# 4Q24 EARNINGS FORECAST: AWAITING A ROBUST EARNINGS GROWTH

- We forecast market earnings may achieve an outstanding growth rate of 25% YoY in 4Q24 (the highest level since 2Q22), supported by a low-interest rate environment and recovering production activities. Accordingly, FY24F market earnings is expected to increase by 18% YoY, compared to a 4% decline in 2023, marking the beginning of a recovery and growth phase.
- Banking sector earnings are projected to grow by 15% YoY, acting as a stabilizing force for the overall market. Sectors with standout profit growth include Real Estate (+1005% YoY), Aviation (+591% YoY), and Retail (+162% YoY), driven by a low base in the same period last year.
- Some sectors are estimated to experience a decline in profit growth, such as Industrial Parks (-14% YoY), due to pending policy framework completion, and Oil & Gas (-23% YoY), as oil prices have decreased compared to the same period.

**Banking sector is accelerating credit growth in the final quarter**

MBS Research estimates that the 4Q24 net profit of monitored banks will grow by 14.5% YoY and 11.1% QoQ. Despite expectations of higher credit growth in Q4/2024 compared to 3Q24, NIM is forecasted to slightly decline. Non-interest income is anticipated to decrease YoY due to the lack of recovery in non-interest activities observed in 3Q24. Provisioning expenses are expected to rise compared to the previous quarter, with a mild 1.4% YoY increase in 4Q24, due to a high comparison base from the prior year. Among the monitored banks, OCB, TPB, and VPB are anticipated to exhibit the most impressive profit growth, benefiting from a low comparison base last year caused by high provisioning expenses. CTG and TCB, two larger-scale banks, are expected to deliver relatively stronger growth compared to their peers of similar size.

**Real Estate sector: Supply recovery lays the groundwork for 2025**

In the northern market, according to CBRE, new apartment supply in 4Q24 will add more than 10,000 units, the highest supply in the past five years, primarily in the high-end segment. New low-rise supply in Hanoi in 4Q24 will see nearly 5,000 units launched, mainly in the western and eastern areas of Hanoi. The new supply will predominantly belong to the high-end segment, pushing average selling prices higher. In the southern market, Q4 apartment supply in Ho Chi Minh City is expected to reach more than 3,000 units, equivalent to approximately 5,000 new units launched for the whole of 2024. As of 11/2024, primary supply in the southern region increased by 5.4% YoY, mainly contributed by Ho Chi Minh City and Binh Duong, accounting for 60.6% and 35.7%, respectively. Low-rise supply in 4Q24 is expected to record 300 new units launched, contributing to a total annual supply of nearly 600 units, mainly from new projects on the outskirts of the eastern and western areas of the city, resulting in lower average selling prices compared to the market. Additionally, positive signals from resolving legal bottlenecks will help restart many stalled projects.

4Q24 business results for real estate companies are expected to show strong growth, partly due to a low base in the same period and partly due to project deliveries. Northern real estate developers like VHM are expected to record high profits from delivering mega-projects such as Royal Island and Ocean Park 2 & 3, while southern developers will record profits from delivering notable projects like Privia (KDH), Akari (NLG), and Gem Sky World (DXG).

