

MONTHLY STRATEGY REPORT MAY 2026

Bullish Bias Meets Geopolitical Caution

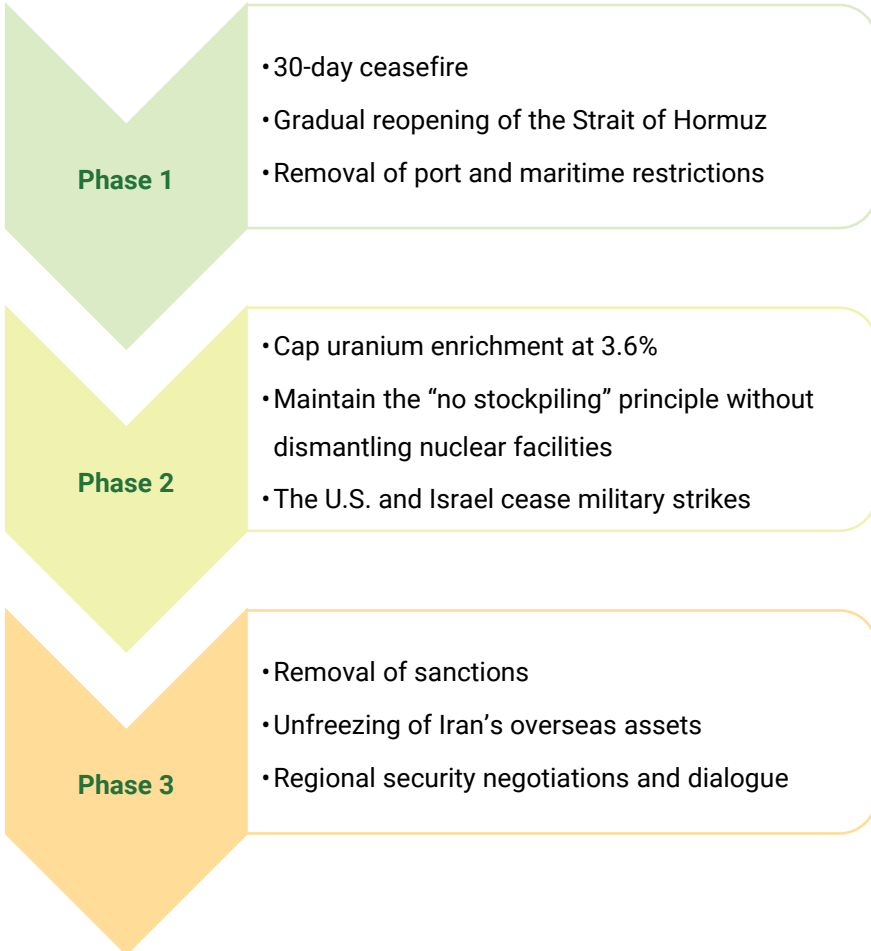
08/05/2026



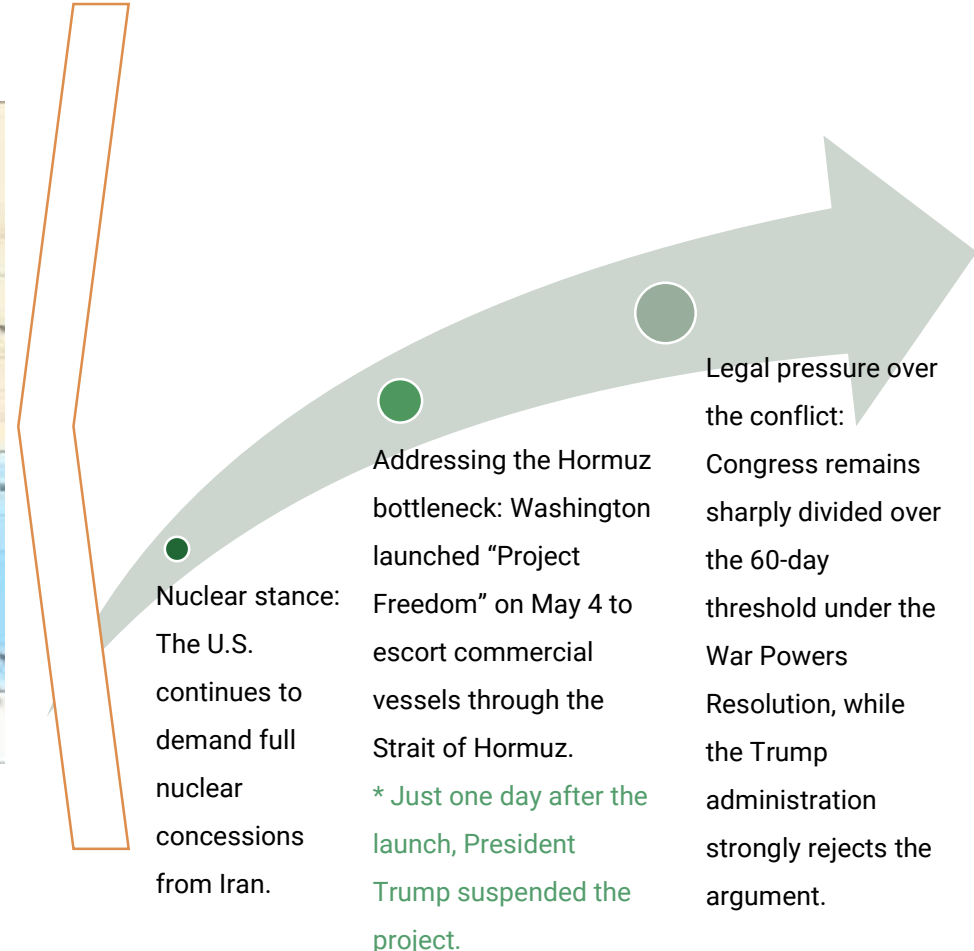
GLOBAL ECONOMIC OVERVIEW



Iran’s 3-Phase Proposal



U.S. Response



Source: Reuters, Al Jazeera, PHS

UAE EXITS OPEC ALLIANCE – A MAJOR BLOW TO ARAB UNITY

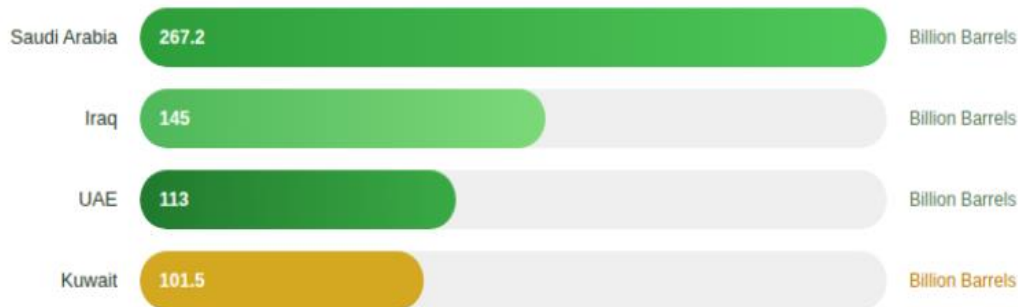
The United Arab Emirates (UAE) officially exited OPEC and OPEC+ on May 1, 2026

The OPEC alliance is facing rising risks of internal fragmentation

UAE oil reserves vs. other countries

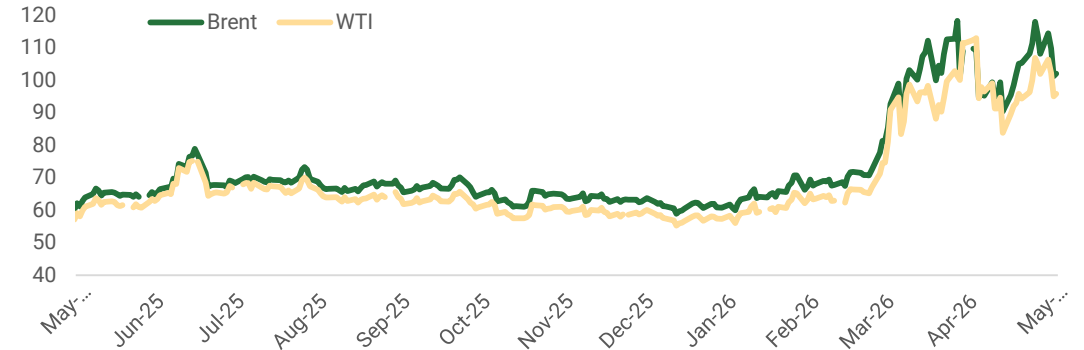


Regional comparison



Source: Bloomberg

Oil prices fell sharply to a two-week low after reports pointed to a possible easing of tensions in the Middle East, as the U.S. and Iran moved closer to an initial peace framework (data as of May 5, 2026).

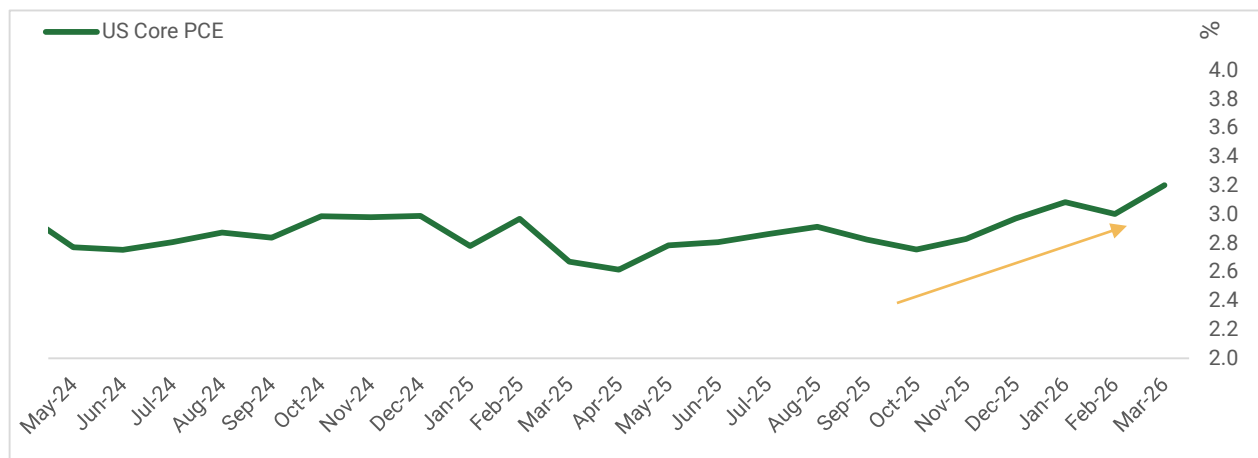


- Amid heightened geopolitical uncertainty in global energy markets, the UAE’s exit from OPEC has yet to trigger significant short-term price volatility. The main reason is that the Strait of Hormuz – a critical chokepoint for most UAE crude exports – remains disrupted by U.S.-Iran tensions, leaving the country’s export volumes at roughly half of normal levels. As a result, near-term oil price movements continue to be driven mainly by geopolitical developments in the Middle East rather than the UAE’s withdrawal from OPEC.
- However, once the situation around the Strait of Hormuz stabilizes, the UAE could significantly increase output thanks to its USD150 billion investment in oil production infrastructure, with a target of raising capacity from 3.4-3.6 million barrels/day to 4.8-5 million barrels/day by 2027-2028. This could put significant downward pressure on oil prices over the medium to long term, while also potentially triggering a market share battle with Saudi Arabia, pushing the global oil market into another price downturn.

FOMC VOTING RESULTS



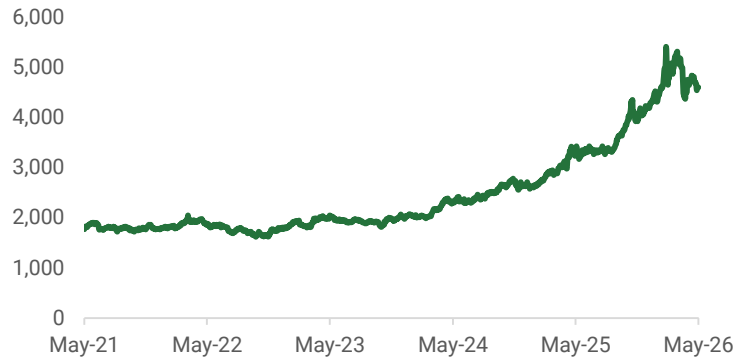
Core PCE inflation surged to 3.2% in March 2026, the highest level since November 2023.



