# 3Q24 EARNINGS FORECAST: MAINTAINING GROWTH MOMENTUM

- We forecast that the overall market earnings may maintain the growth momentum and increase by 19.5% YoY in 3Q24, supported by a low-interest rate environment, a sharp decrease in the exchange rate, and the recovery of production and consumption.
- Banking sector earnings may grow by 16.5% YoY (2Q24: 19.5% YoY). Sector with outstanding profit growth include Retail(+381% YoY), Energy (+321% YoY), Industrial parks (+169% YoY) from a low base of same period.
- However, some sectors experienced a decline in profit, such as Real Estate (-3% YoY) due to the lack of new projects or Oil and Gas (-11% YoY) due to the poor performance of downstream enterprises.

**The banking sector may maintain a stable profit growth**

3Q24 credit growth is expected to continue improving compared to the previous quarter (credit growth reaching 7.38% as of 17/09/2024, versus to 6% at the end of 2Q24) thanks to the recovery of production and business activities. Non-interest income remains sluggish and has yet to recover, mainly relying on fee income and debt restructuring. Foreign exchange and securities trading activities are not expected to see significant growth as the market has not shown many signs of recovery. 3Q24 NIM is likely to stagnate or slightly decrease compared to 1H24 as most banks increase deposit interest rates in 2H24 to boost funding activities, while lending rates are expected to remain low and will not increase significantly to support the economy. Non-performing loans of listed banks in 3Q24 are not expected to increase compared to 2Q24 as outstanding loans from the corporate sector continue to drive credit growth in 3Q24. Meanwhile, banks will slow down provisioning in 2H24 due to limited credit growth from the corporate sector. Accordingly, the provision buffer is expected to decrease due to slower provisioning and continued write-offs as in 1H24. Net profit of listed banks in 3Q24 could increase by 16.5% YoY and is a crucial pillar for overall market profit growth. Some banks have outstanding growth rates such as HDB (+44%), TPB (+35%) thanks to high credit growth; EIB (+70%), CTG (+40%) due to a low base in the same period.

**The real estate sector is segmented by region**

3Q24 business results will show a divergence among businesses by region. As of the end of 1H24, the supply of apartments in HCMC continued to be limited with only about 1,676 new units (-59% YoY) and prices only increasing by about 6% YoY. New supply mainly came from high-end projects with clear legal documents, from foreign developers with strong financial capacity, or from subsequent phases of previously launched projects. In contrast to the Southern region, Hanoi witnessed a surge in new supply, up 176% YoY to reach 10,841 new units – the highest level in 5 years. Prices in this region also increased significantly, catching up with the Southern region with a 22% YoY increase. With 3 important real estate laws implemented, it will take more time to build official land price lists, thereby accelerating project progress. Real estate businesses focusing on the Southern market (NVL and DXG) will continue to record modest 3Q24 business results due to a lack of new project launches and a sluggish market. Some businesses with projects with completed legal procedures (KDH and NLG) may have an advantage in the future thanks to their launch timing. Real estate businesses with projects concentrated in the Northern region such as VHM may continue to benefit from high liquidity and clear legal documents.

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**Industrial park & rubber sector earnings may grow strongly from low base**

3Q24 business continued to maintain a good growth momentum, thanks to the strong inflow of FDI since the beginning of the year. As of 8M24, total registered FDI and disbursed FDI increased by 7% and 8% YoY, respectively. However, net profit growth rate in 3Q24 will vary among industrial zone companies due to different land handover timeframes in year. KBC is expected to achieve a significant increase in net profit from a low base in last year. BCM could record net profit that is 3 times higher than last year thanks to the transfer of residential land to IJC. As for IDC and SZC, 3Q24 is usually a weaker quarter compared to other quarters in the year; therefore, we forecast that their net profit growth will be modest due to signed MOUs. Overall, 9M24 industrial zone enterprises are expected to record higher business performance compared to 9M23. Rubber businesses will benefit from the significant increase in global rubber prices since the beginning of the year. This is due to a supply shortage caused by unfavorable weather conditions for harvesting, coupled with sustained demand despite a slowdown in the Chinese market. This factor will contribute to positive business performance for rubber companies until the end of the year.

