

Q3/26 Earnings Preview – Consumer & Retail Sector: Modern retail sustains its expansion momentum, consumption remains stable

- Q3/26 earnings will diverge sharply: electronics retailers/distributors MWG, DGW and FRT keep outperforming on a favorable ICT-CE upgrade cycle, while the two staples chains (MWG's BHX, MSN's WinCommerce) also grow on expansion and stronger competitive positioning. PNJ, in contrast, faces a sharp earnings decline as brand trust weakens amid cautious consumer sentiment.
- In consumer staples, VNM should sustain healthy growth on new products and exports, while hog-farming names cool from a high year-ago base.

Retail sales remain resilient despite elevated inflation and cautious consumer sentiment...

In 8M26, total retail sales of goods and services rose 14% YoY, with merchandise sales up 13.3% YoY (+7.6% YoY excluding inflation). Headline sales remain stable, but sentiment stays cautious amid (1) elevated inflation and (2) domestic and global macro volatility. Still, we expect listed retail and consumer names to sustain positive Q3 earnings momentum, as improved competitiveness lets market leaders keep gaining share — aided by the government's market-formalization policies since last year, which have levelled the competitive playing field.

Both staples and discretionary retail chains continue to deliver growth...

The ICT-CE replacement/upgrade cycle should continue in Q3/26. TGDD and Dien May Xanh keep leading with over 50% share; we forecast +30% YoY revenue and VND3,016bn (+95% YoY) NPAT-MI for MWG. FRT's FPT Shop also delivered solid results (+13% YoY revenue), though its profit contribution stays modest versus MWG. Despite soft sentiment and higher input costs (chips, DRAM) from AI-related infrastructure demand, retailers' 0%-installment schemes are easing consumers' financial burden and pulling forward demand ahead of expected price hikes. DGW, a wholesale distributor, is forecast to post +190% YoY Q3/26 NPAT, after July–August revenue rose 28%/80% YoY. In staples, MWG's BHX has scaled to ~3,600 stores (+59% YoY) and should contribute VND630bn in profit (+160% YoY) this quarter; MSN's WinMart also expanded aggressively (~20% more stores, +17% YoY revenue in Q3). We forecast MSN's Q3/26 NPAT to surge +230% YoY, driven largely by mining as tungsten prices hit a record ~USD3,000/mtu. In pharmacy, Long Chau keeps taking share from traditional outlets (+30% YoY revenue forecast), remaining FRT's key profit driver. In jewelry, we forecast PNJ's NPAT to fall 62% YoY, assuming footfall at just 60% of last year's level as brand trust was hit by the "diamond" violation at a subsidiary.

...while upstream consumer names show marked divergence

VNM is the key highlight, with Q3/26 NPAT forecast +18% YoY on new products (High protein, Greenfarm, Moc Chau Creamery) and solid exports, sustaining high margins despite rising feed and milk-powder costs. Hog-farming names (HPA, DBC) should see earnings cool as volumes and prices trail the high year-ago base, compressing margins.

