

New small rectangle pattern

Market performance

The VNIndex broke out for 1,470 pts last Friday thanks to the high demand on Banking stocks.

Chart: New small rectangle pattern

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. Moreover, the long-term target price for the symmetry triangle pattern is 1,530-1,550 pts.

The VNIndex formed a new higher peak and new higher bottom, showing the short-term uptrend. Besides, based on the breakout for the 1,470 pts, the index confirms a new small rectangle pattern with a range of 1,460-1,470 pts. That implies a new target price is a range of 1,530-1,550-pts, which is the same as the target price off symmetry triangle pattern.

The area of 1,450 pts has turned around to act as the important short-term support. On the upside, the 1,500-pts area is expected to be the weekly resistance.

→ The VNIndex confirms the small rectangle pattern. Hence the next target price is 1,530-1,550 pts.

Technical strategy: Hold long position

In this situation, traders should hold their long position and focus on the leading sector because of the small rectangle pattern with the target price of 1,530-1,550 pts. Besides, 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 1,450-pts threshold.

Figure 1. Daily candlestick chart - VNIndex



Source: Fiinpro, AmiBroker, KIS

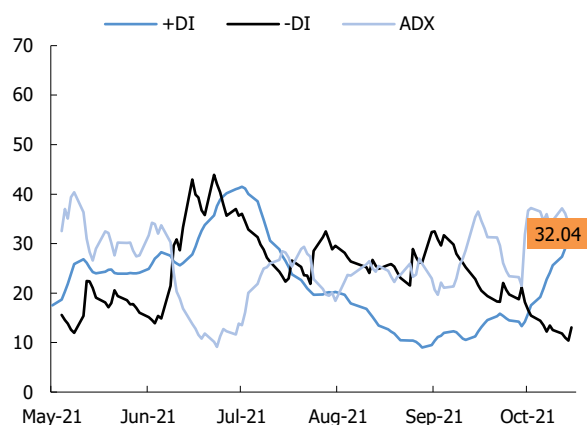
Table 1. Index statistics

Close (pts)	1,473
1w change (%)	1.1
1w avg. daily vol.	969,630,600
52-week range (pts)	951-1475
Mkt cap (VND tn)	5,613
PER (x)	17.2
PBR (x)	2.8

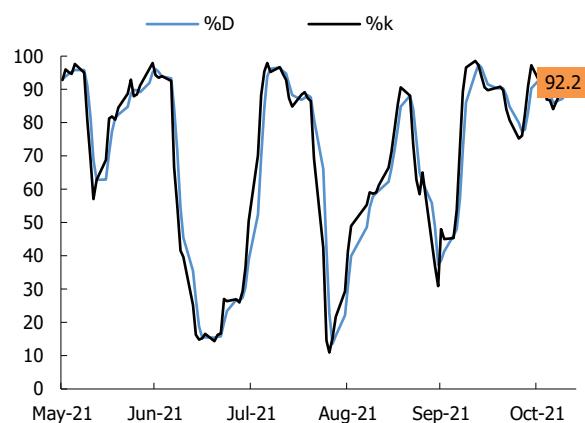
Source: Bloomberg

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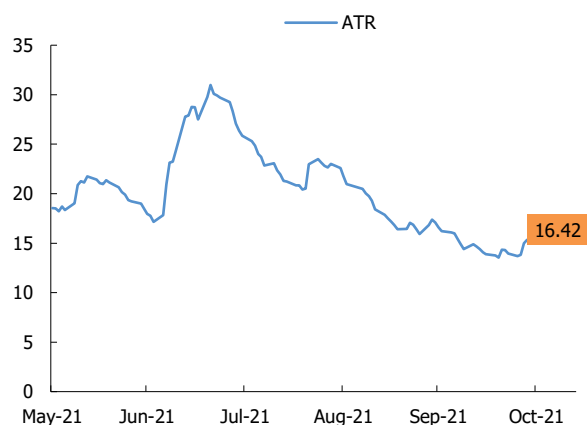
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Figure 2. Directional movement indicator - VNIndex

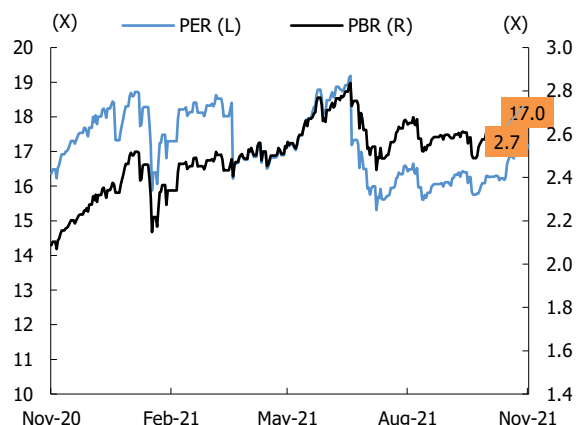
Source: Fiinpro, AmiBroker, KIS

Figure 3. Momentum indicators (Stochastic) - VNIndex

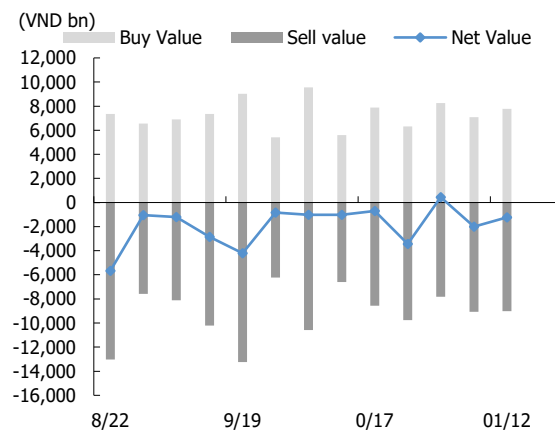
Source: Fiinpro, AmiBroker, KIS

Figure 4. Volatility indicators (ART) - VNIndex

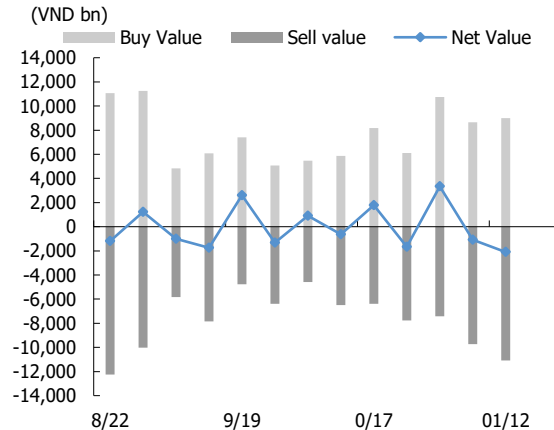
Source: Fiinpro, AmiBroker, KIS

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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