**Deputy Head of Equity Research**

**Nguyễn Tiến Dũng**
dung1.nguyentien@mbs.com.vn

### Industrial Real Estate and Rubber sectors are on track for recovery

FDI inflows have shown signs of slowing recently, as foreign investors await new policies under U.S. President Trump's administration and investment support measures from the Vietnamese government before making decisions. 4Q24 business results for industrial real estate companies are expected to show divergence but remain generally positive. For SZC, net profit is projected to increase by 71% YoY in 4Q24 due to land deliveries to customers who signed lease agreements earlier in the year. For IDC and BCM, 4Q24 net profit is expected to decrease by 69% YoY and 49% YoY, respectively, due to a high comparison base from the same period last year. Meanwhile, KBC is anticipated to report a sharp increase in 4Q24 results from a low base last year, but overall annual results remain disappointing due to slow land delivery progress and delays in legal completion of key projects as per the company's plan. In the rubber sector, global rubber prices in 4Q24 were 35-40% higher YoY, providing strong support for domestic and export prices. This is attributed to supply shortages caused by unfavorable weather conditions in major production regions such as Thailand, Vietnam, and China. We believe TSR20 rubber prices will remain high, around 1.9-2.0 USD/kg, through the first half of 2025. As a result, we forecast net profit for GVR in 4Q24 to grow by 39% YoY, with full-year 2024 profit increasing by 47% YoY. For PHR, 4Q24 net profit is expected to rise by 26% YoY, but full-year profit is projected to decline by 31% YoY.

### Basic Materials sector grows on improved domestic demand

In 4Q24, steel companies benefited from strong domestic demand as the year-end marks a peak period for accelerating real estate projects and public investment. However, steel exports face significant challenges as the EU investigates anti-dumping measures on HRC, and the U.S. is expected to strengthen protective trade measures. We assess that the domestic market will support the Q4 business results of steel companies, with projected growth of 17% YoY. Additionally, gross profit margins for the entire sector improved due to declining raw material prices, with coal and iron ore prices down by 17% and 16%, respectively, while construction steel prices decreased by 10% YoY. HPG is expected to record a net profit of approximately 3,768 billion VND (+25% YoY), mainly driven by a 1-percentage-point improvement in gross profit margin to around 14% and a 12% YoY increase in sales volume. For coated steel companies, NKG's net profit is projected to surge by 664% YoY, thanks to a gross profit margin improvement to 8% (from around 4.5% in 2023). Meanwhile, HSG's net profit is forecasted to reach 220 billion VND (+114% YoY).

### Oil and Gas sector rebounds from previous quarter but declines yoy

4Q24 is expected to be a quarter of profit recovery for oil and gas companies after a disappointing Q3. For the upstream segment, oil and gas construction companies (e.g., PVS) are likely to record more positive profits thanks to the implementation of packages (fully awarded) in the Block B - O Mon mega-project. Drilling and drilling service companies (e.g., PVD) continue to record positive profits as day rates for jack-up rigs remain high, coupled with the provision of drilling services for domestic projects. For oil and gas transportation companies (e.g., PVT), profits are expected to be lower than the previous quarter due to the absence of extraordinary gains from vessel liquidation activities but remain high thanks to an expanded fleet compared to the same period last year, while freight rates for crude oil and refined oil vessels are relatively stable. In the downstream segment, refining companies (e.g., BSR) are expected to return to profitability due to increased output following maintenance completion, more stable oil price fluctuations, and no further weakening of the Asia benchmark crack spread. Gas distribution companies (e.g., GAS) may record lower gas selling prices year-over-year due to lower oil price levels and potentially low production volumes due to weak gas-fired electricity demand. Oil trading companies (e.g., PLX) are expected to record more positive profits compared to Q3 thanks to more stable oil prices.

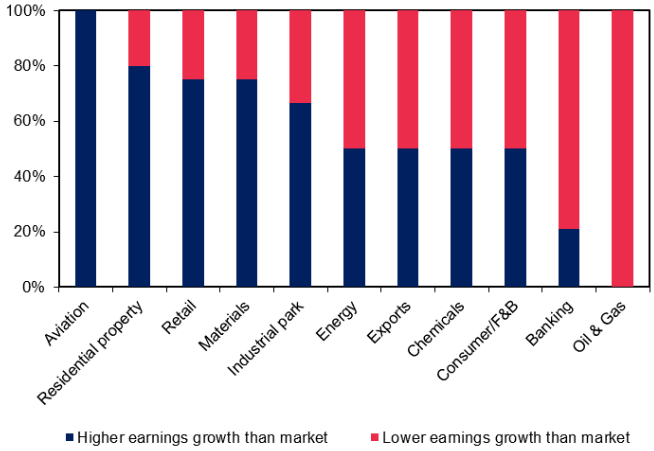
**Power sector awaits policy framework completion**

