Morning Call

Tuesday, 20 October 2026 · Data as of the 19 October 2026 session

VIC accounts for most of the decline

Shinhan Securities

Morning Outlook

Highlights

US futures edge higher, Nikkei 225 falls 0.62% to 64,916, European stocks fall sharply, crude oil slips to $98/barrel. US stock futures edged higher on Tuesday after the major indexes opened the week with gains, supported by a recovery in technology shares. Futures tied to the Dow Jones, S&P 500 and Nasdaq 100 each advanced at least 0.1%. During Monday's regular session, the S&P 500 and Nasdaq Composite rose 0.41% and 1.11%, respectively, rebounding from last week's sharp selloff driven by growing concerns over AI financing. Chipmakers and other mega-cap stocks led the recovery, with Micron gaining 3%, Nvidia rising 1.4%, Sandisk climbing 5.5%, Amazon advancing 5% and Tesla adding 3.8%. Japan's Nikkei 225 fell 0.62% to close at 64,916 on Monday, extending last week's decline as technology shares remained under pressure amid amid lingering concerns over the AI trade. European stocks closed sharply lower on Monday as fresh civil unrest added to local political uncertainty, triggering selloffs in the bond markets of major Eurozone members. The Euro STOXX 50 fell 1% to 6,141 and the STOXX Europe 600 lost 0.9% to 639.1. Crude oil prices slipped toward $98 per barrel on Tuesday, paring recent gains as investors weighed escalating conflicts in the Middle East and Eastern Europe against signs of robust energy flows from the Persian Gulf.

Decline and divergence. The market fell 16 points, of which VIC contributed a drop of 12.8 points; the VN-Index formed a bearish engulfing candle, showing that it opened higher but selling pressure ultimately dominated, wiping out the previous session's fragile recovery attempt. Sectors moved in different directions and there was no leading flow. The next reference support is in the 1,600 - 1,660 zone, although the market will need several sessions of accumulation.

Trading strategy: Favor defensive, low-beta names with strong cash flow, high dividends and low borrowings given high interest rates. Insurance and utilities can be considered. In the short term the market may fall further, so short-term traders should prioritise staying on the sidelines.

Vietnam market — session of 19 October 2026 and short-term scenarios for the next 2 weeks

VN-Index	Positive	Base	Less positive
1,689.84	5%	60%	35%
-0.94%	1,800	1,660	1,600
	The market heads toward the 1,800 level	The market falls to the lower bound of the corresponding support zone at 1,660 as the VIC group stays weak and other groups diverge	The market breaks below the support zone, falling to 1,600, as no large-cap group holds up the index

Portfolios

New buy recommendation	Current holding	Watchlist	High-risk names to avoid
TNG	MWG	TCH, BVH, HPG	NVL, PNJ

Top news

Macroeconomy **The State Bank of Vietnam requires interest rate levels to be brought to a level better suited to the capacity of businesses and the economy.** Lending rate cuts of 1.5–2%/year at commercial banks support the funding costs of production and business enterprises.

MBB **MB cuts lending rates by 1.5%/year for 5 priority sectors and by up to 2%/year in some cases from 19 October 2026.** MB cutting lending rates while optimising operating costs shows that banks are implementing the policy of lowering interest rates.

Top News — 20 October 2026

Macroeconomy **The State Bank of Vietnam requires interest rate levels to be brought to a level better suited to the capacity of businesses and the economy; commercial banks cut deposit rates by at least 0.5%/year and lending rates by 1.5–2%/year**

According to Markettimes on 19 October 2026, at a meeting with credit institutions chaired by Governor Phạm Đức Ấn, the State Bank of Vietnam required interest rate levels to be brought to a level better suited to the capacity of businesses and the economy. Commercial banks agreed to cut listed deposit rates by at least 0.5%/year for terms of 6 months or more and to focus on cutting lending rates by 1.5–2%/year for production, business and priority sectors, while pledging absolutely not to race to raise deposit rates. The State Bank of Vietnam kept its policy interest rates unchanged and targets credit growth of about 15% in 2026, and as of 14 October 2026 outstanding credit to the economy reached more than VND 20.72 quadrillion, up 11.44% from the end of 2025.

The commercial banks cutting both deposit and lending rates supports the funding costs of production and business enterprises; this will cause the banking group's NIM to decline.

