

VN-Index's trend

➤ Weekly chart

Current price:	1,128	points
Support level:	1,100 – 1,120	points
Resistant level:	1,180 – 1,200	points



VN Index showed weakening sign in middle term, as it saw the 4th dropping week in a row and closed below week MA26, and MA5 cut down to MA13, showing stronger correcting pressure.

Not just that, MACD cut down to below Signal, showing selling sign and RSI dropped to 45, showing weaker gaining trend. Meanwhile, -DI cut up to +DI, showing that dropping pressure is still there, and the volume dropped to below 10 and 20-week average, showing that the cash flow is catuious. Therefore, the index might still see correcting pressure to support level of 1,100-1,120 points (peak of January).

In general, VN-Index showed weakening sign in middle term. Therefore, investors should keep a reasonable weight in middle and long-term and wait for reversing sign before deciding on new disbursement.

VN-Index's trend

► Daily chart



VN Index hasn't escaped short-term dropping pressure, as it stayed below MA5, and MA5, 10, and 20 still differentiated negatively, showing that dropping trend in short-term is still there.

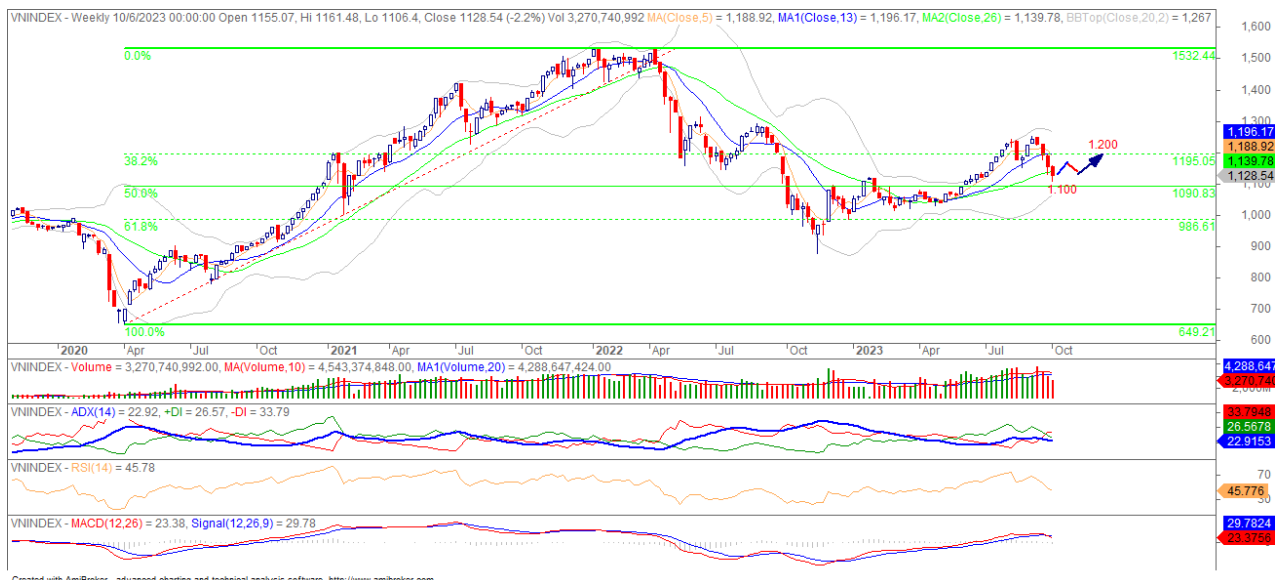
Not just that, ADX was above 37 and -DI was above +DI, showing that dropping pressure is in control. At the same time, MACD dropped to below Signal, showing that buying sign hasn't returned and the index still sees risk of dropping to sentimental support of 1,100 points. However, the index is positively supported by MA200, and RSI tended to recover again from over selling level of 30, showing that the index might see technical recovery. Therefore, it is still possible that the index will recover again to challenge close resistant around 1,170-1,180 points (balance bottom level of August), before returning to short-term dropping trend.

In general, VN-Index hasn't escaped short-term dropping trend. Therefore, investors should take T+ surfs at low weight to create flexible positions when facing unexpected risks from general market.

VN-Index's Scenarios

We update the scenarios that might take place on VN-Index in Q4/2023 as follow:

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



With basic scenario, VN-Index might form a Sideway range to create middle-term bottom and move to close at sentimental level of 1,200 points at the end 2023.

Controlling elements:

