






# “Idiosyncratic volatility and voluntary disclosure asymmetry in Vietnam: The roles of ESG performance, analyst coverage, and state ownership”

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# IDIOSYNCRATIC VOLATILITY AND VOLUNTARY DISCLOSURE ASYMMETRY IN VIETNAM: THE ROLES OF ESG PERFORMANCE, ANALYST COVERAGE, AND STATE OWNERSHIP

## Abstract

Voluntary disclosure theory predicts that managers delay bad-news disclosure and accelerate good-news disclosure when firm-specific uncertainty rises. However, this prediction may not hold in low-trust frontier markets. This study aims to determine whether lagged idiosyncratic volatility changes the timing of good- and bad-news voluntary disclosure in Vietnam and whether environmental, social, and governance performance, analyst coverage, and state ownership moderate that relation. The study uses hand-collected voluntary disclosures from 210 Vietnamese non-financial listed firms over 2018–2024 and estimates probit models with firm and year-month fixed effects on 5,122 firm-month observations. The results show a reversal of the developed-market pattern. A one-standard-deviation increase in lagged idiosyncratic volatility raises the probability of bad-news disclosure by about 12 percentage points and lowers the probability of good-news disclosure by more than 17 percentage points. Higher environmental, social, and governance performance does not weaken this asymmetry and instead amplifies it; analyst coverage provides no mitigating effect, and the reversal is stronger in state-owned enterprises. Robustness tests using two-way clustering, paired cluster bootstrap, random subsample splits, and placebo volatility confirm the pattern. The findings indicate that disclosure incentives under uncertainty depend on institutional trust and ownership structure, so governance mechanisms effective in mature markets cannot be assumed to operate similarly in Vietnam.

## Keywords

credibility, trust, monitoring, skepticism, signaling,  
transparency, frontier, institutions

## JEL Classification

G14, G32, G34, M14

## INTRODUCTION

Voluntary disclosure becomes especially important when firm-specific uncertainty rises because outside investors rely more heavily on managerial communication to interpret changes in expected cash flows, risk, and firm value. Classical disclosure theory and empirical evidence from developed markets suggest an asymmetric timing pattern: managers tend to delay bad news to avoid legal, career, and valuation costs, while releasing good news earlier to reassure investors and stabilize prices (Verrecchia, 1983; Dye, 1985; Graham et al., 2005; Kothari et al., 2009; Beyers et al., 2010).

That benchmark depends on institutional conditions that do not necessarily hold in frontier and emerging markets. When disclosure enforcement is weaker, investor protection is more limited, and ownership is more concentrated, the same voluntary announcement can be interpreted differently, and the reputational consequences of discre-

tionary communication can change materially (La Porta et al., 1998; Stulz, 2005; Jin & Myers, 2006). In such environments, positive announcements released during volatile periods may be discounted as opportunistic, whereas negative announcements may be easier to attribute to external shocks and therefore less costly to release.

Vietnam is an informative setting for this issue. Its stock market has expanded rapidly, yet disclosure enforcement remains uneven, and ownership concentration remains high. Moreover, prominent fraud and market manipulation scandals in 2022–2023 weakened investor confidence and intensified skepticism toward managerial communication, especially toward discretionary good news (Kim et al., 2024; Hussain et al., 2023; Pham et al., 2025). These characteristics make Vietnam a useful case for examining whether established disclosure regularities travel from mature markets to a low-trust setting.

The scientific problem, therefore, is whether idiosyncratic volatility preserves the conventional good-news/bad-news disclosure asymmetry in Vietnam or instead reverses it, and whether governance and monitoring mechanisms commonly associated with transparency – environmental, social, and governance performance, analyst coverage, and state ownership – retain the same disciplining role under these institutional frictions.

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## 1. LITERATURE REVIEW AND HYPOTHESES

This literature review develops the theoretical basis for the relation between idiosyncratic volatility and voluntary disclosure asymmetry in Vietnam. It synthesizes research on discretionary disclosure, information-relevant corporate events, institutional trust, governance credibility, analyst monitoring, and ownership structure.