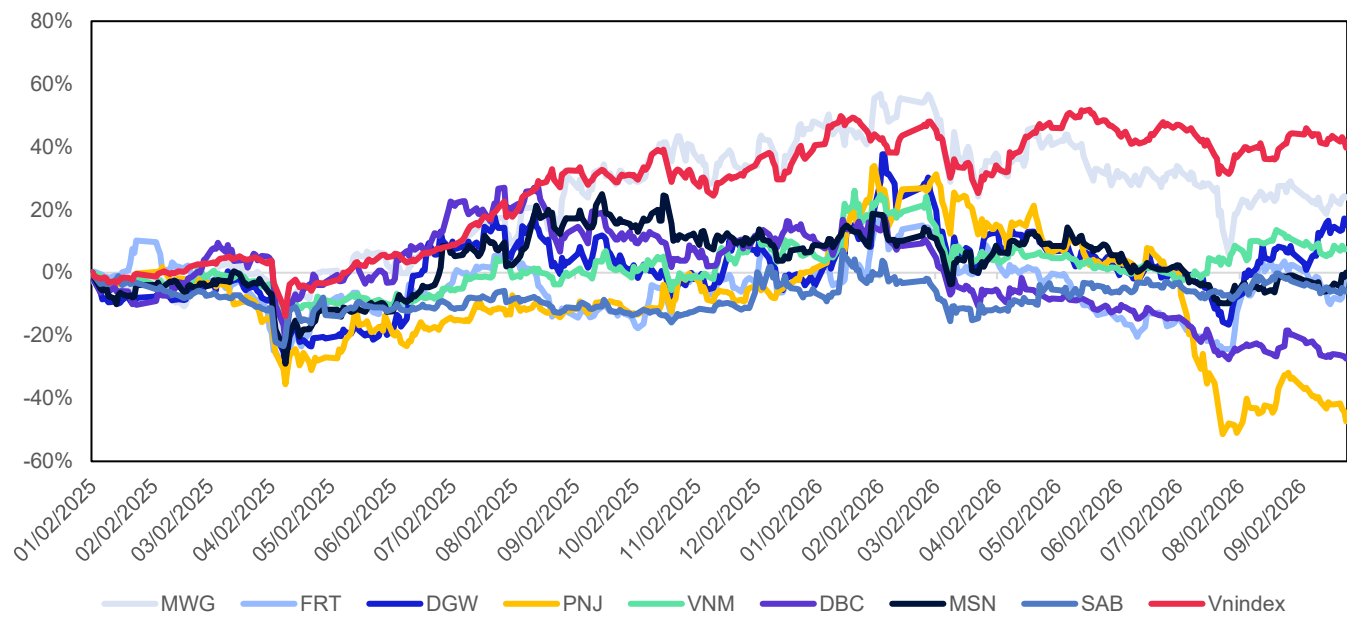
Q3/2026 and Full-Year 2026 Earnings Forecasts