- In an 8-4 vote, the FOMC decided to keep interest rates unchanged at 3.50%-3.75%. This marked the third straight meeting in which the Fed left rates unchanged following an extended easing cycle, as inflation in the U.S. showed signs of heating up again, mainly due to the energy price shock caused by geopolitical tensions in the Middle East.
 - Notably, divisions within the Fed became more apparent with 4 dissenting votes: 1 vote (Stephen Miran) favored a rate cut, while 3 hawkish members (Hammack, Kashkari, and Logan) objected not to the decision to hold rates steady, but to the dovish language in the joint statement. They argued that signaling future rate cuts was premature while inflation remained above the Fed’s 2% target.
 - Another major surprise came from Chair Jerome Powell, who stated that he would not step down immediately and would remain on the Board of Governors until the end of his term in January 2028. This is considered a rare case since former Fed Chair Marriner Eccles in 1948. Powell’s decision to stay means that incoming Chair Kevin Warsh would only take over Stephen Miran’s seat – should Miran depart – rather than directly replacing Powell. This could slow the shift in the balance between “dovish” and “hawkish” factions within the Fed.
- ⇒ **Bond markets reacted sharply following the meeting. The U.S. 10-year Treasury yield jumped to around 4.45%, reflecting not only a selloff driven by rising oil prices amid the Middle East conflict and concerns over the nearly USD39 trillion public debt burden, but also repricing for a more hawkish monetary policy outlook as divisions within the Fed deepened. Markets also revised expectations for Fed policy, shifting from pricing in one rate cut in 2027 to expecting rates to remain unchanged throughout both 2026 and 2027.**

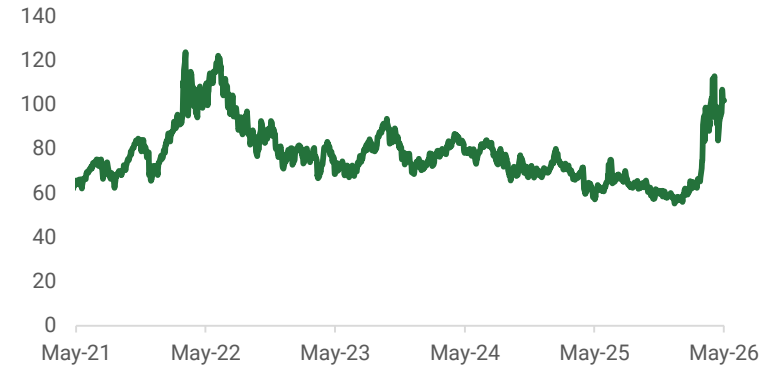
As of May 4, 2026

Gold Prices



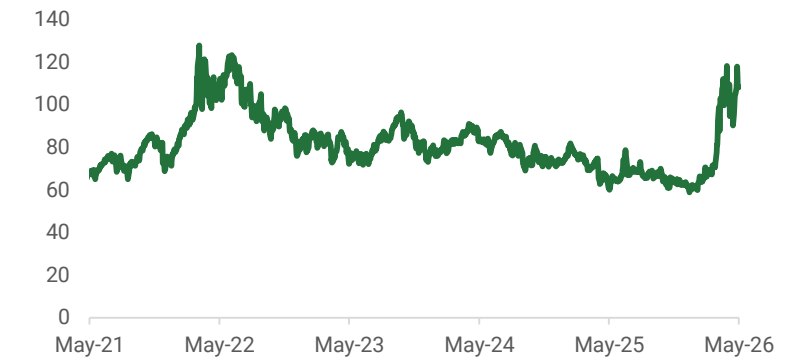
Source: Bloomberg, PHS

WTI Crude Oil Prices



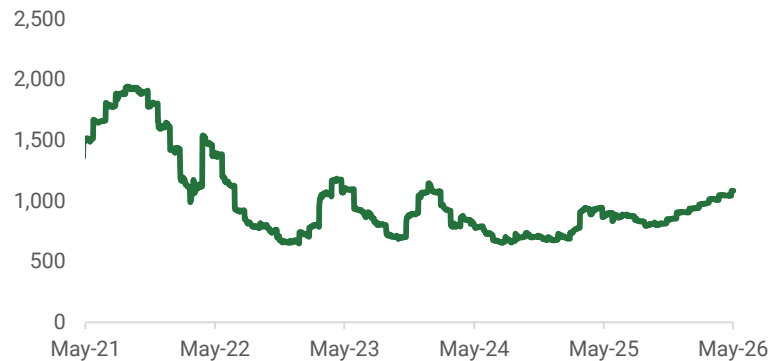
Source: Bloomberg, PHS

Brent Crude Oil Prices



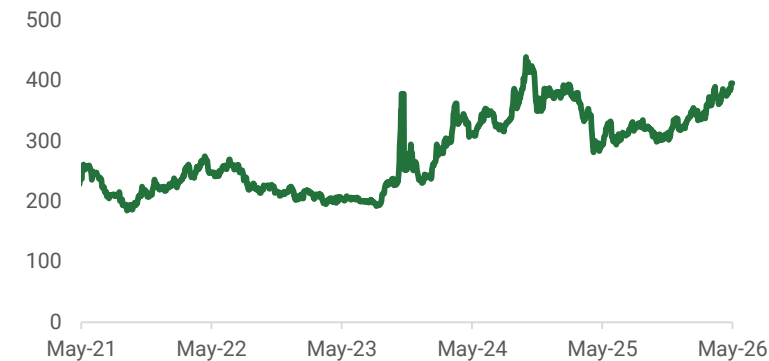
Source: Bloomberg, PHS

Steel Prices



Source: Bloomberg, PHS

Rubber Prices



Source: Bloomberg, PHS

Sugar Prices



Source: Bloomberg, PHS

Economic Calendar – May 2026

Date	Event	Forecast	Impact
01/05/2026	U.S. – ISM Manufacturing PMI	Actual: 52.7 (Previous: 52.7)	☆☆☆
03/05/2026	Vietnam – April 2026 Socio-Economic Report		☆☆☆
08/05/2026	U.S. – Unemployment Rate	Forecast: 4.3% (Previous: 4.3%)	☆☆☆
09/05/2026	China – Trade Balance	Forecast: USD82.4 billion (Previous: USD51.13 billion)	☆☆
13/05/2026	U.S. – Producer Price Index (PPI) YoY	Previous: 4%	☆☆☆
	VN – MSCI Index Review Announcement		☆
14/05/2026	U.S. – Retail Sales	Previous: 1.7% MoM	☆☆☆
18/05/2026	China – Retail Sales	Previous: 1.7% YoY	☆☆
21/05/2026	Vietnam – Futures Expiry (VN30, VN100)		☆☆☆
	U.S. – FOMC Meeting Minutes		☆☆☆
28/05/2026	U.S. – Second Estimate of QoQ GDP Growth	Forecast: 2.0% (Previous: 0.5%)	☆☆☆
31/05/2026	China – Manufacturing PMI (NBS)	Previous: 50.3	☆☆

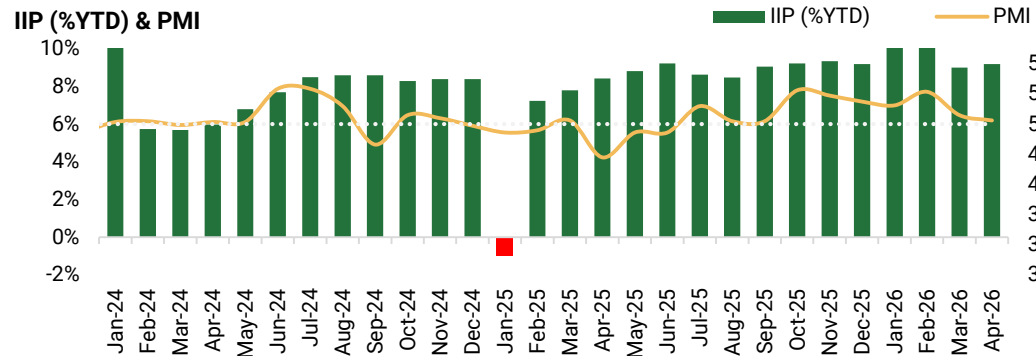
Source: PHS

- The current geopolitical environment continues to evolve broadly in line with the scenarios outlined in our previous monthly report, as the pattern of escalation followed by de-escalation in the Middle East once again reflects President Trump’s familiar approach of using volatility to advance political objectives. Nevertheless, recent developments suggest that both sides now have their own incentives to move toward a temporary ceasefire arrangement, providing a more constructive short-term outlook. However, it remains premature to expect comprehensive peace in the region, given that deep structural tensions and competing geostrategic interests remain unresolved.
- On the monetary policy front, the Fed is likely to maintain a higher-for-longer stance, particularly after Jerome Powell decided to remain on the Board of Governors despite completing his term as FOMC Chair. This could make it harder for the dovish camp to push for rate cuts, while long-dated Treasury yields remain elevated, reflecting concerns over persistent inflationary pressures driven by higher energy prices and rising labor costs.
- Against this backdrop, global equity markets have continued to recover, supported by strong capital inflows into technology stocks – a sector increasingly viewed as a “safe haven” amid macroeconomic uncertainty. However, this trend carries risks, as investors appear to overlook the reality of higher-for-longer interest rates and weakening economic growth prospects, while underestimating the possibility of a sharp rebound in oil prices should ceasefire agreements collapse. If such a scenario materializes, the negative impact from surging energy prices would gradually feed into economic indicators such as core inflation and GDP growth, potentially triggering a sharp correction across financial markets. Therefore, despite some constructive short-term signals, we believe investors should maintain a defensive strategy, avoid excessive optimism and limit the use of leverage, particularly as markets enter a period of limited information flow.

VIETNAM ECONOMIC OVERVIEW



Manufacturing activity continued to expand in April as the PMI held firmly above the 50 threshold, though momentum weakened noticeably. The index fell from 51.2 points in March to 50.5 points, its lowest level in seven months, reflecting a gradual narrowing in the pace of expansion across the manufacturing sector.



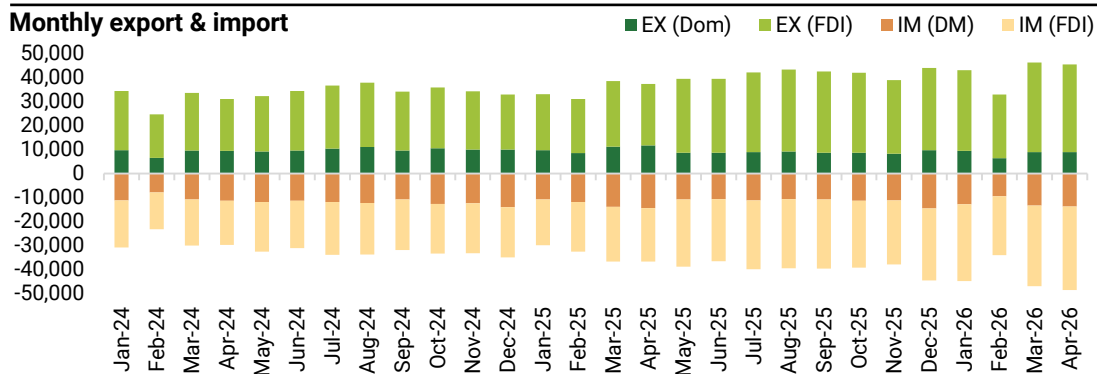
Source: GSO, PHS complied

Industrial production increased across all 34 localities, indicating a broad-based recovery. Output of key industrial goods such as electronic components, automobiles, televisions, and rolled steel all rose simultaneously, driving a significant increase in electricity output for manufacturing as well.

