



PHS – STRATEGY REPORT JULY 2025

BUILDING THE FOUNDATION FOR FUTURE GAINS



GLOBAL ECONOMIC OVERVIEW



In a recent move approaching the deadline for retaliatory tariff suspension, U.S. Treasury Secretary and President Trump announced a three-week extension until August 1, 2025. At the same time, Trump stated he would send formal tariff notifications to trade partners with whom no agreement has been reached since July 7, 2025. According to Trump, no country will “escape” his tariffs, and he also announced new sectoral tariffs on copper, similar to those previously imposed on steel and related groups.



Bessent: Tariffs will ‘boomerang’ back to April levels by Aug. 1 for countries without deals

PUBLISHED SUN, JUL 6 2025-11:57 AM EDT | UPDATED SUN, JUL 6 2025-7:13 PM EDT



I am pleased to announce that the UNITED STATES TARIFF Letters, and/or Deals, with various Countries from around the World, will be delivered starting 12:00 P.M. (Eastern), Monday, July 7th. Thank you for your attention to this matter! DONALD J. TRUMP, President of The United States of America.

3.81k ReTruths 16.3k Likes

Jul 07, 2025, 9:12 AM



I am announcing a 50% TARIFF on Copper, effective August 1, 2025, after receiving a robust NATIONAL SECURITY ASSESSMENT. Copper is necessary for Semiconductors, Aircraft, Ships, Ammunition, Data Centers, Lithium-ion Batteries, Radar Systems, Missile Defense Systems, and even, Hypersonic Weapons, of which we are building many. Copper is the second most used material by the Department of Defense! Why did our foolish (and SLEEPY!) “Leaders” decimate this important Industry? This 50% TARIFF will reverse the Biden Administration’s thoughtless behavior, and stupidity. America will, once again, build a DOMINANT Copper Industry. THIS IS, AFTER ALL, OUR GOLDEN AGE!

3.78k ReTruths 16.1k Likes

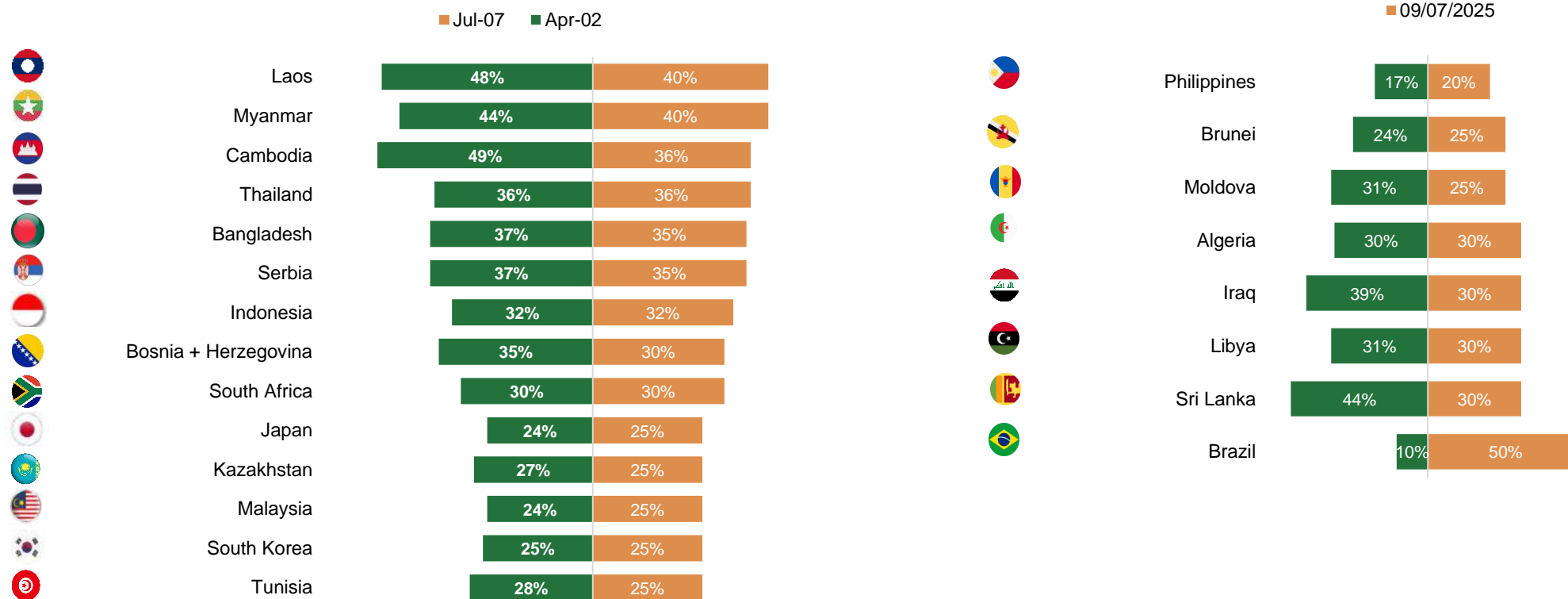
Jul 10, 2025, 7:29 AM



Source: Truth Social, CNBC, PHS compiled

Meanwhile, the newly issued tariff letters from the Trump administration to various countries appear less favorable than anticipated, in some cases showing minimal improvement compared to the initial "Liberation Day 1.0" tariff structure. Most of the proposed tariff rates exceed the 20% level previously announced for Vietnam. This development may indicate that the current proposals from those partners are not sufficiently compelling, or that the move is intended as a strategic lever to increase pressure during ongoing negotiations. Regardless of the scenario, we believe Vietnam still holds certain strategic advantages.

Comparison of the new retaliatory tariffs on 07/07 vs 02/04/2025



Source: Truth Social, CNBC, PHS compiled

On July 4, President Trump signed the nearly 900-page “One Big Beautiful Bill Act” (OBBBA), featuring major tax cuts and spending increases. The act includes USD 4.5 trillion in tax reductions and USD 1.2 trillion in spending cuts, potentially adding USD 3.3 trillion to the budget deficit over 2025–2034. To finance this, the U.S. may need to borrow more and raise the debt ceiling by up to USD 5 trillion.

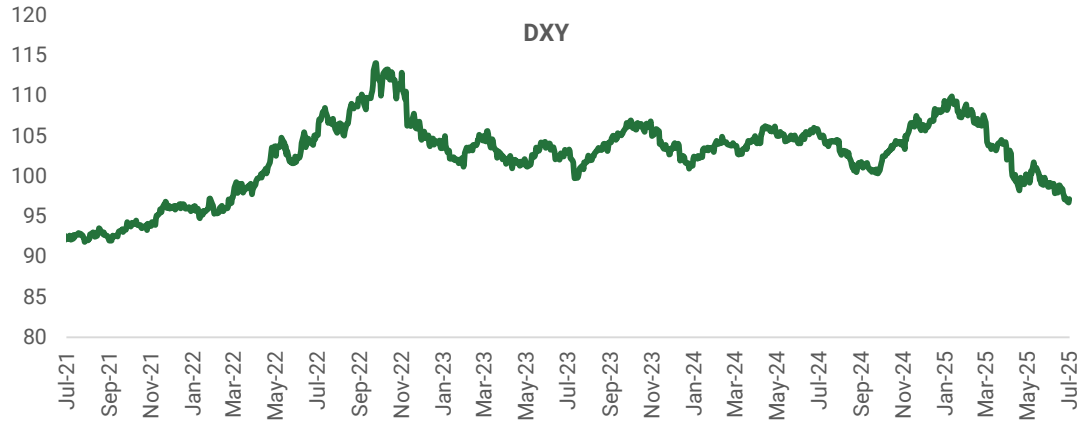
Key tax provisions	Adjustments	Expected impacts
Personal Income Tax	<ul style="list-style-type: none"> Extension of Tax Rates: Maintains the 7 tax brackets (10%, 12%, 22%, 24%, 32%, 35%, 37%) established under the 2017 TCJA, making them permanent beyond their original sunset at the end of 2025 Increase in Standard Deduction: Raised to \$15,750 for single filers and \$31,500 for married couples in 2025, with inflation adjustments thereafter Expanded Child Tax Credit: Increased from \$2,000 to \$2,200 per child 	<ul style="list-style-type: none"> Benefits skew toward middle- and high-income households; the top 20% receive 72% of the total tax cuts. Support for families with children is only temporary. Adds USD 3.3 trillion to the federal budget deficit over 10 years.
New Taxes (Effective 2025-2028)	<ul style="list-style-type: none"> Tax-Free Tips: Deduct up to \$25,000 per year for individuals earning under \$150,000. Overtime Tax Exemption: Exempt up to \$12,500 in overtime pay per year. Senior Deduction (65+): Deduct \$6,000 per year for individuals over 65 with income below \$150,000 	<ul style="list-style-type: none"> Supports service industry workers and reduces the tax burden for middle-income seniors, but may encourage tax avoidance through reclassifying income as tips Estimated total cost: USD 350 billion over 10 years.
SALT Tax & Inheritance Tax	<ul style="list-style-type: none"> SALT Deduction: Raised from \$10,000 to \$40,000 for 2025–2029, then reverts to \$10,000. Gradually phased out for incomes above \$500,000. Inheritance Tax Exemption: Increased from \$13.99M to \$15M for individuals and \$30M for married couples 	
Other Deductions	<ul style="list-style-type: none"> Auto Loan Interest: Deduct up to \$10,000 per year for vehicles assembled in the U.S., for individuals earning under \$200,000 (2025–2028). Charitable Giving: Deduction of \$1,000 (single) and \$2,000 (married) for non-itemizers 	
Spending cuts partially offset the tax reductions		
Medicaid	Reduced by nearly \$1 trillion over 10 years (2025–2034)	Up to 12 million people could lose health insurance
SNAP (Food stamps)	Reduced \$285 billion over 10 years	Up to 3 million people could lose food assistance
CFPB	Reduces funding from 12% to 6.5% of FED’s operating budget	
Green Energy	Ends multiple green energy tax incentive programs, totaling approximately \$170 billion	
Additional Spending Items		
National Defense	\$150 billion (2025–2029) for Iron Dome systems, warships, and B-21 bombers	
Border Security & Immigration	Increased funding for immigration enforcement and border security: \$350 billion	

Source: Bloomberg, PHS compiled

(1) TCJA: Tax Cuts & Jobs Act - The tax reform law signed by President Trump during his first term

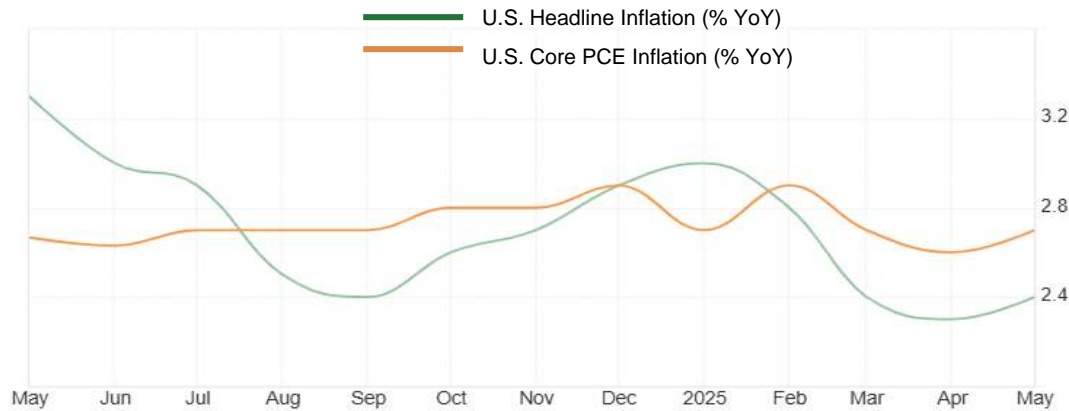
(2) SALT: State and local tax - personal taxes levied by state and local governments

