

MACROECONOMIC & STOCK MARKET REPORT

2025

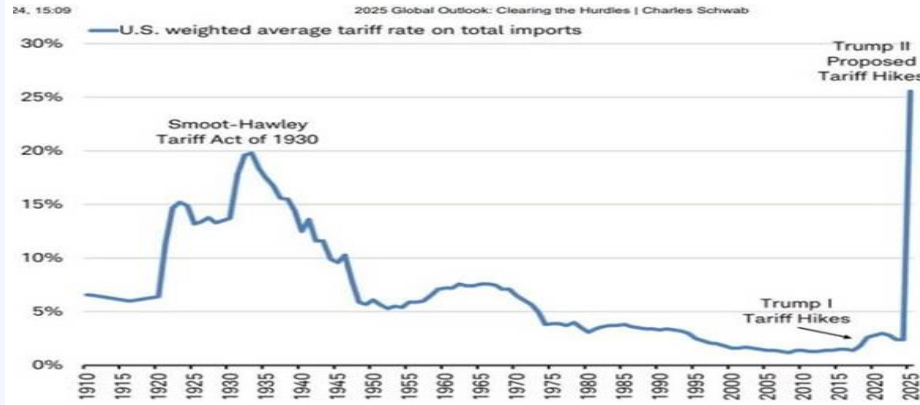
TIMING IS EVERYTHING

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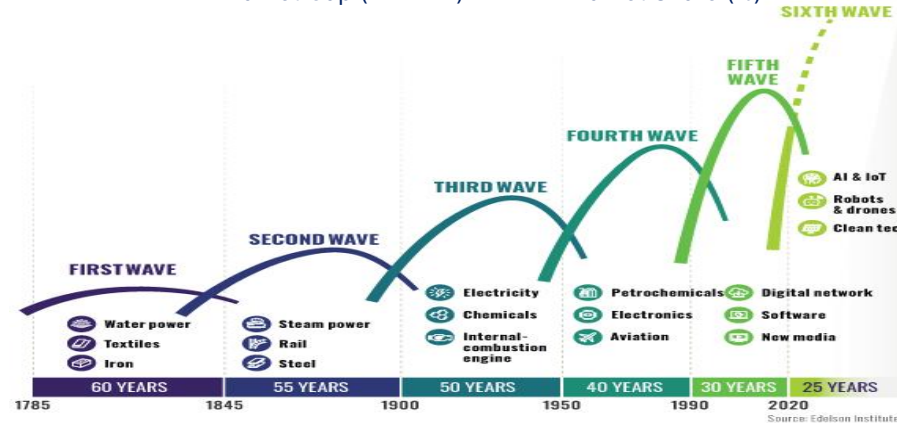
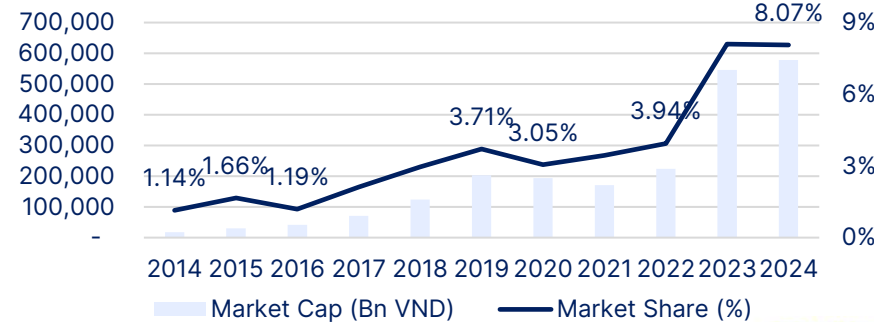
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KEY MARKET DRIVERS IN 2025

- The biggest Concern: Trump 2.0 variable.** Global markets outside the U.S. remain concerned about the potential policy instability that Donald Trump could bring, similar to the Trump 1.0 era during his first term as President of the United States. This uncertainty breeds fear and anxiety, which, despite the overall market being considered undervalued, has led to a subdued and cautious market sentiment as investors await potential changes.
- Vietnam expected to be upgraded to FTSE Secondary Emerging Market in September 2025.** If successfully upgraded, Vietnam could attract substantial foreign investment, primarily from U.S.-based emerging market funds. The expected weighting in the overall index is approximately 0.3%, a positive figure amidst the continuous net selling wave by foreign investors, which reached a record high in 2024.
- The rapid rise of Technology Stocks globally and in Vietnam.** The global enthusiasm for technology stocks, originating from the U.S., has driven their rising market share and capital inflows worldwide. In Vietnam, "technology" stocks have outperformed, with market capitalization growing from 1.1% to 8.1%, surging from VND 17.5 trillion to VND 577 trillion (~33 times).
- Vietnam anticipated to experience a breakthrough growth decade similar to Asian Tigers.** With a strong shift in focus from traditional industries such as banking, real estate, and real estate-related sectors to high-tech and science-driven fields, Vietnam is aiming to transform its economic structure in a manner similar to the Asian Tigers, China, and Japan in their periods of rapid growth. To achieve this, Vietnam must seize the opportunities presented by the Sixth Wave of technological innovation to accelerate development at an unprecedented pace.



Technology Sector Market Cap 2014-2024

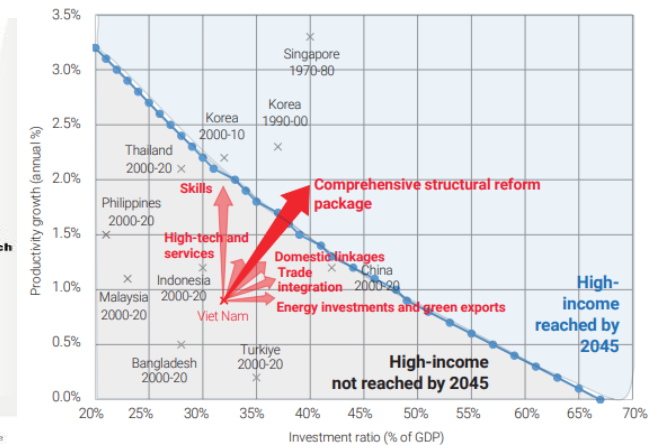


Vanguard

Charles Schwab

Expected Proportion 8.5%

FTSE EMERGING INDEX SECONDARY EMERGING MARKET



MACROECONOMICS

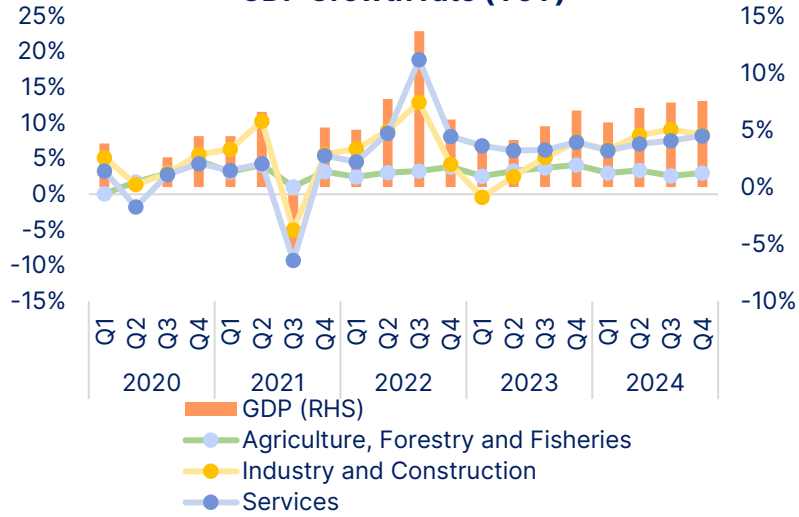
Vietnam's Economy in 2024: Gradual Recovery, but Still Fragile

- ✦ **Vietnam's economy in the fourth quarter of 2024 witnessed an impressive growth rate of 7.55%**, bringing the full-year growth to 7.09% compared to 2023. Despite the impact of Typhoon Yagi, the agriculture, forestry, and fishery sector achieved a growth rate of 3.27%, while the industrial and construction sectors expanded by 8.24% and 7.38%, respectively. Per capita GDP in 2024 is estimated at VND 114 million (equivalent to USD 4,700), an 377 USD increase compared to the previous year. Labor productivity for the entire economy in 2024, at current prices, is estimated at VND 221.9 million per worker (equivalent to USD 9,182), an increase of 726 USD compared to 2023. However, the most encouraging figure is the number of new businesses entering the market in 2024, which was 1.18 times higher than the number of businesses exiting. More importantly, 76,200 businesses resumed operations, a 30.4% increase compared to the same period in 2023. This correlates with the Purchasing Managers' Index (PMI), as Vietnam's overall PMI in 2024 was higher than in 2023. Although there were periods of disruption due to natural disasters, the index generally remained above 50. However, it slightly declined to 49.8 in December, indicating a slight deterioration in overall business conditions at the end of the year, influenced by the global slowdown (US PMI: 49.4). This resulted in three notable characteristics: weaker growth in output and new orders, decreased business confidence, and continued job losses.
- ✦ **Average inflation (CPI) in the fourth quarter of 2024 increased by 2.87%** compared to the same period last year, and the average CPI for 2024 increased by 3.63% compared to 2023, still meeting the target of less than 4% set by the National Assembly. The exchange rate, as measured by the spot rate, depreciated by approximately 5% in 2024. However, the impact of exchange rate fluctuations on inflation is usually delayed, and combined with the current low aggregate demand, as evidenced by the slow recovery in monthly retail sales, we assess the impact of the 2% reduction in VAT to be negligible.
- ✦ **2024 was a challenging year for the exchange rate, with the USD/VND spot rate increasing by approximately 5.01%**. Our estimates suggest that the amount of foreign currency sold from foreign exchange reserves was around USD 9.35 billion, putting pressure on the endogenous money supply of banks and thus thinning the system's balance. Notably, in 2022 and 2023, the Federal Reserve raised interest rates, and even in 2024, the situation was more favorable with three interest rate cuts totaling 1%, which helped to mitigate the pressure of the USD/VND interest rate differential. However, Vietnam still had to sell USD and the currency depreciated. Objectively, after the US election, the strengthening of the DXY index put pressure on the behavior of capital flows, especially primary income flows on the balance of payments, thereby affecting exchange rate trading sentiment.

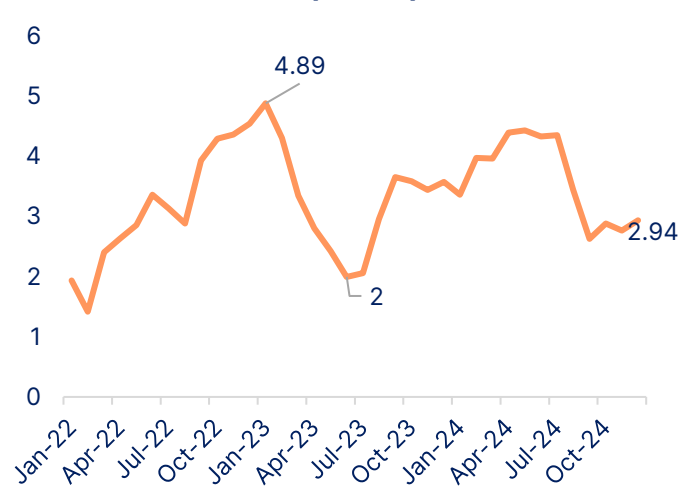
Vietnam's Economy in 2024: Gradual Recovery, but Still Fragile

- ✦ **Public investment disbursement in 2024 remained relatively slow**, achieving only 77.9% of the Prime Minister's target. This underperformance can be partly attributed to the instability of the exchange rate, which hindered the disbursement of funds from the State Treasury's General Account.
- ✦ **On a brighter note, foreign direct investment (FDI)** saw a significant growth of 9.36% year-on-year, reaching approximately USD 25.35 billion. Vietnam has become an attractive destination for major foreign investors, particularly in the semiconductor and renewable energy sectors, with companies like NVIDIA, Intel, Synopsys, Qualcomm, Infineon, and Amkor... establishing a strong presence.
- ✦ **Exports continued to set new records**, with domestic enterprises contributing a notable 19.8% growth rate, compared to 12.3% from FDI. Key export products such as fruits, rice, and coffee achieved remarkable milestones. However, the total trade surplus declined by 14.43% compared to 2023.
- ✦ **There was a proactive approach to issuing government bonds** (FIBonds and deposit certificates) in the past year, primarily to manage liquidity rather than raise capital. Notably, TCB and ACB experienced significant increases in their M3 money supply by 270% and 104%, respectively, within just two years. While this is a proactive measure to address the upcoming maturity of government bonds, estimated at VND 334 trillion, the real estate sector alone accounts for more than double the amount of maturing bonds compared to 2024."

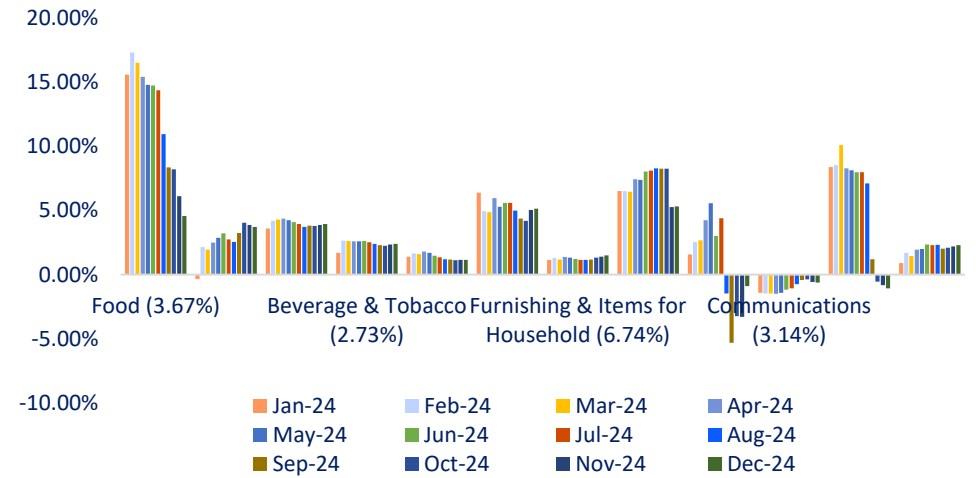
GDP Growth rate (YoY)



CPI (% YoY)



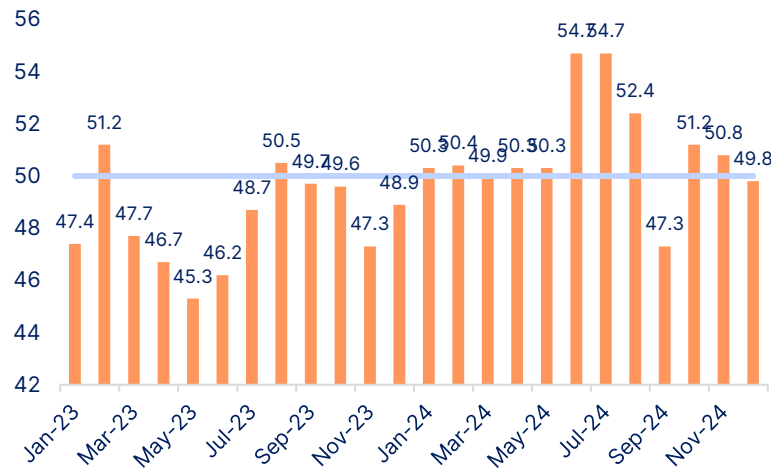
Price & Weight of Good + Services in CPI Basket (% YoY)



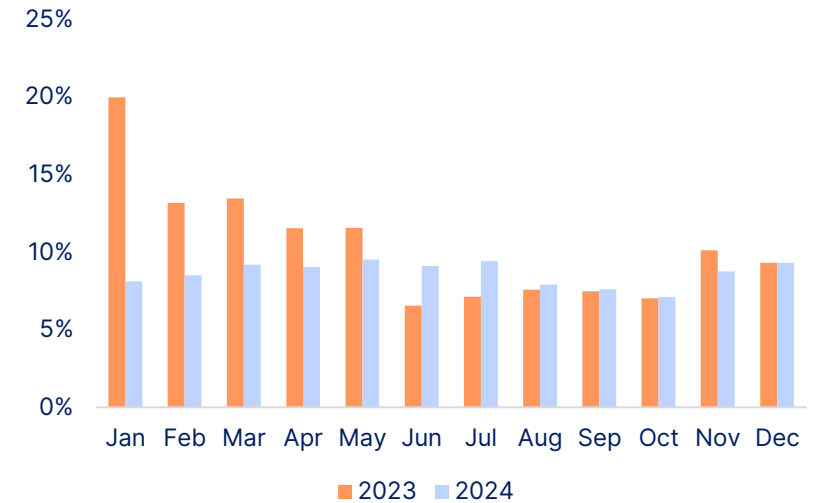
USD/VND Spot



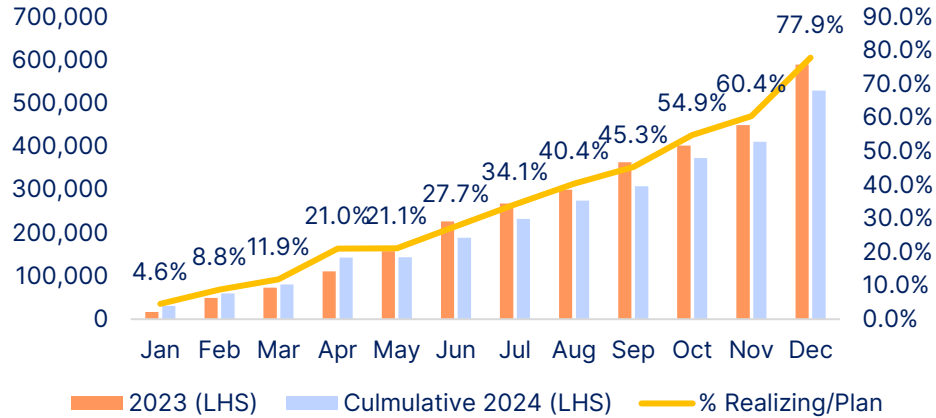
PMI Index (pts)



Consumer spending (% YoY)

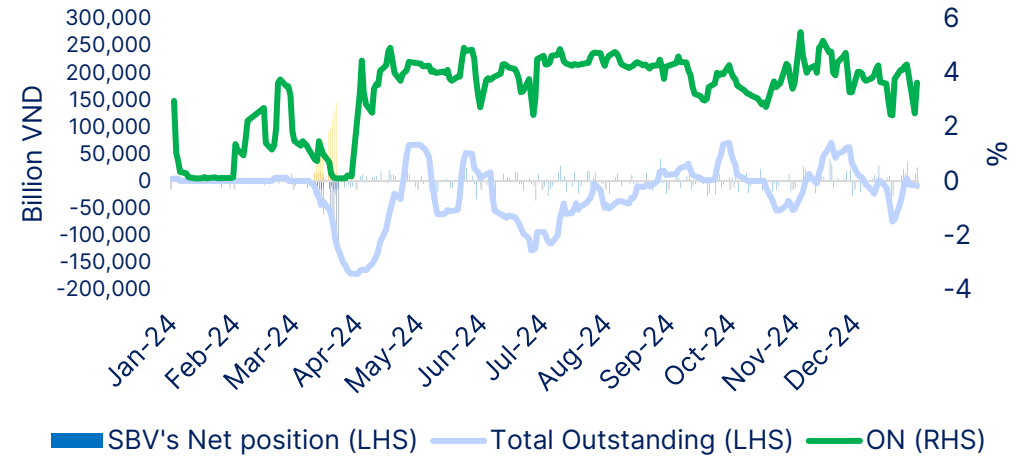


Public investment monthly disbursement (2023-2024)

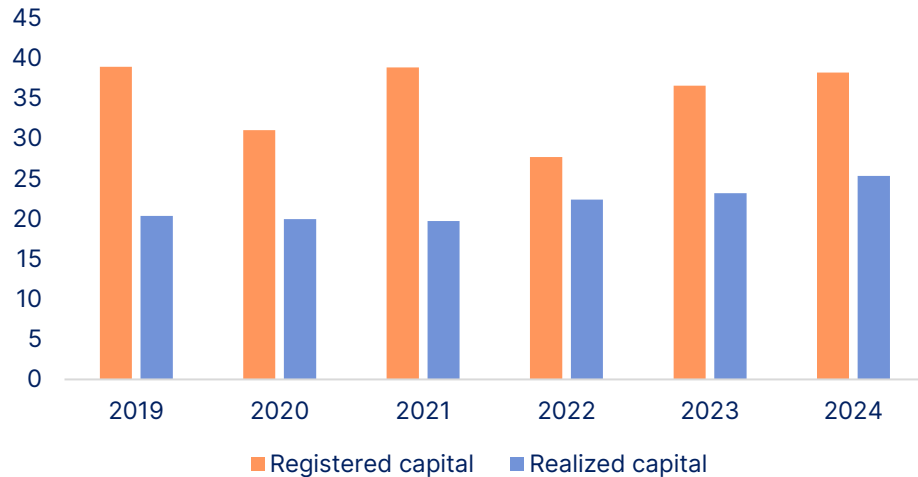


The cumulative figures up to December 2024 are estimated.