	%MoM	%YoY	%YTD YoY
Top 5 highest			
Phone components	12.0%	-3.1%	4.5%
Automobiles	11.3%	32.6%	22.4%
Televisions	9.0%	-3.3%	-4.3%
electricity for manufacturing	8.5%	12.7%	7.5%
Rolled steel	6.9%	13.0%	17.0%
Top 5 lowest			
N.P.K compound fertilizer	-2.7%	-0.7%	-1.1%
Steel bars, angle steel	-3.6%	2.3%	15.8%
Urea fertilizer	-8.5%	9.7%	-1.1%
Mobile phones	-9.4%	3.3%	1.1%
Sugar	-20.1%	11.8%	9.1%

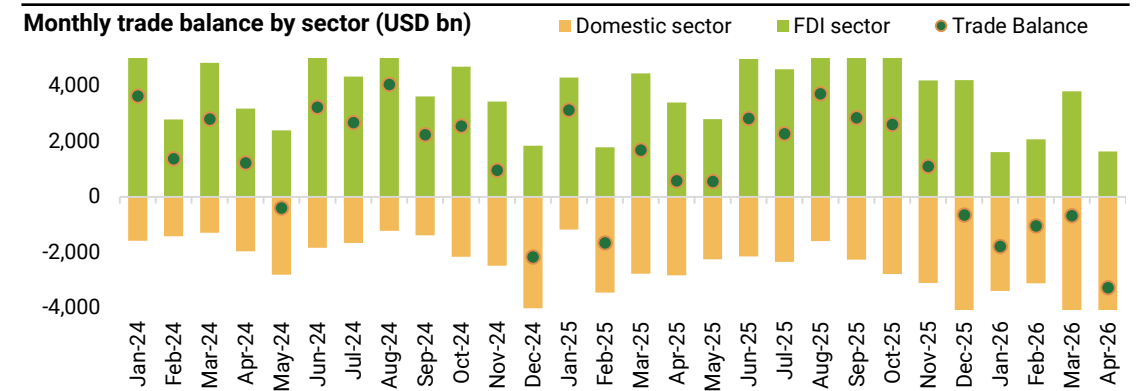
Source: GSO, PHS complied

In April 2026, total merchandise import-export turnover was estimated at USD 94.32 billion – the highest level on record, up 0.8% MoM and 26.7% YoY. For the first four months of 2026, total turnover was estimated at USD 344.17 billion, up 24.2% YoY.



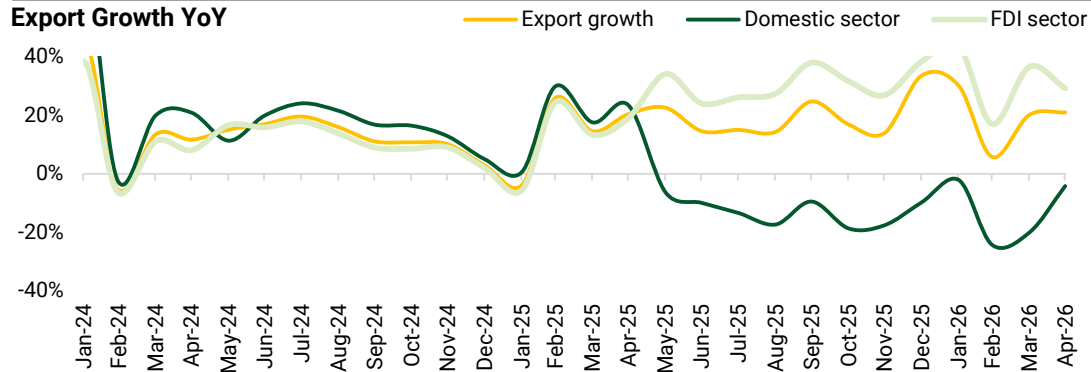
Source: GSO, PHS complied

On the trade balance, the FDI sector recorded a trade surplus of USD 8.5 billion while the domestic sector ran a trade deficit of USD 15.61 billion – reflecting heavy dependence on imported inputs and limited domestic export capacity.



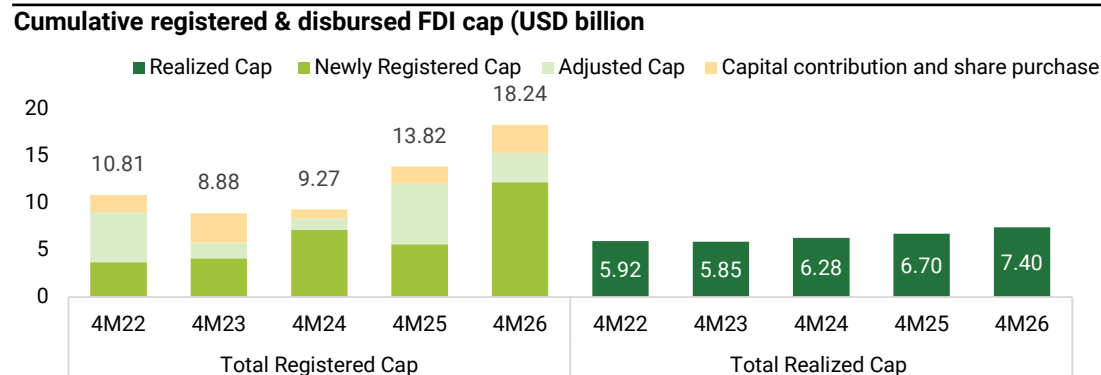
Source: GSO, PHS complied

Exports continued to be dominated by the FDI sector at 80% of total turnover (up 29.2% YoY), while domestic enterprises declined 4.2%. The trade surplus with the United States reached USD 46.9 billion in the first four months, up 24.4%, indicating that Vietnamese goods remain highly competitive in the country's largest export market.



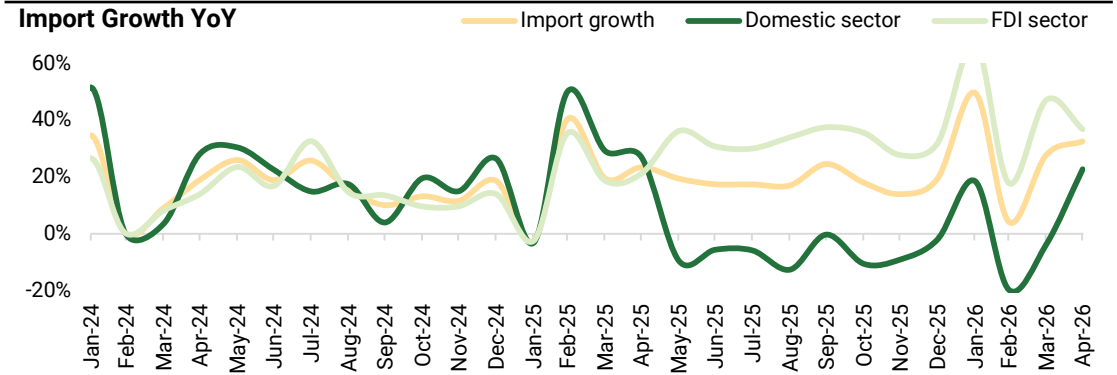
Source: GSO, PHS complied

Total registered FDI into Vietnam as of April 27, 2026 reached USD 18.24 billion, up 32% YoY. Disbursed FDI was estimated at USD 7.4 billion, up 9.8% – the highest level for the first four months of the year in the past five years.



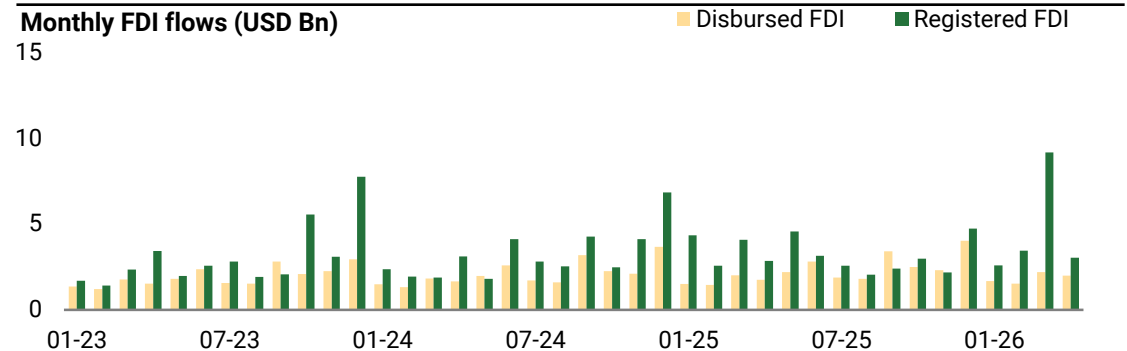
Source: GSO, PHS complied

The import structure shows that most of the increase came from capital goods – electronics and components rose 52.3% and machinery and equipment rose 20.2% – reflecting the FDI sector's active expansion of production capacity. Imports of petroleum, chemicals, and plastics surged compared to the same period last year, a direct consequence of global energy prices remaining elevated above USD 100/barrel.



Source: GSO, PHS complied

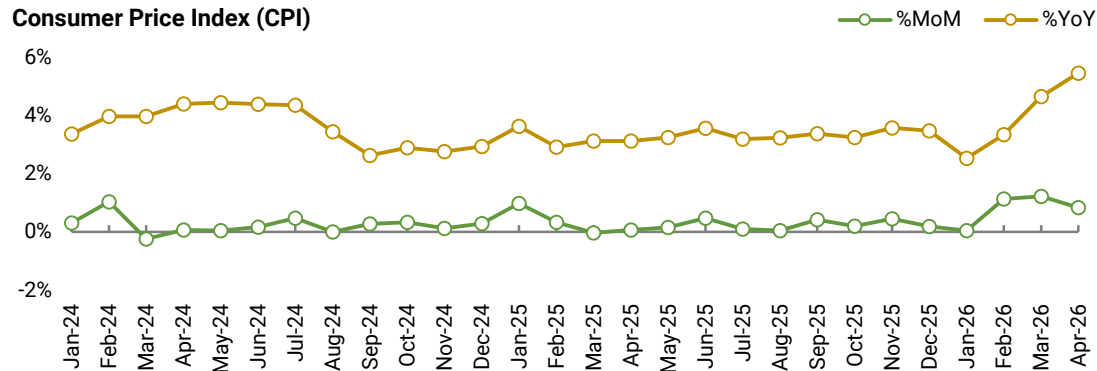
Registered FDI in April added approximately USD 3.04 billion (+7% YoY), maintaining positive momentum despite falling below the Q1 monthly average. Notably, disbursed capital was estimated at approximately USD 1.99 billion – exceeding the Q1 monthly average (~USD 1.80 billion/month) – indicating that existing FDI projects are being disbursed on schedule and expanding steadily.



Source: GSO, PHS complied

CPI in April 2026 rose 0.84% MoM and 5.46% YoY – significantly exceeding the market forecast of 4.80%. For the first four months of the year on average, CPI increased 3.99%, with core inflation up 3.89%. If oil prices remain above USD 100/barrel for an extended period, full-year average inflation in 2026 could rise to 5%.