USD has fallen 10% against major currencies since the beginning of 2025. Despite slight rebound in early July, the decline is expected to persist amid ongoing instability in the U.S



Source: Bloomberg, PHS complied

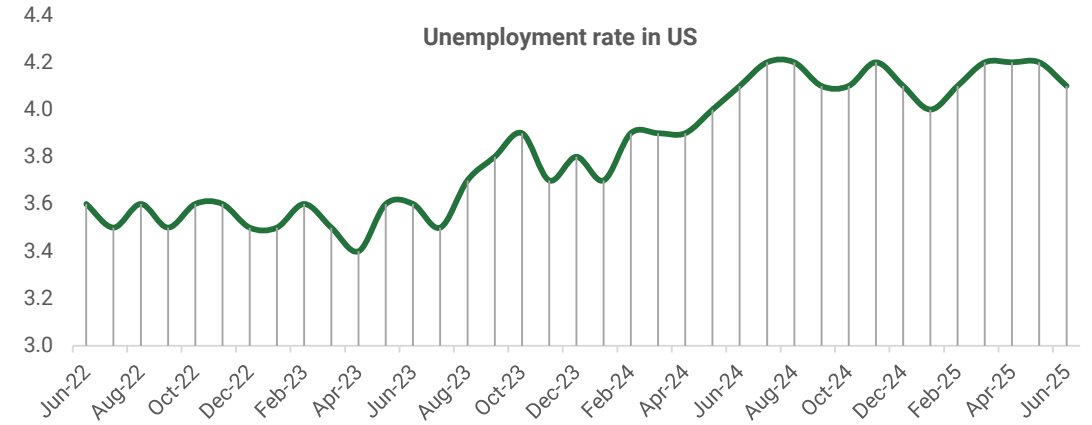
Meanwhile, the inflation outlook is heating up, with prices rising again in May. A weaker USD and the impact of tariffs are expected to further elevate inflation risks going forward



Source: Bloomberg, PHS complied

AS THE HAZE OF TRADE RISK FADES

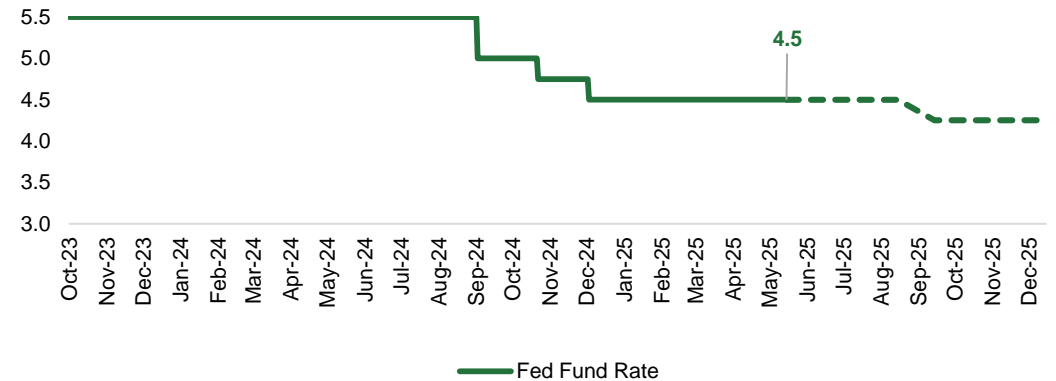
As trade risks ease, domestic economic data has returned to the forefront of market attention. The U.S. labor market remains resilient despite tariff-related risks



Source: Bloomberg, PHS complied

Therefore, we believe Fed is unlikely to pursue aggressive rate cuts despite pressure from the Trump administration, even if Powell is dismissed before his term ends in May 2026 and replaced by a new chair

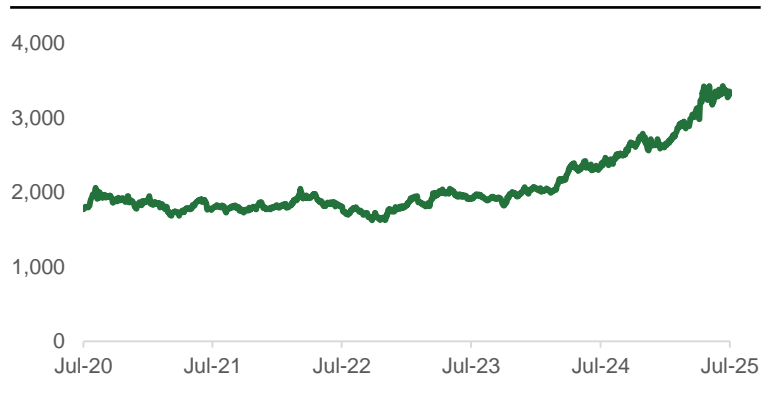
Fed fund rate (%)



Source: Bloomberg, PHS complied

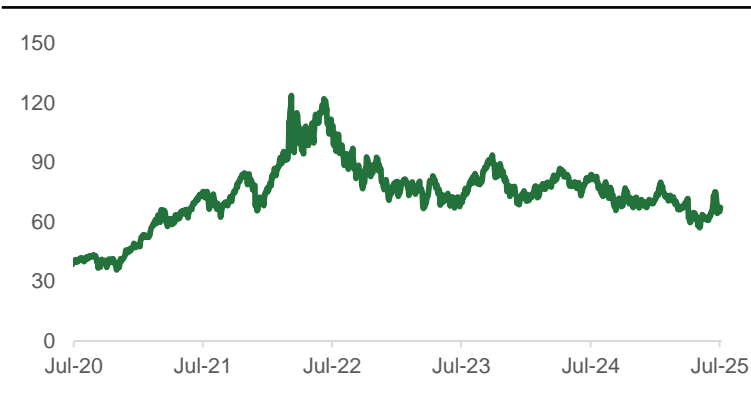
Data as of Jul 10, 2025

Gold Price



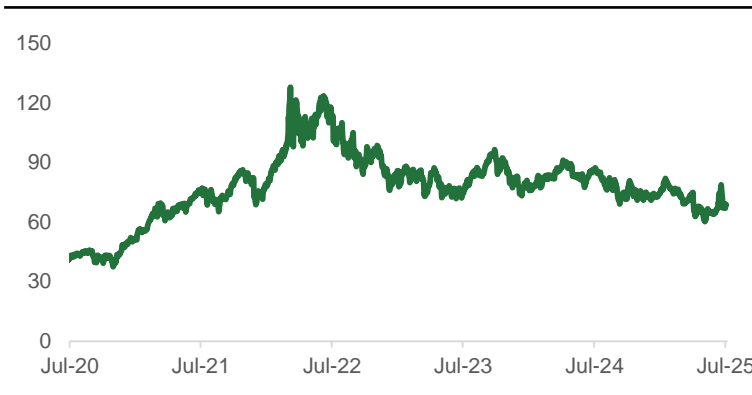
Source: Bloomberg, PHS complied

WTI Oil Price



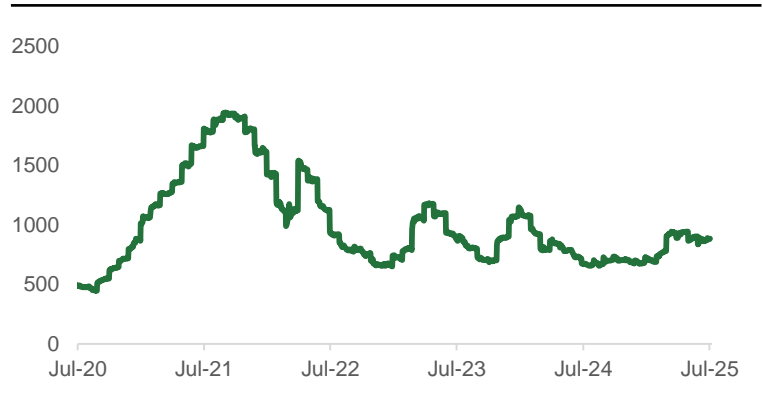
Source: Bloomberg, PHS complied

Brent Oil Price



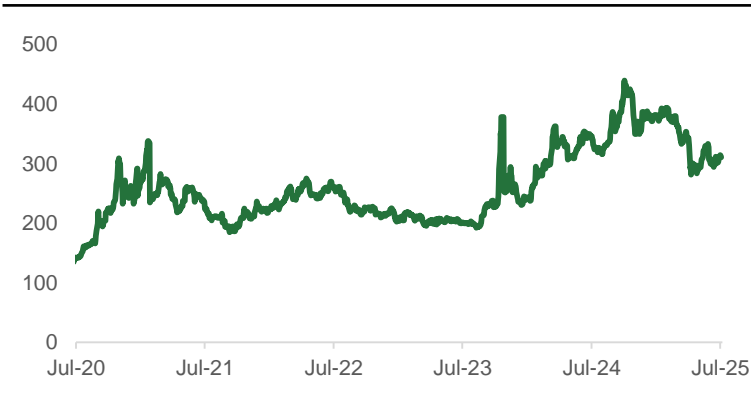
Source: Bloomberg, PHS complied

Steel Price



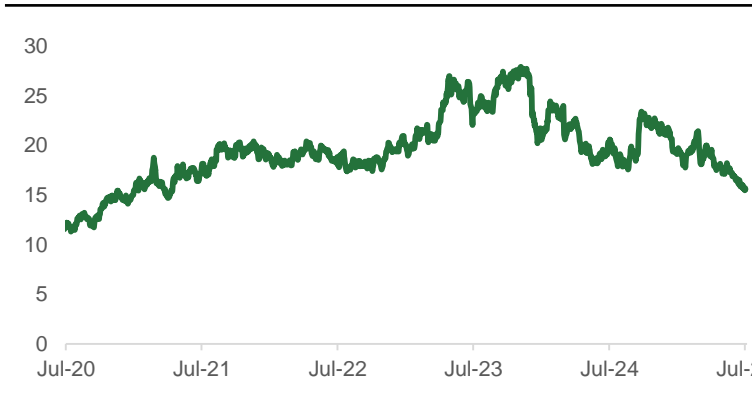
Source: Bloomberg, PHS complied

Rubber Price



Source: Bloomberg, PHS complied

Sugar Price



Source: Bloomberg, PHS complied

Economic Calendar – July 2025

Timeline	Event	Forecast	Impact
01/07/2025	Vietnam – July Manufacturing PMI	Actual: 48.9 (vs. 49.8 in June)	☆☆☆
02/07/2025	President Trump reached a preliminary trade agreement following a phone call with General Secretary Tô Lâm, setting the tariff rate on Vietnam at 20%	20% (compared to 46% in April)	☆☆☆
03/07/2025	U.S. – Unemployment Rate	Actual: 4.1% (compared to 4.2% in June)	☆☆
05/07/2025	Vietnam – Economic Data Released for June		☆☆☆
06 - 07/07/2025	BRICS Summit in Brazil		
07/07/2025	President Trump announced the postponement of the tariff negotiation deadline to August 1st and began sending tariff notification letters to partner countries		☆☆☆
10/07/2025	U.S. - FOMC Meeting Minutes		☆☆☆
11 - 15/07/2025	China – Economic Data Released for June		☆☆
15/07/2025	U.S. – Inflation Data		☆☆☆
17/07/2025	Vietnam – Derivatives Contract Maturity		☆☆☆
24/07/2025	EU – ECB Interest Rate Policy Meeting		☆☆
31/07/2025	U.S. – Fed Interest Rate Policy Meeting		☆☆☆

