

Hoa Phat Group (HSX: HPG)

Steel prices rise on favorable demand

- 3Q/26: We forecast net profit of VND 5,600 billion (+40% YoY), driven by stronger demand, revenue growth, and gross margin expansion.
- We raise our 2026/27 net profit estimates by 26%/15%, respectively, following upward revisions to revenue and gross margin assumptions amid higher steel prices. Post-revision, net profit is projected to grow 70%/8% YoY in 2026/27.
- We maintain our **ADD** rating with a target price of VND 32,000 per share.

Q3/26 earnings: Positive growth supported by favorable demand

In Q3/26, steel output projected to increase 38% YoY to 4.1 million tonnes, primarily driven by a 68% YoY increase in HRC output. Despite a 6% decline from Q2, steel prices remained 7% higher YoY, underpinning a 50% YoY increase in revenue to VND 55,200 billion. Gross margin projected at 17% (+0.3ppt YoY), with the 7% YoY increase in steel prices offsetting a 17% rise in coal, while iron ore prices remained broadly stable. Higher debt levels and elevated interest rates are expected to drive a 60% YoY increase in finance costs. Nevertheless, robust revenue growth and gross margin expansion are expected to support a 40% YoY increase in net profit.

2026–27 net profit revised upward by 26%/15% our previous report

We raise volume forecast by 2% versus our previous estimate to 14.9 million tonnes (+25% YoY). With steel selling prices revised upward by 5%, revenue revised up 6% to VND 211.9 trillion (+36% YoY). Gross margin is raised by 1ppt to 17.2%. Financial income is revised up 257% to VND 7.85 trillion, primarily reflecting gains from project divestment, while interest expenses are revised up 22% amid higher interest rates. Following these revisions, net profit is raised by 26% to VND 26.2 trillion (+70% YoY).

In 2027, we raise our revenue forecast by 9% versus our previous estimate, 15% YoY growth. Gross margin projected at 17.8% (+0.6ppt YoY and +1.2ppt versus our previous forecast). Meanwhile, higher debt and elevated interest rates expected to drive 20% increase in finance costs. Supported by stronger revenue and gross margin, net profit is revised up 15% to VND 28,200 billion (+8% YoY).

Recommend ADD rating with a target price of VND 32,000 per share

We maintain our valuation from previous report dated 25 February 2026. While we lower the P/B multiple amid less favorable expectations for the real estate and construction sectors due to subdued market conditions, higher earnings expectations for 2026–30 support a more favorable FCFF-based valuation. Against the backdrop of Vietnam's market upgrade, HPG may attract interest from active funds, supported by attractive valuation and earnings growth.

Financial metrics	2024	2025	2026F	2027F
Net revenue	138,855	156,116	216,954	249,168
Net profit	12,021	15,450	26,190	28,197
Revenue growth	16.7%	12.4%	39.0%	14.8%
Profit growth	75.9%	28.5%	69.5%	7.7%
Gross profit margin	13.3%	15.7%	17.2%	17.8%
EBITDA margin	17.0%	20.0%	22.0%	19.8%
ROAE	11.1%	12.7%	18.9%	17.4%
ROAA	5.8%	6.4%	9.8%	9.7%
EPS (VND/share)	1,969	2,196	3,250	3,181
BVPS (VND/share)	17,879	16,830	17,551	18,991

Source: HPG, MBS Research estimates

ADD

Target price

VND32,000

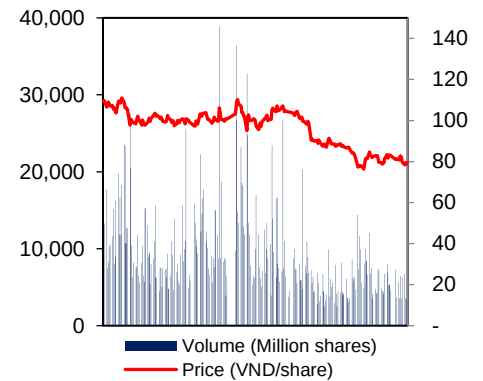
Potential upside

46%

Key changes

26%/15% upward revision to 2026–27 EPS estimates

Stock information



Source: FiinPro, MBS Research

Market price (VND)	21,200
52-week highest (VND)	26,500
52-week lowest (VND)	20,000
Market Cap. (VNDbn)	179,015
P/E (TTM)	8.1
P/B	1.5
Dividend yield (%)	5%
Foreign ownership (%)	26%