**The materials sector has overcome challenges and recorded growth**

The materials sector faced many difficulties as commodity prices generally declined, however, enterprises were still able to record positive profit growth, with the steel group being a bright spot. 3Q24 steel sector faced many disadvantages in the context of increasing price pressure from Chinese steel due to weak demand in China and anti-dumping investigations in major export markets such as the EU and the US. However, domestic demand became a bright spot as domestic consumption grew by 20% YoY thanks to the contribution of construction steel with a 25% YoY increase. We assess that the sector's gross profit margin improved thanks to the decrease in the prices of raw materials such as coal and ore by 17% and 12%, respectively, while the price of construction steel decreased by 9% YoY. In the coming periods, domestic steel prices have many prospects for recovery thanks to the reduced pressure from Chinese steel as China has launched a series of new economic stimulus measures to revive the country's real estate market such as reducing the required reserve ratio (RRR) by 0.5%, reducing the 7-day interest rate by 20 basis points to 1.5%, cutting interest rates for home loans, and reducing the down payment ratio for home purchases to 15%... These efforts could cause Chinese steel prices to recover and reduce the advantage of imported steel from China into Vietnam. In addition, the improvement of the housing supply and the acceleration of public investment disbursement are also growth drivers for domestic steel prices. 4Q24 domestic steel enterprises will also look forward to gaining market share thanks to the anti-dumping tax which is expected to be issued in Dec/24.

**The upstream oil and gas sector may have a positive outlook thanks to Block B**

3Q24 may be a quarter with fragmented business performance among oil and gas companies. Oil prices have recorded a relatively sharp decline (-15.2% since the beginning of the quarter) as the impact of low demand outweighs the effect of limited supply. This could negatively affect some downstream companies such as PLX and BSR, as PLX may have to increase provisions for inventory price declines, while BSR is impacted by the continued low crack spread. However, due to the completion of the maintenance period, BSR's production has recovered, so business results may still be higher than the previous quarter. On the upstream side, PVS has been awarded all bids for the two packages of the Block B project, allowing for quicker implementation and the handover of components to the Jurong power plant in Singapore, which could lead to more positive business results; for PVD, rig rental rates have not changed much, landrigs were not operational in 3Q24 but have completed maintenance, so cost pressures on the company may decrease. In the midstream, PVT is expected to report positive business results as oil freight rates are stable, the company has received 3 new ships and recorded the disposal of the PVT Synergy vessel for approximately VND 150 billion; meanwhile, GAS's business results may be less positive compared to 2Q24 as dry gas production may decrease compared to the previous quarter due to lower consumption from gas power plants, however, additional contributions from LNG trading may be recorded.

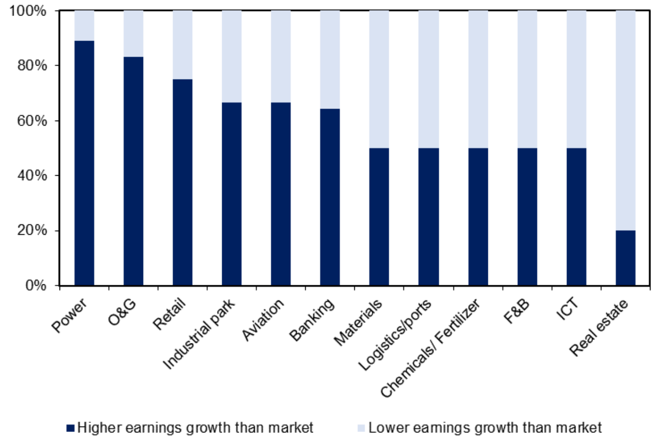
**The power sector profit is supported by the depreciation of the exchange rate and positive hydropower performance**