Figure 1: Earnings forecasts for selected Consumer & Retail companies

No	Ticker	Sector	NPAT Forecast (VNDbn)				Comments
			Q3/26	% YoY	2026	% YoY	
1	MWG	Retail	3,456	95%	12,965	84%	We forecast MWG's 3Q26 NPAT to grow 95% YoY, driven by broad-based positive momentum across all business segments. Demand for device upgrades/replacements after the typical 5-year cycle is the key driver of volume growth of 10-15% YoY, compounded by sharply higher electronics/technology prices amid the ongoing chip supply shortage. DMX (Dien May Xanh) remains the key pillar, with revenue estimated to grow 29% YoY, contributing 64% of MWG's total revenue and VND3,016bn of pre-minority-interest NPAT. In the essential retail segment, the shift toward modern trade continues to gain share from traditional retail, with BHX (Bach Hoa Xanh) reaching nearly 3.6k stores (+59% YoY, +14% QoQ) in Q3-2026, with average revenue/store of VND1.7bn/month. BHX remains profitable, contributing VND630bn in Q3.
2	FRT	Retail	374	72%	1,380	74%	We forecast FRT's NPAT to remain positive at VND374bn (+72% YoY). Long Chau (pharmacy and vaccination chain) remains the main contributor, with revenue projected to grow 30% YoY, driven by (1) store count growth of 17% YoY and (2) chain-wide revenue/store growth of 12% YoY on the back of the ongoing "modernization" trend in total pharmacy retail sales. At FPT Shop, revenue is projected to grow 13% YoY, supported by sales of higher-priced products and replacement/upgrade demand, though it contributes little to profit given intense competition from other ICT-CE retail chains. At the consolidated level, FRT's net margin is expected to reach 3% in Q3, a slight improvement from 2.9% in Q2.
3	DGW	Retail	481	190%	1,132	107%	We forecast DGW's NPAT at VND481bn (+190% YoY), driven by continued positive demand in the electronics retail channel. Upgrade/replacement demand for laptops & tablets/mobile phones will continue to drive the company's wholesale sales. In Jul-Aug 2026, DGW recorded revenue of VND3,186bn/VND3,842bn, respectively (+28%/+80% YoY), indicating continued strong demand. In Q3-26, we forecast revenue growth of 60%/22%/50%/60%/30% YoY for the main product categories - laptops & tablets/phones/office equipment/household appliances/other consumer goods, respectively. We expect gross margin and EBIT margin of 13% and 5.3%, respectively, up 0.0ppt/+0.7ppt QoQ.
4	PNJ	Retail	186	-63%	1,512	-47%	We forecast PNJ's NPAT at VND186bn (-62% YoY), assuming Q3/26 customer traffic at around 60% of the level seen before the "Diamond" event, coupled with a slightly lower average order value, which drags retail revenue down 42% YoY. Gold prices remain elevated and improved supply helped sustain gold bar revenue broadly in line with the same period. Gross margin is projected at 13.3% (vs. 21.5% in Q3-25) due to (1) a sharp decline in retail revenue and (2) PNJ cutting prices/increasing promotions to support sales amid weakening consumer confidence.
5	HPA	Consumer	245	-32%	1,109	-31%	We forecast HPA's NPAT at VND245bn (-32% YoY). In Q3/2026, hog output is expected to remain below the same-period level, as the Minh Duc farm will only deliver its first batch of finished hogs post-renovation by year-end. In addition, average live hog prices in Q3 are estimated at VND60,260/kg (-0.3% YoY, -8.7% QoQ) due to seasonality, as schools are on summer break and pork consumption typically declines during the seventh lunar month. Soybean and corn prices had risen 18.4% and 20.8% YoY, respectively, by end-August. The combined impact of flat selling prices and rising input costs is significantly compressing margins in the hog farming and animal feed segments.
5	VNM	Consumer	2,982	18%	11,502	22%	We forecast VNM's NPAT at VND2,982bn (+18% YoY), supported by (1) domestic revenue sustaining positive momentum on a diversified new product portfolio, including Greenfarm, Moc Chau Milk, and high-protein products; (2) stepped-up promotional activities to mark the company's 50th anniversary; and (3) continued export revenue growth, albeit at a slower pace than in the first two quarters. Gross margin in Q3-26 is expected at 43% (-0.5ppt QoQ), as prudent inventory management helped keep milk powder and feed costs stable, despite elevated inflation driven by high oil prices.
6	DBC	Consumer	230	-33%	1,060	-30%	We forecast DBC's NPAT at VND230bn (-33% YoY). Average live hog prices in Q3 are estimated at VND60,260/kg (-0.3% YoY, -8.7% QoQ vs. Q2/2026), affected by seasonality as pork consumption typically declines during the summer break and the seventh lunar month. Meanwhile, input cost pressure is rising, with soybean and corn prices up 18.4% and 20.8% YoY, respectively, by end-August. The combined impact of flat selling prices and rising input costs is expected to continue compressing margins in DBC's hog farming and animal feed segments.
7	MSN	Retail & Consumer	3,984	230%	11,420	178%	We forecast MSN's NPAT at VND3,984bn (+230% YoY). Growth is mainly driven by (1) tungsten prices remaining elevated at around USD3,000/mtu during the period, and MSR being licensed to mine an additional 28mn tonnes of ore reserves at Nui Phao from May 2026, boosting output. The consumer segment (MCH) continues to post double-digit growth off a low base in the same period, as wholesale/retail demand recovers post-"lump-sum tax." WCM is expected to continue expanding rapidly in Q3, reaching close to 800 stores, up ~20% versus the start of the year, driving revenue growth of 16.7% YoY.
8	SAB	Consumer	1,250	-8%	4,650	5%	We forecast NPAT at VND1,250bn (-8% YoY, +7% QoQ), supported by (1) stable demand and SAB's price increases; (2) lower advertising & promotion costs post-World Cup; and (3) a high base from one-off income related to the SBB consolidation in the same period last year. Excluding this one-off gain, Q3-26 NPAT is estimated to be roughly flat YoY.

Source: MBS Research estimates

Figure 2: Retail stock price performance since the start of 2025: most stocks have traded sideways, with MWG, DGW and VNM leading in investment performance. PNJ has fallen the most on the impact of the "diamond" incident



Source: FiinProX, MBS Research

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