VN-Index stalls and flashes correction signals

The Vingroup group returned to support the VN-Index, while earlier leaders slowed. Pinetree Research suggest that investors should stay cautious, as the market may turn volatile in the coming sessions. Fuel prices fell for the third time in November, easing inflationary pressure in the final months of the year. We recommend BUY on FMC, forecasting 2026 NPAT-MI growth of 48.2%.

Vingroup supports the index as the broader market stalls

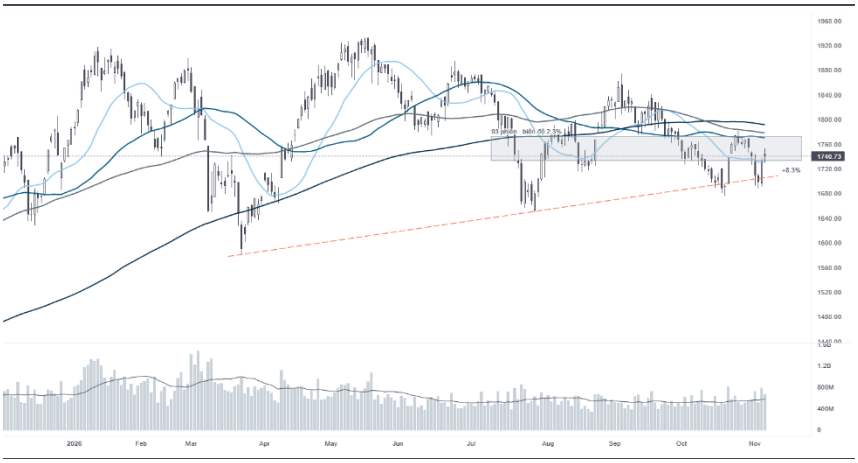
VN-Index rose from the open and gapped up from the previous session. However, intraday trading showed investor hesitation. The previous session's leaders stalled, including Banks (+0.14%) and Securities (+0.28%), and the market was held up by VIC (+1.7%), which added 6.4 points. Excluding the Vingroup group, the VN-Index gained only 0.7 points, versus 31 points in the previous session.

Technically, the index formed a Doji candle today alongside a price gain. The candle does not confirm a reversal but signals that buying momentum has slowed. Liquidity fell from the previous session to around its 20-day average. Market breadth also narrowed to 163 gainers versus 137 decliners. The index's RSI remains in the bearish zone (30-50) and has yet to break clearly above the neutral 50 level.

We maintain our cautious view and suggest that investors should closely watch the next session. If the VN-Index closes below 1,732, it will resume its downtrend and retest the earlier medium-term trendline at around 1,695-1,700.

Figure 1: VN-Index slows as it enters the MA20-MA50 resistance zone

VN-Index daily technical chart, points, VND bn



Source: Pinetree Research.

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Fuel prices keep falling in early November, which may ease Q4/2026 inflation

Retail gasoline prices fell about 9% from 5 November, close to pre-US-Iran conflict levels, while diesel edged down (-0.6%). The cut mainly reflects the sharp drop in global oil prices since early November 2026, driven by the US midterm election results. Together with the earlier electricity price cut, estimated to lower CPI by 0.08 ppt, we expect these factors to reduce CPI in the final months of the year. Lower gasoline prices will directly reduce the transport component, while freight costs stay high as diesel prices fell only slightly.

However, the domestic fuel price decline may last only through Q4/2026. The environmental protection tax and VAT incentives on fuel expire on 31 December 2026, while the special consumption tax on gasoline stays at 0% until the end of March 2027. This means fuel prices may rise again once these taxes are restored. In addition, the drop in global oil prices may be short-lived, as geopolitical tensions remain complex in many regions. We therefore forecast the energy price cuts will mainly lower inflation in late 2026. In H1/2027, fuel's impact on inflation may be more complex, combining global oil price swings with the reinstatement of these taxes.