- The U.S. administration announced the postponement of the tariff implementation deadline to August 1st—delayed by more than 3 weeks compared to the original schedule due to the negotiation process not achieving the desired results. As a result, only three countries reached preliminary agreements with the U.S. before the deadline: the UK, China, and Vietnam.
 - President Trump has sequentially sent tariff notification letters to trade partner countries. However, the announced tariff rates came as a surprise, being significantly higher than previous forecasts and the expectations of the countries involved. Most rates were above 20%, with Brazil even facing a higher tariff than originally proposed.
 - However, the reaction of global financial markets was not as negative as it was back in April. In our view, this is partly because the market believes that negotiations between the U.S. and major countries are likely to result in positive agreements, especially as President Trump faces mounting domestic political pressure. Meanwhile, following significant volatility triggered by the conflict in the Middle East, capital flows have also been reallocated toward safer asset classes
 - Beyond the tariff-related developments, the passage of the "Outstandingly Big and Beautiful Bill Act" (OBBA) by the Trump administration has also raised significant concerns about the long-term economic outlook of the U.S. While the reduction of various taxes and fees may support short-term economic recovery, the substantial consequences of growing fiscal deficits are beginning to trigger alarm in the bond market. If inflation is not kept under control as expected, we believe this could pose risks to the Fed's monetary policy stance and may even lead to a potential rate hike—though we view the likelihood of that scenario as relatively low.
- ⇒ **We believe the Fed will maintain a cautious stance in the July meeting and keep the policy interest rate unchanged. We also maintain our forecast that the Fed will only cut rates once this year, even in the absence of Powell.**
- ⇒ **On the tariff front, we lean toward the likelihood that the U.S. will reach agreements with several major partners such as the G7, India, or South Korea, with tariff rates ranging around 10–20%. The combined effects of tariffs and the Fed's cautious approach could lead to slowdown in U.S. economy. Additionally, political uncertainties and the "unpredictability" of Trump's policies will likely continue to drive capital flows into safe-haven assets or those offering attractive investment yields.**

VIETNAM ECONOMIC OVERVIEW



On April 4th, the first phone call between General Secretary Tô Lâm and President Trump sparked considerable optimism for the negotiation process between the two countries, while also demonstrating the proactive approach of Vietnam's leadership in reaching an agreement with the U.S.



Donald J. Trump
@realDonaldTrump

Just had a very productive call with To Lam, General Secretary of the Communist Party of Vietnam, who told me that Vietnam wants to cut their Tariffs down to ZERO if they are able to make an agreement with the U.S. I thanked him on behalf of our Country, and said I look forward to a meeting in the near future.



3.77k ReTruths 19.8k Likes

Apr 04, 2025 at 10:01 PM

A LANDMARK AGREEMENT BETWEEN VIETNAM & THE US

20% & 40%

After months of technical negotiations, President Trump announced on July 2nd an agreement with Vietnam—reached via a call with General Secretary Tô Lâm—setting the tariff rate at 20%, down from the initial 46%.



Donald J. Trump
@realDonaldTrump

I just made a Trade Deal with Vietnam.
Details to follow!






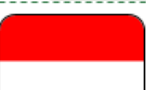

Donald J. Trump
@realDonaldTrump

It is my Great Honor to announce that I have just made a Trade Deal with the Socialist Republic of Vietnam after speaking with To Lam, the Highly Respected General Secretary of the Communist Party of Vietnam. It will be a Great Deal of Cooperation between our two Countries. The Terms are that Vietnam will pay the United States a 20% Tariff on any and all goods sent into our Territory, and a 40% Tariff on any Transshipping. In return, Vietnam will do something that they have never done before, give the United States of America TOTAL ACCESS to their Markets for Trade. In other words, they will "OPEN THEIR MARKET TO THE UNITED STATES," meaning that, we will be able to sell our product into Vietnam at ZERO Tariff. It is my opinion that the SUV or, as it is sometimes referred to, Large Engine Vehicle, which does so well in the United States, will be a wonderful addition to the various product lines within Vietnam. Dealing with General Secretary To Lam, which I did personally, was an absolute pleasure. Thank you for your attention to this matter!

3.24k ReTruths 15.9k Likes

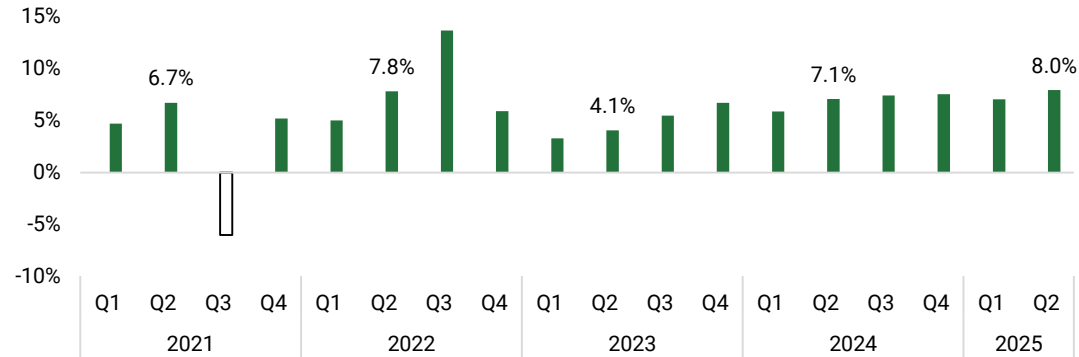
Jul 02, 2025, 9:44 PM

Alongside negotiations with the U.S., Vietnam has been actively seeking to diversify its export markets to reduce reliance on the U.S. Notably, joining the BRICS bloc opens up access to new markets for Vietnamese goods, helping to mitigate the negative impacts of tariff policies such as those under the Trump administration.

FTA(s) Countries	MULTILATERAL FREE TRADE AGREEMENT				BILATERAL FREE TRADE AGREEMENT						
	08 FTAs ASEAN (*)	CPTPP (12 nations)	EUROZONE (27 nations)	VN-EAEU (6 nations)	ENGLAND	JAPAN	CHILE	INDIA	NEWZEALAND	AUSTRALIA	OTHERS
 17 FTAs VIETNAM										03 FTAs - UAE Korea; Israel	
 17 FTAs MALAYSIA										03 FTAs with Pakistan; Turkey; EFTA	
 14 FTAs THAILAND										01 FTA with EFTA	
 14 FTAs INDONESIA										02 FTA with Pakistan; EFTA	
 13 FTAs PHILIPPINES										03 FTAs - Korea Pakistan; EFTA	

VIETNAM'S ECONOMIC OVERVIEW – STRONG ACCELERATION IN GROWTH

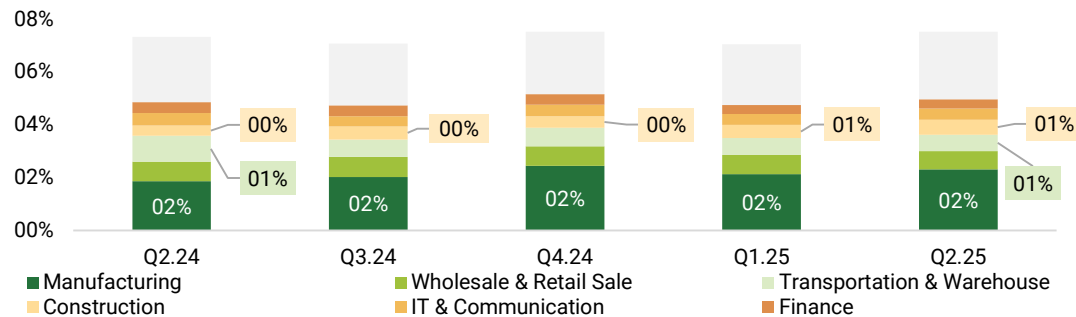
GDP growth accelerated sharply in Q2, reaching nearly 8% year-over-year, driven by the manufacturing and services sectors. For the first half of the year, cumulative GDP growth reached 7.5%, setting the stage for achieving the 8% full-year target.



Source: GSO, PHS complied

Aside manufacturing, the construction sector also recorded strong growth—surpassing 9% for the first time in years—following a prolonged period of stagnation caused by bottlenecks in public investment and a weakened real estate market.

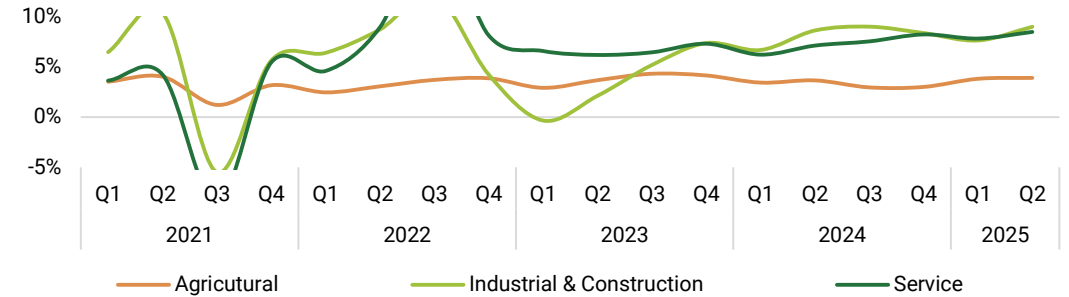
GDP Growth Contribution by Sector



Source: GSO, PHS complied

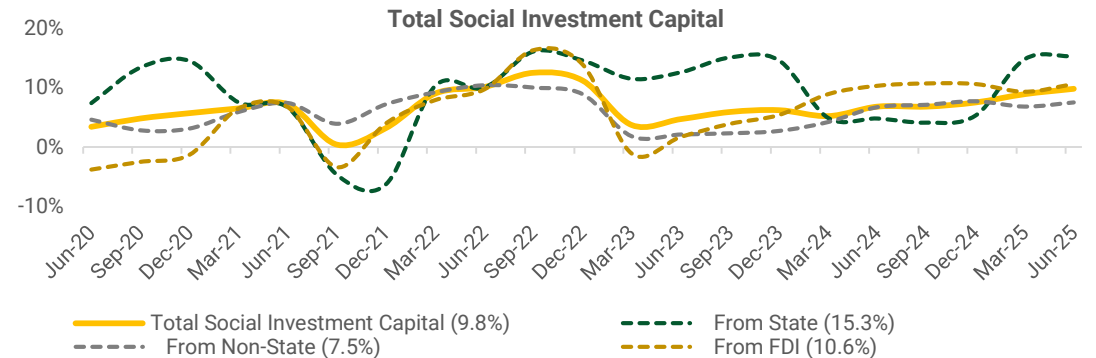
Industry and construction returned to lead the growth alongside services. Notably, the manufacturing sector surged by 10.8% in Q2 (+9.4% in Q1), as businesses ramped up production ahead of the deferred tariff deadline.

Growth By Segments



Source: GSO, PHS complied

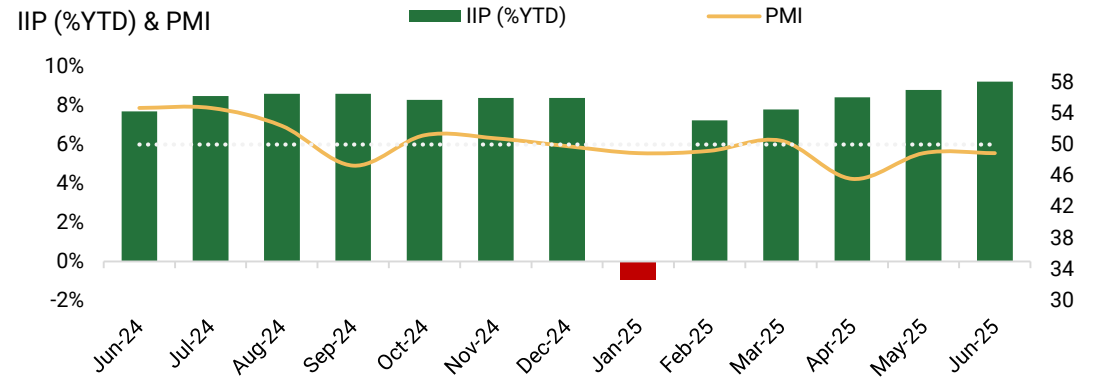
Public sector investment is leading total social investment amid rising uncertainties in the first half of the year. However, FDI is also showing signs of recovery after a period of hesitation. PHS expects the private sector to rebound in the second half of the year as supportive policies gradually take effect.



