

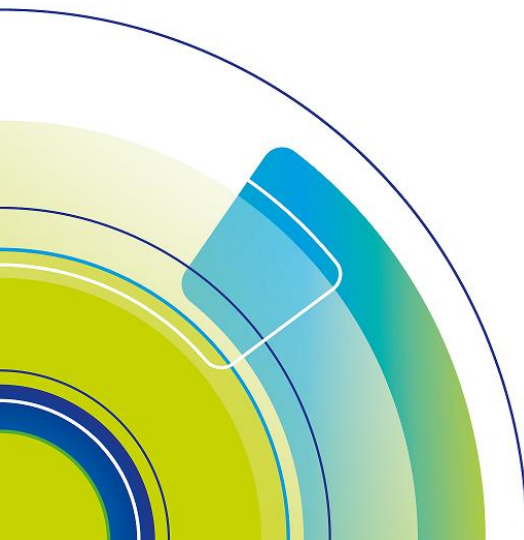


## Flash note

# Vietnam Market Upgrade

April 8, 2026

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### Research & Market Strategy Department

[acbs\\_phantich@acbs.com.vn](mailto:acbs_phantich@acbs.com.vn)

### OVERVIEW

On April 7, 2026, FTSE Russell released an official confirmation regarding the reclassification of Vietnam's equity market from Frontier Market to Secondary Emerging Market status. Key highlights are as follows:

#### 1. Overview and key timeline:

According to the latest announcement, Vietnam meets the requirements for reclassification from Frontier to Secondary Emerging market status from September 2026. The FTSE Russell Index Governance Board noted continued strong progress in establishing the Global Broker model, supported by Circular 08/2026/TT-BTC and enhancements to the non-prefunding framework

Accordingly, FTSE confirmed that Vietnam will be officially upgraded during the September 2026 review, with the change taking effect on Monday, September 21, 2026.

Following the upgrade, Vietnam will be included in the FTSE Asia Pacific ex Japan ex China region.

Further details regarding market capitalization thresholds and the list of constituents to be added to the indices will be announced by FTSE on August 21, 2026.

#### 2. The inclusion process:

The removal of Vietnam from the Frontier Market index will be executed in a single phase in September 2026.

The inclusion of Vietnam into the Secondary Emerging Market index will be executed in four tranches over a one-year period, starting from September 2026 and completing in September 2027.

**Table 1 The tranching schedule**

Tranche	Tranche 1	Tranche 2	Tranche 3	Tranche 4
Review Schedule	September 2026	March 2027	June 2027	September 2027
Proportion of investability weight added	10%	20%	35%	35%
Tranching Factor	10%	30%	65%	100%

*Source: FTSE Russell according to Reclassification of Vietnam from Frontier to Secondary Emerging Market Status - FAQ*

#### 3. Projected weights of Vietnam in related Indices:

In this assessment, alongside Vietnam's market upgrade, Greece has also been upgraded to Developed Market status, which may have implications for related indices.

Below are the relevant index baskets highlighted by FTSE that should be monitored following Vietnam's upgrade:

**Table 2 Related Indices**

Main index	Watch List index	Update	Projected weight	Current market cap (USD mn)*
FTSE All-World	- FTSE All-World Incl Vietnam - FTSE All-World incl Vietnam and Developed Greece Index	Include	0.024%	91,208,045
FTSE Emerging All Cap	- FTSE Emerging All Cap Incl Vietnam - FTSE Emerging All Cap incl Vietnam ex Greece Index	Include	0.350%	10,290,686

Main index	Watch List index	Update	Projected weight	Current market cap (USD mn)*
FTSE Emerging	- FTSE Emerging Incl Vietnam - FTSE Emerging incl Vietnam ex Greece Index	Include	0.227%	9,364,512
FTSE Global All Cap	- FTSE Global All Cap Incl Vietnam - FTSE Global All Cap incl Vietnam and Developed Greece Index	Include	0.037%	100,468,290
FTSE Frontier	- FTSE Frontier ex Vietnam	Exclude	0%	162,893

Source: FTSE Russell

according to Reclassification of Vietnam from Frontier to Secondary Emerging Market Status - FAQ

\*Current market cap was announced by FTSE as 31/03/2026

#### 4. Related securities:

In its official announcement, FTSE provided the list of the indicative Vietnamese securities that met the FTSE Global All Cap index eligibility screens based on data as of close of business on Wednesday 31 December.