Sao Ta Foods (HOSE: FMC): POR20 leaves earnings largely unaffected, with the US tariff gap weighing on export competitiveness

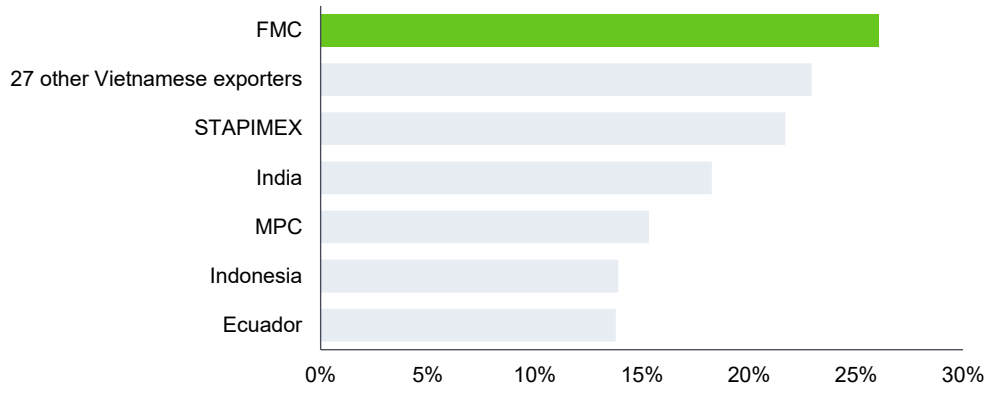
BUY, TP: VND 42,050/share, upside 21.0%, 2027 P/E 5.8x

The US Department of Commerce (DOC) has finalised FMC's POR20 anti-dumping margin at 10.71%, virtually unchanged from the preliminary 10.76%. STAPIMEX received a 6.36% rate, while the 27 non-examined exporters face 7.59%, up from 4.58% under POR19. The ruling carries limited earnings implications for FMC, which has accrued duties at the preliminary rate since H12026. Its outstanding anti-dumping liability stood at approximately VND 399 bn at end-Q3/2026.

The outcome falls short of what FMC sought when it voluntarily became a mandatory respondent in POR20, aiming to establish that its exports were not dumped and recover previously accrued duties. A key issue was the DOC's valuation of shrimp feed at USD 13.42/kg using Indonesian import data, nearly twelve times FMC's reported cost of USD 1.13/kg. This substantially inflated the normal value used in the dumping calculation, contributing to a 10.71% margin versus 4.58% under POR19. Legal recourse remains possible, although the DOC noted that FMC had failed to submit sufficient alternative benchmark evidence during the review, weakening the grounds for challenging its calculation. We therefore assign no value to a potential duty refund in our earnings forecasts and continue to account for the outstanding provision as a liability.

Figure 2: FMC faces a 12.3pp US tariff disadvantage against Ecuador

Combined anti-dumping, countervailing and Section 301 duties on covered shrimp products, %



Sources: DOC, USTR, Pinetree Research. Rates vary by exporter and the products covered by each measure

At 26.05%, FMC's combined US duty burden exceeds Ecuador's by 12.27 percentage points and STAPIMEX's by 4.35 points. Such a cost gap makes it increasingly difficult to compete for price-sensitive frozen shrimp orders, particularly when US buyers can source comparable products elsewhere. There is also a working-capital cost. The anti-dumping cash deposit rate rises from 4.28% to 10.71%, which we estimate could tie up an additional VND 55–95 bn in working capital. With most of the duty expense already accrued, the immediate impact falls on cash requirements, while the wider tariff differential weakens the economics of new US orders.

Recent results support a more selective approach to US sales. FMC expanded its US business by 47% YoY to VND 3,034 bn in 2025, although its margin after selling expenses declined from 7.3% in 2023 to 5.1%. The subsequent change in sales mix has coincided with a substantial improvement in profitability. US revenue fell approximately 38% YoY in Q3/2026, while Japan grew 16%. For 9M2026, group revenue contracted 15.9% YoY, yet profit to parent rose 92.4% YoY to VND 399 bn, with pre-tax profit of VND 453 bn already exceeding the full-year target. Lower raw shrimp costs and stronger own-farm yields accounted for much of the margin recovery, alongside reduced exposure to lower-margin US orders. The results suggest FMC can preserve earnings while operating with a smaller US sales base, although the exceptional production economics of 2026 remain an important part of that outcome.

