Vietinbank (HSX: CTG)

Deserve higher P/B target

- Slowed down provisioning and stronger growth of Non-II in 2025F accelerated earnings growth.
- Although provision expenses is not likely to increase much in 2025F/2026F, asset quality is expected to improve thanks to accelerating bad debt collection.
- We recommend **ADD** for CTG with new target price of **52,100 VND/share** driven by adjusting up P/B target to 1.5x thanks to positive outlook in the next 2 years.

Less provisioning burdens enhance net profit to grow by 30.8%/17.9% YoY in 2025F/2026F

For 2025F/2026F, we estimate total operating income (TOI) of CTG to grow 18.7%/13.4% YoY respectively mainly driven by (i) NIM stay above 3.0%; (ii) credit growth reach over 15%; and (iii) credit cost tend to get closer to 1.0% in near term. As a results, we estimate that credit provision expenses in 2025F/2026F will rise slightly by 1.2% and 6.9% YoY assuming credit cost reducing to 1.12% and 1.05% respectively. That leads net profit to grow by 30.8% and 17.9% YoY respectively.

Continuously improved asset quality in the next 2 years

NPL and group 2 debt ratios were 1.25% and 1.32% by the end of 2024, +12 bps and -23 bps YoY respectively. In general, the under-standard debt ratio (group 2-5) was slightly reduced 11 bps YoY. In FY2024, CTG recorded provision expenses of 27,599 VNDbn (+9.9% YoY) thanks to significant decline of 4Q2024 by 44.9% YoY. Credit cost of FY2024 reached 1.27%, -8 bps compared to 1.35% of FY2023. Thanks to strengthening provision in the last few years, asset quality of CTG was superior compared to the whole sector and exceeded the plan. Though credit cost is forecasted to reduce, we anticipate asset quality to improve continuously in the next 2 years. NPL is expected to lower to 1.1% and 1.0% leading to LLR to reach 205% and 213% by the end of 2025 and 2026 correspondingly.

We recommend ADD for CTG with new target price of 52,100 VND/share

We raise our 12-month target price for CTG to 52,100 VND/share thanks to (i) increasing forecast of net profits in 2025F/2026F by 16.5%/8.2% and (ii) adjusting up target P/B to 1.5x resulted by less provisioning buffer in the mid term and improved asset quality. Downside risks include (i) lower credit growth caused by slower than expected recovery of economy and consumptions, and (ii) higher provisioning due to faster NPL surging slowing down net profit's growth.

Figure 1: Financial metrics (Unit: VND bn)

	31/12/23	31/12/24	31/12/25	31/12/26
Operating income	70,548	81,909	96,637	109,565
Net interest income	50,105	59,363	69,579	78,887
NIM	11.5%	18.5%	17.2%	13.4%
Provision expenses	25,115	27,599	27,921	29,853
Net profit	20,045	25,483	33,340	39,314
Growth (%)	*18.0%*	*27.1%*	*30.8%*	*17.9%*
Credit growth	15.5%	16.8%	15.2%	14.9%
Customer deposit growth	12.9%	13.9%	15.4%	16.0%
BVPS	23,596	27,474	32,732	38,954
P/B	1.8x	1.5x	1.3x	1.1x

Source: CTG, MBS Research

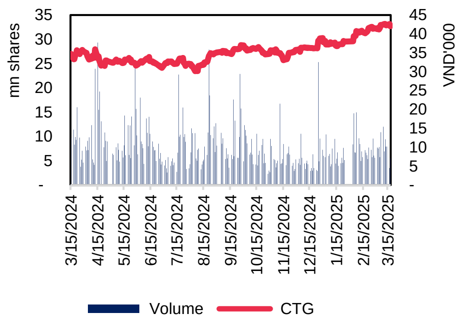
ADD

Target price	**52,100 VND/share**
Upside	*+25.1%*

Key changes in the report

Revise up target price by 14.8% thanks to adjusting net profit forecasts of 2025F/2026F by 16.5%/8.2% vs last forecast.

Information



Source: FiinProX, MBS Research

Market price (VND)	41,650
Highest in 52w (VND)	42,650
Lowest in 52w (VND)	30,150
Market cap (VND bn)	225,540
P/E (TTM)	8.9x
P/B (TTM)	1.5x
Dividend yield (%)	0%
Foreign ownership ratio (%)	26.83%

Source: FiinproX, VSD

Ownership Structure (31/12/2024)

SBV	64.49%
Tokyo Mitsubishi Ufj (MUFG) Bank	19.73%
Labor Union of CTG	1.15%
Prudential Vietnam	1.07%
ETF SSIAM VNFIN LEAD	0.11%