Source: <https://s24.mbs.com.vn/>

Ownership structure

Tran Dinh Long	25.8%
Foreign	25.7%
Others	48.5%

Source: <https://s24.mbs.com.vn/>

Hoa Phat Group (HSX: HPG)

Investment thesis & recommendation

Investment thesis

- We expect construction steel and HRC prices to rise in 2026–2027, supported by stronger domestic demand and easing pressure from Chinese steel.
- Driven by market share gains from Chinese steel, HPG's output is expected to grow 25%/12% YoY in 2026–2027, supported by strong demand for construction steel and HRC, as well as the ramp-up of its rail and structural steel plant.
- In terms of valuation, HPG currently trades at 1.5x P/B, below the average P/B of 2.0x across the previous two cycles (1.9x and 2.1x), amid weakness in the real estate and construction sectors due to high interest rates and subdued demand. We believe strong earnings growth could support a re-rating toward 1.8x P/B in 2026–2027, equivalent to the average P/B of the previous two cycles less one standard deviation.
- We also expect HPG to benefit from its inclusion in the FTSE GEIS Index, with estimated inflows of approximately US\$104mn (125 million shares) over the 12 months from September 2026. As Vietnam's market is upgraded, we expect HPG to attract greater interest from active funds, supported by its attractive valuation and strong earnings growth.

Valuation

We value HPG using the FCFF and P/B methodologies, arriving at a fair value of VND32,000 per share. Our valuation remains unchanged from the previous report, as higher earnings in 2026–2030 support a higher FCFF valuation, offsetting the lower P/B multiple amid a weak real estate market and subdued investor valuation expectations.

Specifically, the FCFF-based target price increases by approximately 6%, driven by stronger earnings forecasts on expectations of higher steel prices over the next two years. Conversely, the P/B-based target price declines by approximately 6% due to a lower P/B multiple, reflecting weaker expectations amid a subdued real estate market.

We apply a 1.8x P/B multiple to derive HPG's target valuation over the next two years. This multiple is based on the company's average P/B during periods of growth in the steel industry, less one standard deviation to reflect more conservative expectations.

Figure 1: Valuation Summary

Method	Weight	Price (VND)
FCFF	50%	32,800
P/B (P/B target 2026 = 2.2x)	50%	31,300
Target price		32,000

Source: MBS Research

Firgure 2: FCFF estimated

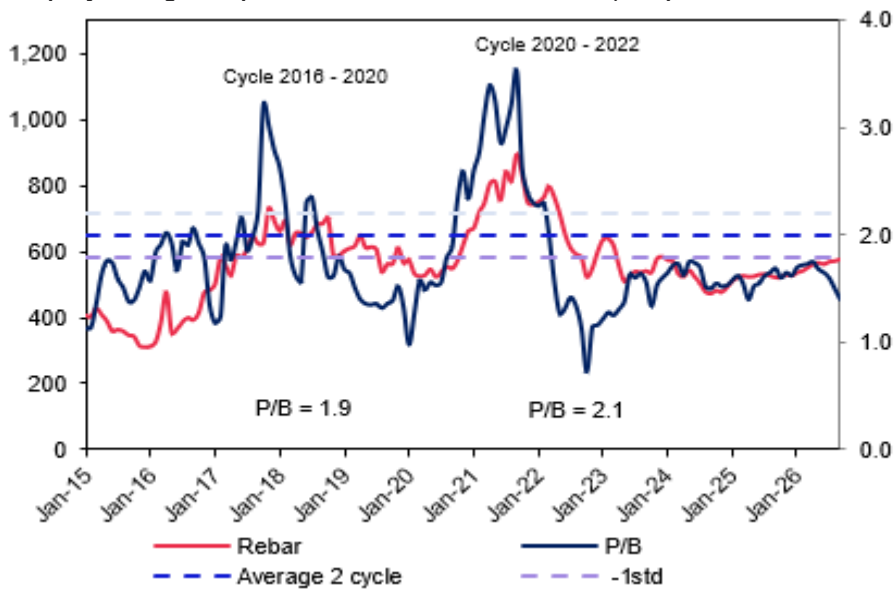
	2026F	2027F	2028F	2029F	2030F
Net profit	26,190	28,231	33,818	31,338	30,185
Non-cash expenses	11,155	11,510	12,685	13,168	15,143
After-tax interest	4,923	4,411	3,010	2,789	2,510
Capital expenditure	13,187	13,734	10,911	3,809	3,999
Working capital	(288)	(996)	5,796	10,814	8,651
FCFF	29,370	31,414	32,806	32,673	35,189