Electricity demand no longer maintained double-digit growth in October-November, averaging 7.5% YoY, mainly due to it not being a peak period for electricity demand. The electricity market price remained relatively low, averaging 1,400 VND/kWh, leaving little room for high-cost electricity sources to be mobilized in the market. For the 11 months of 2024, electricity output still increased by 10% YoY. In 4Q24, hydropower is expected to record slight growth but will be mixed, with northern hydropower plants facing less favorable hydrological conditions, while central and southern hydropower plants benefit from stable or improved conditions year-over-year, supporting companies like HDG and REE. Coal-fired power output grew by approximately 16% YoY in October-November, mainly due to less favorable hydrological conditions in the northern region, benefiting northern coal-fired power plants such as QTP and HND. For gas-fired power, output fell sharply in October-November, mainly due to selective mobilization. Gas-fired plants under POW, such as Ca Mau 1 & 2 and NT2, saw good growth from a low base. Regarding policy, 4Q24 saw several positive developments supporting the sector, including the revised Electricity Law and preliminary calculations for wind power price frameworks.

**Retail sector recovers from a low base**

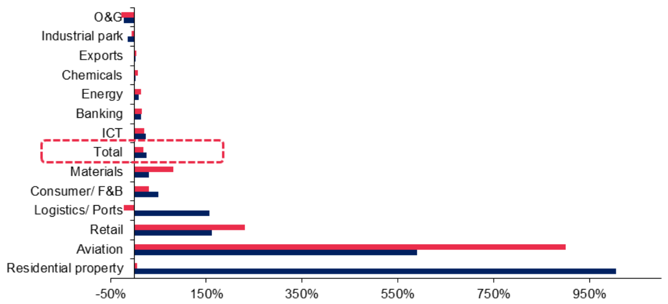
4Q24 presents a mixed picture across retail subsectors. Amid consumers focusing on essential goods and healthcare products, bright spots in 4Q24 continue to be consumer goods and pharmaceutical retail. Modern pharmaceutical retail chains continue to expand, with Long Chau estimated to open 50 new stores in 4Q24, maintaining average revenue per store at 1.2 billion VND/month and accelerating the establishment of vaccination centers leveraging its pharmacy locations. However, rapid expansion in the vaccination segment may incur one-time setup costs, leading to a net loss for Long Chau in Q4. Meanwhile, An Khang will halt the closure of underperforming stores, focus on optimizing product portfolios, and reduce net losses in 4Q24. In the grocery retail segment, BHX is cautiously testing the opening of 35 new stores in the central region, continuing the net profit momentum established since 2Q24. Conversely, the consumer electronics retail segment (MWG, FPT Shop) has slowed store closures, instead focusing on increasing per-store revenue during the year-end shopping season. A 5-10% rise in selling prices in 2024 and cost savings from closing underperforming stores are expected to support strong net profit growth for TGDD, DMX, and FPT Shop in 4Q24. In the year-end peak season, the jewelry retail sector (PNJ) continues to succeed in expanding retail sales, especially for high-gold-content products (a substitute for gold rings and gold bars), leading to an estimated 16% YoY increase in retail revenue and a 2 percentage-point YoY improvement in gross profit margin.