Voluntary disclosure theory predicts selective timing when managers possess private information and disclosure is discretionary. Agency and signaling theories imply that managers may strategically advance or delay communication when private benefits, contracting frictions, or reputation concerns diverge from shareholder interests (Jensen & Meckling, 1976; Spence, 1973). Under developed-market conditions, bad news is often withheld because managers face expected litigation, valuation, and career costs, whereas good news is more likely to be advanced to reassure investors and stabilize prices (Verrecchia, 1983; Dye, 1985; Skinner, 1994; Graham et al., 2005; Kothari et al., 2009; Beyer et al., 2010).

Related event-study evidence shows why the distinction between favorable and unfavorable disclosure matters economically. Markets respond strongly to earnings news, dividend changes, equity offerings, bond-rating revisions, litigation,

top-management turnover, auditor resignations, going-concern opinions, regulatory penalties, and index revisions, indicating that corporate announcements can shift expected cash flows, risk, and valuation in systematic ways (Ball & Brown, 1968; Fama et al., 1969; Aharony & Swary, 1980; Asquith & Mullins, 1986; Hand et al., 1992; Bhagat et al., 1998; Warner et al., 1988; Krishnan & Krishnan, 1997; Hopwood et al., 1989; Karpoff et al., 2008; Chen et al., 2004). This evidence supports treating voluntary disclosure asymmetry as a timing problem over economically meaningful good and bad news rather than as a purely stylistic communication choice.

Those assumptions weaken in low-trust frontier and emerging markets. Weak enforcement, fragile investor protection, and concentrated ownership can change both the costs of disclosure and the way investors interpret it (La Porta et al., 1998; Stulz, 2005; Jin & Myers, 2006). In such settings, positive announcements released during turbulent periods may be discounted as impression management, whereas negative announcements may be viewed as more credible because they can be attributed to external conditions rather than deliberate exaggeration (Kim et al., 2024; Hussain et al., 2023). Evidence from Vietnam also points to institutional frictions and firm behavior that do not fully mirror developed-market expectations (Pham et al., 2025). This implies that the canonical asymmetry may reverse rather than simply weaken.

Research on the information environment further suggests that firm-specific uncertainty is closely linked to reporting quality and the way markets process discretionary communication. Higher idiosyncratic volatility is often associated with noisier firm-specific information, weaker reporting quality, or speculative trading conditions, while better disclosure environments can reduce uncertainty about fundamentals (Healy & Palepu, 2001; Rajgopal & Venkatachalam, 2011; Beyer et al., 2010; Bali et al., 2011). In a frontier market, however, the same increase in communication intensity may not restore confidence if investors question managerial credibility.

Internal governance can also shape the relation between volatility and disclosure timing. Environmental, social, and governance performance is often treated as a credibility-enhancing commitment device that reduces information asymmetry and firm-specific risk (He et al., 2022; Reber et al., 2022; Liu et al., 2023). If such performance genuinely improves the credibility of managerial communication, then selective timing should become less attractive, and the volatility-disclosure relation should weaken. If investors instead interpret highly visible governance signals with skepticism during turbulent periods, the moderating effect may be limited.

External monitoring and ownership structure provide further theoretical channels. Analyst coverage is commonly associated with a richer information environment and greater scrutiny, which can raise the reputational cost of selective disclosure (Lang & Lundholm, 1996; Healy & Palepu, 2001). Ownership structure may matter because state ownership can soften market discipline yet also intensify political or administrative accountability, thereby altering the incentives surrounding disclosure under uncertainty (Shleifer & Vishny, 1997). These mechanisms suggest that heterogeneity in disclosure responses may depend on both monitoring intensity and ownership form.

Overall, prior research establishes a clear developed-market benchmark, identifies a broad set of information-relevant corporate announcements, and suggests several governance and monitoring channels through which disclosure incentives may change. What remains unresolved is whether

these mechanisms operate similarly in a low-trust Vietnamese setting where enforcement is weaker and ownership is concentrated. These unresolved issues motivate a direct empirical test in Vietnam.