Firgure 3: FCFF valuation

(+) Present value of FCFF from 2026–2030	VNDbn	127,797
(+) Present value of terminal value	VNDbn	204,473
(+) Cash and cash equivalents	VNDbn	38,390
(-) Debt	VNDbn	93,369
Enterprise Value (EV)	VNDbn	277,291
Shares outstanding	Billion shares	8.44
Share price	VND	32,800

Cost of equity		WACC and long-term growth rate	
Risk-free rate	3.0%	Cost of debt	12.0%
Beta	1.20	Tax rate	20.0%
Risk premium	9.6%	WACC	11.2%
Cost of equity	13.1%	Long-term growth rate	1%

Firgure 4: We derive a fair P/B multiple of 1.8x, based on the average P/B during the company's two growth periods less one standard deviation (-1SD)



Firgure 5: Peer comparison

Company	Ticker	Target price	Recommendation	Market Cap.	P/E (x)		P/B (x)		ROA (%)		ROE (%)	
					2025	2026F	2025	2026F	2025	2026F	2025	2026F
Citic Pacific Special Steel	000708:CH	N/A	N/A	10,120	10.9	10.7	1.4	1.4	5.5%	5.7%	13.1%	13.4%
NanJing Iron Steel	600282:CH	N/A	N/A	4,100	10.1	10.2	1.2	1.2	4.1%	4.3%	9.7%	9.9%
Hunan Valin Steel	000932:CH	N/A	N/A	3,600	22.0	19.5	0.6	0.5	1.8%	2.5%	4.5%	5.8%
Kobe Steel	5406.T	N/A	N/A	5,100	8.8	9.0	0.7	0.6	2.8%	2.6%	5.8%	5.5%
Hoa Sen Group	HSG VN	14,000	ADD	320	12.6	10.5	0.7	0.6	3.7%	4.1%	6.2%	6.8%
Nam Kim Group	NKG VN	12,000	HOLD	220	30.1	28.8	0.6	0.5	1.9%	2.7%	4.5%	5.2%
Mean				3,910	15.8	14.8	0.9	0.8	3.3%	3.7%	7.3%	7.8%
Hoa Phat Group	HPG VN	32,000	ADD	8,800	7.9	7.5	1.6	1.5	9.6%	9.9%	18.9%	19.4%

Source: Bloomberg, MBS Research

Investment Risks

- (1) Continued price pressure from China through 2026 could weigh on domestic steel prices.
- (2) Housing supply fails to recover as expected.

Q2/26 and 1H26 Business Results Review

Net profit growth was driven by higher steel prices and the divestment of the Pho Noi Urban Area project

Firgue 6: 1H26 Business Results Summary (Unit: Billion VND)

Business results	2Q/26	% Yoy	1H26	% Yoy	% MBS latest estimates	Comment
Total volume (mn tonnes)	3,650	23%	7,020	25%	48%	Total production in Q2 and 1H26 grew mainly due to the contribution from HRC.
Rebar	1,300	0%	2,750	10%	51%	Construction steel sales were flat YoY in Q2 but grew 10% in 1H26, driven by stronger demand from public investment and residential construction
HRC	1,920	59%	3,400	55%	45%	HRC growth was driven by the DQ2 plant reaching full capacity in early 2026, while anti-dumping duties on Chinese HRC supported domestic market share gains
Price (USD/tonne)						
Rebar	610	9%	590	8%	105%	Construction steel prices rose amid strong demand and easing pressure from Chinese steel
HRC	585	8%	570	6%	103%	Higher HRC prices, supported by anti-dumping duties, increased domestic steel market share from 45% to 65%, easing competitive pressure from Chinese steel.
Revenue	55,159	53.6%	108,060	47%	53%	Revenue grew strongly, driven by higher sales volume and selling prices
Gross profit	10,488	59%	18,853	57%	56.7%	
Gross margin	19.01%	+ 0.6% pts	17.4%	+ 1.1% pts	108%	Stronger steel price growth than raw material costs supported gross margin expansion. In Q2, steel prices rose 8% on average, versus a 6% increase in coal prices, while iron ore prices remained flat.
Financial revenue	617	24%	6,555	600%	103%	Financial income surged, driven by gains from the divestment of the Pho Noi Urban Area project.
Financial expense	1,926	97%	3,795	95%	60%	Financial expenses increased significantly due to higher interest expense
- Interest expense	1,520	246%	2,853	168%	60%	Interest expense increased significantly due to interest rates being 2–3ppt higher YoY, while the company increased short-term working capital borrowings to support production
Selling expenses	1,718	108%	3,062	96%	97%	Selling expenses increased significantly, mainly driven by higher transportation costs amid rising oil prices.
SG&A expense	308	-4%	694	4%	37%	
SG&A/ revenue	3.7%	+ 0.5% pts	3.5%	+ 0.5% pts	134%	
Profit before tax	7,185	45%	17,947	105%	74%	
Net profit	6,371	50%	15,365	102%	74%	Q2: Net profit grew by 50%, driven by (1) a 23% YoY increase in volume and an 8% YoY increase in selling prices, and (2) a 0.6ppt YoY expansion in gross margin.

