

Wait for the breakout signal

Market performance

Demand force prevailed for the majority of the previous week, aiding the stock market recoveries after four consecutive weeks of declines.

Chart: Wait for the breakout signal

The medium-term uptrend is still intact as the VNIndex remains to close above the 200-period moving average and the important support level of the 1,100-pts threshold.

In the short term, the VNIndex consistently gained during the week and approached a strong resistance level of 1,150-1,160 points. Notably, this was the Aug bottom zone and aligned with the 20-period moving average. However, the VNIndex encountered difficulties in breaching this zone at the end of the past week, indicating selling pressure was still present and quite significant.

Moreover, the liquidity maintained at a low level, showing inflow almost remained on the sidelines and investors' sentiment was quite cautious. Therefore, it's highly likely that this index may still need more consolidation time before a big rebound.

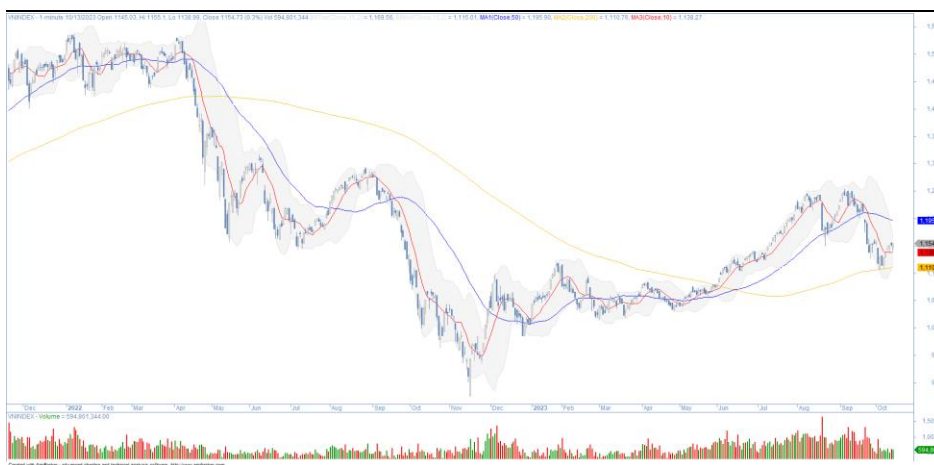
The 1,100-pts is an important support level. In addition, the 1,156-1,160 points zone shows the next resistance zone.

→The stock market has shown signs of recovery during the week, showing positive signals. However, this index encounters difficulties as approaches the resistance zone of 1,150-1,160 points, indicating selling pressure around the above zone is quite significant. Therefore, investors should stand aside and wait for the breakout signal to open again long positions.

Technical strategy: Stand aside and wait for the next signal

In this case, investors investors should stand aside and wait for the next signal. The next time, if the VNIndex surpasses the resistance zone of 1,150-1,160 points, investors can open again exploratory long positions and focus on leading stocks.

Figure 1. Daily candlestick chart - VNIndex



Source: Fiinpro, AmiBroker, KIS

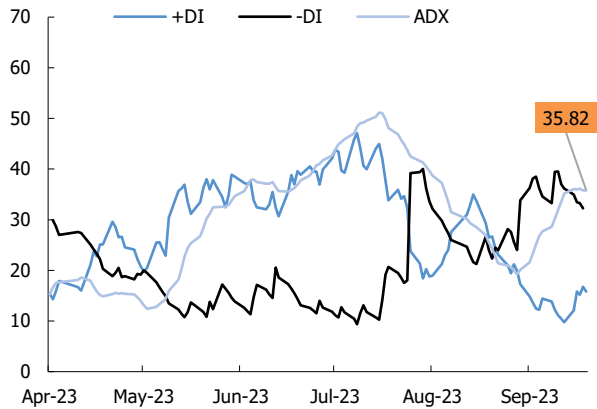
Table 1. Index statistics

Close (pts)	1,154
1w change (%)	3.2
1w avg. daily vol.	530,597,760
52-week range (pts)	874-1255
Mkt cap (VND tn)	4,501
PER (x)	16.0
PBR (x)	1.8

