

Nothing happens if the line in the sand is held

Market performance

The VNIndex has followed the rebound phase last week. However, if the line in the sand (1,200 pts) is still held, the bullish resumption phase is invalid.

Chart: Testing the all-time high for the third time

The VNIndex increased with low volume, implying the drop of buying activities. MA20 and MA50 are converging as well as those MAs are flat, signaling the unclear upcoming market leg. Besides, upper and lower band (Bollinger bands) are widely separated, giving the sign for the surge of volatility level.

However, MA200 and MA50 still maintain the upward slope, implying the active long-term bull and there is no place for the bear in the short-term.

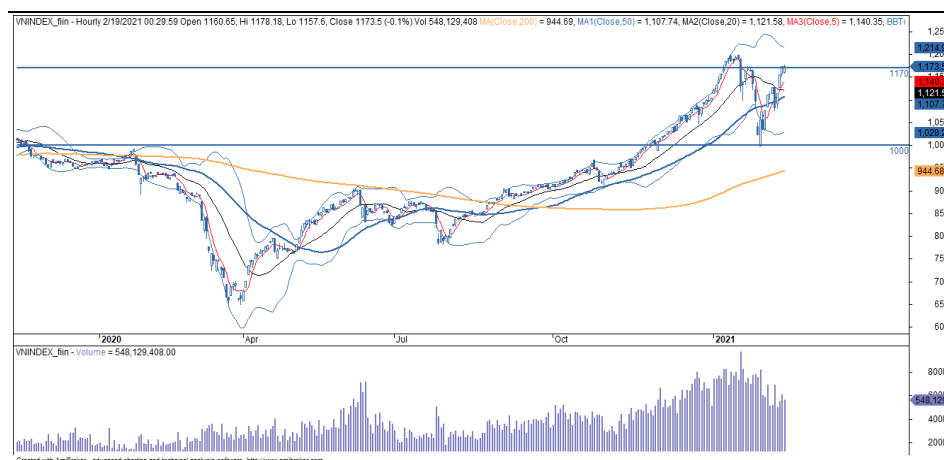
950-1,000 pts area acts as the short-term support as well as 1,170-1,200 pts zone is the short-term supply zone. 1,100 pts area will be the weekly support.

→ Consolidation phase steps in this week, the next market leg is unclear.

Technical strategy: Wait for the valid signal after the consolidation phase

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, investors should hold the current positions and captured positions at the buy zone (1,000-1,080 pts) and take action only when the next market leg is clear or there is the valid breakout at 1,200 pts zone.

Figure 1. Daily candlestick chart - VNIndex



Source: Fiipro, AmiBroker, KIS

Table 1. Index statistics

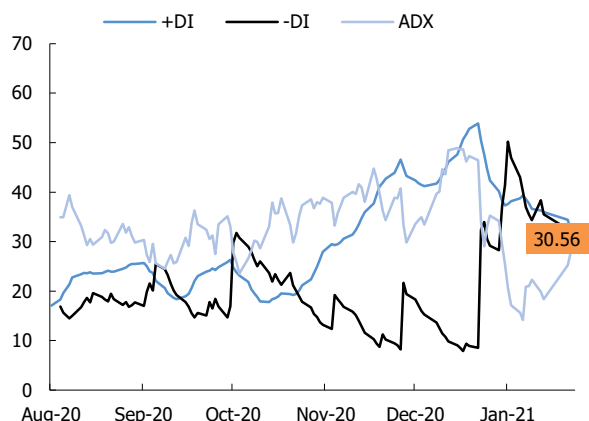
Close (pts)	1,173
1w change (%)	5.2
1w avg. daily vol.	509,826,260
52-week range (pts)	649-1201
Mkt cap (VND tn)	2,916
PER (x)	18.0
PBR (x)	2.5