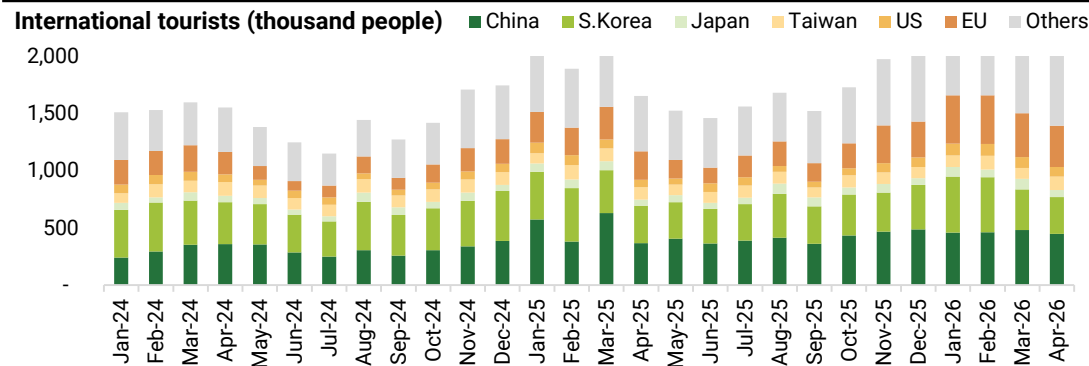
Consumer Price Index (CPI)



Source: GSO, PHS complied

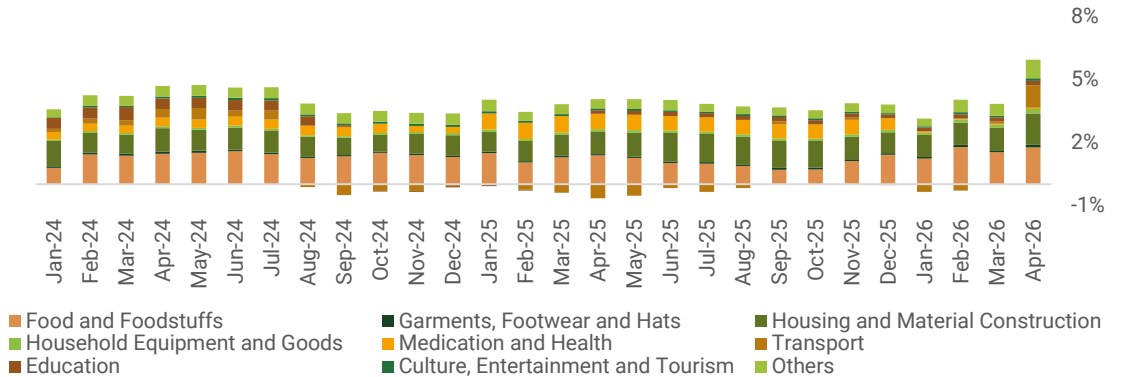
In April 2026, Vietnam welcomed 2.03 million international arrivals, up 22.8% YoY, bringing the 4-month cumulative total to 8.8 million arrivals, up 14.6% YoY – the highest level for the first four months of the year on record. Within the regional context, this represents the fastest growth in Southeast Asia, as Thailand declined 3.4% YoY, Singapore grew only 2.8%, while Indonesia and the Philippines also posted significantly more modest growth.

International tourists (thousand people)



Source: GSO, PHS complied

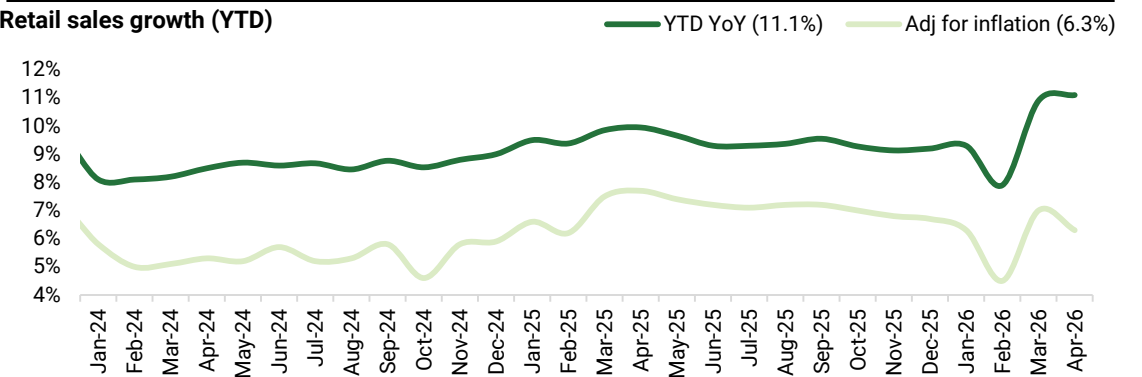
10 out of 11 commodity groups recorded strong price increases compared to the same period last year. Notably, the Transportation group rose 11% YoY, followed by Housing, Electricity, Water, Fuel & Construction Materials (+6.25% YoY) and Food & Catering Services (+4.71% YoY).



Source: GSO, PHS complied

Real retail growth after excluding price factors reached only 6.3% – significantly below the nominal increase of 11.1% – indicating that part of the growth stemmed from goods inflation, particularly petroleum and food, rather than reflecting a genuine improvement in purchasing power.

Retail sales growth (YTD)



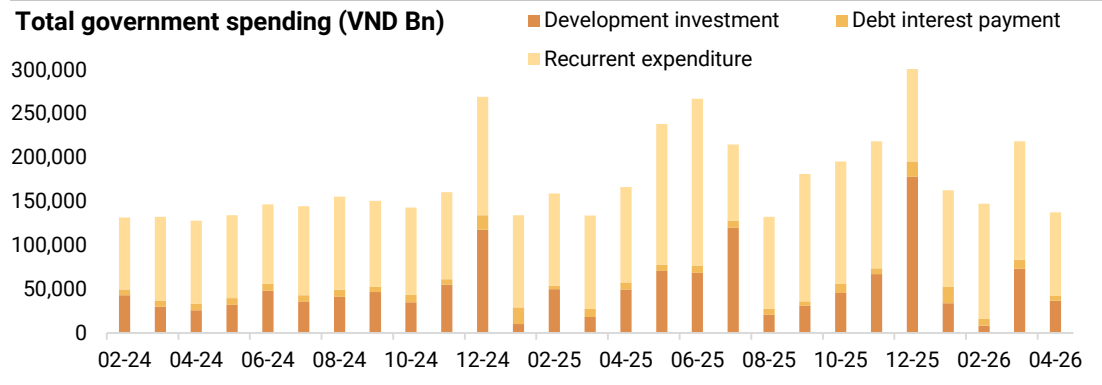
Source: GSO, PHS complied

A budget surplus of VND 445.8 trillion in the first four months of 2026 marks the highest level on record, far exceeding even the record set in the same period of 2025 (~VND 347 trillion).

	4M2026	%Plan	%YoY	2026 Plan
State budget revenue	1,114,000	44.04%	18.00%	2,529,467
- Taxes and fees	991,000	45.05%	19.80%	2,199,967
- From crude oil	17,000	39.53%	-1.73%	43,000
- From export-import	105,400	37.91%	6.36%	278,000
State budget expenditure	668,200	21.15%	12.23%	3,159,106
- Investment and development expenditure	153,200	13.68%	19.22%	1,120,227
- Interest payments	43,000	35.50%	5.65%	121,131
- Recurrent expenditure	471,000	26.04%	10.82%	1,808,996
Budget balance	445,800			-629,639

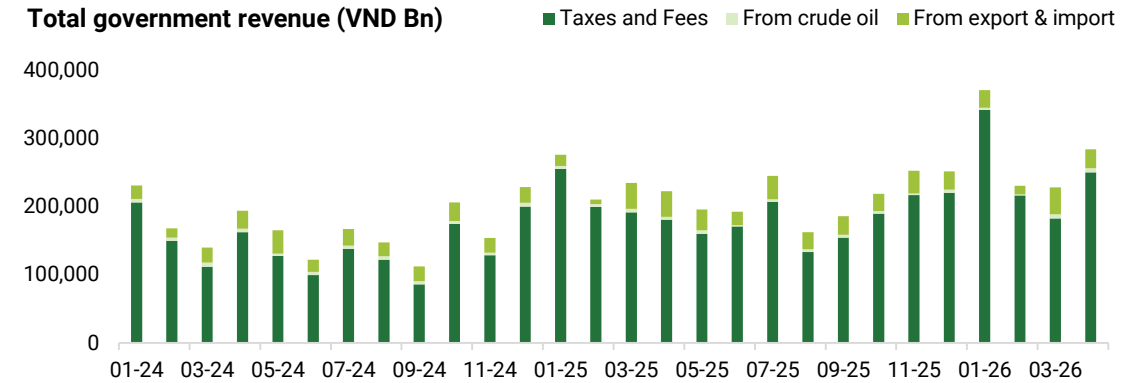
Source: GSO, PHS compiled

The most concerning bottleneck remains public investment disbursement. With total allocated capital of nearly VND 1 quadrillion – an unprecedented record – public investment is expected to serve as a key growth lever in 2026. However, after four months, cumulative disbursement has reached only 13.7% of the plan – a worryingly low rate given that one-third of the year has already passed. Familiar bottlenecks around site clearance, investment procedures, and construction material price volatility remain unresolved.



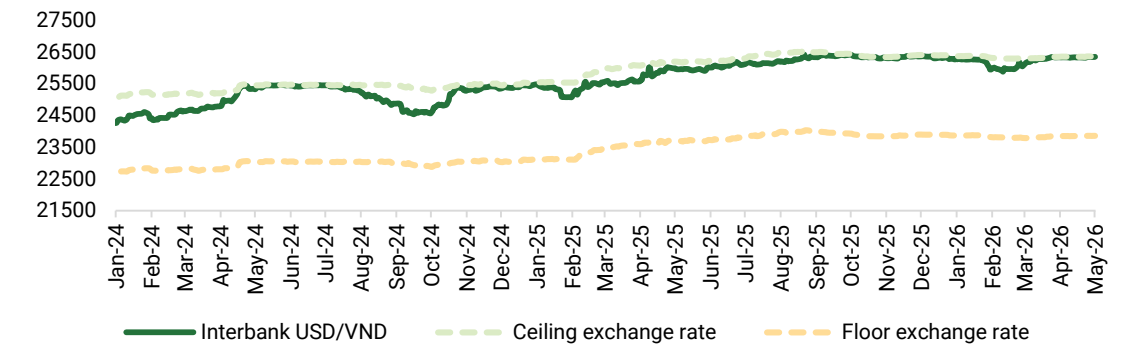
Source: GSO, PHS compiled

The reason April revenue fell below the Q1 monthly average was primarily due to tax and fee reduction policies rolled out in March–April 2026 by the Government to respond to rising fuel prices. This represents a deliberate trade-off by the Government, accepting short-term revenue shortfalls to support businesses, curb inflation, and sustain growth momentum.



Source: GSO, PHS compiled

Exchange rate pressure eased noticeably compared to March. The bank exchange rate moved steadily within the VND 26,330–26,355/USD range, close to the permitted ceiling, while the gap between the free market and banking channels narrowed significantly compared to the period of heightened tension in late February and March 2026.



Source: Refinitiv, PHS compiled

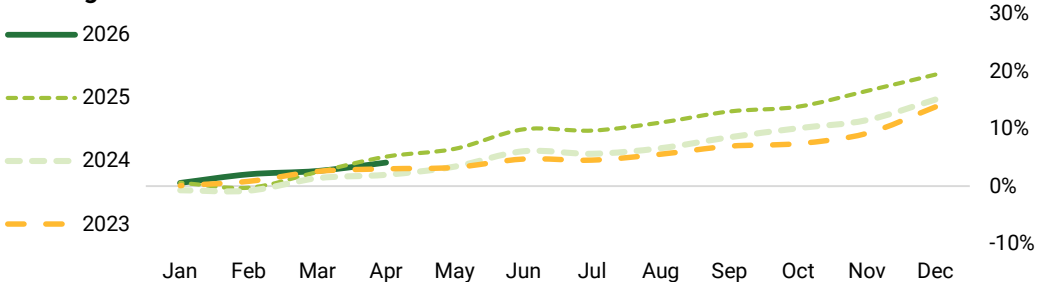
- Vietnam's economy in April 2026 continued to maintain its positive growth momentum across multiple sectors, while also beginning to more clearly reflect the impact of global price volatility, particularly energy prices.
 - Industrial production in April recorded a strong increase of 3% MoM and 9.9% YoY. **Notably, the electricity generation and distribution segment outperformed**, rising 6.4% MoM and 10.9% YoY respectively. The primary driver was prolonged intense heat throughout April, which caused a sharp surge in demand for cooling equipment – air conditioners in particular. In addition, the strong recovery in industrial production alongside business and service activities also served as key supporting factors pushing electricity output higher.
 - On the trade front, total import-export turnover for the first four months of the year reached \$344 billion, up 24.2% YoY – an impressive figure that reflects the strong momentum of the manufacturing sector. However, a notable concern is that imports are growing significantly faster than exports (28.7% vs. 19.7%), causing the trade balance to swing from a sustained trade surplus in recent years to a trade deficit of \$7.1 billion (compared to a surplus of \$4.3 billion in the same period of 2025). A significant portion of the import surge came from petroleum, chemicals, and plastics, with values more than doubling year-on-year – a direct consequence of global energy prices climbing and remaining above \$100/barrel for an extended period.
 - The pressure from global energy prices has not been confined to the trade balance; it has also spilled over into domestic inflation. CPI in April rose 5.46% YoY – the highest level since 2023 – bringing average inflation to nearly 4%, approaching the full-year target of 4.5% set by the National Assembly.
 - FDI inflows emerged as the standout bright spot. Disbursed FDI for the first four months reached \$7.4 billion – the highest in five years – while newly registered capital surged 2.2 times in value, even as the number of new projects rose only modestly by 3.7%. On consumption, retail sales grew over 12% YoY, but when adjusted for price effects, real growth was only 6.3%, reflecting actual purchasing power remains cautious and has yet to achieve a meaningful breakthrough.
 - Last but not least is public investment disbursement. Despite high expectations, only approximately 13.7% of the annual plan had been disbursed after four months. Familiar bottlenecks – land clearance, investment procedures, and the availability and cost of construction materials – remain unresolved, represent the single greatest risk to the full-year growth target.
- ⇒ **Overall, Vietnam's economy in 4M.2026 demonstrates a still-solid growth foundation, with FDI, industrial production, and technology exports continuing to serve as the main pillars. However, mounting inflation pressures and the slow pace of public investment disbursement are the two key challenges that must be prioritized to sustain healthy growth momentum throughout the remainder of the year.**

