TECHCOMSECURITIES

CASH — EQUITY ALLOCATION RECOMMENDATION

Updated weekly
August 28, 2026

ALLOCATION RECOMMENDATION

MAINTAIN EQUITY ALLOCATION

Maintain the current equity weight — add on dips to 1,800-1,810; increase once the index clears 1,850 on heavy volume, trim if 1,787 breaks.

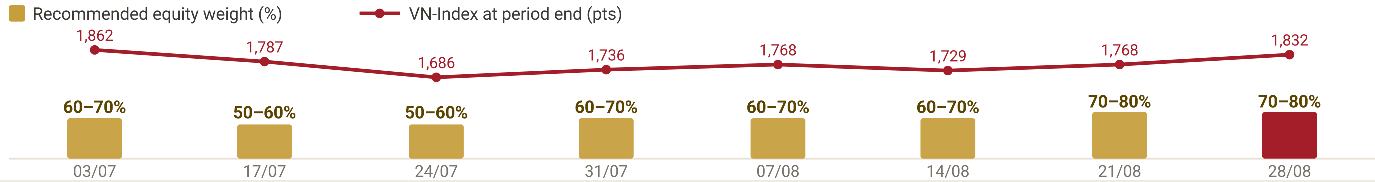
70–80% EQUITY	20–30% CASH

VN-Index **1,832.12 (+3.62% wk) · RSI(14) 64.6**

Why 70–80% Equity / 20–30% Cash?

The VN-Index closed August 28 at 1,832.12, up 3.62% for the week — all five sessions higher: it cleared the 1,777-1,793 resistance early in the week and held above the 20, 50 and 200-session averages. **Last week's two biggest headwinds have both eased**: Brent fell about 7% to around 88 dollars as the August 24 US sanctions on Iran proved milder than feared, while the overnight interbank rate slid from 5.77% to 1.2% late in the week on renewed State Bank injections; bank dollar prices also eased on Friday. Meanwhile, **FTSE Russell published official documentation on August 26**: 27 Vietnamese stocks enter the global index series, with the weight raised from 0.33% to 0.49%, effective September 21. One caveat: **buying is narrowing** — in both final sessions decliners outnumbered gainers even as pillars lifted the index, and turnover shrank into the holiday. **We therefore keep the allocation at 70–80% equity / 20–30% cash** — not yet adding further, as the Fed Chair's first speech falls tonight, right before the August 31 - September 2 holiday: five straight days in which investors cannot adjust positions if the message disappoints.

EQUITY ALLOCATION HISTORY — LAST 8 WEEKS



+ REASONS TO HOLD EQUITIES

- **Five gains out of five, holding above all three averages.** The index closed the week at 1,832.12 (+3.62%) with all five sessions higher — clear of the 1,777-1,793 zone where the mid-August attempt failed. Breadth keeps widening: 54% of large caps sit above their 50-session average versus a third last week; the strength gauge at 64.6 is not yet overbought.
- **Foreign investors have flipped to six straight sessions of net buying.** After selling over 2,600 billion dong net last week, foreign investors have bought for six consecutive sessions from August 21 to 28, totalling nearly a trillion dong in Ho Chi Minh City — centred on technology and bank stocks. Foreign money is returning exactly three weeks before the upgrade takes effect on September 21.
- **Short-term liquidity has loosened sharply; the currency has cooled.** The overnight interbank rate fell from 5.77% on August 17 to 1.2% late in the week as the State Bank resumed net injections — though three-month money still costs about 7.6%. Twelve banks have announced 408 trillion dong of preferential credit; the central rate turned lower on August 28 and bank dollar prices eased 20 dong.
- **The upgrade now has official documentation, effective in three and a half weeks.** On August 26 FTSE Russell published official documentation: 27 Vietnamese stocks enter the global index series and Vietnam's basket weight rises from 0.33% to 0.49%, effective September 21. Base-case passive inflows are about 2.2 billion dollars in four tranches.

– REASONS TO KEEP CASH

- **The US rate wildcard lands right before a long holiday.** July US inflation released August 26 rose 3.7% — above forecast; the odds of a September rate rise stand at 28-40%. The Fed Chair speaks for the first time tonight, right before the five-day break in which the local market cannot trade on a firm message.
- **Decliners dominate even as the index rises.** In both final sessions the index rose while decliners dominated — 187 down versus 117 up on August 27, then 162 versus 141 on August 28. Turnover faded — no high-volume session has confirmed the new price zone yet.

3 MARKET SCENARIOS FOR THE NEXT 1–3 WEEKS

MOST LIKELY — 40%
MARKET RISES

VN-Index towards 1,850 → 1,878

Tonight's US rate message proves neutral and money keeps front-running the upgrade after the break; the index clears 1,850 on heavy volume and heads back to the 60-session peak of 1,878.

ACTION
Raise to 85-90% once 1,850 is cleared on heavy volume; favour banks and brokers.

BALANCED — 40%
MARKET MOVES SIDEWAYS

VN-Index between 1,800 → 1,850

The market digests the week's 3.6% gain, ranging between support at 1,800-1,810 and the 1,838-1,850 resistance while awaiting the first upgrade tranche on September 21.

ACTION
Hold 70-80%, add on dips to 1,800-1,810; do not chase into resistance.

DOWNSIDE — 20%
MARKET FALLS

VN-Index down to 1,760 → 1,800

A firm US rate message right before the five-day break, or a breakdown in Strait of Hormuz talks lifting oil; the index gaps lower after the holiday, breaks 1,800 and slips towards the 50-session average near 1,787.

ACTION
Cut to 60-65% and raise cash; wait for a stabilising session on heavy volume before returning.

SECTORS TO HOLD / TO AVOID

▲ HOLD — WITH UPWARD MOMENTUM

Banks — policy on their side — **VCB, CTG, MBB**
Twelve banks have announced 408 trillion dong of preferential credit and next year's quota is tied to cutting lending rates; credit growth of 8.4% compares with a target near 15%. Rising deposit rates bear watching.

Brokers — direct beneficiaries of the upgrade — **TCX, SSI, HCM**
Effective September 21, the upgrade lifts Vietnam's basket weight from 0.33% to 0.49%, with seven sector names included. The group rose over 5% on August 21 and 4.1% on August 24, still below its five-year average.

Property — legal bottlenecks easing, earnings leading — **VHM, NLG, DXG**
The leading group on August 26, with the market's strongest second-quarter profit growth. Decree 274 on investor selection, effective August 21, eases legal bottlenecks for new projects. All three sit above their averages.

▼ AVOID — UNDER SELLING PRESSURE

Seafood exports — higher US duties — **VHC, FMC**
On August 12 the US published a review that sharply raised anti-dumping duties on pangasius; July sales to the US at the sector leader fell 36%. Both trade below their averages — wait for orders to improve.

Defensive power — money rotating to the leaders — **POW, NT2**
Money is leaving defensive dividend names for upgrade beneficiaries — both trade below their averages and one has broken its trend. Higher second-quarter power-market prices have yet to pull money back.

Note: This report is for reference only and is not a specific buy/sell recommendation. Investors should consider carefully before trading.