**Figure 1: The aviation, residential real estate, retail, basic materials, and industrial real estate sectors have a large proportion of companies with higher profit growth in 4Q24 compared to the overall market**




Source: MBS forecast

**Figure 2: Forecasted profit growth for 4Q24 and the entire year of 2024 across different sectors**




| | Residential property | Aviation | Retail | Logistics/ Ports | Consumer/ F&B | Materials | Total | ICT | Banking | Energy | Chemicals | Exports | Industrial park | O&G |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2024 | 5% | 900% | 230% | -22% | 30% | 81% | 18% | 21% | 15% | 14% | 8% | 4% | -7% | -28% |
| Q4/2024 | 1005% | 591% | 162% | 156% | 50% | 31% | 25% | 23% | 15% | 9% | 3% | 1% | -14% | -23% |

Nguồn: MBS dự phóng

## 4Q24 earnings forecast for MBS coverage

| No. | Tickers | Sector | Earnings Growth Forecast 2024 | Earnings Growth Forecast Q4/2024 | Comments |
|---|---|---|---|---|---|
| 1 | OCB | Banking | -18% | 300% | Although provision expenses continue to be a burden for the bank in the final quarter of the year, they are estimated to decrease by 33% year-on-year compared to the high base from last year. NIM remained flat compared to 3Q24 at 3.4%, but showed an increase of approximately 100 basis points year-on-year. Non-interest income continues to experience a significant decline due to the challenges in fee-based activities. The CIR ratio remains elevated at 40%, significantly higher than in 2023. However, net profit is expected to show a positive increase, driven by a very low base of comparison from 4Q23, when net profit fell by 87.6% yoy. |
| 2 | TPB | Banking | 28% | 172% | Net profit grew significantly by 172% yoy, primarily due to the low base from last year (TPB heavily increased provisioning in Q4/23). Credit growth rose by 4.5% compared to Q3/24, while NIM improved slightly compared to the previous quarter. Full-year 2024 NIM is projected to reach 3.82%, with NPL improving by 29 pts to 2.04%. |
| 3 | VPB | Banking | 77% | 108% | Credit expansion was robust, growing approximately 8% year-to-date, while NIM was maintained at 6% for the final quarter. provision expenses decreased by 11% year-on-year and remained in line with the previous quarter. Non-interest income remained stable compared to 9M2024. FECredit is estimated to record around VND 200 billion in pre-tax profit for 4Q24. |
| 4 | CTG | Banking | 14% | 20% | For the final quarter, credit growth is expected to reach approximately 4.5%, with NIM slightly declining to 2.8%. Provisioning expenses are forecast to decrease by 12.5% year-on-year and 33% compared to the previous quarter, reflecting strong provisioning in 9M2024. Non-interest income is expected to maintain its growth rate seen in 9M2024. |
| 5 | ACB | Banking | 5% | 15% | The 4Q24 business results are primarily supported by more positive credit growth, estimated at around 5% year-to-date, while NIM is expected to decline to 3.6-3.7%. provision expenses are expected to remain flat compared to both the previous quarter and the same period last year. |
| 6 | TCB | Banking | 29% | 14% | NIM is forecast to remain in line with 9M2024 at 4.4%, and credit growth is projected to reach 5-6%. provision expenses in Q4/2024 are expected to increase by 25% year-on-year to better manage non-performing loans (NPLs), as retail lending continues to grow. Non-interest income is expected to slow compared to 9M2024, with the primary contribution coming from debt recovery activities. |
| 7 | BID | Banking | 11% | 7% | Net profit is forecast to increase by 7% yoy thanks to credit growth rising 5% qoq. NIM is expected to remain low at 2.4% due to customer support packages impacted by the YAGI storm. NPL are improving, with a reduction to 1.4%. |
| 8 | VCB | Banking | 6% | 3% | Net profit is expected to grow slightly yoy, driven by a continued 4% increase in credit growth compared to the previous quarter. NIM is expected to remain flat compared to 3Q24. provision expenses are expected to decrease by 13% yoy, helping to maintain the growth momentum in net profit for 4Q24. |
| 9 | HDB | Banking | 31% | -5% | Credit growth by the end of the year is estimated to reach around 8%, supported not only by the expansion of credit limits but also by growth from the restructuring of 0-VND banks. NIM is forecasted to decline to 5.2-5.3% in the final quarter. Provision expenses are expected to remain similar to the previous quarter and decrease by 16% yoy. |
| 10 | VIB | Banking | -18% | -7% | Credit growth is expected to improve significantly, increasing by 10% year-to-date. However, NIM will be heavily impacted, falling to 3.8% as the bank sacrifices loan interest rates to achieve the targeted credit growth and ensure a high credit limit for 2025. Provision expenses are estimated to decrease by 23% year-on-year but rise by 12% compared to the previous quarter. |
| 11 | STB | Banking | 10% | -13% | Credit growth is expected to grow by more than 5% in the final quarter of 2024, with NIM slightly decreasing to 3.6-3.7%. Non-interest income will continue to be driven primarily by fee-based activities, with the corporate lending segment remaining relatively stable. provision expenses are expected to double year-on-year and remain in line with the previous quarter. |
| 12 | EIB | Banking | 16% | -24% | Net profit is equivalent to 3Q24 and decreased by 24% yoy, primarily due to the high base from last year (which recorded an extraordinary income from other income). Full-year credit growth reached 15.1%. NIM remained consistent with 9M24, at 2.91% in 4Q24. |
| 13 | LPB | Banking | 57% | -36% | The decrease in net profit yoy is mainly due to the high base from last year, which included income from a contract with Dai-ichi Insurance. NIM decreased slightly compared to Q3/24 due to continued emphasis on corporate lending and intense interest rate competition among banks. |