Source: FiinProX, MBS Research

Analyst

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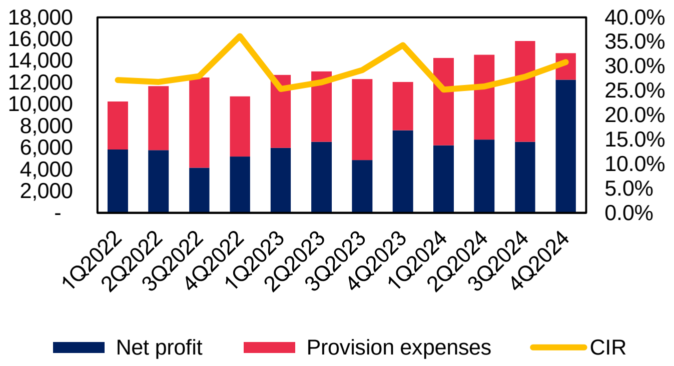
Outstanding business performance in 4Q2024 thanks to sharp decline of provision expenses

Figure 2: 4Q2024 and FY2024 business performance update (Unit: VND bn)

	4Q2024	% yoy	FY2024	% yoy	% MBS forecast	Comments
Total operating income (TOI)	21,285	15.9%	81,909	16.1%	101.3%	
Net interest income (NII)	16,312	12.9%	62,403	17.8%	101.2%	Though NIM was flat at 2.9% in 2024, higher than expected credit growth by 16.8% lead NII to grow by 17.8% YoY.
Non-interest income (Non-II)	4,973	26.9%	19,506	10.9%	101.7%	Thanks to approximate double income from debt collection, Non-II recorded positive growth though NFI slightly decreased by 5.9% YoY.
Provision expenses	2,464	-44.9%	27,599	9.9%	109.9%	Provision expenses in 4Q2024 decreased sharply due to strengthen provisioning in 9M2024 coupled with notably improved asset quality QoQ.
Net profit	9,871	63.0%	25,475	27.1%	112.9%	Net profit in FY2024 accomplised 115% the full-year's plan and 112% our forecast.
Credit growth (YTD)	16.8%	134 bps				
Customer deposit growth (YTD)	13.8%	89 bps				
NIM	2.9%	-16 bps	2.9%	2 bps		
CIR	30.9%	-344 bps	27.5%	-145 bps		Better operating efficiency has contributed subtaintially into business results in FY2024.
CASA	23.9%	182 bps				
NPL	1.2%	12 bps				Though NPL ratio at the end of 2024 was still up compared to the end of 2023, it was much better than our expectation (1.5%).
LLR	170.7%	352 bps				Top 2-highest LLR ratio among listed banks, after VCB.
ROE	28.6%	795 bps	18.5%	145 bps		Thanks to outperformed business results in 4Q2024, ROE of CTG in 2024 improved significantly to 18.5% (2023: 17.1%), comparable to VCB and BID.
ROA	1.8%	53 bps	1.2%	11 bps		

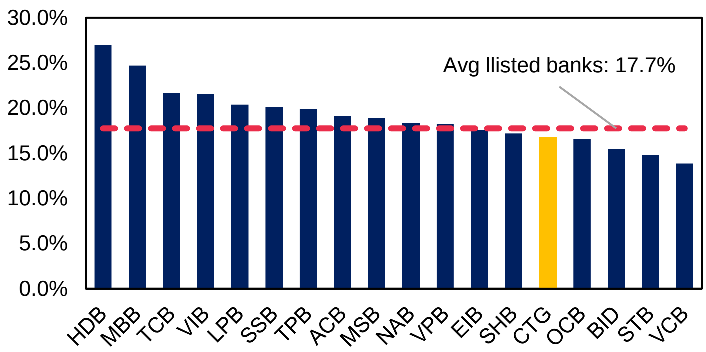
Source: CTG, MBS Research

Figure 3: Quarterly business performance of CTG (VND bn, %)



Source: CTG, MBS Research

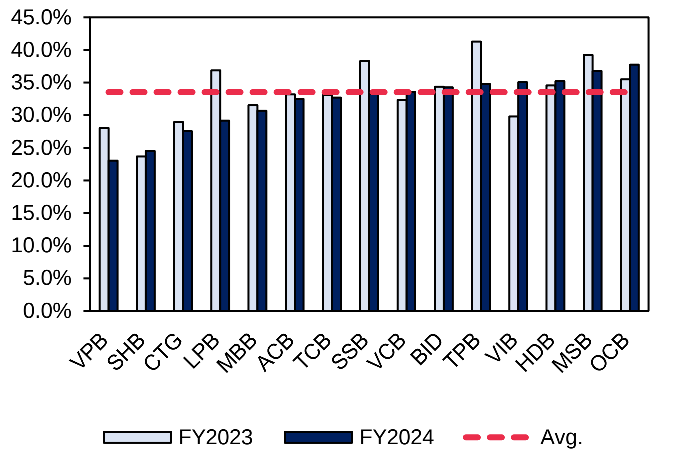
Figure 4: Credit growth of listed banks by the end of 2024 (%)