Source: FiinproX, Financial report of HPG

Q3/26 earnings forecast

In Q3/26, strong domestic demand is expected to drive HPG's sales volume, with HRC consumption forecast to rise 68% YoY to 2.1mn tonnes, supported by full-capacity operations at DQ2 and lower competition from Indian imports. Total sales volume is therefore projected to increase 38% YoY to 4.1mn tonnes, while steel prices are expected to rise 7% YoY following the decline in Chinese imports after the implementation of anti-dumping duties. As a result, revenue is forecast to grow 50% YoY to VND55.3tn, with gross margin reaching 17% (+0.3ppt YoY) as higher steel prices offset rising coal costs and stable iron ore prices. Despite a 60% YoY increase in financial expenses amid higher interest rates, net profit is projected to reach VND5.6tn (+40% YoY).

We raise our 2026/27 net profit forecasts by approximately 26%/15% from our previous estimates, driven by higher steel prices and gross margins.

Firgure 7: 2026–27 earnings forecast (Unit: Billion VND)

Earnings indicator	2025	2026	% Yoy	% previous forecast	2027	% svck	% previous forecast	Comment
Total volume (Thousand tons)	11,880	14,905	25%	2%	16,700	12%	5%	2026 production growth is driven by construction steel, while 2027 growth is driven by HRC.
Include:								
Rebar	4,996	5,600	12%	5%	5,936	6%	5%	Higher construction steel forecasts, supported by accelerating construction activity from PPP and public investment projects.
HRC	5,000	7,500	50%	0%	9,000	20%	6%	Higher 2027 HRC forecast, supported by additional contributions from the Dung Quat rail and structural steel plant.
Price (USD/ton):								
Rebar	545	590	9%	5%	631	7%	7%	Higher 2026 forecast, supported by resilient sales; 2027 prices are expected to rise on stronger sales volumes and the impact of tariffs on Chinese steel
HRC	540	580	7%	5%	615	6%	8%	Higher HRC price forecast, driven by HPG's increased market share following the imposition of anti-dumping duties on wide-width HRC.
Revenue	156,116	216,954	39%	6%	249,168	15%	9%	Higher revenue forecast, driven by increased steel volumes and selling prices
Gross profit	24,498	37,399	53%	13%	44,403	19%	18%	
Gross margin	15.7%	17.2%	+1.5% pts	+1.0% pts	17.8%	+0.6% pts	+1.2% pts	Higher gross margin forecast, supported by stronger steel prices while maintaining our raw material price assumptions for coal and iron ore.
Financial income	2,082	7,850	277%	257%	2,350	-70%	12%	Higher 2026 financial income, driven by gains from HPG's divestment of Pho Noi Urban Area. In 2027, financial income is expected to increase on higher interest income from deposits.
Financial expense	4,604	7,812	70%	23%	7,177	-8%	20%	Higher financial expenses in 2026–27, driven by significantly higher interest expenses.
Interest expense	3,115	6,154	27%	28%	5,514	-10%	25%	Higher interest expense forecast, driven by increased short-term borrowings for working capital and a higher interest rate environment.
Selling expense	2,633	5,858	122%	86%	5,980	2%	64%	Higher selling expenses, driven by increased transportation costs amid higher fuel prices.