| No. | Tickers | Sector | Earnings Growth Forecast 2024 | Q4/2024 | Comments |
|---|---|---|---|---|---|
| 14 | MWG | Retail | 2317% | 318% | The main driver comes from the continued recovery trend in the consumer electronics sector (MWG & Dien May Xanh) through aggressive sales campaigns during the year-end shopping season. Additionally, Bach Hoa Xanh is expected to continue generating net profit, with total net profit estimated to increase by 318% yoy. |
| 15 | FRT | Retail | 223% | 296% | The main driver comes from the recovery in the consumer electronics sector (FPT Shop). However, Long Chau's net profit will be impacted by higher costs as FRT expands Long Chau significantly in 4Q24. Therefore, total net profit is estimated to reach approximately VND 218 billion. |
| 16 | DGW | Retail | 27% | 78% | Q4/24 is expected to see revenue growth of 19% yoy, driven by (1) a higher proportion of FMCG products (with higher margins), (2) additional partnerships with MSI to increase the gaming laptop market share, and (3) expanding the Xiaomi product portfolio. Combined with optimizing sales and management expenses by reducing advertising costs and providing sales support to retailers, net profit is estimated to reach VND 148 billion (+78% yoy). |
| 17 | PNJ | Retail | 10% | 23% | The main driver comes from (1) the peak season for gold jewelry sales, which is expected to increase retail revenue by 11% in Q4/24, and (2) a significant drop in gold bullion sales after the peak period in the first half of 2024, improving gross margin by an estimated 1.5% pts yoy. |
| 18 | DBC | Consumer/ F&B | 2687% | 2484% | In Q4/24, the main driver is expected to come from the livestock segment, with growth estimated at 25% yoy, mainly due to the average price of live pigs on the market at around VND 63,800 per kilogram (+25% yoy). We expect net profit to increase 27 times yoy, reaching VND 167 billion. |
| 19 | VNM | Consumer/ F&B | 13% | 17% | The expected price increase in Q4/2024 will help improve gross margins, alongside a recovery in demand following the Yagi storm. This is expected to drive domestic revenue growth of 3% yoy, leading to an estimated 17% increase in net profit yoy. |
| 20 | PLX | O&G | 11% | 22% | The profitability of the oil and gas business has returned to a positive level compared to the previous quarter due to (1) the adjustment of the regulated oil and gas business costs upward from July 2024, (2) more stable oil prices, which are no longer following the sharp decline trend seen in Q3/2024, reducing the impact of price adjustment lag. |
| 21 | PVT | O&G | 13% | -5% | The fleet has expanded year-on-year; however, freight rates and profits may remain flat or decline slightly as demand is not particularly strong. In Q4/24, the company will not record the extraordinary profit from vessel disposals (~VND 153 billion) as it did in Q3/24. |
| 22 | GAS | O&G | -9% | -18% | The lower oil price base may lead to lower gas prices, while gas production in Q4 may not be high due to lower gas-fired power generation. Additionally, provisions made for bad debts related to Mekong Energy Enterprises, Phu My 3 BOT, and Phu My Power Plant may not be reversed, and further provisions may be required. |
| 23 | PVS | O&G | -3% | -19% | Expected profits are anticipated to improve compared to the previous quarter due to the commencement of full-scale EPCI#1 and EPCI#2 contracts for the Lot B - Ô Môn project chain, along with the delivery of offshore wind turbine foundations for the Changhua project. The execution of oil and gas construction projects, such as Lot B - Ô Môn, is expected to bring better gross margins compared to offshore wind projects, resulting in an improvement in profits. |
| 24 | PVD | O&G | 9% | -21% | The day rates and optimization rates for the self-elevating rigs remain stable. However, in Q4/24, there will be no contribution from the PVD 11 rig as was seen in the same period last year, and no new self-elevating rigs have been recorded, which could lead to a decline in profits year-on-year. The Hakuryu drilling rig will continue operations throughout the quarter, and the Borr rig will operate in October, but these rigs are not expected to generate significant profits. Additionally, the transportation of the Borr rig may incur additional costs. |