Source: GSO, PHS complied

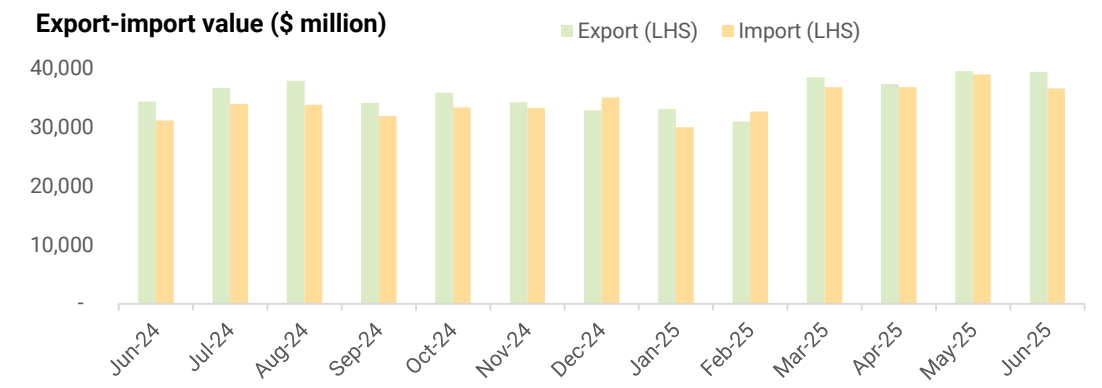
VIETNAM'S ECONOMIC OVERVIEW – TURNING CHALLENGES INTO OPPORTUNITIES

Domestic manufacturing remains strong, with key industries running at full capacity thanks to the tariff deferral. While PMI still signals weak order outlooks, PHS expects a Q3 rebound following the recent tariff agreement.



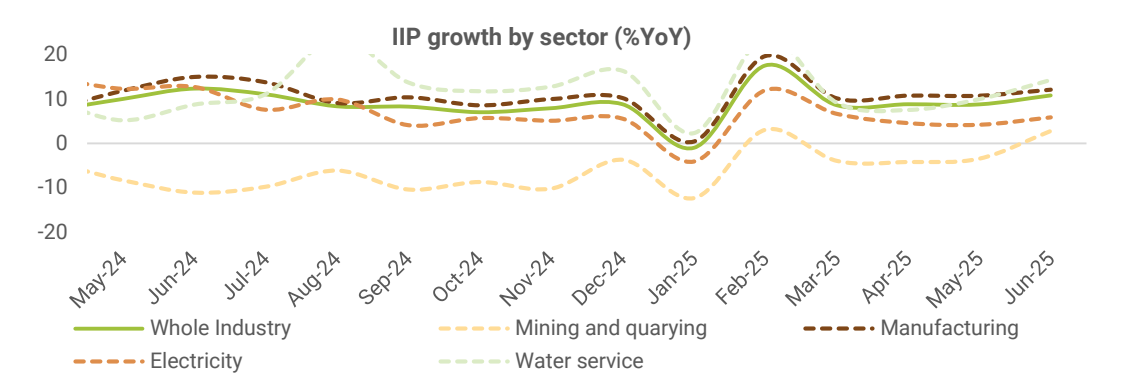
Source: GSO, PHS complied

Alongside rising production, import and export values also showed positive growth, up 15% and 17% year-over-year, respectively. However, tighter controls on origin fraud and a surge in imports in previous months led to a cooling in import activity in June.



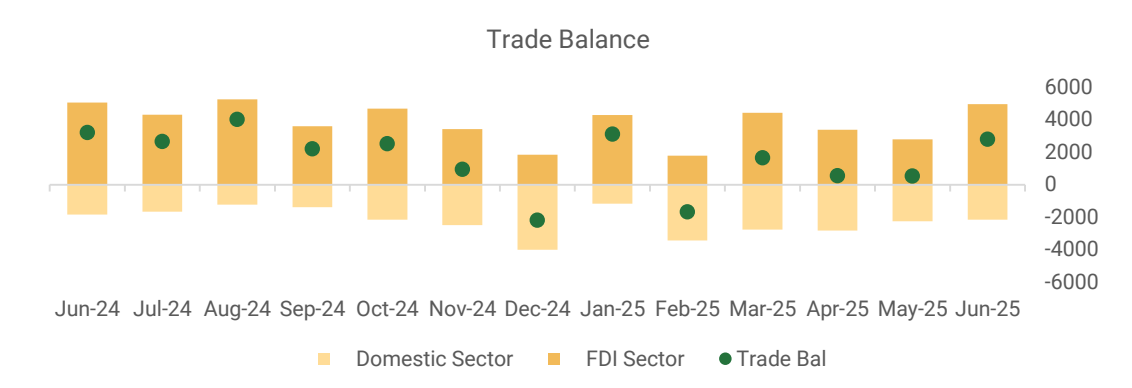
Source: GSO, PHS complied

A key highlight in manufacturing is the broad-based recovery across all sectors year-over-year, including mining. Notably, core export industries such as textiles, wood, electronics, and metals posted strong growth.



Source: GSO, PHS complied

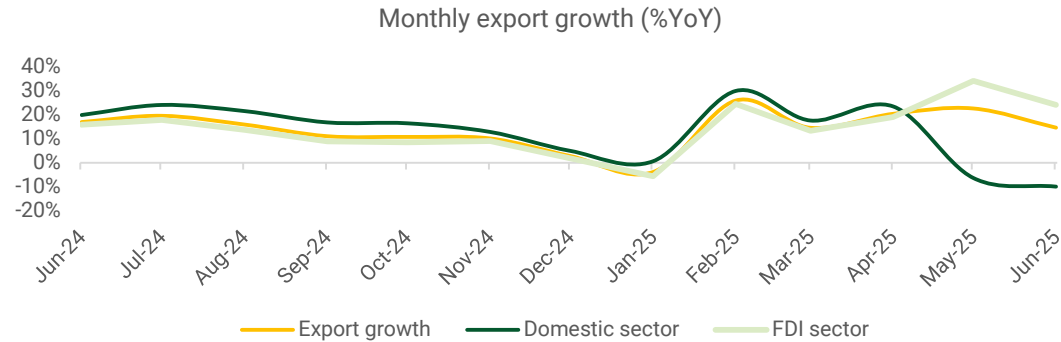
The trade surplus reached over USD 2.8 billion in June, lifting the year-to-date total to USD 7.1 billion. Exports to the U.S. rose 29% YoY, reaffirming its position as Vietnam's top export market—a trend expected to strengthen further.



Source: GSO, PHS complied

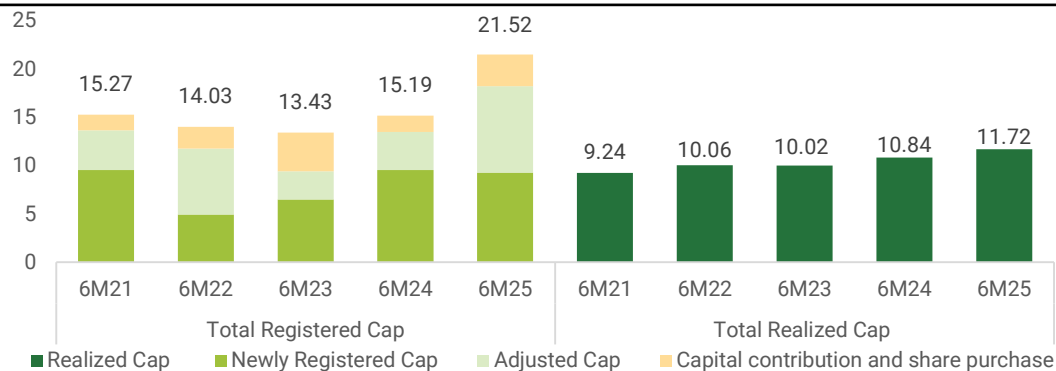
VIETNAM'S ECONOMIC OVERVIEW – TURNING CHALLENGES INTO OPPORTUNITIES

However, export structure remains weak, with domestic exports down 10% YoY amid falling orders. PHS expects the recent tariff deal to boost export growth for both local and FDI sectors ahead.



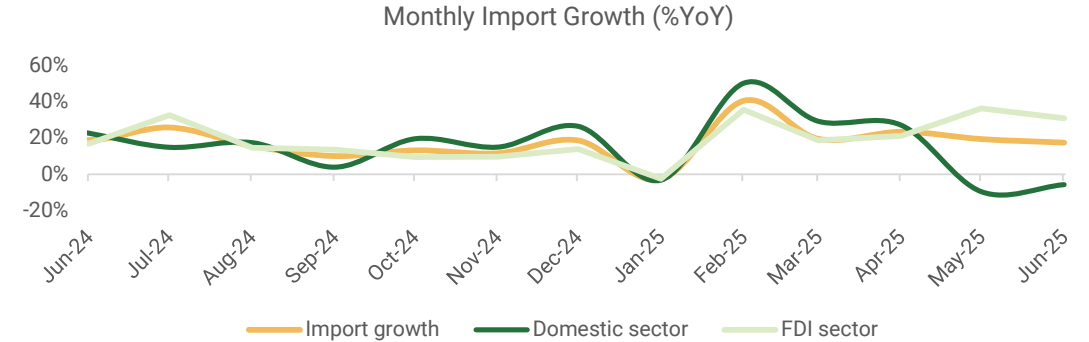
Source: GSO, PHS complied

In the long term, we have reason to expect that FDI firms will continue expanding value chain diversification in Vietnam. The strong increases in both registered and disbursed FDI support this trend, with 1H2025 figures up 32.6% and 8.3% YoY, respectively.



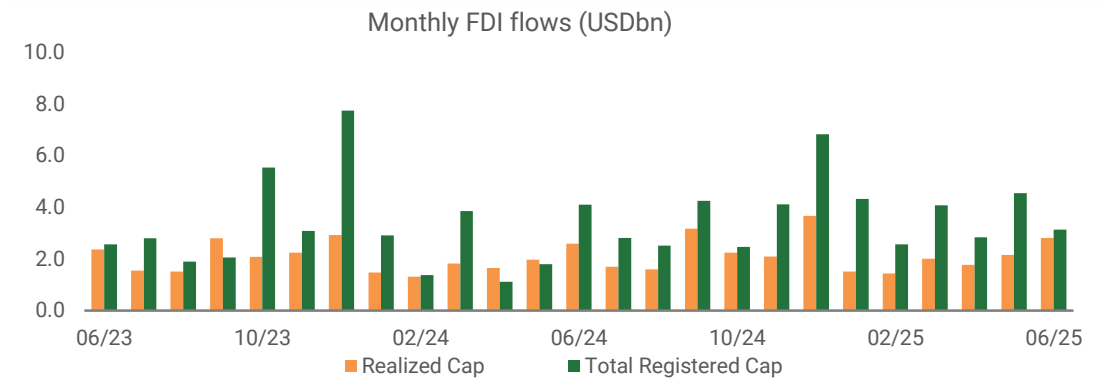
Source: GSO, PHS complied

Similarly, imports by domestic firms declined for the second straight month. The 40% tariff on transshipped goods mentioned by President Trump could pose short-term challenges for Vietnamese businesses due to their heavy reliance on raw materials from China.



