

MONTHLY STRATEGY REPORT

A NEW MILESTONE, A NEW MOMENTUM



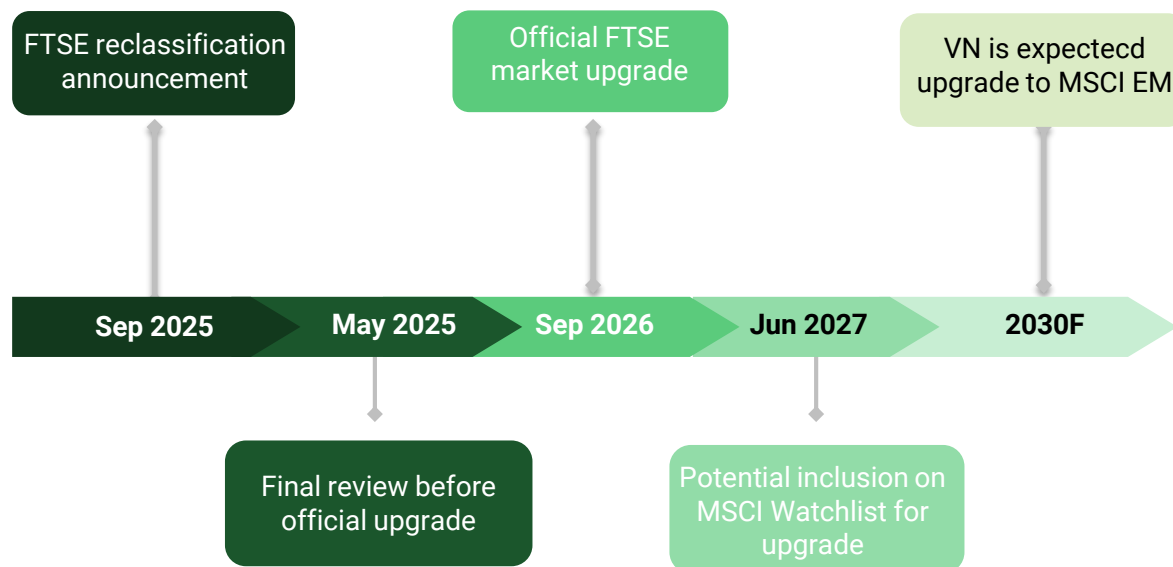
In the early morning of October 8, Vietnam officially received the long-awaited good news – FTSE Russell has formally classified Vietnam as a Secondary Emerging Market. This is a remarkable and well-deserved milestone, the result of Vietnam's consistent efforts over the years to improve market scale, infrastructure, and overall quality. According to FTSE Russell's latest report, Vietnam has met all 9 out of 9 key criteria, officially joining the ranks of major markets such as China, India, Indonesia, Kuwait, and Qatar



Criteria	Vietnam
Market condition and regulation	
Existence of an official securities market regulator (e.g., SEC, FSA, SFC)	Passed
No significant barriers, restrictions, or punitive taxes on capital investment or income repatriation	Passed
Stock market	
Brokerage – Sufficient competition to ensure high-quality brokerage services	Passed
Transaction costs – Clear and competitive pricing	Passed
Transparency - Availability of market depth information, visibility, and timely reporting	Passed
Clearing, Settlement, and Custody	
Settlement – Reasonable cost related to failed trades	Passed
Settlement cycle (DvP)	T+2
Central Securities Depository	Passed
Custody – Sufficient competition to ensure quality oversight and service	Passed

Source: PHS complied

In FTSE's announcement, Vietnam will need to undergo one more interim review in March before being officially upgraded in September 2026.



VIETNAM'S MARKET OFFICIALLY UPGRADED

Continuing the journey toward MSCI recognition

ETF inflows are expected to enter Vietnam following the market upgrade.

FTSE Russell Market Index	Total ETF Assets Tracking the Index (USD)	Estimated Weight of Vietnam Stocks in the Index	Estimated FTSE Capital Inflows into Vietnam (USD)
FTSE All-World Index	138,540,191,078	0.059%	81,463,488
FTSE Emerging Index	123,001,927,762	0.613%	754,237,906
FTSE All-World ex US Index	27,102,148,047	0.159%	42,980,594
FTSE Global All Cap Index	25,444,666,207	0.053%	13,595,846
FTSE Emerging ex China Index	9,798,867	0.889%	87,074
Total	314,098,731,961		892,364,908

Source: PHS complied

Ticker	Estimated Net Inflow from Funds (USD million)	Corresponding Trading Volume (based on closing price on Oct 7, 2025)
VIC	714.6	104,986,555
VHM	450.2	115,727,211
HPG	425.3	384,472,915
FPT	310.0	85,690,622
MSN	232.1	73,809,068
VIX	215.3	149,759,309
SSI	212.6	139,460,983
VCB	210.9	87,007,272
VNM	155.5	65,794,667

Source: Bloomberg, PHS complied

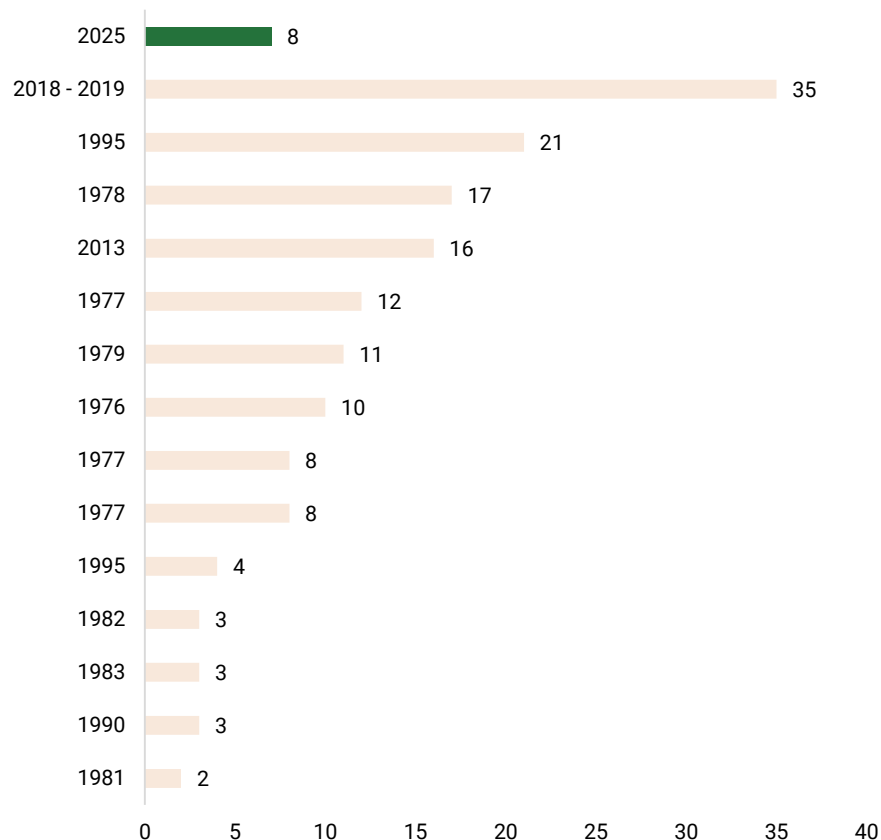
GLOBAL ECONOMIC OVERVIEW



US GOVERNMENT SHUTDOWN HAS EXTENDED INTO ITS SECOND WEEK

On October 1, for the first time in seven years, U.S. government was forced into a partial shutdown due to a budget impasse between the two parties in Congress – rekindling concerns over disruptions in public services and market confidence. Recent history recalls the 2018–2019 shutdown, the longest on record, which lasted 35 days and also occurred during President Trump’s term. The shutdown has suspended numerous public programs and services, with hundreds of thousands of federal employees either furloughed or working without pay, while only essential functions, such as law enforcement and national security, remain operational.

Government shutdown days under each U.S. president



What stops



Passport processing

Service at national parks & museums

Business loan & grants to state and local governments

Food-safety inspections

What continues



Law enforcement

Military & national security

Boarder protection

Air traffic control

US Postal Service

Veteran’s benefits

Social security

Medicare

Medicaid

What gets paid



Interest of bonds

Salaries of Congress members and the President

Back pay to federal employees but not to federal contractors

Source: PHS compiled, as of 09/10/2025

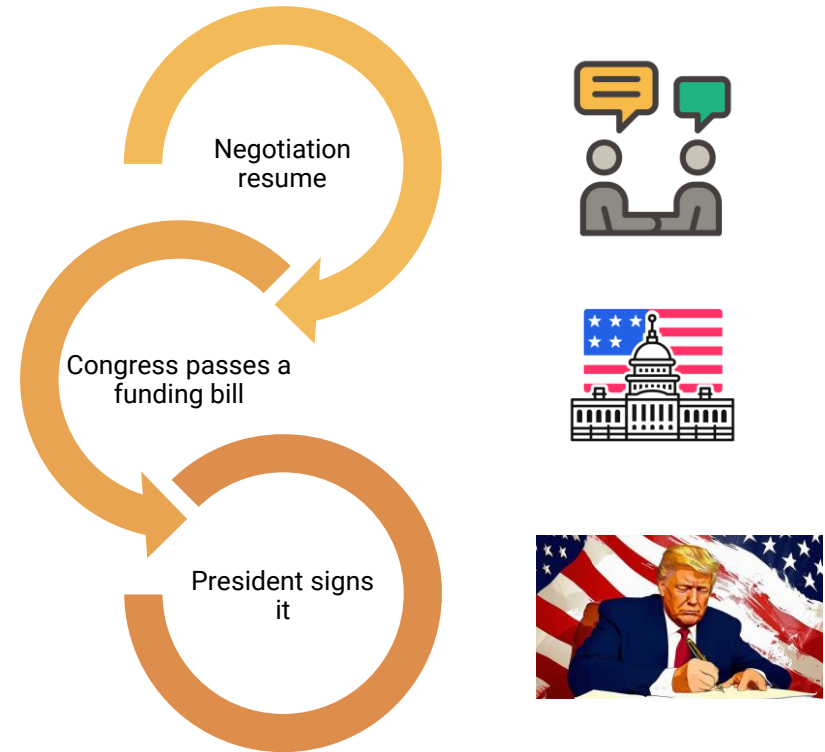
US GOVERNMENT SHUTDOWN HAS EXTENDED INTO ITS SECOND WEEK

The government shutdown not only directly affects workers' livelihoods and public services but also puts pressure on businesses and the broader U.S. economy. It delays statistical reporting, licensing processes, and business support activities, thereby increasing risks to the ongoing economic recovery.



Source: PHS complied

On October 6, after nearly a week of government shutdown, the U.S. Senate failed to pass the Republican-backed bill proposing a temporary funding measure for the government. Until both parties reach an agreement and the new bill is signed by President Trump, federal government operations will remain suspended.



Source: PHS complied

THE CYCLE OF RATE CUTS KEEPS GOING

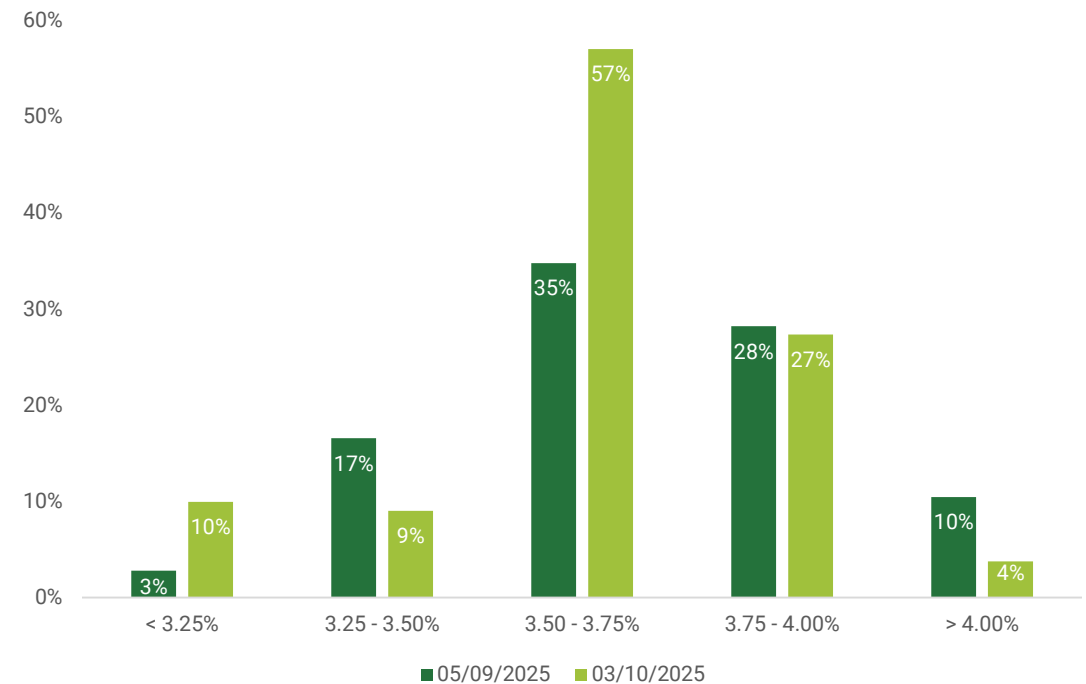
FED cut interest rates by 25 basis points in the September meeting, in line with market expectations, bringing the target range down to 4.00–4.25%. More importantly, Fed released its updated economic projections, signaling expectations of an additional 50 bps reduction in 2025 and a further 25 bps cut in 2026. These signals reinforce a gradual easing trajectory while maintaining policy flexibility amid evolving inflation and growth conditions.