| 25 | BSR | O&G | -77% | -44% | We expect a return to positive profits due to: (1) increased production following maintenance completion, (2) more stable crude oil prices, avoiding the downward trend seen in Q3/24, and (3) stable crack spreads in Asia. In December 2024, BSR made an official decision to transfer its listing from Upcom to HOSE. |
| 26 | KBC | Industrial Park | -63% | 440% | In Q4/24, the business results are expected to see significant growth over a low base from last year. However, overall, the 2024 business performance is expected to be unfavorable due to delays in land handover and key projects not yet meeting legal completion milestones as initially planned. |
| 27 | SZC | Industrial Park | 48% | 71% | In the industrial real estate sector, we expect the company to hand over 7.6 hectares of land to Steel Builder. In the residential real estate sector, we believe that revenue from house handovers at the Hữu Phước residential area project in the final quarter will be higher than in previous quarters. |
| 28 | GVR | Industrial Park | 47% | 39% | We forecast a 39% yoy increase in net profit for Q4/24 due to global rubber prices remaining high since the start of the quarter (up 35-40% yoy). |
| 29 | PHR | Industrial Park | -31% | 26% | The business results are positive, benefiting from the high rubber prices, and the company may recognize profits from land leasing at the VSIP III Binh Duong Industrial Park, based on a land compensation agreement signed with VSIP. |
| 30 | BCM | Industrial Park | -27% | -49% | The company may recognize profits from the land transfer at the Hòa Lợi residential area project to IJC in this quarter. |
| 31 | IDC | Industrial Park | 9% | -69% | Due to the lower-than-expected number of new contracts signed in 2024, with only 45% of the target reached by the end of Q3/24, we expect the company to hand over approximately 10 hectares of land in this quarter, bringing the total industrial park land handover area for the year to 100 hectares. The company is also expected to recognize remaining revenue from the Bắc Châu Giang residential area Phase 1 project. |
| 32 | VHM | Property | 6% | 1774% | Q4/24 net profit is expected to see a significant increase over the low base from last year due to the recognition of profits from the Royal Island, OCP2&3, Grand Park, and Golden Avenue projects. |
| 33 | KDH | Property | 13% | 555% | Q4/24 net profit is expected to grow by 555% yoy due to the handover of approximately 400 units from the Privia project (compared to a few units from the Classia project in the same period last year). |
| 34 | DXG | Property | 27% | 168% | Net profit growth is driven by: (1) the handover of approximately 200 land plots at the Gem Sky World project and (2) a 30% yoy reduction in financial expenses, in the context of low interest rates. |
| 35 | NLG | Property | 4% | 67% | Q4/24 net profit is expected to grow by 67% yoy due to the handover of approximately 450 units from the Akari project (compared to about 200 units from the Southgate and Izumi projects in the same period of 2023). |
| 36 | NKG | Construction Materials | 415% | 664% | Net profit increased by 664% compared to the low base of 2023, driven by (1) a 2.0 percentage point improvement in gross margin yoy, supported by a 25% reduction in raw material prices (stronger than the 15% decrease in selling prices), and (2) a 13% increase in production yoy. |
| 37 | HSG | Construction Materials | 58% | 114% | Net profit grew by 114% compared to the low base of 2023, attributed to (1) a 20% increase in production, with contributions from the domestic market, and (2) a 1.5 percentage point improvement in gross margin year-on-year. |
| 38 | HPG | Construction Materials | 89% | 25% | Net profit grew by 25%, driven by (1) a 15% year-on-year increase in production, and (2) a 1 percentage point improvement in gross margin, benefiting from lower raw material prices. |