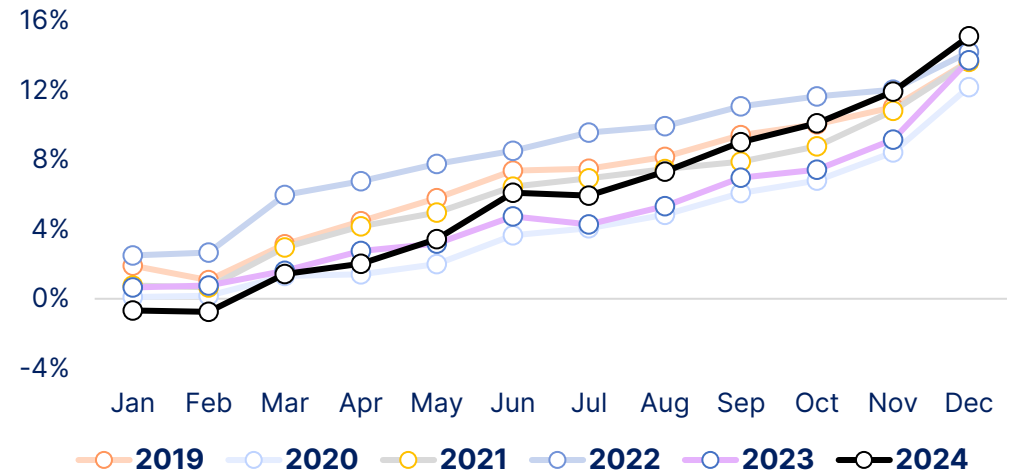
O/N interbank rate and SBV's net position on OMO channel



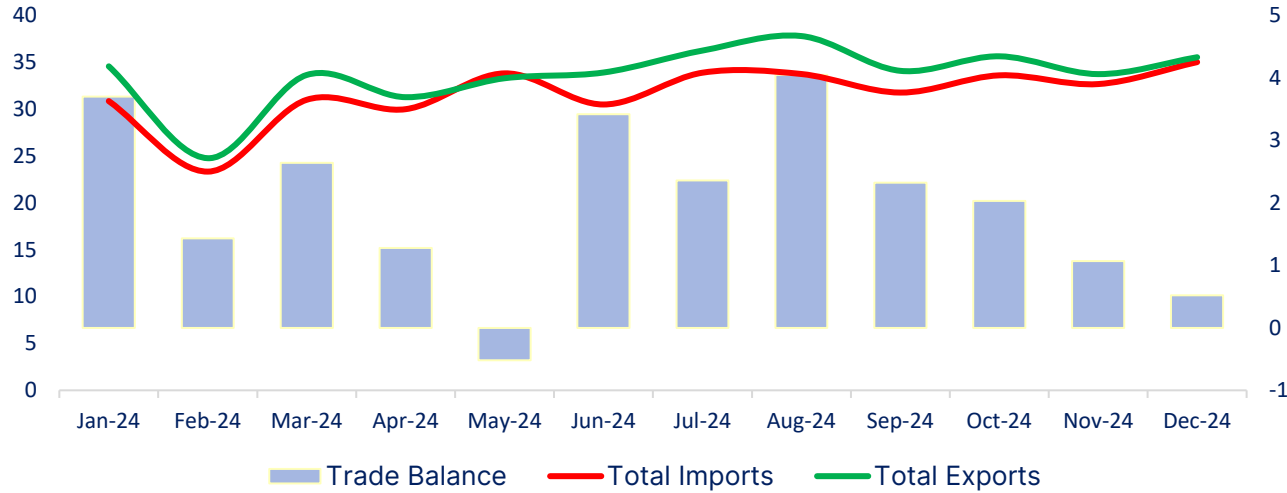
FDI in Vietnam (2019-2024)



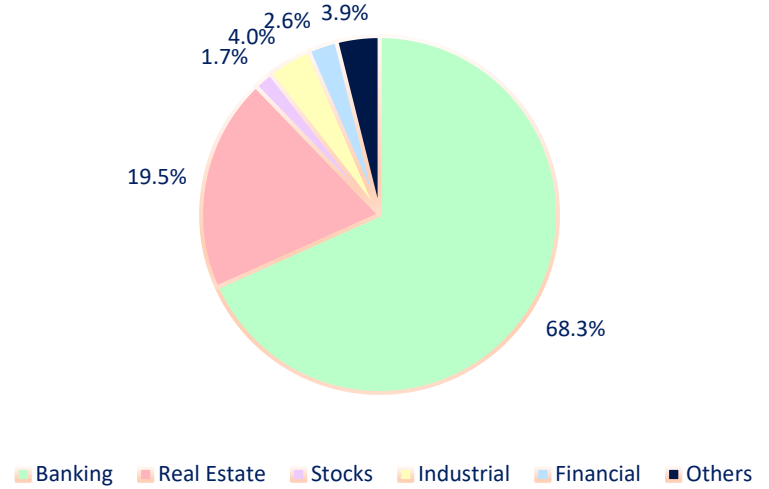
Credit Growth YTD (2019-2024)



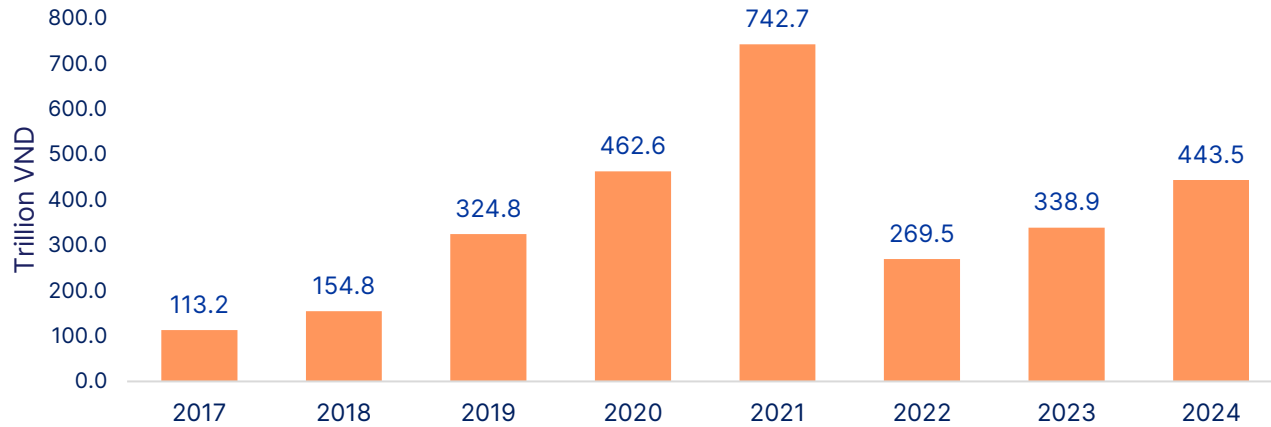
Total exports, imports and balance of trade (Billion USD)



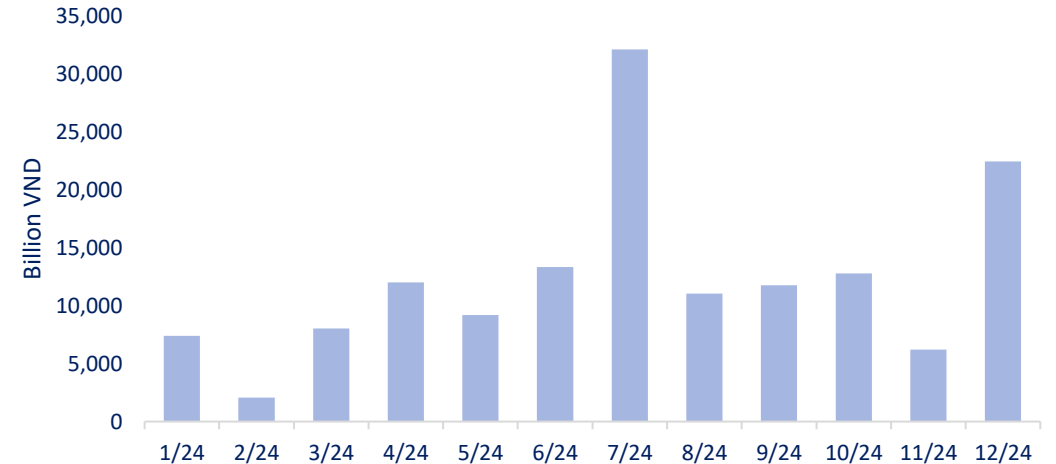
Value of Corporate Bond Issuance by groups YtD



Value of Corporate Bond Issuance



Value of Corporate Bond Repurchases YtD



Source: GSO, FiiiproX, VBMA, SHS

MACROECONOMICS 2024



Indicator	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Economic indicator												
IIP (monthly, % YoY)	18.30%	-6.80%	4.10%	6.30%	8.90%	10.90%	11.20%	9.50%	10.80%	7%	8.90%	8.40%
PMI (point)	50.3	50.4	49.9	50.3	50.3	54.7	54.7	52.4	47.3	51.2	50.8	49.8
Retail sales growth (cumulative, % YoY)	8.10%	8.10%	8.20%	8.50%	8.70%	8.60%	8.70%	8.50%	8.80%	8.50%	8.80%	9.30%
Disbursed FDI (cumulative, % YoY)	40.20%	38.60%	7.10%	7.40%	7.80%	8.20%	8.40%	8%	8.90%	8.80%	7.10%	9.40%
Registered FDI (cumulative, % YoY)	9.60%	9.80%	13.40%	4.50%	2%	13.10%	10.90%	7%	11.60%	1.90%	1.0%	-3.0%
Export growth (cumulative, % YoY)	46%	19.18%	17%	15%	15.77%	15.32%	15.98%	15.93%	15.37%	14.92%	14.45%	12.80%
Import growth (cumulative, % YoY)	34.20%	17%	14.15%	15.31%	18.33%	18%	18.55%	18.08%	17.33%	16.85%	16.37%	19.20%
Trade balance (monthly, USD billion)	3.70	1.43	2.64	1.28	-0.52	3.42	2.36	4.05	2.32	2.03	1.07	0.52
Macroeconomic stability												
CPI (% YoY)	3.37%	3.98%	3.97%	4.40%	4.44%	4.34%	4.36%	3.45%	2.63%	2.89%	2.77%	2.94%
Core CPI (YTD % YoY)	2.72%	3.67%	2.81%	2.81%	2.78%	2.75%	2.73%	2.71%	2.69%	2.69%	2.70%	2.71%
Credit growth(% YTD)	-0.68%	-0.75%	1.42%	2.01%	3.43%	6.10%	5.93%	7.31%	9.00%	10.08%	11.90%	15.08%
M2 money supply growth (% YTD)	0%	-0.53%	0.09%	0.13%	0.82%	3.21%	2.52%	4.12%	5.94%			
Refinancing rate (%)	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Discount rate (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Interbank rate O/N (%)	1.37%	1.48%	2.43%	4.40%	2.55%	4.50%	4.25%	4.23%	4.28%	3.40%	3.27%	3.63%
Gov-Bond 10 year (%)	2.55%	2.45%	2.69%	2.93%	2.97%	2.95%	2.90%	2.85%	2.76%	2.80%	2.87%	3.12%
CDS 5 year	129.15	124.18	126.99	122.63	117.87	120.8	116.17	104.4	102.42	104.89	106.34	107.99
USD/VND (% MoM)	0.64%	0.91%	0.58%	2.19%	0.47%	0.02%	-0.75%	-1.54%	-1.27%	2.90%	2.61%	0.55%

Source: GSO, FiinProX, VBMA, SHS

Vietnam's macroeconomic outlook in 2025 is set to be a mix of challenges and opportunities.

- ✦ The **GDP** growth target of **6.5%** set by the National Assembly for 2025 is achievable under the **baseline scenario**. However, **managing the exchange rate** and maintaining a negative USD/VND swap rate, as has been the practice in recent years, **will continue to be challenging**. This is especially true given the expectation of fewer Fed rate cuts than initially anticipated (the market's expectations for the SOFR rate at the end of 2025 have been adjusted upwards several times).
- ✦ Based on the recent policy of maintaining a slightly **negative USD/VND swap rate**, the interbank interest rate is expected to stabilize at around 3.8%, assuming two more Fed rate cuts.
- ✦ The **CPI** inflation rate in 2024 was 3.63%, below the target of 4.5% set by the National Assembly. This was partly due to weak consumer demand, as reflected in the slow growth of retail sales, and partly due to the lagged impact of the exchange rate on input costs.
- ✦ The government bond market is expected to face increasing issuance pressure in 2025. The Ministry of Home Affairs will require approximately VND 130 trillion to implement policies related to civil servants and employees. The government's total borrowing plan for 2025 is VND 500 trillion, representing a significant increase. This, coupled with relatively weak demand, is likely to push **bond yields higher, especially for the 10-year and 15-year tenors.**"

STOCK MARKET HIGHLIGHTS IN 2024

STOCK MARKET HIGHLIGHTS IN 2024 - GENERAL MARKET



VN-INDEX fluctuated within a narrow accumulation channel in 2024. After a strong recovery in Q1/2024 from 1,130 to 1,300, VN-INDEX consolidated during the remaining three quarters of 2024, trading in the 1,200 to 1,300 range with progressively higher lows. Sector rotation and significant divergence were observed within this range, reflecting the business performance and valuation of each sector.

This accumulation process was appropriate in the context of: (1) a robustly growing economy; (2) stable interest rates at low levels; (3) Market capitalization is relatively attractive compared to the economy and GDP. Besides the risk factors and uncertainties: (1) significant net selling by foreign investors; (2) global geopolitical tensions; (3) Global economic developments influenced by U.S. tariff pressures.



VN-INDEX & 10-Year Bond Yield



STOCK MARKET HIGHLIGHTS IN 2024 - GENERAL MARKET



Index	Market Statistics															Index	
	Market Cap (Bn USD)	Equity (Bn USD)	Total Assets (Bn USD)	Revenue (Bn USD)	Net Profit (Bn USD)	P/B	P/E	ROE	ROA	EPS TTM	Net Profit Margin (%)	Profit After Tax (%)	E/A	No. of Stocks	Market Cap/GDP 2024 (%)	2024	YoY
VNINDEX	206.6	124.7	772.9	143.0	15.9	1.66	13.00	12.75%	2.06%	2,362	26.82%	11.12%	6.20	385	44.9%	1,267	12.1%
VN30	144.7	201.8	624.1	90.7	12.2	0.72	11.83	6.07%	1.96%	3,097	31.35%	13.49%	3.09	30	31.5%	1,345	18.9%
HNXINDEX	13.8	9.6	35.4	18.8	0.8	1.43	17.18	8.35%	2.27%	1,199	12.09%	4.28%	3.67	313	3.0%	227	-1.6%
UPCOM	64.4	25.3	83.5	46.7	2.4	2.54	27.28	9.32%	2.83%	1,205	4.85%	5.06%	3.29	834	14.0%	95	9.2%
Total Market	287.8	160.6	895.2	210.5	19.1	1.79	15.08	11.89%	2.13%	2,006	22.85%	9.07%	5.58	1573	62.6%		

Source: FiinProX Bloomberg, SHS Research

VN-INDEX concluded 2024 at 1,266.78, increased 12.11% compared to the end of 2023. This represents a strong price increase amidst external uncertainties, including geopolitical tensions, exchange rate pressures, and significant net selling by foreign investors. The total market capitalization at the end of 2024 was approximately USD 288 billion, equivalent to nearly 63% of the estimated GDP for 2024. The VN-INDEX has maintained its long-term growth trend since April 2020.

The P/E ratio of 385 stocks in VN-INDEX at the end of 2024 is 13.0, lower than 5-year average and below overall market average of 15.08. This is considered an attractive P/E ratio when compared to the growth prospects of the economy in 2025. The inverse ratio EPS/P = 7.69% is equivalent to the current average 12-month savings interest rate.

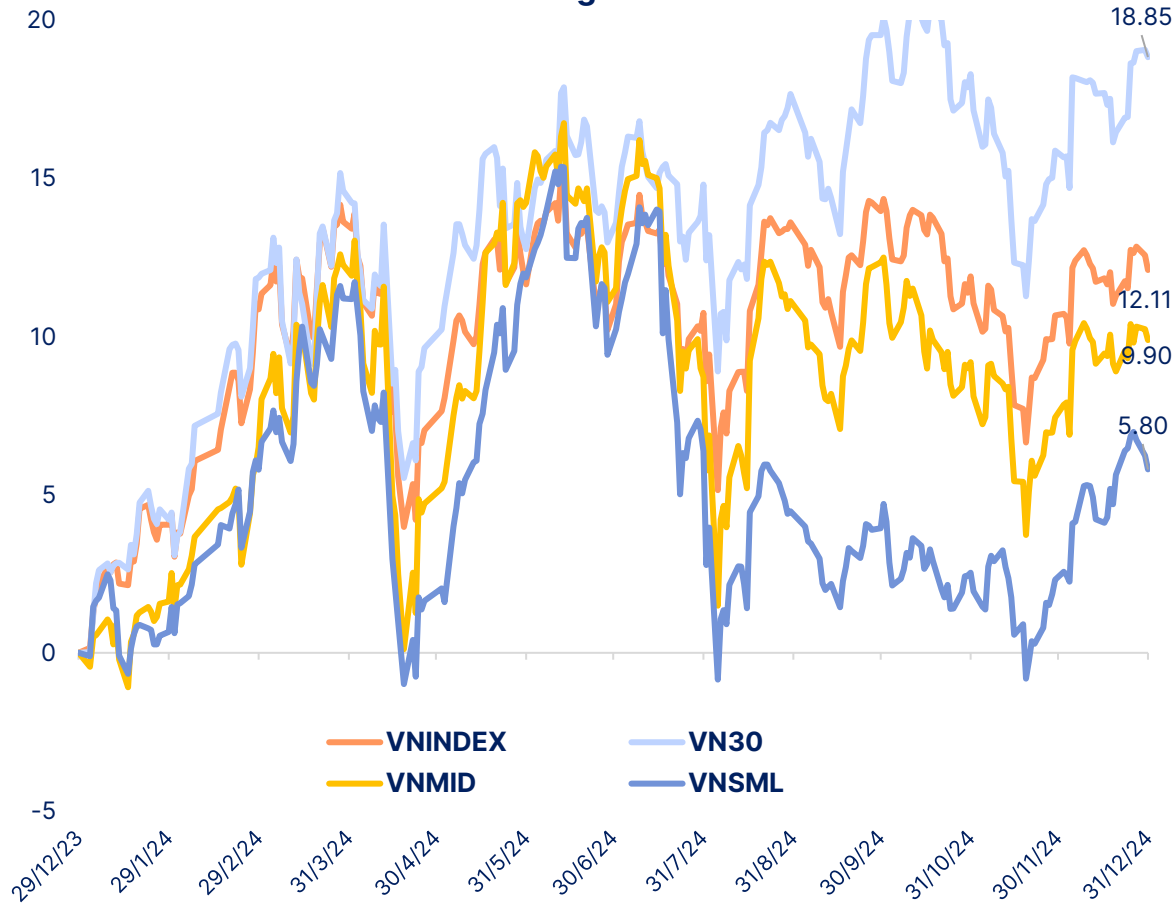
Overall market evaluation still maintains the P/E and P/B ratios at a low level compared to 5-year average. Business performance indicators such as ROE, ROA, and EPS are at moderate levels and are expected to improve significantly in 2025.

STOCK MARKET HIGHLIGHTS IN 2024 - GENERAL MARKET

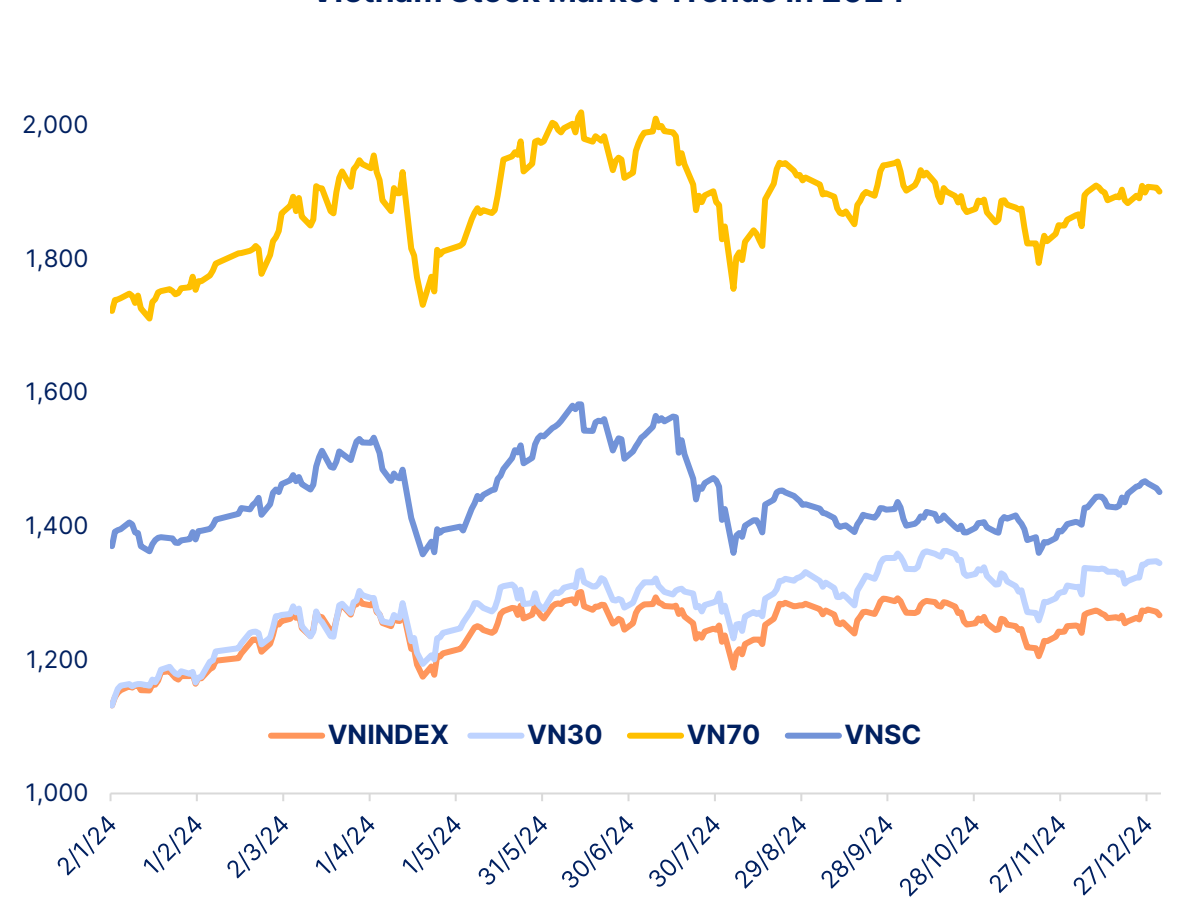


By the end of 2024, VN-INDEX increased by 12.11% compared to 2023, marking the second consecutive year of growth after a sharp decline of -33% in 2022. This growth and exceptional returns were primarily driven by the large-cap index VN30 (+18.85% YoY), with significant positive contributions from the banking sector (+22.6% YoY). Following were the mid-cap index VNMID (+9.9% YoY) and the small-cap index VNSML (+5.8% YoY), which delivered the weakest performance. It is anticipated that in 2025, growth trends may become more balanced across large-cap, mid-cap, and small-cap stocks.