We forecast NPATMI of VND 517 bn (+48.2% YoY) in 2026, followed by a 24.4% YoY decline to VND 390 bn in 2027. Revenue should recover modestly to VND 7,326 bn (+2.3% YoY) as non-US markets absorb part of the displaced volume. We see greater downside to margins than to sales, however. Our gross margin forecast falls from 14.4% in 2026 to 12.6% in 2027 as raw material costs normalise and the unusually strong farm contribution fades. Own-farm production covers approximately 27% of FMC's raw shrimp requirements, making harvest yields a key variable in our earnings assumptions. Expected salinity pressures in the Mekong Delta during H12027 add to the risk of a weaker crop.

Figure 3: FMC's profit to parent is forecast to reach VND 517 bn in 2026 before declining 24.4% YoY in 2027

FMC financial forecasts and valuation, 2024–2028

Metric	2024	2025	2026F	2027F	2028F
Net revenue, VND bn	6,913	8,185	7,161	7,326	7,642
Revenue growth, YoY	35.9%	18.4%	-12.5%	2.3%	4.3%
Gross margin, %	10.9%	11.9%	14.4%	12.6%	12.4%
SG&A/Revenue, %	4.3%	6.8%	5.5%	5.0%	5.0%
PBT, VND bn	422	411	585	462	489
NPATMI, VND bn	**306**	**349**	**517**	**390**	**413**
NPATMI growth, YoY	10.7%	14.1%	48.2%	-24.4%	5.8%
EPS, VND/share	4,675	5,332	7,902	5,970	6,320
ROE	14.6%	15.5%	20.7%	14.1%	13.8%
P/E, x	7.4	6.5	4.4	5.8	5.5
P/B, x	1.05	0.97	0.85	0.79	0.73

Sources: FMC, Pinetree Research estimates. Valuation multiples are based on the closing share price of 5 November 2026

We recommend BUY on FMC with a target price of VND 42,050/share, implying 21.0% upside and a 26.8% expected total return including a projected cash dividend of VND 2,000/share. We see scope for a re-rating despite the expected earnings decline in 2027. At 5.8x 2027F P/E and 0.85x 2026F year-end book value, FMC trades at a valuation consistent with a sustainable margin after selling expenses of approximately 6.7%, close to its 2022–2025 average of 6.5%. Our 2027 assumption of 7.6% allows for weaker farm economics while retaining part of the improvement from value-added processing and integrated raw material supply. The discount therefore appears to account for much of the anticipated earnings normalisation. A weaker 2027 harvest, additional US trade measures and low share liquidity (average daily turnover of VND 0.7 bn) remain the main risks.

Appendix: Event calendar and notable figures

Figure 4: Vietnam stock market and money market

Data updated at the end of 05 Nov 2026

Indices	Last	1D	1W	YTD
VN-Index	1,741	0.4%	-0.8%	-7.3%
VN30	1,865	0.2%	-0.6%	-10.3%
VN100	1,777	0.4%	-0.3%	-9.4%
HNX-Index	257	-0.5%	0.0%	1.9%
Trading value, VND bn	15,829	-12.1%	8.9%	-62.0%
Trading value	15,533	0.0%	-0.5%	-31.5%
Foreign investors	-239	-66	-459	-
Money market				
O/N, % (03/11)	3.8%	-0.9%	-1.1%	-3.1%
USD/VND	26,861	0%	0%	2.0%

