS

Figure 4. Volatility indicators (ART) - VNIndex



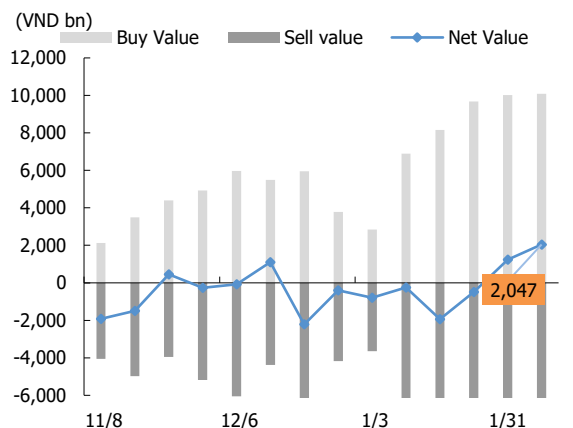
Source: Fiinpro, AmiBroker, KIS

Figure 5. PE and PB - VNIndex



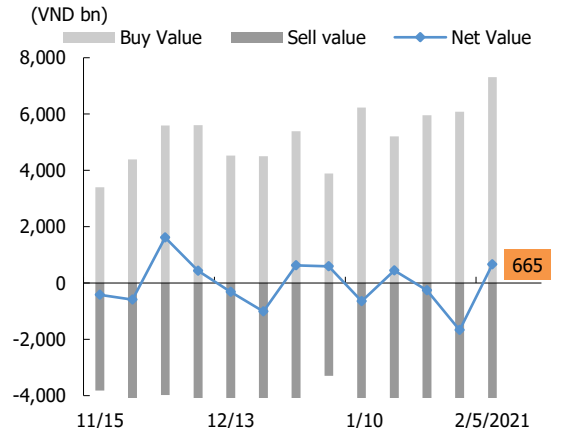
Source: KIS, Bloomberg

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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