

MONTHLY NEWSLETTER

April 2026

Indochina Capital is one of Vietnam's leading investment firms. Founded in 1999, ICC has two divisions:

Asset management: Exclusive focuses on listed Vietnam equities
Real estate: Property development, investment, and advisory

Indochina Equity Model Portfolio

Portfolio Manager: Diep Nguyen (15 years managing the strategy)
Number of Investments: 15
Median Portfolio Market Cap: \$1.73 bn

Strategy

The firm's long-term active fundamental investment philosophy is supported by bottom-up company analysis complemented by a top-down overlay. The success of ICC's high conviction and disciplined strategy hinges upon close and consistent engagement with its portfolio companies.

	2026f	2027f
EPS Growth	142.68%	30.76%
P/E Ratio	14.04	10.75

Performance

	1 Month	YTD	3 Year (CAGR)	5 Year (CAGR)	10 Year (CAGR)
Indochina Capital	4.55%	-1.93%	12.76%	6.08%	10.80%
VN Index	10.68%	3.93%	16.46%	5.61%	10.14%
MSCI FM	9.72%	8.14%	19.01%	6.01%	4.89%
MSCI EM	14.53%	13.95%	17.87%	3.50%	6.65%
S&P 500	10.42%	5.31%	20.02%	11.51%	13.32%

Manager's Comment

- **The VN-Index** rebounded strongly in April, driven by Vingroup stocks, which accounted for nearly 30% of the Index's market cap. Excluding these stocks, the VN Index would have gained less than 1% during the month.
- **Our portfolios recorded an average gain of 4.55% in April.** Key outperformers included NVL (stronger-than-expected Q1 2026 earnings and continued legal progress on key developments) and TCB (resilient 1Q26 earnings, solid asset quality, and expectations of a higher credit quota).
- Listed companies reported broad-based strong earnings growth of 30.9% YoY in Q1 2026 across sectors, including banking (+14% YoY), real estate (+41% YoY), retail (+77% YoY), and oil & gas (+10x). While foreign outflows and volatility of the Vietnamese stock market would likely persist due to geopolitical tensions, inflationary pressures and elevating U.S. trade protectionism, robust FDI

inflows into manufacturing and resilient consumption remain the supportive pillars of Vietnam's economy.

- FTSE announced Vietnam's official inclusion and the country's weights in its indices, which should induce US\$1.3 billion of passive money into the country's stock market. The roadmap of inclusion will be in four tranches over four quarters starting from September 2026.
- In early April, the new Prime Minister, Le Minh Hung, and his cabinet were sworn into office for the term 2026-2031. After the new cabinet completes their initial setup and transitions into active governance, the country can charge ahead more steadily.

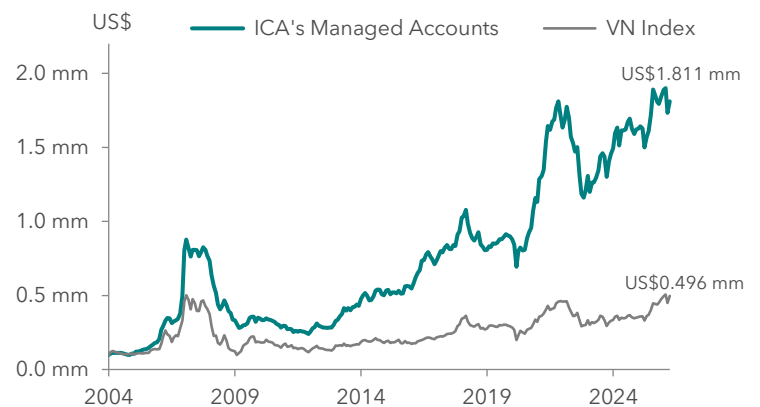
Top 10 Holdings (74% of NAV)

Ticker	Sector	NAV%	VN Index%	% Change	Sector	Weight	VN Index Weight
BAF	Cons. Stap.	15.26%	0.13%	3.59%	Cons. Stap.	24.84%	7.01%
NVL	Real Estate	9.08%	0.52%	44.88%	Materials	16.99%	5.98%
TCB	Financials	7.89%	2.75%	10.26%	Banks	14.59%	29.88%
MSN	Cons. Stap.	7.39%	1.27%	1.72%	Real Estate	13.05%	30.74%
MWG	Cons. Disc.	6.86%	1.41%	2.69%	Industrials	8.23%	7.06%
TCX	Financials	6.64%	1.34%	-0.15%	Financials	6.64%	6.66%
HPG	Materials	6.51%	2.44%	3.16%	Cons. Disc.	6.86%	4.39%
DHC	Materials	5.67%	0.04%	1.99%	Others	0.00%	8.28%
DCM	Materials	4.81%	0.26%	-11.59%	Cash	8.81%	N/A
GEX	Industrials	4.31%	0.40%	5.68%			

Information

Structure	SMA
Strategy Inception	January 2004
NAV Frequency	Monthly
Fees	1.5% + 15% HWM
Administrator	Indochina Capital Advisor
Custodian	Deutsche Bank AG

Performance Since Inception vs VN Index



* Calculated based on US\$100,000 invested with ICA since inception (2004) versus invested in the VN Index

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If you would like to arrange a call with the Portfolio Team, please contact [Diep Nguyen](#).