SG&A expense	1,436	1,301	-9%	-30%	1,495	15%	-32%	Higher SG&A, driven by increased transportation costs.
% SG&A expense/revenue	2.6%	3.3%	+0.7% pts	+0.9% pts	3.0%	- 0.3% pts	+0.5% pts	
Profit before tax	18,040	30,454	69%	24%	32,304	6%	15%	
Net profit	15,450	26,190	70%	26%	28,197	8%	15%	2026: Higher net profit forecast, driven by (1) stronger steel segment earnings on higher volumes, steel prices, and gross margins; and (2) one-off gains from project divestment. 2027: Higher net profit forecast, supported by stronger-than-previously-expected volumes and gross margins.

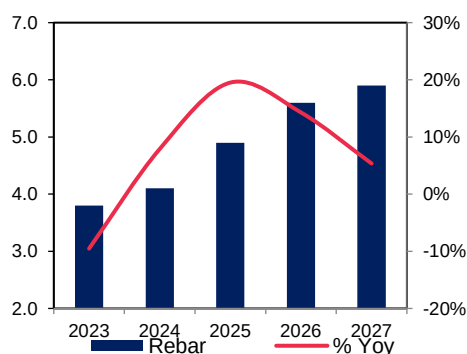
Source: Financial report of HPG, MBS Research estimates

Rebar: Higher revenue forecast, driven by higher volumes

Higher forecast volumes, supported by positive demand and improved selling prices as pressure from Chinese steel eases, are expected to drive construction steel revenue to VND 79.5tn/89.8tn, representing upward revisions of 8%/12% versus our previous forecasts and YoY growth of 20%/13%, respectively:

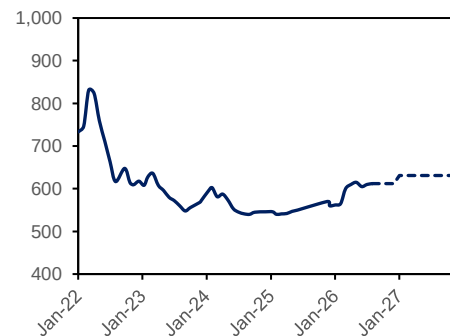
- PPP infrastructure projects are expected to accelerate, alongside rising real estate supply, supporting construction steel demand. Easing pressure from Chinese steel from 2026 should further support sales volumes. Accordingly, we raise our construction steel volume forecasts by 5% for 2026–27 to 5.6/5.9mn tonnes, implying YoY growth of 12%/6%, respectively.
- Following strong price growth in 1H, we expect steel prices to remain elevated, supported by resilient demand and anti-dumping duties that ease pressure from Chinese steel. Accordingly, we raise our construction steel price forecasts by 5%/7% to USD 590/631 per tonne, implying YoY growth of 9%/7%, respectively.

Figure 8: HPG's construction steel output (Unit: Million ton)



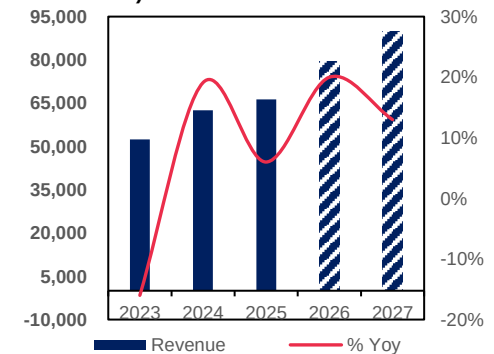
Source: HPG, MBS Research

Figure 9: Domestic steel price outlook (Unit: USD/ton)



Source: HPG, MBS Research, VSA

Figure 10: Revenue of construction steel (Unit: Billion VND)



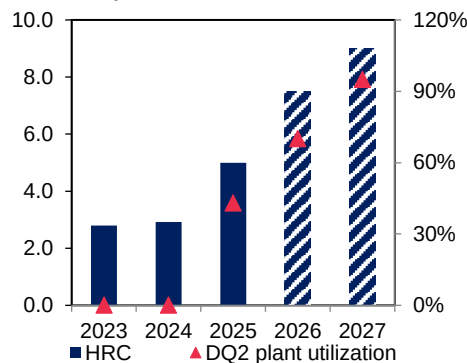
Source: HPG, MBS Research

HRC: We raise our HRC price forecasts by 7%/8% for 2026–27 and 2027 HRC volume by 7% versus our previous forecast. Following the revisions, revenue is expected to grow 60%/26% YoY, respectively.