Source: GSO, PHS complied

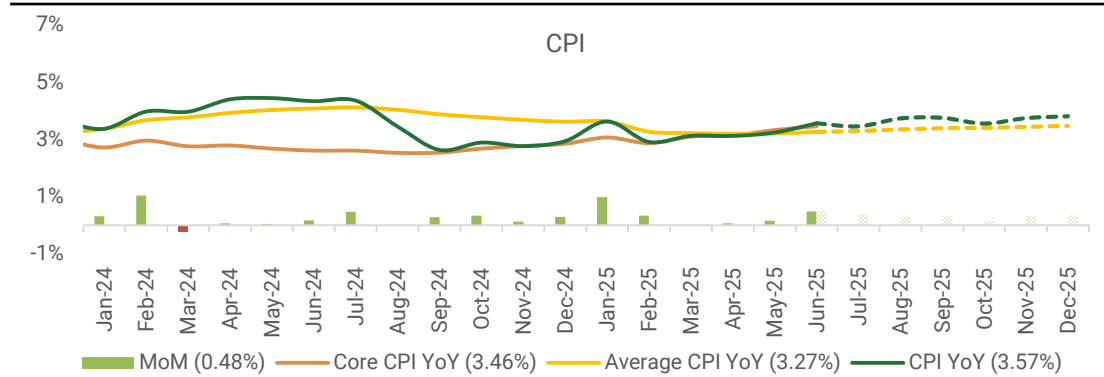
FDI disbursement in June reached a year-to-date high of USD 2.8 billion (+8% YoY). With the trade agreement reached with the U.S., we expect disbursements to remain strong. FDI inflows are projected to improve further in the second half of the year.



Source: GSO, PHS complied

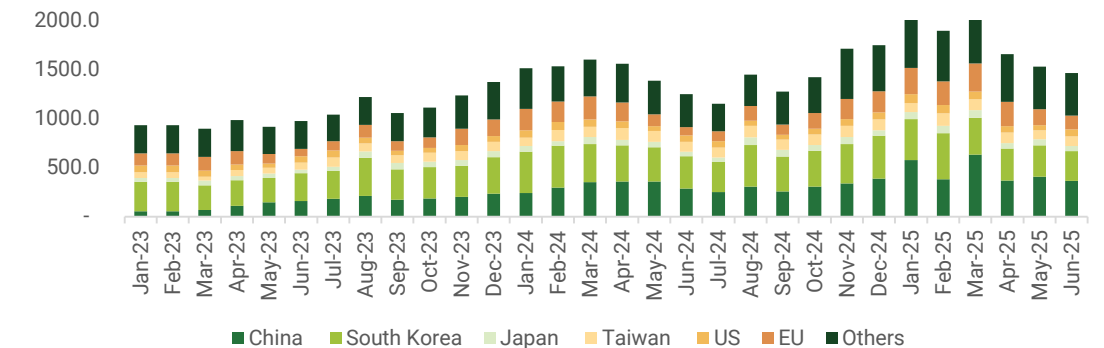
VIETNAM'S ECONOMIC OVERVIEW – TURNING CHALLENGES INTO OPPORTUNITIES

Inflation rose sharply in June, up 0.48% MoM—the highest since the Lunar New Year peak—bringing average inflation in 1H2025 to 3.27%, in line with our forecasts.



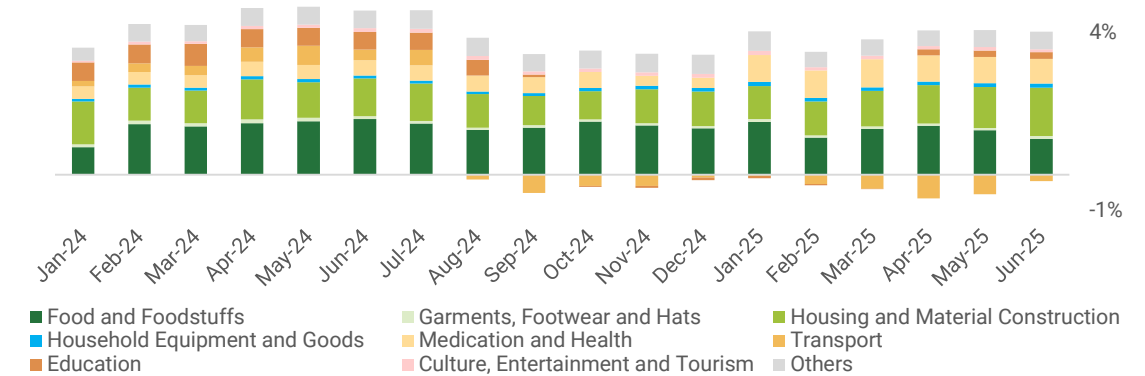
Source: GSO, PHS complied

Tourist arrivals declined for the third consecutive month, though we believe this reflects seasonality rather than a drop in attractiveness. In fact, tourism is expected to rebound during the year-end peak season, supported by Vietnam's competitive pricing, natural scenery, and political stability.



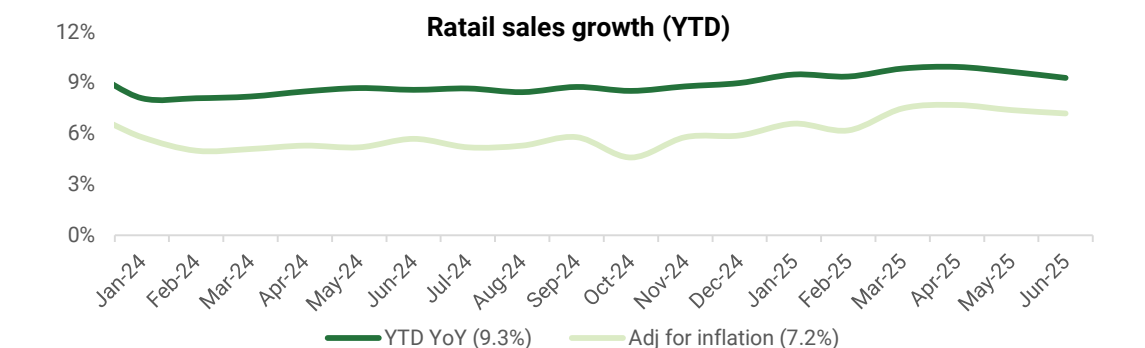
Source: GSO, PHS complied

The largest contributor to inflation was the Housing and Construction Materials group, with both electricity and material prices rising year-over-year. Additionally, recovering consumer demand drove up prices in services such as tourism, dining, and healthcare.



Source: GSO, PHS complied

Although not as strong as manufacturing and exports, consumption continues to show steady growth. With current policies supporting spending and investment, we expect retail sales to keep improving—driven more by services than goods.



Source: GSO, PHS complied

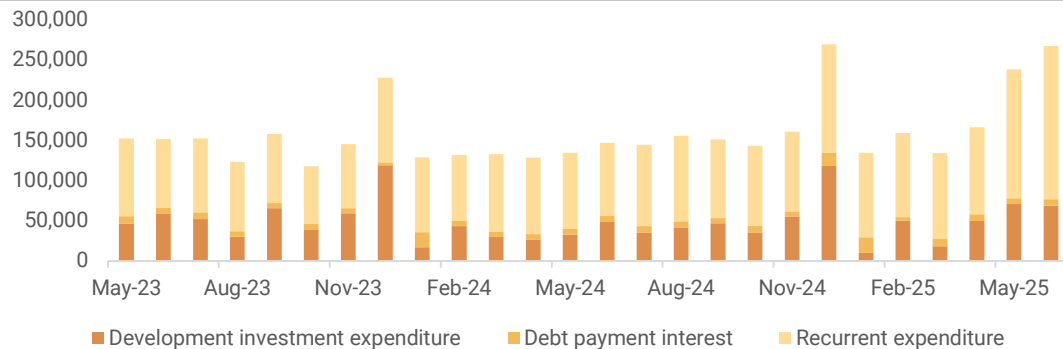
VIETNAM'S ECONOMIC OVERVIEW – TURNING CHALLENGES INTO OPPORTUNITIES

The state budget structure remains stable, with strong revenue growth from domestic sources (taxes and fees) and trade. While fiscal surplus narrowed from previous month, it remains high—providing a solid foundation for further accelerating disbursements.

	6M2025	%Plan	%YoY	2025 Plan
State budget revenue	1,332,300	67.7%	30.5%	1,966,839
- Taxes and fees	1,158,400	69.4%	35.2%	1,668,356
- From crude oil	24,600	46.2%	-17.2%	53,200
- From export-import	148,700	63.3%	11.1%	235,000
State budget expenditure	1,102,100	41.9%	37.1%	2,633,258
- Investment and development expenditure	268,100	30.6%	36.3%	875,027
- Interest payments	55,700	50.4%	0.4%	110,547
- Recurrent expenditure	776,000	49.9%	40.8%	1,554,677
Budget balance	230,200			- 666,419

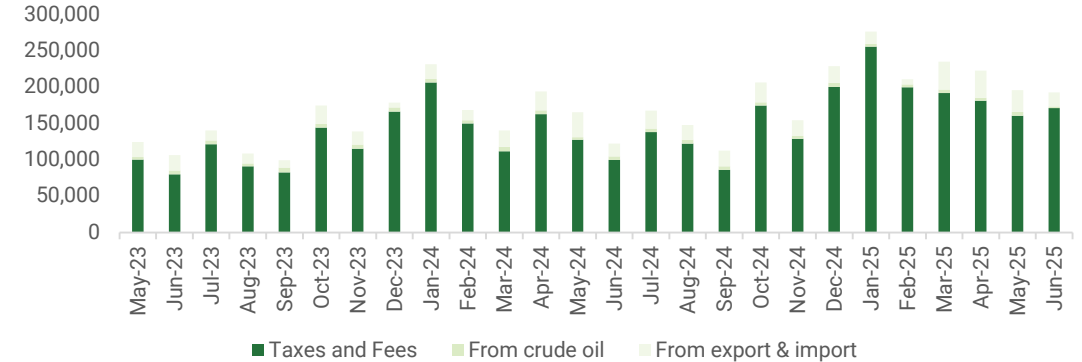
Source: GSO, PHS complied

The completion of provincial mergers and early retirement support following administrative streamlining led to a surge in recurrent spending in May and June. However, it's worth noting strong efforts in development investment disbursement, which rose nearly 40% YoY.



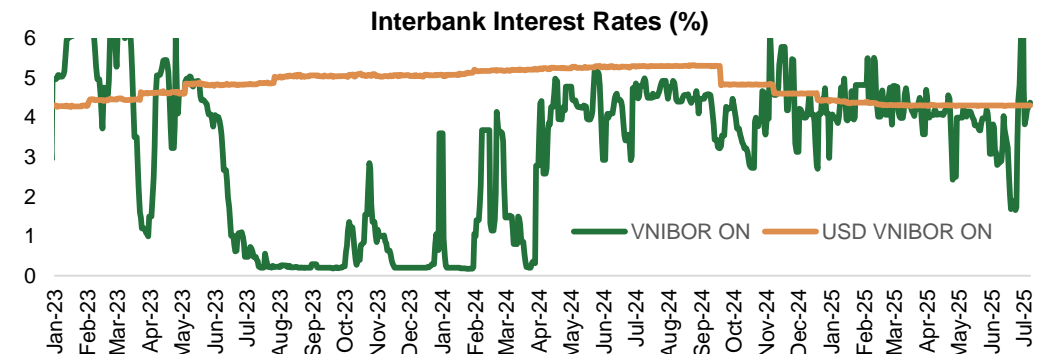
Source: GSO, PHS complied

Budget revenue reached nearly 68% of the annual target in just six months, making an overachievement likely. This fiscal space allows the government to propose personal income tax cuts (expected in October) and introduce tax incentives for businesses.