MBB **MB cuts lending rates by 1.5%/year for 5 priority sectors and by up to 2%/year in some cases from 19 October 2026**

According to The Banking Times on 19 October 2026, MB is cutting lending rates from 19 October 2026 in line with Government policy and the State Bank of Vietnam's management direction. The base cut is 1.5%/year for 5 priority sectors — agriculture and rural areas, export-oriented production and business, small and medium-sized enterprises, supporting industries and high-technology enterprises — and MB will consider cuts of up to 2%/year for some priority cases. MB is optimising operating costs by up to 2–2.5% of the cost-to-income ratio compared with 2025 to create room for lower interest rates.

MB cutting lending rates while optimising operating costs shows that banks are implementing the policy of lowering interest rates, supporting funding costs for priority sectors.

Technical View and Trading Strategy — 20 October 2026

Trend: Decline and divergence

Technical view

The market fell 16 points, of which VIC contributed a drop of 12.8 points; the VN-Index formed a bearish engulfing candle, showing that it opened higher but selling pressure ultimately dominated, wiping out the previous session's fragile recovery attempt. Sectors moved in different directions and there was no leading flow. The next reference support is in the 1,600 - 1,660 zone, although the market will need several sessions of accumulation.

Medium-term base scenario

We expect a highly divergent market, with the index moving in a 1,800 – 1,900 range by year-end. Breaking out of this range needs clearer cash-flow breadth — a factor that is still missing at present.

Strategy

Favor defensive, low-beta names with strong cash flow, high dividends and low borrowings given high interest rates. Insurance and utilities can be considered. In the short term the market may fall further, so short-term traders should prioritise staying on the sidelines.

VN-Index — daily chart

Source: TradingView



Short-term scenarios for the next 2 weeks

Positive
5%
1,800
The market heads toward the 1,800 level

Base
60%
1,660
The market falls to the lower bound of the corresponding support zone at 1,660 as the VIC group stays weak and other groups diverge

Less positive
35%
1,600
The market breaks below the support zone, falling to 1,600, as no large-cap group holds up the index

Trading Stock Portfolio

Updated: 19 October 2026 *Unit: thousand VND*

Today's new buy/sell recommendations

Stock	Rating	Buy/sell zone	Target price	Stop-loss	Upside	Downside risk	Current price	Signal	Notes
TNG	Buy	18.5	20.7	17.4	+12%	-6%		Strong upturn with markedly improved liquidity above the MA 50	

Short-term holdings

Stock	Rating	Buy price	Target price	Stop-loss	Upside	Downside risk	Current / closing price	Holding days	P/L	Recommended on	Notes
MWG	Hold	73.9	79.8	72	+8%	-3%	74.2	0	+0.41%	19/10/2026	

Potential watchlist

No.	Stock	Current price	Target price	Potential buy zone	Expected return	Notes
1	**TCH**	11.25	NA	NA	NA	A low-debt real-estate company suited to a high-rate environment. The price is forming a base and consolidating near the MA 50.
2	**BVH**	70.7	NA	70	NA	Insurers benefit from higher deposit rates. A good rebound from the bottom with improving liquidity.
3	**HPG**	20.55	NA	NA	NA	Hoa Phat reported cumulative 9M 2026 sales of 10.3 million tons of steel (including hot-rolled coil, construction steel, high-quality coil and steel billets), up 39% YoY.

High-risk stocks to avoid

No.	Sector	Stock	Notes
1	Real estate	**NVL**	A sharp limit-down move in NVL right before the rights-issue record date, together with continuous selling by the company's management and union. Real estate overall is hurt by high interest rates.
2	Personal & household goods	**PNJ**	PNJ is facing a shock to both earnings and market confidence. The stock keeps hitting the daily floor and participating is very risky.