Market index growth in 2024



Vietnam Stock Market Trends in 2024

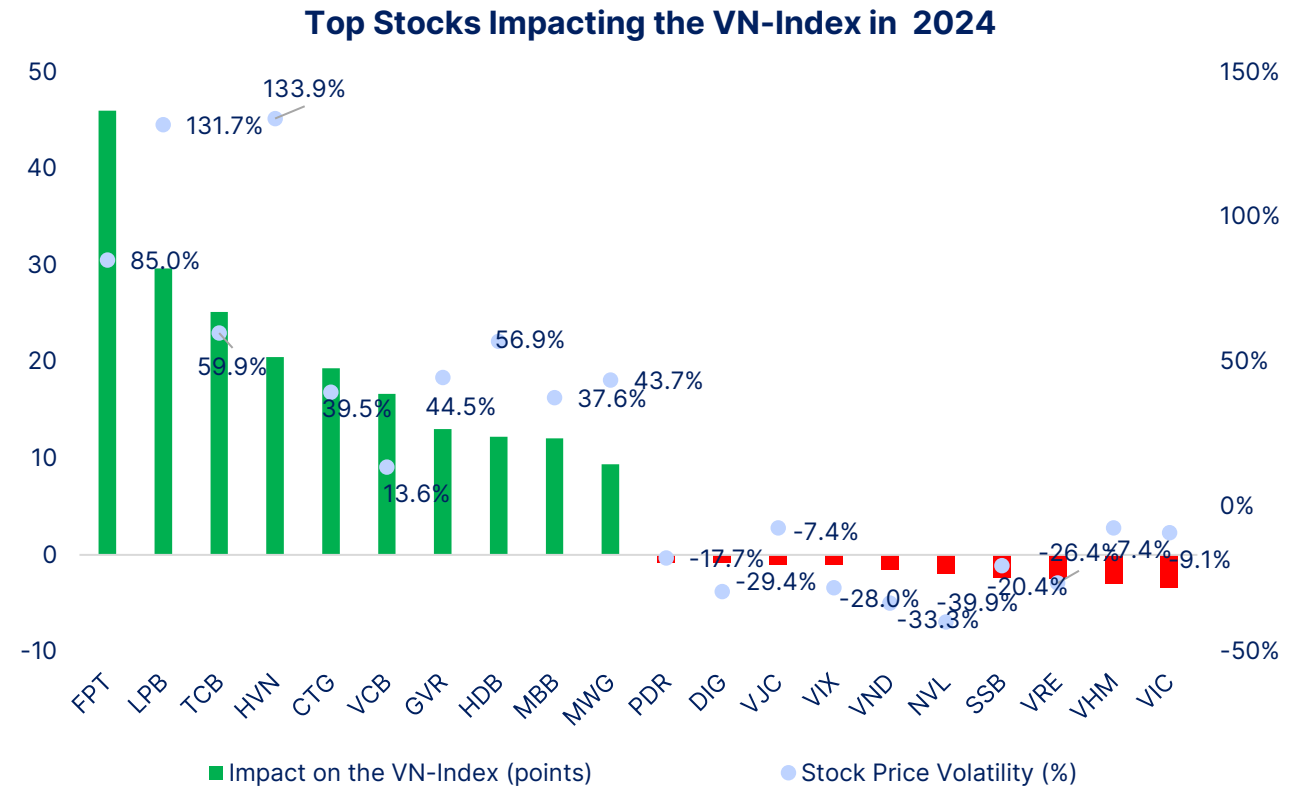
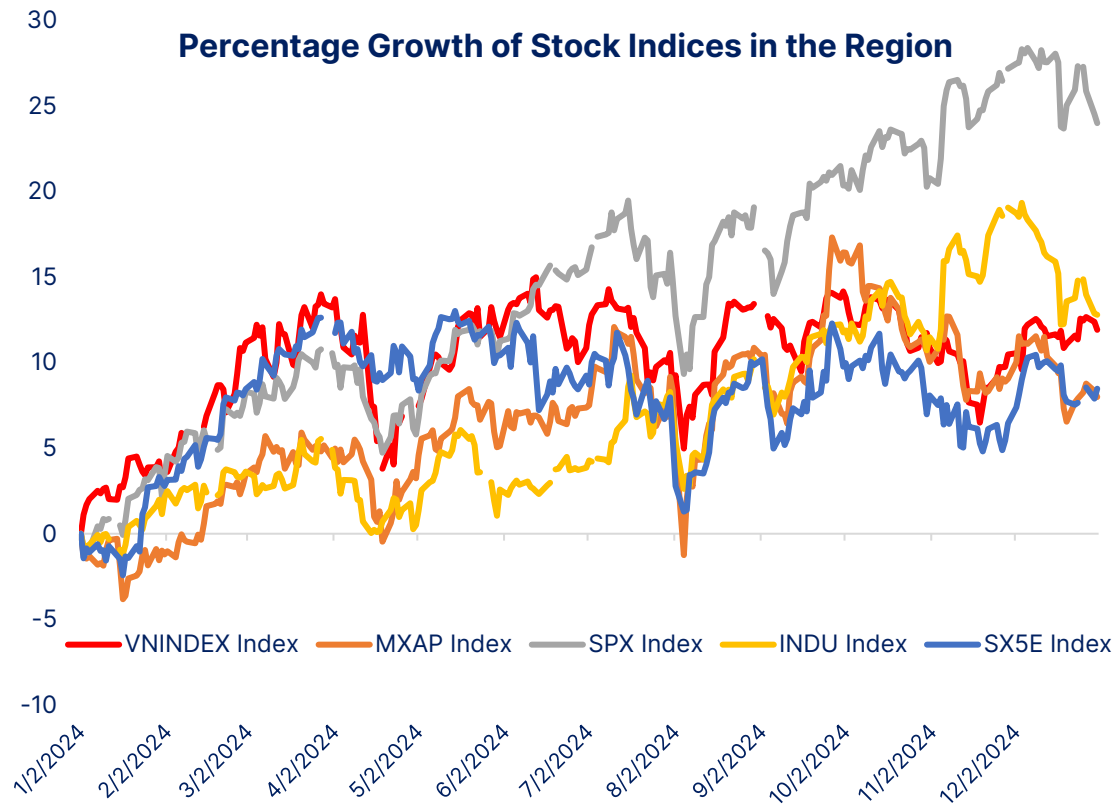


STOCK MARKET HIGHLIGHTS IN 2024 - GENERAL MARKET



The market showed significant divergence in 2024 with many stocks and sectors still posting strong gains. Technology stocks delivered robust returns and had a positive impact on the VN-INDEX, led by FPT (+85.0% YoY). The banking sector also stood out, with notable performances from LPB (+131.7% YoY), TCB (+59.9% YoY), and CTG (+39.5% YoY). HVN (+133.9% YoY) saw substantial price increases in 2024, reflecting the strong recovery in tourism and transportation. Additionally, GVR (+44.5% YoY) and MWG (+43.7% YoY) showcased growth in retail and industry. On the other hand, negative contributors to the VN-INDEX included VIC (-9.1% YoY), VHM (-7.4% YoY), and VRE (-26.4% YoY), which faced significant selling pressure from foreign investors. NVL (-39.9% YoY), as real estate stocks continued to face significant challenges throughout the year.

Compared to other stock markets in the region, VN-INDEX performed less positively, as most other markets recorded superior price gains.

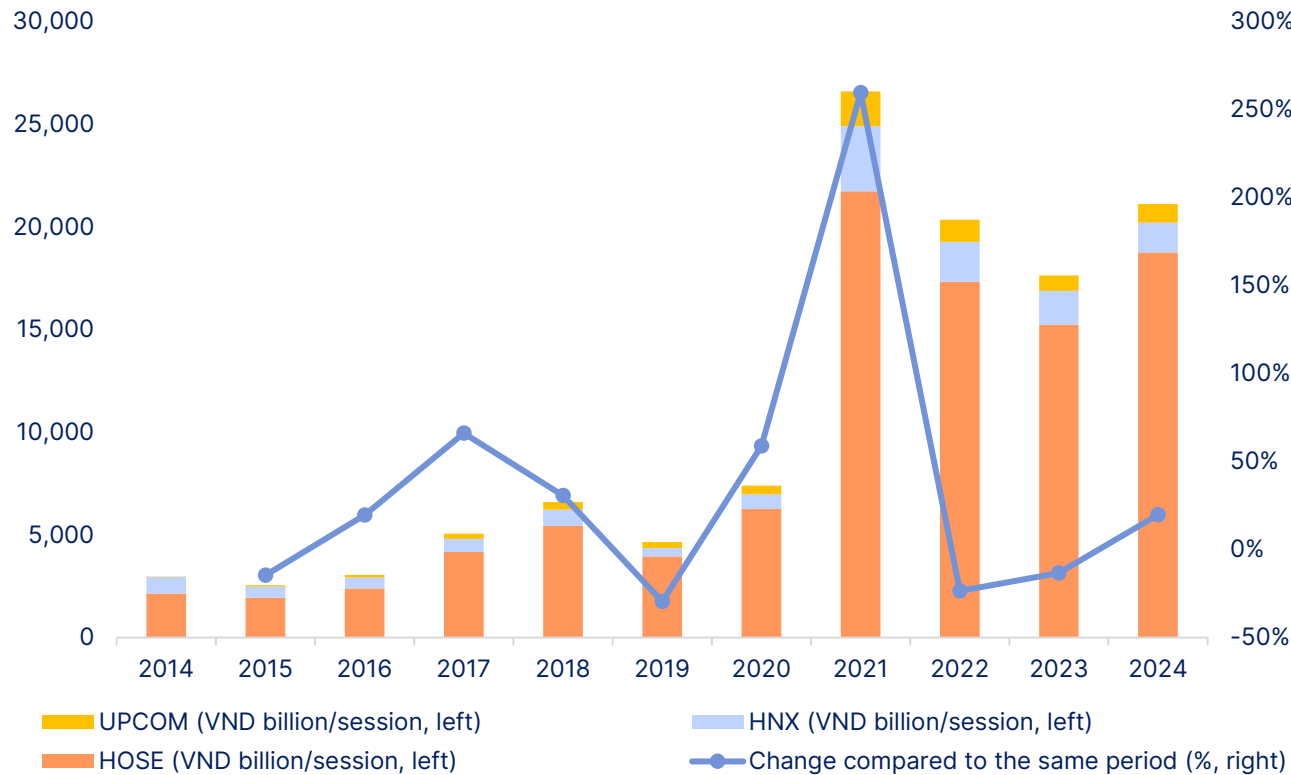


STOCK MARKET HIGHLIGHTS IN 2024 - GENERAL MARKET

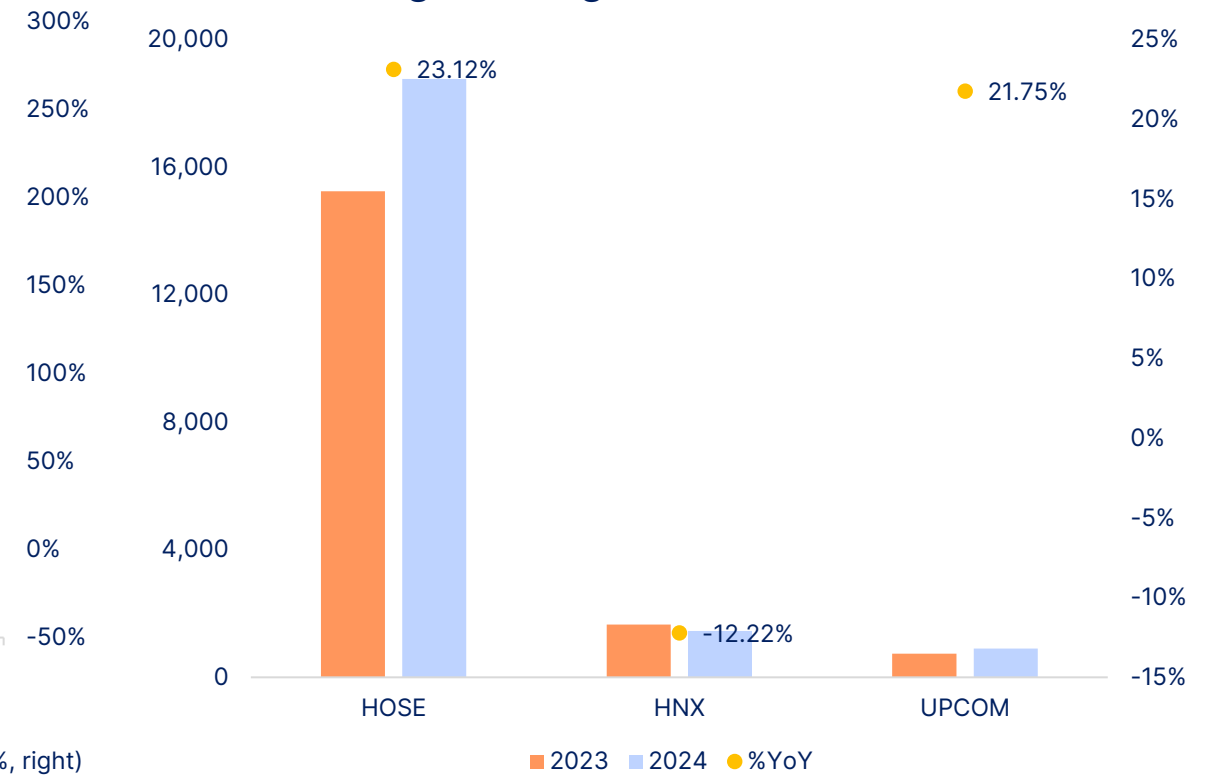


Liquidity improved significantly in 2024. Although the trading volume on HOSE remained relatively stable compared to 2023 (-1.3% YoY), liquidity and average transaction value still improved well in 2024, driven by the positive performance of VN30. The average total transaction value across three exchanges reached VND 21,112.2 billion per session (+19.8% YoY). Of this, HOSE contributing VND 18,760.5 billion per session (+23.1% YoY) and UPCOM at VND 900.8 billion per session (+21.8% YoY). In contrast, HNX saw a decline to VND 1,450.9 billion per session (-12.2% YoY), largely affected by the weaker performance of oil & gas and real estate stocks during the year.

Average Trading Volume (VND billion/session)



Average Trading Value (VND billion/session)



Source: FiinProX, SHS Research

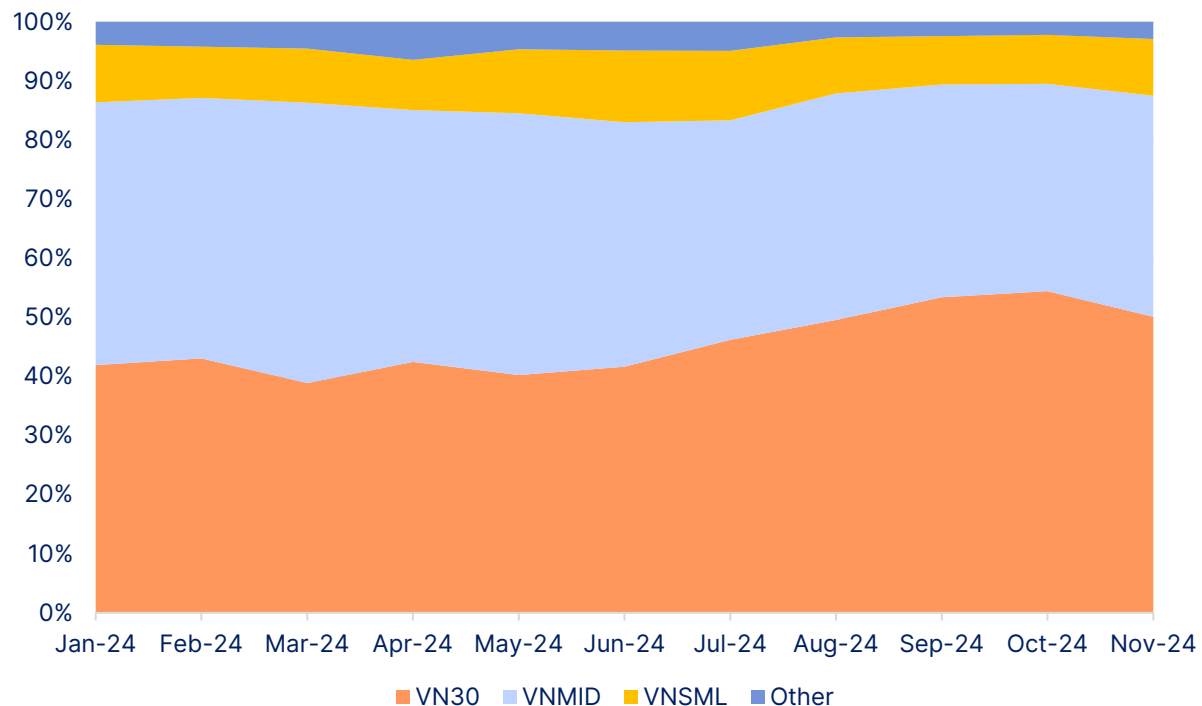
STOCK MARKET HIGHLIGHTS IN 2024 - GENERAL MARKET



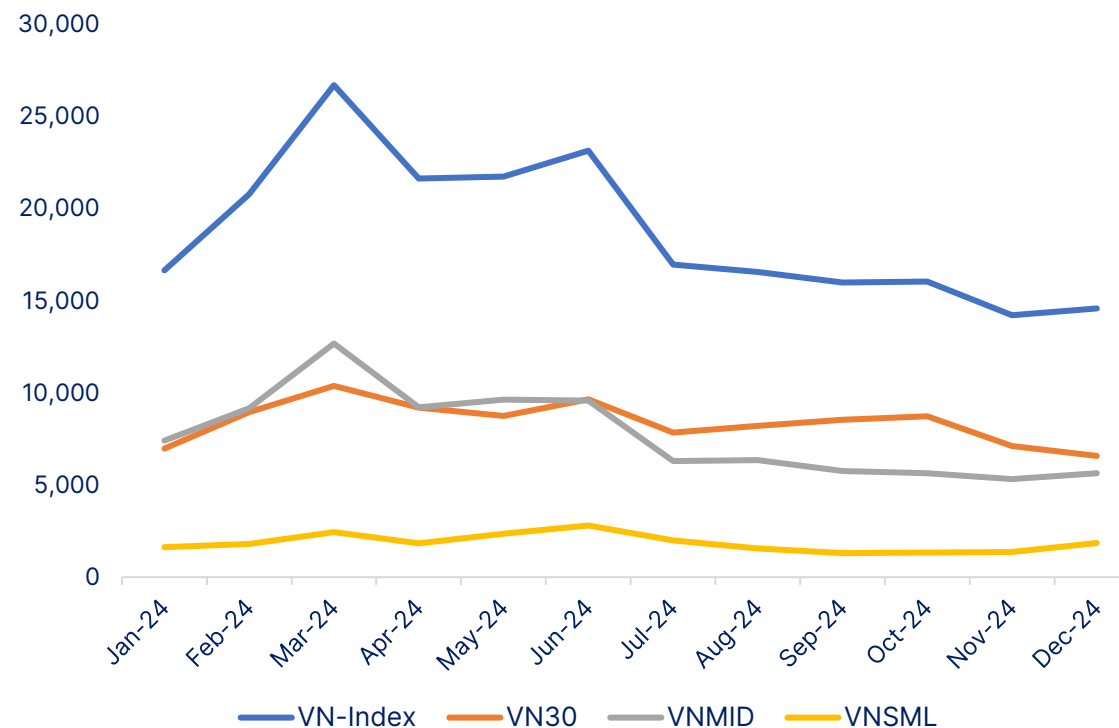
The divergence of capital flows was significant in 2024. The proportion of trading in large-cap VN30 showed a consistent upward trend throughout 2024, rising from approximately 40% at the beginning of the year to a peak of 54.5% in October 2024. For the entire year, the average proportion of VN30 large-cap stocks accounted for 45.6%, compared to 40.6% for mid-cap VNMID stocks, 9.9% for small-cap VNSML stocks, and 3.9% for other stocks.

With the declining trend in trading proportion of large-cap stocks during the last two months of 2024, it is anticipated that the trading proportion of mid-cap stocks will improve and attract stronger capital flows in 2025.