FTSE Russell will shortly publish an updated list of eligible Vietnam securities based on them being assessed as non-constituents for the Watch List indices. The final list of Vietnamese securities eligible for inclusion in the relevant FTSE Russell indices as part of the September 2026 semi-annual review will be published on Friday 21 August 2026 and they will be screened based on Vietnam securities being non-constituents of the FTSE GEIS and associated indices.

**Table 3 Related Securities**

Ticker	Name	Exchange	Size marker	Estimated net buy value in Sep-2026 (USD mn)
HPG	Hoa Phat Group	HOSE	Large	9.0
VCB	Vietcombank	HOSE	Large	7.5
BID	BIDV	HOSE	Large	1.8
VHM	Vinhomes	HOSE	Large	20.4
VIC	VinGroup	HOSE	Large	56.2
MSN	Masan Group	HOSE	Mid	10.4
SAB	SABECO	HOSE	Mid	1.0
FPT	FPT Corp	HOSE	Mid	3.2
VNM	Vinamilk	HOSE	Mid	8.2
SSI	SSI Securities	HOSE	Small	7.3
DPM	Petrovietnam Fertilizer and Chemicals	HOSE	Small	1.4
KBC	Kinh Bac Urban Development	HOSE	Small	1.9
HUT	Tasco- JSC	HNX	Small	1.4
SHB	SHB	HOSE	Small	3.1
DIG	DIC Corp	HOSE	Small	0.8
EIB	Eximbank	HOSE	Small	1.8
DXG	Dat xanh real estate	HOSE	Small	0.8
KDH	Khang Dien House	HOSE	Small	1.0
VIX	VIX Securities	HOSE	Small	5.9
VND	VNDIRECT	HOSE	Small	2.8
PDR	Phat Dat Real Estate	HOSE	Small	1.2
DGC	Ducgiang Chemicals	HOSE	Small	1.3
NVL	Novaland	HOSE	Small	2.2
VJC	Vietjet Air	HOSE	Small	3.5
VCI	Vietcap Securities	HOSE	Small	3.4
VRE	Vincom Retail	HOSE	Small	3.5
GEX	Gelex Group JSC	HOSE	Small	2.3
FRT	FPT Retail	HOSE	Small	0.7
GEE	GELEX Electric	HOSE	Small	1.4
BSR	Binh Son Refining and Petrochemical	HOSE	Small	1.9
KDC	KIDO Group	HOSE	Small	0.8
STB	Sacombank	HOSE	Small	3.2

Source: FTSE Russell

according to Reclassification of Vietnam from Frontier to Secondary Emerging Market Status - FAQ

## FORECAST OF PASSIVE FUND FLOWS

Once Vietnam is officially upgraded, ETFs tracking the indices listed in Table 2 will allocate portfolio weights into the Vietnamese market accordingly.

Among these ETFs with the largest net asset value as of 31 March 2026, is the Vanguard Total International Stock ETF, which tracks the FTSE Global ex US All Cap Index with net assets of USD 582.28 billion. Based on a 0.096% weight, the fund is expected to allocate approximately USD 560.7 million into Vietnam and with a 10% cap applied in the first tranche in September 2026, this is equivalent to an estimated USD 56.07 million.