Indicator	Government plan for 2026	4M2026	PHS 2026F
GDP (%YoY)*	>10%	7.83%	7 - 8%
Average CPI (%YoY)	4.5%	3.99%	3.5 - 4.0%
Urban unemployment rate	<4%		3.50%
Credit growth		4.42% (As of 28/04)	17 - 18%
Disbursement rate compared to plan	>95%	13.7%	90%
Import growth (YTD YoY)		28.7%	18 - 20%
Export growth (YTD YoY)		19.7%	15 - 18%
IIP growth		9.2%	8 - 10%
Retail sales growth		11.1%	8.5 - 9%
FDI disbursement (% YoY)		9.8%	8 - 10%

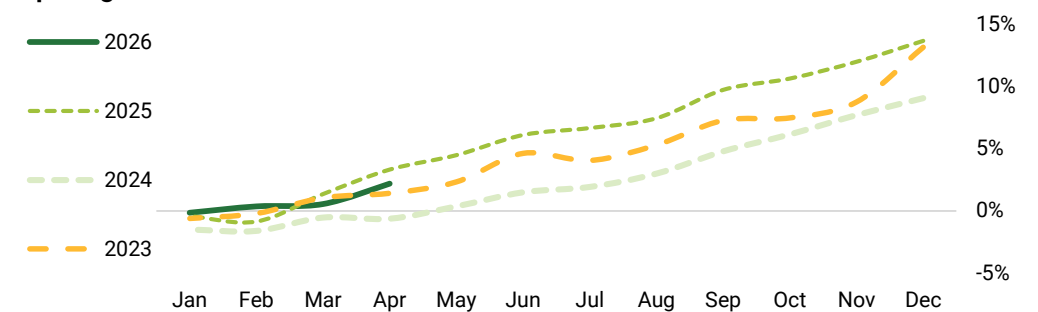
VIETNAM ECONOMIC OVERVIEW - CONCLUSION

As of 07/05/2026	
Average 12-Month Deposit Interest Rate	6.0%
SJC (million VND/tael)	165 - 168
USDVND exchange rate	26,312 (+0.1% YTD)
VNT 10yrs bond yield	4.23% (+19.5 bps YTD)

Credit growth



Deposit growth



Source: PHS compiled as of 28/04/2026

- **On the exchange rate**, pressure eased significantly compared to March. The free-market USD fell approximately VND 750 during April, from 27,550 to around 26,800 VND/USD, equivalent to a decline of ~2.72%, while the bank exchange rate held steady within the narrow band of 26,355–26,368 VND/USD, close to the permitted ceiling. The primary driver was a decline in the DXY and a narrowing of the spread between the free market and banking channels. The DXY's April decline was mainly attributable to a sharp strengthening of the JPY (as the BoJ raised bond yields) and a temporary easing of market panic compared to the peak stress of March – rather than any de-escalation in geopolitical tensions. Pressure from imports along with outflows in the stock market is balanced by FDI capital inflows. In reality, stabilizing energy security can help Vietnam attract more capital, thereby stabilizing the exchange rate issue. However, the exchange rate is still near the ceiling, so the pressure on the State Bank of Vietnam remains significant, especially in the context of high oil prices along with the Fed's more 'hawkish' interest rate policy.
- **Interbank interest rates** also fluctuated sharply during April due to end-of-quarter liquidity pressure as banks simultaneously settled accounts. In response, the SBV reacted swiftly by continuously injecting large-scale net liquidity through long-tenor OMO channels and 21-day FX swaps. In parallel, the April 9 meeting between the SBV Governor and commercial banks sent a clear signal on the rate-cutting direction, creating a positive spillover effect. As a result, rates cooled quickly, and on a monthly average basis, interest rates hovered around the 5–7% range without remaining in a stressed zone for too long.
- **April witnessed a remarkable reversal in deposit interest rates.** Although 9 banks still raised deposit rates at the start of the month, the trend quickly reversed as 33 banks simultaneously cut rates during the month, with reductions of 0.2–0.5% commonly concentrated in tenors of 6 months and above. Nevertheless, deposit rates at end-April remained higher than at end-2025 – pressure on corporate funding costs has not been fully relieved and will require another 1–2 quarters to fully transmit into lending rates.

EQUITY MARKET



Rising on Expectations of Easing Geopolitical Tensions Between the U.S. and Iran



Significant events in April 2026

- Early April: President Trump delivered his first nationwide address regarding the Iran conflict.
- 01/04: Vietnam's March PMI declined to 51.2, while cost pressures rose sharply.
- 02/04: Vietnam imposed anti-dumping duties of up to 27% on Chinese wide hot-rolled steel.
- 07/04: The Government issued Resolution No.16/2026/NQ-CP to resolve bottlenecks for transitional BT projects.
- 08/04: FTSE Russell officially upgraded Vietnam to Secondary Emerging Market status.
- 13–17/04: The SBV absorbed nearly VND 72.5tn via net liquidity withdrawal; interbank rates fell sharply.
- 23/04: Vietnam worked with Iran to restore vessel passage through the Strait of Hormuz.
- 08/04: The U.S. and Iran agreed to a two-week ceasefire.
- 12/04: U.S.–Iran talks in Islamabad collapsed; the U.S. imposed a naval blockade on Iran.
- 13/04: The EU doubled steel import tariffs to 50% and cut duty-free quotas.
- 15/04: Several central banks began selling gold after a prolonged accumulation phase.
- 22/04: Trump extended the ceasefire with Iran while maintaining the Hormuz blockade.
- 27 – 30/04: Iran submitted a new proposal to the U.S. via Pakistani intermediaries.
- Early May: The U.S. announced the end of its military campaign against Iran.

Markets Break to New Highs as Sentiment Adjusts to Elevated Oil Prices, Risks Remain

Global equity markets rebounded in April on expectations of easing geopolitical tensions between the U.S. and Iran.

Market	Index	Closing price (Apr 30)	Mkt_Cap (bn USD)	April Perf.	YTD	P/E	P/B
Vietnam	VN-Index	1,854	331	10.7%	3.9%	15.1	2.1
MSCI Developed Markets	MXWO	4,661	95,549	9.4%	5.2%	24.9	4.1
MSCI Emerging Markets	MXEF	1,600	28,902	14.5%	13.9%	18.9	2.4
USA	S&P 500	7,209	64,253	10.4%	5.3%	28.2	5.6
USA	Dow Jones	49,652	22,706	7.1%	3.3%	24.6	5.7
Japan	Nikkei 225 Index	59,285	6,106	16.1%	17.8%	23.1	2.8
China	Shanghai Composite Index	4,112	9,590	5.7%	3.6%	17.5	1.6
Taiwan	TAIEX Index	38,927	4,001	22.7%	34.4%	30.1	3.9
South Korea	KOSPI Index	6,599	3,549	30.6%	56.6%	25.0	2.0
Germany	DAX	24,292	2,322	7.1%	-0.8%	17.1	2.0
Singapore	STI Index	4,913	575	0.6%	5.7%	16.9	1.6
Thailand	SET Index	1,494	578	3.1%	18.6%	17.0	1.4
Malaysia	FTSE Malay EMAS	12,718	310	5.0%	5.1%	21.0	1.7
Indonesia	Jakarta Composite Index	6,957	707	-1.3%	-19.5%	13.8	1.8
Philippines	PCOMP Index	5,834	139	-1.9%	-3.6%	9.0	1.2
India	Nifty 500	23,998	2,061	7.5%	-8.2%	22.2	3.2

Intermarket	April Perf.	YTD
VN-Index	↑ 10.7%	3.9%
Bitcoin	↑ 12.1%	-12.8%
DXY	↓ -1.9%	-0.3%
WTI Crude Oil	↑ 3.6%	83.0%
Brent Oil	↑ 6.2%	81.4%
World Gold	↓ -1.1%	6.9%
SJC Gold Bars	↓ -5.1%	8.6%
SJC Gold Rings	↓ -5.2%	11.2%
CRB Commodity Index	↑ 6.1%	32.2%

Interest Rates	Value
US 10-Year Government Bond Yield	4.38%
Vietnam 10-Year Government Bond Yield	4.37%
Overnight Interbank Interest Rate	3.9%
1-Month Interbank Interest Rate	6.7%
6-Month Interbank Interest Rate	8.0%

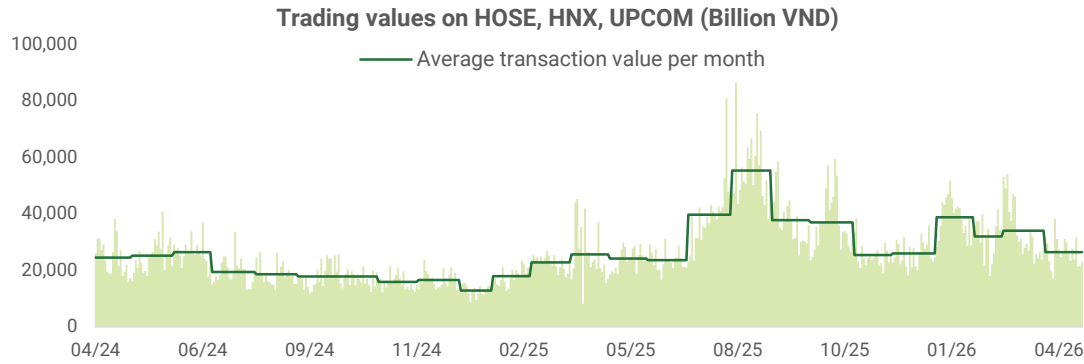
(as of April 29, 2026)

Source: Bloomberg, FiinProX, PHS compiled

VIETNAM STOCK MARKET

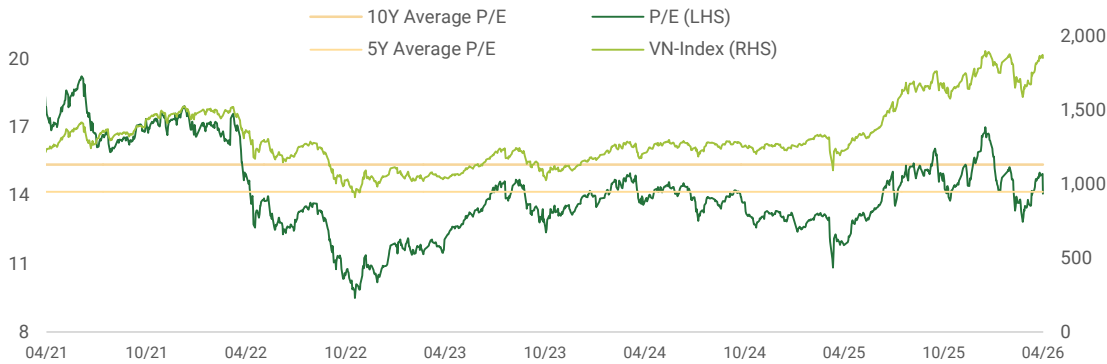
Liquidity Declines, Valuation Turns Cheaper Despite Index Gains

Average trading value across the three exchanges in April 2026 reached nearly VND 26.4tn, down more than 22% MoM.