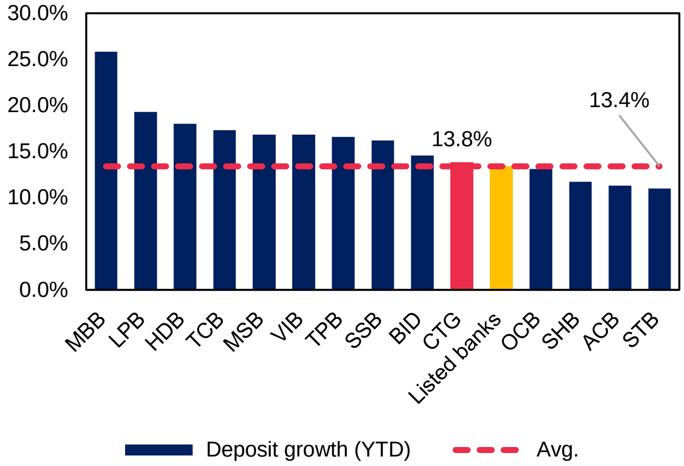
Source: CTG, MBS Research

Figure 5: CIR of listed banks in FY2024 (%)

Figure 6: Deposit growth of listed bank by the end of 2024 (YTD, %)



Source: CTG, MBS Research



Source: CTG, MBS Research

Net profit in 2025F is accelerated by 30.8% YoY thanks to lower credit cost and is slown down in 2026F due to high base comparision in previous year

Credit growth stays at around 15% in the next 2 years

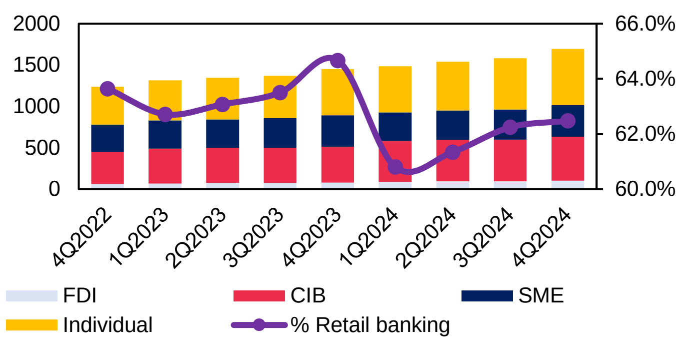
By the end of 2024, CTG's credit growth was 16.9% YoY, slightly higher than the whole system (15.0% YoY) and little lower than the listed banks (17.7% YTD). With giant scale, credit growth of SOCBs (State owned commercial banks) is unlikely to exceed much compared to private commercial banks.

Unlike the movement of the whole banking sector, credit growth of CTG was mainly driven by retail customers whose loans outstanding grew by 21.9% YoY by the end of 2024. Retail banking occupied 62.5% of total credit of CTG as of 31/12/2024. Meanwhile, corporate banking grew by 13.5% YoY majorly driven by large corp (CIB) and FDI customers. Those group's loans outstanding surged by 23.6% and 25.9% YoY in 2024. Mid and small corps (SMEs) customers recorded credit to slightly reduce by 0.5% YoY due to low credit demand. Slow recovery of economy, especially regarding to manufacturings and commercials, has hesitated SME corps to expand their scales in 2024, thereby pulled down their credit demand.

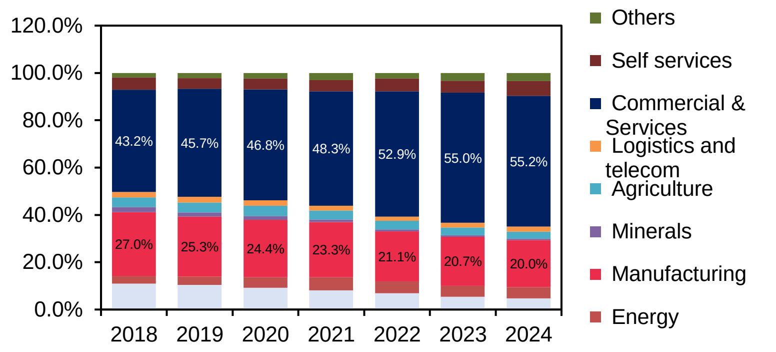
By one way or another, credit growth of SOCBs is likely to closely go along with the whole system due to occupying 43.5% of listed banks' total credit by the end of 2024. Hence, in order to reach 17-18% of credit growth's target, we estimate that credit growth of SOCBs must reach 15-16% in 2025F. CTG's credit is anticipated to keep focusing on retail banking thanks to stronger recovery of retail loans of the whole sector. With large market shares and low COF advantages, CTG's retail loans is expected to maintain growing by 20% YoY in 2025F and 2026F mainly driven by agricultural trading and manufacturing, and mortgages. For corp banking, we believe that CIB customers and FDI will still majorly drive CTG's credit growth in 2025F and 2026F. In terms of sectors, corp banking tends to concentrate on industrial park real estates, energy, logistics, textiles,…that are main drivers of economy's recovery. Meanwhile, SMEs customers are not expected to get high growth in 2025F due to strong volatility of macro environment hestitating them to scale up their business.