Indicators	Median				
	2025	2026	2027	2028	Longer run
Change in real GDP (%)	1.6	1.8	1.9	1.8	1.8
<i>June projection</i>	1.4	1.6	1.8		1.8
Unemployment rate (%)	4.5	4.4	4.3	4.2	4.2
<i>June projection</i>	4.5	4.5	4.4		4.2
PCE inflation (%)	3.0	2.6	2.1	2.0	2.0
<i>June projection (%)</i>	3.0	2.4	2.1		2.0
Core PCE inflation (%)	3.1	2.6	2.1		2.0
<i>June projection</i>	3.1	2.4	2.1		
Federal funds rate	3.6	3.4	3.1	3.1	3.0
<i>June projection</i>	3.9	3.6	3.4		3.0

Source: FOMC, PHS compiled

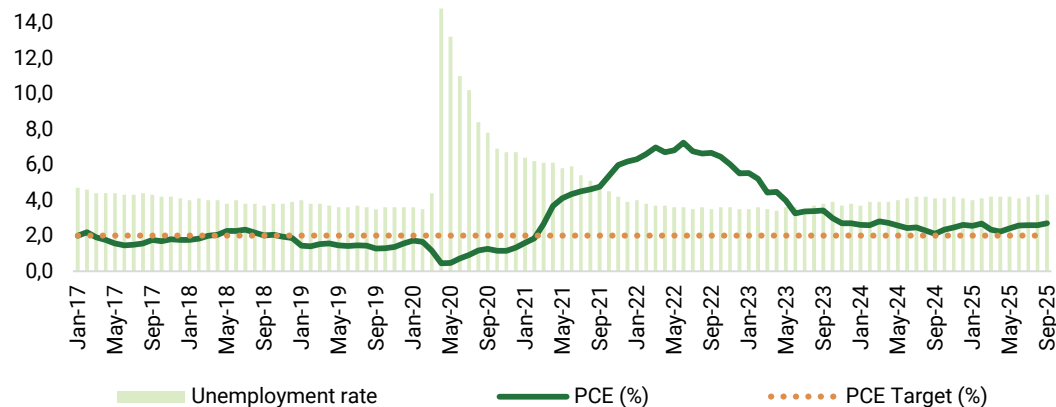
The prolonged U.S. government shutdown is also believed to be adding pressure on the Federal Reserve to accelerate its rate-cutting process. Markets are currently pricing in a total reduction of 50 basis points across the two remaining meetings of 2025 (October 29 and December 10), with a 25-basis-point cut expected at each.

Fed Rate Probability for the December 2025 Meeting



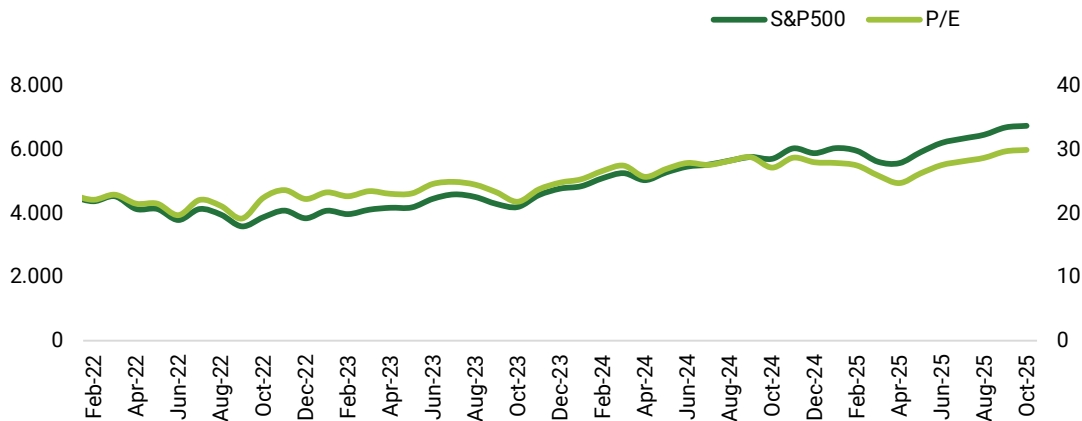
Source: Federal Reserve Bank of Atlanta, PHS compiled

The impact of tariffs is increasingly being reflected in U.S. inflation



Source: PHS complied

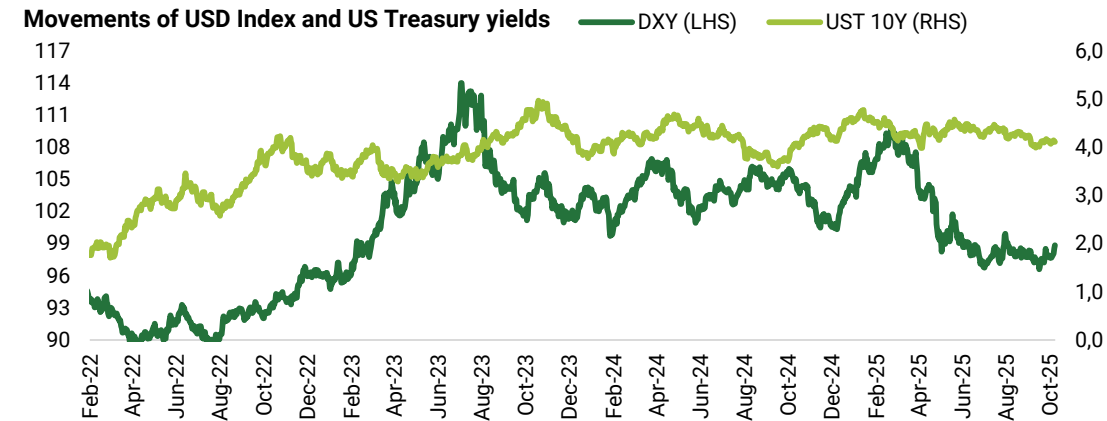
Despite these headwinds, U.S. equities have maintained a positive growth trajectory, driven primarily by the technology sector.



Source: PHS complied

THE CYCLE OF RATE CUTS KEEPS GOING

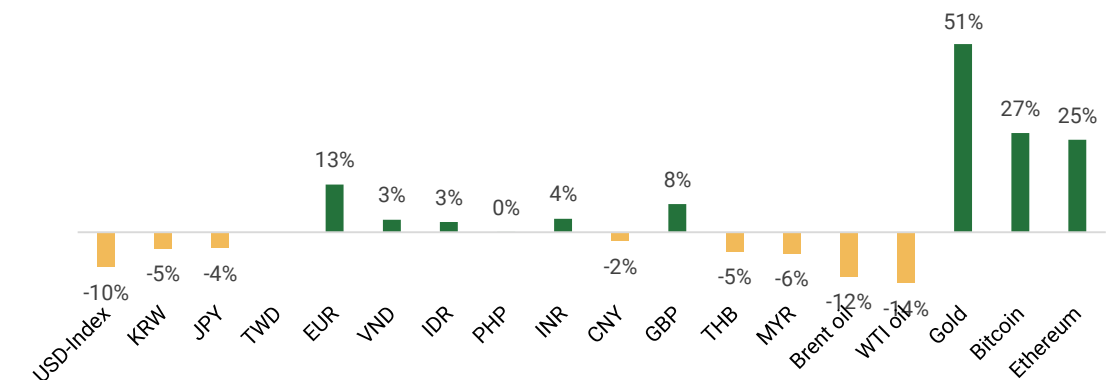
Pressures from both domestic and external factors have made the U.S. dollar increasingly less attractive, while U.S. Treasury bonds are no longer the largest reserve asset held by central banks – having been surpassed by gold.



Source: PHS complied

Gold officially surpassed the USD 4,000/oz mark in early October and is expected to continue attracting inflows from investment funds.

Year-to-date performance of major asset classes

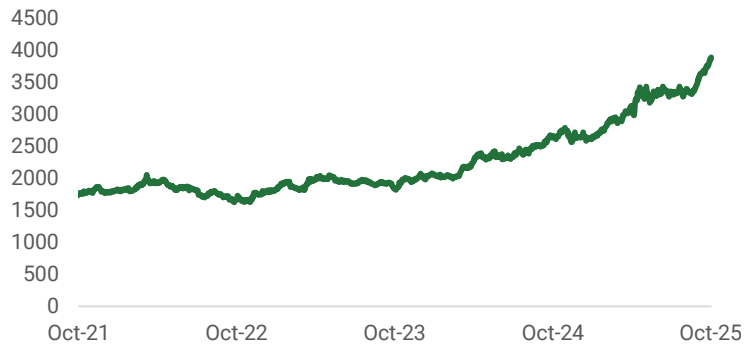


Source: PHS complied

As of 06/10/2025

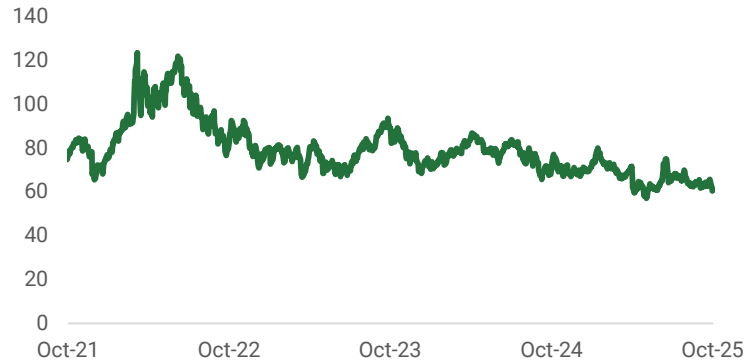
COMMODITY MARKET OVERVIEW

Gold price



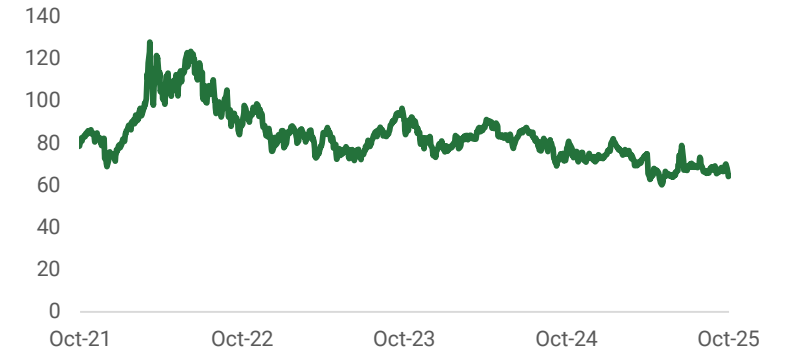
Source: Bloomberg, PHS complied

WTI oil price



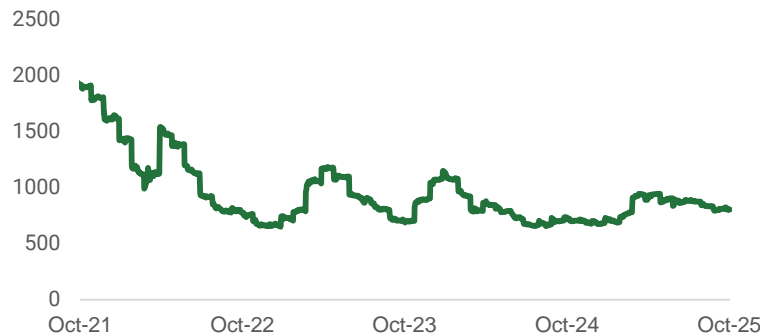
Source: Bloomberg, PHS complied

Brent oil price



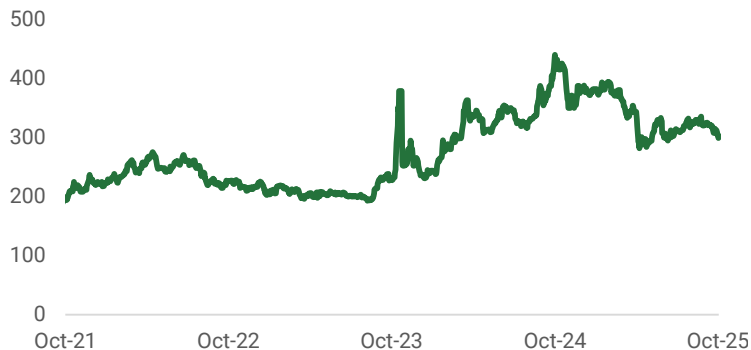
Source: Bloomberg, PHS complied

Steel price



Source: Bloomberg, PHS complied

Rubber price



Source: Bloomberg, PHS complied

Sugar price



Source: Bloomberg, PHS complied

Economic Calendar – October 2025

Time	Events	Forecast	Impacts
01/10/2025	Vietnam – Manufacturing PMI	Actual 50.4 (unchanged from August)	☆☆☆
02/10/2025	EU – Unemployment data	Actual 6.3% (+10 bps)	☆☆
06/10/2025	Vietnam – Q3/2025 Socio-economic report		☆☆
08/10/2025	Vietnam – FTSE Russell announcement on Vietnam stock market upgrade		☆☆☆
09/10/2025	US – FOMC meeting minutes		☆☆
15/10/2025	US – Inflation data	Estimate at 3% (+10 bps)	☆☆
16/10/2025	Vietnam – VN30F2510 futures expitation		☆☆☆
17/10/2025	EU – Inflation data	Estimate at 2.2% (+20 bps)	☆☆
20/10/2025	Vietnam – Deadline for Q3/2025 financial statements		☆☆☆
30/10/2025	Vietnam – Deadline for Q3/2025 financial statement (parent company, consolidates...)		☆☆☆
30/10/2025	US – FOMC meeting results	Estimate -25 bps	☆☆☆