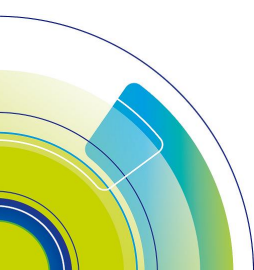
Thus, since September 2026, following the effective market upgrade, we estimate that ETF fund inflows into the Vietnamese market will increase by approximately USD 171.37 million (10% weight for the first tranche).

**Table 4 ETFs Expected to Invest in Vietnam**

Fund name	Underlying Index	Total asset (USD m)	Vietnam's weight(*)	Estimated Inflow (USD m)	Estimated Inflow during 1 <sup>st</sup> tranche in 2026*Sept (USD m)
Vanguard Total International Stock ETF	FTSE Global ex US All Cap	582,280	0.096%	560.7	56.1
Vanguard FTSE Emerging Markets ETF	FTSE Emerging Markets All Cap	146,320	0.350%	512.1	51.2
Vanguard FTSE Emerging Markets All Cap Index ETF	FTSE Emerging Markets All Cap	146,320	0.350%	512.1	51.2
Vanguard FTSE All-World ex-US ETF	FTSE All World ex US	83,860	0.062%	52.1	5.2
Vanguard Total World Stock ETF	FTSE Global All Cap	79,220	0.037%	29.3	2.9
Vanguard FTSE All-World UCITS ETF	FTSE All World Index	57,480	0.024%	13.8	1.4
Schwab Emerging Markets Equity ETF	FTSE Emerging	11,494	0.227%	26.1	2.6
Invesco FTSE All-World UCITS ETF	FTSE All World Index	3,203	0.024%	0.8	USD 76.87 thousand
Vanguard FTSE Global All Cap ex Canada Index ETF	FTSE Global All Cap ex Canada	2,980	0.038%	1.1	USD 113.90 thousand
Vanguard FTSE Emerging Markets Shares ETF	FTSE Emerging Markets All Cap	1,269	0.350%	4.4	USD 444.19 thousand
Vanguard Emerging Markets ex-China ETF	FTSE Emerging ex China	177	0.329%	0.6	USD 58.24 thousand
Smartshares Total World ETF	FTSE Global All Cap	166	0.037%	0.1	USD 6.13 thousand
Smartshares Emerging Markets ETF	FTSE Emerging Markets All Cap	137	0.350%	0.5	USD 48.09 thousand
Satrix MSCI World Equity Feeder ETF	FTSE Global All Cap	109	0.037%	0.0	USD 4.03 thousand
Invesco PureBeta FTSE Emerging Markets ETF	FTSE Emerging	9	0.227%	0.0	USD 2.03 thousand
<b>Total</b>		<b>1,115,024</b>		<b>1,714</b>	<b>171</b>

Source: ACBS Summary

\* Weight recalculated after excluding the U.S., China, and Canada market from the corresponding index based on current weight as 31/03/2026.



### CONTACTS

#### Ho Chi Minh City Head Office

3rd Floor. 117 Nguyen Dinh Chieu. Xuan Hoa Ward. Ho Chi Minh City  
Tel: (+84 28) 7300 7000  
Fax: (+84 28) 7300 3751

#### Hanoi Office

10 Phan Chu Trinh. Cua Nam Ward. Ha Noi  
Tel: (+84 24) 3942 9396

### RESEARCH & MARKET STRATEGY DEPARTMENT

Email: [acbs\\_phantich@acbs.com.vn](mailto:acbs_phantich@acbs.com.vn)  
[trangdm@acbs.com.vn](mailto:trangdm@acbs.com.vn)

### INSTITUTIONAL CLIENT DIVISION

#### Director

#### Huong Chu

(+84 28) 7300 7000 (x1083)  
[huongctk@acbs.com.vn](mailto:huongctk@acbs.com.vn)  
[groupis@acbs.com.vn](mailto:groupis@acbs.com.vn)

#### Manager

#### Huynh Nguyen

(+84 28) 7300 6879 (x1088)  
[huynhntn@acbs.com.vn](mailto:huynhntn@acbs.com.vn)

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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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