Figure 5: Global stock and commodity market

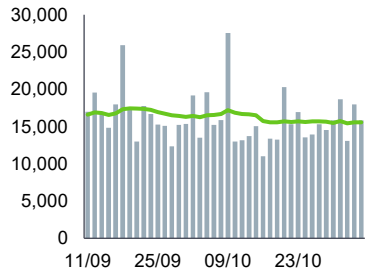
Data updated at the end of 05 Nov 2026

Indices	Last	1D	1W	YTD
S&P 500 (04/11)	7,689	1.6%	-0.7%	10.7%
Nasdaq (04/11)	25,737	1.4%	-3.1%	9.3%
Shanghai	3,690	0.1%	1.1%	-9.7%
KOSPI	5,384	-5.3%	-9.3%	18.3%
Bond yield, %				
US 10Y	4.9	-0.01	-0.06	0.01
Japan 10Y	2.83	0.01	0.03	0.05
Commodity				
Brent, USD/bbl	95	0.5%	-17.2%	58.6%
Gold, USD/ounce	4,124	1.6%	2.5%	-7.5%
Silver, USD/ounce	53	1.0%	1.1%	-32.5%

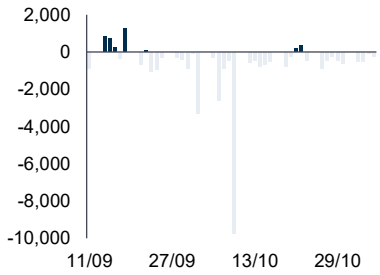
Figure 6: VN-Index's technical indicators

Data updated at the end of 05 Nov 2026

VN-Index trading volume and 20-day MA, VND bn



Foreign investors net trading value, VND bn



HOSE top buy/sell, VND bn

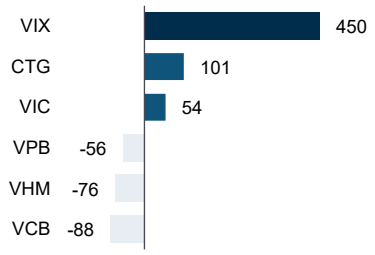
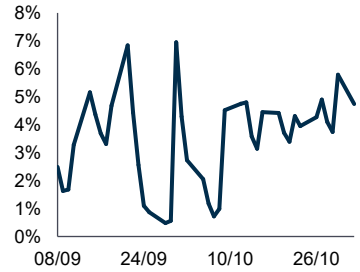


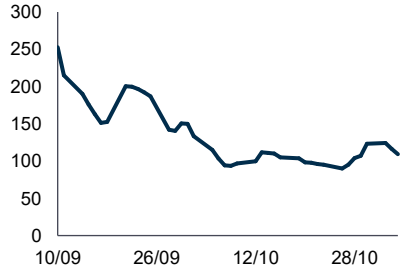
Figure 7: Vietnam money market numbers

Data updated at the end of 05 Nov 2026

Interbank ON, %, upto 03/11



OMO outstanding, VND tn, up to 03/11



USD/VND change, %Ytd

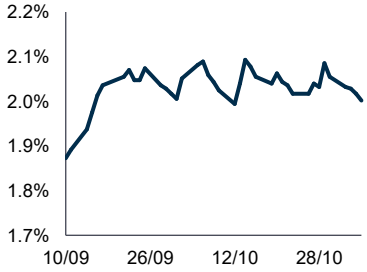


Figure 8: Macro events in the next 2 weeks

Data updated at the end of 05 Nov 2026

Date	Event	What we watch
Tue 03/11	**Vietnam's Oct macro data result**	Investment disburse and export support gov's GDP target
Thu 05/11	**US Mid-term election**	Result will take effect on President Trump actions in 2H of term
Thu 19/11	**VN30 review results**	We expect this event would take a minor effect to VN-Index

Figure 9: Corporate events in the next 2 weeks

Data updated at the end of 05 Nov 2026

Date	Ticker	Event	Weight
05/11	SGN	Record date	0.02%
09/11	NKG	EGM	0.08%

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Rating	Definition
BUY	Expected 12-month total return above 15%
HOLD	Expected 12-month total return between -10% and +15%
SELL	Expected 12-month total return below -10%
UNDER REVIEW	A new event has made the forecasts no longer appropriate, so the previous rating and target price are withdrawn. This status is updated within 30 days or changed to NOT RATED.
NO RATING	The stock is mentioned for information purposes only. It carries no investment rating and may have no target price.

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