Figure 7: Credit growth of CTG, by customer segment (%)

Figure 8: Structure of credit growth by sectors (%)



Source: CTG, MBS Research



Source: CTG, MBS Research

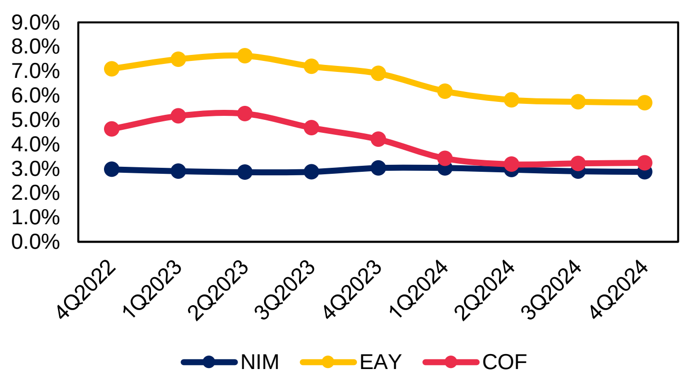
Slightly increased NIM in 2025F and 2026F

Net interest margin (NIM) in FY2024 was 2.9%, +2 bps YoY thanks to sharp decline of cost of fund (COF) by 140 bps YoY. We appreciate the stableness that NIM is maintained during years since 2019. Thanks to well-controlled COF regarding to SBV's monetary policy, NIM of SOCBs is relatively more stable than private banks, which outperformed profitability during tough macro conditions.

We anticipate that deposit interest rates will trend slightly upward in 1H2025 as deposits growth in 2024 was much lower than credit growth tightening the liquidity of the system. Meanwhile, lending rates are expected to remain low to attract credit. As a result, we believe NIM for most banks will not increase in 1H2025. For 2H2025 and 2026, we forecast that lending rates will slightly raise up according to credit demand recovery. The warming up of real estate market and gradual recovery of manufacturing and consumption activities will encourage customers to enhance their borrowings. Lower quality of customers are likely to accept higher lending rates resulting higher NIM of banks late 2025 and 2026. Overall, we estimate that NIM of CTG will little be up to 3.0% in 2025F and 3.1% in 2026F.

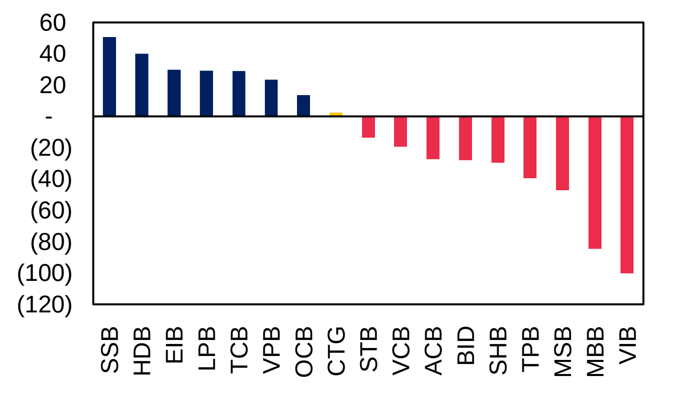
CASA significantly contributed to COF's well-controlled effort of CTG. By the end of 2024, it was 23.9% (+1.9% YoY), top 5 highest among listed banks. The percentage of corp customers in CASA's structure was 57.5% by the end of 2024. Thanks to large portion of corp banking in deposit structure (~50% by the end of 2024), CTG's CASA will be ensured for long term; thereby keep contributing to stabilize COF of CTG.

Figure 9: NIM and COF of CTG (%)



Source: CTG, MBS Research

Figure 10: NIM change of listed banks in FY2024 (bps)



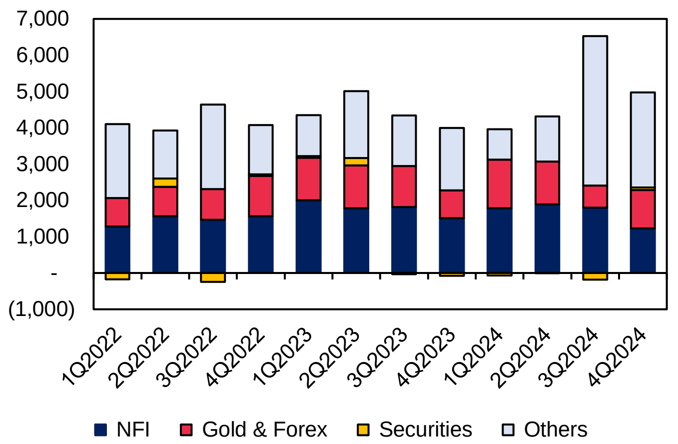
Source: Listed banks, MBS Research

Accelerated Non-II's growth in 2025F thanks to higher net fee income (NFI)

Non-II reached 19,506 VNDbn in FY2024, +10.9% YoY mainly driven by other income (+44.6% YoY) while other operations recording reduction.Thanks to strengthening bad debt collection, it's income reached 8,480 VNDbn (+81.5% YoY) in FY2024. NFI was 6,695 VNDbn (-5.9% YoY) due to higher services expense. Guarantee fee was a spotlight in NFI's structure of CTG growing by 35.1% YoY meanwhile payment fee grew slightly by 7.1% YoY.