As of September 25, 2024, the USD/VND exchange rate has decreased by 3.5% compared to the end of Q2/2024, while a portion of the debt of electricity businesses is denominated in USD. As a result, electricity businesses will be able to record foreign exchange gains in this quarter, especially PC1 and PGV. Regarding core business activities, 8M24 electricity demand has increased by 12% YoY, which is higher than the target (9%) set by the Ministry of Sector and Trade at the beginning of the year, thereby facilitating the mobilization of power plants. This has led to a positive outlook for the electricity sector in 3Q24 thanks to the hot weather and increased production. Notably, in July-August, hydropower generation has increased by approximately 39% YoY, leading to hydropower businesses will benefit from this period. However, small hydropower businesses such as PC1 and HDG will have a greater advantage due to less impact from declined mobilization costs. For the thermal power segment, generation has stagnated YoY and decreased significantly compared to 2Q24 as Vietnam has passed the peak of hot weather. This trend of low generation is expected to continue throughout Q3 and only improve from Q4 when the Southern region ends the rainy season. Therefore, the thermal power segment may maintain a relatively low profit level during this period. Regarding policies, in the near future, a Decree on encouraging the development of rooftop solar power is expected to be issued, while the amended Electricity Law and other important policies such as renewable energy pricing policy are still pending issuance.

**The retail sector is showing signs of recovery thanks to improved consumer income**

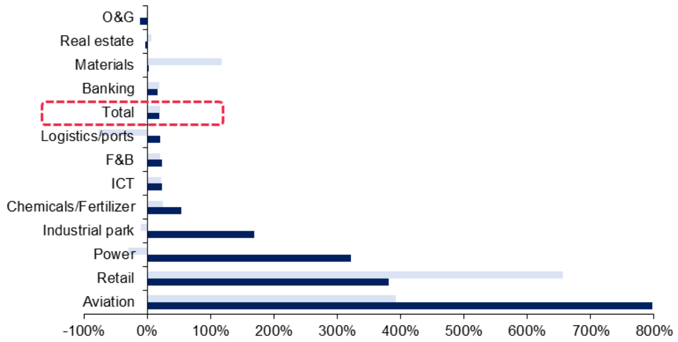
In July and August, PMI stood at 52.4, indicating that new orders in the manufacturing sector have started to improve. Therefore, it is expected that in 3Q24, consumer demand for various sectors will recover better than in 1H24, as the overall positive impact of the manufacturing sector on people's income has begun to take effect. We foresee that 3Q24 will mark the expansion phase of retailers after a period of stagnation to protect market share, especially in a context where overall consumer demand remains weak. Businesses have gradually opened more stores to reach potential customers with the aim of (1) expanding their customer base, and (2) increasing their nationwide coverage. However, the e-commerce retail sector is still experiencing a decrease in the number of physical stores due to a significant decline in overall demand in 2023, leading retailers to restructure their businesses to optimize costs and improve profits.

**Figure 1: Energy, oil and gas, retail, industrial parks, aviation, banking are sectors having a large proportion of businesses with higher 3Q24 profit growth than the market.**




Source: MBS forecast

**Figure 2: Sector earning forecast in 3Q24**




| | Aviation | Retail | Power | Industrial park | Chemicals/Fertilizer | ICT | F&B | Logistics/ports | Total | Banking | Materials | Real estate | O&G |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Q2/2024 | 393% | 656% | -29% | -10% | 25% | 22% | 21% | -76% | 20.3% | 20% | 118% | 6% | -1% |
| Q3/2024 | 797% | 381% | 322% | 169% | 54% | 23% | 23% | 21% | 19.5% | 17% | 3% | -3% | -11% |

