

Retest the lower bound of the rectangle pattern

Market performance

The VNIndex recorded the bearish week, but the index continued to move in a tight range.

Chart: Retest the lower bound of the rectangle pattern

The VNIndex is sideways and retests the lower threshold of rectangle pattern, but a breakdown has been confirmed. Based on the rectangle pattern, the index will have two main short-term scenarios as follows (1) If the index breaks out the upper bound, the short-term uptrend will be formed with the target of 1,250 pts. (2) If the index breaks down the lower bound, the short-term downtrend will be confirmed with the target of 1,100 pts.

In the short term, the index is still intact upside in the long term as the MA50 and MA100 are sloping upward.

1,150 pts level will be the strong weekly support. On the upside, 1,200 pts level keeps acting as the supply zone, followed by 1,250 pts (if valid breakout occurs).

→ The VNIndex forms the consolidation in the short term as the rectangle pattern. A breakout is essential to confirm the next trend.

Technical strategy: Hold the position

As mentioned above, the 1,150-pts threshold is the strong support. If the breakdown is confirmed, the market will become bearish. Until then, traders should be careful and stay on the sidelines.

Figure 1. Daily candlestick chart - VNIndex



Source: Fiiopro, AmiBroker, KIS

Table 1. Index statistics

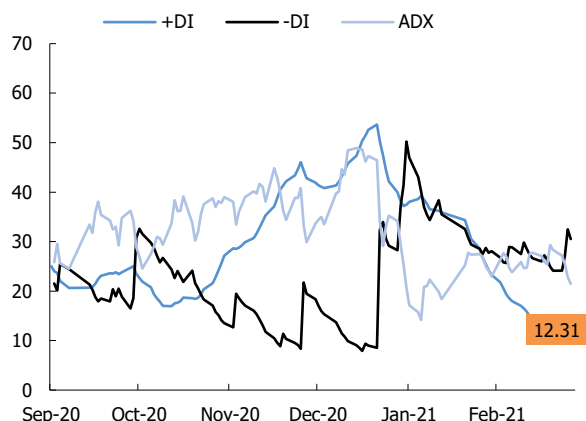
Close (pts)	1,162
1w change (%)	(0.4)
1w avg. daily vol.	607,499,480
52-week range (pts)	649-1201
Mkt cap (VND tn)	2,916
PER (x)	17.9
PBR (x)	2.4

Source: Bloomberg

Hieu Tran

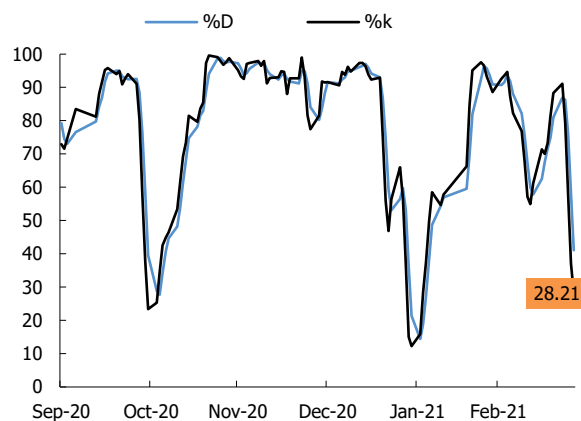
Hieu.ttm@kisvn.vn

Figure 2. Directional movement indicator - VNIndex



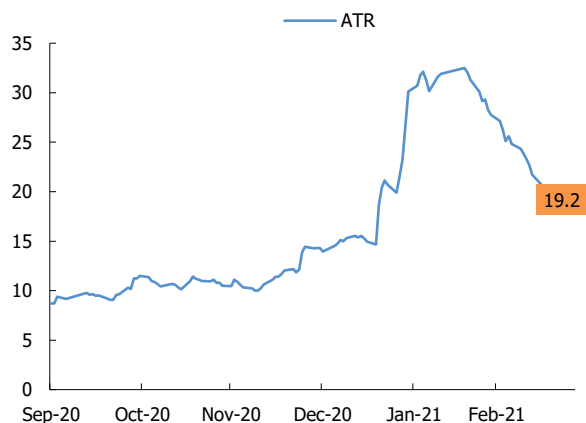
Source: Fiinpro, AmiBroker, KIS

Figure 3. Momentum indicators (Stochastic) - VNIndex



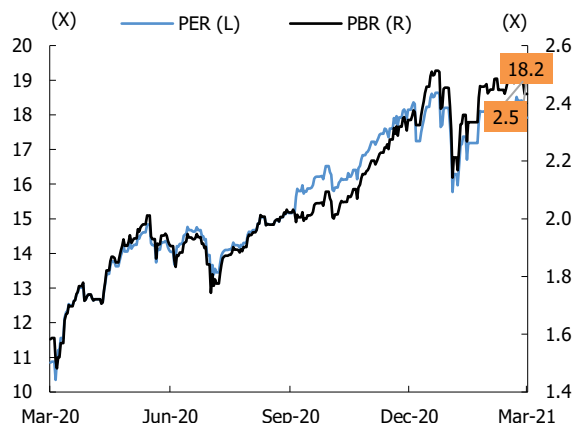
Source: Fiinpro, AmiBroker, KIS

Figure 4. Volatility indicators (ART) - VNIndex



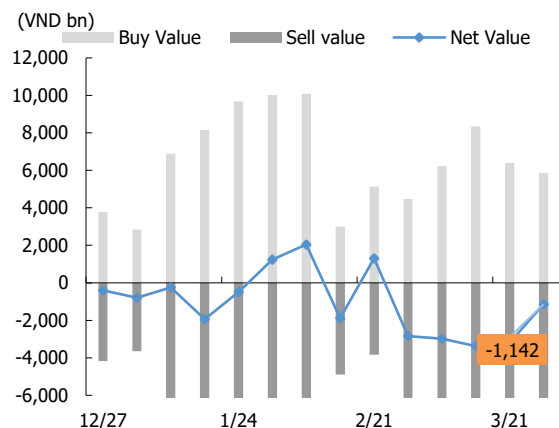
Source: Fiinpro, AmiBroker, KIS

Figure 5. PE and PB - VNIndex



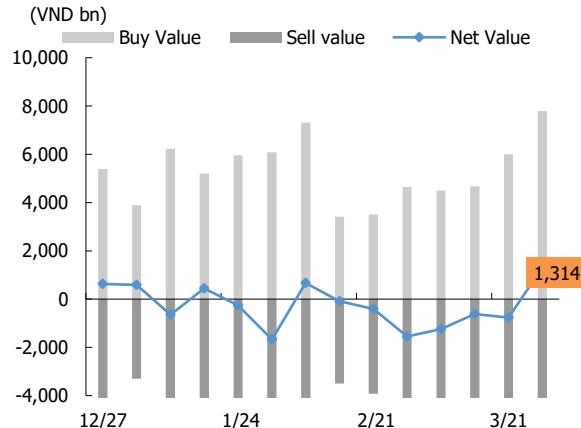
Source: KIS, Bloomberg

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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