| No. | Tickers | Sector | Earnings Growth Forecast 2024 | Q4/2024 | Comments |
|---|---|---|---|---|---|
| 39 | PTB | Exports | 47% | 78% | Q4 profits are expected to maintain strong growth as demand in the largest market, the U.S., shows positive recovery. Entering the final three months of the year, typically the peak season for shopping and home renovation, along with early stockpiling trends by U.S. retailers and manufacturers in preparation for the new tax policies expected to take effect in early 2025, we anticipate continued strong growth in PTB's wood and stone consumption, driving revenue. Additionally, with global wood prices still in a downtrend, input material costs are expected to decrease, and the continued drop in shipping costs should help improve PTB's profit margins. |
| 40 | DGC | Chemicals | 1% | 28% | Q4 profit improvement is driven by high demand in the yellow phosphorus segment and the restart of the maintenance shutdown for the phosphorus furnace in Q4. The DAP fertilizer segment is expected to contribute more significantly to Q4/24 revenue due to China's export restrictions on DAP fertilizers. |
| 41 | DCM | Chemicals | 26% | -32% | Domestic urea prices in Q4/2024 are more stable but are about 5% lower compared to the same period in Q4/2023. NPL prices remain relatively stable. Urea consumption in October and November grew significantly year-on-year (+120%), with contributions from both domestic and international markets. Profitability may face pressure from input costs as domestic gas supply remains scarce. |
| 42 | PC1 | Power | 236% | 122% | The Q4/24 profit outlook is favorable due to: (1) a ~15-20% reduction in financial expenses compared to the high base of last year, with the company successfully meeting its debt obligations; (2) higher-than-expected nickel segment profits, with an additional ~10,000 tons of ore expected to be exported in Q4/24; (3) LDLK WP continuing to recognize revenue from the handover of Yên Phong IIA. However, in Q4/24, exchange rate losses may return due to the company's significant USD-denominated debt. |
| 43 | REE | Power | -8% | 40% | We expect positive net profit growth in Q4/24 from: (1) favorable hydrological conditions in Central and Southern regions, which will benefit REE's major plants; (2) the acceleration of handover for The Light Square project in Q4/24; (3) the new E.Town 6 office building, which started operations in Q3/24 and is expected to contribute additional profit in Q4/24. |
| 44 | QTP | Power | 12% | 4% | In October-November, coal power generation saw a 25% yoy increase, and we expect this trend to continue through Q4/24, benefiting from unfavorable hydrological conditions in Northern Vietnam, which will support thermal power plants in the region. However, net profit is expected to see only a slight increase as we remain cautious about the company's margins, which will likely remain low due to high input costs and lower market electricity prices. |
| 45 | HDG | Power | 1% | -1% | Q4/24 profits are expected to remain flat yoy, mainly due to the company postponing the handover of the Charm Villa project to 2025. We expect strong hydropower generation in Q4/24, supported by favorable weather conditions, to be the main contributor to the company's profit. |
| 46 | POW | Power | 9% | -32% | In terms of production, all plants are expected to maintain strong growth from the low base of last year, driving strong gross profit growth. However, pressure from USD-denominated loans and the sharp increase in the exchange rate in Q4 is likely to result in significant exchange rate losses, with the USD/VND exchange rate up by about 4% compared to the end of Q3/24. |