Accordingly, the purpose of this study is to determine whether lagged idiosyncratic volatility affects voluntary disclosure asymmetry in Vietnam and whether environmental, social, and governance performance, analyst coverage, and state ownership moderate that relation.

Study hypotheses are as follows:

- H1: Higher lagged idiosyncratic volatility increases bad-news disclosure and decreases good-news disclosure.*
- H2: Higher environmental, social, and governance performance weakens the relation stated in H1.*
- H3: The relation stated in H1 is weaker in firms with greater analyst coverage and in non-state-owned enterprises.*

## 2. METHOD

The sample comprises all non-financial firms listed on the Ho Chi Minh Stock Exchange (HOSE) and Hanoi Stock Exchange (HNX) from January 2018 to December 2024, yielding 5,122 firm-month observations across 210 firms. Financial firms are excluded due to distinct disclosure requirements and structured reporting obligations. All continuous variables are winsorized at the 1st and 99th percentiles to mitigate outlier effects.

Voluntary disclosures are hand-collected from all ad-hoc non-routine company announcements published on HOSE and HNX, sourced primarily from the FiinPro-X platform (FiinGroup, 2025) and cross-verified with official exchange portals. We exclude all mandatory filings, including quarterly and annual financial reports, dividend declarations, AGM resolutions and notices, related-party transaction disclosures, record date announcements, and routine compliance filings such as changes in shareholding registers. This ensures focus on truly voluntary announcements with po-

tential informational content. The raw collection yields approximately 12,800 individual ad-hoc announcements. After filtering for narrative content and excluding pure tabular or procedural notices shorter than 50 words, the final set comprises 10,236 unique voluntary disclosures suitable for classification.

Control variables are sourced from FiinPro-X: Size (natural logarithm of total assets), ROA (net income/total assets), Leverage (total liabilities/total assets), market-to-book ratio (MB), a lottery-preference proxy (Gambling), number of analysts (Analyst), Beneish M-score (Mscore), and the logarithm of one plus monthly news mentions (Media\_log). ESG\_Score is the annual composite ESG rating (0–100) from LSEG (London Stock Exchange Group, 2025). SOE equals one for state-owned enterprises. Detailed variable definitions are provided in Table 1.

Voluntary disclosures are classified as good news or bad news based on expected economic impact on future cash flows or risk, following Kothari et al. (2009). Specifically, good news refers to information with positive implications for future earnings or cash flows, while bad news has negative implications. We employ a two-tier literature-grounded approach to ensure objectivity, reproducibility, and a conservative bias appropriate for Vietnam's emerging market context, where voluntary disclosures are often boilerplate or low-quality.

The classification framework prioritizes Tier 1 events with direct empirical support from high-quality academic research and assigns unambiguous labels: positive events include earnings increases (Ball & Brown, 1968), dividend increases or initiation (Aharony & Swary, 1980), share repurchases (Ikenberry et al., 1995), credit rating upgrades (Hand et al., 1992), litigation won (Bhagat et al. 1998), and index additions (Chen et al. 2004); negative events include earnings decreases, misses, or warnings (Ball & Brown, 1968; Skinner, 1994), dividend cuts or omissions (Aharony & Swary, 1980), seasoned equity offerings (Asquith & Mullins, 1986), credit rating downgrades (Hand et al., 1992), regulatory penalties or investigations (Karpoff et al., 2008), litigation filings or lost (Bhagat et al., 1998), forced CEO turnover (Warner et al., 1988), auditor resigna-

tions (Krishnan & Krishnan, 1997), going concern opinions (Hopwood et al., 1989), and index deletions (Chen et al., 2004). Neutral Tier 1 events include stock dividends or splits (Fama et al., 1969) and routine CEO turnovers or auditor rotations.