Source: GSO, PHS complied

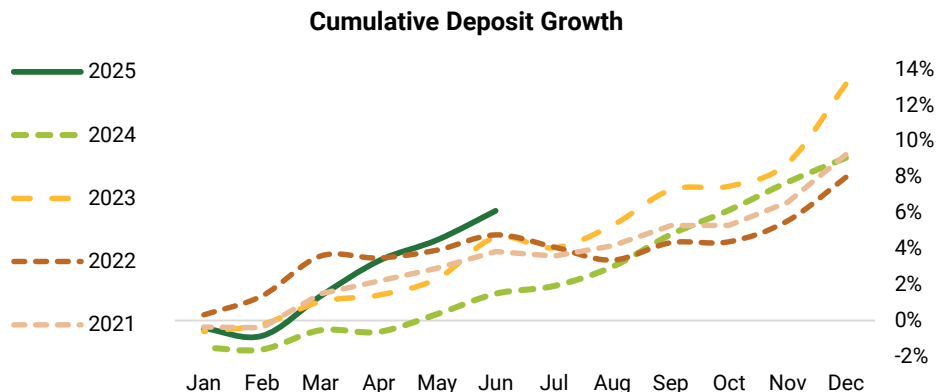
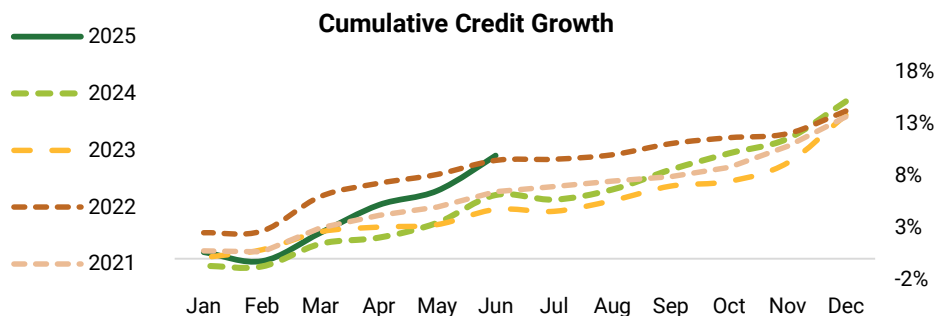
The continued acceleration of disbursements and maintenance of low interest rates have added notable pressure on the exchange rate, as we've highlighted previously. With the exchange rate nearing its ceiling in June, the State Bank of Vietnam once again issued treasury bills to manage interbank liquidity and stabilize the currency.



Source: Tradingeconomics, PHS complied

- As highlighted in our previous reports, PHS views the trade agreement with the U.S. as highly significant—both diplomatically and in terms of economic policy. Once again, Vietnam has demonstrated resilience amid global uncertainties. The country successfully reached a trade deal, maintained investor confidence and credibility, showed strong determination, and achieved encouraging early results. Overall, the economic picture in the first half of the year shows many bright spots. While GDP growth has not yet reached the government’s 8% target, achieving 7.52% is, in our view, a commendable effort by the entire economy—more importantly, it reflects strengthening internal capacity. In addition to public investment, both FDI and private investment are showing signs of recovery. FDI is improving in both quantity and quality, with large-scale, high-tech projects in sectors such as electronics, aerospace, semiconductors, and healthcare gaining prominence.
 - Domestic credit growth reached 9.9% as of end-June—double the rate in May and the highest in recent years—equivalent to over VND 1.5 quadrillion injected into the economy by the banking system. While partly cyclical, this also reflects a gradual recovery in capital demand. Low, stable interest rates are a necessary condition, and the recovery in manufacturing, real estate, and retail sectors serves as the sufficient condition to support rising credit demand. We see this as a key growth driver.
 - The exchange rate has somewhat cooled, though not significantly, and still requires SBV intervention through T-bill issuance. We see this as one of the biggest ongoing risks for investors. The VND remains relatively unattractive, making Vietnam less appealing to foreign investors due to high hedging costs. We expect FX inflows to improve in the second half of Q3 as trade policy becomes clearer (supporting FDI inflows) and trade activity picks up. Until then, SBV is likely to continue using T-bills to manage liquidity.
 - **In summary, PHS believes the economy will maintain positive momentum in Q3, supported by investment (public, private, and FDI) and consumption. We view the trade deal with the U.S. positively, and the 20% tariff rate is favorable when compared to the “temporary” higher rates faced by regional peers. We forecast Q3 GDP growth at 8.0%, with inflation rising slightly to around 3.6–3.7%.**
- ⇒ Regarding exchange rates and interest rates, PHS maintains its forecast that the USD/VND rate will gradually decline in the second half of Q3, fluctuating between 25,900 and 26,150. Meanwhile, deposit interest rates are expected to edge up slightly by 0.2–0.3% as banks seek to raise funds for increased credit disbursement.

Data as of July 10, 2025	
Average 12-Month Deposit Interest Rate	4.7%
SJC (million/tael)	118 – 121
USD/VND exchange rate	26,105 (+2.2% YTD)
VNT 10yrs bond yield	3.22% (+16 bps YTD)



Indicator	Government 2025 plan	6M/2025	PHS 2025F
GDP (%YoY)*	> 8.0%	7.52%	7 - 8%
Average CPI (%YoY)	4.5-5.0%	3.27%	3.5 - 4.0%
Unemployment rate in urban	<4%	2.44%	3.5%
Credit growth	16%	+9.9% (30/06/2025)	17 - 18%
Disbursement Rate Relative to Target	95%	33%	90%
Import growth (YTD YoY)		+17.9%	18 - 20%
Export growth (YTD YoY)		+14.4%	15 - 18%
Industrial Production Growth (IIP)		+9.2%	8 - 10%
Retail sale growth		+9.3%	8.5 - 9%
FDI disbursement (% YoY)		8%	8 - 10%

3. VIETNAM STOCK MARKET



Many decisions were passed to help strengthen confidence

Transaction value (billion VND)

VN-Index Price Movements

Point
















Key Events in June 2025

- 02/06: Vietnam's May PMI remained below the 50-point threshold for the second consecutive month.
- 09-12/06: Vietnam held the 3rd round of technical negotiations with the U.S. in Washington D.C.
- 12/06: The National Assembly passed a resolution to consolidate provinces and cities, reducing the total to 34.
- 13/06: Israel attacked Iran's nuclear and military facilities, escalating the conflict in the Middle East.
- 17/06: The National Assembly approved a 2% VAT reduction and expanded the scope of sectors eligible for tax incentives.
- 27/06: The National Assembly officially codified Resolution 42 into law.
- 14/06: Vietnam officially became a partner country of the BRICS group.
- 19/06: The Fed kept interest rates unchanged and is expected to cut rates twice.
- 24/06: Israel and Iran agreed to a ceasefire, mediated by the United States.
- 24/06: The National Assembly passed a "one law amending eight laws" package.

VIETNAM STOCK MARKET

Cautious Sentiment as the Reciprocal Tariff Suspension Deadline Approaches

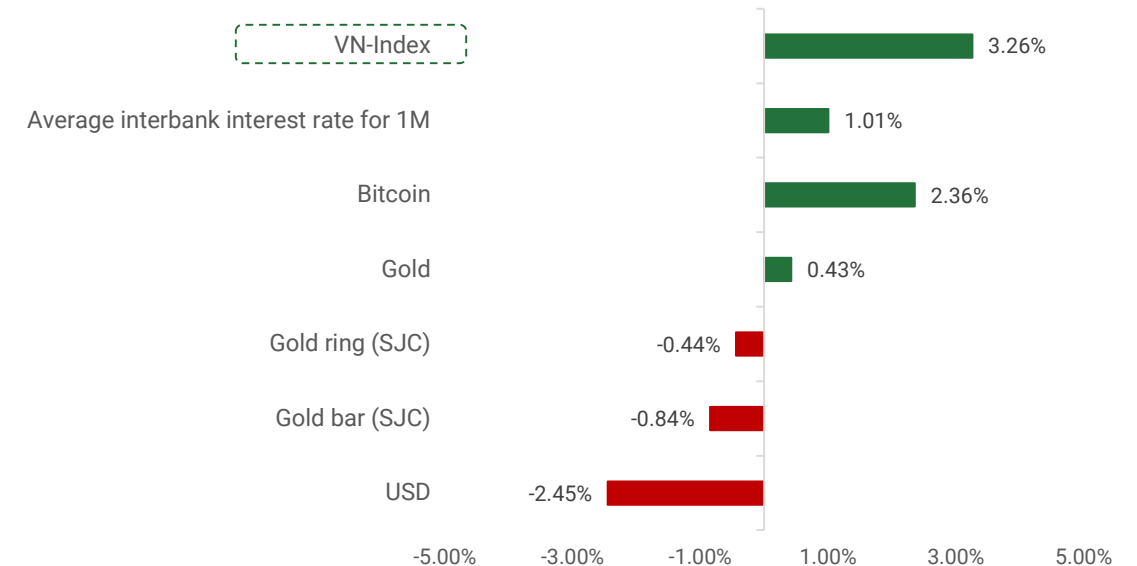
After a strong rally in May, the upward momentum of the VN-Index began to slow down in June. Market sentiment also turned more cautious as the reciprocal tariff suspension deadline on July 9 approached. (Data as of June 30, 2025)

	Index	%Change (MoM)
	VN-Index	3.26%
	Nikkei 225 Index	6.64%
	Shanghai Composite Index	2.90%
	KOSPI Index (*)	13.86%
	Dow Jones	4.32%
	S&P 500	4.96%
	DAX	-0.37%
	SET Index	-5.19%
	FTSE Malay EMAS	1.62%
	TAIEX Index	4.26%
	PCOMP Index	0.37%
	Nifty 500	3.10%
	Jakarta Composite Index	-3.46%

Source: PHS compiled

On the inter-market front, the VN-Index has outperformed other asset classes. The US dollar continues to weaken, while gold shows signs of a slowing correction. Bitcoin has emerged as a notable investment asset.

Monthly return percentage in other asset classes (MoM)



Source: PHS compiled

(*) South Korea's stock market posted outstanding performance amid expectations that the new president will push forward reforms. In addition, the Bank of Korea has continuously lowered interest rates to stimulate the economy.

Tensions between Israel and Iran escalated and ended with the US mediating. President Trump called it a “12-day war.”

