

Bullish market?

Market performance

The VNIndex recorded the second gaining week in a row after breaking out the Aug peak at 1,380 pts.

Chart: Bullish market?

The uptrend is still intact in the long term as the index closes above long-term moving averages such as the MA100 and the MA200, which go up. Meanwhile, trend lines (red lines in Figure 1) are upward, implying the big trend.

Based on the breakout session last Monday, the VNIndex confirms the uptrend. Besides, the short-term moving average supports the current trend. However, the index reaches the significant resistance at 1,400-pts as it moves in a tight range of 1,390 pts to 1,400 pts. That shows the flag pattern or the continuation pattern. If the index closes above the 1,400 pts, the target price may be 1,480 pts.

The area of 1,360-1,380 pts has turned around to act as the important short-term support. On the upside, the 1,400-pts area is expected to be the weekly resistance.

→ The VNIndex confirms the short-term uptrend, and the target price may be 1,480 pts.

Technical strategy: Hold long position

In this situation, traders should increase their long position and focus on leading sector because of the flag pattern. However, the long-term uptrend is still intact. Hence, the contraction is the opportunity to accumulate stocks for long-term positions at significant supports such as the 1,300-pts threshold.

Figure 1. Daily candlestick chart - VNIndex



Source: Fiinpro, AmiBroker, KIS

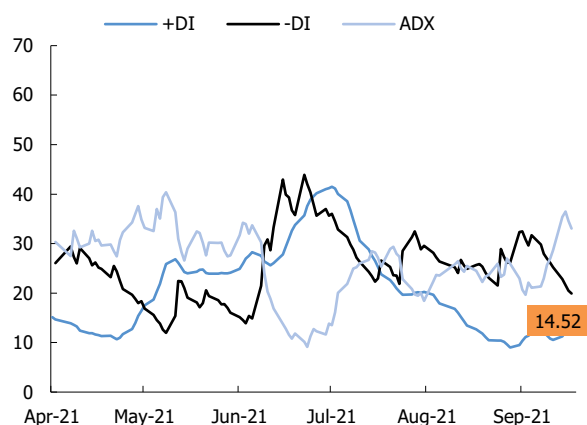
Table 1. Index statistics

Close (pts)	1,392
1w change (%)	(0.4)
1w avg. daily vol.	641,413,020
52-week range (pts)	911-1,424
Mkt cap (VND tn)	2,916
PER (x)	16.8
PBR (x)	2.7

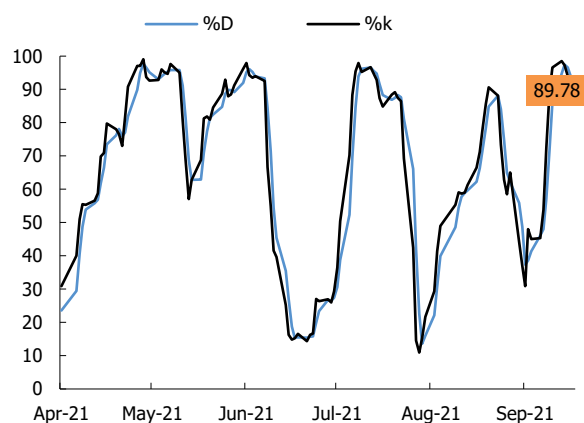
Source: Bloomberg

Hieu Tran

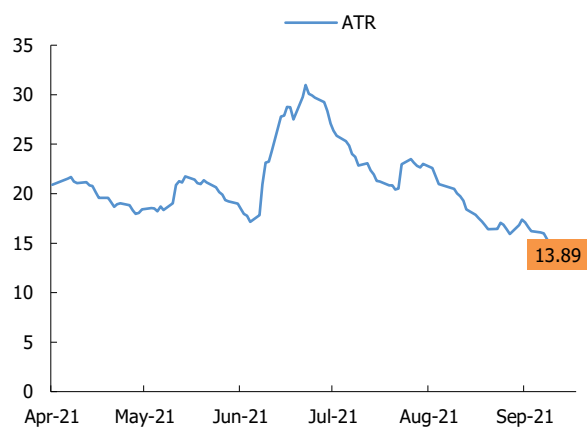
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Figure 2. Directional movement indicator - VNIndex

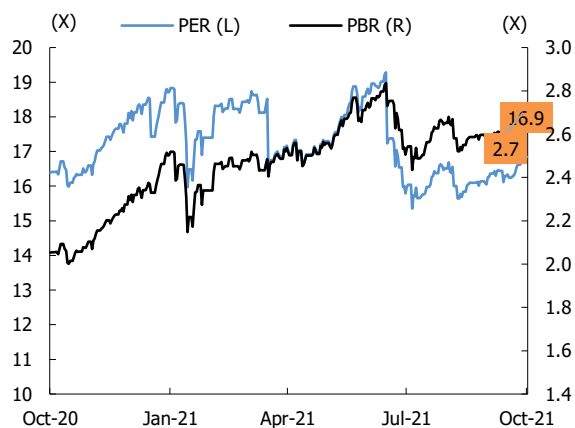
Source: Fiinpro, AmiBroker, KIS

Figure 3. Momentum indicators (Stochastic) - VNIndex

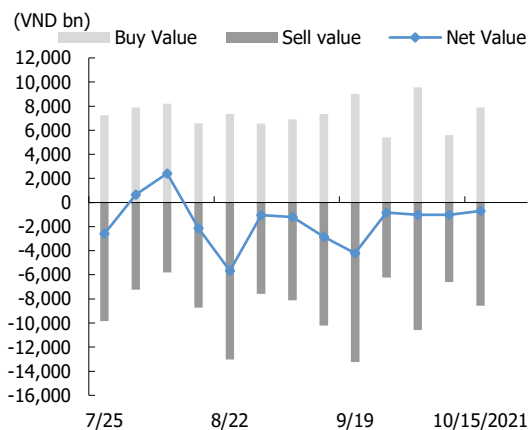
Source: Fiinpro, AmiBroker, KIS

Figure 4. Volatility indicators (ART) - VNIndex

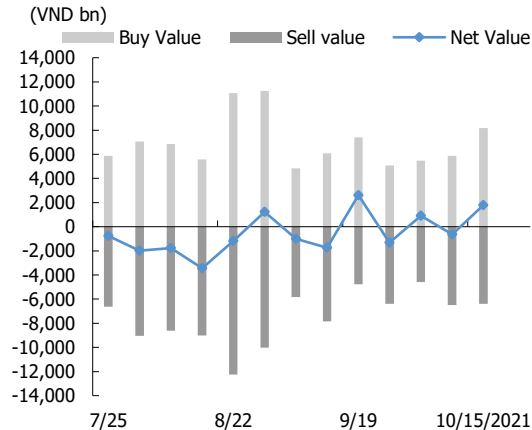
Source: Fiinpro, AmiBroker, KIS

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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