Tier 2 events lack direct literature but are classified based on economic reasoning from voluntary disclosure theory (Dye, 1985; Verrecchia, 1983), signaling theory (Spence, 1973), and agency theory (Jensen & Meckling, 1976): positive examples include signed contracts with explicit value (increasing backlog) and proactive debt repayment (reducing risk); negative examples include contract losses (reducing revenue), operational disruptions (increasing costs/risk), product recalls (reputational damage), debt covenant violations or defaults (liquidity risk), and equity issuances for debt repayment (dilution plus distress signal). Announcements with non-binding language (“MOU”, “expected”, “under negotiation”), lacking quantifiable implications, mixed signals without clear net impact, or no strong theoretical rationale default to neutral and are excluded from good/bad news indicators. For mixed signals, bottom-line priority applies if earnings-dominated, such as earnings reduction overriding revenue increase (Ball & Brown, 1968).

Two research assistants with finance training independently classified all announcements. Prior to full coding, both coders completed a pilot phase of 300 announcements to calibrate understanding and resolve ambiguities, yielding initial Cohen's Kappa of 0.72. Disagreements in the main coding phase were resolved through structured discussion referencing the classification framework; unresolved cases (4.2% of sample) were adjudicated by the lead author based on pre-specified decision rules, such as conservative neutral override for ambiguity or bottom-line earnings dominance in mixed signals. Inter-coder reliability measured by Cohen's Kappa was 0.76 overall (Tier 1 events:  $\kappa = 0.84$ ; Tier 2 events:  $\kappa = 0.68$ ), indicating substantial agreement according to Landis and Koch (1977).

GoodNews equals 1 if the firm-month contains at least one positive voluntary disclosure (0 otherwise). BadNews equals 1 if at least one negative voluntary disclosure (0 otherwise). Months with only neutral or no voluntary disclosures are coded 0, consistent with binary disclosure indicators in prior studies.

Idiosyncratic volatility (*IVOL\_lag*) is the standard deviation of daily residuals from the Fama-French three-factor model over the preceding six months, lagged one month, following Rajgopal and Venkatachalam (2011) and Fama and French (1993). Specifically, we estimate:

$$R_{i,t} - R_{f,t} = \alpha_i + \beta_i (R_{m,t} - R_{f,t}) + s_i SMB_t + h_i HML_t + \varepsilon_{i,t}, \quad (1)$$

where  $R_{i,t}$  is firm  $i$ 's daily return,  $R_{f,t}$  is the risk-free rate,  $R_{m,t}$  is the market return,  $SMB_t$  is the size factor, and  $HML_t$  is the value factor. *IVOL\_lag* is computed as  $IVOL\_lag = \sqrt{Var(\varepsilon_{i,t})}$  over the six-month estimation window.

Controls include Size (natural logarithm of total assets), ROA, Leverage, market-to-book ratio (MB), a lottery-preference proxy (Gambling), number of analysts (Analyst), Beneish M-score (Mscore), and the logarithm of one plus monthly news mentions (*Media\_log*). *ESG\_Score* is the annual composite ESG rating from LSEG. *SOE* equals one for state-owned enterprises. Detailed variable definitions are provided in Table 1.

We estimate separate probit models for good and bad news disclosure:

$$Pr(GoodNews_{i,t} = 1) = \Phi \left( \beta \cdot IVOL\_lag_{i,t-1} + \gamma' \cdot Controls_{i,t-1} \right) + \mu_t + \delta_t + \varepsilon_{i,t}, \quad (2)$$

$$Pr(BadNews_{i,t} = 1) = \Phi \left( \beta \cdot IVOL\_lag_{i,t-1} + \gamma' \cdot Controls_{i,t-1} \right) + \mu_t + \delta_t + \varepsilon_{i,t}, \quad (3)$$

where  $\Phi(\cdot)$  denotes the standard normal cumulative distribution function,  $\delta_t$  denotes year-month fixed effects, and  $\mu_t$  denotes firm fixed effects. Standard errors are clustered at the firm level. To test H2 and H3, *IVOL\_lag* is interacted with *ESG\_Score* and *Analyst*, respectively, and ownership heterogeneity is examined through subsample analysis.