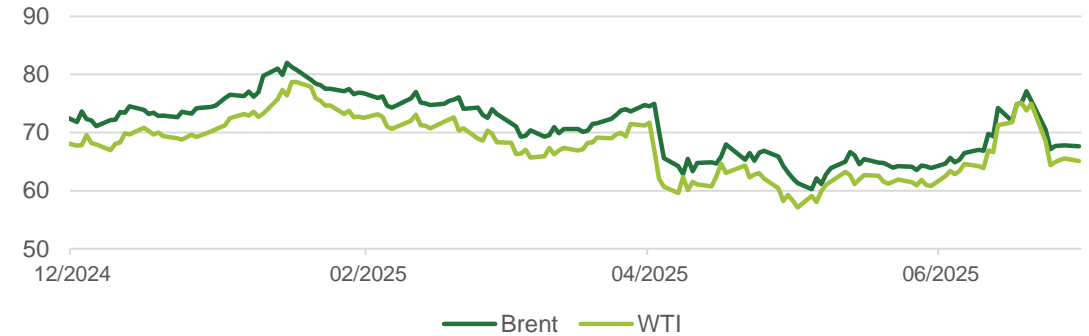
Time	Israel	Iran	International
13/6	Launched air strikes against Iran's nuclear and military facilities	Attacked, warning of retaliation	The US observes, does not participate in the war, and calls on Iran to sign the nuclear deal
14–15/6	Large-scale air strikes	Fired hundreds of UAVs and missiles at Israel	
17–19/6	Attack Targets Weapons Depot and Radar System	Tensions escalate, attacks continue	US calls for restraint Russian and Chinese presidents speak by phone, jointly condemn Israel for attacking Iran
22/6	Suspension of Major Battles	Maintain pressure	The US airstrikes Iran's nuclear facilities (Fordow, Natanz and Isfahan)
23–24/6	Agree to cease fire	Accept ceasefire	America mediates conflicts

Source: PHS compiled

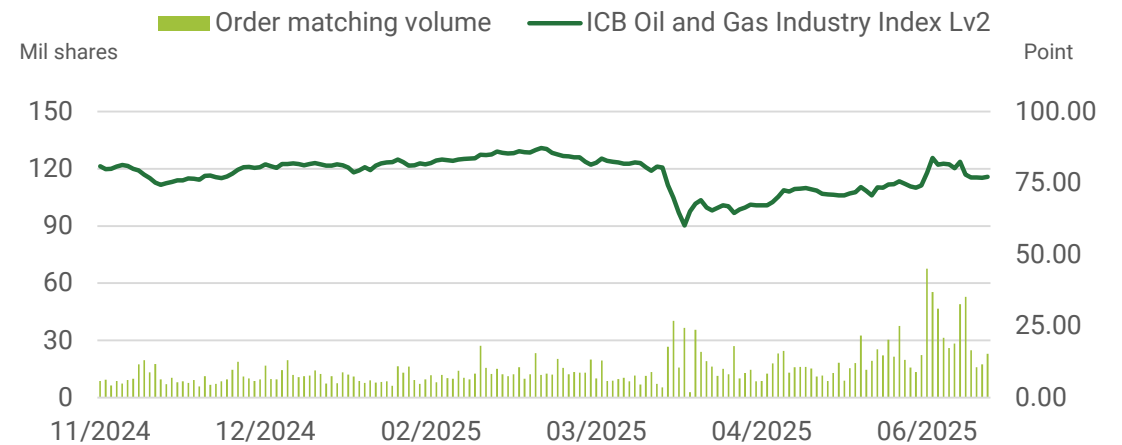
VIETNAM STOCK MARKET

Middle East conflict broke out but quickly cooled down

WTI and Brent crude oil prices fluctuate sharply, then return to balance



Oil and Gas stocks climbed, following oil price developments but cooled down when the Middle East conflict ended.

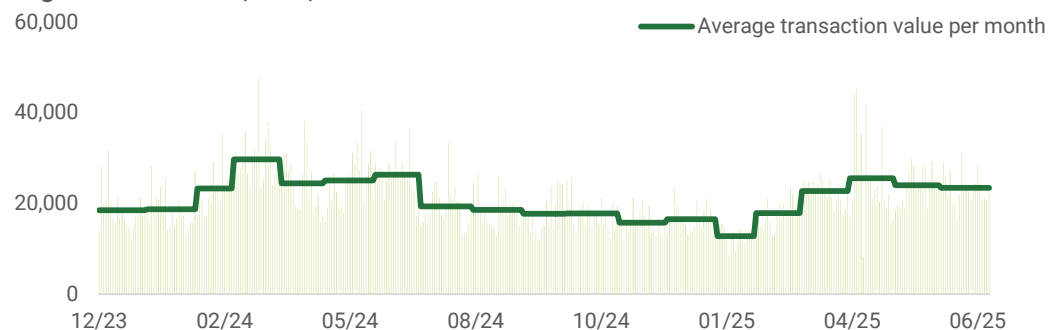


Source: FiinPro, PHS compiled

Liquidity declines after a period of good recovery, market valuation remains attractive

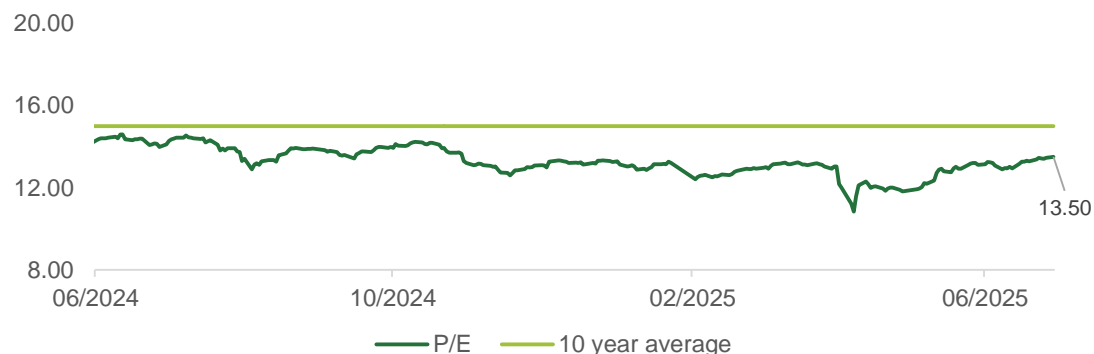
The average total transaction value in June reached VND23,463 trillion, down slightly by 2.6% compared to May but still higher than the first months of the year.

Trading values on HOSE, HNX, UPCOM



Source: FiinPro, PHS compiled

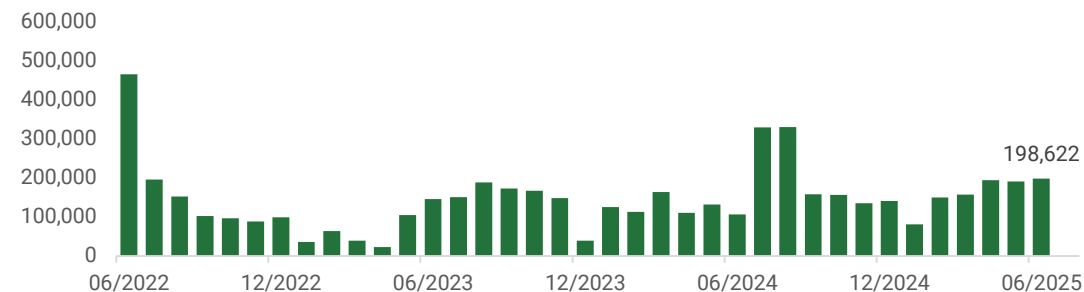
Despite good recovery, Vietnam market P/E is still at an attractive level.



Source: FiinPro, PHS compiled

The number of new accounts opened by domestic individual investors continued to increase slightly in June.

Monthly new account openings by Domestic Retail Investors

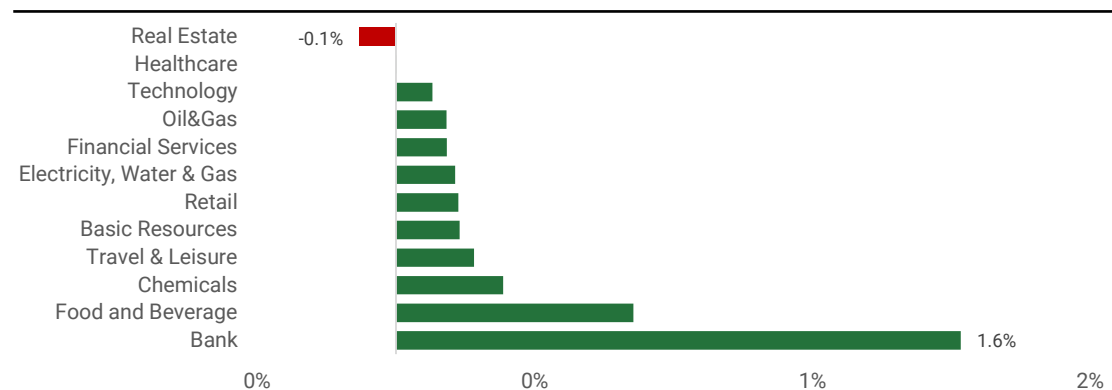


Source: VSD, PHS compiled

- Average market liquidity in June 2025 declined compared to the previous month, as trading activity turned more cautious approaching the end of the 90-day tariff suspension period imposed by the Trump administration, set to expire on July 9.
- Meanwhile, the number of newly opened accounts by domestic individual investors has continued to grow steadily since April, when the market experienced a sharp decline followed by a quick recovery – reflecting a return in investor confidence. Nearly 200,000 new accounts were opened, bringing the total to over 10.2 million.
- Despite a strong rebound in May and modest gains in June, the market is still trading around a trailing P/E of 13.5 times—well below the 10-year average of approximately 15 times—suggesting that valuations remain attractive.

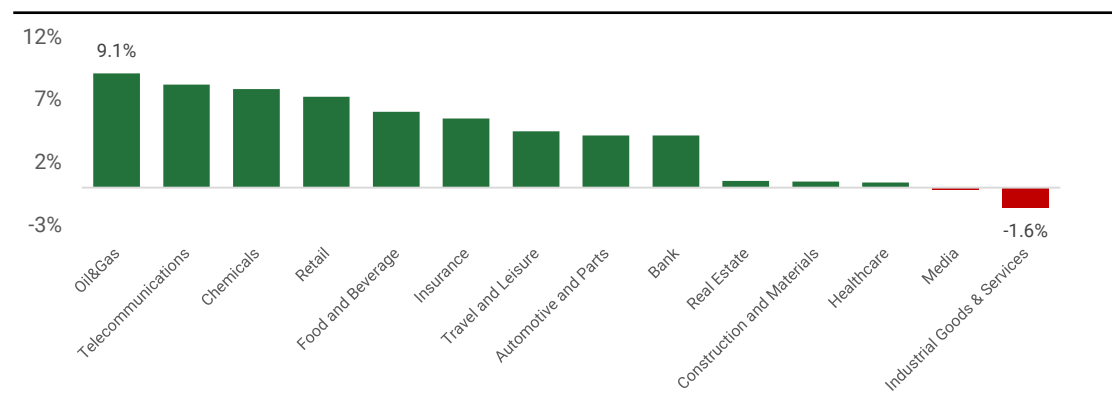
Cash flow spreads well with most industries maintaining green, Vingroup group holding back

Percentage of impact on VN-Index by industry group



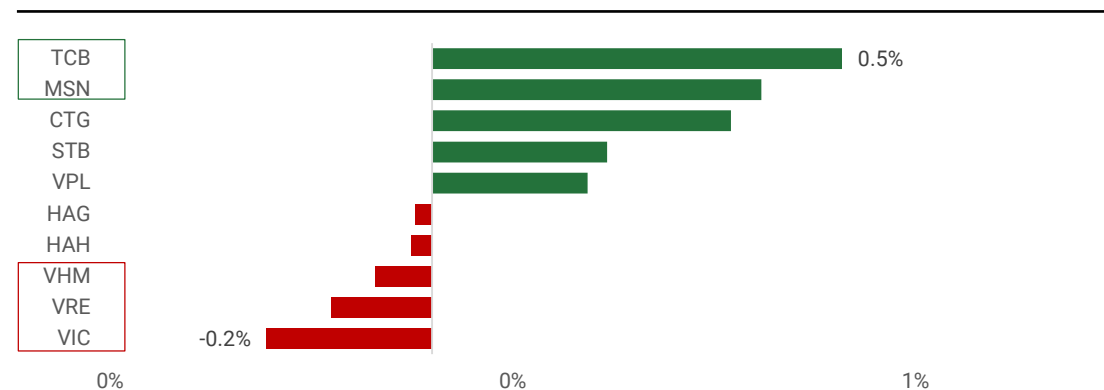
Source: FiinPro, PHS compiled

Sector performance in June (MoM)



Source: FiinPro, PHS compiled

Percentage of impact on VN-Index by stock code



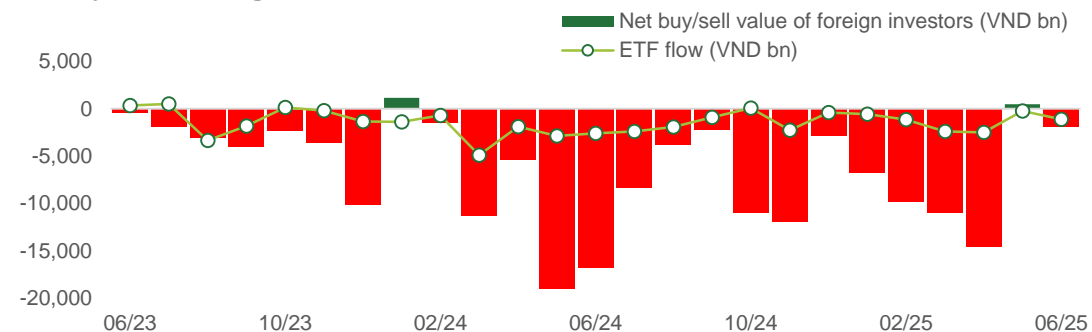
Source: FiinPro, PHS compiled

- Most sectors recorded well growth, except for the Industrials & Services group, which posted negative returns – mainly dragged down by the Transportation–Port subsector. The best-performing sectors were Oil & Gas, Telecommunications, and Chemicals.
- In terms of impact on the score, the Real Estate group – heavily influenced by the Vingroup stocks – stalled and acted as a drag on the VN-Index's upward momentum. However, this created room for stronger capital rotation into other sectors, particularly with the return of Banks as a leading force.
- In terms of impact on individual stocks, the impressive growth of TCB and MSN contributed to the positive movement. The story of Techcom Securities (TCBS) implementing an IPO and expecting to list on the stock exchange boosted sentiment. Techcombank is the parent company of TCBS and also an affiliate of Masan, as Masan owns 14.88% of TCB.