Source: MBS forecast

## 3Q24 earning forecast for MBS coverage

| Number | Ticker | Industry | Earnings growth forecast 2024 | | Earnings growth forecast Q3/2024 | | Comments |
|---|---|---|---|---|---|---|---|
| 1 | EIB | Banking | ↗ | 16% | ↑ | 70% | Net profit increased by 70% yoy due to its low base in Q3/23, while NIM stands stills as that in Q2/24 |
| 2 | HDB | Banking | ↑ | 31% | ↑ | 44% | Credit growth is expected to continue at a strong pace as in 1H2024, with NIM slightly reduced to 5.0% in Q3/2024 due to a favorable increase in NIM in 1H2024, giving HDB more room to lower lending rates. Provisioning expenses are forecasted to increase significantly yoy. |
| 3 | LPB | Banking | ↑ | 46% | ↑ | 41% | Net profit increased by 41% yoy due to its low base in 2023. LPB is expected to be granted additional credit as its credit growth in Q2/2024 reached the 15% threshold. NPLs slightly decreased compared to Q2 as bad debt handling was strengthened |
| 4 | CTG | Banking | ↗ | 12% | ↑ | 40% | Net profit in Q3/2024 is expected to grow strongly yoy due to the low base in the same period of 2023. NIM is forecasted to remain stable as in 1H2024. Additionally, provisioning expenses are forecasted to be comparable to Q2/2024 and the same period in 2023 |
| 5 | VPB | Banking | ↑ | 69% | ↑ | 37% | NIM in Q3/2024 is forecasted to remain similar to that in 1H2024, helping accelerate credit growth. The consumer lending segment is expected to contribute more significantly to the overall credit growth rate. Provisioning expenses are expected to be comparable to that in Q2/2024 |
| 6 | TPB | Banking | ↑ | 23% | ↑ | 35% | Net profit in Q3/2024 increased by 35% yoy due to reduced lending rates to stimulate credit demand. TPB may continue to increase provisioning to strengthen its buffer. |
| 7 | STB | Banking | ↗ | 9% | ↑ | 29% | Credit room in 2H2024 is limited. NIM is forecasted to decline significantly in 2H2024. CIR remains at 49.0%, considerably higher than the industry average. Provisioning expenses will decrease yoy as there are no longer provisions for VAMC bonds. |
| 8 | TCB | Banking | ↑ | 34% | ↑ | 20% | Credit growth in Q3/2024 will slightly decline compared to Q2 as getting close to the credit limit. NIM will be maintained at 4.5-4.6% thanks to the advantage of CASA and low funding costs, even though lending rates are expected to continue decreasing slightly, especially in the real estate lending segment. Non-interest income is forecasted to slow down as fees from the IB sector decline compared to 1H2024. Provisioning expenses will be maintained at a level similar to Q2/2024. |
| 9 | BID | Banking | ↗ | 17% | ↑ | 20% | Net profit in Q3/2024 continues to grow by 20% year-over-year due to improved credit demand. The pressure from increasing NPLs decreases in Q3/2024 as group 2 loans fell by 46 bps in Q2/2024 |
| 10 | VCB | Banking | ↗ | 5% | ↗ | 9% | Credit growth remains its growth pace at 12% due to the improvement of retail lending. NIM will remain comparable to that in Q2/2024 as VCB is still the leading bank in cooling off the interest rate to support customers. NPLs improve slightly when group 2 loan declined in Q2/2024. |
| 11 | ACB | Banking | ↗ | 6% | ↗ | 7% | Provision expenses declined compared to Q2/2024. NIM is forecasted to slightly decrease compared to 1H2024 when closely reaching the credit limit. |
| 12 | VIB | Banking | ↘ | -10% | ↘ | -19% | Credit growth in Q3/2024 is expected to be more favorable than in 1H2024, as secondary home purchases are forecasted to be boosted by low interest rates, and the apartment market is still experiencing good growth. Additionally, auto loans and credit card lending are also expected to increase due to the major holiday seasons throughout the year. NIM will be maintained at 3.8% in 2H2024. Provisioning expenses are expected to increase by approximately 12% yoy due to the high base in 2023, aiming to create a larger buffer for handling NPLs as credit growth rises. |
| 13 | OCB | Banking | ↘ | -20% | ↘ | -20% | Net profit in Q3/2024 decreased yoy due to the high base in 2023. NIM is forecasted to decline as credit growth is not as strong as expected, and retail lending rates must be lowered to attract credit. Provisioning expenses are maintained similar to Q2/2024 and are expected to be twice as that in Q3/2023. |