For 2026–27, we raise our HRC revenue forecasts by 4%/12%, respectively. Following the revisions, HRC revenue is expected to reach VND 109.2tn/137.7tn, implying YoY growth of 60%/26%, respectively.

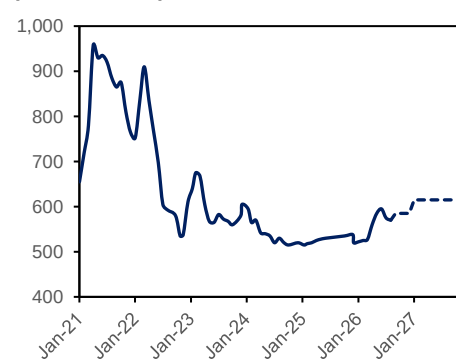
- Domestic HRC market share is expected to rise to 70% from 60%, following the imposition of anti-dumping duties on wide-width HRC from April 2026, narrowing the price gap between domestic and Chinese steel to USD 90/tonne (-25% YoY). Accordingly, we maintain our 2026 HRC volume forecast at 7.5mn tonnes (+50% YoY) and raise our 2027 forecast by 6% to 9.0mn tonnes (+20% YoY), supported by DQ2 reaching full capacity and contributions from the Dung Quat rail and structural steel plant.
- Amid strong HRC price growth, supported by resilient demand and easing pressure from Chinese steel, we raise our HRC price forecasts by 5%/8% for 2026–27. Following the revisions, HRC prices are expected to reach USD 580/615 per tonne, implying YoY growth of 7%/6%, respectively.

Figure 11: HRC steel production volume (Unit: Million ton)



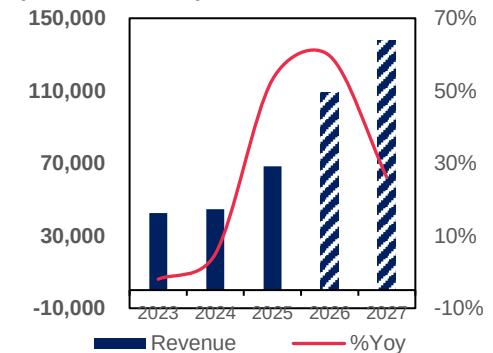
Source: HPG, MBS Research

Figure 12: HRC price forecast for 2026–2027 (Unit: USD/ton)



Source: HPG, MBS Research, VSA

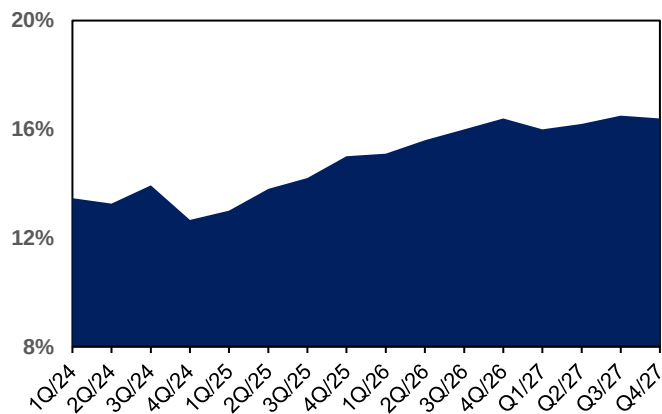
Figure 13: Revenue Contribution from HRC (Unit: Billion VND)



Source: HPG, MBS Research

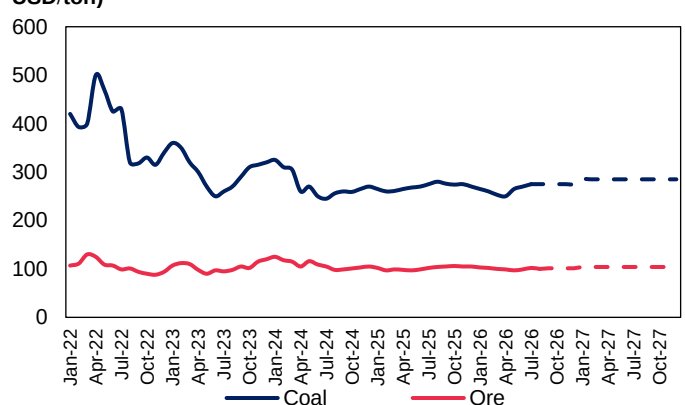
We raise our gross margin forecasts by 0.8/1.2ppt versus previous estimates. Following the revisions, gross margin is expected to reach 17.0%/17.6%, up 1.3/0.6ppt YoY, respectively