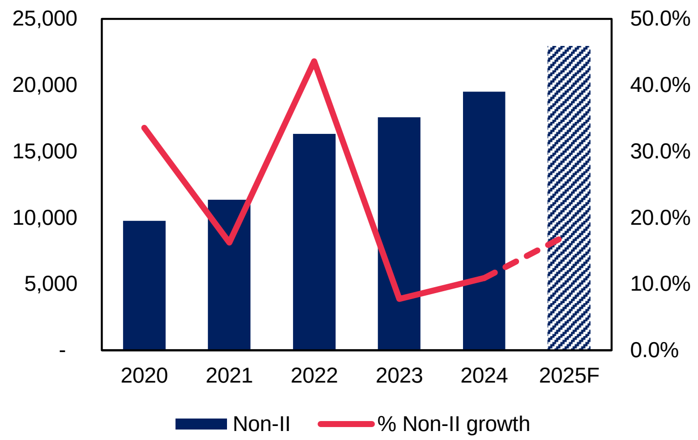
We anticipate that main drivers of Non-II of the banking sector in the next 2 years are likely be fee income and bad debt collecting acceleration due to obstacles regarding to banca sluggish and volatility of FX and securities markets caused by unpredictable global macro environment.

Figure 11: NoII's structure by quarter (VND bn)



Source: CTG, MBS Research

Figure 12: Non-II's growing forecasts (VND bn, %)



Source: CTG, MBS Research

Improved asset quality supported lower provisioning in 2025F and 2026F

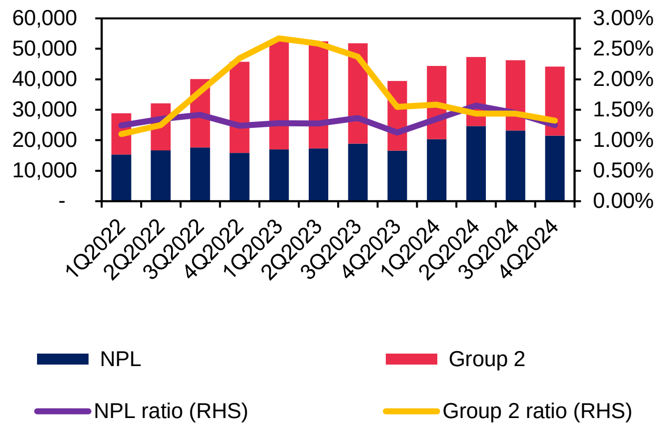
NPL and group 2 debt ratios were 1.25% and 1.32% by the end of 2024, +12 bps and -23 bps YoY respectively. In general, the under-standard debt ratio (group 2-5) was slightly reduced 11 bps YoY. In FY2024, CTG recorded provision expenses of 27,599 VNDbn (+9.9% YoY) thanks to significant decline of 4Q2024 by 44.9% YoY. Credit cost of FY2024 reached 1.27%, -8 bps compared to 1.35% of FY2023. Thanks to strengthening provisions in the last few years, LLR of CTG has maintained in top 5 highest among the listed banks since 2021. As of 31/12/2024, LLR reached 170.7%, +3.5% YoY.

By segment, NPL of corp banking and retail banking was 1.4% and 1.0% respectively. Group 5 debt at the end of 2024 increased sharply by 47.5% YoY due to restructuring debt for some customers, leading to transfer those customers to higher group of debt during probationary period.

Bad debt written-off activity was accelerated in FY2024 amounting 18.4 VND tn, decreased 31.1% YoY equivalent to 8.3 VNDtn. The restructured loans according to Cir 02/06 was 1.8 VNDtn by the end of 2024, very low compared to total credit and was 100% provisioning. Those loans were concentrated on industries such as construction, accommodation and catering services. CTG recorded no restructured loans according to Cir 53 for customers impacted by Yagi typhoon.

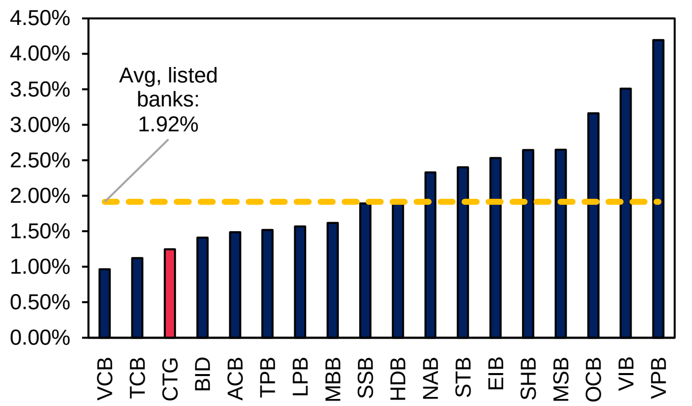
Given the anticipation of retail banking contributed more into credit growth in 2025F and 2026F, we believe that surging NPL pressure of banks will be larger. Thanks to strengthening provision in the last few years, asset quality of CTG was superior compared to the whole sector and exceeded the plan. Though the banking sector is anticipated to face challenges in terms of global macro uncertainty and FX surging pressure, potentially increasing NPL, we expect that CTG can control NPL under 1.2% while reduce credit cost. As a results, we estimate that credit provision expenses in 2025F/2026F will rise slightly by 1.2% and 6.9% YoY assuming credit cost reducing to 1.12% and 1.05% respectively. Written off bad debt in 2025F is expected to reach around 9.0 VNDtn resulting NPL and group 2 debt ratio down to 1.08% and 1.0% by the end of the year. LLR is also enhanced to over 200% at the end of 2025.