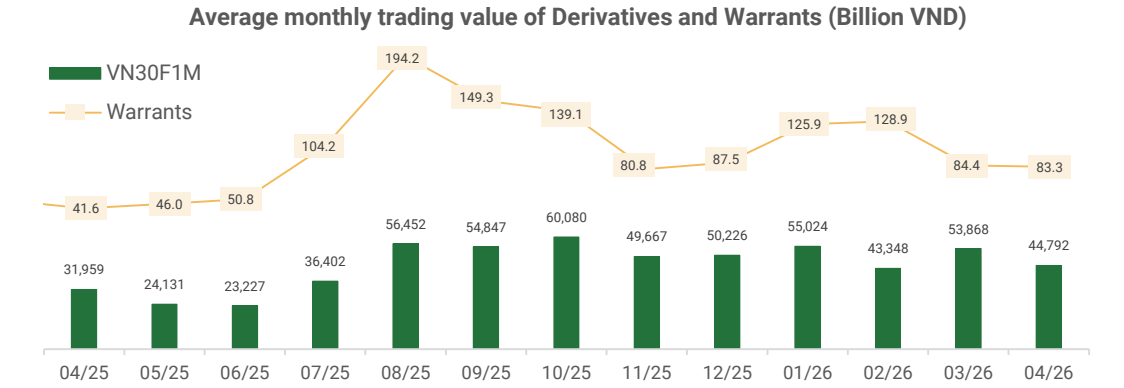
Source: FiinProX, PHS compiled

The market is trading at a P/E of 14.09 as of April 29, 2026, below the 10-year average of 15.37x and the 5-year average of 14.17x.



Source: FiinProX, PHS compiled

Trading value in both the warrant and derivatives markets also declined.



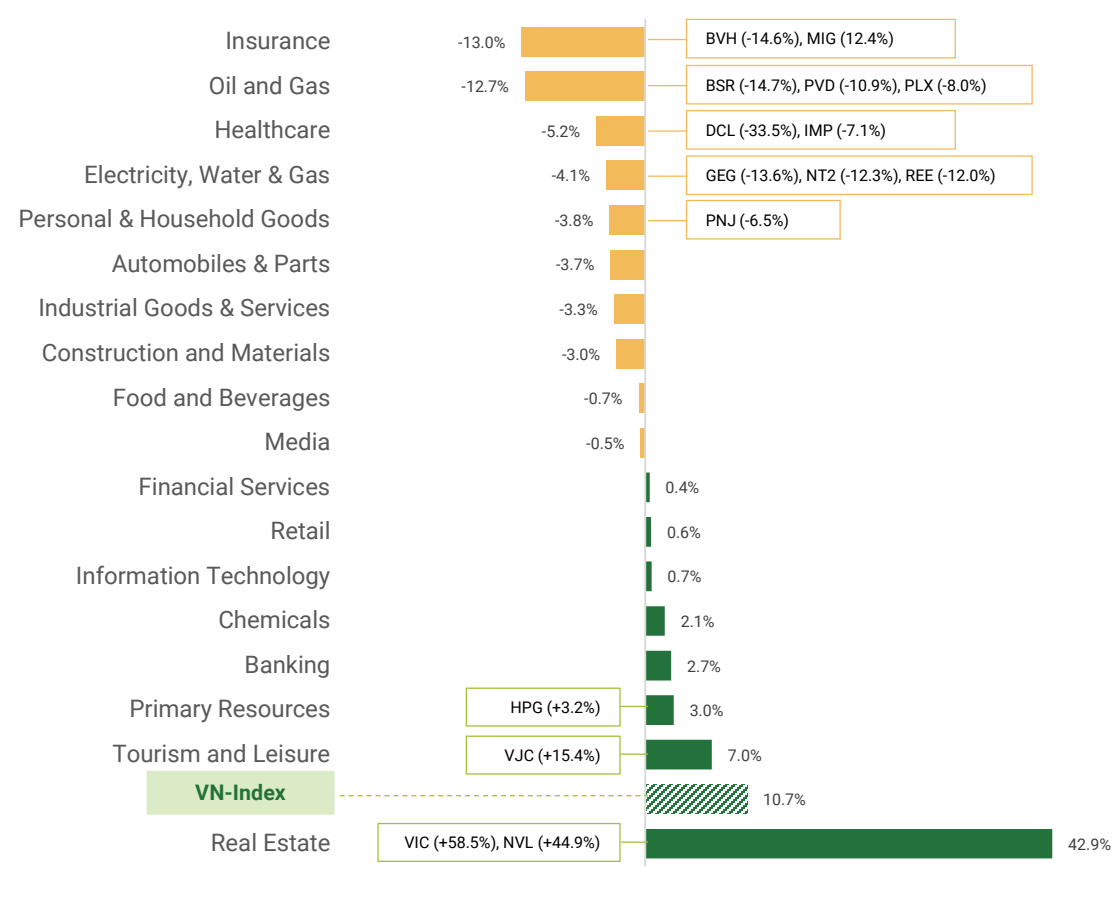
Source: FiinProX, PHS compiled

- **Average liquidity across the three exchanges cooled in April as capital flows turned more cautious.** Although the earnings season delivered many positive growth signals, market reactions remained relatively muted as most expectations had already been priced in. In addition, geopolitical uncertainty, elevated funding costs, and inflationary pressure continued to weigh on investor sentiment. Trading activity was also partly affected by the extended April 30 holiday.
- Trading value in the warrant market declined slightly by 1%, while average liquidity in the derivatives market fell more sharply, down over 16%.
- **Disconnect between index gains and valuation:** In April, the VN-Index rebounded strongly and approached its previous peak, yet market valuation (P/E) did not recover accordingly and remained below historical averages. This suggests the index rally was mainly driven by a few large-cap stocks, while the broader market lagged behind, creating a divergence between index performance and overall market valuation.

Market Divergence Continues to Weigh, with Gains Concentrated in a Few Pillars

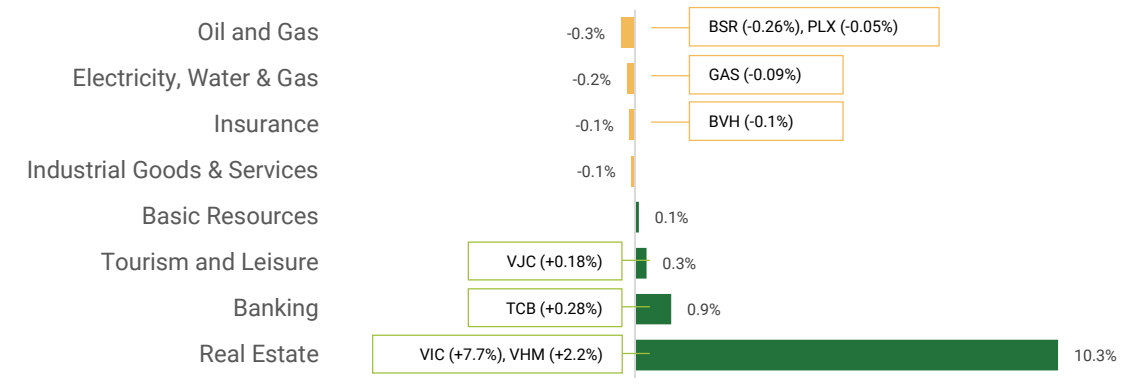
Sector Performance on HOSE in April (MoM)

Most sectors declined, with key sectors underperforming the broader market.



Source: FiinProX, PHS compiled

Contribution to VN-Index Change by Sector and Stock – April 2026



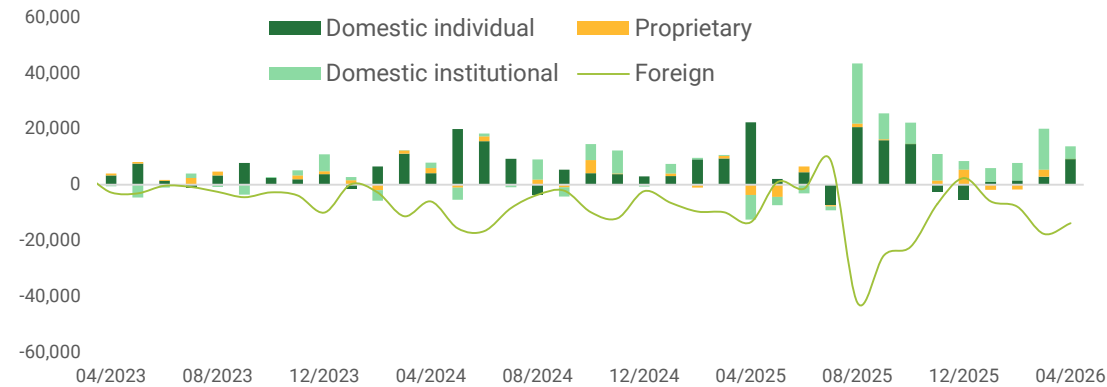
Trading Highlights During the Month

- The Vingroup-related stocks remained the key driver of the market rally:** Most sectors posted weak performance during the month, with Insurance and Oil & Gas recording the weakest returns. Real Estate, led by the Vingroup-related stocks, was the only sector to outperform the VN-Index (+10.7%). The market's upward momentum was mainly driven by the Vingroup ecosystem, led by VIC and VHM. On the other hand, profit-taking pressure continued to weigh on Oil & Gas and Utilities, which contributed the most to the index decline.
- The sharp sell-off in PC1 highlighted fragile market sentiment:** Price movements were influenced by multiple factors, including market rumors related to the company's operations, as well as information regarding improper use of bond proceeds and incomplete disclosure in accordance with regulations. Additional pressure came from strong foreign net selling, triggering panic selling and a prolonged floor-limit decline. The weakness also spread to related sectors, including Power and Electrical Infrastructure Construction.

Domestic Individuals Return as Main Net Buyers, New Accounts Stable

Monthly net trading on HOSE by investor type (VND bn)

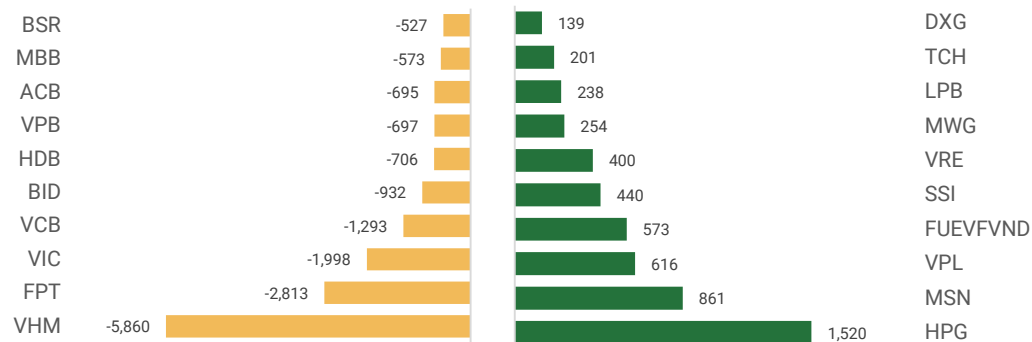
Domestic individual investors returned as the main net buyers.