Appendix

Macro

Vietnam's economy remained resilient in April with robust FDI inflows, accelerating industrial production, and strong services. But momentum has shown signs of easing under the impact of the Iran war.

- **Vietnam's Manufacturing PMI slipped to 50.5 in April** from 51.2 in March, remaining marginally in expansionary territory.
 - Output rose for a twelfth consecutive month but new orders contracted for the first time in eight months as intensifying cost pressures began to weigh on demand. Employment and purchasing activities were scaled back and business confidence fell to a seven-month low, reflecting mounting concerns over Iran war disruptions.
- **The Index of Industrial Production (IIP) rose by 2.97% MoM** and **accelerated to 9.88% YoY in April**. YTD, IIP **increased by 9.20% YoY**.
 - All major sectors expanded YTD, including manufacturing (+9.88% YoY), power generation and distribution (+7.50% YoY), water and waste treatment (+7.36% YoY), and mining (+3.95% YoY).
- **Revenue of retail sales and services** grew by **1.67% MoM**. For 4M, this number increased by **11.09% YoY**.
 - Accommodation and catering services (+14.1% YoY) expanded strongly in April, while tourism grew at a slower pace (+6.5% YoY vs. March: +11.5%). Retail sales of goods rose 12.2% YoY, easing slightly, while other services increased 9.4% YoY.
- **Exports rose by 19.7% YoY** (4M2025: 13.0%), while **imports outpaced at 28.7% YoY** (4M2025: 18.6%), widening the trade deficit to USD 7.1bn from USD 3.8bn.
 - April exports grew by 21.0% YoY, supported by AI-driven demand for semiconductors and hardware, led by electronics and computers (+58.3% YoY), phones and components (+27.7% YoY), and machinery (+18.8% YoY). In contrast, non-electronics exports weakened with footwear (-14.8% YoY) and wood (-7.2% YoY), pointing to softer global consumption.
 - Imports surged faster, rising by 32.5% YoY, driven by petroleum products (+186.3%) and electronics and computers (+57.5%), reflecting elevated energy import costs linked to the Hormuz disruption.
- **4M registered FDI** rose to **US\$18.24 billion (+32.0% YoY)** and **disbursed FDI** reached **US\$7.40 billion (+9.8% YoY)**.
- **State investments'** growth moderated to **10.4% YoY** in **4M2026** (4M2025: +17.7%), coinciding with the inauguration of the new cabinet in April.
- **CPI rose 0.84% MoM** and **5.46% YoY** last month, the highest reading since January 2020 and above the government's 4.5% target.
 - Transport costs surged by 11.1% YoY (March: +10.8%), food and dining out 8.3% YoY and housing, utilities and construction materials 7.9% YoY.
 - As the Hormuz blockade persists and food inflation risks build up on the back of higher fertilizer costs and El Nino, the 4.5% annual CPI target faces upside risks.

- **The USD/VND exchange rate was stable, edging up 0.04% MoM but down 0.03% YTD** despite a weaker US dollar (DXY: -1.91% MoM, -0.27% YTD).
- **Credit growth** reached **4.11% YTD** by the end of April (4M 2025: 5.16%).
 - Both credit growth and deposit growth accelerated compared to March. Bank deposits rose by 2.19% in 4M 2026 (4M 2025: 3.33%) after sharp increases in deposit rates. Average 12-month deposit rates rose to 8.31% by period-end, up by 253 bps YTD. Lending rates also went up by a similar level.
 - Following the State Bank's directive to stabilize rates and support growth, several major banks cut deposit rates by 20-50 bps, but lending rates are expected to maintain at the current level for the coming months.

Stock Market

- The VN-Index closed the month of April at 1,854, registering a **monthly gain of 10.68%** in **USD terms**.
- The combined **average daily trading value** on Ho Chi Minh and Hanoi Stock Exchanges decreased by 26% MoM to **USD823 million**.
- **Vietnam's listed market capitalization** rose at **US\$345.5 billion** as at the month's end.