08/26/2026 07:00:00 [BFW] Bloomberg First Word

Vietnam Draws Bullish Bets on FTSE Move, Valuation: Taking Stock

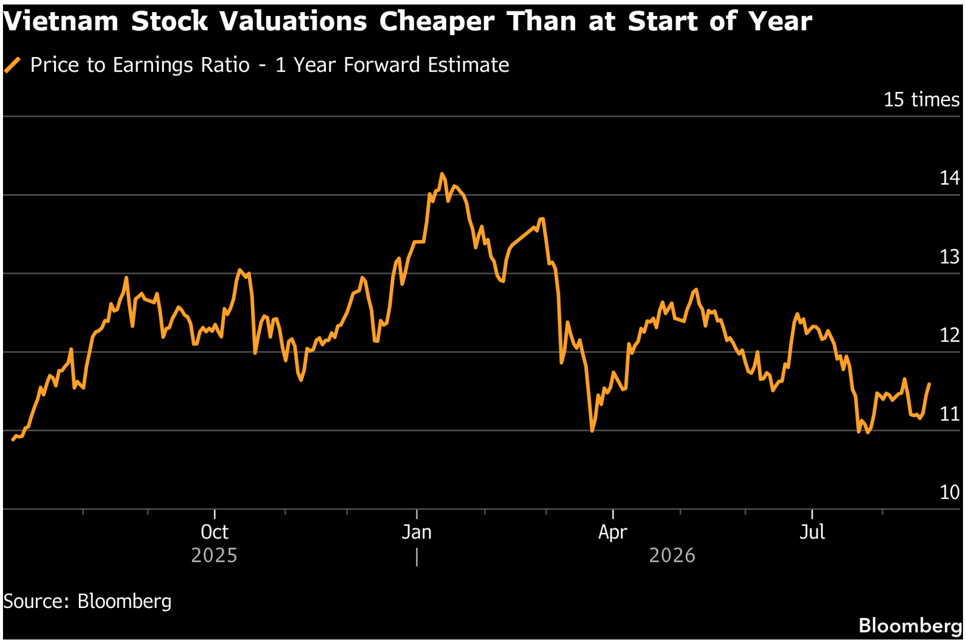
By Faseeh Mangi and Abhishek Vishnoi

(Bloomberg) -- Vietnam's stocks may be approaching a potential inflection point, with FTSE Russell's move to upgrade the nation to emerging-market status and cheaper valuations giving investors reasons to be bullish.

Market watchers see the inclusion of over 100 Vietnamese companies to FTSE Russell's Global Equity Indexes as paving the way for foreign inflows, with one of the world's fastest growth rates adding to the appeal. That could help counter the persistent selling of local stocks by overseas funds this year and allow the market narrow its sharp underperformance to Asian and global peers in 2026.

"Vietnam could possibly post a pretty good run going into the latter part of 2026," said Ruchir Desai, a fund manager at Asia Frontier Capital, which increased its allocation to the market by two percentage points to about 9% at the end of June.

The optimism is already showing in the market — the benchmark VN Index capped a fourth straight day of gains on Tuesday, marking its longest winning run since early May. That's has helped the gauge erase losses for the year. It still trails the MSCI Asia Pacific Index by about 20 percentage points.



To be sure, challenges remain. While Vietnam has advanced its capital market reform agenda, low free-float levels at some firms and continued limits on foreign ownership are among hurdles, index provider MSCI said in June. The nation has been seeking a FTSE Russell-like upgrade from MSCI as well. Investors also need to watch out for concerns related to US tariffs and banking-system liquidity.

Those bullish on the market point to its cheaper valuations. Vietnam's stock benchmark is trading at 11.6 times its one-year forward earnings, down from a multiple of more than 14 times in early 2026, and below its

10-year average multiple of 12.4.