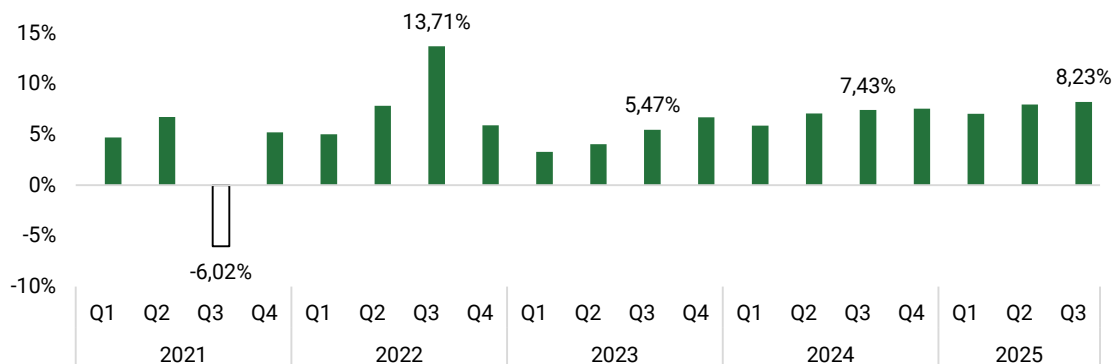
Source: PHS complied

- It is undeniable that Donald Trump’s presidency has been one marked by turbulence. The government shutdown this time came as no major surprise, given that during his previous term, Trump also set a record for the longest shutdown in U.S. history. Although its direct impact on the overall economy or financial markets may be limited – with U.S. equities even advancing strongly despite the news – the event once again highlights deep divisions within the U.S. administration, which could affect both domestic and foreign policy directions going forward.
 - Meanwhile, Japan has appointed its first female Prime Minister, Ms. Sanae Takaichi, who is expected to continue Abenomics-style policies and push for aggressive fiscal and monetary expansion. The Japanese yen extended its depreciation immediately after her election victory. Besides, political tensions are rising in France, where President Emmanuel Macron faces mounting calls to resign early. Combined with disappointing economic data from Germany – the two key pillars of the Eurozone – these factors have led to a decline in the euro, while the U.S. Dollar Index rebounded to around 99 points, despite the Fed’s recent rate cuts.
 - Given the mounting global uncertainty across multiple fronts, it is no surprise that investors have turned toward safe-haven assets such as gold, driving gold prices to new record highs. Capital flows have shown a clear “flight to quality” pattern, with money moving out of riskier markets and assets.
- ⇒ **FED has adopted a more dovish stance, signaling further rate cuts in both of the remaining meetings this year, which would bring the target range down to 3.50–3.75%. From FOMC minutes, Stephen Miran was the only member to dissent, advocating for a larger rate reduction – consistent with his long-held view that the U.S. dollar should be allowed to weaken, as noted in our August report. Although the easing trajectory remains intact, inflation risks have re-emerged. In the September meeting, FOMC members raised their inflation forecasts for 2026, suggesting that the room for additional rate cuts may be narrower than previously expected. Going forward, policy adjustments will depend heavily on price dynamics and labor market data.**

VIETNAM ECONOMIC OVERVIEW



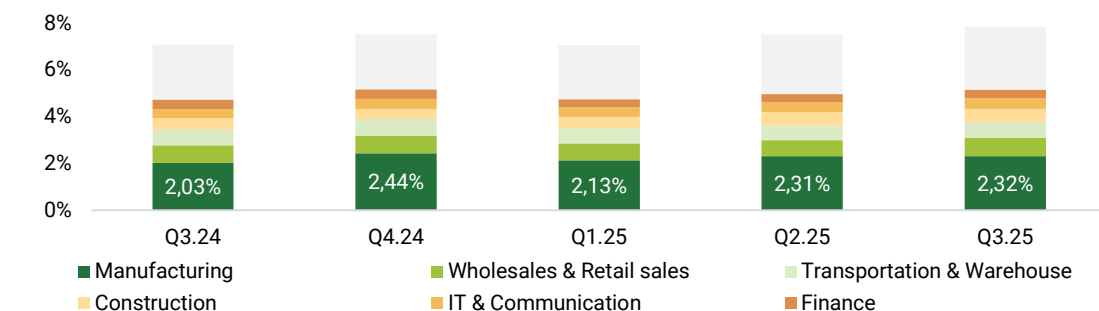
Amid heightened global economic and political uncertainties, Vietnam's GDP growth in Q3 reached an impressive 8.23% YoY, bringing the 9-month cumulative growth to 7.85%. This outstanding result reflects the effectiveness of policy measures and the economy's strong adaptability, providing a solid foundation to achieve the full-year growth target of over 8%.



Source: GSO, PHS complied

Challenging times have revealed the resilience and inner strength of the economy. Government support measures, combined with corporate efforts, have yielded positive outcomes – especially across manufacturing, retail, construction, and financial industries.

GDP contributions, by segments

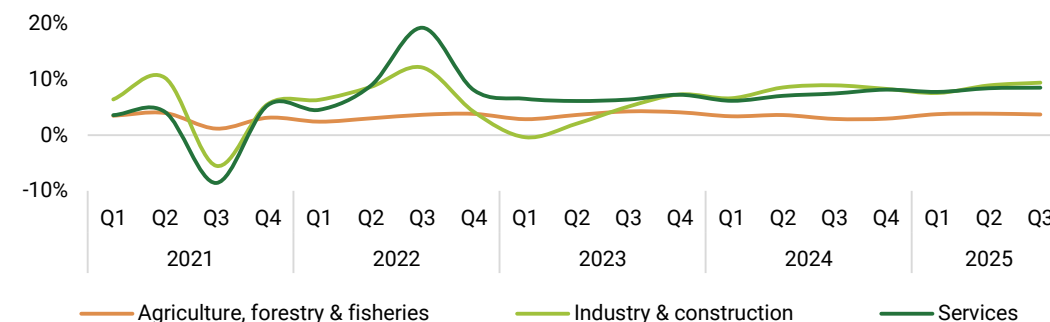


Source: GSO, PHS complied

VIETNAM ECONOMIC OVERVIEW

After a period of weakness in Q1, manufacturing rebounded strongly, becoming the main driver of overall economic growth, with Q3 output expanding by 9.5% YoY. Following closely behind was the services sector, which grew by 8.6% during the same period.

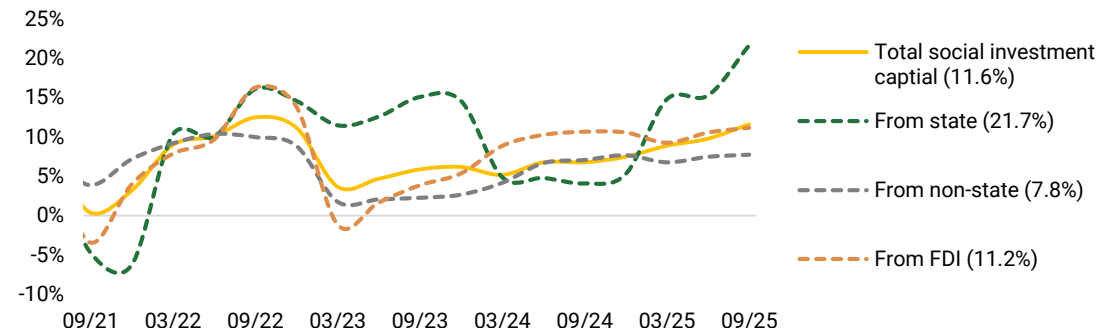
GDP growth, by segments



Source: GSO, PHS complied

Public investment is stepping up as a key growth driver – up more than 20% for the first time – helping to offset weaker momentum from the private sector, which expanded just 7.8% YoY.

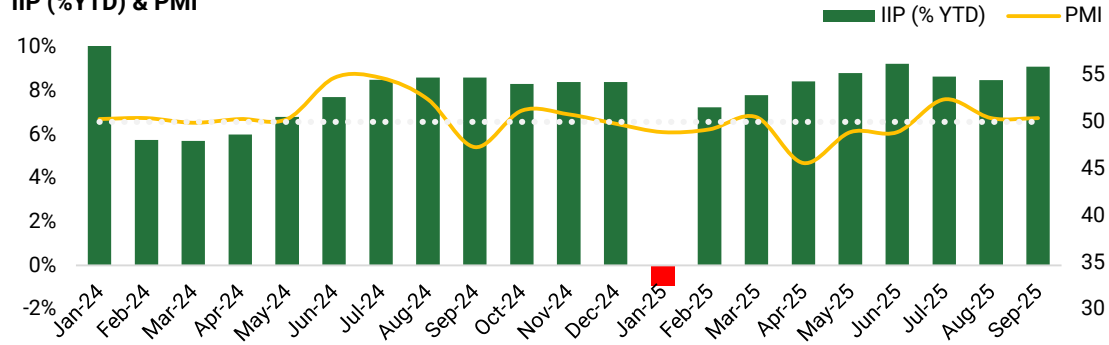
Social investment capital



Source: GSO, PHS complied

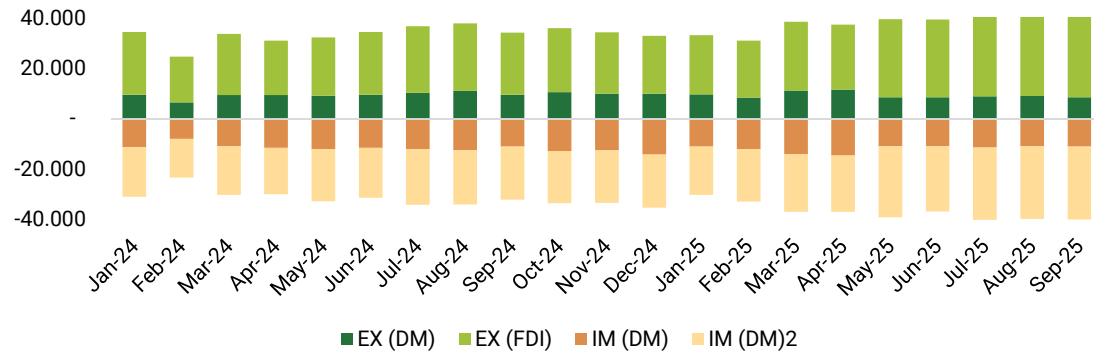
In Q3, industrial production activity showed significant improvement as PMI rebounded. Although the impact of tariffs remains, market expansion and a stable environment have supported the increase in new orders, laying the foundation for the next production cycle.

IIP (%YTD) & PMI



Source: GSO, PHS complied

Exports from FDI sector remained relatively stable, while domestic enterprises continued to face challenges. Therefore, the share of the domestic sector in total export value fell sharply, accounting for only 20% in September.