| Number | Ticker | Industry | Earnings growth forecast 2024 | Earnings growth forecast Q3/2024 | Comments |
|---|---|---|---|---|---|
| 14 | MWG | Retail | 2817% | 3238% | Net profit increased significantly due to (1) a 3% improvement in the TGDDD&BHX segment, as the selling prices of CE products were better than the same period last year, and (2) BHX generating a profit of approximately 100 billion VND. |
| 15 | FRT | Retail | 162% | 441% | Net profit increased significantly, mainly due to a 3% improvement in the GPM as the selling prices of CE products were better than the same period last year |
| 16 | DGW | Retail | 39% | 57% | Net profit increased significantly mainly due to revenue growth as DGW expanded its FMCG product portfolio along with laptops and tablets, in addition to SG&A expenses. |
| 17 | PNJ | Retail | 11% | 3% | Net profit increased slightly yoy mainly due to (1) stable jewelry consumption demand compared to the low base, and (2) a slight decline in GPM as we estimate that the cost of raw gold materials has increased more than the increase in the selling price of products. |
| 18 | DBC | F&B | 1971% | 813% | Live pig prices is forecasted to increase by 19% yoy, and the cooling of input material prices for livestock farming will contribute to a significant increase in net profit in Q3/2024 |
| 19 | VNM | F&B | 13% | 7% | Net profit increase is mainly attributed to (1) the recovery of the GPM due to a decrease in input material prices yoy, and (2) an improvement in domestic market share, which is estimated to contribute to a 3% yoy increase in domestic revenue. |
| 20 | PVS | Oil & Gas | 8% | 112% | EPCI#1 and EPCI#2 for the Lot B project have been fully awarded to PVS instead of being awarded on a limited basis, so it is expected to be actively implemented starting in 2H2024. EPCI#3 and EPCI#4 are anticipated to be implemented in Q3 and Q4 of 2024, leading to more positive profit growth compared to the first two quarters of the year; the GPM for the M&C segment is expected to improve as the company has more experience in oil and gas projects than in offshore wind projects (which will be implemented in the first two quarters of 2024) |
| 21 | PVT | Oil & Gas | 17% | 54% | The freight prices for crude oil and refined oil tankers remain relatively stable and are less affected by geopolitical fluctuations. The fleet may add 2-3 MR chemical ships in Q3/2024. Notably, in Q3/2024, PVT may recognize other income from the liquidation of the PVT Synergy vessel, estimated to be worth around 150 billion VND. |
| 22 | GAS | Oil & Gas | 1% | 23% | Dry gas production may decrease compared to Q2 as the withdrawal from gas-fired power plants declines; however, additional contributions from LNG business may be recorded. Provisioning for bad debts from power plants is expected to be reversed into profits in Q3/2024 or Q4/2024. |
| 23 | PVD | Oil & Gas | 15% | 20% | The landrig completing maintenance may reduce cost pressures on PVD, supporting profit growth compared to the previous quarter; however, we still do not have information on whether this rig has secured new contracts, leading us to lower our performance assumptions for 2H2024 and 2025. Additionally, the plan to deploy a new rig in 2025 seems impossible, as the Group's approval process is complex and risks missing the opportunity to bid for the rig; therefore, we assume that the new rig will start operating in 2026 instead of in 2025 as previously expected. |