Proportion of Average Trading Value on VN-Index



Average Trading Value per Session over the last 12 Months (VND billion)



Source: Bloomberg, FiinProX, SHS Research

STOCK MARKET HIGHLIGHTS IN 2024 - GENERAL MARKET

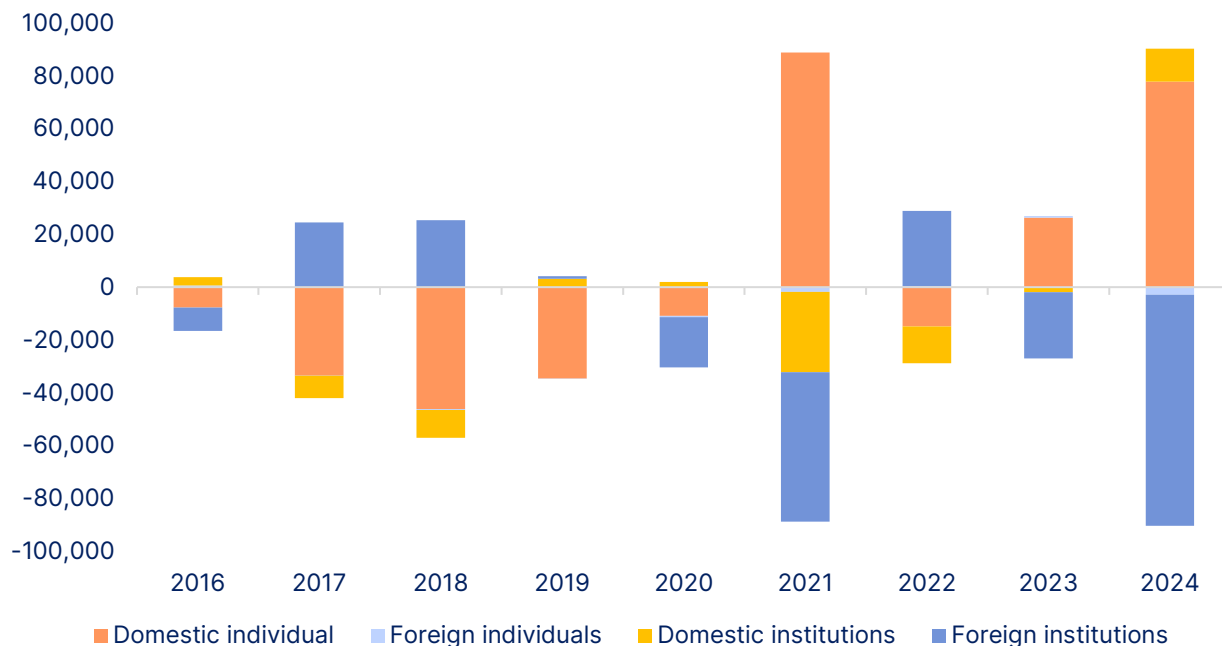


In 2024, the trading proportion of individual investors steadily declined from the beginning of the year to November but rebounded in December. The average trading proportion for 2024 was 81.2%. Notably, individual investors recorded a net purchase of VND 77,764.9 billion, a record high, an impressive increase of 296.3% compared to 2023.

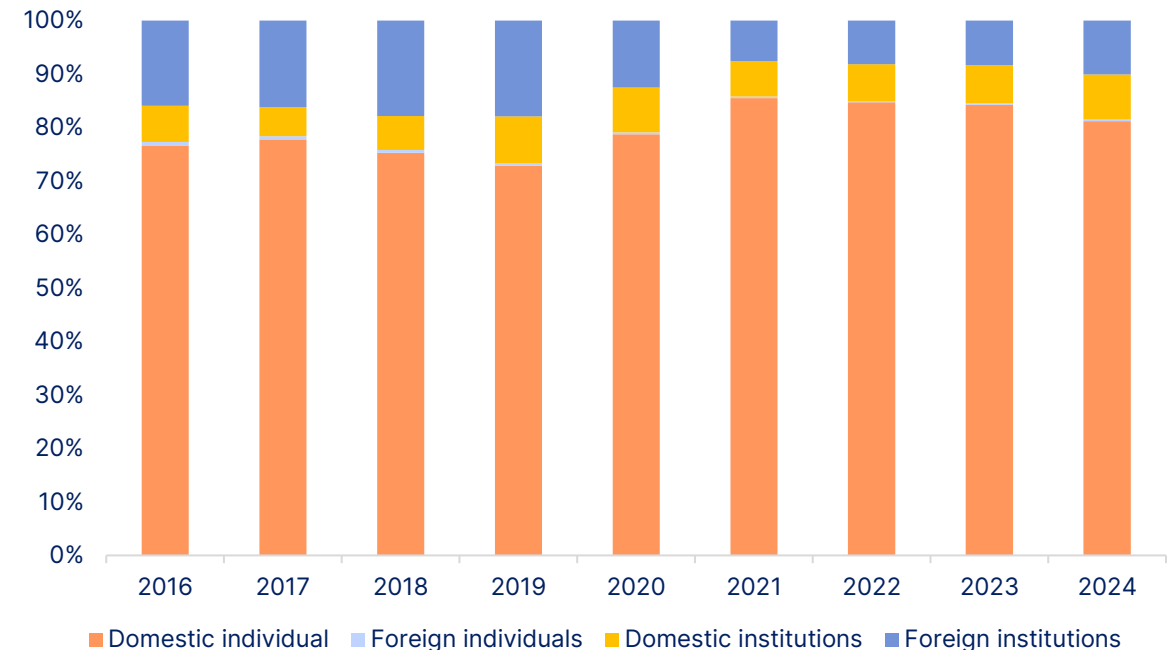
Meanwhile, foreign institutional investors significantly increased their net selling in 2024, reaching a record-high value of VND -87,384.9 billion (+348.9% YoY). Their trading proportion for the year accounted for 10.1%, a notable rise compared to 8.3% in 2023. Foreign individual investors also recorded net selling in 2024, with a value of VND -2,884.1 billion, following a net purchase of VND 716.8 billion in 2023.

Domestic institutional investors recorded a net purchase of VND 12,504.2 billion in 2024, following a net selling of VND -1,915.3 billion in 2023. This contributed to offsetting the strong net selling pressure from foreign investors. The trading proportion of domestic institutional investors increased to 8.4% in 2024.

Net Trading Value on HOSE by Investor (VND billion)



Trading Volume Distribution On HOSE



Source: FiinProX, SHS Research

STOCK MARKET HIGHLIGHTS IN 2024 - GENERAL MARKET

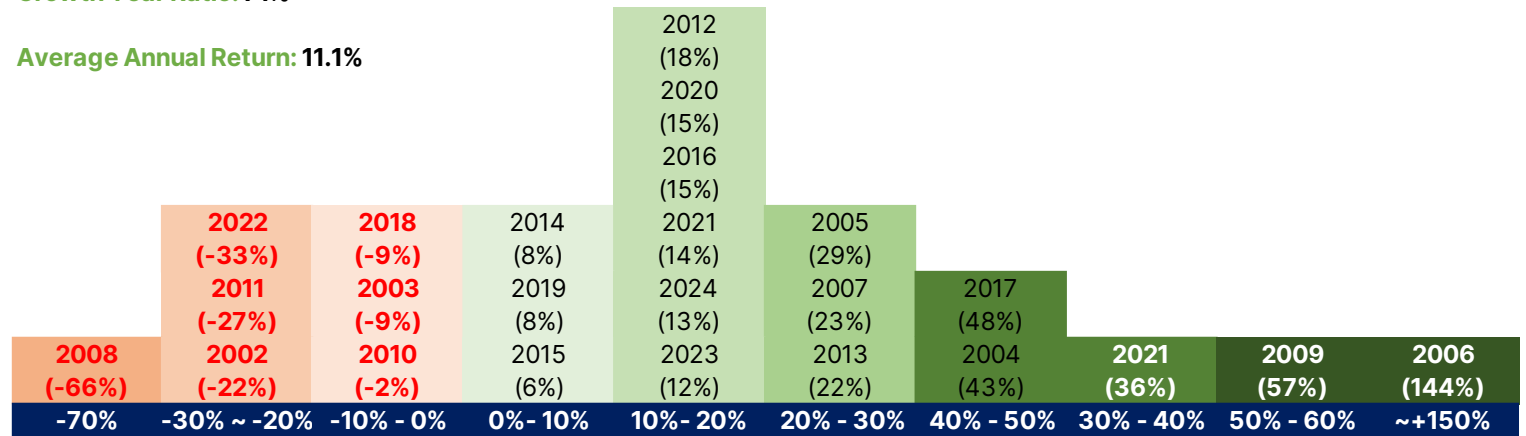


Statistics over the past 24 years show that the Vietnamese stock market increased in 17 out of 24 years, equivalent to approximately 71%, and only declined in 7 years. The average annual return of the VN-Index over this period was 11%, which is comparable to the U.S. S&P 500 index, with 71% of years showing gains and an average annual return of about 10%.

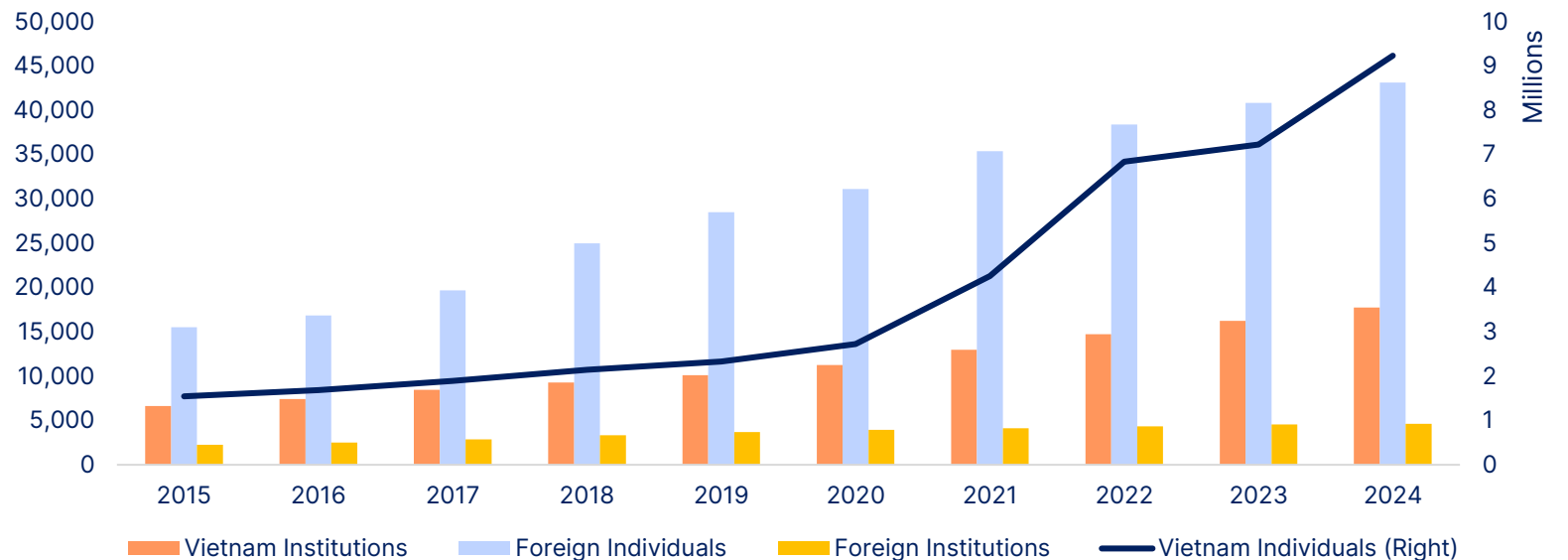
In 2024, the total number of stock trading accounts increased by over 2 million, a 5.07-fold increase compared to 2023, partly due to a significant number of accounts being closed in 2023 as part of regulatory cleansing efforts. The total number of trading accounts in the market exceeded 9.29 million, +27.5% YoY, achieving the target set for 2025 ahead of schedule under the Government's Market Development Strategy. Among these, domestic individual investor accounts grew by 27.7%, accounting for an overwhelming 99.3%, the highest proportion in the past 10 years. Meanwhile, the number of institutional investor accounts increased 7.7%, lower than in 2023.

Growth Year Ratio: 71%

Average Annual Return: 11.1%



Number of Securities Accounts



Source: SHS, VSD

STOCK MARKET HIGHLIGHTS IN 2024 - SECTOR GROUPS



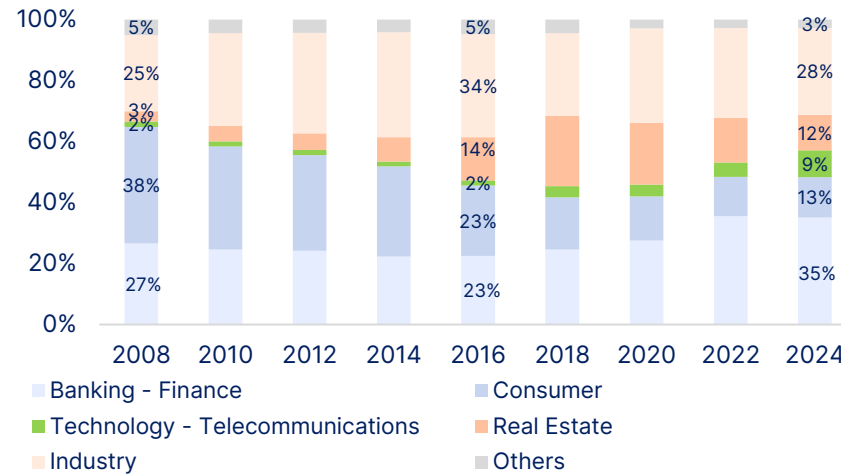
The market capitalization proportions of sectors have shifted significantly over the years. The banking and financial sector has consistently increased its share, becoming the sector with the largest proportion currently.

The rapid rise of the technology-telecommunications and industrial sectors is also noteworthy. These sectors, which had consistently accounted for only around ~2% of market capitalization over many years, have surged significantly over the past three years and now represent nearly 9% and 13% of the total market capitalization.

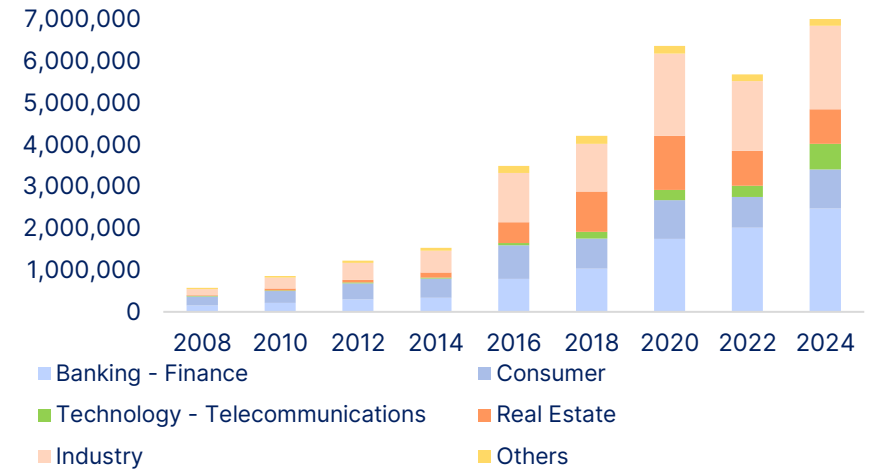
Meanwhile, real estate and related sectors tend to decrease in the total market capitalization and currently only account for 28% of capitalization.

The consumer sector, including both essential and non-essential consumption, has also declined sharply from 38% of capitalization in 2008 to 13% at present.

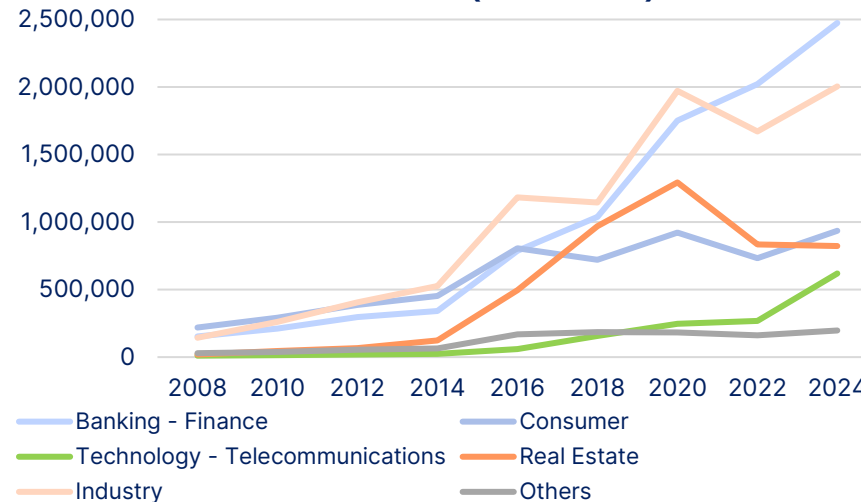
Market Capitalization of Industry Groups from 2008 to 2024



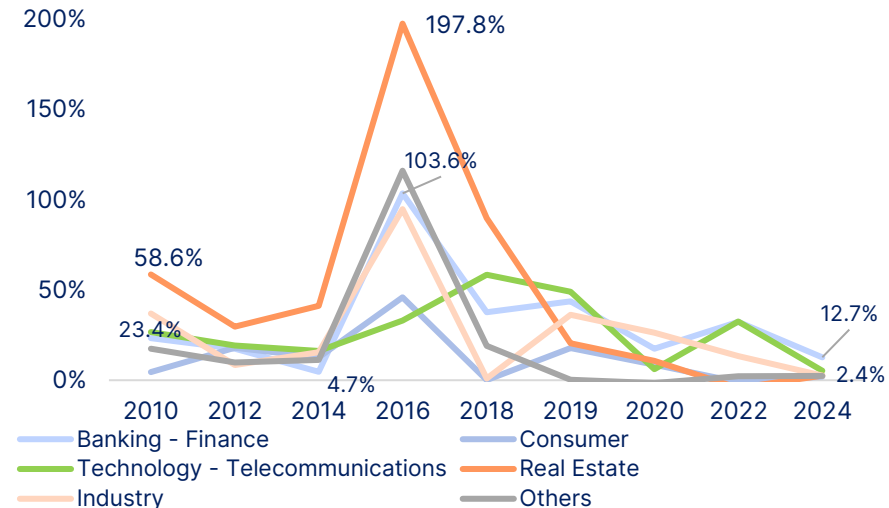
Market Capitalization of Industry Groups from 2008 to 2024 (trillion VND)



Market Capitalization of Industry Groups from 2008 to 2024 (trillion VND)



Market Capitalization Growth Rate

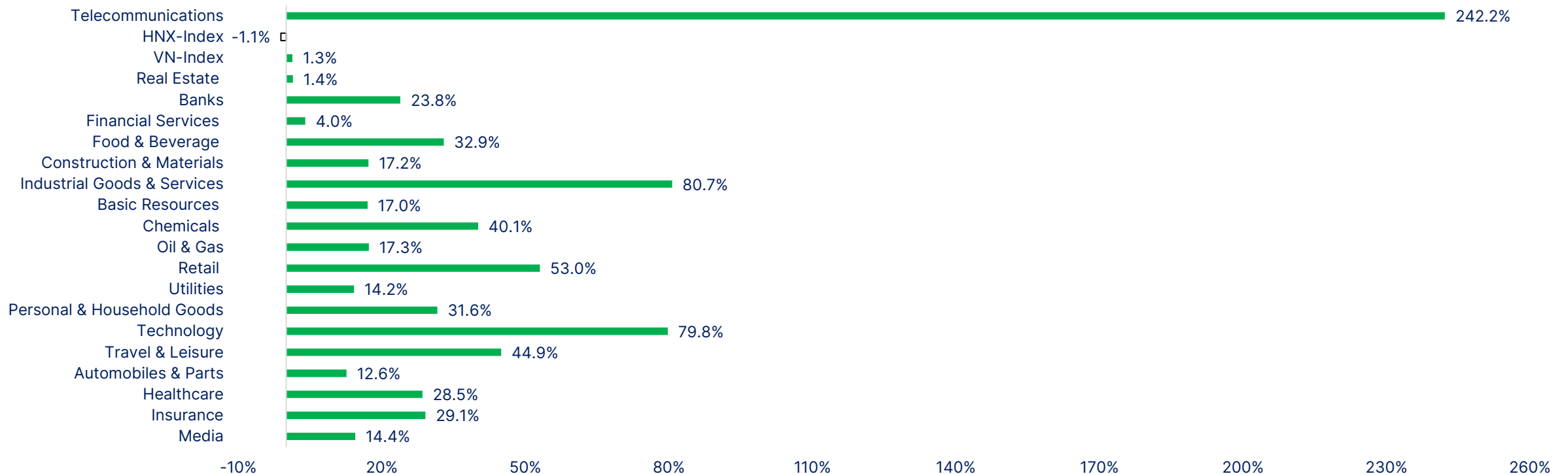


STOCK MARKET HIGHLIGHTS IN 2024 - SECTOR GROUPS



In 2024, Telecommunications (+242.2% YoY) and Information Technology (+79.8% YoY) sectors recorded the highest price increases in the market, reflecting the strong growth potential and the rising trend of investments in IT and telecommunications across global financial markets. The next-best performing sector was Industrial Goods and Services (+80.7% YoY reflecting the recovery and growth of the industrial sector. The Retail (+53.0% YoY) also showed outstanding performance, prominently with FRT (+73.5% YoY). Other sectors with outstanding price increases included Travel and Leisure (+44.9% YoY), led by HVN (+133.9% YoY), and Chemicals (+40.1% YoY), driven by CSV (+189.1% YoY). These growth trends largely reflect strong business recovery and expansion, as well as limited supply for many stocks.