Source: GSO, PHS complied

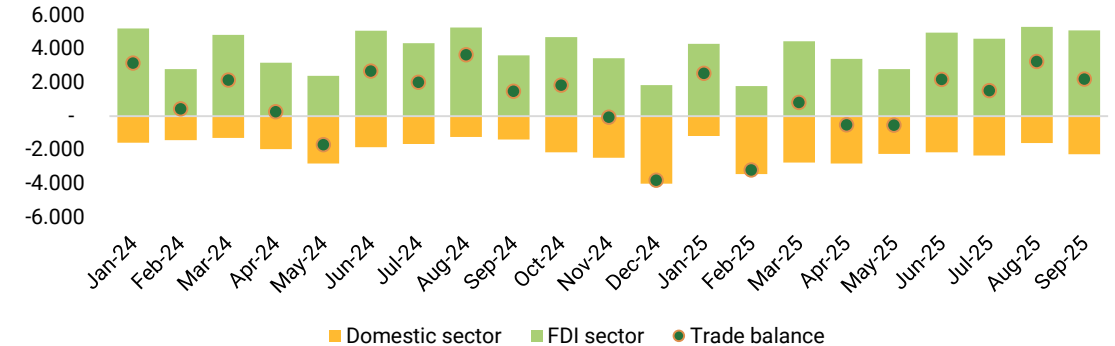
VIETNAM ECONOMIC OVERVIEW

Production in the electronics sector surged in September, driven by new smartphone model's release. Export-focused industries (textiles, footwear, steel) posted notable growth.

Top 5 sectors with the strongest increases/decreases compared to August	MoM	YoY	YTD YoY
Alumin	20%	2%	2%
Natural gas	18%	27%	-8%
Coal	15%	63%	6%
Mobile phone components	9%	-8%	1%
Fertilizer (Urea)	9%	-13%	2%
Fresh milk	-1%	-5%	2%
Petroleum products	-1%	23%	8%
Crude oil	-2%	6%	-1%
Power generation	-6%	14%	6%
Motorcycles	-16%	7%	6%

Source: GSO, PHS complied

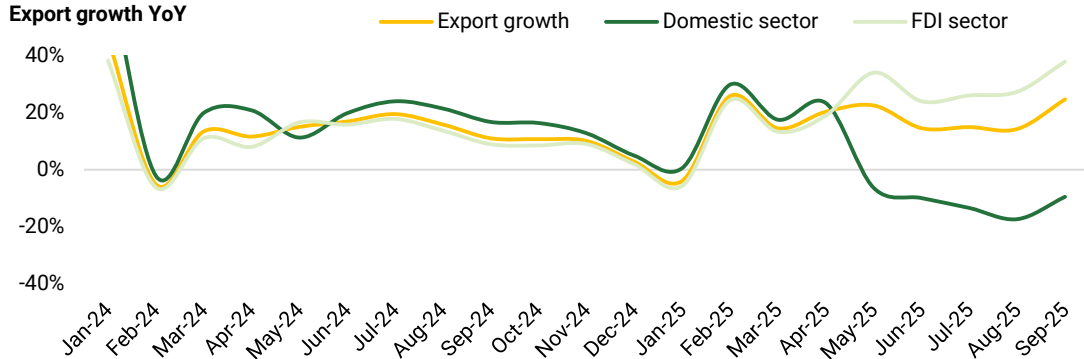
Despite sustaining a substantial trade surplus, Vietnam's export structure has grown increasingly reliant on FDI sector – mirroring the relocation of global supply chains into the country. While this boosts capital inflows, it also raises the bar for local firms to compete on cost, quality, and innovation.



Source: GSO, PHS complied

Exports from FDI sector rose by 38% year-on-year in September, mainly supported by robust growth in phone and component shipments. The trend is notable given that India, a key competitor to Vietnam in electronics FDI, is currently subject to specific U.S. sanctions – a factor that could enhance Vietnam's appeal to global manufacturers and reinforce its role in regional electronics supply chains.

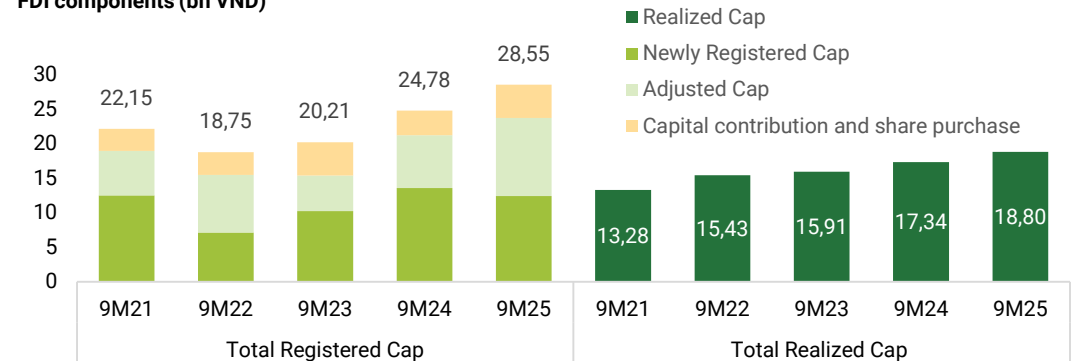
Export growth YoY



Source: GSO, PHS complied

FDI continues to shine – hitting record highs with USD 28.5 billion in registered capital (+15.5% YoY) and USD 18.8 billion in disbursements (+8.5% YoY) over 9M2025.

FDI components (bn VND)

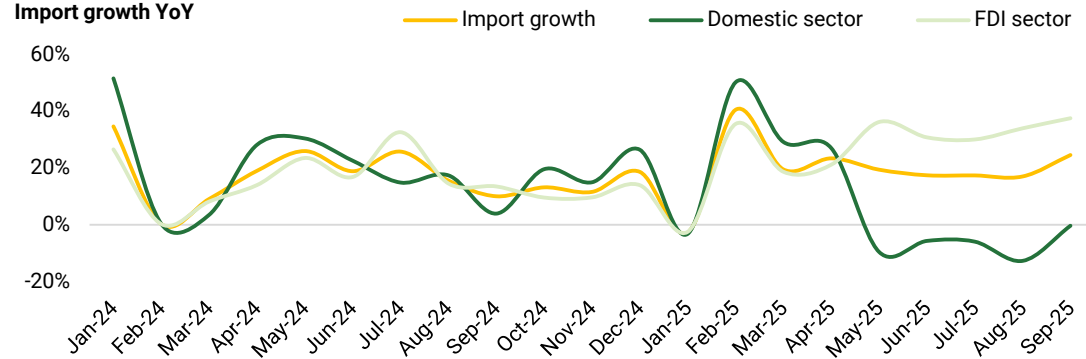


Source: GSO, PHS complied

VIETNAM ECONOMIC OVERVIEW

Vietnam's imports stayed strong in September, with electronics and components taking up 35% of total value – a clear sign of tech-driven production momentum. Input materials like fabric, plastics, and metals also rose, pointing to a wider manufacturing rebound and sustained industrial optimism.

Import growth YoY



Source: GSO, PHS complied

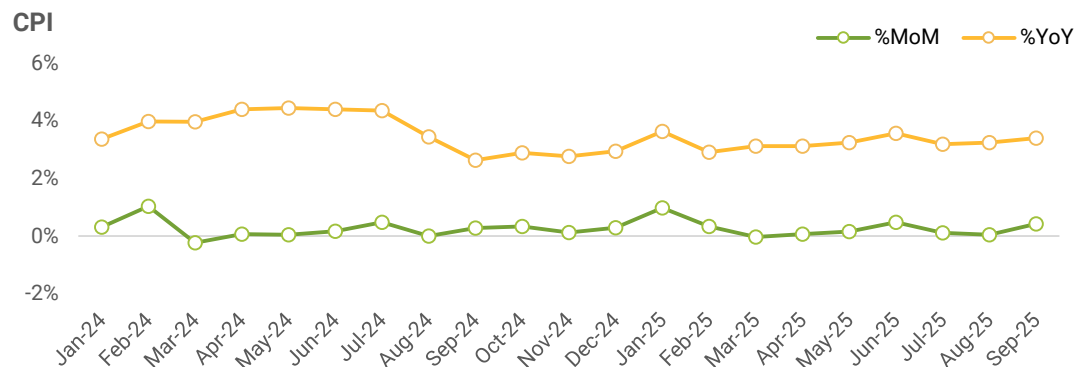
In September, FDI disbursement recorded a remarkable surge, reaching over USD 3.4 billion – reversing the subdued trend seen in July and August.

Monthly FDI (bn USD)



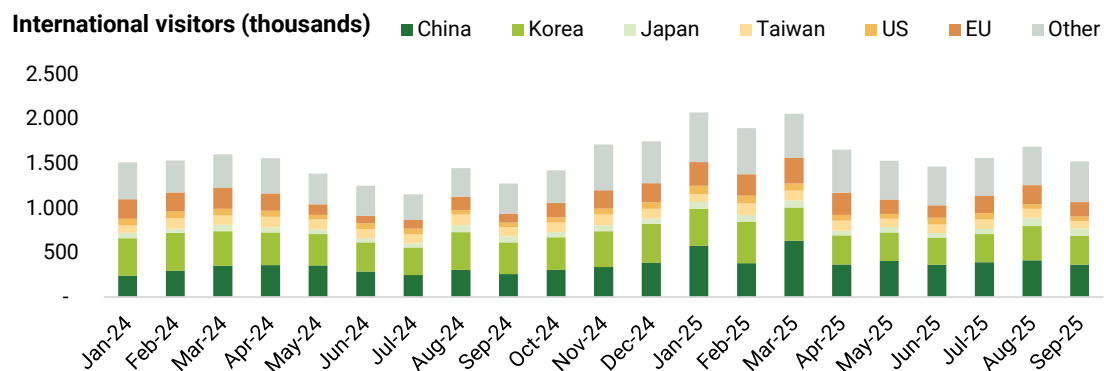
Source: GSO, PHS complied

Vietnam's CPI increased by 0.42% MoM in September, raising the annual rate to 3.38%. On average, over the first nine months, CPI stood at 3.27% – a stable level, still well below the Government's inflation control target. However, potential storm-related disruptions in the final quarter could heighten cost and price pressures.



Source: GSO, PHS complied

Adverse weather conditions during the storm season led to a month-on-month decline in international tourist arrivals, however, the figure remained robust at 1.5 million visitors (down 9.6% MoM but up 19.5% YoY).



Source: GSO, PHS complied

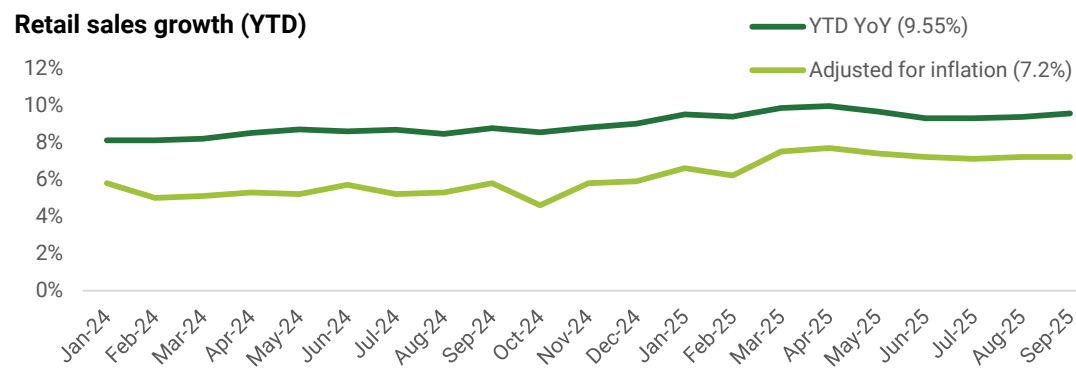
TỔNG QUAN KINH TẾ VIỆT NAM

In September, consumer demand rose sharply, coinciding with the National Day holiday and the back-to-school season. This led to a notable increase in the Food & Catering and Education categories.



Source: GSO, PHS complied

A80 event made a positive contribution to Vietnam's total retail sales, which reached nearly VND 600 trillion in September (+2% MoM, +11.3% YoY).



Source: GSO, PHS complied

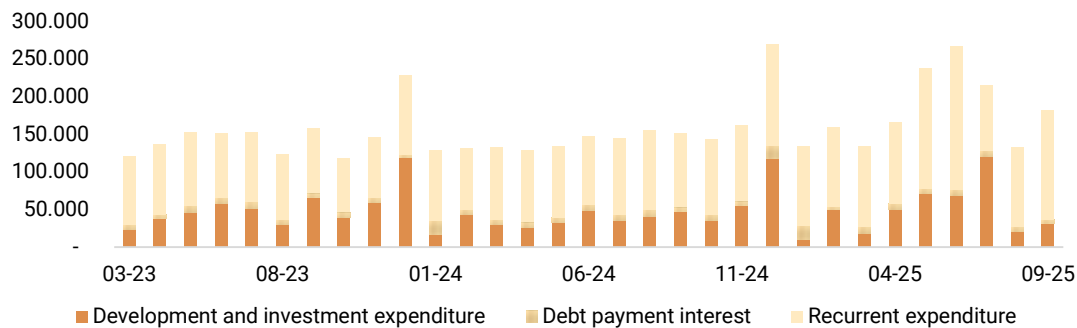
The state budget maintained a substantial surplus of approximately VND 300 trillion, contributing to the stability of the State Treasury's deposits across the banking system.

