

VN-Index's trend

➤ **Weekly chart**

Current price: 1,154 points
 Support level: 1,100 – 1,120 points
 Resistant level: 1,180 – 1,200 points



VN-Index showed weakening sign in middle-term, as the index still closed below week MA5, and MA5 cut down to below MA13, showing that correcting pressure is still there.

Not just that, -DI was above +DI, and MACD dropped to below Signal, showing that dropping pressure hasn't been released and there is still risk of moving to support level of 1,100-1,120 points (peak in January). However, the sign is better in short-term after a gaining week with thick gaining candle and closed above week MA26 again, therefore, there is still chance for the index to see short-term gain to 1,195-1,200 points (week MA13).

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

VN-Index's trend

► Daily chart



VN Index showed better sign on short-term trend, as it closed above MA5, and MACD cut up to Signal, showing new buying sign.

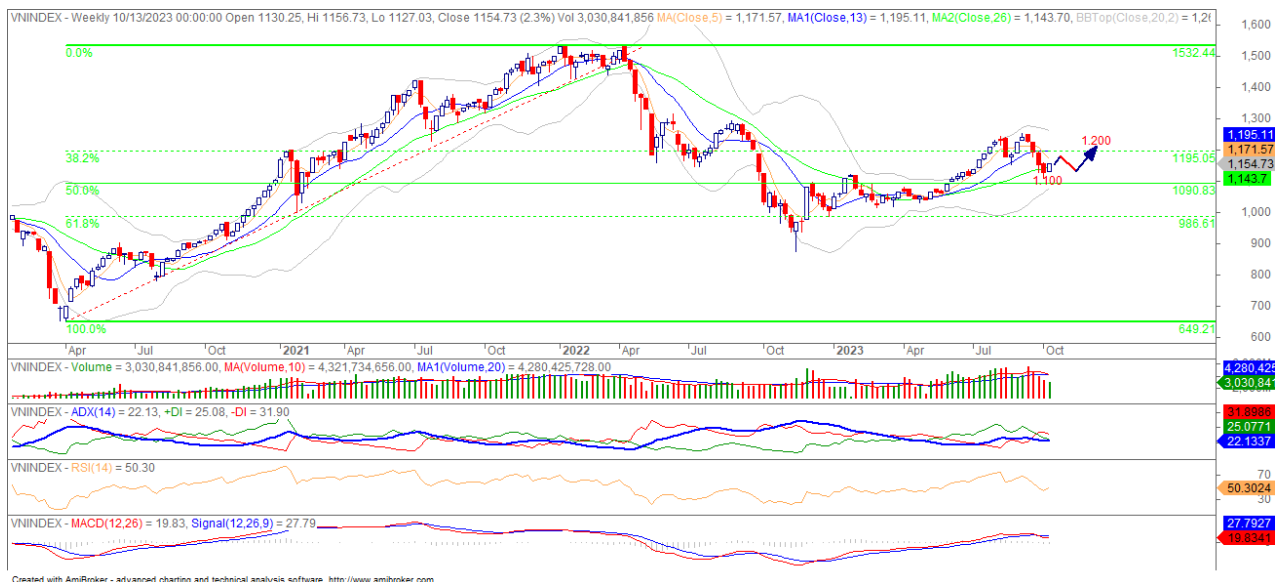
However, short-term dropping trend hasn't ended, as the index still closed below MA20 that dropped, and -DI was above +DI, showing that correcting pressure is still there. Therefore, the index needs to surpass trend-resistant level around 1,160 points (MA20) before seeing clearer trend in short-term. In negative case, the index might need to drop to support level around 1,120 points (old peak) to shake off negative pressure.

In general, VN-Index is escaping short-term dropping pressure. Therefore, investors might consider taking T+ surfing trades at low weight. In which, having priority on good-fundamental codes with positive Q3 results that can attract strong cash flow.

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:

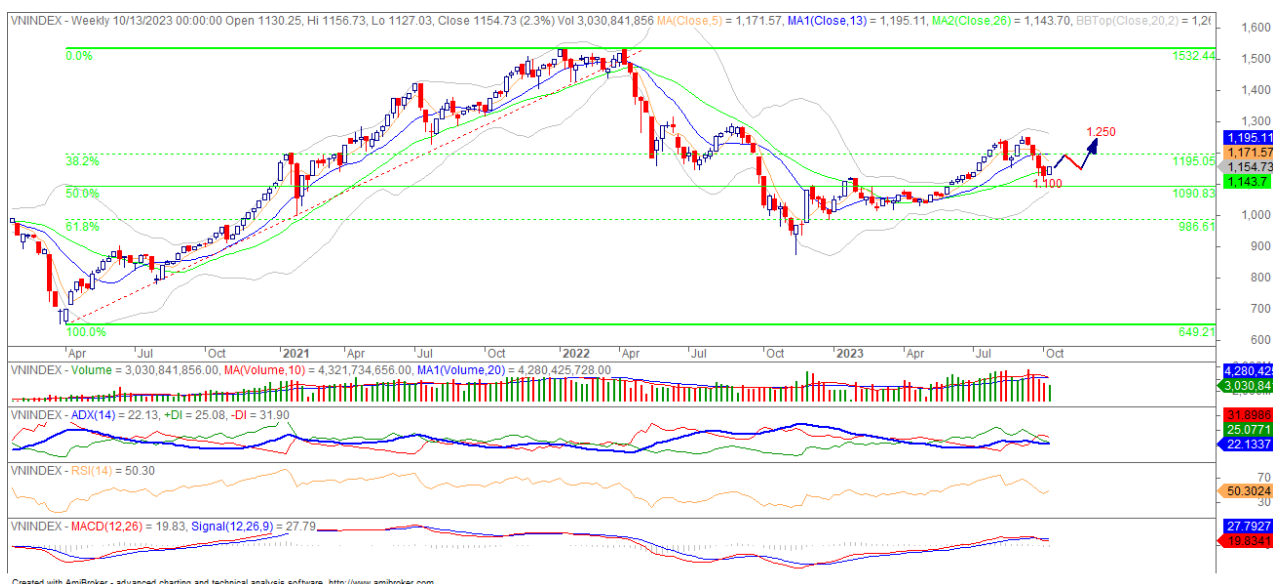
- Vietnam maintains loosening monetary policies to support the economic recovery, as well as maintaining macro stability.
- State Bank pushes on supportive solutions to bring credit growth to 14% in 2023. At the same time, the Government tries to deal with company bond problem to support real estate 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:

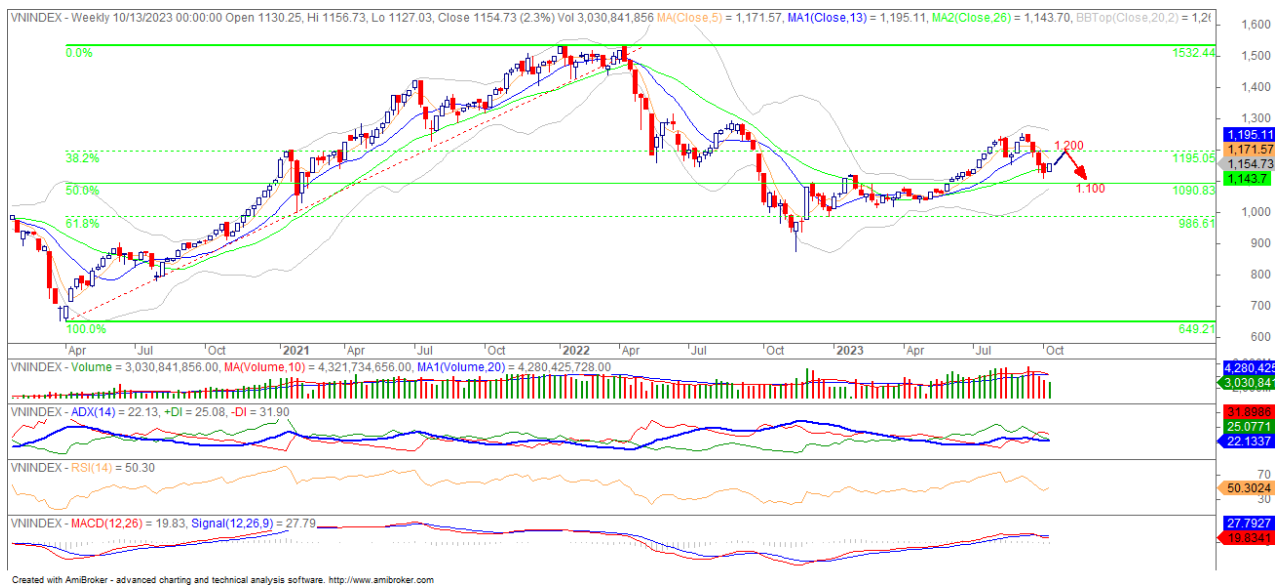
- Vietnam might move toward loosening monetary policies to support the economic recovery, as well as maintaining macro stability.
- State Bank pushes on supportive solutions to bring credit growth to 14% in 2023. At the same time, the Government tries to deal with company bond problem to support real 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 **20%**. 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 **20%**. 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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