All results are robust to paired cluster bootstrap with 999 replications, two-way clustering at firm and year-month levels, random splitting of the sample into equal halves, separate pre-2021 and post-2021 estimations, and placebo tests that randomize *IVOL\_lag* within each year-month, with additional checks reported in Tables 8-11. These tests address potential endogeneity concerns. Lagged *IVOL* measured over the prior six months provides temporal precedence and mitigates reverse causality. Firm fixed effects control for time-invariant confounders, and year-month fixed effects account for macroeconomic shocks. Placebo tests yield null results, guarding against spurious correlations. Together, these elements support a more credible temporal interpretation and reduce, though do not eliminate, endogeneity concerns.

**Table 1.** Variable definitions

Variable	Definition	Source
GoodNews	=1 if at least one positive voluntary disclosure in month t; =0 otherwise	Hand-collected
BadNews	=1 if at least one negative voluntary disclosure in month t; =0 otherwise	Hand-collected
IVOL_lag	Standard deviation of daily residuals from the Fama–French three-factor model over the preceding six months t-1	Computed
Size	Natural logarithm of total assets	FiinPro
ROA	Net income divided by total assets	FiinPro
Leverage	Total liabilities divided by total assets	FiinPro
MB	Market value of equity divided by book value of equity	FiinPro
Gambling	Lottery-preference proxy (Bali et al., 2011)	Computed
Analyst	Number of analysts issuing forecasts for the firm in the year	FiinPro
Mscore	Beneish (1999) manipulation score	Computed
Media_log	Natural logarithm of (1 + number of news articles about the firm in month t)	Hand-collected
ESG_Score	Annual composite ESG rating (0–100)	LSEG
SOE	=1 if the firm is state-owned or state-controlled; =0 otherwise	FiinPro

### 3. RESULTS AND DISCUSSION

Table 2 reports descriptive statistics. The mean of GoodNews is 0.52, and BadNews is 0.63, indicating that negative disclosures are somewhat more frequent than positive disclosures in our sample. IVOL\_lag averages 0.06 with substantial variation across firm-months.

Table 3 presents baseline estimates with firm and year-month fixed effects. A one-standard-deviation increase in lagged idiosyncratic volatility reduces good-news disclosure probability by 17.2 percentage points and raises bad-news disclosure probability by 11.9 percentage points. These mag-

nitudes are economically substantial and indicate a sign inversion relative to the developed-market pattern, supporting H1.

Table 4 shows that higher ESG scores do not attenuate the reversal. The interaction IVOL\_lag  $\times$  ESG\_Score is highly significant with the opposite sign to that predicted, negative for good-news disclosure and positive for bad-news disclosure. Economic effects at the 75th percentile of ESG are roughly 50 percent larger than at the 25th percentile, with marginal effects of  $-20.8$  percentage points for good news and  $+14.2$  percentage points for bad news. These results do not support H2.

**Table 2.** Descriptive statistics (N = 5,122 firm-month observations, 210 firms)

Variable	Mean	SD	P50	Min	Max	Skewness	Kurtosis
IVOL_lag	0.060	0.050	0.040	0.020	0.180	1.01	-0.15
GoodNews	0.520	0.500	1.000	0.000	1.000	-0.07	-2.00
BadNews	0.630	0.480	1.000	0.000	1.000	-0.52	-1.73
Size	22.66	1.73	22.66	18.84	26.69	0.02	-0.46
ROA	-0.010	0.050	0.000	-0.120	0.090	-0.38	-0.38
Leverage	0.510	0.120	0.510	0.240	0.780	0.02	-0.36
MB	1.460	0.810	1.420	0.300	3.510	0.34	-0.63
Analyst	0.990	0.580	1.022	0.000	2.270	0.04	-0.81
ESG_Score	42.3	18.7	41.0	12.0	88.0	0.41	-0.28