Sector Performance in 2024



Source: FiinProX, SHS Research

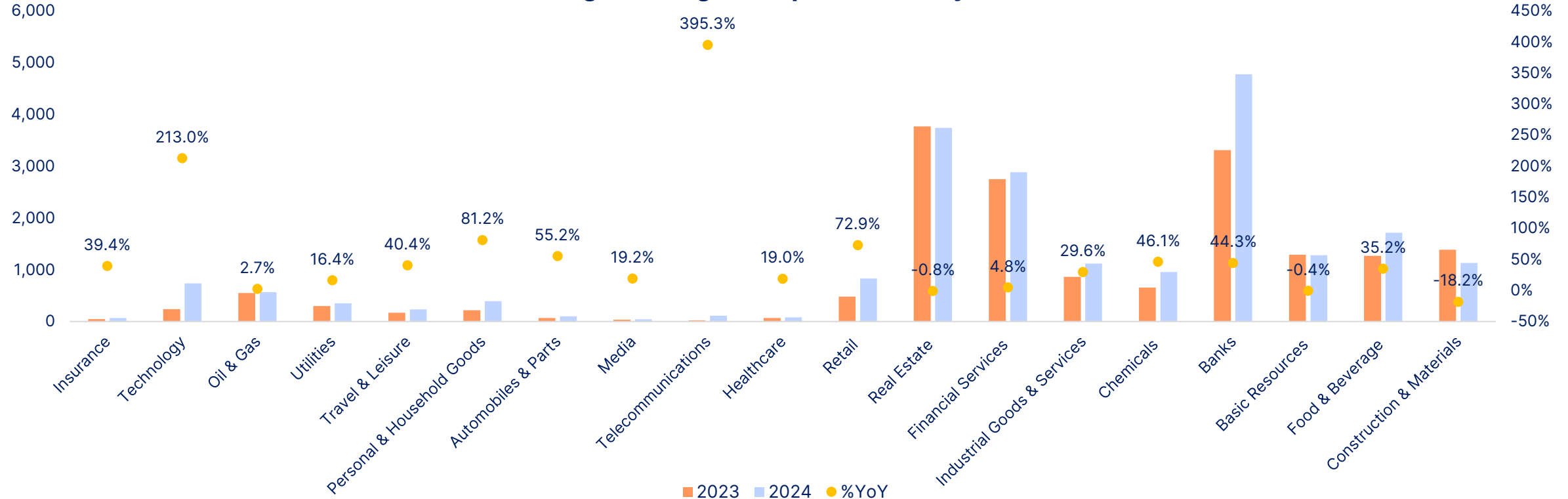
STOCK MARKET HIGHLIGHTS IN 2024 - SECTOR GROUPS



Banking, Real Estate, and Financial Services remained top three sectors with the highest average trading value in the market. This continues to reflect the speculative and cyclical nature of the market over the years, especially given the limited supply of new, high-quality stocks. In terms of business performance, Banking, Technology-Telecommunications, Ports-Transportation, Fertilizers-Chemicals, and Retail-Consumer Goods were the sectors with above-average business efficiency compared to the overall market.

In 2024, liquidity surged in sectors such as Telecommunications (+395.3% YoY), Information Technology (+213.9% YoY), Retail (+72.9% YoY), Banking (+44.3% YoY), and Chemicals (+46.3% YoY). Conversely, it declined in Construction and Building Materials (-18.2% YoY) and Real Estate (-0.8% YoY). Liquidity in these two sectors is expected to improve in 2025, driven by a more optimistic outlook for the real estate market towards the end of the year.

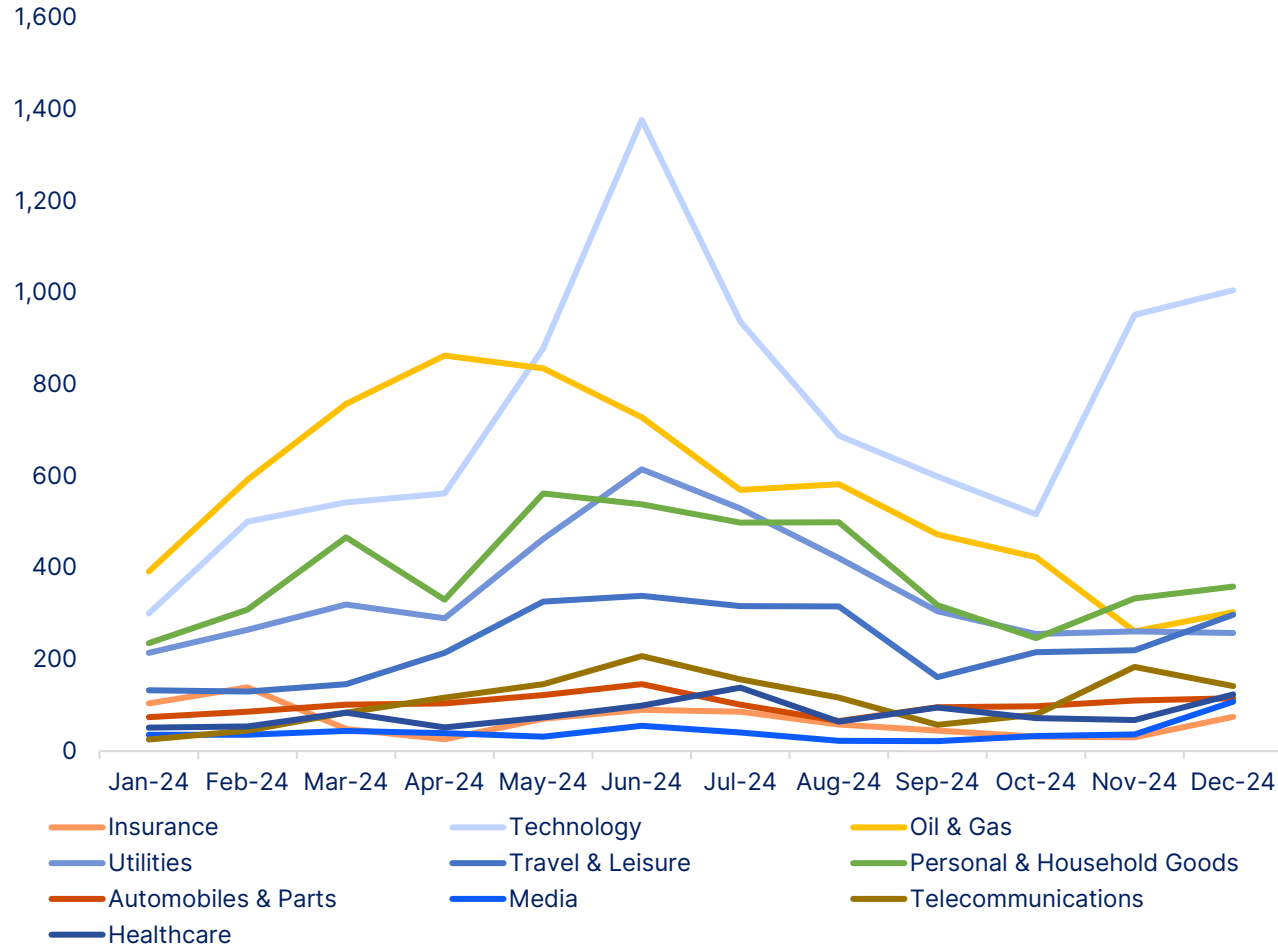
Average Trading Value per Session by Sector



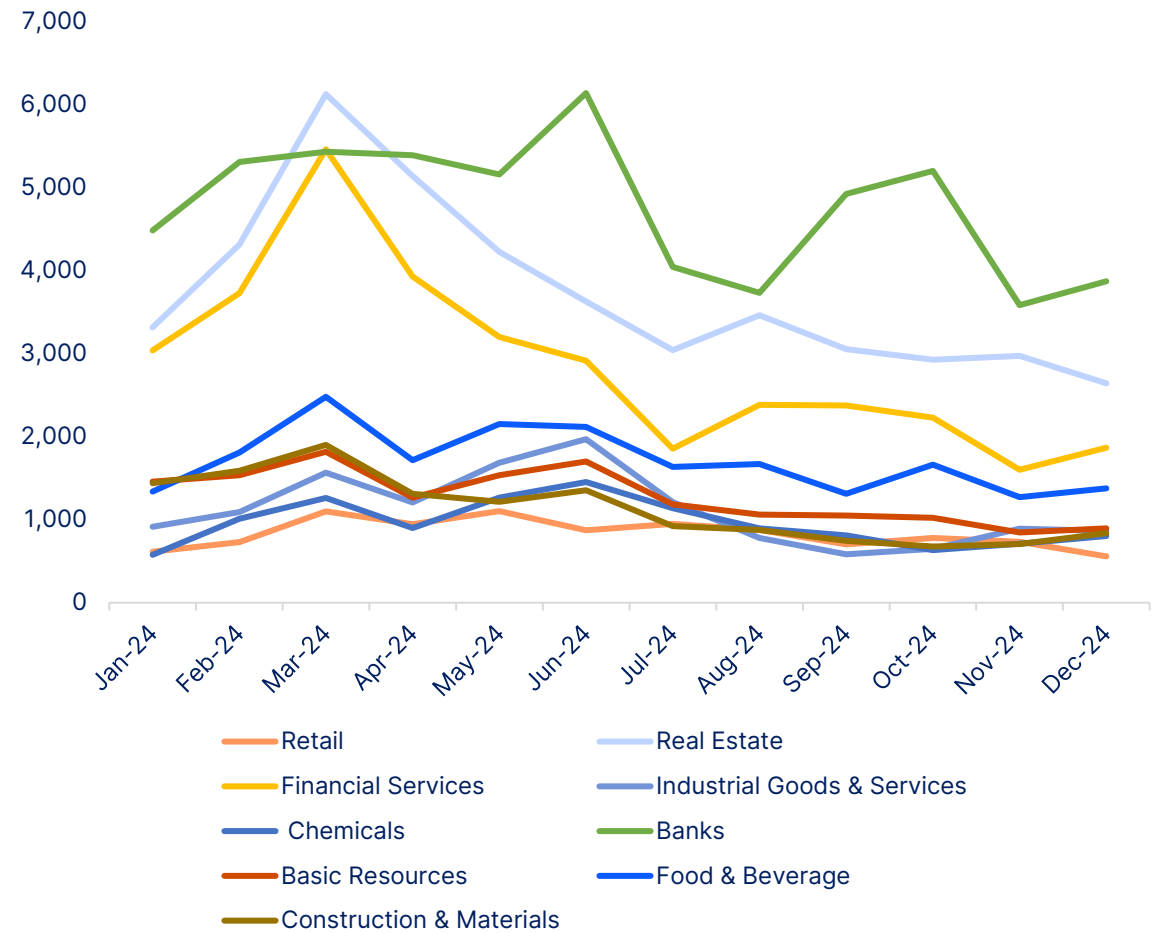
STOCK MARKET HIGHLIGHTS IN 2024 - SECTOR GROUPS



**Average Trading Value per Session by Sector
(VND billion, Chart 1)**



**Average Trading Value per Session by Sector
(VND billion, Chart 2)**



Source: Bloomberg, FiinProX, SHS Research

STOCK MARKET HIGHLIGHTS IN 2024 - SECTOR GROUPS



Sector	Market Cap (Bn USD)	Equity (Bn USD)	Total Assets (Bn USD)	Revenue (Bn USD)	Net Profit (Bn USD)	P/B	P/E	ROE	ROA	EPS TTM	% Gross Profit	% Net Profit	No. of Stocks	% Cap / Total Market
Banking	86.9	58.3	626.4	45.6	9.4	1.5	9.2	16.2%	1.5%	3,014.9	49.4%	20.7%	29	30.2%
Tech - Telecom	22.9	3.5	7.1	5.5	0.5	6.5	42.2	15.5%	7.6%	2,192.6	38.2%	9.9%	37	8.0%
Industrial + Real Estate	33.9	27.7	86.4	14.6	1.9	1.2	18.1	6.7%	2.2%	1,358.5	21.6%	12.8%	125	11.8%
Consumer Goods	25.8	8.2	22.7	18.1	1.1	3.2	23.1	13.7%	4.9%	1,985.8	23.1%	6.2%	121	9.0%
Ports - Transportation	20.8	6.2	10.8	6.8	0.9	3.3	21.9	15.2%	8.8%	2,608.8	22.4%	14.0%	122	7.2%
Construction - Building Materials	9.6	7.1	25.0	13.2	0.4	1.3	24.7	5.5%	1.6%	711.8	13.7%	2.9%	323	3.3%
Utilities - Water - Environment	17.5	9.8	19.6	13.8	1.0	1.8	16.7	10.7%	5.4%	1,725.8	15.3%	7.6%	148	6.1%
Retail	18.3	3.8	12.4	15.0	0.6	4.8	30.5	15.7%	4.8%	3,013.8	21.9%	4.0%	12	6.3%
Oil & Gas	13.8	69.9	15.9	30.0	0.8	0.2	16.8	1.2%	5.2%	2,001.7	6.8%	2.7%	25	4.8%
Industrial Real Estate	12.9	5.8	12.4	3.1	0.6	2.2	22.6	9.9%	4.6%	1,586.1	31.6%	18.6%	23	4.5%
Securities	9.3	6.0	11.8	1.7	0.5	1.6	18.0	8.7%	4.4%	1,079.3	58.8%	30.7%	37	3.2%
Steel	8.2	6.1	12.4	12.6	0.5	1.3	16.3	8.2%	4.0%	1,319.6	8.8%	4.0%	39	2.8%
Insurance	2.6	1.9	12.0	2.9	0.2	1.4	14.8	9.4%	1.4%	2,179.1	3.3%	6.1%	12	0.9%
Natural Rubber	5.7	2.7	4.0	1.3	0.2	2.1	29.1	7.3%	4.9%	1,018.5	22.8%	15.4%	11	2.0%
Chemicals - Fertilizers	3.8	1.7	2.7	2.8	0.3	2.2	12.0	18.2%	11.8%	3,645.0	16.7%	11.3%	15	1.3%
Beverages	3.6	1.5	2.2	2.4	0.2	2.4	17.3	13.6%	9.4%	2,568.6	23.9%	8.8%	32	1.3%
Pharmaceuticals	2.8	1.4	2.5	2.1	0.2	2.0	17.9	11.0%	6.2%	1,953.3	24.5%	7.4%	58	1.0%
Textiles - Footwear	1.6	8.4	3.3	3.4	0.1	0.2	15.4	1.2%	3.1%	1,330.9	12.2%	3.0%	41	0.5%
Tires	0.2	0.2	0.6	0.4	0.0	1.4	13.6	10.4%	2.8%	1,508.3	15.4%	3.9%	5	0.1%
HOSE	206.6	124.7	772.9	143.0	15.9	1.7	13.0	12.8%	2.1%	2,362.1	26.8%	11.1%	385	44.9%
Total Market	287.8	160.6	895.2	210.5	19.1	1.8	15.1	11.9%	2.1%	2,005.8	22.8%	9.1%	1,573	100.0%

STOCK MARKET HIGHLIGHTS IN 2024 - FOREIGN TRADING ACTIVITIES



The major pressure in 2024 comes from the significant net selling activity by foreign investors due to: the appreciation of the USD, interest rate differentials, and the wide gap in government bond yields. Global investors tend to shift their investments to the US market, particularly in technology sector.

DXY Index - USD/VND



10-Year U.S. Treasury Yield

10-Year Vietnam Government Bond Yield



Source: Bloomberg, FiinProX, SHS Research

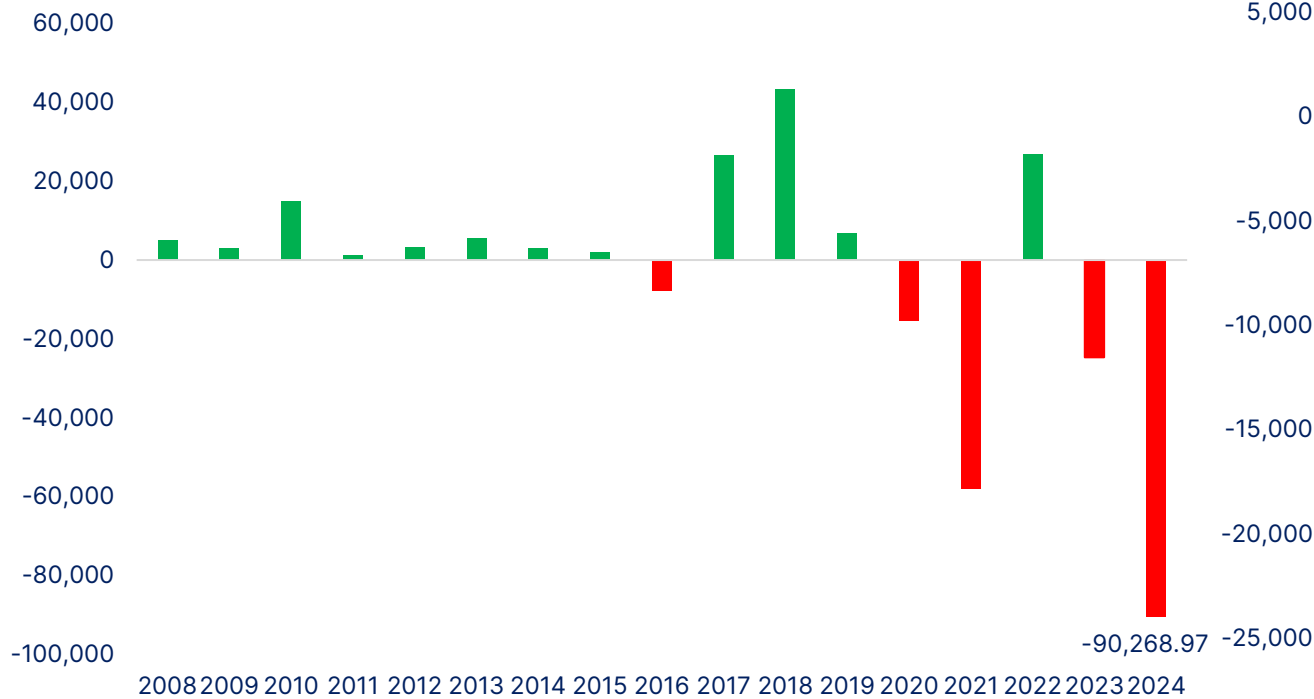
STOCK MARKET HIGHLIGHTS IN 2024 - FOREIGN TRADING ACTIVITIES



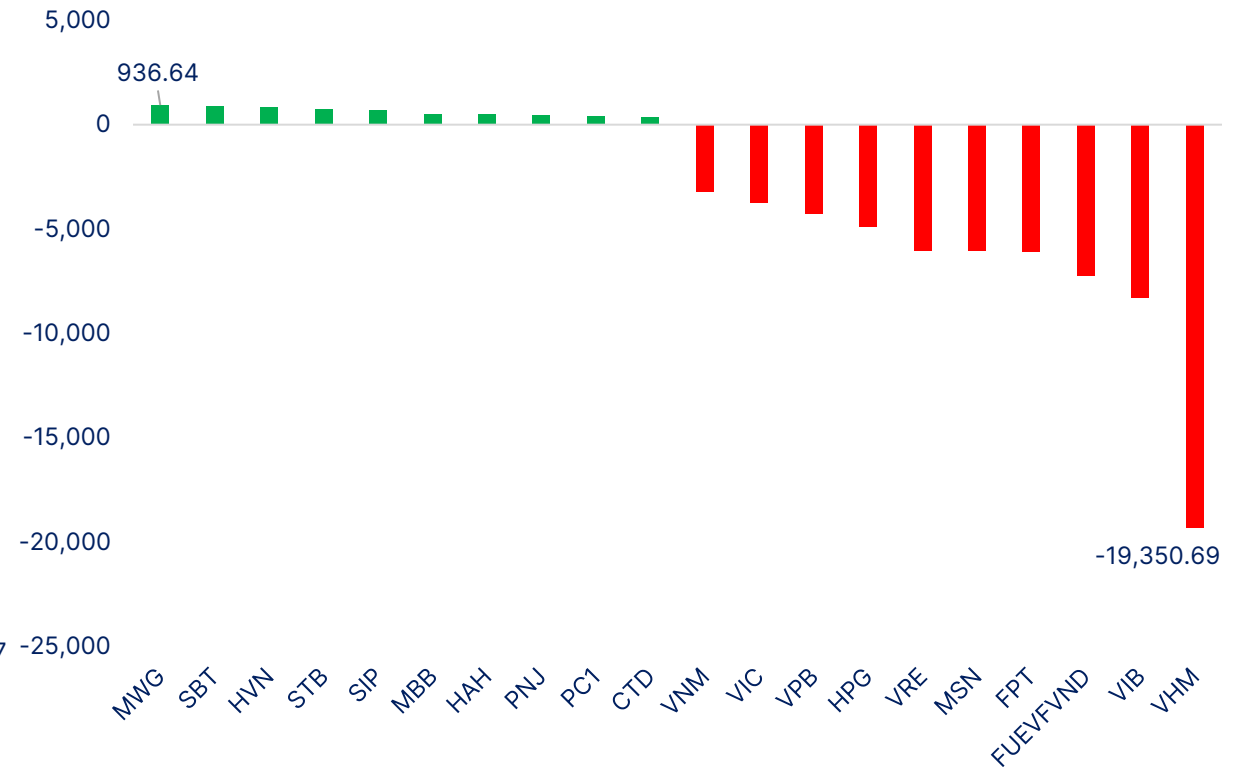
Foreign investors significantly increased net selling in 2024, with VND -90,268.97 billion on HOSE (+365.9% YoY), VND -1,082.9 billion on HNX (reversing from VND +2,997.3 billion in 2023), and VND -1,213.0 billion on UPCOM (+106.9% YoY).