Further, the FTSE Russell upgrade is expected to broaden access to a much larger pool of global investors, potentially providing greater stability to a market still dominated by retail traders. That could prove important during bouts of volatility: the VN Index plunged 6.7% in July, with the selloff exacerbated by margin calls that forced leveraged day traders to liquidate their holdings.

“Vietnam remains one of the most compelling structural stories among developing markets,” said Emre Akcakmak, head of frontier markets at East Capital in Dubai, adding that most of the Vietnamese companies that his firm tracks are compounding earnings at 15% or more while trading well below their five-year average price-to-earnings multiples. “That kind of gap closes eventually.”

SECTORS IN FOCUS

- The AI disruption trade is in focus again after Google Cloud’s launch of a new legal work product rattled information providers in Europe, while US tax-software maker Intuit slumped on a disappointing forecast.
- Tech hardware stocks may get a lift after US peers including Nvidia rebounded overnight. Meanwhile, OpenAI said that its new Jalapeno chips performed better than Nvidia’s current lineup during testing.
- Energy firms may slide with oil as fresh diplomatic efforts helped renew optimism that the Iran war will not escalate.

COMPANY NEWS

- Northrop CEO Expects ‘Decent Share’ of Golden Dome Contracts
- OpenAI Data Center Executive Chris Malone Departs the AI Startup
- Iran, Oman Push Talks for ‘Interim’ Reopening of Hormuz Strait
- Copper Posts Record Close as Traders Eye Monetary, Trade Policy
- Asian Shipper Pays Record $5.3 Million for Panama Canal Access
- Satellite Image Shows Surge in Iraq’s Persian Gulf Oil Loadings
- Prosus Investors Push Back on Share Structure and Executive Pay
- Honda Eyes US to Build Newest Factory, Top Executive Says
- Ukraine’s Double-Barreled Drone Strikes Snarl Russian Oil Flows
- Bangladesh Plans to Buy Chinese Fighters in Military Overhaul
- United Expands Long-Haul Network With Fleet of Airbus XLRs
- Jack Ma Buys Alibaba Stock in Show of Support for AI Buildout

UPCOMING EVENTS (All times HK)

- 07:50: (Japan) July PPI Services YoY, est. 3.2%, prior 3.2%
- 08:30: (AU) July Westpac Leading Index MoM, prior 0.04%
- 09:30: (AU) July CPI YoY, est. 3.3%, prior 3.8%
- 09:30: (AU) 2Q Construction Work Done, est. 0.4%, prior 3.4%
- 09:30: (AU) July CPI MoM, est. 0.9%, prior -0.1%
- 09:30: (AU) July CPI Trimmed Mean YoY, est. 3.5%, prior 3.6%
- 13:00: (SP) July Industrial Production YoY, est. 6.8%, prior 7.2%
- 13:00: (SP) July Industrial Production SA MoM, est. 4.8%, prior -7.2%
- 20:30: (US) July Personal Income, est. 0.2%, prior 0.2%
- 20:30: (US) July Durables Ex Transportation, est. 0.6%, prior 0.7%
- 20:30: (US) 2Q Personal Consumption, est. 3.2%, prior 3.2%
- 20:30: (US) 2Q Core PCE Price Index QoQ, est. 3.4%, prior 3.4%
- 20:30: (US) 2Q GDP Price Index, est. 6.2%, prior 6.2%
- 20:30: (US) July PCE Price Index YoY, est. 3.6%, prior 3.7%

- 20:30: (US) July Core PCE Price Index MoM, est. 0.2%, prior 0.1%
- 20:30: (US) July Cap Goods Orders Nondef Ex Air, est. 0.7%, prior 1.2%
- 20:30: (US) July Cap Goods Ship Nondef Ex Air, est. 1.0%, prior 2.0%
- 20:30: (US) July PCE Price Index MoM, est. 0.1%, prior -0.1%