**Table 3.** Idiosyncratic volatility and voluntary disclosure

Variable	GoodNews	BadNews
IVOL_lag	-82.705*** (0.000)	58.959*** (0.000)
Size	0.028 (0.389)	-0.023 (0.286)
ROA	1.803 (0.124)	-0.639 (0.467)
Leverage	0.255 (0.416)	-0.173 (0.377)
MB	0.003 (0.938)	0.005 (0.886)
Gambling	-1.266 (0.122)	-0.069 (0.901)
Analyst	-0.103 (0.737)	0.286 (0.192)
Mscore	0.318*** (0.003)	-0.171*** (0.005)
Media_log	-0.007 (0.881)	0.017 (0.525)
Marginal effect of 1-SD IVOL_lag	-17.20 pp	+11.90 pp
Firm & Year-Month FE	Yes	Yes
Observations	4,007	4,383
Pseudo R <sup>2</sup>	0.661	0.319

Notes: Probit coefficients with firm and year-month fixed effects. p-values in parentheses (clustered at the firm level). Marginal effects in percentage points for a one-SD increase in IVOL\_lag, evaluated at sample means. \*\*\* p < 0.01, \*\* p < 0.05, \* p < 0.1.

**Table 4.** Moderating role of ESG performance and analyst coverage

Variable	GoodNews	BadNews
IVOL_lag	37.263*** (0.002)	20.442** (0.022)
ESG_Score	0.111*** (0.000)	-0.032*** (0.000)
IVOL_lag × ESG_Score	-2.385*** (0.000)	0.723*** (0.000)
IVOL_lag × Analyst	-12.781 (0.170)	-3.104 (0.641)
<b>Marginal effect of 1-SD IVOL_lag at:</b>		
Low ESG (25th pct)	-13.8 pp***	+9.8 pp***
High ESG (75th pct)	-20.8 pp***	+14.2 pp***
Controls	Included	Included
Firm & Year-Month FE	Yes	Yes
Observations	4,007	4,383
Pseudo R <sup>2</sup>	0.683	0.325

Notes: Probit coefficients with firm and year-month fixed effects. p-values in parentheses (clustered at the firm level). Marginal effects in percentage points for a one-SD increase in IVOL\_lag, evaluated at sample means. \*\*\* p < 0.01, \*\* p < 0.05, \* p < 0.1. Marginal effects for ESG interactions evaluated at the 25th and 75th percentiles of ESG\_Score.

The interaction IVOL\_lag × Analyst is insignificant in both specifications, providing no evidence that analyst coverage moderates the reversal.

**Table 5.** Heterogeneity by ownership structure

Variable	GoodNews SOE	BadNews SOE	GoodNews Non-SOE	BadNews Non-SOE
IVOL_lag	-92.187*** (0.000)	64.797*** (0.000)	-73.478*** (0.000)	52.152*** (0.000)
Marginal effect of 1-SD IVOL_lag	-18.4 pp	+12.9 pp	-14.7 pp	+11.2 pp
Controls	Included	Included	Included	Included
Firm & Year-Month FE	Yes	Yes	Yes	Yes
Observations	2,129	2,345	1,878	2,038
Pseudo R <sup>2</sup>	0.658	0.361	0.649	0.262

Notes: Probit coefficients with firm and year-month fixed effects. p-values in parentheses (clustered at the firm level). Marginal effects in percentage points for a one-SD increase in IVOL\_lag, evaluated at sample means. \*\*\* p < 0.01, \*\* p < 0.05, \* p < 0.1.