Source: Bloomberg

Dang Le

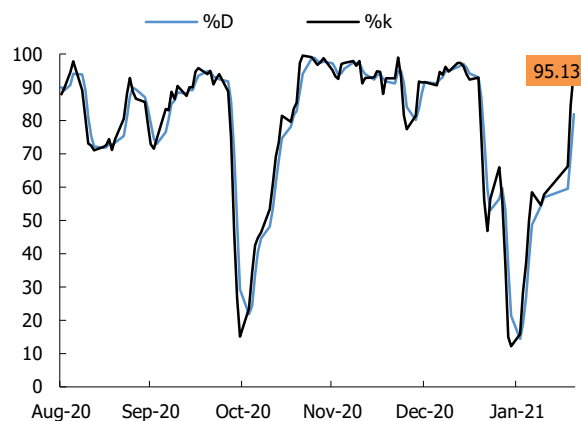
Dang.lh@kisvn.vn

Figure 2. Directional movement indicator - VNIndex



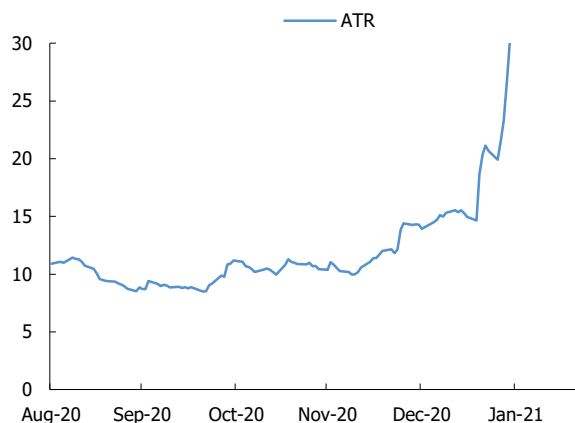
Source: Fiinpro, AmiBroker, KIS

Figure 3. Momentum indicators (Stochastic) - VNIndex



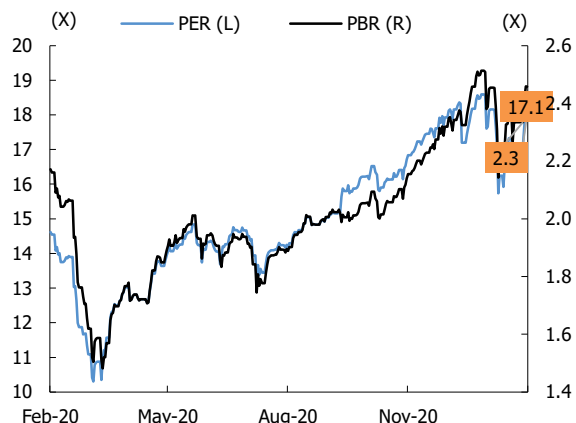
Source: Fiinpro, AmiBroker, KIS

Figure 4. Volatility indicators (ART) - VNIndex



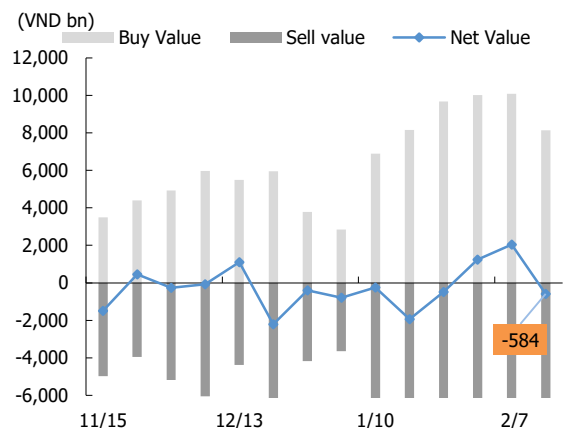
Source: Fiinpro, AmiBroker, KIS

Figure 5. PE and PB - VNIndex



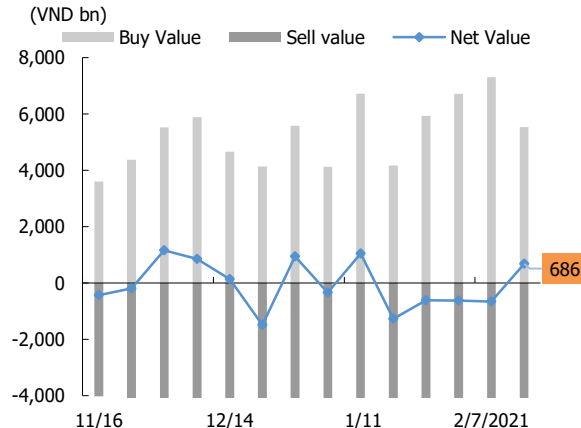
Source: KIS, Bloomberg

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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