| 24 | PLX | Oil & Gas | 40% | 20% | In Q3/2024, the GPM may slightly decline compared to Q2 due to increased import costs and the possibility of needing to increase inventory provisioning. |
| 25 | BSR | Oil & Gas | -43% | -55% | Production output is expected to rebound strongly as the maintenance period has ended, while a slight recovery in crack spread is anticipated in 2H2024 due to higher industrial production demand compared to Q2. |
| 26 | KBC | Industrial park | -41% | 2999% | In Q3/2024, net profit is expected to grow significantly from the low base of the same period last year, thanks to the handing over remaining 16 hectares of land at the expanded Quang Chau Industrial Park. |
| 27 | BCM | Industrial park | -27% | 200% | In Q3/2024, net profit increased significantly due to the accounting of land transfer at the Hoa Loi residential area to IJC, with a contract value of over 1.24 trillion VND. |
| 28 | GVR | Industrial park | 44% | 182% | We project that net profit in Q3/2024 will grow by 182% year-over-year due to the sustained increase in rubber prices since the beginning of the year, which are 14% higher than the same period last year. |
| 29 | PHR | Industrial park | -20% | 35% | In Q3/2024, net profit increased by 35% yoy due to (1) a 14% increase in rubber selling prices yoy, and (2) cash receipt from the liquidation of rubber trees of approximately 30 billion VND. |
| 30 | IDC | Industrial park | 1% | 14% | The leased area in Q3/2024 is estimated to reach 10 ha from previously signed MOU contracts. The area of land leased to Hyosung at Phu My 2 depends on the customer's payment progress, which may be accounted for in Q4/2024. The total leased area in 2H2024 is expected to reach 30-50 ha, completing the annual land leasing target. |
| 31 | SZC | Industrial park | 48% | 13% | The company is expected to transfer 6 ha land to Hoa Phat, with a contract value of 140 billion VND and a land lease price of 92 USD/m², which will help net profit grow by 13% yoy. |
| 32 | NLG | Real estate | -32% | 226% | Profit increased driven by delivering approximately 40 units at the Southgate project, whereas only a few units were delivered at Mizuki during the same period last year. |
| 33 | PDR | Real estate | -8% | -41% | Q3 profit is projected to decrease by 41% yoy due to a lack of projects for delivery. Key projects such as Bac Ha Thanh and NTMK Thuan An are currently completing legal steps to be ready for sale in Q4/2024. |
| 34 | DXG | Real estate | -10% | -51% | Net profit in Q3/2024 is projected to decrease by 51% yoy and remain flat QoQ due to the absence of new projects for delivery. Brokerage activities continue to struggle as the company's key markets in the Central and Southern regions have not recorded a significant increase in transaction rates. |
| 35 | KDH | Real estate | 13% | -71% | Net profit in Q3/2024 is projected to decrease by 71% yoy, primarily because the company has delivered most of its existing projects, and Privia's revenue will be recognized in Q4/2024. |