**Table 6.** Time variation: Pre-2021 vs Post-2021

Variable	GoodNews Pre-2021	BadNews Pre-2021	GoodNews Post-2021	BadNews Post-2021
IVOL_lag	-93.576*** (0.000)	64.762*** (0.000)	-81.027*** (0.000)	55.689*** (0.000)
Marginal effect of 1-SD IVOL_lag	-18.7 pp	+13.0 pp	-16.2 pp	+11.2 pp
Controls	Included	Included	Included	Included
Firm + Year-Month FE	Yes	Yes	Yes	Yes
Observations	1,630	1,927	1,901	2,171
Pseudo R <sup>2</sup>	0.599	0.281	0.620	0.278

Notes: Probit coefficients with firm and year-month fixed effects. p-values in parentheses (clustered at the firm level). Marginal effects in percentage points for a one-SD increase in IVOL\_lag, evaluated at sample means. \*\*\* p < 0.01, \*\* p < 0.05, \* p < 0.1.

Turning to the ownership structure, Table 5 shows that the pattern is stronger among state-owned enterprises. A one-standard-deviation increase in IVOL\_lag reduces good-news probability by 18.4 percentage points for SOEs versus 14.7 percentage points for non-SOEs, and raises bad-news probability by 12.9 percentage points versus 11.2 percentage points. These results do not support H3.

Table 6 shows the reversal is present in both sub-periods, with somewhat stronger effects pre-2021 than post-2021. The findings are robust to paired cluster bootstrap, two-way clustering, random subsamples, and placebo tests that randomize IVOL\_lag within each year-month, as reported in Table 7.

The findings reveal a sharp sign inversion in the volatility–disclosure relation in Vietnam, contrasting with the canonical pattern documented in developed markets. While Kothari et al. (2009) and Graham et al. (2005) show that managers in the United States delay bad news and accelerate good news when uncertainty rises, Vietnamese firms exhibit the opposite behavior: they increase bad-news disclosure and suppress good-news disclosure when lagged idiosyn-

**Table 7.** Robustness checks (all with firm and year-month fixed effects)

Robustness test	GoodNews coef (p)	BadNews coef (p)	Pseudo R <sup>2</sup> GoodNews	Pseudo R <sup>2</sup> BadNews
Main specification	-82.705*** (0.000)	58.959*** (0.000)	0.661	0.319
Paired cluster bootstrap (999)	-82.7*** (0.000)	59.0*** (0.000)	–	–
Two-way clustering (firm + year-month)	-82.7*** (0.000)	59.0*** (0.000)	0.661	0.319
Random subsample Half 1	-80.8*** (0.000)	56.9*** (0.000)	0.635	0.288
Random subsample Half 2	-86.3*** (0.000)	60.6*** (0.000)	0.680	0.349
Placebo (randomised IVOL_lag)	-0.55 (0.562)	1.05* (0.063)	0.582	0.262

Notes: Probit coefficients with firm and year-month fixed effects. p-values in parentheses (clustered at the firm level). Marginal effects in percentage points for a one-SD increase in IVOL\_lag, evaluated at sample means. \*\*\* p < 0.01, \*\* p < 0.05, \* p < 0.1. Detailed results of the additional robustness checks are reported in Tables 8-11.

**Table 8.** Two-way clustering (firm and year-month)

Variable	GoodNews	BadNews
IVOL_lag	-82.705*** (0.000)	58.959*** (0.000)
Controls	Included	Included
Firm + Year-Month FE	Yes	Yes
Observations	4,007	4,383
Pseudo R <sup>2</sup>	0.661	0.319

**Table 9.** Paired cluster bootstrap standard errors (999 replications, clustered at the firm level)

Dependent variable	Original coefficient	Bootstrap SE	95% bias-corrected CI	p-value
GoodNews	-82.705	5.350	[-95.15, -74.05]	0.000
BadNews	58.959	3.229	[52.95, 65.63]	0.000

Notes: Cameron et al. (2008) paired cluster bootstrap with 999 replications. All replications converged.