	9M2025	%Plan	%YoY	2025 Plan
State budget revenue	1,926,000	97.92%	32.99%	1,966,839
- Taxes and fees	1,653,200	99.09%	37.41%	1,668,356
- From crude oil	37,100	69.74%	-16.44%	53,200
- From export-import	234,600	99.83%	17.18%	235,000
State budget expenditure	1,634,800	62.08%	30.13%	2,633,258
- Investment and development expenditure	440,400	50.33%	37.37%	875,027
- Interest payments	75,600	68.39%	-2.20%	110,547
- Recurrent expenditure	1,113,000	71.59%	29.95%	1,554,677
Budget balance	291,200			-666,419

Source: GSO, PHS complied

State budget expenditures still remain well below the planned target.

Total government spending (bn VND)

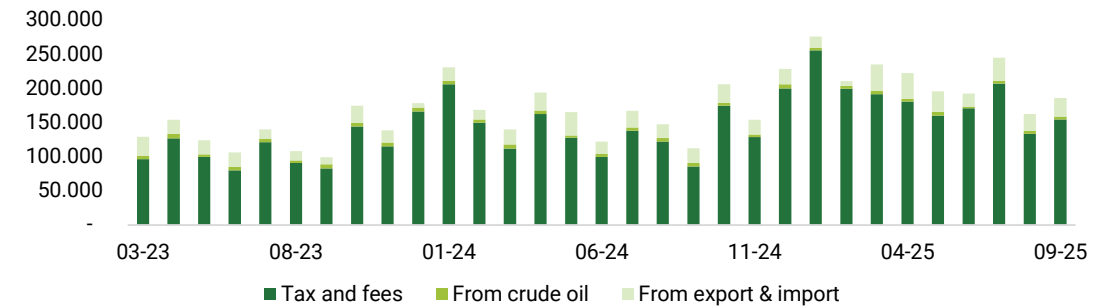


Source: GSO, PHS complied

VIETNAM ECONOMIC OVERVIEW

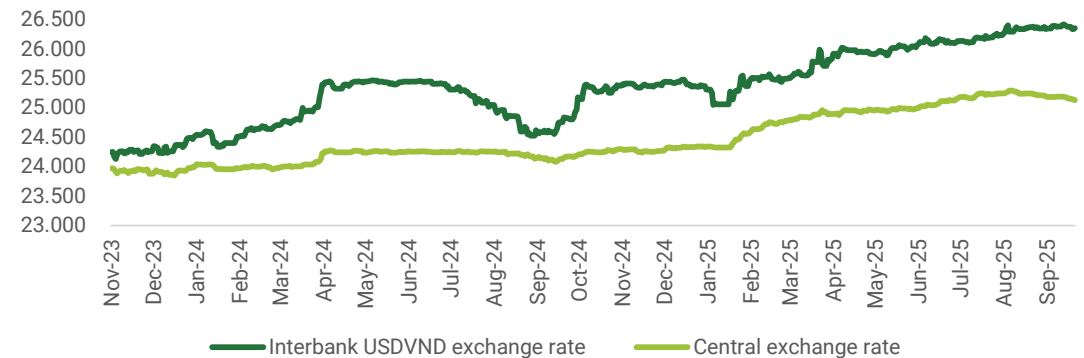
Total state budget revenue has nearly met the full-year target within the first nine months

Total government revenue (bn VND)



Source: GSO, PHS complied

However, exchange rate movements have signaled rising risks, prompting SBV to intervene by selling foreign currency forward in order to ease pressure on the market.



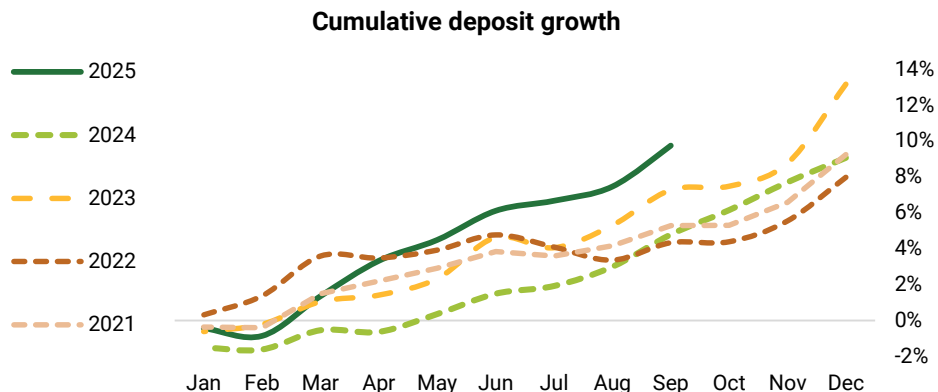
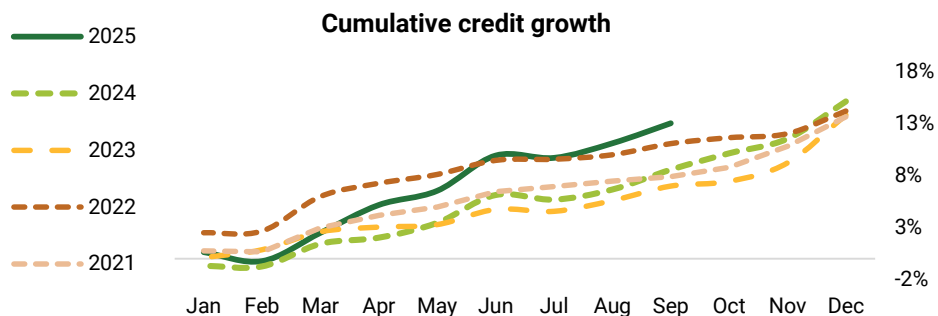
Source: Refinitiv, PHS complied

- By the end of Q3, Vietnam's economic landscape, though still showing certain areas short of expectations, remained notably resilient given the backdrop of rising uncertainties and risks from tariffs, geopolitical tensions, and exchange-rate volatility. The concerted policy efforts and determination from both the public and private sectors have propelled GDP growth to its highest level in more than a decade, keeping the economy on track toward the ambitious full-year target of over 8% in 2025.
 - Cumulatively over the first nine months, the production landscape stayed robust – with only 2 out of 32 industrial sectors recording year-on-year declines – reflecting broad-based recovery momentum and a positive shift across supply chains.
 - After a cautious phase due to tariff-related uncertainties, FDI inflows have returned strongly, signaling renewed investor confidence in Vietnam and underscoring the ongoing supply-chain relocation trend. More importantly, the quality of FDI has continued to improve, with greater concentration in high-tech manufacturing, renewable energy, semiconductors, and the digital economy.
 - However, public investment has slowed following recent administrative restructuring. Encouragingly, key national projects remain on track, and accelerating disbursement will be vital not only to meet 2025 GDP targets but also to build a stronger, more sustainable growth foundation for 2026–2030.
- ⇒ **Looking ahead, we expect October data to extend the recovery momentum from Q3. Credit growth should continue to provide capital support for businesses to expand production and operations. However, tropical storms could temporarily cool consumer spending. On the other hand, we anticipate public-investment disbursement to pick up strongly in the final quarter of the year.**

TỔNG QUAN KINH TẾ VIỆT NAM

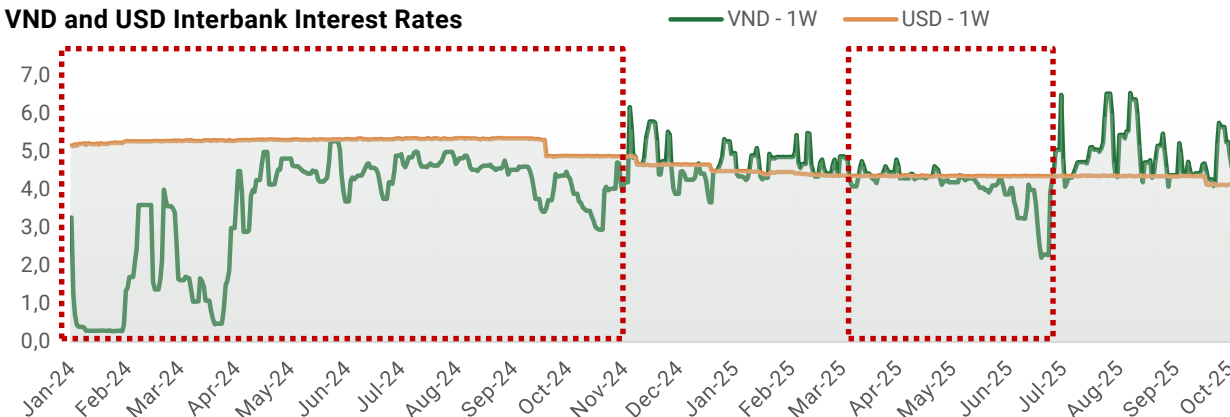
Indicators	Government 2025 plan	9M/2025	PHS 2025F
GDP (%YoY)	> 8.0%	7.85%	7 - 8%
Average CPI (%YoY)	4.5-5.0%	3.27%	3.5 - 4.0%
Urban unemployment rate	<4%	2.22%	3.5%
Credit growth	16%	+13% (25/09/2025)	17 - 18%
Public investment disbursement rate (vs plan)	95%	50%	90%
Import growth (YTD YoY)		+18.8%	18 - 20%
Export growth (YTD YoY)		+16.0%	15 - 18%
Industrial production growth (IIP)		+9.1%	8 - 10%
Retail sales growth		+9.5%	8.5 - 9%
FDI disbursement (% YoY)		8.5%	8 - 10%

As of 08/10/2025	
Average 12-month deposit rate	4.85%
SJC (VND millions/tael)	140 – 142
USDVND exchange rate	26,359 (+3.8% YTD)
VNT 10yrs bond yield	3.54% (+71 bps YTD)



VIETNAM ECONOMIC OVERVIEW

VND and USD Interbank Interest Rates



For exchange rate and interest rate

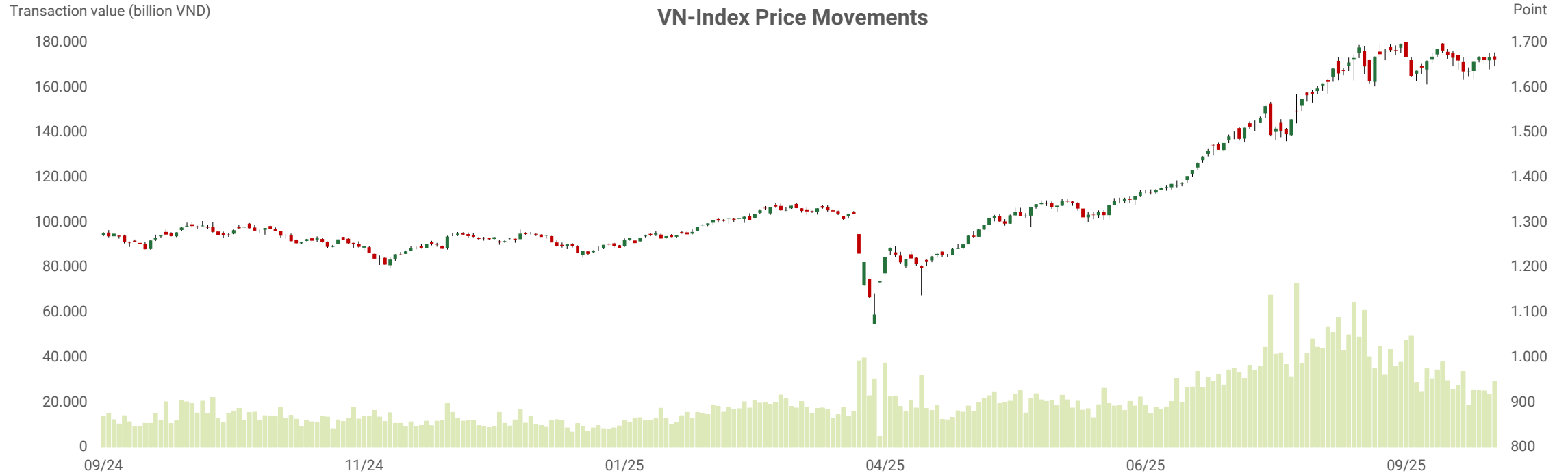
SBV sold 6-month forward USD contracts at around VND 26,550, with estimated sales exceeding USD 1.4 billion. This move effectively allows the SBV to buy time—waiting for stronger FX inflows and lower USD-rate pressures as the Fed continues its easing cycle. Swap rates have turned positive, supported by declining USD rates after the Fed's September cut, large maturing OMO operations, and quarter-end liquidity effects. We believe the SBV will seek to maintain this positive swap stance to ease FX pressures, suggesting VND rates are unlikely to decline much further.