Figure 13: Asset quality of CTG by quarter (%)



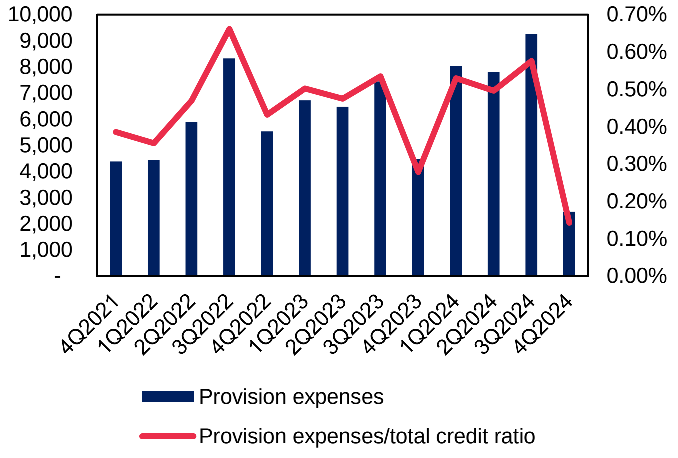
Source: CTG, MBS Research

Figure 14: Asset quality of listed banks by the end of 2024 (%)



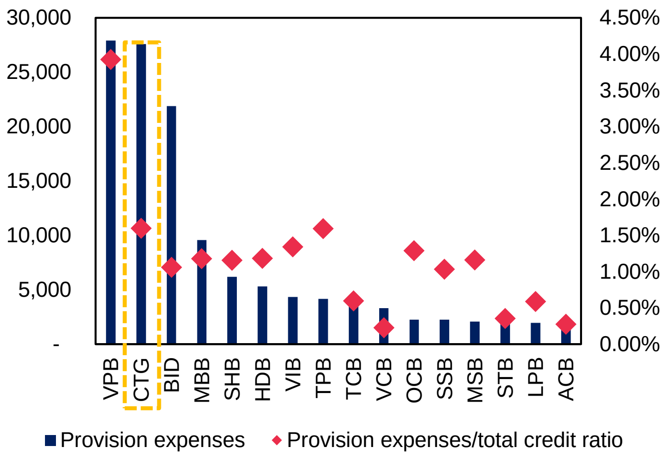
Source: CTG, MBS Research

Figure 15: Provisioning of CTG by quarter (%)



Source: CTG, MBS Research

Figure 16: Provisioning of listed banks in FY2024 (%)



Source: CTG, MBS Research

Business results forecast: Non-II's recovery supported doubled with declined credit cost accelerating net profit growth in 2025F

Figure 17: Business results forecast of 2025-2026

	2024	2025F	% yoy	2026F	% yoy	Comments
Total operating income	81,909	96,637	18.0%	109,565	13.4%	
Net interest income	62,403	73,708	18.1%	85,890	16.5%	
Non-interest income	19,506	22,929	17.6%	23,676	3.3%	
Provision expenses	27,599	27,921	1.2%	29,853	6.9%	
Net profit	25,483	33,340	30.8%	39,314	17.9%	
Credit growth (YTD)	16.8%	15.2%	-160 bps	14.9%	-22 bps	
Deposit growth (YTD)	13.9%	15.4%	157 bps	16.0%	62 bps	Deposit growth is expected to outpace credit growth in the next 2 years mainly thanks to low interest rates remained.
NIM	2.9%	3.0%	7 bps	3.1%	8 bps	
CIR	27.5%	28.0%	47 bps	28.0%	0 bps	Accelerating Non-II is more likely to surge operating expenses; therefore, we expect CIR is less likely to reduce in the next 2 years.
LDR	84.7%	85.8%	106 bps	85.3%	-45 bps	
CASA	24.8%	24.8%	-5 bps	24.8%	3 bps	
NPL	1.2%	1.1%	-17 bps	1.0%	-10 bps	
LLR	170.7%	205.4%	3464 bps	212.7%	727 bps	Though credit cost is expected to get close to 1.0%, LLR will still be able to get in top 5 of the sector.
ROE	18.5%	20.5%	204 bps	20.3%	-19 bps	

Source: CTG, MBS Research

Investment Thesis

We raise our 12-month target price for CTG to **52,100 VND/share** thanks to (i) increasing forecast of net profits in 2025F/2026F by 16.5%/8.2% and (ii) adjusting up target P/B to 1.5x resulted by less provisioning buffer in the mid term and improved asset quality. We also upgrade to ADD for CTG in long term based on:

- CAGR of net profit in the next 5 years is 18.3%, much higher than 13.1% in the last 5 years.
- Relatively lower P/B compared to peers such as VCB and BID.
- More solid asset quality with giant scale than private banks.