**Table 10.** Random subsample split

Variable	Half 1 GoodNews	Half 1 BadNews	Half 2 GoodNews	Half 2 BadNews
IVOL_lag	-80.792*** (0.000)	56.949*** (0.000)	-86.267*** (0.000)	60.627*** (0.000)
Marginal effect of 1-SD IVOL_lag	-16.9 pp	+11.6 pp	-17.5 pp	+12.3 pp
Controls	Yes	Yes	Yes	Yes
Firm + Year-Month FE	Yes	Yes	Yes	Yes
Observations	2,141	2,284	1,866	2,099
Pseudo R <sup>2</sup>	0.635	0.288	0.680	0.349

**Table 11.** Placebo test (IVOL\_lag randomised within each year-month)

Variable	GoodNews	BadNews
IVOL_lag_random	-0.546 (0.562)	1.049* (0.063)
Marginal effect of 1-SD random IVOL	-0.11 pp	+0.21 pp
Controls	Yes	Yes
Firm + Year-Month FE	Yes	Yes
Observations	4,007	4,383
Pseudo R <sup>2</sup>	0.582	0.262

Notes: Probit coefficients with firm and year-month fixed effects. p-values in parentheses (clustered at the firm level except bootstrap). Marginal effects in percentage points. \*\*\* p < 0.01, \*\* p < 0.05, \* p < 0.1.

cratic volatility spikes. This reversal is consistent with theoretical predictions for low-trust environments. Jin and Myers (2006) argue that opacity shifts firm-specific risk to insiders; in Vietnam, where investor scepticism is pronounced, managers may find it less costly to release negative information that can be attributed to external shocks than to release positive information that may be discounted as promotional or manipulative. The fraud and manipulation scandals of 2022–2023 likely reinforced this dynamic by heightening investor distrust of discretionary positive announcements.

The moderating effects of ESG performance and analyst coverage depart from developed-market findings. Standard theory predicts that ESG serves as a credibility-enhancing commitment device that should reduce incentives for selective timing (He et al., 2022; Reber et al., 2022), while analyst scrutiny improves disclosure quality (Lang & Lundholm, 1996; Healy & Palepu, 2001). In Vietnam, however, high-ESG firms exhibit stronger good-news suppression and bad-news acceleration during volatile periods, and analyst coverage provides no systematic mitigation. One interpretation is that ESG-committed firms and those un-

der analyst scrutiny face greater reputational risk if their positive disclosures are later perceived as opportunistic, reinforcing conservative disclosure behavior. The intensifying effect of state ownership is consistent with political accountability incentives: state-controlled firms may face administrative pressures that increase the salience of transparency-oriented actions when uncertainty spikes, while suppressing good news avoids accusations of overpromising during turbulent periods.

This study acknowledges several limitations that provide avenues for future research. First, while the hand-collected disclosure classification benefits from inter-coder reliability tests, it inherently involves some degree of subjective judgment, which could potentially lead to minor measurement variations. Second, although lagged volatility, firm fixed effects, and placebo tests effectively address many endogeneity concerns, there remains the possibility of unobserved time-varying factors influencing the results. Third, as the findings are derived from the Vietnamese context, they may not fully extend to other emerging markets with varying institutional features, ownership patterns, or regulatory frameworks.

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## CONCLUSION

The purpose of this study was to determine whether lagged idiosyncratic volatility changes voluntary disclosure asymmetry in Vietnam and whether environmental, social, and governance performance, analyst coverage, and state ownership moderate that relation. The results show a reversal of the developed-market benchmark: higher lagged volatility is associated with more bad-news disclosure and less good-news disclosure. Environmental, social, and governance performance does not weaken this pattern and instead amplifies it, analyst coverage provides no mitigating effect, and the asymmetry is stronger in state-owned enterprises. The main conclusion is that disclosure incentives under uncertainty depend critically on institutional trust and ownership structure.

Accordingly, governance mechanisms that are effective in mature markets cannot be assumed to work similarly in Vietnam. Managers need to build disclosure credibility over time rather than rely on selective positive communication during turbulent periods, and investors should interpret bad-news disclosure in high-volatility episodes as potentially more informative than conventional theory predicts. Future research may test whether similar reversals appear in other frontier markets and identify which firm-level governance arrangements restore the developed-market pattern.

## AUTHOR CONTRIBUTIONS

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