Figure 14: Forecast gross profit margin for 2026–2027



Source: HPG, MBS Research

Figure 15: Forecast coal and iron ore prices in 2026 – 27 (Unit: USD/ton)



Source: Bloomberg, MBS Research

Versus our latest forecast, we raise gross margin by 0.8/1.2ppt. Following the revisions, gross margin is expected to increase by 1.3/0.6ppt YoY, supported by higher steel prices and lower raw material price assumptions. Specifically:

- Iron ore prices are expected to remain low in 2026–27 amid weak Chinese steel demand and subdued production. Through 8M2026, iron ore prices averaged USD 101/tonne, down 2% YoY, amid stable supply and weak demand. Accordingly, we lower our iron ore price forecasts by 2%/3% to USD 101/103 per tonne, respectively.
- For coking coal, despite supply disruptions following China's closure of several mines after a mine collapse in Shanxi, average prices reached USD 270/tonne in 8M2026, down 2% YoY, due to weak demand amid China's production curbs. Accordingly, we maintain our coking coal price forecasts at USD 280/285 per tonne, implying flat/2% YoY growth, respectively.

Financial Statements

Income statement	2024	2025	2026	2027	Cash flow statement	2024	2025	2026	2027
Net revenue	138,855	156,116	216,954	249,168	Pretax profit	13,694	18,041	30,454	32,304
Cost of sales	(120,358)	(131,618)	(179,555)	(204,765)	Depreciation & amortisation	6,916	8,468	11,105	11,510
Gross profit	18,498	24,498	37,399	44,403	Interest paid	2,287	3,115	(6,154)	(5,514)
Gen & admin expenses	(1,546)	(1,437)	(1,302)	(1,495)	Other non operating gains/(losses)	(2,208)	(1,533)	176	202
Selling expenses	(2,337)	(2,634)	(5,858)	(5,980)	Change in working capital	(14,081)	(12,397)	(8,109)	(8,634)
Operating profit	14,615	20,428	30,240	36,928	Cash flow from operations	6,608	15,694	27,472	29,867
Operating EBITDA	22,253	30,557	41,345	48,438	Capex	(35,495)	(25,750)	(13,187)	(3,942)
Operating EBIT	14,615	20,428	30,240	36,928	Proceeds from assets sales	5,707	578	(3,045)	(13,502)
Interest expense	2,619	2,082	7,850	2,350	Cash flow from investing activities	(29,788)	(25,172)	(16,232)	(17,444)
Financial expense	(3,967)	(4,604)	(7,812)	(7,177)	New share issuance	-	-	-	-
Net other income	426	135	176	202	Net borrowings	17,587	9,211	1,195	1,316
Income from associates & JVs	-	-	-	-	Other financing cash flow	228	1,680	-	-
Pre-tax profit	13,694	18,041	30,454	32,304	Dividends paid	-	-	(7,675)	(8,443)
Tax expense	(1,673)	(2,526)	(4,264)	(4,073)	Cash flow from financing activities	17,815	10,891	(6,481)	(7,127)
Profit after tax	12,020	15,515	26,190	28,231	Cash and equivalents at beginning of period	12,252	6,888	8,301	13,060
Minority interest	1	(65)	-	(34)	Total cash generated	(5,364)	1,413	4,759	5,297
Net profit	12,021	15,450	26,190	28,197	Cash and equivalents at the end of period	6,888	8,301	13,060	18,356
Dividends paid	-	-	(7,675)	(8,443)					
Retained earnings	12,021	15,450	18,515	19,754					
Consolidated balance sheet	2024	2025	2026	2027	Key Ratios	2024	2025	2026	2027
Cash and equivalents	6,888	8,301	13,060	18,356	Revenue growth	16.7%	12.4%	39.0%	14.8%
Short term investments	18,975	19,484	25,330	27,863	Operating EBITDA growth	35.4%	37.3%	35.3%	17.2%
Accounts receivable	4,352	10,994	10,444	13,578	Operating profit growth	151.1%	139.8%	148.0%	122.1%
Inventories	46,091	52,828	58,876	63,500	Pretax profit growth	75.7%	31.7%	68.8%	6.1%
Total current assets	86,674	103,682	118,943	134,488	Net profit growth	75.9%	28.5%	69.5%	7.7%