In 2024, foreign investors on HOSE recorded significant net selling, led by VHM (-VND 19,350.7 billion), followed by VIB (-VND 8,290.2 billion), FUEVFN (-VND 7,268.9 billion), FPT (-VND 6,096.0 billion), MSN (-VND 6,043.1 billion), and VRE (-VND 6,038.3 billion). In contrast, notable net purchases were seen in MWG (+VND 936.6 billion) and HVN (+VND 875.5 billion).

Net Buy/Sell Value of Foreign Investors on HOSE by Year Since 2008 (Billion VND)



Top Net Buy/Sell Stocks by Foreign Investors on HOSE in 2024

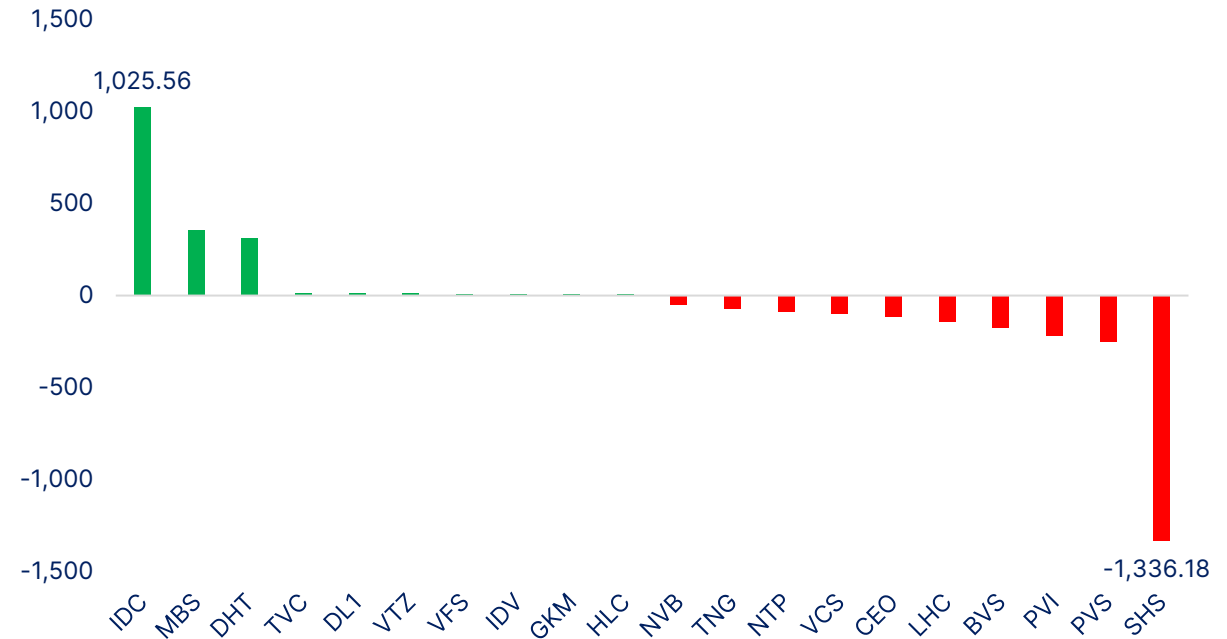


Source: Bloomberg, FiinProX, SHS Research

Net Buy/Sell Value of Foreign Investors on HNX by Year Since 2008 (Billion VND)



Top Net Buy/Sell Stocks by Foreign Investors on HNX in 2024



On HNX, after two years of significant net buying, foreign investors switched to net selling with a total value of VND -1,083.9 billion in 2024. Major net sales included SHS (-VND 1,336.2 billion), PVS (-VND 253.6 billion), and PVI (-VND 221.9 billion). On the other hand, notable net purchases were recorded in IDC (+VND 1,025.6 billion), MBS (+VND 355.8 billion), and DHT (+VND 311.0 billion).

Cumulatively from 2021 to 2024, foreign investors net bought VND 759.9 billion on HNX.

Source: FiinProX, SHS Research

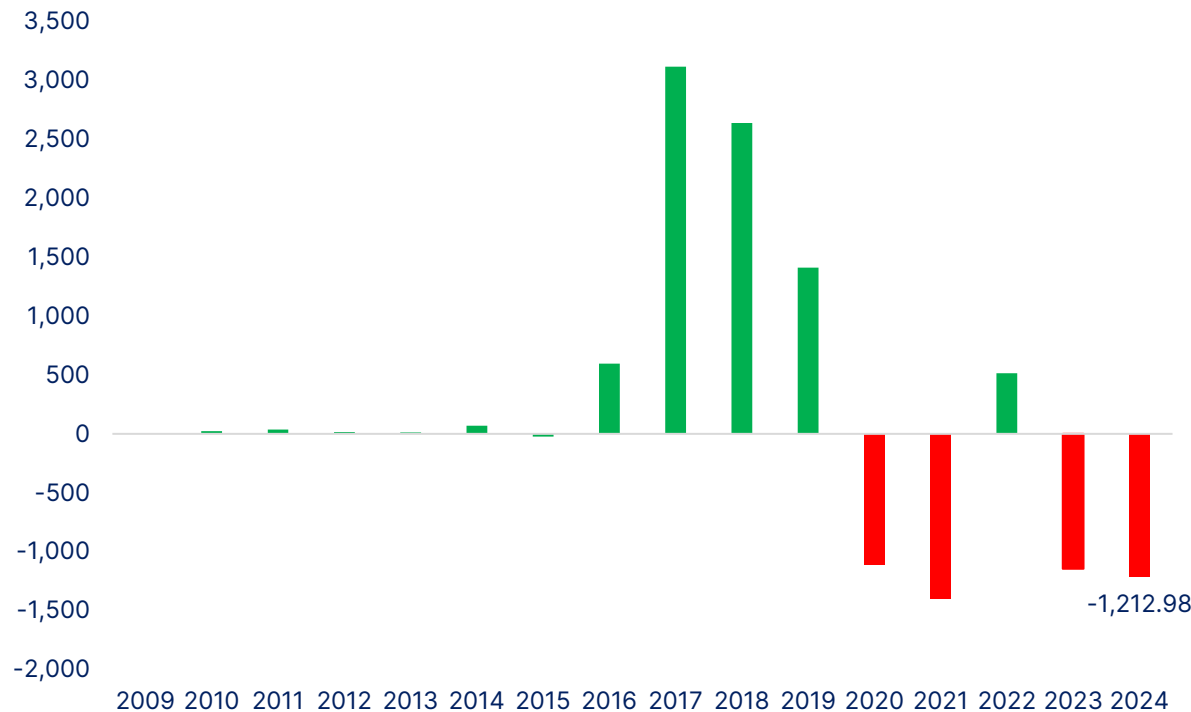
STOCK MARKET HIGHLIGHTS IN 2024 - FOREIGN TRADING ACTIVITIES



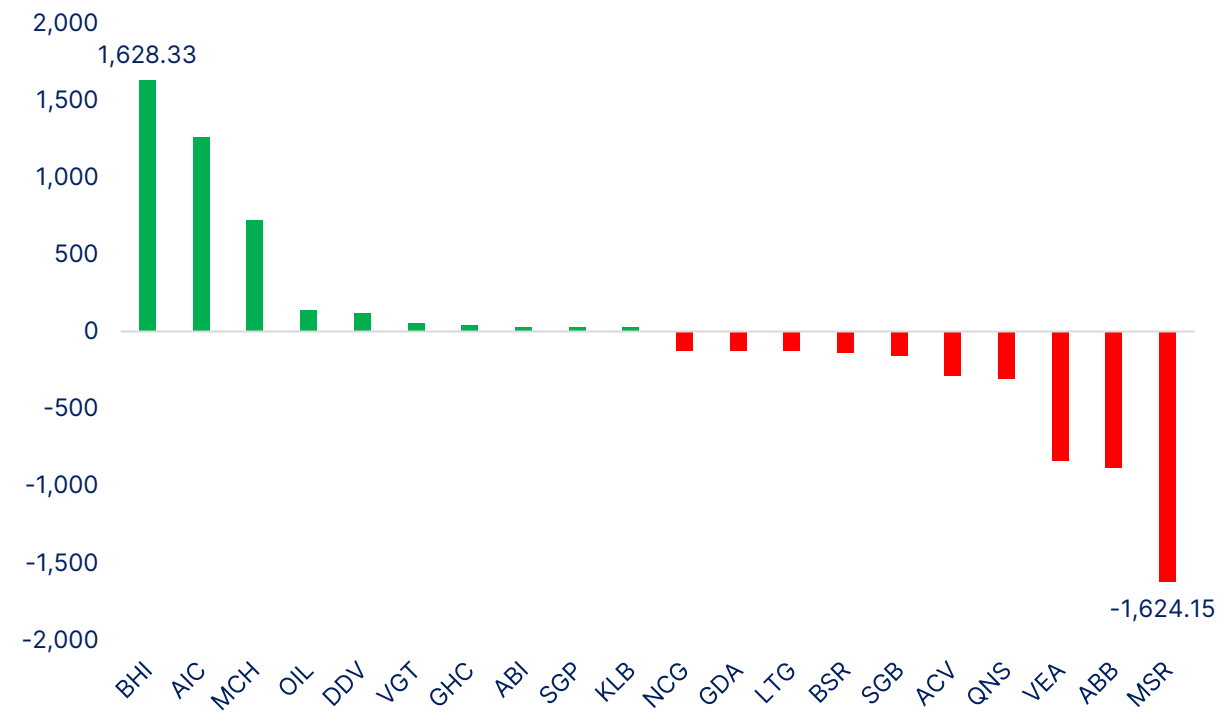
On UPCOM, foreign investors recorded a second consecutive year of net selling in 2024, with a total value of VND -1,212.98 billion. Significant net selling included MSR (-VND 1,624.2 billion), ABB (-VND 882.5 billion), and VEA (-VND 840.4 billion). On the other hand, notable net purchases were seen in insurance companies BHI (+VND 1,628.3 billion) and AIC (+VND 1,263.0 billion), as well as MCH (+VND 725.0 billion).

Cumulatively from 2021 to 2024, foreign investors recorded a significant net sale of VND -3,239.2 billion on UPCOM.

Net Buy/Sell Value of Foreign Investors on UPCOM by Year since 2009 (Billion VND)



Top Net Buy/Sell Stocks by Foreign Investors on UPCOM in 2024



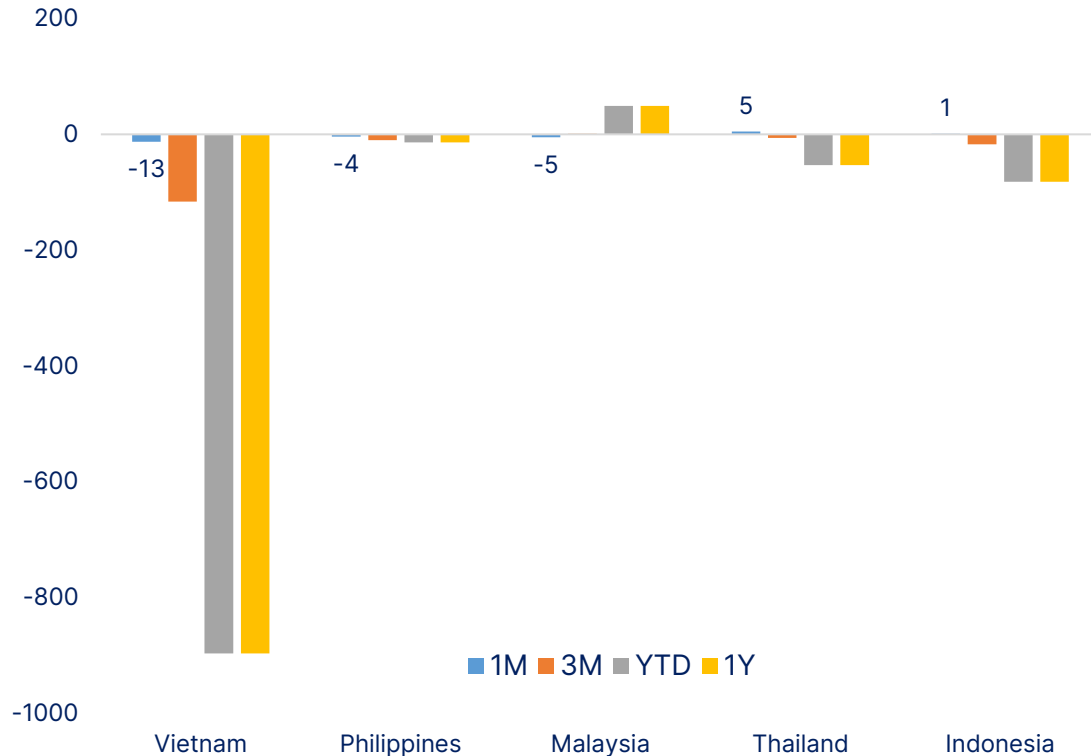
Source: FiinProX, SHS Research

STOCK MARKET HIGHLIGHTS IN 2024 - FOREIGN TRADING ACTIVITIES

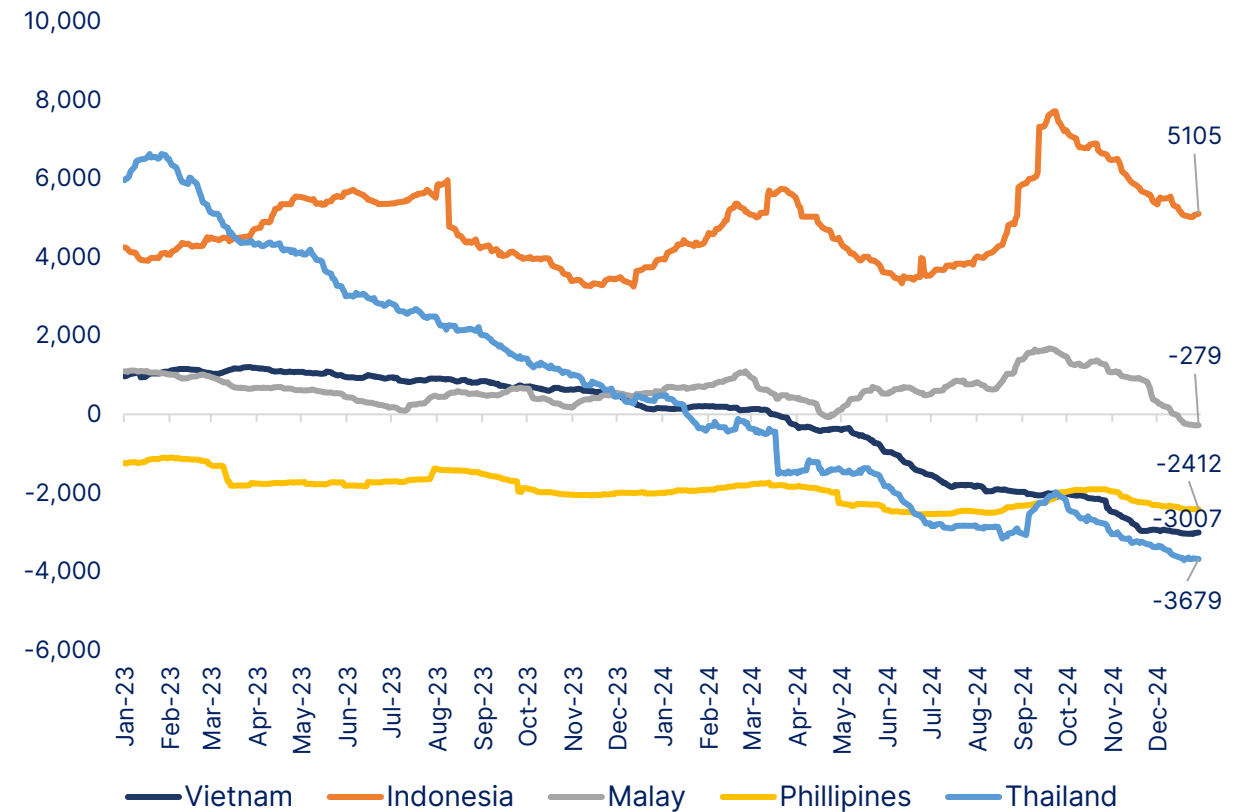


In 2024, Vietnam faced the strongest net outflows from ETFs, with a net withdrawal of USD -897 million. Other markets also experienced outflows, including Indonesia (-USD 82 million), Thailand (-USD 53 million), and the Philippines (-USD 14 million), except for Malaysia, which saw a net inflow of USD +49 million. Given the sharp ETF outflows in Vietnam in 2024, it is anticipated that the pressure from net withdrawals will significantly ease in 2025.

ETF Capital Flows by Country (USD Million)



Cumulative Foreign Stock Trading (2023-2024)



Source: Bloomberg, SHS Research

STOCK MARKET HIGHLIGHTS IN 2024 - FOREIGN TRADING ACTIVITIES



Fund	Type of Fund	AUM (USD million)	NAV (USD)	Number of outstanding shares	Net capital flow (USD million)			
					1M	3M	YTD	1Y
DCVFMVN Diamond ETF (VND)	ETF	495.70	1.32	376,200,000	0.4	7.2	(358.2)	(358.2)
Fubon FTSE Vietnam ETF (TWD)	ETF	586.04	0.36	1,642,238,000	(7.9)	(19.6)	(240.7)	(240.7)
DCVFMVN30 ETF Fund (VND)	ETF	266.24	0.92	288,100,000	(4.7)	(16.4)	(90.4)	(90.4)
VanEck Vietnam ETF (USD)	ETF	417.17	11.62	35,900,000	(12.4)	(41.3)	(58.3)	(58.3)
Xtrackers FTSE Vietnam Swap UCITS ETF (EUR)	ETF	254.82	24.68	10,300,540	(1.6)	(17.5)	(67.9)	(67.9)
SSIAM VNFIN LEAD ETF (VND)	ETF	18.95	0.87	21,900,000	(0.2)	(5.3)	(87.0)	(87.0)
KIM KINDEX Vietnam VN30 ETF (KRW)	ETF	162.41	15.03	10,800,000	-	(39.6)	(67.5)	(67.5)
Premia MSCI Vietnam ETF (USD)	ETF	4.63	7.23	640,000	-	0.4	(10.3)	(10.3)
SSIAM VNX50 ETF (VND)	ETF	5.06	0.79	6,400,000	-	-	(2.4)	(2.4)
Global x MSCI Vietnam ETF (USD)	ETF	11.46	15.29	750,000	-	-	1.9	1.9
SSIAM VN30 ETF (VND)	ETF	6.77	0.66	10,300,000	-	-	0.1	0.1
KIM GROWTH VN30 ETF (VND)	ETF	69.82	0.35	198,300,000	-	4.8	42.5	42.5

Source: Bloomberg, SHS Research

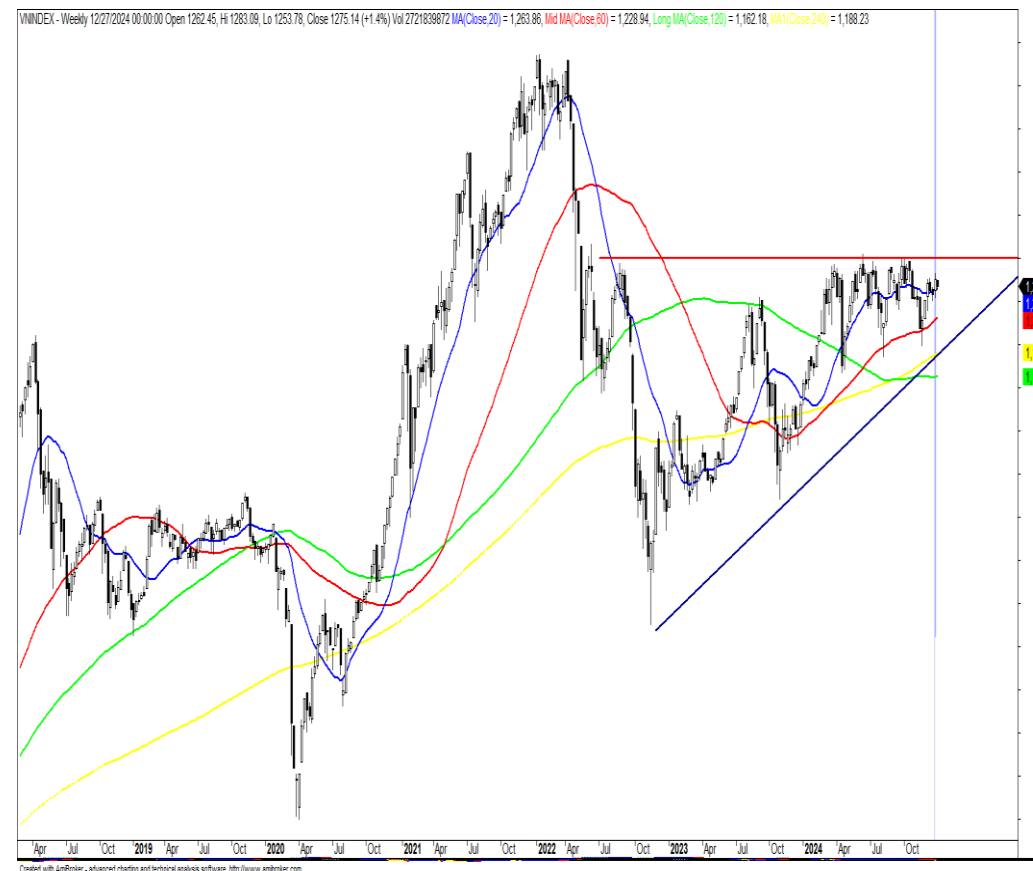
STOCK MARKET OUTLOOK FOR 2025

STOCK MARKET OUTLOOK FOR 2025

VNINDEX					Average Trading Value (Billion VND/Session)			
2024	%/2023	2025 min	2025 max	%/2024	2024	%/2023	2025	%/2024
1,266.78	12.11%	- 20% ~ -15%	+10% ~ +12%	10 - 12%	18,760	23.1%	20,600 – 21,000	10%-12%

VN-INDEX MAINTAINS LONG-TERM GROWTH

- Positive factors include:** (1) robust economic growth, with an average annual growth rate expected to exceed 8% during 2025–2030, (2) stable low interest rates with well-controlled inflation, (3) expectations of a market upgrade, and (4) attractive market capitalization relative to the economy and GDP.
- Risk and uncertainty factors include:** (1) net selling by foreign investors due to high interest rate differentials and a lack of new high-quality market supply, (2) high margin loan ratios, (3) global geopolitical tensions, (3) and economic challenges in Vietnam and worldwide under the pressure of U.S. tariff impositions.
- After a 12.2% increase in 2023 and a 12.1% rise in 2024, VN-INDEX is anticipated to mark its third consecutive year of gains**, recovering from the sharp 33% decline in 2022. However, in 2025, fundamentally strong stocks are trading at high price levels, while other groups face weakened business performance, making it challenging to identify well-valued investment opportunities among core stocks. The VN-INDEX is forecasted to experience significant volatility in 2025, with a potential sharp correction of 15%–20% before stabilizing and returning to sustainable growth in the medium to long term.



