

### VN-Index's trend

➤ **Weekly chart**

Current price: 1,177 points  
 Support level: 1,130 – 1,150 points  
 Resistant level: 1,220 – 1,240 points



VN Index hasn't ended mid-term recovering trend. It still closed above MA13 and 26, and these two lines still increased positively.

However, the index saw a strong dropping week with a thick dropping candle cutting down to below MA5, and the volume increased to above 10 and 20-week average, showing that correcting pressure is returning and this correction might last in short-term. Not just that, RSI and MACD tended to drop, showing that correcting pressure is still there and the index might drop to support around 1,150 points (week MA13).

In general, VN-Index's middle-term recovering trend hasn't been broken. Therefore, investors might use short-term correction to restructure mid-term positions.

## VN-Index's trend

### ► Daily chart



VN Index is seeing short-term dropping pressure, as it dropped strongly with a thick candle breaking MA20, and the volume increased remarkably to above 10 and 20-session average, showing strong dropping pressure.

Not just that, technical indicators also showed negative signs, as MACD dropped to below Signal, maintaining selling sign, and RSI dropped to 40, showing stronger dropping trend, the index might drop further to lower support level. And close support level might be around 1,170 points (MA50) or further on 1,118 points (MA100).

In general, VN-Index is returning to short-term dropping trend. Therefore, investors should use technical recoveries to bring surfing weight to a low level to limit negative impact in short-term from the market, and create a space to rejoin when the market shows positive sign again.

## VN-Index's Scenarios

We update the scenarios that might take place on VN-Index in Q3/2023 as follow:

➤ **Basic Scenario:** VN-Index moves around 1,200 points.



With basic scenario, VN-Index might form a Sideway range within 100 points around sentimental level of 1,200 points until the end of Q3/2023.

### Controlling elements:

- Vietnam maintain loosening monetary policies to support the economic recovery, as well as maintaining macro stability.
- State Bank pushes on supportive solutions to bring credit growth to 14% in 2023. At the same time, the Government tries to deal with company bond problem to support real estate to be stable again.
- However, the company bond problems might not be resolved soon and it needs time, since investors' worries will not be eased soon, and the companies still see problems on this mobilizing channel.
- The high interest rate in the world might lead to a risk of global economic starting a new recession. While domestic low interest policy might see bad influence on USD/VND rate which pushes SBV into a tough position while carrying out loosening policies.

### Participating strategy:

- We **forecast** the chance on this scenario at **30%**. With hope that new cash flow will increase since interest rate is still low.
- With this scenario, investors might continue on short-term surfing positions at reasonable weight.

### ➤ Positive Scenario: VN-Index stays above 1,300 points.



At positive scenario, VN-Index corrects slightly and moves to sentimental level of 1,300 points at the end of Q3/2023.

#### Controlling elements:

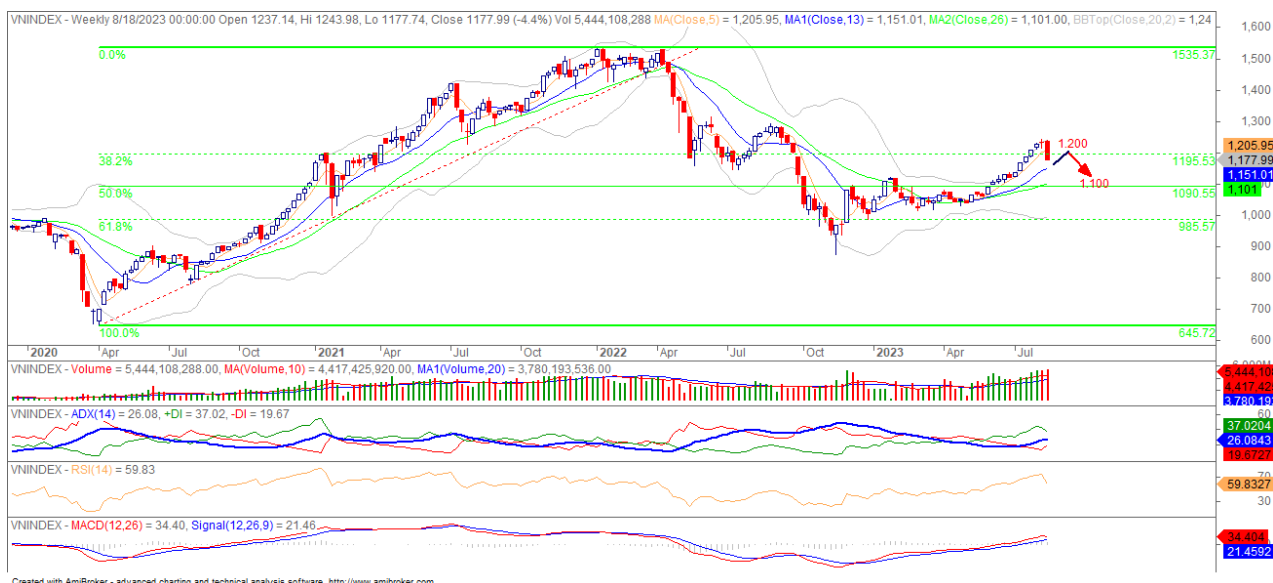
- Vietnam might move toward loosening monetary policies to support the economic recovery, as well as maintaining macro stability.
- State Bank pushes on supportive solutions to bring credit growth to 14% in 2023. At the same time, the Government tries to deal with company bond problem to support real estate to be stable again.
- However, the company bond problems might not be resolved soon and it needs time, since investors' worries will not be eased soon, and the companies still see problems on this mobilizing channel.
- Foreign investors realize the attraction on Vietnam market and return to net buying.
- Interest rate raising cycle in the world might come to an end, easing the worries on global economic starting a new recession.

#### Participating strategy:

- We **forecast** the chance on this scenario at **30%**. Macro data might gradually turn positive with positive influence from monetary loosening policy.
- With this scenario, investors might hold on to the positions with priority on the codes with positive business prospect.

## VN-Index's scenarios

### ➤ Negative scenario: VN-Index drops to support level of 1,100 points



In this scenario, VN-Index moves within a Sideway range of 1,100-1,200 points, and closes Q3 around support level of 1,100 points.

#### Controlling elements:

- Vietnam might move toward loosening monetary policies to support the economic recovery, as well as maintaining macro stability.
- State Bank pushes on supportive solutions to bring credit growth to 14% in 2023. At the same time, the Government tries to deal with company bond problem to support real estate to be stable again.
- However, the company bond problems might not be resolved soon and it needs time, since investors' worries will not be eased soon, and the companies still see problems on this mobilizing channel.
- The high interest rate in the world might lead to a risk of global economic starting a new recession, and foreign cash flow tends to seek shelter instead of expanding the investment, and foreign investors will lower the net buying.
- In Q3, the market will alter the attention from loosening monetary policies to evaluating actual situation on the economic after a while seeing influence from loosening policies.

#### Participating strategy:

- We **forecast** the chance on this scenario at **40%**. Because of the worries that Vietnam economic is still tough, and monetary policy effect is not as expected.
- With this scenario, investors should keep a low weight and observe the market cautiously.

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