Summary of Assumptions in the Valuation Method

We value CTG's stock using a combination of 2 valuation methods: Residual income (RI) and P/B

- P/B: We use target P/B of 1.5x to apply for BVPS by the end of 2025. This P/B is discounted by 20% average current P/B of VCB and BID and 10% premium compared to avg P/B of big commercial banks including TCB, VPB, MBB and ACB.
- Regarding residual income method, the proportion of book value in the valuation component is 47.5% showing high potential in terms of earnings growth for the long term.

Investment risk

- Retail banking is still challenged caused by lower credit demand.
- We concern that slow recovery of banca will have serious impact to NoII's growth of the whole sector in next 12-18 months.

Valuation

Figure 18: Valuation summary of residual income valuation method

Assumptions	**2025**	**2026**	**2027**	**2028**	**2029**
Risk free rate	3.0%	3.0%	3.0%	3.0%	3.0%
Equity risk premium	9.0%	9.0%	9.0%	9.0%	9.0%
Beta	1.16	1.16	1.16	1.16	1.16
Cost of equity	13.7%	13.7%	13.7%	13.7%	13.7%
Long-term growth rate					
(in VND bn, otherwise noted)					
RI	10,890	12,597	13,561	14,715	15,564
PV of Residual income	9,576	11,077	11,925	12,940	13,687
Opening shareholder's equity	147,534				
PV of RI (5 years)	59,205				
PV of terminal value	74,341				
Implied EV	281,079				
No. of outstanding shares (mn shares)	5,370				
Implied value per share (VND/share)	**52,300**				

Source: MBS Research

Figure 19: Peer comparison (closing price at 21/03/2025)

	Mkt price (VND/share)	**Recommend**	**Total asset** (VNDbn)	**P/E 2024**	**P/E 2025F**	**P/B 2024**	**P/B 2025F**	**ROE 2024**	**ROE 2025F**	**ROA 2024**	**ROA 2025F**
ACB	26,100	ADD	864,006	7.0x	5.8x	1.4x	1.2x	21.8%	21.6%	2.1%	2.3%
BID	39,450	ADD	2,760,693	11.2x	8.9x	2.0x	1.6x	19.2%	16.9%	1.0%	0.9%
CTG	41,650	ADD	2,385,388	8.9x	6.7x	1.5x	1.3x	18.6%	17.3%	1.2%	1.8%
HDB	23,000	HOLD	697,281	6.3x	10.0x	1.5x	1.5x	25.8%	23.3%	2.0%	1.9%
LPB	34,800	ADD	508,330	10.9x	7.2x	2.4x	1.7x	25.1%	21.6%	2.2%	2.0%
MBB	24,300	ADD	1,128,801	6.4x	5.8x	1.3x	1.2x	22.1%	22.2%	2.2%	2.4%
STB	41,600	HOLD	748,095	7.2x	7.2x	1.3x	1.2x	20.0%	16.2%	1.4%	1.2%
TCB	27,350	ADD	978,799	9.0x	6.8x	1.3x	1.1x	15.6%	16.6%	2.4%	2.5%
TPB	14,750	HOLD	418,028	7.1x	4.9x	1.1x	0.7x	17.3%	14.5%	1.6%	1.5%
VCB	66,000	ADD	2,085,397	16.5x	14.7x	2.8x	2.3x	18.6%	17.1%	1.7%	1.7%
OCB	11,000	HOLD	280,712	8.8x	6.8x	0.9x	0.8x	10.5%	15.9%	1.2%	1.9%
VIB	20,300	ADD	493,158	8.4x	6.5x	1.5x	1.2x	18.1%	23.4%	1.6%	2.2%
VPB	19,500	ADD	923,848	10.0x	7.9x	1.1x	1.0x	11.4%	11.7%	1.8%	1.8%
Avg SOCBs			**1,947,787**	**8.8x**	**8.5x**	**1.7x**	**1.4x**	**21.2%**	**19.2%**	**1.4%**	**1.5%**
Avg.			*1,097,887*	*9.0x*	*7.6x*	*1.6x*	*1.3x*	*18.8%*	*18.3%*	*1.7%*	*1.8%*

Source: Fiinpro, MBS Research

Figure 20: Valuation summary

Valuation methods	**Forecast price**	**% weight**	**Contribution**
Residual income discount	52,300	50%	26,150
P/B compare (P/B mục tiêu = 1.5x)	52,000	50%	26,000
Target price			**52,100**