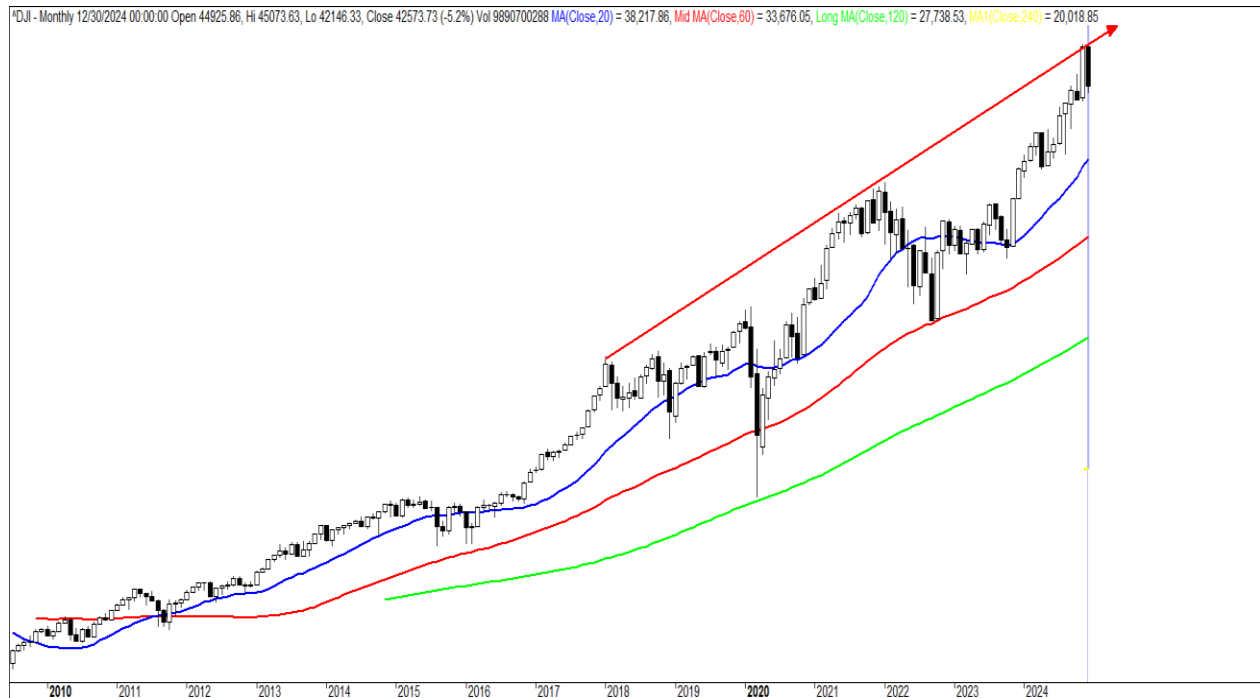
STOCK MARKET OUTLOOK FOR 2025



VN-INDEX SUSTAINS LONG-TERM GROWTH

Updates on the market and VN-INDEX in positive or negative scenarios will be provided in monthly or quarterly reports as new data emerges.

The market becomes more positive when favorable factors persist, and uncertainties ease. A recovery in the real estate, with real estate companies emerging from recession and showing strong improvements in revenue, profit, and cash flow, also contributes to optimism. Conversely, the market turns more negative if uncertainties persist or intensify, global economic growth slows, U.S. financial market, gold, and cryptocurrencies decline in 2025.



STOCK MARKET OUTLOOK FOR 2025



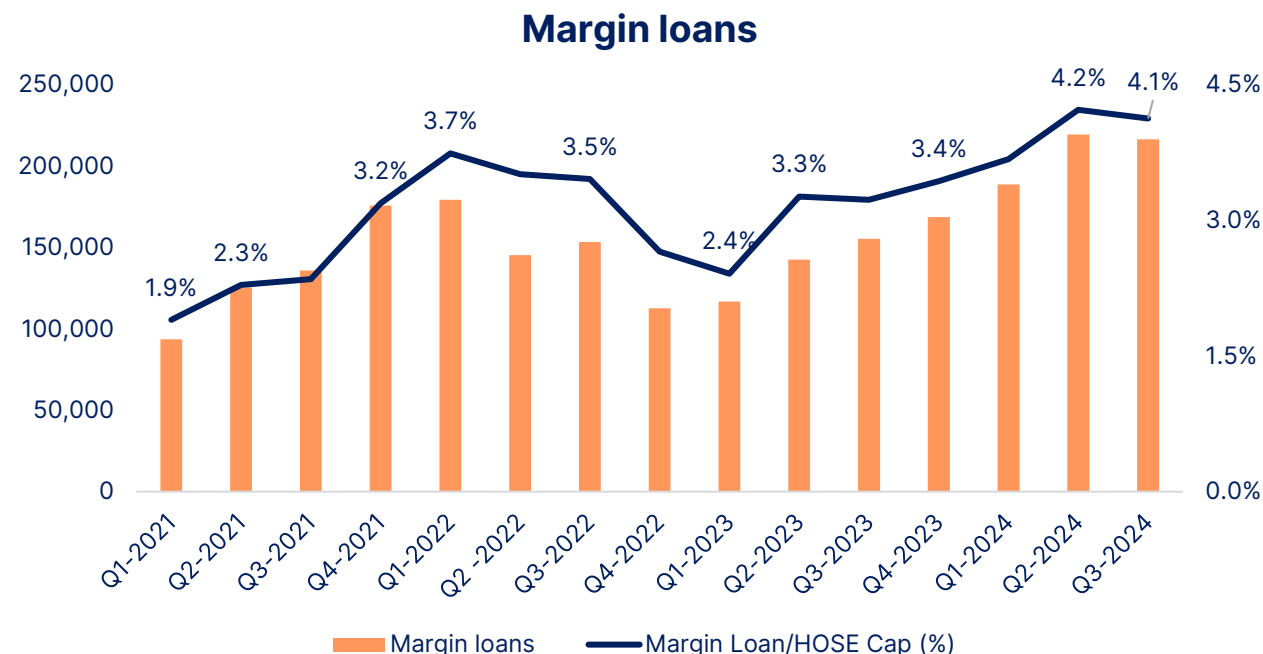
Time	2021				2022				2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
(Thousand Bn VND)																
Market Cap	HOSE	4,930.97	5,488.61	5,783.52	5,508.24	4,795.20	4,137.64	4,436.26	4,240.41	4,838.99	4,367.29	4,813.70	4,914.86	5,134.93	5,196.08	5,247.06
	HNX	296.10	402.35	411.32	403.74	305.16	266.76	261.84	255.34	293.23	292.43	302.37	305.86	330.83	319.58	352.66
	UPCoM	932.09	1,182.24	1,195.53	1,256.82	1,085.58	924.17	934.34	949.44	997.22	959.74	995.49	1,219.83	1,424.69	1,406.18	1,536.42
	OTC	5.61	8.25	7.66	12.14	5.97	5.94	6.25	7.31	5.68	5.86	6.19	6.35	6.62	1.66	1.64
Margin loans	HOSE	93.66	125.45	135.91	175.64	179.35	145.27	153.30	112.56	116.67	142.53	155.36	168.66	188.68	219.36	216.42
Margin/HOSE Cap	HOSE	1.9%	2.3%	2.3%	3.2%	3.7%	3.5%	3.5%	2.7%	2.4%	3.3%	3.2%	3.4%	3.7%	4.2%	4.1%

MARGIN LOANS RATIO HITS RECORD HIGH

During 2023–2024, margin loans continued to rise, peaking at VND 219,358.9 billion by the end of Q2/2024. The margin loan-to-market capitalization ratio on HOSE reached a new high of 4.2%, surpassing the previous record set in Q1/2022 when the VN-INDEX stood at 1,500.

The increasing margin loan utilization rate reflects weaker new capital inflows into the market compared to the significant net selling pressure from foreign investors. This was also a contributing factor to the VN-INDEX consolidating within a narrow range in 2024.

In 2025, for VN-INDEX to achieve strong growth, the margin loan-to-market capitalization ratio may need to decrease to 3.5–3.7%, similar to the peak levels of 2021–2022. This could be supported by reduced net selling pressure from foreign investors, increased new capital inflows, and strong corporate growth.



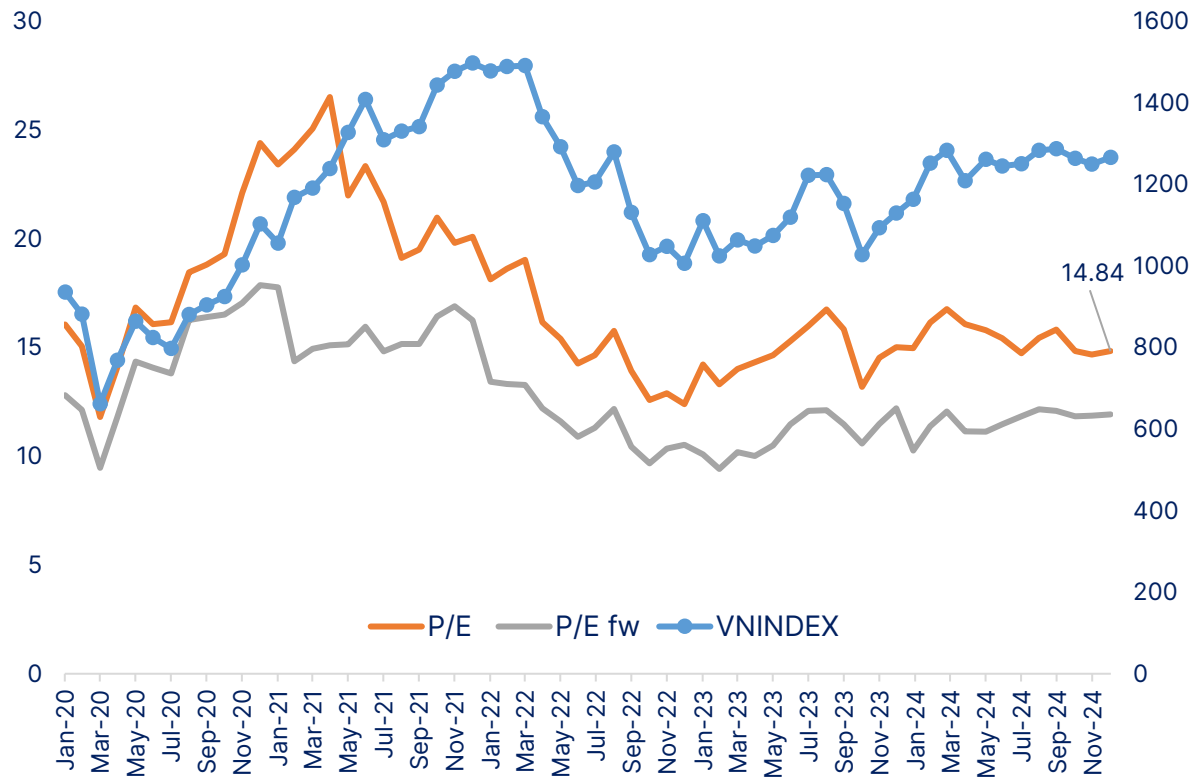
Source: SHS Research

STOCK MARKET OUTLOOK FOR 2025

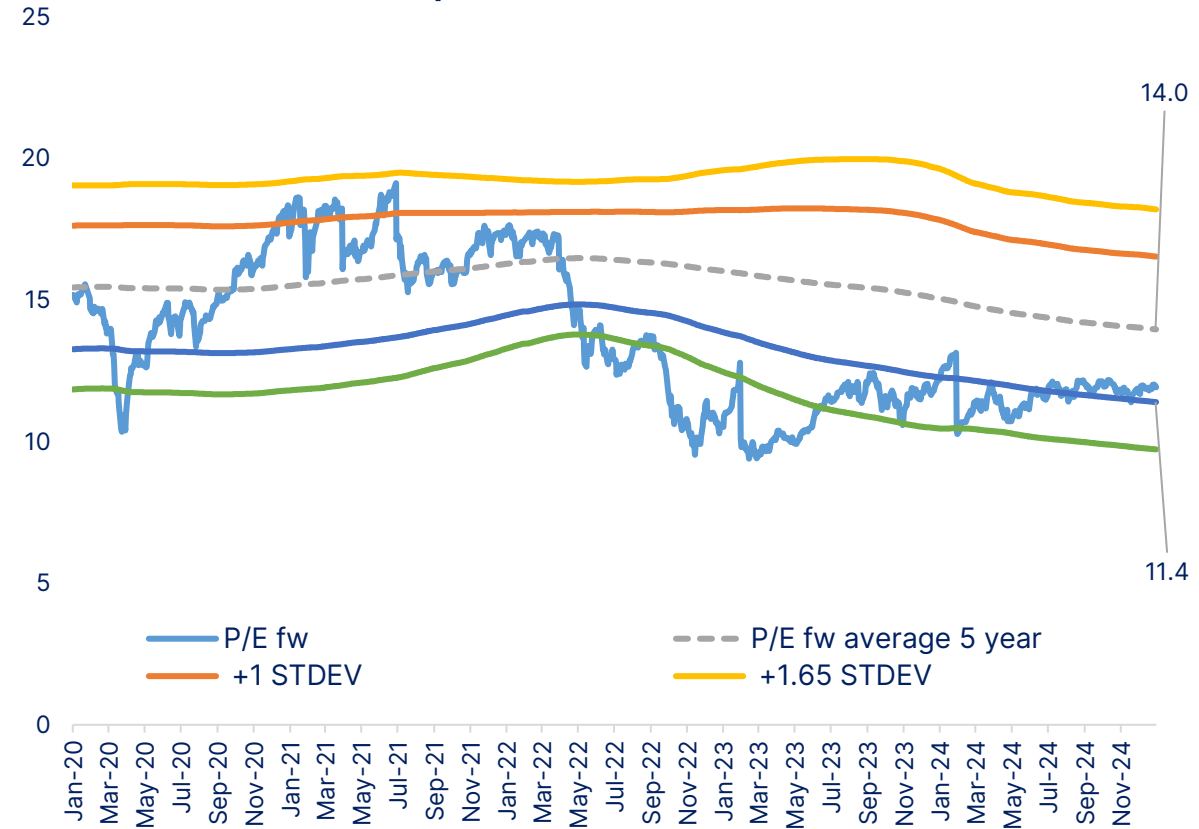


At the end of 2024, the VN-INDEX had a P/E valuation of 14.84, lower than the 10-year average (16.6x) and the 5-year average (17.1x). With a forward P/E of 11.4, this valuation is considered attractive given the current growth outlook. However, it is important to note that the low P/E is largely driven by the substantial profits of the banking sector, which have lowered the overall market P/E.

