

Volatility increases

Market performance

After a sharp reduction last Monday, the VNIndex rebounded in other parts of the week. However, the market was bearish.

Chart: Volatility increases

In the long term, the uptrend is confirmed as the index broke out the highest peak in Apr 2018. Moreover, the index closes above the MA50 and MA100, which are sloping upward.

The VNIndex closed below the MA20, and the MA10 crosses the MA20 going down, which implies the selling signal. Notably, the volatility increased as the sharp reduction last Monday. Besides, the volume and value reduction in the short term due to the cautious market sentiment.

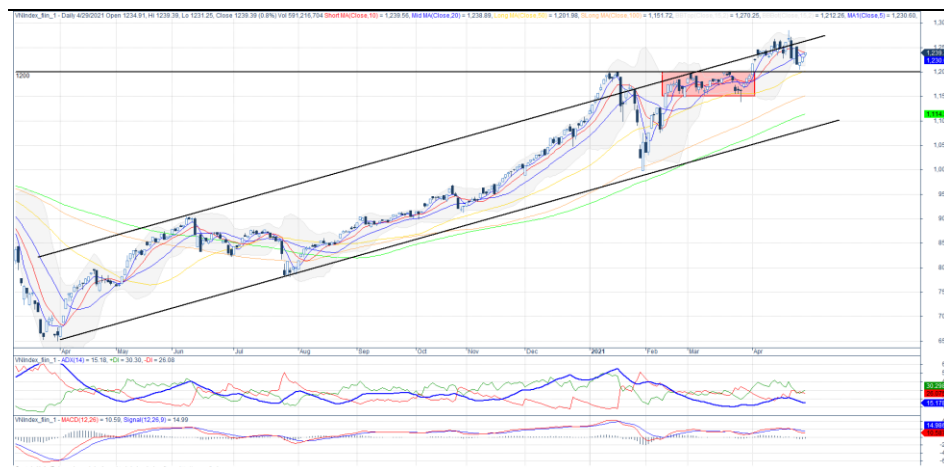
The broken 1,200-pts level has turned around to act as the most important short-term support. On the upside, the 1,300-pts area is expected to be the weekly resistance.

→ The VNIndex may be formed the short-term consolidation or correction.

Technical strategy: Buy or add at the most important support

The current contraction is a consolidation in the long-term uptrend. Therefore, traders should hold the current positions and buy more on the first pullback (when the 1,200-pts zone is retested).

Figure 1. Daily candlestick chart - VNIndex



Source: Fiiopro, AmiBroker, KIS

Table 1. Index statistics

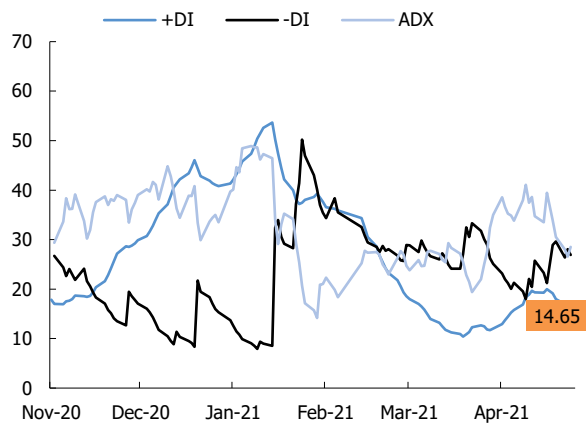
Close (pts)	1,239
1w change (%)	(0.4)
1w avg. daily vol.	618,796,760
52-week range (pts)	760-1,286
Mkt cap (VND tn)	2,916
PER (x)	18.1
PBR (x)	2.5

Source: Bloomberg

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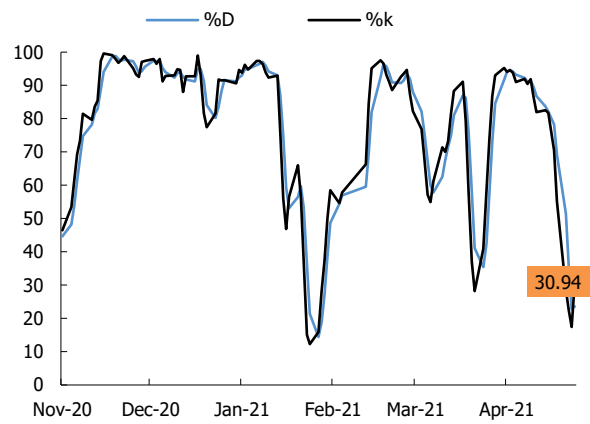
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Figure 2. Directional movement indicator - VNIndex