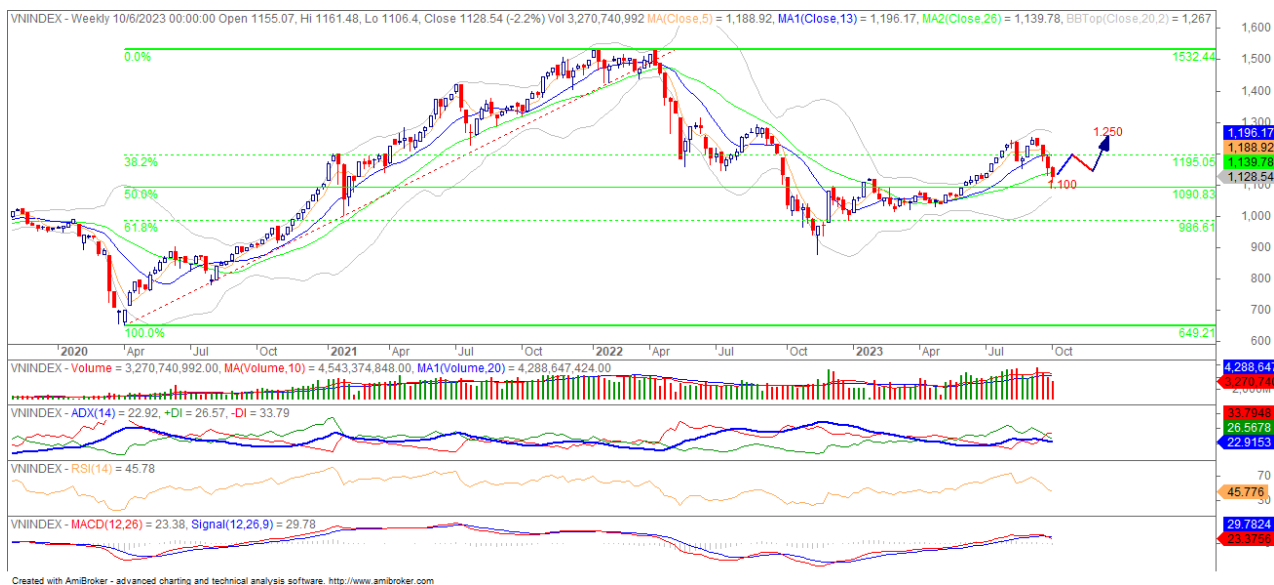
- Vietnam maintains loosening monetary policies to support the economic recovery, as well as maintaining macro stability.
- State Bank pushes on supportive solutions to bring credit growth to 14% in 2023. At the same time, the Government tries to deal with company bond problem to support real estate 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 **60%**. With hope that monetary policy is still loosening
- With this scenario, investors might continue on short-term surfing positions at reasonable weight.

VN-Index's scenario

➤ Positive Scenario: VN-Index stays above 1,250 points.



At positive scenario, VN-Index moves sideways within 100 points around 1,200 points from 1,150-1,250 points, but the trend is more positive at the end of the year and closes around 1,250 points.

Controlling elements:

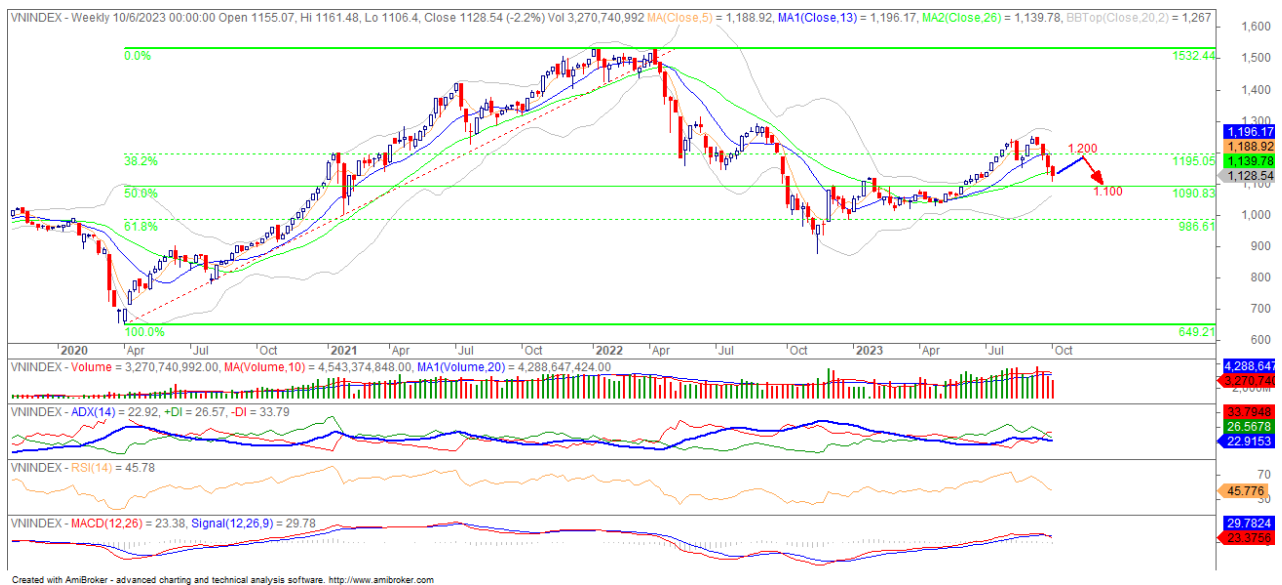
- Vietnam might move toward loosening monetary policies to support the economic recovery, as well as maintaining macro stability.
- State Bank pushes on supportive solutions to bring credit growth to 14% in 2023. At the same time, the Government tries to deal with company bond problem to support real 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.
- 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 **10%**. 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 sees technical recovery but quickly corrects again and move toward support level of 1,100 points at the end of 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.
- 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 Q4, 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 **30%**. Because of the worries that SBV will lower loosening policy to deal with strongly increasing exchange rate.
- With this scenario, investors should keep a low weight and observe the market cautiously.

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