Recommendation history

Stock	Buy price	Target price	Stop-loss price	Upside	Downside risk	Closing price	Holding days	Realized P/L	Recommended on	Closed on	VN-Index change
VGC	44.2	53.1	42	+20%	-5%	42.20	18	-4.52%	11/05/2026	04/06/2026	-5.2%
CTD	71.7	77.5	69.4	+8%	-3%	71.0	20	-0.98%	11/06/2026	09/07/2026	+2.3%
MBB	24	26.3	24	+10%	0%	24.0	30	0.00%	05/06/2026	17/07/2026	-2.8%
LPB	52.6	62.9	51.5	+20%	-2%	50.9	13	-3.23%	30/07/2026	18/08/2026	-1.0%
POW	13.6	15.12	12.8	+11%	-6%	12.8	23	-5.88%	06/08/2026	08/09/2026	+3.2%
MBB	19.9	21.5	19.9	+8%	0%	19.9	27	0.00%	06/08/2026	14/09/2026	+0.2%
NVL	13.3	14.75	12.7	+11%	-5%	12.7	14	-4.51%	25/08/2026	14/09/2026	+0.2%
VRE	26	28.56	24.5	+10%	-6%	24.5	11	-5.77%	09/09/2026	24/09/2026	-2.8%
VCB	59.1	63	57.7	+7%	-2%	57.7	10	-2.37%	17/09/2026	01/10/2026	-3.1%
REE	46.7	50.5	44.7	+8%	-4%	45.1	13	-3.53%	30/09/2026	19/10/2026	-4.5%
Average performance							**18**	**-2.80%**			**-1.70%**

Note: This report is an investment reference based on historical data, so future share-price movements may differ from the trends established to date. These data accurately reflect the views of the person responsible for the company's securities research and analysis, but these views and estimates may contain errors. The selection of stocks and the final investment decision should therefore rest with each investor. Please see the Compliance Notice and Disclaimer at the end of this report for details.

World Markets — 20 October 2026

Market data

% change 1 day / 1 month / 1 year

Equity indices

	Close	1D	1M	1Y
VN-Index	1,690	−0.9%	−6.9%	+3.3%
S&P 500 Index	7,691	+0.4%	+0.5%	+14.2%
Dow Jones Index	51,966	−0.1%	+0.5%	+11.3%
GP 100	10,765	−1.1%	+1.0%	+14.5%
Nikkei 225	64,066	−1.3%	−1.5%	+30.3%
SHCOMP Index	3,731	+0.4%	−4.6%	−2.8%
STOXX 600	640	−0.8%	+0.6%	+11.8%
KOSPI Index	5,550	−3.8%	−19.5%	+45.5%
Hang Seng	24,187	+0.5%	−2.3%	−6.5%

Commodities

	Close	1D	1M	1Y
Brent	110	+0.2%	+5.6%	+79.8%
WTI	104	+0.2%	+3.5%	+80.5%
Gasoline	320	+0.2%	−9.4%	+74.7%
Natural gas	3	−1.2%	+3.7%	−11.1%
Coal	151	+0.2%	+4.7%	+45.7%
Gold	4,123	−0.4%	−5.1%	−5.4%
China HRC	3,274	+0.1%	−1.3%	−1.0%
Steel rebar	3,094	−0.3%	+1.4%	+3.2%
BDI index	2,546	+1.4%	−24.5%	+23.1%

Currencies

	Close	1D	1M	1Y
Dollar Index	102.0	0.0%	+1.7%	+3.4%
USD/VND	25,897.0	0.0%	+0.5%	+1.7%
EUR/USD	1.1	0.0%	−2.2%	−3.7%
USD/JPY	158.5	0.0%	−0.7%	−4.9%
USD/CNY	6.7	+0.1%	+0.2%	+6.6%
USD/GPB	0.8	−0.1%	+0.4%	+0.7%
USD/KRW	1,327.7	+0.4%	+3.5%	+7.0%
USD/AUD	1.4	+0.1%	+2.1%	−6.6%
USD/CAD	1.4	+0.1%	−0.4%	−0.4%

Source: Bloomberg, Shinhan Securities Vietnam.

Key Events

October 2026

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
28	29	30	**1** (US): ISM Manufacturing PMI (September)	**2**	**3** US non-farm payrolls, September US unemployment rate Vietnam economic data release	**4**
5 US — ISM Services PMI, September	**6**	**7**	**8** FOMC meeting	**9** (US): University of Michigan consumer sentiment, preliminary (October)	**10**	**11**
12	**13** US — Existing home sales, September	**14** US — Core inflation MoM, September	**15** US — PPI MoM, September	**16**	**17**	**18**
19	**20** US | Preliminary building permits (September)	**21**	**22**	**23** Japan | Inflation rate YoY (September)	**24**	**25**
26	**27** US | Durable goods orders MoM (September)	**28**	**29** US | Fed interest-rate decision ECB interest-rate decision	**30**	**31**	1

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