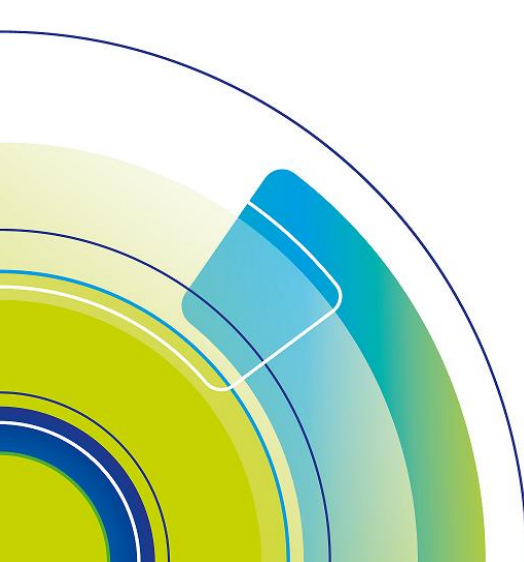




Flash note

FAQ on Vietnam Market Upgrade

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OVERVIEW

On October 11, 2025, FTSE Russell released a FAQ document regarding the reclassification of Vietnam from frontier to secondary emerging market status. The following key points are noteworthy:

1. Timeline and Implementation Process:

Vietnam will be officially upgraded in the September 2026 review. Accordingly, Vietnam will be deleted from the FTSE Frontier index and added to the Secondary Emerging Market index basket. Detailed announcements will be released by FTSE after 21 August 2026.

The deletion of Vietnam from the FTSE Frontier index will occur in September 2026, while the inclusion to the FTSE Global Equity Index Series (GEIS) will commence in conjunction with the September 2026 FTSE GEIS semi-annual review, subject to an interim assessment in March 2026. This interim assessment will evaluate whether sufficient progress has been made in facilitating access to global brokers, which is an essential component for supporting effective index replication.

2. Related Index and Securities:

The following Watch List indices reflecting Vietnam as a Secondary Emerging market:

Table 1 Related Index

Index	Update	Projected weight
FTSE All-World	Include	0.02%
FTSE Emerging All Cap	Include	0.34%
FTSE Emerging	Include	0.22%
FTSE Global All Cap	Include	0.04%
FTSE Frontier	Exclude	0%

Source: FTSE Russell

The table below lists the indicative Vietnamese securities that met the FTSE Global All Cap index eligibility screens based on data as of close of business on Tuesday 31 December 2024.

The final confirmed list of Vietnamese securities will be eligible for the index inclusion will be published in advance of the FTSE GEIS September 2026 semi-annual review.

Table 2 Related Securities

Ticker	Name	Exchange	Size marker
HPG	Hoa Phat Group JSC	HOSE	Large
VCB	Vietcombank	HOSE	Large
VIC	Vingroup	HOSE	Large
VHM	Vinhomes	HOSE	Large
MSN	Masan Group Corp.	HOSE	Mid
SAB	Saigon Beer Alcohol Beverage	HOSE	Mid
VNM	Vietnam Dairy Products JSC	HOSE	Mid
DXG	Dat Xanh Group	HOSE	Small
DIG	Development Investment Construction JSC	HOSE	Small
DGC	Ducgiang Chemicals & Detergent Powder	HOSE	Small
FRT	FPT Digital Retail	HOSE	Small
KDH	Khang Dien House Trading & Investment	HOSE	Small
KDC	Kinh Do JSC	HOSE	Small
KBC	Kinhbac City Development Share Holding Corp	HOSE	Small
DPM	Petrovietnam Fertilizer & Chemical JSC	HOSE	Small

PDR	Phat Dat Real Estate Development	HOSE	Small
STB	SaiGon Thuong Tin Commercial JSB	HOSE	Small
SHB	Saigon-Hanoi Commercial Bank	HOSE	Small
SSI	SSI Securities	HOSE	Small
HUT	Tasco	HNX	Small
VCI	Viet Capital Securities	HOSE	Small
VJC	VietJet Aviation	HOSE	Small
GEX	Vietnam Electrical Equipment	HOSE	Small
EIB	Vietnam Export Import Commercial JSB	HOSE	Small
PLX	Vietnam National Petroleum Group	HOSE	Small
VRE	Vincom Retail	HOSE	Small
VIX	VIX Securities	HOSE	Small
VND	VNDirect Securities JSC	HOSE	Small

Source: FTSE Russell

FORECAST OF PASSIVE FUND FLOWS

Once Vietnam is officially upgraded, ETFs tracking the indices listed in **Table 1** will allocate portfolio weights into the Vietnamese market accordingly.

Among these ETFs with the largest net asset value as of 10 November 2025, is the Vanguard FTSE Emerging Markets ETF, which tracks the FTSE Emerging All Cap Index with net assets of USD 105.5 billion. Based on a 0.34% weight, the fund is expected to allocate approximately USD 358.5 million into Vietnam.

Thus, following the effective market upgrade, we estimate that ETF fund inflows into the Vietnamese market will increase by approximately USD 435.4 million.

Table 3 ETFs Expected to Invest in Vietnam

Fund name	Underlying Index	NAV (USD m)	Vietnam's weight	Estimated Inflow (USD m)
Vanguard FTSE Emerging Markets	FTSE Emerging All Cap	105,453	0.34%	358.5
Vanguard FTSE All-World ex-US	FTSE All World ex US	52,408	0.05%*	26.2
Vanguard FTSE All-World UCITS	FTSE All World	29,293	0.02%	5.9
Schwab Emerging Markets Equity	FTSE Emerging	11,576	0.22%	25.5
Vanguard FTSE Emerging Markets (Ireland)	FTSE Emerging	3,170	0.22%	7.0
Invesco FTSE All-World UCITS E	FTSE All World	2,326	0.02%	0.5
Vanguard FTSE Emerging Markets (Canada)	FTSE Emerging All Cap	2,290	0.34%	7.8
Vanguard FTSE Emerging Markets (Australia)	FTSE Emerging All Cap	1,080	0.34%	3.7
Smart Emerging Markets ETF	FTSE Emerging All Cap	129	0.34%	USD 437.2 thousand
Franklin FTSE Emerging Markets	FTSE Emerging	12	0.22%	USD 26.7 thousand
Franklin FTSE Emerging ex China	FTSE Emerging Ex China	3	0.33%**	USD 9.4 thousand
Investo FTSE All-World Fundo de Indice	FTSE Global All Cap	1	0.04%	USD 0.4 thousand

Source: Bloomberg, ACBS Summary

* Weight recalculated after excluding the U.S. market from the FTSE All-World index.

** Weight recalculated after excluding China from the FTSE Emerging index.

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BUY: Expected prospective total return (including dividends) in VND will be 20% or more within 12 months

OUTPERFORM: Expected prospective total return (including dividends) in VND will be from 10% to 20% within 12 months

NEUTRAL: Expected prospective total return (including dividends) in VND will be from -10% to 10% within 12 months

UNDERPERFORM: Expected prospective total return (including dividends) in VND will be from -20% to -10% within 12 months

SELL: Expected prospective total return (including dividends) in VND will be less than -20% within 12 months

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