Fed is expected to deliver another 25-basis-point rate cut at its late-October meeting, which will further ease USD interest-rate pressures. Along with improving signs of foreign currency inflows, we expect the exchange rate to stabilize in the near term and gradually soften toward year-end. One key factor supporting our optimism is the resumption of FDI disbursements, which have reached their highest level since the beginning of the year. In addition, Vietnam's official upgrade to Emerging Market status and a wave of upcoming large IPOs are expected to help ease foreign investors' net-selling pressure. Therefore, we maintain our view that the USD/VND exchange rate will remain stable in Q4, fluctuating around 26,300–26,400.

3. VIETNAM STOCK MARKET



Moving sideways with hesitation as the market awaits the reclassification decision
















Significant events in September 2025

- 31/08: Circular No. 25/2025/TT-NHNN removed legal barriers for foreign investors..
- 03/09: August PMI remained at 50.4 despite tariff impacts.
- 07/09: Official Telegram No. 159/CĐ-TTg initiated a pilot program to lift credit growth caps starting 2026.
- 11/09: Official Telegram No. 162/CĐ-TTg urged faster disbursement of 2025 public investment..
- 15/09: The U.S. and China reached an agreement on TikTok.
- 25/09: The U.S. announced new tariffs: 100% on branded pharmaceuticals, 25% on heavy trucks, and 50% on imported kitchen cabinets.
- 25-29/09: Typhoons Ragasa and Bualoi hit Vietnam.
- 04/09: Government withdrew the proposal to impose a 20% tax on profits from each real estate and securities transaction.
- 09/09: Resolution No. 05/2025/NQ-CP launched a pilot market for tokenized assets
- 12/09: The National Credit Information Center (CIC) under the SBV suffered a cyberattack..
- 17/09: The Federal Reserve cut interest rates to 4.0–4.25%.

VIETNAM STOCK MARKET

Slowing down to consolidate after a sustained upward phase

After strong gains in July (+9.0%) and August (+12.0%), Vietnam's stock market cooled off in September, underperforming regional and global peers. (Data as of September 30, 2025)

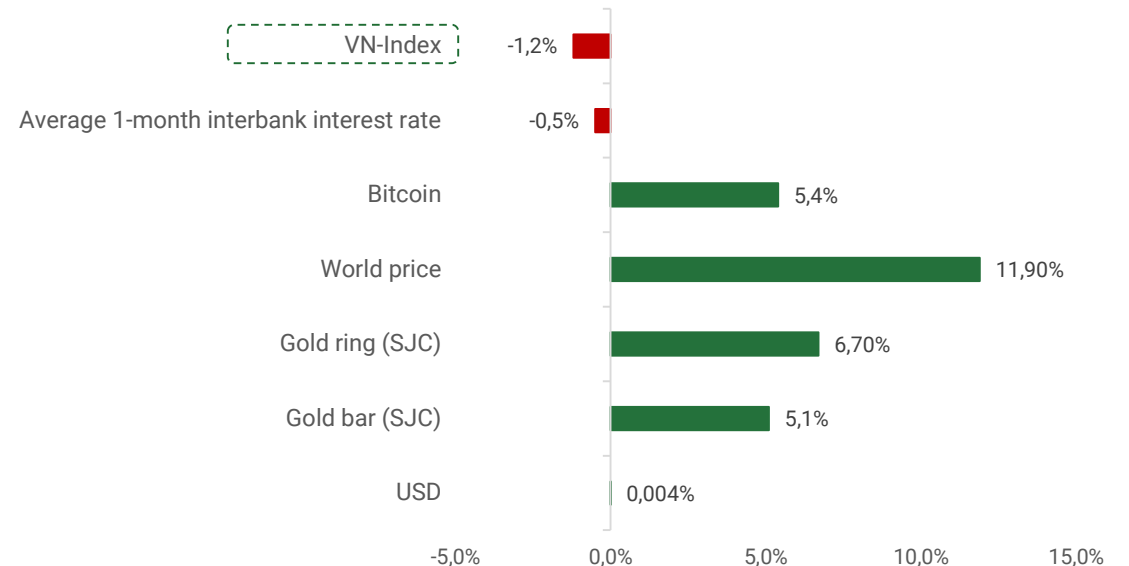
Index	% Change (MoM)
 VN-Index	-1.2%
 Nikkei 225 Index	5.2%
 Shanghai Composite Index	0.6%
 KOSPI Index (*)	7.5%
 Dow Jones	1.9%
 S&P 500	3.5%
 DAX	-0.1%
 SET Index	3.0%
 FTSE Malay EMAS	3.2%
 TAIEX Index	6.6%
 PCOMP Index	-3.3%
 Nifty 500	0.8%
 Jakarta Composite Index	2.9%

Source: PHS compiled

(*) South Korea's KOSPI resumed its uptrend in September, hitting a new all-time high. President Lee Jae-myung postponed the planned 2025 income tax reform, easing investor concerns and boosting confidence and liquidity, while the Bank of Korea kept rates low to support the economy.

Across inter-market channels, the VN-Index also underperformed other asset classes. Gold maintained its solid uptrend, while Bitcoin showed signs of recovery. The USD traded largely sideways, and 1-month interbank rates eased.

Monthly return percentage across other asset classes (MoM)



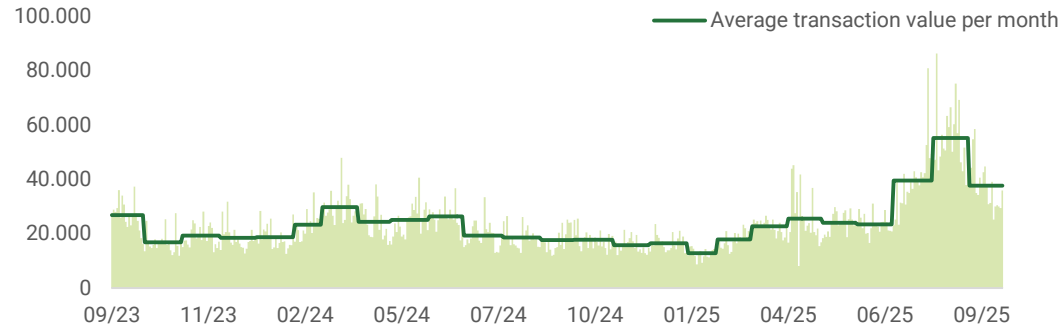
Source: PHS compiled

(*) Both global and domestic gold prices reached new all-time highs at the end of August and continued to rise. The rally was fueled by expectations of faster rate cuts by the Fed, supported by a weaker USD, increased central bank purchases, accommodative monetary policies, and broader economic and geopolitical uncertainties.

Liquidity fell in the underlying market but stayed steady in derivatives.

Average trading value in September fell sharply to VND 37.7 trillion, down nearly 32% from over VND 55 trillion in August.

Trading values on HOSE, HNX, UPCOM



Source: FiinProX, PHS compiled

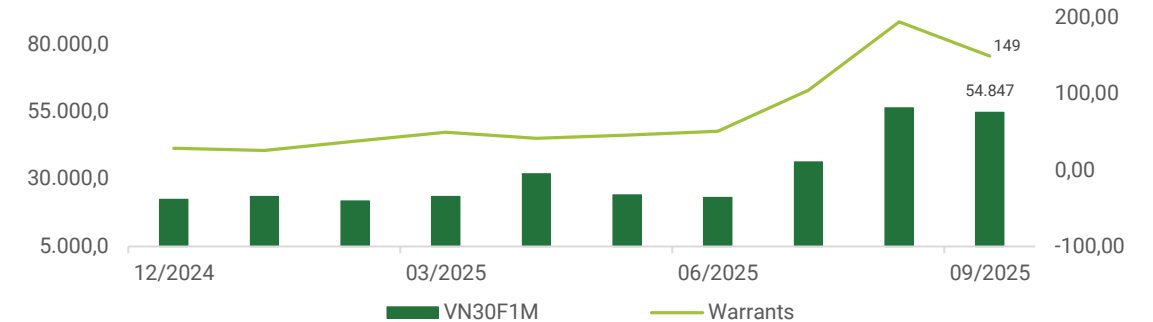
The P/E ratio is hovering around its 10-year average but remains well below the peaks seen in 2021–2022.



Source: FiinProX, PHS compiled

Warrant trading value also dropped sharply in line with the underlying market, while derivatives trading value declined only slightly, indicating a shift of capital toward risk hedging.

Average monthly trading value of Derivatives and Warrants (Billion VND)



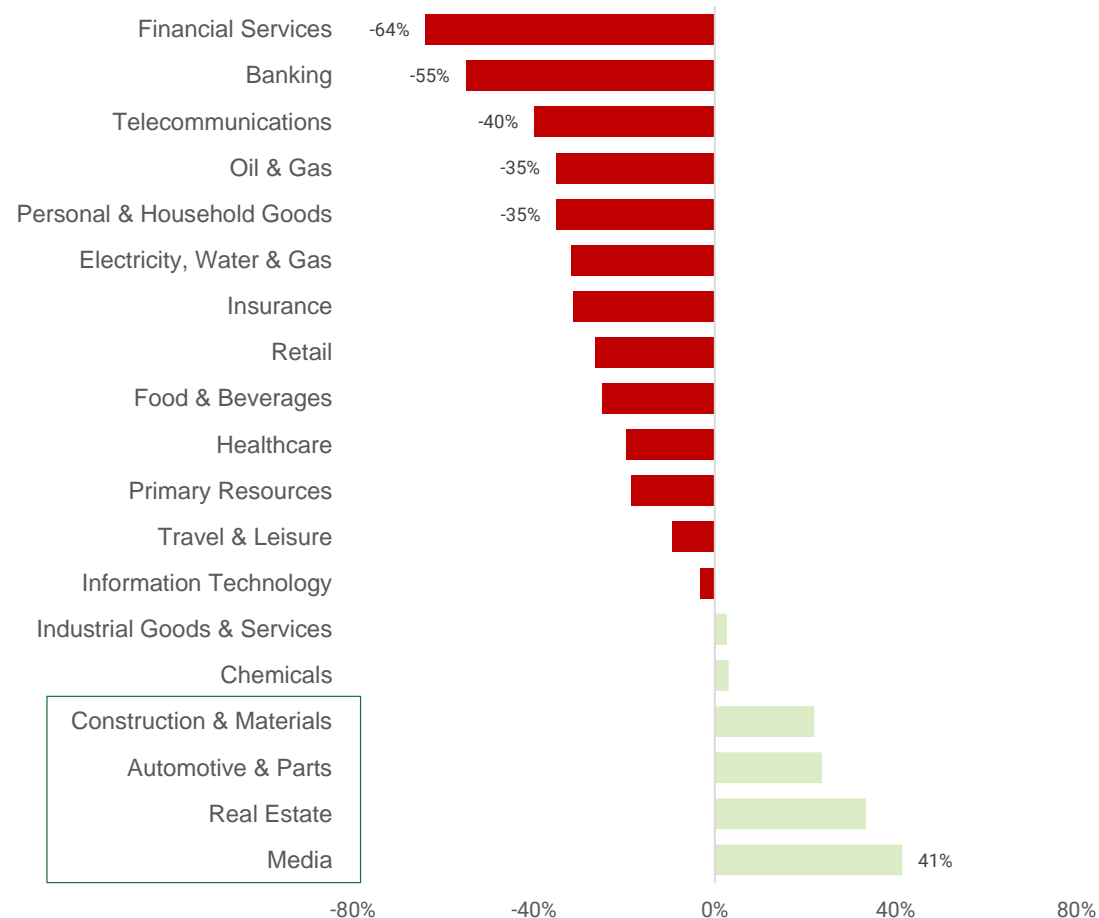
Source: FiinProX, PHS compiled

- Average liquidity across the three exchanges dropped sharply in September 2025 after reaching a record high of over VND 55 trillion in August. Investor caution increased ahead of FTSE Russell's market classification announcement, scheduled for October 7.
- The derivatives market recorded only a slight 2.8% decline in trading value, indicating more active capital flow compared to the underlying market, mainly for hedging purposes.
- As of September 30, 2025, the market's P/E stood at 15.09—close to the 10-year average of 15.2 and above the 5-year average of 14.5. This suggests valuations have risen, posing challenges for growth in the second half of the year. Nonetheless, compared to the 2021–2022 peak when P/E ranged between 18–19x, the market remains reasonably attractive.