Source: FiinProX, PHS compiled

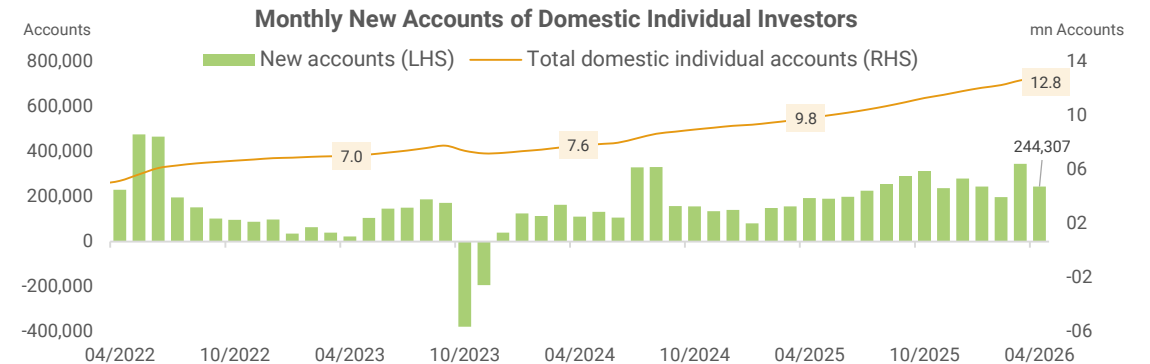
Top net bought/sold stocks by foreign investors on HSX in April 2026

Foreign net selling concentrated in banking and technology stocks, alongside profit-taking in VIC and VHM following strong gains.



Source: FiinProX, PHS compiled

New domestic individual accounts cooled after surging in the previous month.



Source: VSD, PHS compiled

- Regarding trading by investor groups**, foreign investors maintained net selling while domestic capital remained the market's primary absorption force. Proprietary trading was broadly balanced during the month, with a slight net buying value of VND 9bn. Domestic institutional investors remained net buyers, though at a slower pace than the previous month. **Notably, domestic individual investors returned as the main net buyers, with net inflows exceeding VND 9.1tn**, mainly concentrated in VHM (over VND 1.9tn), HCM (over VND 1.7tn), FPT (over VND 1.3tn), and SHB (over VND 1.2tn).
- New account openings by domestic individual investors cooled after surging in March but remained elevated at over 244 thousand accounts. **We view this as a technical normalization following the previous spike**. Cumulatively, the total number of domestic individual investor accounts reached nearly 12.84 million, **continuing to reflect strong participation and confidence from domestic capital despite heightened short-term volatility**.

Profit Growth Sustained, but Market Remains Cautious on Valuations

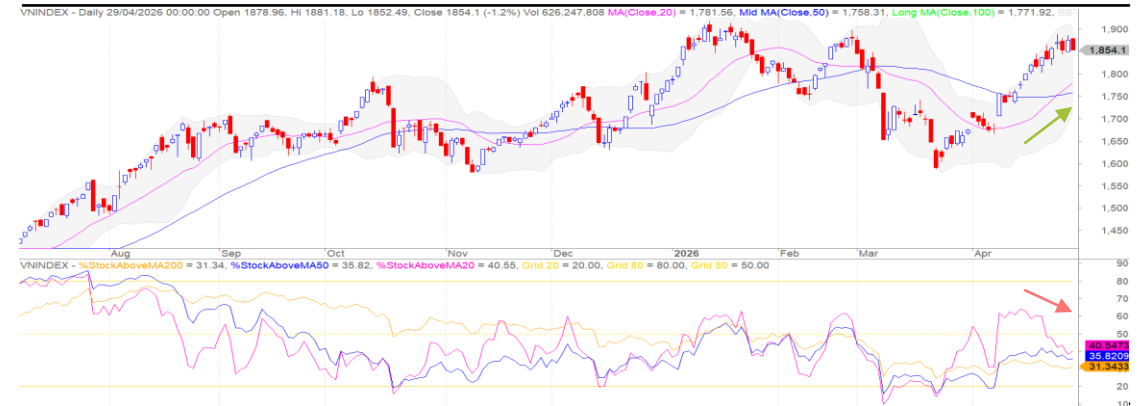
Q1/2026 Earnings Update

Many sectors recorded strong growth, but have not yet attracted liquidity inflows.

Sector Index	Average Trading Value			Earnings Results (as of 05 May 2026)		
	April (Bn VND)	vs. last month	P/E	Net Revenue (yoy)	NPAT (yoy)	Contribution to Total Profit
Automobiles & Parts	185	-15%	6.6	35.0%	69.4%	0.2%
Banking	6,361	-17%	9.2	14.8%	12.6%	36.4%
Basic Resources	1,386	-21%	16.2	16.6%	161.8%	5.8%
Chemicals	778	-61%	15.3	21.2%	57.2%	2.9%
Construction and Materials	1,568	-11%	13.1	16.4%	12.9%	1.5%
Financial Services	3,718	-27%	13.7	57.7%	19.3%	3.1%
Food and Beverages	1,410	-26%	16.6	14.5%	51.4%	6.1%
Healthcare	72	17%	16.0	-0.7%	13.6%	0.5%
Industrial Goods & Services	1,380	-32%	13.8	16.6%	27.3%	4.7%
Insurance	73	-14%	14.7	5.9%	18.9%	1.0%
Media	19	-21%	52.2	13.9%	220.0%	0.1%
Oil & Gas	912	-63%	18.3	43.9%	604.1%	4.4%
Personal & Household Goods	294	-35%	10.1	29.8%	44.6%	1.3%
Real Estate	5,132	16%	23.7	14.6%	33.7%	19.3%
Retail	787	-35%	15.3	32.0%	78.4%	1.8%
Information Technology	690	-42%	13.4	-15.2%	-0.1%	1.3%
Telecommunications	89	-33%	25.6	23.2%	265.0%	1.3%
Tourism and Leisure	859	131%	24.1	18.7%	65.9%	3.5%
Utilities	517	-52%	12.8	23.4%	40.3%	4.8%
Whole Market				21.0%	35.9%	

Source: FiinProX, PHS compiled

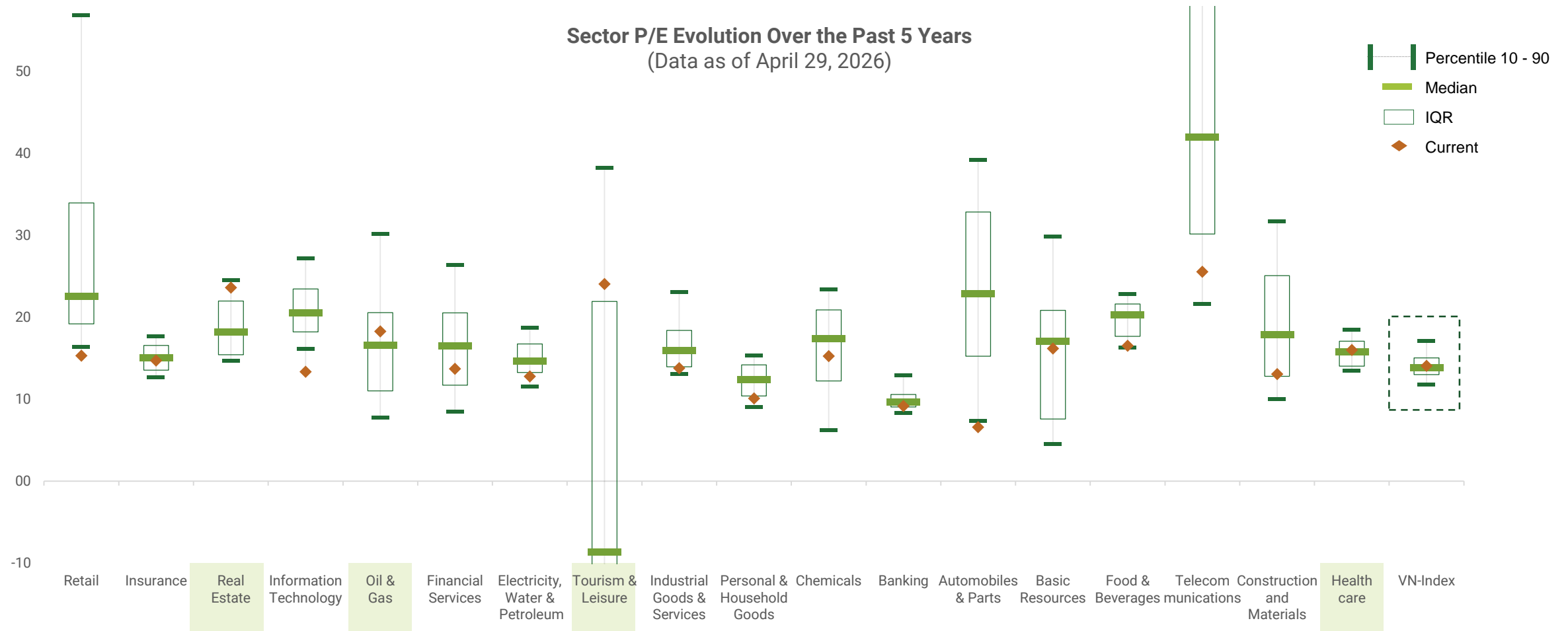
“Green on the surface, red underneath” continued to dominate market movements



- From a fundamental perspective**, Q1/2026 earnings continued to show positive growth momentum, with total market profit rising by ~35.9% and revenue increasing by 21.0%. Growth was concentrated in cyclical and commodity-linked sectors such as Oil & Gas, Chemicals, Basic Resources, Retail, and Food & Beverage, while Banking and Securities recorded a slower growth pace. **However, the market appears to be pricing in external risks cautiously, resulting in strong earnings growth not being fully reflected in stock price performance or liquidity.** Trading value declined across most sectors, indicating that capital is still largely on the sidelines rather than actively seeking opportunities. In a scenario where key uncertainties such as geopolitics, energy prices, and funding costs gradually ease, this could provide significant room for market re-rating.
- From a technical perspective**, the divergence between the index and the broader market persisted as VN-Index advanced while the share of stocks trading above MA20 and MA50 remained below 40%, indicating a lack of broad-based participation and a rally concentrated in a few large-cap names. **We believe this suggests meaningful upside potential remains for the rest of the market should liquidity return in a more widespread manner.**

Valuations Across Many Sectors Discounted to Low Levels, Opening Re-rating Opportunity

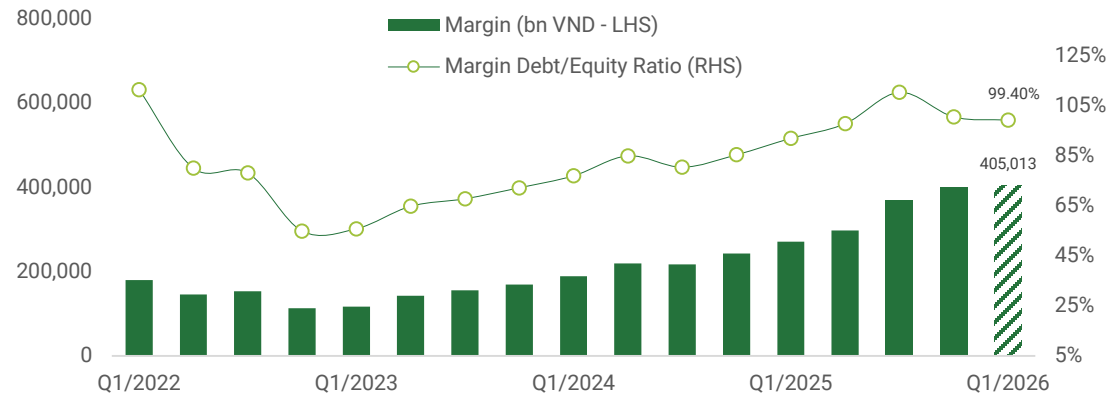
Amid strong market divergence and index gains concentrated in a few large-cap leaders such as the Vingroup group, most sectors continue to trade at depressed valuation levels.