Net PPE	67,244	133,421	129,113	142,846	EPS growth	61.7%	16.6%	47.6%	-4.0%
Construction in progress	63,751	10,870	17,124	16,949	Gross margin	13.3%	15.7%	17.2%	17.8%
Property investment	560	528	873	924	EBIT margin	17.0%	20.0%	22.0%	19.8%
Others long term asset	-	-	-	-	EBITDA margin	8.7%	9.9%	12.1%	11.3%
Investment in JVs and associat	1,060	2,538	2,538	2,538	ROAE	11.1%	12.7%	18.9%	17.4%
Accounts receivables	5,017	6,695	6,805	7,495	ROAA	5.8%	6.4%	9.8%	9.7%
Total non-current assets	137,815	154,240	156,639	170,940	ROIC	6.1%	6.9%	10.8%	10.3%
Total assets	224,490	257,922	275,582	305,428	Asset turnover	0.7	0.6	0.8	0.9
Current liabilities	55,883	64,695	66,458	71,374	Dividend payout ratio	0.0%	0.2%	29.3%	29.9%
Accounts payable	14,047	21,183	20,124	19,118	Liabilities to equity ratio	72%	70%	62%	53%
Other current liabilities	2,984	5,533	3,500	3,840	Total debt to equity	66%	64%	53%	43%
Total current liabilities	75,225	94,209	92,989	97,358	Net debt to assets	33.9%	32.5%	29.1%	25.0%
Total long-term debt	27,080	27,479	26,911	23,311	Interest coverage ratio (x)	6.4	6.6	4.9	6.7
Other liabilities	7,537	5,014	5,459	6,304	Days account receivable	11.4	25.7	17.6	19.9
Total non-current liabilities	34,617	32,493	32,369	29,615	Days inventory	139.8	146.5	119.7	113.2
Total liabilities	109,842	126,702	125,358	126,973	Days creditor	42.6	58.7	40.9	34.1
Share capital	63,963	76,755	84,430	92,873	Current ratio	1.2	1.1	1.3	1.4
Additional paid-in capital	-	-	3,212	3,212	Quick ratio	0.5	0.5	0.6	0.7
Treasury shares	-	-	-	-	Cash ratio	0.5	0.3	0.3	0.4
Retained earnings reserve	49,599	51,035	59,616	79,370					
Other reserves	795	1,388	924	924	Valuations				
Shareholders' equity	114,356	129,178	148,182	176,379	EPS	1,969	2,196	3,250	3,181
Minority interest	291	2,042	2,042	2,076	BVPS	17,879	16,830	17,551	18,991
Total equity	114,647	131,220	150,224	178,455	P/E	16.0	14.3	9.7	9.9
Total liabilities & equity	224,490	257,922	275,582	305,428	P/B	1.8	1.9	1.8	1.7

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Stock rating

Our investment recommendations are based on the expected profitability of the stock, calculated as the sum of (i) the percentage difference between target price and market price at the time of publication, and (ii) expected dividend yield. Unless otherwise stated in the report, investment recommendations have an investment horizon of 12 months.

ADD	The stock can generate a profitability of 15% or more
HOLD	The stock can generate a profitability of between -15% and 15%
REDUCE	The stock can generate a loss of -15% or more

Sector rating

POSITIVE	Industry stocks have Add recommendations on a weighted market capitalization basis
NEUTRAL	Industry stocks have Hold recommendations on a weighted market capitalization basis
NEGATIVE	Industry stocks have Reduce recommendations on a weighted market capitalization basis

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Founded in May 2000 by the Military Commercial Joint Stock Bank (MB), MB Securities Joint Stock Company (MBS) is one of the first six securities companies in Vietnam. After years of development, MBS has grown into one of the premier brokerage houses in the country. In two consecutive years between 2009 and 2010, MBS leads the brokerage house in terms of market share on both Hanoi Stock Exchange (HNX) and HCMC Stock Exchange (HOSE) and continuously ranked among the Top 5 of market share at both stock exchanges

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