EARNINGS

- Anhui Conch Cement Co. (914 HK)
- Anji Microelectronics Technolo (688019 CH)
- Anta Sports Products Ltd. (2020 HK)
- Bank of Chengdu Co. (601838 CH)
- Bank of Hangzhou Co. (600926 CH)
- Bank of Suzhou Co. (002966 CH)
- Beijing Compass Technology Dev (300803 CH)
- Chailease Holding Co. (5871 TT)
- Changzhou Xingyu Automotive Li (601799 CH)
- China Citic Bank Corp. (998 HK)
- China Feihe Ltd. (6186 HK)
- China Great Wall Securities Co. (002939 CH)
- China Mengniu Dairy Co. (2319 HK)
- China Overseas Land & Investme (688 HK)
- China Zheshang Bank Co. (2016 HK)
- Cict Mobile Communication Tech (688387 CH)
- Fiberhome Telecommunication Te (600498 CH)
- Foshan Haitian Flavouring & Fo (603288 CH)
- Giant Network Group Co. (002558 CH)
- Gree Electric Appliances Inc. o (000651 CH)
- Guocheng Mining Co. (000688 CH)
- Haisco Pharmaceutical Group Co. (002653 CH)
- Hansoh Pharmaceutical Group Co. (3692 HK)
- Hengtong Optic-electric Co. (600487 CH)
- Hgtech Co. (000988 CH)
- Huadong Medicine Co. (000963 CH)
- Inner Mongolia Yili Industrial (600887 CH)
- Jiangsu Yanghe Distillery Co. L (002304 CH)
- Jinko Solar Co. (688223 CH)
- Kingnet Network Co. (002517 CH)
- LB Group Co. (002601 CH)
- Li Auto Inc. (LI US)
- Lynas Rare Earths Ltd. (LYC AU)
- Meridian Energy Ltd. (MEL NZ)
- Nari Technology Co. (600406 CH)
- New China Life Insurance Co. Lt (601336 CH)
- Ningbo Deye Technology Corp. (605117 CH)
- Poly Developments & Holdings (600048 CH)
- SenseTime Group Inc. (20 HK)
- Shennan Circuits Co. (002916 CH)
- Shenzhen Everwin Precision Tec (300115 CH)
- Sichuan Biokin Pharmaceutical (688506 CH)
- Sichuan Kelun Pharmaceutical C (002422 CH)
- Sinotruk Hong Kong Ltd. (3808 HK)
- Sunny Optical Technology Group (2382 HK)

- Sunwoda Electronic Co. (300207 CH)
- Suzhou Centec Communications C (688702 CH)
- TCL Zhonghuan Renewable Energy (002129 CH)
- Tongwei Co. (600438 CH)
- Tsingtao Brewery Co. (600600 CH)
- Universal Scientific Industria (601231 CH)
- Western Superconducting Techno (688122 CH)
- WiseTech Global Ltd. (WTC AU)
- Woolworths Group Ltd. (WOW AU)
- Zhejiang Sanhua Intelligent Co. (002050 CH)

CORPORATE EVENTS

- Annual General Meetings: ETERNAL IN, HPCL IN, JIOFIN IN
- Other Shareholder Events: 000408 CH, 000876 CH, 002050 CH, 005380 KS, 20 HK, 2016 HK, 2020 HK, 2319 HK, 2382 HK, 300418 CH, 3692 HK, 3808 HK, 392 HK, 600600 CH, 600741 CH, 601336 CH, 601877 CH, 603288 CH, 6186 HK, 688 HK, 836 HK, 914 HK, 9880 HK, 998 HK, BIDU US, GULF TB, LI US
- Earnings Calls: 1801 HK, 2333 HK, 2883 HK, 2899 HK, 600089 CH, 600515 CH, 600570 CH, 600660 CH, 600918 CH, 6181 HK, 9633 HK, LI US, LYC AU, MEL NZ, WOW AU, WTC AU

CONFERENCES

- Morgan Stanley (Institutional Equity Division) India Financials Trip - Group meeting with select investors: SHFL IN

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This story was produced with the assistance of Bloomberg Automation.