Source: MBS Research

FINANCIAL STATEMENTS

Income Statement (VND billion)	2023A	2024A	2025F	2026F
Net interest income	52,957	62,403	73,708	85,890
Net income from services	7,114	6,696	8,125	9,155
Net income from gold and forex	4,248	4,197	4,029	4,421
Gain/(loss) from trading securities	293	92	322	442
Gain/(loss) from investment securities	(154)	(288)	(48)	(20)
Other net income	6,090	8,809	10,501	9,677
TOTAL OPERATING INCOME	**70,548**	**81,909**	**96,637**	**109,565**
OPERATING EXPENSES	20,443	22,546	27,058	30,678
Profit before provision & tax	**50,105**	**59,363**	**69,579**	**78,887**
Credit provision expenses	25,115	27,599	27,921	29,853
Profit Before Tax	**24,990**	**31,764**	**41,658**	**49,034**
Total income tax expenses	4,945	6,281	8,318	9,719
Profit After Tax	**20,045**	**25,483**	**33,340**	**39,314**
Minority interest	141	134	133	162
Net profit for bank's shareholders	**19,904**	**25,348**	**33,207**	**39,152**

Balance Sheet	2023A	2024A	2025F	2026F
Cash & cash equivalents	9,760	11,148	11,074	10,265
Balances with the SBV	40,597	34,432	51,191	58,982
Balances with and loans to other Cis	279,842	378,483	377,614	423,759
Net Trading securities	2,488	2,799	5,738	7,829
Derivatives and other financial assets	-	-	-	-
Loans and advances to customers	1,473,345	1,721,955	1,980,062	2,275,653
Loan provision	(27,773)	(36,664)	(43,833)	(47,206)
Net Investment securities	181,311	214,607	225,392	270,109
Long-term investments	3,427	3,934	4,017	4,121
Fixed assets	10,126	10,002	9,726	9,466
Investment properties	-	-	-	-
Other assets	59,570	44,693	48,926	58,307
TOTAL ASSET	**2,032,690**	**2,385,388**	**2,669,909**	**3,071,284**
LIABILITIES	**1,905,119**	**2,236,883**	**2,493,103**	**2,860,983**
Deposits of Government and the SBV	21,814	154,284	117,259	118,779
Deposits and borrowings from other Cis	304,424	276,141	311,903	342,485
Customer deposits	1,410,899	1,606,317	1,854,092	2,151,506
Derivatives and other financial liabilities	556	391	391	391
Agent capital of Cis	2,238	2,180	3,960	4,551
Valuable certificates issued	115,376	151,678	146,084	177,412
Other liabilities	49,813	45,892	59,414	65,859
EQUITY	**127,571**	**148,505**	**176,806**	**210,300**
Common shares	53,700	53,700	53,700	53,700
Common shares surplus	8,975	8,975	8,975	8,975
Treasury shares	-	-	-	-
Other capital	836	909	909	909
Funds of bank	19,057	25,317	30,298	36,171
Exchange rate differences	87	243	310	371
Retained earnings	44,055	58,390	81,577	109,056
Minorities interest	861	971	1,037	1,118
TOTAL LIABILITIES AND EQUITY	**2,032,690**	**2,385,388**	**2,669,909**	**3,071,284**

Key ratio	2023A	2024A	2025F	2026F
Growth				
Total asset	8.1%	14.2%	18.1%	12.4%
Loan & Investments	9.0%	14.4%	11.0%	14.2%
Deposit & Commercial papers	8.0%	14.3%	18.3%	12.0%
Profit before provision and tax	11.5%	18.5%	17.2%	13.4%
PBT growth	18.3%	27.1%	31.1%	17.7%
Capital Adequacy				
CAR	9.3%	9.0%	N/A	N/A
Total Equity/Total Assets	6.3%	6.2%	6.6%	6.8%
Total Assets/Total Equity	15.9	16.1	15.1	14.6
Asset Quality				
NPL ratio	0.9%	1.3%	1.2%	1.1%
Loan group 2 ratio	0.3%	1.1%	2.4%	1.5%
LLR ratio	167.2%	170.7%	205.4%	212.7%
Liquidity				
Loan-to-Deposit ratio (LDR)	87.0%	83.5%	82.4%	80.6%
Liquid asset/Total Assets	25.3%	26.9%	25.1%	25.1%
Liquid asset/Customer deposit	29.6%	31.5%	29.4%	29.5%
Profitability				
ROA	1.0%	1.2%	1.3%	1.4%
ROE	17.0%	18.5%	20.5%	20.3%
NIM	2.9%	2.9%	3.0%	3.1%
NII/TOI ratio	75.1%	76.2%	76.3%	78.4%
CIR ratio	29.0%	27.5%	28.0%	28.0%
Valuation				
Basic EPS (VND)	3,912	4,720	6,184	7,291
BVPS (VND)	23,596	27,474	32,732	38,954
P/E	10.7x	8.9x	6.8x	5.8x
P/B	1.8x	1.5x	1.3x	1.1x

Source: CTG, MBS Research

DISCLAIMER

MBS INVESTMENT RECOMMENDATION

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

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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