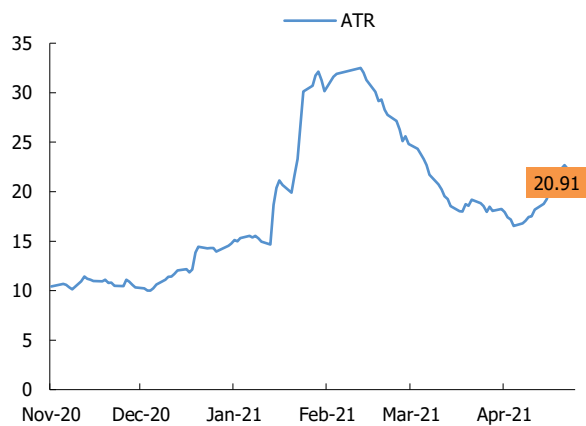
Source: Fiinpro, AmiBroker, KIS

Figure 3. Momentum indicators (Stochastic) - VNIndex



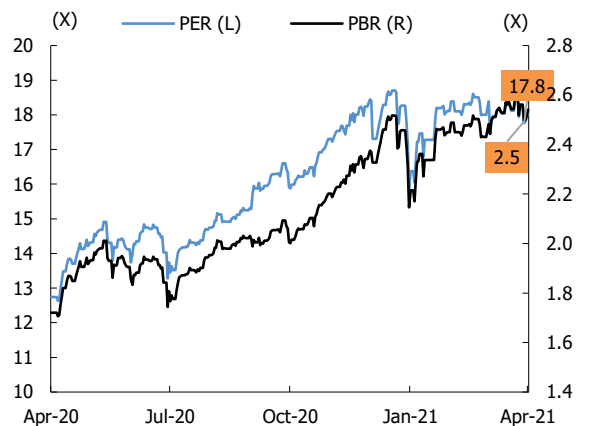
Source: Fiinpro, AmiBroker, KIS

Figure 4. Volatility indicators (ART) - VNIndex



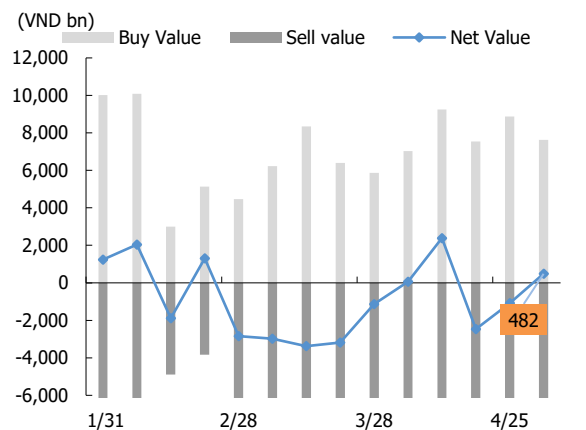
Source: Fiinpro, AmiBroker, KIS

Figure 5. PE and PB - VNIndex



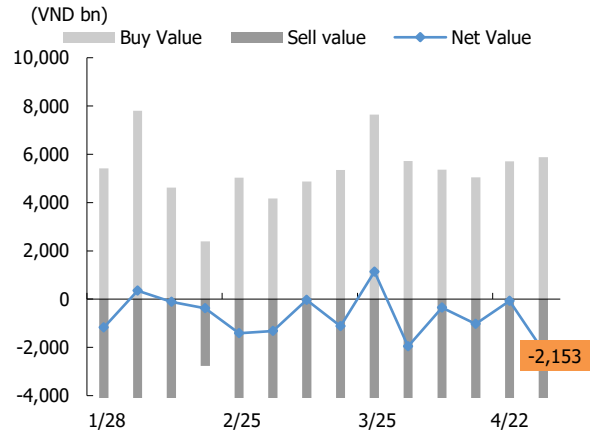
Source: KIS, Bloomberg

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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