Foreign investors return to slight net selling with reduced scale, expecting a change in trend

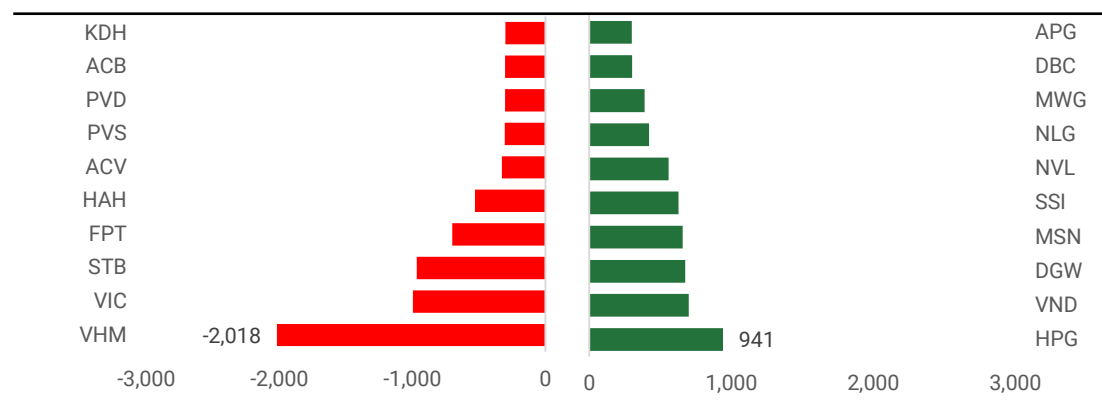
After recording a net buying value in May, foreign investors returned to light net selling in June. However, the significantly lower value may signal a potential return to net buying.

Net buy/sell of foreign investors & ETF flow



Source: Bloomberg, PHS compiled

Top net buy/sell of foreign investors in June 2025



Source: FiinPro, PHS compiled

ETF capital flows have shown positive changes in Asian countries, especially strong increases in the markets of Hong Kong, Taiwan, and South Korea.

Market	12/24	01/25	02/25	03/25	04/25	05/25	06/25
Hong Kong	-39	635	-3,677	3,166	1,102	-1,963	3,172
India	-276	-890	-399	413	521	837	573
Japan	-2,427	878	1,666	4,868	5,166	-8,176	-1,373
S. Korea	-147	270	550	215	971	-516	1,588
Taiwan	-3,258	2,086	2,229	6,622	3,044	1,421	4,650
Vietnam	-15	-22	-46	-125	-66	-2	-37
Thailand	1	5	6	-20	-30	3	17
Indonesia	8	9	69	61	7	-3	-34
Malaysia	-5	-18	2	-33	-55	42	-7
Philippines	-4	0	2	0	0	11	-3
Singapore	88	43	122	47	-211	88	57

Source: Bloomberg, PHS compiled

VN-Index's upward movement expected to be consolidated



Scenario:

- ✓ Positive (35%): 1450 - 1500
- ✓ Basic (40%): 1380 - 1440
- ✓ Negative (25%): 1300 - 1350

Technical Analysis:

- ✓ MACD indicator maintains movement above the signal line
- ✓ RSI indicator maintains upward momentum but is approaching the overbought zone.
- ✓ The increased order matching shows improved cash flow. The extended MA trend lines play a supporting role.
- ➔ **The upward move is consolidated and may continue to regenerate bullish momentum.**

4. RECOMMENDATION



RECOMMENDATION PERFORMANCE IN JUNE

Ticket	Sector	Stock price (on 11/06)	Recommendation in June 2025	Target price	Stock price (on 14/07)	Price movements in June
KDH	Real estate	29,300	OW	34,200	31,250	7%
HDB	Banking	21,400	BUY	26,700	24,400	14%
MBB	Banking	24,250	OW	27,500	26,800	11%
ACB	Banking	20,950	OW	24,000	22,700	8%
VCG	Construction	20,000	OW	23,500	23,150	16%
HPG*	Steel	21,750	HOLD	28,200	25,750	18%
REE	Industrial	67,500	OW	74,100	68,500	1%
DGW	Retail	38,800	HOLD	42,100	44,600	15%
PHR	IPs	51,300	BUY	72,600	61,400	20%
DRI	Rubber	12,500	BUY	15,000	13,000	4%
EVF	Financial services	10,600	BUY	14,400	11,600	9%
PVS	Oil	32,500	OW	37,500	33,300	2%

(*) pay dividend in June.

Ticket	Sector	Recommendation	Stock price (on 14/07)	Target price	Upside	Note
KDH	Real estate	OW	31,250	37,000	18%	
HDB	Banking	BUY	24,400	30,000	23%	
ACB	Banking	BUY	22,700	27,500	21%	
VCG	Construction	OW	23,150	26,500	14%	
HPG	Steel	HOLD	25,750	28,200	10%	
REE	Industrial	HOLD	68,500	74,100	8%	
VNM	F&B	BUY	60,300	72,100	20%	
FPT	Technology	OW	127,100	142,000	12%	
POW	Energy	OW	13,950	16,000	15%	
EVF	Financial services	BUY	11,600	14,400	24%	



Technical signals:

- ✓ Price convincingly breaks above the resistance zone of 24 – 24.5 with a Marubozu candlestick pattern
- ✓ Volume increases, confirming the trend
- ✓ RSI remains strong above 50, and MACD stays in positive territory
- ➔ Price is trending above the mid-term peak, opening a new trading range.
- ➔ **Buy zone 24 – 24.5, target 28, cut losses 23**

STOCK RECOMMENDATION

STOCK		STRATEGY	Financial Ratio	
Ticker	HPG	BUY	P/E (x)	12,7
Exchange	HOSE		P/B (x)	1,4
			EPS	1953.5
			ROE	11,1%
Sector	Steel		Stock Rating	BB
			Scale Market Cap	Medium

Growth catalysts:

- ✓ Steel rebar prices on the Shanghai exchange showed signs of bottoming and recovery since late June 2025. Iron ore prices also indicate an upward bottoming trend
- ✓ Vietnam has officially imposed anti-dumping tariffs on HRC steel from China, providing growth momentum
- ✓ Benefiting from the real estate market recovery and government policies promoting public investment, demand is increasing.
- ✓ New opportunities include supplying steel for railway tracks, stations, tunnels, and other key national railway projects. Additionally, Hòa Phát plans to provide steel for PVN's wind and solar power projects, and supply products to VinFast, Thành Công Group, and THACO for automobile manufacturing.
- ✓ The launch of the Dung Quất 2 project enhances competitiveness.
- ✓ Positive half-year output: In six months, the group produced 5.1 million tons of crude steel, up 17% YoY, with sales volume reaching 5 million tons, a 23% increase

Risk:

Rising global protectionism and ongoing trade uncertainties.
Real estate market recovery slower than expected.
Competition from low-cost products, especially from China



Technical signals:

- ✓ Price confirmed a breakout from the 115–120 consolidation zone and is establishing an upward movement.
- ✓ Increasing trading volume supports the upward trend.
- ✓ RSI remains above 50 with a rising momentum, while MACD stays in positive territory.
- ➔ Bottoming signals support the recovery trend.
- ➔ **Buy zone 120 – 122, target 142, cut losses 117**

STOCK RECOMMENDATION

STOCK		STRATEGY	Financial Ratio	
Ticker	FPT	BUY	P/E (x)	21,9
Exchange	HOSE		P/B (x)	5,0
			EPS	5617.9
			ROE	27,7%
Sector	Technology		Stock Rating	BBB
			Scale Market Cap	Medium

Growth catalysts:

- ✓ The technology sector is the main driver: digital transformation trends boost demand for technology, especially expanding in artificial intelligence (AI). Additionally, the sector benefits from government support policies, with Science and Technology identified as a key focus.
- ✓ The telecommunications segment is expected to grow steadily by optimizing Internet service packages. The education sector also holds significant growth potential.
- ✓ Financially, the company remains healthy with abundant cash, low debt, and consistent dividend payments over the years.
- ✓ Stable growth pace: After-tax profit for the first five months reached VND 4,354 billion, up 18.6% YoY. Net profit in May was VND 716 billion, a 20% increase YoY, regaining a 20% growth momentum after a prior slowdown.
- ✓ Valuations are attractive following a sharp price decline

Risk:

Ongoing intense trade war.

Exchange rates impact FPT due to its significant foreign currency revenue from international markets.

Risks arise from competitors.



Technical signals:

- ✓ Price confirmed a breakout above the 20-day MA with increasing, supportive volume
- ✓ The sustained base indicates strong demand consolidation at higher levels
- ✓ RSI remains above 50 with upward momentum, and MACD stays in positive territory
- ➔ The upward trend continues to be supported.
- ➔ **Buy zone 13.2 – 13.5, target 16, cut losses 12.5.**

STOCK RECOMMENDATION

STOCK		STRATEGY	Financial Ratio	
Ticker	POW	BUY	P/E (x)	22,3
Exchange	HOSE		P/B (x)	0,9
			EPS	606.1
			ROE	4,4%
Sector	Utilities		Stock Rating	B
			Scale Market Cap	Medium

Growth catalysts:

- ✓ Electricity consumption demand remains strong, especially driven by economic growth. The official approval of the revised Power Development Plan VIII demonstrates policy efforts to support the sector.
- ✓ Nhon Trach 3 & 4 power plants will become operational in 2025.
- ✓ PV Power is expanding into electric vehicle charging stations, expected to boost future revenue (having signed a cooperation agreement with Vingroup).
- ✓ Q1 performance was positive: PV Power reported revenue of VND 8,104 billion and pre-tax profit of over VND 385 billion, up 26% and 38% YoY, respectively

Risk:

General market risks due to escalating trade tensions.

Scheduled plant overhauls may result in actual output falling below expectations

Classification definition

Buy Recommendation: Stocks with potential price increase of over 20%.

Overweight Recommendation: Stocks with potential price increase between 10% and 20%.

Hold Recommendation: Stocks showing limited growth potential under 10%.

Underweight Recommendation: Stocks that may decline slightly, from 0% to -10%.

Sell Recommendation: Stocks likely to drop more than -10%.

Not Rated: Stocks not rated within PHS's coverage or not yet listed.

Performance is defined as the total return over 12 months (including dividends)

Analysis assurance

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