| Number | Ticker | Industry | Earnings growth forecast 2024 | Earnings growth forecast Q3/2024 | Comments |
|---|---|---|---|---|---|
| 36 | NKG | Materials | 319% | 270% | Net profit increased by 270% compared to the low base of 2023, driven by an improvement in the GPM to 8%, compared to around 2% in 2023, amidst a 30% yoy decline in HRC prices. |
| 37 | HPG | Materials | 94% | 13% | Net profit increased by 13% yoy due to a 2% recovery in steel prices and a 7% increase in production, leading to an 11% improvement in revenue. Additionally, financial costs decreased by 8% yoy. |
| 38 | HSG | Materials | 93% | -78% | Net profit decreased by 78% yoy due to a 30% decline in export prices, which negatively affected the GPM. Furthermore, HSG increased its provisioning in the context of HRC prices having dropped by 30% year-over-year. |
| 39 | DCM | Chemicals / Fertilizers | 56% | 417% | Net profit in Q3 may decrease QoQ due to the end of the summer-autumn season, leading to reduced production. However, it is still expected to be higher yoy due to (1) the low base in the previous year when Q3/2023 saw high oil and gas prices due to geopolitical conflicts, which resulted in increased costs, and (2) support from the export segments of NPK and urea. |
| 40 | DGC | Chemicals / Fertilizers | 13% | 19% | Net profit in Q3 increased by 19% yoy due to a rise in P4 production as demand for semiconductors is recovering noticeably. The price of yellow phosphorus is also expected to increase by 2% compared to Q2, following the price trends in China, where phosphorus prices have risen by 7% from their lows. |
| 41 | PTB | Export | 73% | 37% | Net profit in Q3 increased by 37% due to the decline in the 30-year mortgage rates in the U.S., which helped the U.S. housing market recover, thereby boosting the demand for exported wooden and quartz stone products. Additionally, Q3 and Q4 are typically periods that accelerate the progress of public investment projects, increasing domestic demand for stone slabs. |
| 42 | NT2 | Energy | -82% | 158% | NT2 may record a net profit of VND72bn in Q3/24 from a net loss in Q3/24, mobilized to improve in July-August to reach an output of 679 million kWh, this is 86% higher than the total output in Q3/23, which only reached ~365 million kWh due to the same period last year overhauling the plant. However, this is still not a high mobilization level because in Q3, EVN prioritized hydropower mobilization, profit margin did not have room to improve due to low mobilization prices in the electricity market. |
| 43 | PC1 | Energy | 236% | 116% | Q3/2024 financial results are expected to continue growing by 116% yoy from a low base, supported by: 1) Positive yoy growth in hydropower output due to favorable hydrological conditions; 2) Recognition of revenue from the construction of the 500kV Circuit 3; 3) A decrease in the exchange rate that supports the improvement of financial costs; 4) Recognition of net profit from the delivery of Yen Phong IIA. |
| 44 | POW | Energy | 10% | 71% | Net profit in Q3/2024 may improve compared to the same period last year when NT2 underwent maintenance and reported a net loss, and Unit 1 of Vung Ang 1 operated for half of the quarter, operating from mid-August 2023. However, this remains a relatively low level, reflecting the not overly positive outlook for the gas-fired power segment. |
| 45 | HDG | Energy | 9% | 43% | Net profit in 2024 is expected to increase by 43% yoy, primarily due to anticipated positive growth in hydropower output. The selling prices of HDG's plants are also not expected to be significantly affected because they own many small hydropower plants. A continued reduction in financial costs will further support profit growth. |
| 46 | REE | Energy | -8% | 20% | The Q3/2023 business performance may improve, supported by the commencement of operations of the E.Town 6 rental building and the beginning of the delivery of products from Thai Binh Light Square, which offsets the decline in the hydropower segment. |
| 47 | GEX | Energy | 247% | -25% | Net profit is forecasted to decrease in Q3/2024, mainly due to the absence of profit from the electricity segment after selling out in Q2/2024, along with VGC's industrial park segment not recording positive financial results compared to the high base last year. |
| 48 | GMD | Logistics/ports | -32% | 24% | Container throughput is expected to increase by 7% yoy, with average handling fees rising by yoy. |
| 49 | HAH | Logistics/ports | 12% | 15% | HAH has received two new vessels, Haian Beta and Anbien Sky, in Q2/2024, which has increased HAH's vessel capacity in Q3 by 20% QoQ. Global container freight rates have experienced a slight adjustment since July but are still at high levels, which will positively support HAH's financial results. |
| 50 | VJC | Aviation | 496% | 159% | Profit is growing strongly from last year's low base; however, it may decrease QoQ due to purchasing at low level. Fuel prices have significantly dropped yoy. |
| 51 | HVN | Aviation | 199% | 107% | Profit is growing significantly from last year's low base. It is expected that there will be no unusual income supporting this in Q3. |
| 52 | ACV | Aviation | 40% | -19% | - The number of nternational tourists decreased by 10% QoQ due to the low season but still increased by 15% yoy.<br>- ACV may incur a foreign exchange loss of approximately 500 billion VND in Q3/2024 due to the depreciation of the Yen (in the same period last year, a foreign exchange gain of 478 billion VND was recorded). |
| 53 | FPT | ICT | 24% | 24% | Profit continues to grow at double-digit rates thanks to growth in all areas of information technology, telecommunications, and education. |
| 54 | CTR | ICT | 10% | 10% | Profit maintains steady growth, driven by two main activities: construction and Towerco. The trend of increasing investment in 5G coverage infrastructure, along with the shutdown of the 2G network starting in September 2024, serves as a catalyst for continued growth in these two main areas. Additionally, the company also has growth momentum from civil construction activities, with a significant amount of new contracts signed in August. |

## DISCLAIMER



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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 |
| HOLD | Industry stocks have Hold recommendations on a weighted market capitalization basis |
| NEGATIVE | Industry stocks have Reduce recommendations on a weighted market capitalization basis |

## ABOUT MBS

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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