Source: FiinProX, PHS compiled

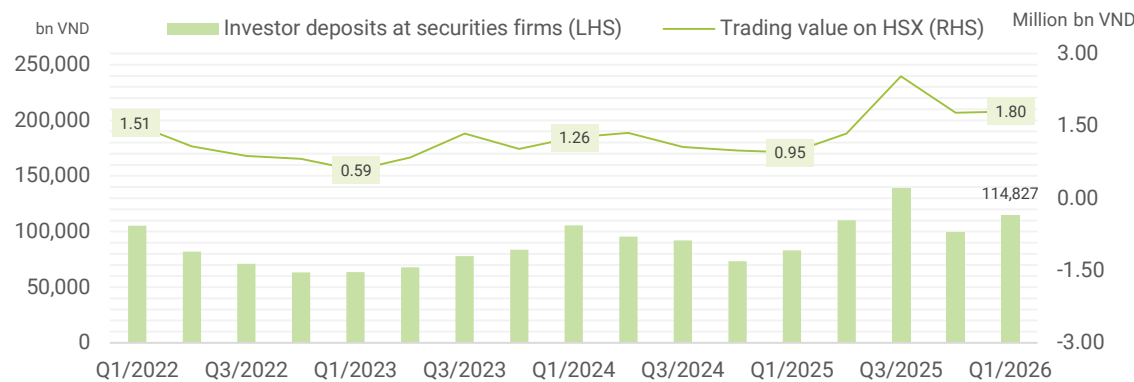
Elevated Leverage Not Fully Reflected in Market Liquidity

Total market margin outstanding continued to expand in Q1/2026, though growth slowed significantly. (Data as of March 31, 2026)



Source: FiinProX, PHS compiled

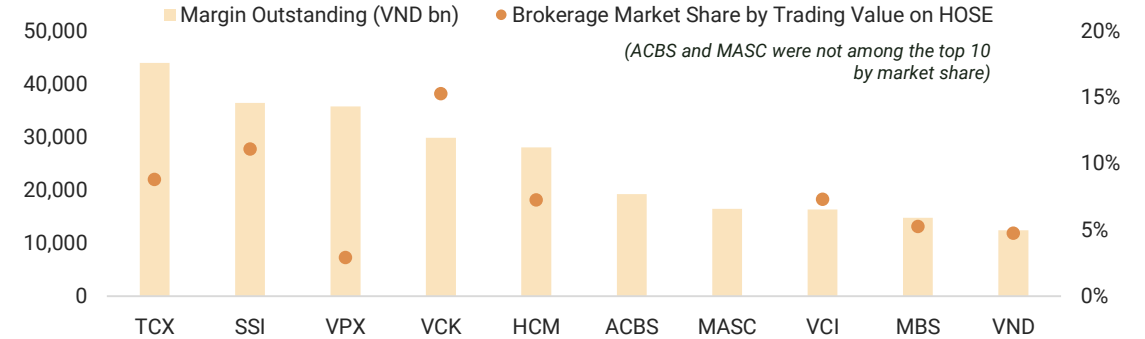
Investor deposits at securities firms rebounded after a sharp decline in late 2025.



Source: FiinProX, PHS compiled

Margin Lending Scale vs. Trading Market Share on HOSE in Q1/2026

Leading firms in margin outstanding did not necessarily gain trading market share.



Source: FiinProX, HSX, PHS compiled

- Market-wide margin outstanding rose to over VND 400tn by the end of Q1/2026, though growth slowed to just nearly 1% QoQ. Meanwhile, the margin-to-equity ratio continued to ease and fell below 100% as many securities firms completed capital increases, helping reduce systemic risk pressure.
- **However, elevated margin balances alongside relatively muted trading market share suggest part of the leverage remains “hidden” in structured lending deals or holding positions rather than short-term trading activity.** As a result, market liquidity may not fully reflect the actual leverage level, implying risks could surface more sharply if margin calls are triggered by market shocks.
- **On the positive side, investor deposits at securities firms rebounded in early 2026 after a sharp decline in Q4/2025,** reflecting improving investor confidence and potential room for future capital deployment.

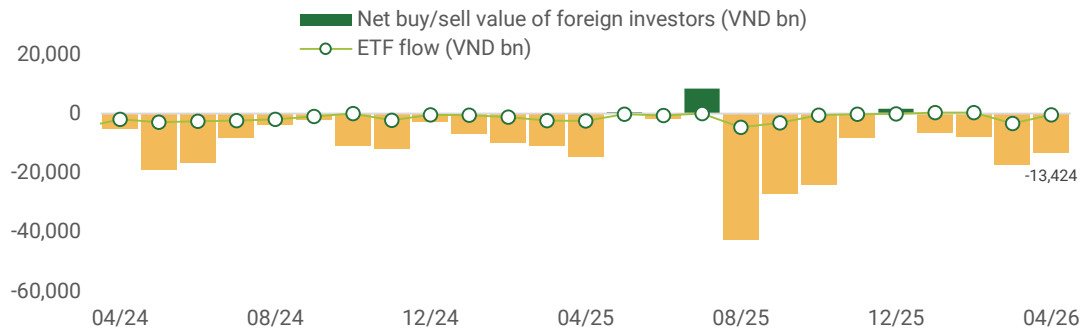
Persistent Foreign Net Selling May Add Further Pressure

Foreign net selling eased in April but remained elevated at over 13 trillion VND.

Amid ongoing market divergence, continued foreign outflows, particularly in blue chips, may pressure the index and weaken support from domestic inflows.

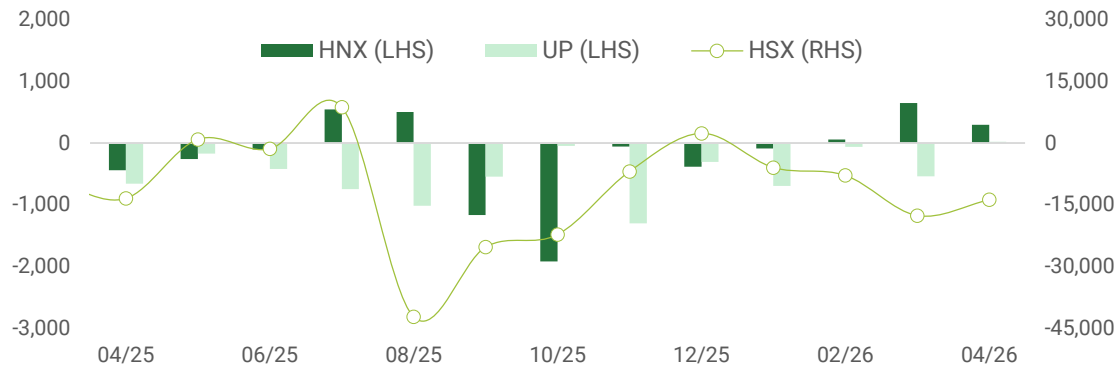
Regarding ETF flows, Vietnam continued to record net outflows in April, though at a significantly lower level than the previous month. ASEAN markets remained mixed, while capital flows continued to favor developed Asian markets such as Japan and South Korea.

Net buy/sell of foreign investors & ETF flow (monthly)



Foreign net selling on HOSE eased but remained elevated, while net buying on HNX reached nearly VND 294bn, mainly concentrated in SHS (over VND 200bn), IDC, and PVS.

Monthly Net Foreign Trading by Exchange (VND bn)



Source: Bloomberg, FiinProX, PHS compiled

Market (Bn USD)	10/25	11/25	12/25	01/26	02/26	03/26	04/26
Hong Kong	6,089	7,961	4,128	7,374	8,390	782	-777
India	2803	624	700	459	1,002	-1,755	-386
Japan	4,889	-4,045	1,830	1,507	6,067	7,349	2,327
S. Korea	3,234	6,393	2,048	9,243	12,482	9,766	1,987
Taiwan	1,254	5,207	428	-941	1,973	9,928	2,120
Vietnam	-21	-8	-52	13	20	-126	-17
Thailand	8	-27	7	34	30	-54	-44
Indonesia	26	-26	83	11	0	-6	42
Malaysia	28	2	17	56	33	15	15
Philippines	2	9	7	55	9	-32	-2
Singapore	-1	3	-13	164	162	177	46

Source: Bloomberg, PHS compiled

Green on the Surface, Underlying Pressure Persists



Scenario:

- ✓ Positive (30%): 1950 - 2050
- ✓ Basic (45%): 1820 - 1920
- ✓ Negative (25%): 1700 - 1800

Priority sectors

- ✓ Banking, Consumer, Steel, Rubber, Real Estate

Technical Analysis:

- ✓ Price continues to hold above the MA (10/20/50). Liquidity has improved but has not yet shown the breakout needed to confirm a major trend.
- ✓ MACD slope is narrowing, while RSI has entered overbought territory, suggesting upward momentum may be stalling.
- ✓ Market breadth remains below average.
- ➔ **VN-Index is trading above its historical peak in a highly divergent structure, with short-term momentum showing signs of weakening. The index may still extend gains driven by large-cap leaders; however, trend durability remains limited due to the lack of broad participation. If leading stocks lose momentum, downside risk increases, with potential retest of the 1800–1900 support zone.**

RECOMMENDATION



SECTOR AND STOCK INVESTMENT THEMES

Recommended Portfolio Performance – April 2026

Ticker	Sector	Stock price 08/04/2026	Recommendation	Target Price	Closing Price / Performance	Stock price 08/05/2026	Monthly Price Movement
HPG	Steel	28,000	Hold	30,200		27,850	-0.5%
BVB	Banking	12,600	Buy	15,400		12,700	0.8%
ACB	Banking	24,100	Buy	31,200		22,850	-5.2%
SSI	Financial services	29,400	Buy	39,200		28,300	-3.7%
HCM	Financial services	25,400	Overweight	28,500	28,500/ (20.0%)	27,950	10.0%
SIP	Industrial Park	61,300	Overweight	70,000		58,600	-4.4%
NLG	Real Estate	29,350	Overweight	32,000	27,000/ (-5.6%)	26,500	-9.7%
VN-Index							9.0%

SECTOR AND STOCK INVESTMENT THEMES

Recommended Portfolio – May 2026

Ticker	Sector	Recommendation	Stock price 08/05/2026	Target Price	Upside	Note
HPG	Steel	Hold	27,850	30,200	8.4%	
BVB	Banking	Buy	12,700	15,400	21.3%	
ACB	Banking	Buy	22,850	31,200	36.5%	
SSI	Financial services	Buy	28,300	39,200	38.5%	
SIP	Industrial Park	Overweight	58,600	70,000	19.5%	
GMD	Ports & Logistics	Overweight	80,700	90,000	13.0%	
MSN	Consumer Staples	Overweight	80,200	90,000	13.0%	

GMD - Daily 08/05/2026 00:00:00 Open 79.7, Hi 81, Lo 78.6, Close 80.7 (1.5%) Vol 1,915,800 MA(Close,20) = 75.17, Mid MA(Close,50) = 76.10, Long MA(Close,100) = 70.47, BBTop(Close,15,2) = 80.0



STOCK		STRATEGY
Ticker	GMD	Overweight
Exchange	HOSE	
Sector	Transportation Services	

Financial Ratio	
P/E (x)	17.6
P/B (x)	2.4
EPS	4457.4
ROE	14.6%
Stock Rating	A
Scale Market Cap	Medium

Technical Analysis:

- ✓ Price broke out of the 73–76 consolidation range, with improving liquidity indicating a return of capital inflows.
- ✓ MACD has crossed above its signal line, while RSI has moved above the neutral threshold, suggesting a recovery in upward momentum.
- ✓ MA20 crossover above MA50 would further strengthen the medium-term recovery.
- ➔ Signals indicate a potential exit from the corrective phase and continuation of the uptrend momentum.
- ➔ **Recommended entry zone: 78 - 79 | Target: 90 | Stop-loss: 74**

MSN - Daily 08/05/2026 00:00:00 Open 81, Hi 82.4, Lo 80, Close 80.2 (-1.0%) Vol 8,819,100 MA(Close,20) = 78.17, Mid MA(Close,50) = 76.02, Long MA(Close,100) = 77.09, BBTop(Close,15,2) = 80.99



STOCK		STRATEGY
Ticker	MSN	Overweight
Exchange	HOSE	
Sector	Food Products	

Financial Ratio	
P/E (x)	24.2
P/B (x)	3.1
EPS	3267.8
ROE	14.4%
Stock Rating	BB
Scale Market Cap	Medium

Technical Analysis:

- ✓ Price has moved back above the MA20 and MA50.
- ✓ MACD has crossed above its signal line, while RSI has recovered above the neutral level, indicating a rebound in upward momentum.
- ✓ MA20 crossover above MA50 would further reinforce the medium-term recovery.
- ➔ The structure suggests a potential exit from the corrective phase and continuation of the uptrend momentum.
- ➔ **Recommended entry zone: 79 - 80 | Target: 90 | Stop-loss: 76**

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)

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