Sources: Bloomberg

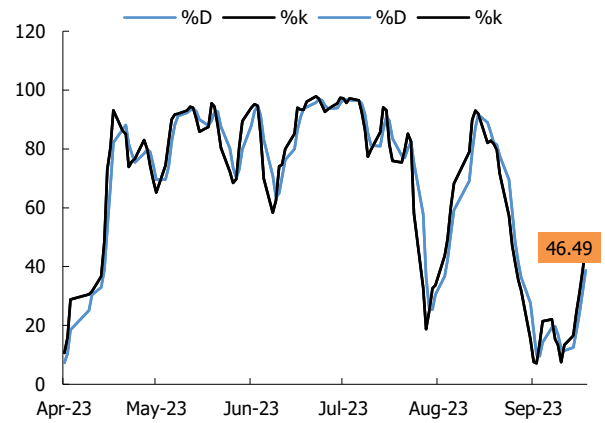
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Figure 2. Directional movement indicator - VNIndex



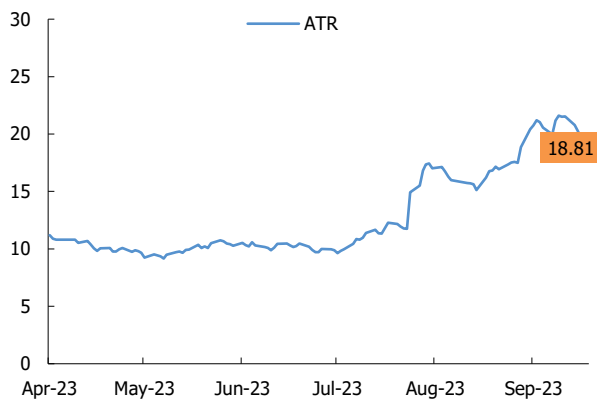
Source: Fiinpro, AmiBroker, KIS

Figure 3. Momentum indicators (Stochastic) - VNIndex



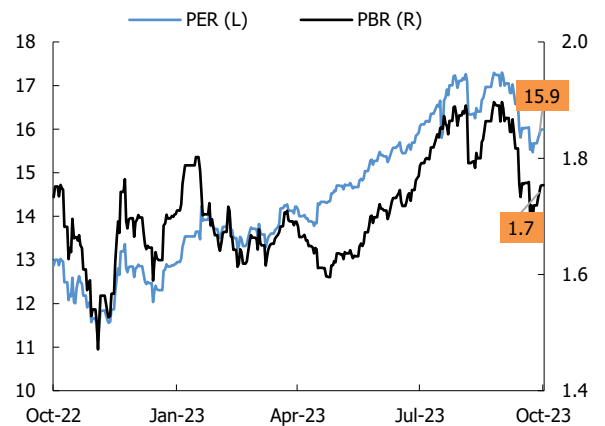
Source: Fiinpro, AmiBroker, KIS

Figure 4. Volatility indicators (ART) - VNIndex



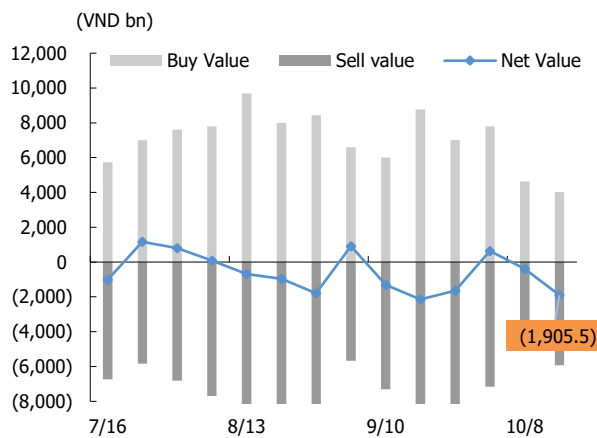
Source: Fiinpro, AmiBroker, KIS

Figure 5. PE and PB - VNIndex



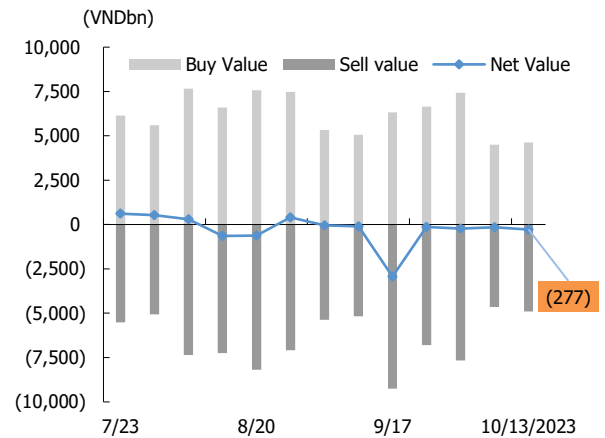
Source: KIS, Bloomberg

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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