| 47 | NT2 | Power | -76% | -60% | The power generation output of Nhơn Trạch 2 is gradually improving from the low generation levels in Q1/24, following a low base in Q4/23 due to maintenance.. However, Q4/23 margins were relatively high at around 18%, mainly due to compensation received. In Q4/24, the potential for compensation is limited, as EVN now allocates generation based on monthly targets, providing a closer match to actual demand. Therefore, we expect net profit to decline by 32% yoy. |
| 48 | HAH | Logistics/ Ports | 50% | 230% | We expect HAH to continue strong growth in Q4 as the company successfully purchased a new vessel in early November with a daily charter rate of $31,000, significantly higher than the average of $16,000 per day for other contracts. Additionally, benefiting from the trend of U.S. retailers and manufacturers stockpiling inventory, demand for container transport is expected to increase, which will continue to boost HAH's self-operated shipping and port operations compared to the low base in 2023. |
| 49 | GMD | Logistics/ Ports | -35% | 116% | Profit growth is driven by gains from affiliated companies (Gemalink, SCS) and a low base from last year. In Q4, GMD typically recognizes higher operating expenses related to performance bonuses, so profits may decline compared to the previous quarter. |
| 50 | VJC | Aviation | 537% | 585% | Transportation activities continue to maintain growth, with a significant reduction in fuel costs, and minimal impact from the increase in exchange rates. |
| 51 | ACV | Aviation | 40% | 115% | International customers are expected to increase by 40% in Q4/24, serving as the main growth driver for profits. A weaker Japanese yen will also support financial revenue in this quarter. |
| 52 | HVN | Aviation | 205% | 102% | Profits are expected to increase from a low base last year, with no exceptional profits expected to support this growth, and a foreign exchange loss of approximately 1,000 billion VND is anticipated in this quarter. |
| 53 | FPT | ICT | 22% | 24% | Net profit is expected to maintain strong growth of over 20%, driven by strong performance in all three business segments, with the IT segment expected to grow by 25% yoy. |
| 54 | CTR | ICT | 6% | 10% | Q4/24 business performance is expected to continue to show slight growth, although margins will likely decrease. This is due to the company expanding its capital expenditure investments for the construction of BTS stations, as it aims to complete its target of 4,000 new stations in 2024, preparing for the strong 5G coverage rollout starting in Q4/24. |

## 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 |
| 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.

Address:
MB Building, 21 Cat Linh, Dong Da Dist., Hanoi
Tel: + 8424 7304 5688 - Fax: +8424 3726 2601
Website: www.mbs.com.vn

## MBS RESEARCH TEAM

**Director, Head of Research**
*Trần Thị Khánh Hiền*

**Deputy Head of Equity Research**
*Nguyễn Tiến Dũng*

**Macro & Market Strategy**
*Nghiêm Phú Cường*
*Ngô Quốc Hưng*
*Đinh Hà Anh*
*Võ Đức Anh*

**Banking – Financial Services**
*Đinh Công Luyến*
*Nguyễn Đức Hảo*

**Real estate**
*Nguyễn Minh Đức*
*Lê Hải Thành*

**Energy - Industrials**
*Nguyễn Hà Đức Tùng*
*Phạm Thị Thanh Huyền*

**Consumer - Retail**
*Nguyễn Quỳnh Ly*