Growth expectations center on 2H, with capital flows turning more selective

Most sectors saw a sharp decline in liquidity in September, while cash flow remained more active in Real Estate, Automobiles & Components, Construction Materials, and Media.

Changes in Matched Trading Value by Sector in September



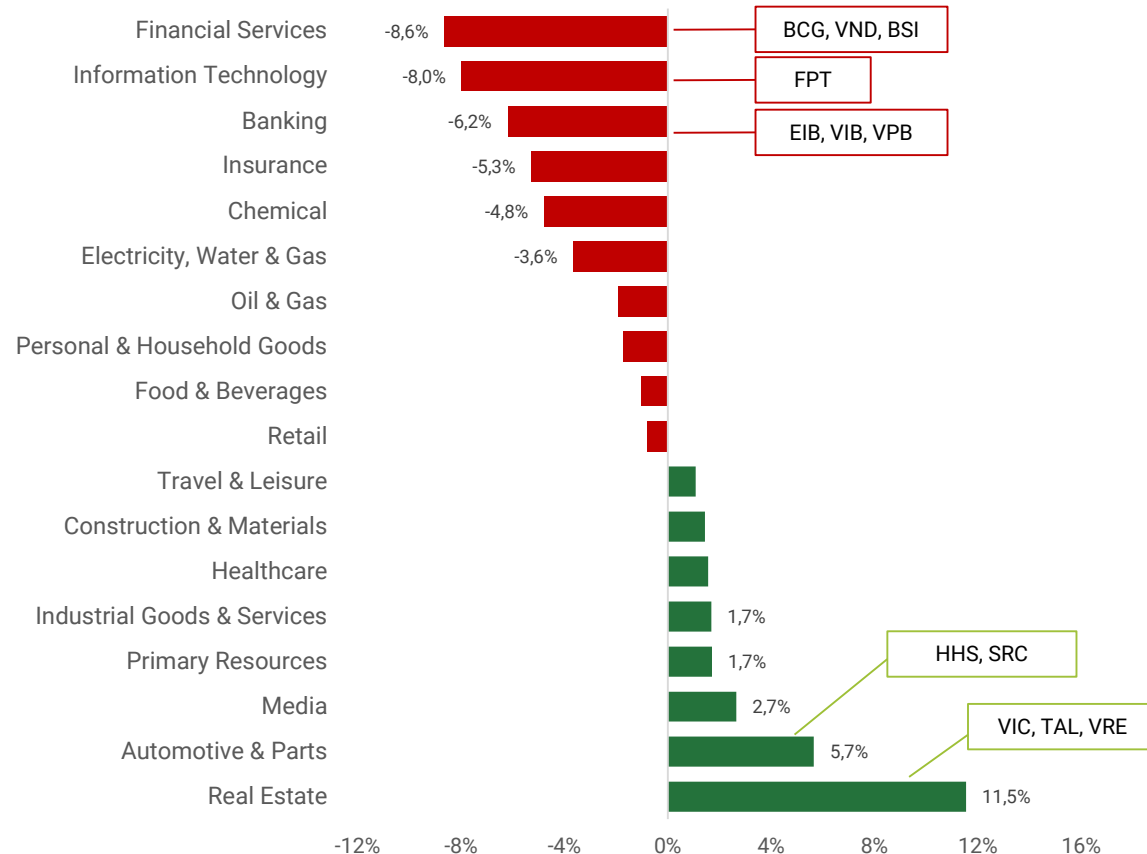
Source: FiinProX, PHS compiled

Reviewing Q2 and first-half 2025 earnings across sectors, market attention is now shifting to the second half of the year.

Sector	Net sales/TOI (YoY)	Net sales/TOI (6M)	NPAT (YoY)	NPAT (6M)
Automotive & Parts	22%	25%	1172%	562%
Banking	13%	12%	19%	17%
Basic Resources	-11%	-6%	20%	15%
Chemicals	22%	20%	37%	37%
Construction & Materials	21%	17%	39%	23%
Financial Services	43%	38%	55%	36%
Food & Beverages	-3%	-1%	21%	13%
Pharmaceuticals	12%	13%	25%	17%
Industrial Goods & Services	14%	13%	-16%	-12%
Insurance	12%	12%	26%	20%
Media	12%	9%	Loss to Profit	Loss to Profit
Oil & Gas	-11%	-17%	25%	-21%
Personal & Household Goods	-12%	-17%	20%	11%
Real Estate	-5%	45%	120%	49%
Retail	16%	16%	45%	57%
Technology	6%	12%	18%	29%
Telecoms	-42%	-41%	3%	-24%
Travel & Leisure	20%	8%	158%	-10%
Utilities	36%	44%	302%	276%
Whole Market	6%	9%	36%	23%

Sector performance was weak, with most declining more sharply than the overall index

Sector Performance on HOSE in September (MoM)



Source: FiinProX, PHS compiled

The percentage of stocks above their MA20 and MA50 continued to decline, indicating a significant narrowing of market breadth

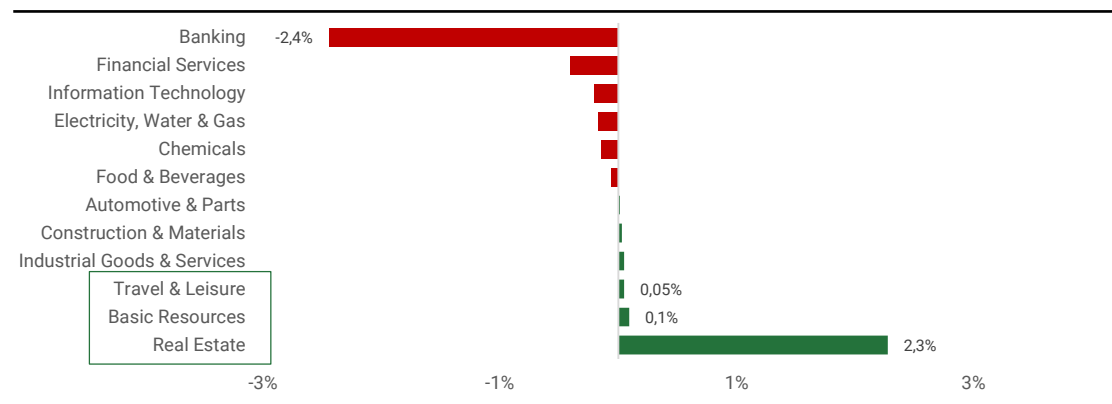


Source: PHS compiled

- Most sectors underperformed in Sep, with the majority declining more sharply than the overall index. The Financial Services sector was the weakest, led by BCG (-16.6%), followed by VND (-14.8%) and BSI (-14.8%). The Technology and Banking sectors also lagged, with notable declines in FPT (-8.5%), EIB (-12.5%), and VIB (-12.0%).
- On the other hand, the Real Estate sector delivered the best performance, driven by VIC, which surged 36.4% during the month. The Automobiles & Parts sector also showed strength, with HHS gaining 13.0%.
- The percentage of stocks trading above their 20-day moving average (a medium-term trend indicator) fell below the 50% threshold despite the market's overall stability and mild recovery. This reflects a significant narrowing in market breadth, as more stocks lost upward momentum. Sector rotation and divergence are expected to continue in the near term.

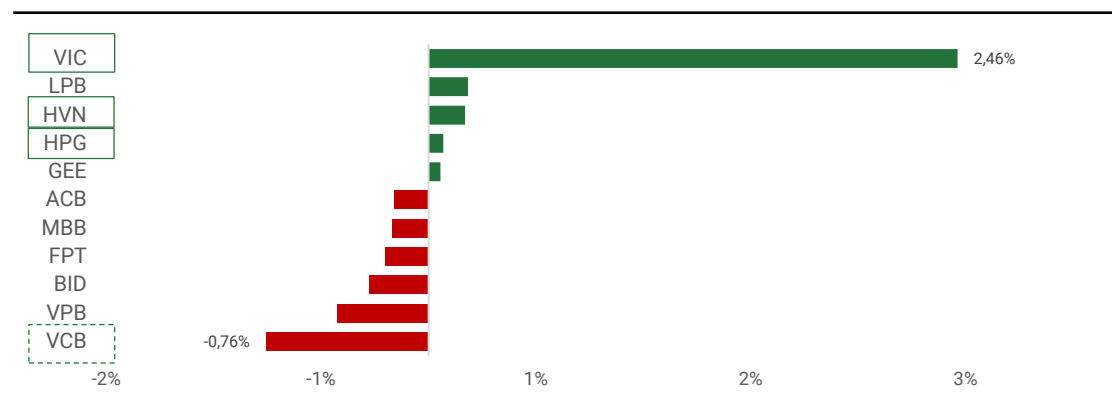
The Vingroup group served as the primary driver supporting the market

Percentage of impact on VN-Index by industry group



Source: FiinProX, PHS compiled

Percentage of impact on VN-Index by stock code



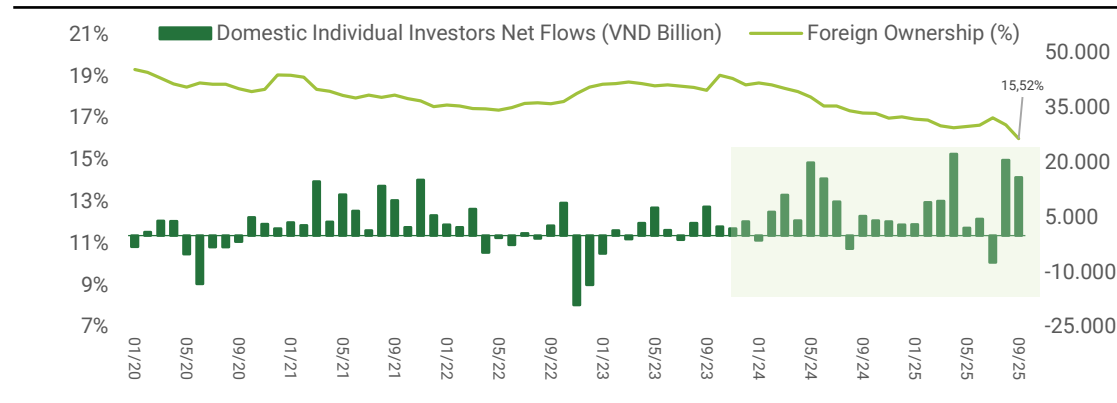
Source: FiinProX, PHS compiled

The uptrend was concentrated in a few large-cap industry leaders, with VIC contributing the most to the VN-Index's overall gain

- **In terms of index contribution**, the Banking sector exerted the greatest downward pressure as profit-taking intensified. Financial Services, Technology, and Utilities also underperformed. In contrast, the Real Estate sector—led by VIC—was the main driver of gains, while Basic Resources and Travel & Leisure outperformed the broader market.
- **VIC surged on a series of supportive developments.** The group officially proposed to the Government the research and investment of the Hanoi–Quang Ninh high-speed railway, with total estimated capital of USD 5.4 billion (over VND 130 trillion). Additionally, on Sep 26, 2025, in Hai Phong, Vingroup and local authorities broke ground on a LNG thermal power plant project in the Tan Trao Industrial Park, with investment exceeding VND 178 trillion and designed capacity of 4,800 MW—signaling potential expansion into a new business segment.
- **HPG continued to strengthen its fundamentals.** In Sep, the group announced cumulative HRC output reaching 15 million tons, reflecting its capacity expansion and domestic market share growth. Meanwhile, blast furnaces at Dung Quat 2 commenced operation, lifting crude steel output to nearly 30,000 tons/day, targeting 40,000 tons/day in 4Q. Adding momentum, subsidiary HPA (agriculture segment) officially filed for an IPO, aiming to offer up to 30 million shares at a reference price of no less than VND 11,887/share.
- **HVN regained positive equity**, providing a boost to sentiment. In Sep 2025, SCIC injected VND 7.77 trillion into Vietnam Airlines through the purchase of newly issued shares totaling nearly 900 million units. The capital infusion helped HVN eliminate negative equity and strengthen its financial capacity and liquidity. Following the transaction, SCIC became the largest shareholder with a 47.13% stake, while the Ministry of Finance reduced its ownership to 39.29%.

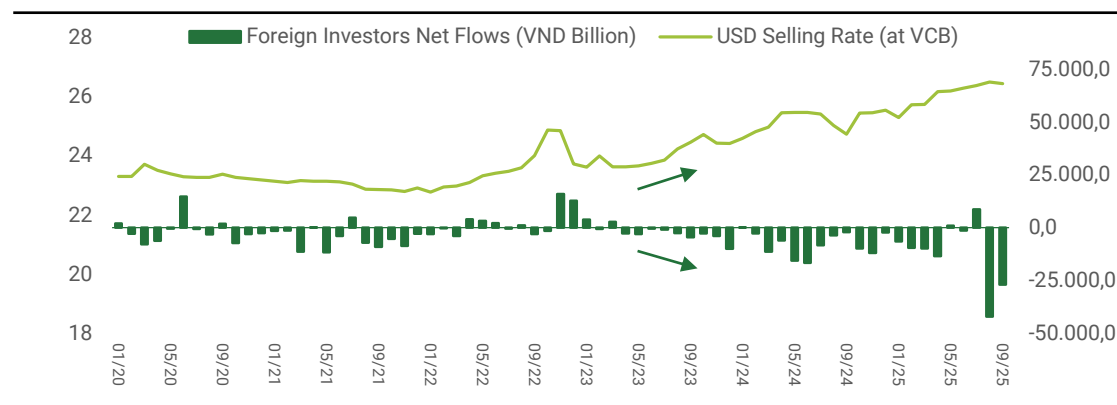
Foreign investors continued their strong net selling, reaching a record high

Foreign Ownership Ratio on HOSE Declines Sharply (Monthly Data)



Source: FiinProX, PHS compiled

Correlation between Exchange Rate and Foreign Trading (Monthly Data)



Source: FiinProX, PHS compiled

Foreign investors ramped up record net selling ahead of FTSE Russell's market reclassification announcement. As of September, cumulative net outflows exceeded VND 100 trillion across the three exchanges.

- Foreign investors turned from net buyers in July—when Vietnam reached a trade agreement with the U.S.—to strong net sellers in the following months.
- The foreign ownership ratio on HOSE fell below 16%, the lowest level in five years. In contrast, domestic individual investors remained the key net buyers supporting the market.

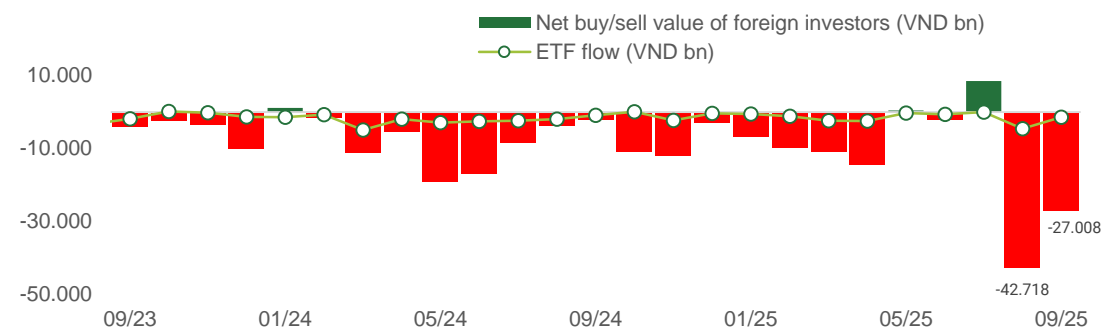
Key influencing factors:

- In the long term, a rising exchange rate often triggers foreign capital outflows. Despite the DXY cooling since early 2025, the USD/VND exchange rate has stayed elevated, increasing conversion risks for foreign investors holding VND-denominated assets.
- ETF and index funds are required to maintain portfolios aligned with their benchmark indices. When a country is removed from the FTSE Frontier Index, all its constituent stocks are excluded, forcing related funds to sell to remain compliant with benchmark-tracking rules. Accordingly, ETFs tracking FTSE Frontier may sell ahead of or during the rebalancing period, while ETFs tracking FTSE Emerging can only buy after the upgrade becomes effective.
- Meanwhile, improving attractiveness in major markets has also redirected capital flows. In Asia, Japan's Nikkei 225 and South Korea's KOSPI both reached record highs, while liquidity in China improved notably following government intervention to curb rising margin levels.

ETF outflows eased but remained higher than in previous months

Although foreign net selling eased from August's record level, net outflows in September remained significantly higher than in past months, exceeding VND 27 trillion.

Net buy/sell of foreign investors & ETF flow



Source: Bloomberg, PHS compiled

Top net buy/sell of foreign investors in September 2025



(*) Foreign investors' net selling was concentrated mostly in large-cap stocks, particularly within the VN30, while net buying remained limited.

Source: FiinProX, PHS compiled

ETF flows continued to show net outflows but at a slower pace compared to the previous month, while major Asian markets such as Hong Kong, Japan, and South Korea saw strong capital inflows.

Market	03/25	04/25	05/25	06/25	07/25	08/25	09/25
Hong Kong	3,173	2,787	-1,679	3,282	8,894	11,610	9,362
India	432	410	771	539	404	110	152
Japan	5,588	5,906	-9,446	-2,491	-2,547	-2,810	2,782
S. Korea	66	1,843	1,493	2,470	4,764	1,648	2,641
Taiwan	7,292	2,895	2,224	1,965	-2,695	-969	-1,611
Vietnam	-125	-68	-2	-24	-2	-174	-84
Thailand	-20	-30	3	22	51	-36	-17
Indonesia	70	9	-2	-37	4	71	-10
Malaysia	-23	-49	49	-1	9	2	12
Philippines	0	0	11	-3	-5	3	1
Singapore	48	-195	93	200	171	129	187

Source: Bloomberg, PHS compiled

The indecisive stance may to dominate gains, with money flow becoming more selective



Scenario:

- ✓ Positive (35%): 1750 – 1800
- ✓ Basic (40%): 1630 - 1730
- ✓ Negative (25%): 1550 - 1600

Technical Analysis:

- ✓ Prices are moving sideways with lower volume, indicating limited selling pressure.
 - ✓ The MACD remains below the signal line but is narrowing and forming a bullish divergence, while the RSI has improved to above 50, suggesting a healthy technical correction.
 - ✓ Market breadth shows little improvement, which may cap the upside momentum.
- ➔ The index may break above the 1,700 level, though the uptrend remains cautious and could cool down again for further consolidation, prioritize sectors like banking, securities, and public investment for Q4.

4. STOCK RECOMMENDATION



RECOMMENDATION PERFORMANCE IN SEPTEMBER

Ticker	Sector	Price (as of 09/09/2025)	Recommendation in September	Target price	Price (as of 08/10/2025)	Changes
HPG	Steel	28.850	HOLD	32.000	29.200	1%
HDB	Bank	31.550	HOLD	34.000	31.450	0%
ACB	Bank	26.550	HOLD	28.000	26.750	1%
VCB	Bank	64.900	OVERWEIGHT	75.000	64.600	0%
EIB	Bank	27.200	OVERWEIGHT	31.500	26.000	-4%
REE	Industrials	66.100	OVERWEIGHT	74.100	65.000	-2%
VNM	F&B	60.300	BUY	72.100	63.400	5%
MSN	Conglomerate	81.000	OVERWEIGHT	96.000	82.600	2%
MWG	Retail	75.100	OVERWEIGHT	92.000	80.800	8%

Ticker	Sector	Recommendation	Price (as of 08/10/2025)	Target price	Upside	Note
HPG	Steel	HOLD	29.200	31.200	7%	
HDB	Bank	HOLD	31.450	34.000	8%	
ACB	Bank	OVERWEIGHT	26.750	31.200	17%	
TCB	Bank	OVERWEIGHT	38.600	45.000	17%	
HCM	Financial services	OVERWEIGHT	27.400	32.000	17%	
VCI	Financial services	HOLD	43.800	47.500	8%	
VNM	F&B	OVERWEIGHT	63.400	72.100	14%	
MSN	Conglomerate	OVERWEIGHT	82.600	95.000	15%	
MWG	Retail	OVERWEIGHT	80.800	92.500	14%	



Technical Analysis:

- ✓ Price successfully retested the support zone at 36.5–38.5.
- ✓ A bullish candle accompanied by rising volume indicates strong buying momentum.
- ✓ The MACD has crossed above the signal line and moved into positive territory, while RSI has regained its upward trend above 60, suggesting improving bullish momentum.
- ➔ The price is expected to exit the correction phase and move toward retesting its previous peak.
- ➔ **Recommended entry zone: 38.5 – 39, | Target: 44 | Stop-loss: 37.**

STOCK		STRATEGY	Financial Ratio	
Ticker	TCB	BUY	P/E (x)	13,1
Exchange	HOSE		P/B (x)	1,7
			EPS	3018,1
			ROE	14,3%
Sector	Banks		Stock Rating	BBB
			Scale Market Cap	Large

Investment Thesis Expectations

- ✓ The banking sector remains a key pillar in 2025, supported by a strong credit growth target. In addition, the legalization of Resolution 42 will help address rising non-performing loans (NPL) pressure.
- ✓ Techcombank is expected to benefit from potential increases in net asset value (NAV) and valuation through the IPO of TCBS, and it is among the leading banks actively involved in developing blockchain-based infrastructure and digital assets.
- ✓ Its outstanding CASA ratio, driven by innovative auto-yield products, provides TCB with low-cost funding to minimize funding expenses.
- ✓ TCB is also expected to benefit as the real estate market enters a recovery cycle in the second half of 2025, particularly with new supply driven by major developers such as VHM and Masterise.

Risks

Competition among banks and interest rate fluctuations have narrowed NIM. Non-performing loan (NPL) ratios are trending upward. Credit growth has slowed down.



Technical Analysis:

- ✓ Price has confirmed a breakout above its all time high and is showing signs of a retest.
- ✓ The MACD has crossed above the signal line and remains in positive territory, while RSI continues to rise above the 50 level, indicating improving bullish momentum.
- ✓ The MA10, MA20, and MA50 lines keep expanding upward, reinforcing the uptrend.
- ➔ The bullish trend remains supported.
- ➔ **Recommended entry zone: 30 – 31 | Target: 35 | Stop-loss: 28.**

STOCK		STRATEGY	Financial Ratio	
Ticker	ANV	BUY	P/E (x)	16,9
Exchange	HOSE		P/B (x)	2,3
			EPS	1870.6
			ROE	16,8%
Sector	Farming & Fishing		Stock Rating	A
			Scale Market Cap	Medium

Investment Thesis Expectations

- ✓ ANV recorded a record net profit of about VND 333 billion in 2Q2025, driven by successful expansion into the Brazilian market for pangasius and strong tilapia exports to the U.S., taking advantage of higher tariffs on Chinese products.
- ✓ The company was exempted from anti-dumping duties in the 20th administrative review (POR20) by the U.S. Department of Commerce.
- ✓ New growth segment: Vietnam's tilapia exports surged 359% YoY in August 2025, with the U.S. accounting for 70% of total export value. Holding a 75% market share, ANV leads the segment, benefiting from rising demand and improving margins.
- ✓ ANV invested nearly VND 500 billion in technology upgrades to reduce costs and enhance operational efficiency.
- ✓ Gross margin remained high thanks to improved selling prices and a fully integrated supply of raw fish.

Risks

Price fluctuations of commodities and trade policies from importing countries. Competition from other seafood products.

Climate change, pollution, and disease outbreaks may affect quality and yield. Rising feed and input costs also pose challenges.



Technical Analysis:

- ✓ Price action remains stable, moving sideways around the 75–76 zone.
- ✓ The MACD is cooling off but not yet negative, while the RSI stays above the 50 level, suggesting a healthy correction.
- ✓ The MA10, MA20, and MA50 lines keep expanding upward, reinforcing the uptrend.
- ✓ The uptrend remains supported, with potential to retest and break its all-time high.
- ➔ **Recommended entry zone: 75 - 76, | Target: 86 | Stop-loss: 70.5.**

STOCK		STRATEGY	Financial Ratio	
Ticker	MWG	HOLD	P/E (x)	23,5
			P/B (x)	3,8
Exchange	HOSE		EPS	3304,1
			ROE	17,0%
Sector	Specialty Retailers		Stock Rating	BBB
			Scale Market Cap	Large

Investment Thesis Expectations

- ✓ The implementation of Decree 117 will tighten tax management on e-commerce business activities, putting pressure on small-scale operators. Conversely, MWG stands to benefit as a leading, transparent, and professional company.
- ✓ In Q2/2025, MWG recorded its highest-ever quarterly revenue and profit, with all major business segments showing impressive growth.

The ICT segment (including The Gioi Di Dong and Dien May Xanh) maintained growth amid stable domestic demand and purchasing power, particularly benefiting from technology product upgrades such as smartphones and laptops. Additionally, hot summer weather boosted sales of home appliances.

Bach Hoa Xanh aims to eliminate accumulated losses to comply with IPO requirements while expanding into the northern market.

Notably, EraBlue — the electronics chain in Indonesia — reached 120 stores and has begun generating profits..

- ✓ Profit margins may improve further through better cost optimization.

Risks

Domestic consumer demand is lower than expected, with intensified competition in the retail sector amid tighter spending.

Cost pressures arise from expansion activities and promotional, discount, and marketing programs.

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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