Valuation of the Vietnamese Stock Market

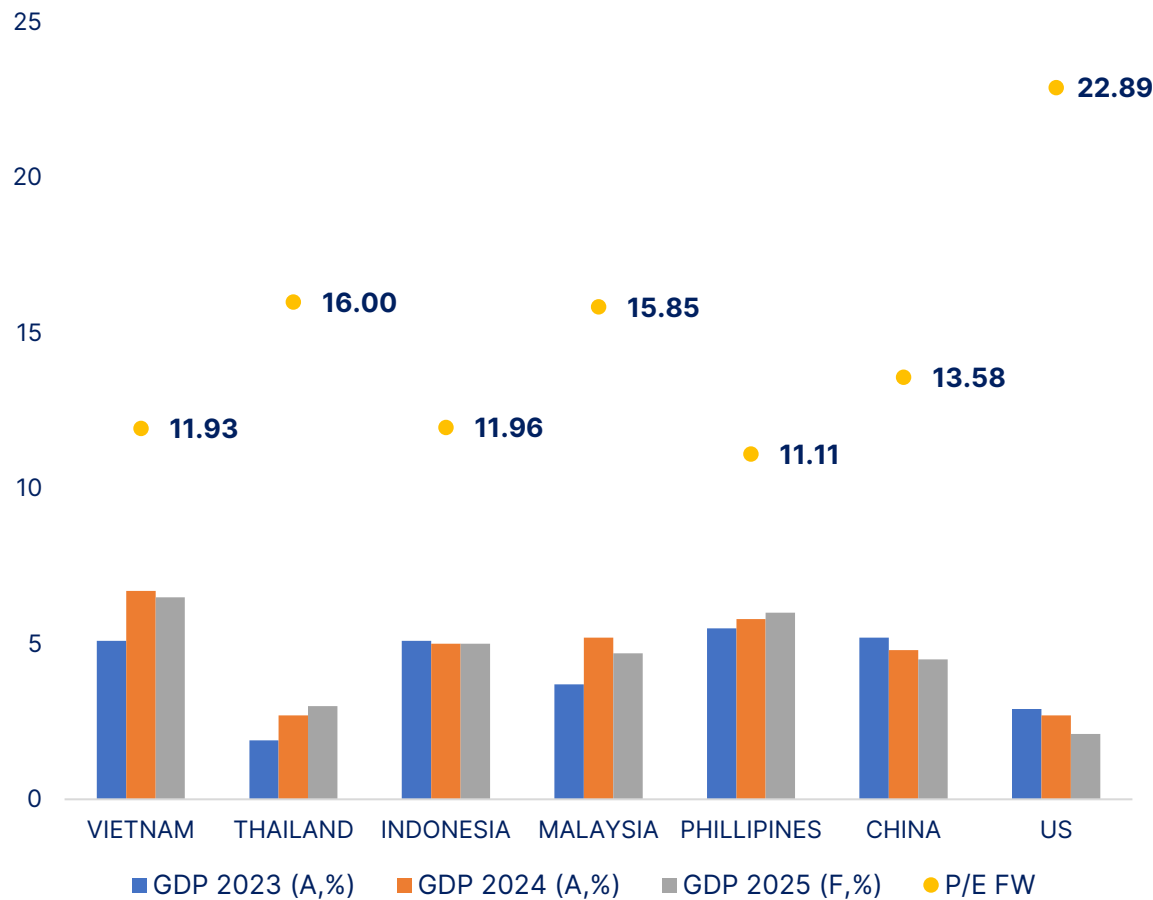


P/E forward VNindex

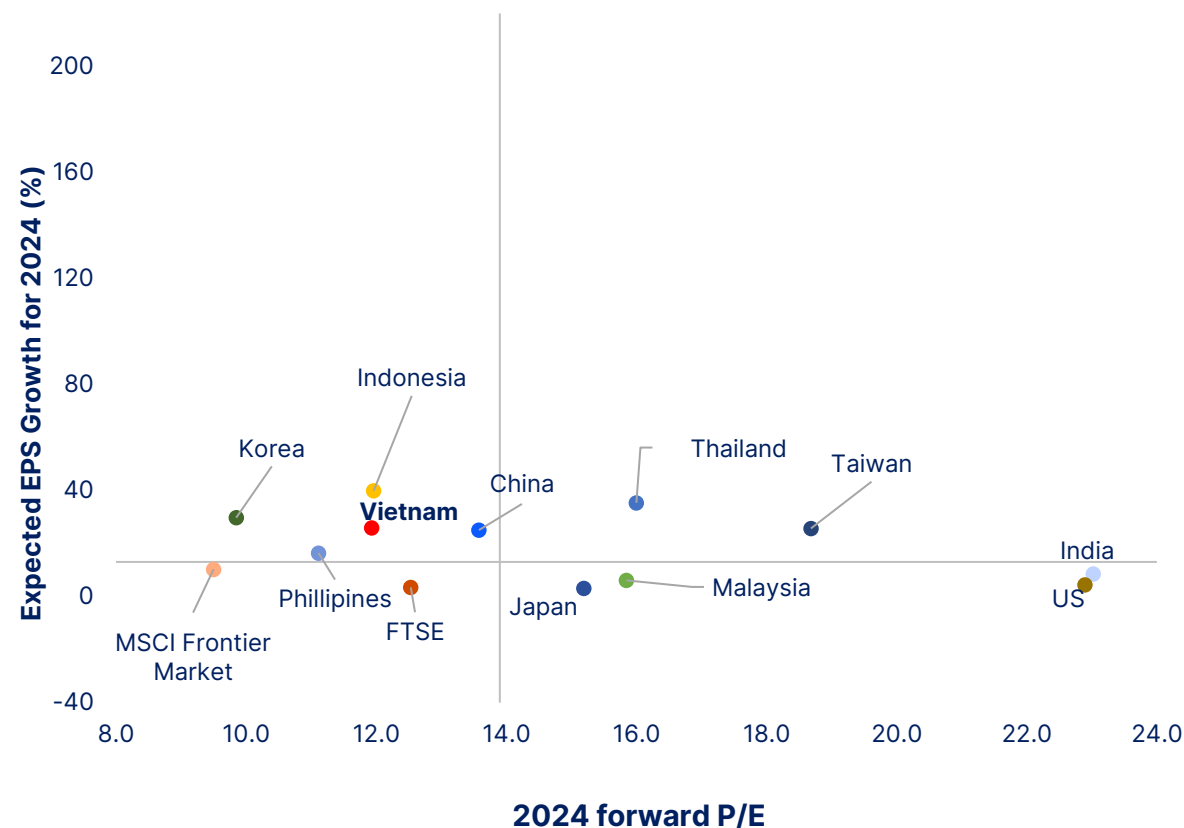


Source: Bloomberg, SHS Research

Vietnamese Stock Market Compared to Other Countries Worldwide

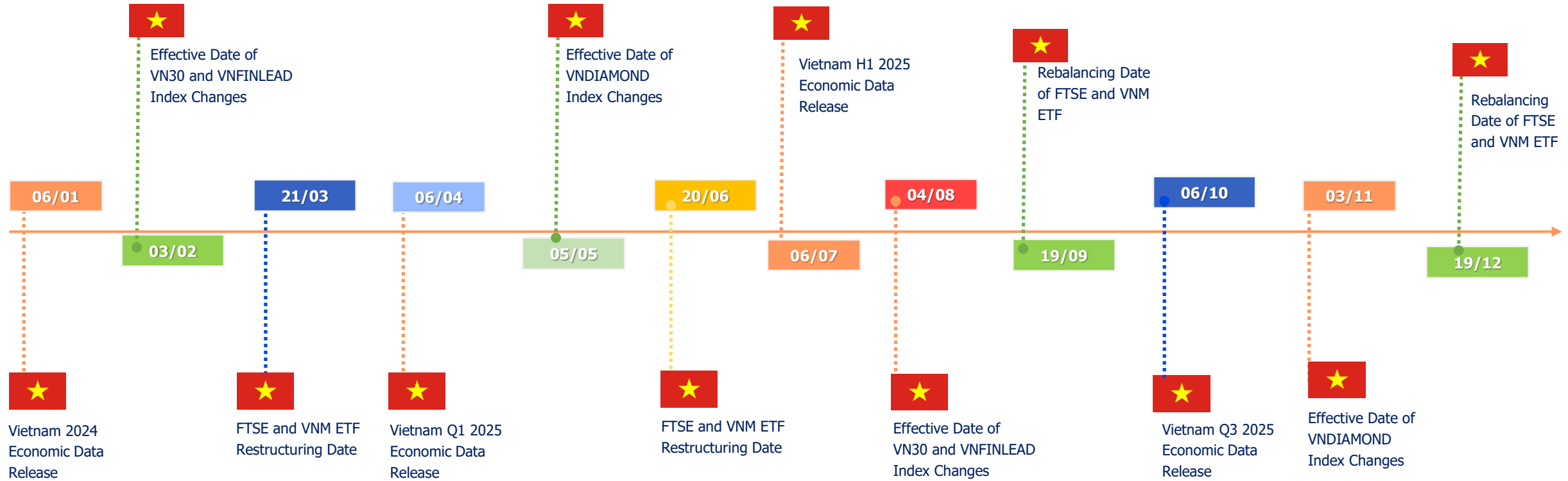


Expected EPS Growth, P/E Forward 2024



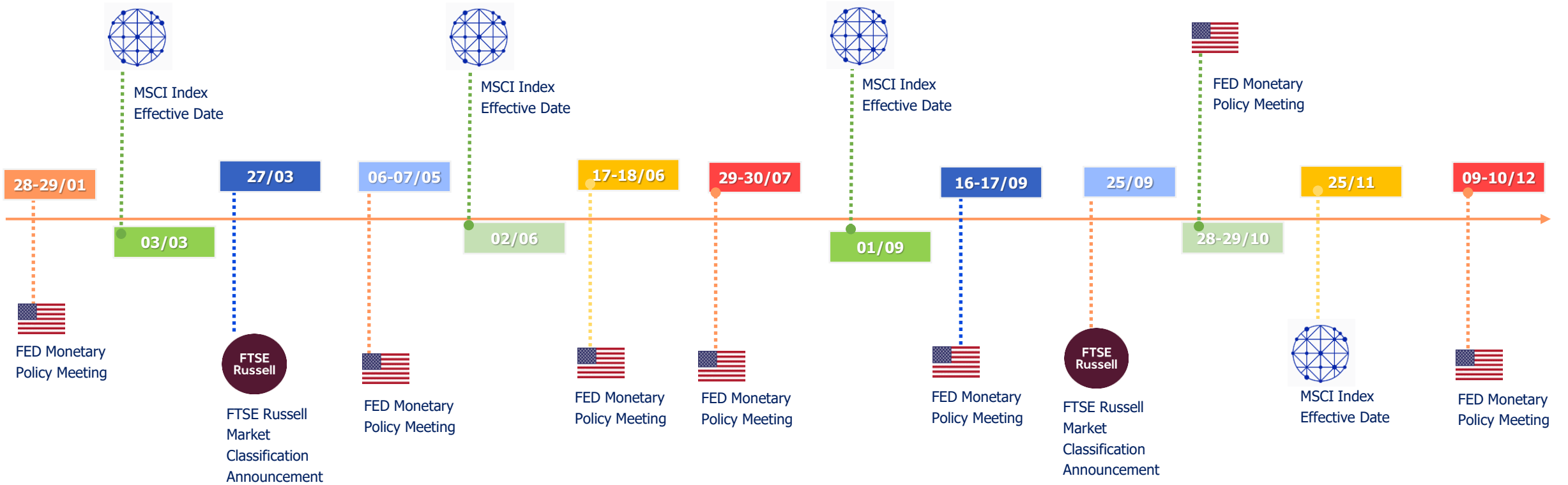
Source: Bloomberg, SHS Research

DOMESTIC EVENTS SCHEDULE 2025



Source: SHS Research

INTERNATIONAL EVENTS SCHEDULE 2025



Source: SHS Research

INDUSTRY OUTLOOK FOR 2025

INDUSTRY OUTLOOK FOR 2025



Banking

- ✦ Credit growth is expected to continue accelerating in 2025..
- ✦ The real estate market is expected to bottom out and recover, with an increase in supply. However, NIM may decline due to competitive lending rates among banks and potential risks of non-performing loans, particularly in smaller private banks.



Industrial Real Estate

- ✦ FDI inflows are expected to remain strong, driven by low costs and the "China + 1" relocation trend.
- ✦ Strong infrastructure investment boosts industrial zone potential.



Logistics

- ✦ Anticipating a new revolution: Logistics is forecasted to play a vital role and become the fastest-growing sector in the economy over the next 10–15 years, aiming to contribute 20% of GDP.
- ✦ Cross-border e-commerce is expected to see high growth in the near future..



Financial services

- ✦ Attractive valuations and a potential upgrade to SEM in FTSE's September 2025 review are expected to increase average trading value by 11%–12%, supporting securities firms' performance.
- ✦ Securities firms with strong foreign institutional client bases will benefit the most from the market upgrade.



Tech - Telecom

- ✦ Rising global tech investment and AI trends will drive growth for Vietnamese tech firms in service provision.
- ✦ IT-focused policies and Vietnam's skilled workforce provide favorable conditions to leverage the supply chain diversification wave and integrate into the global semiconductor and AI value chains.

BANKING

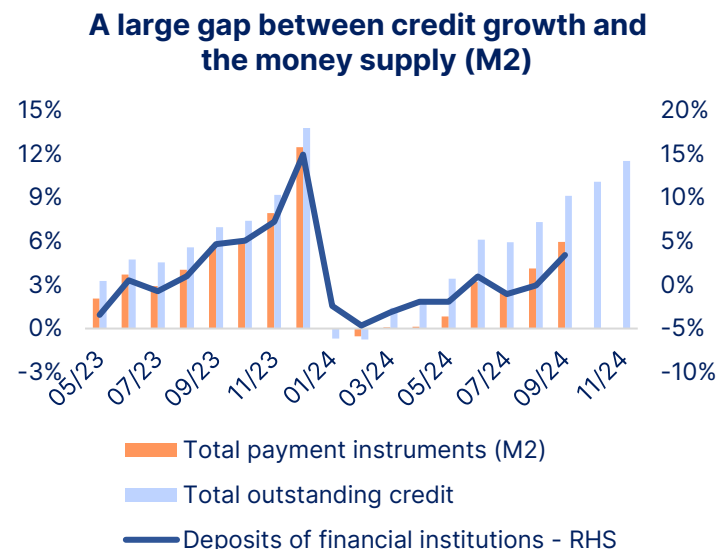
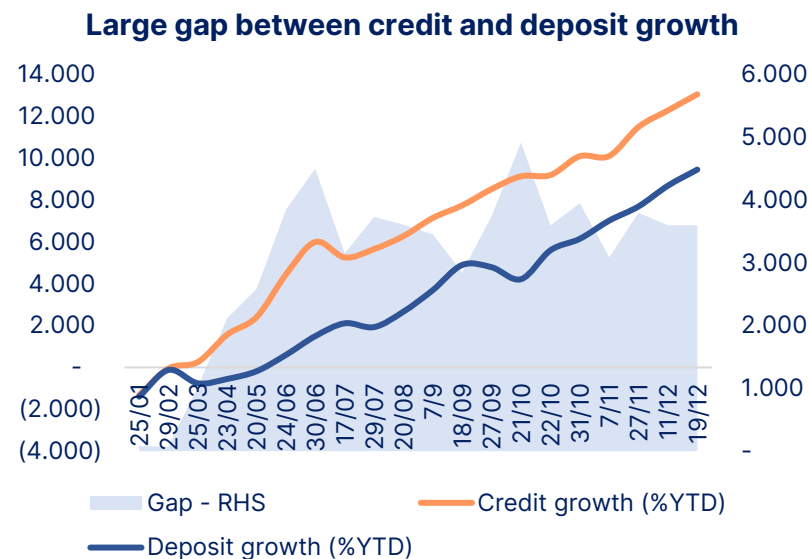
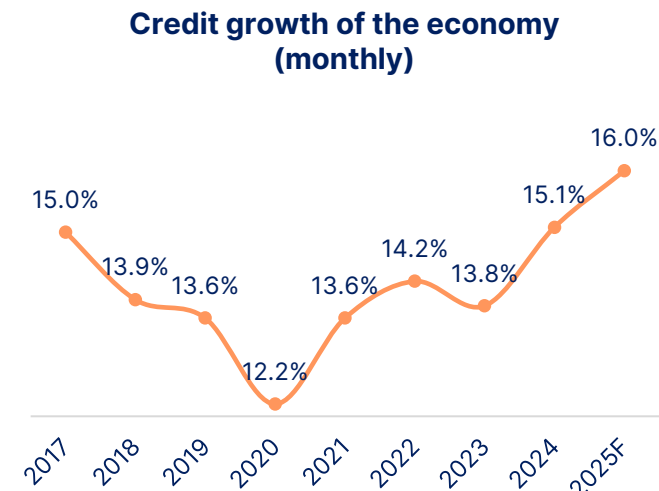
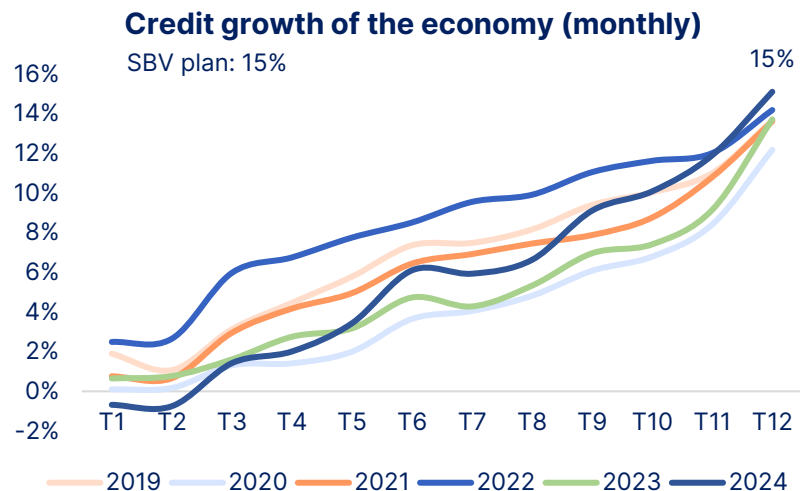
A major challenge in balancing credit and deposit growth

As of December 31st, 2024, the total credit growth in the banking system is 15.08% YTD. SBV has proactively adjusted the credit growth targets for credit institutions twice to promptly meet the capital needs of the economy.

Regarding deposit, the entire banking sector had only grown by 9.46% YTD as of December 19, creating a significant gap compared to credit growth, which put pressure on deposit interest rates. In this context, banks have increased the issuance of bonds to ease the pressure from competition for deposit interest rates as well as to meet capital adequacy requirements. Notable banks issuing large bond volumes in 2024 include: ACB with VND 36.1 trillion, HDB with VND 30.9 trillion, and TCB with VND 26.9 trillion.

The gap can also be seen in the relationship between credit and M2 money supply. As of the end of Q3, M2 had increased by 5.94% YTD. This was due to the SBV's sale of USD to ease exchange rate pressures. Slow public investment disbursement and the slow growth in transaction deposits from enterprises (+7.7% YTD) have negatively impacted liquidity and interest rates.

The SBV has revealed a target for credit growth in 2025 similar to 2024, aiming for 16%. In case of existing inflationary pressures, the SBV will make adjustments.

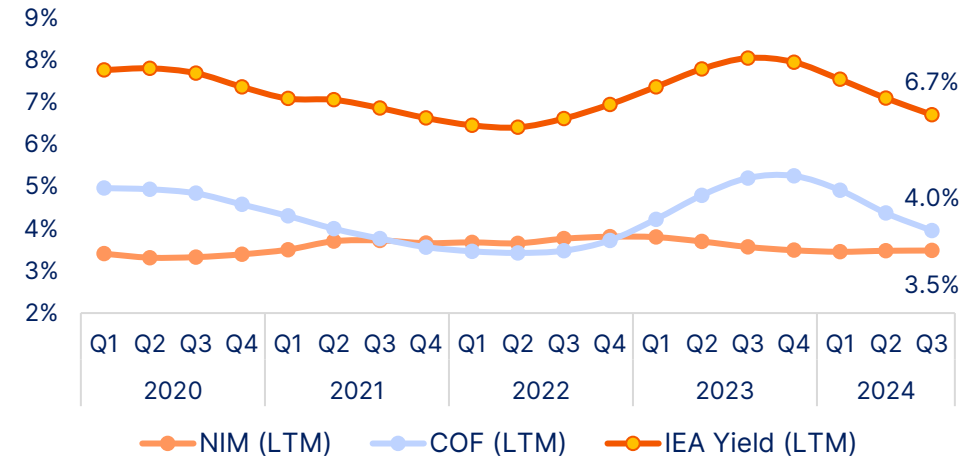


NIM is impacted by a dual effect, expected to remain stable in 2025

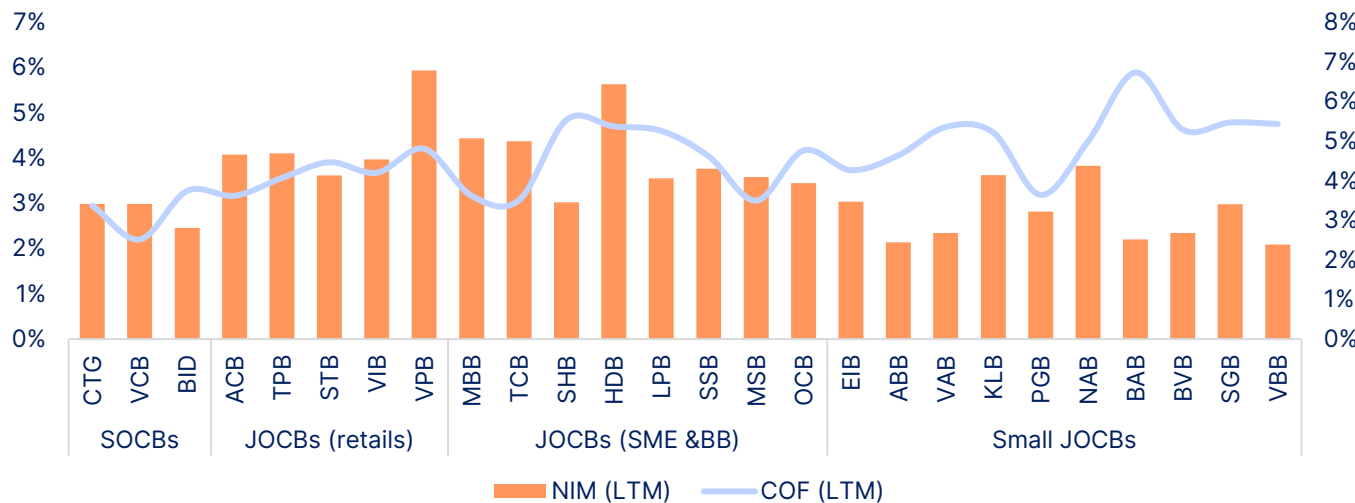


- **Retail credit demand is slowly recovering in 1H2024, encouraging banks to reduce lending interest rates from 3Q2024.** This trend is likely to continue at least until 1H2025 to support the economy. The interest rate competition among banks for lending rates runs parallel with the increase in deposit interest rates to improve liquidity. If this continues, it will further reduce the asset yields of banks and erode NIM.
- **The industry's NIM is expected to remain stable in 2025,** as it is influenced by the narrowing NIM in SOCBs. However, credit demand will also recover, particularly in personal loans focused on home purchasing.
- **In such a context, banks with high CASA ratios or diversified funding methods will have significant competitive advantages** in the coming year (such as TCB, MBB, VCB).

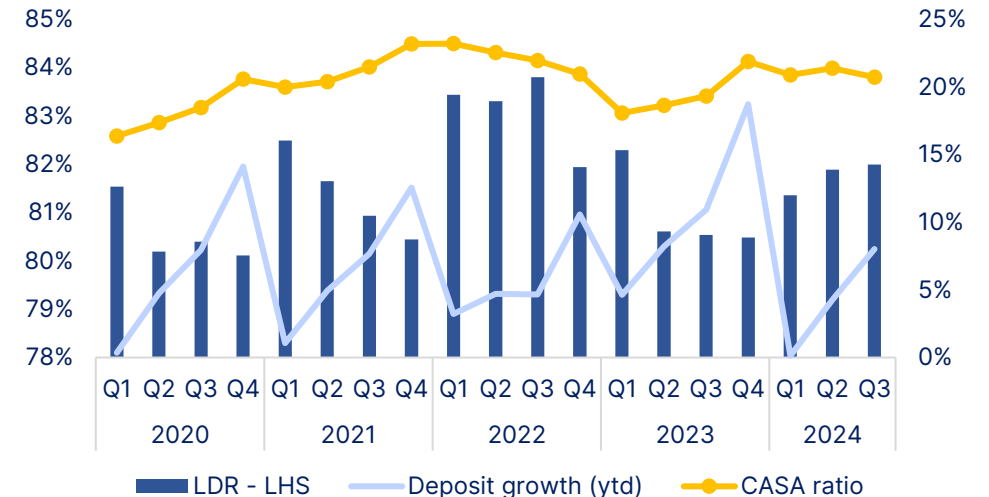
NIM has remained flat for 5 consecutive quarters



NIM and COF



CASA, LDR & deposit growth

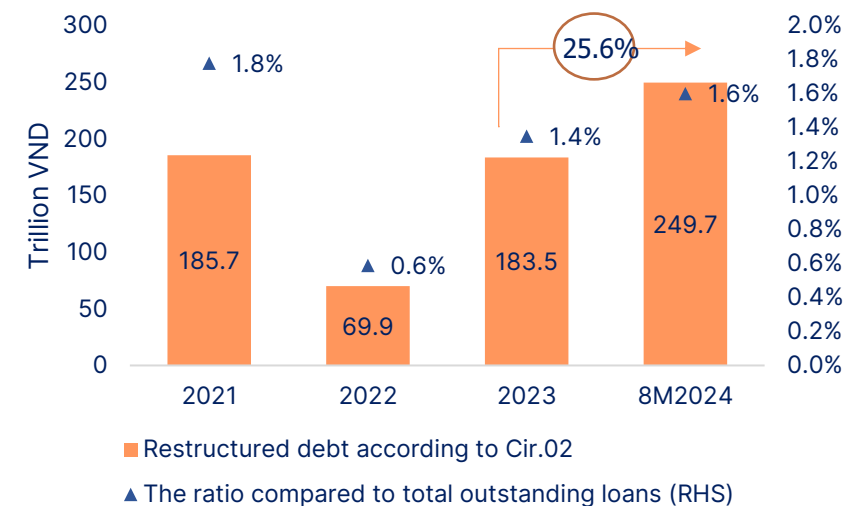


Banks with high loan loss provisions will be able to mitigate the risk of bad debts

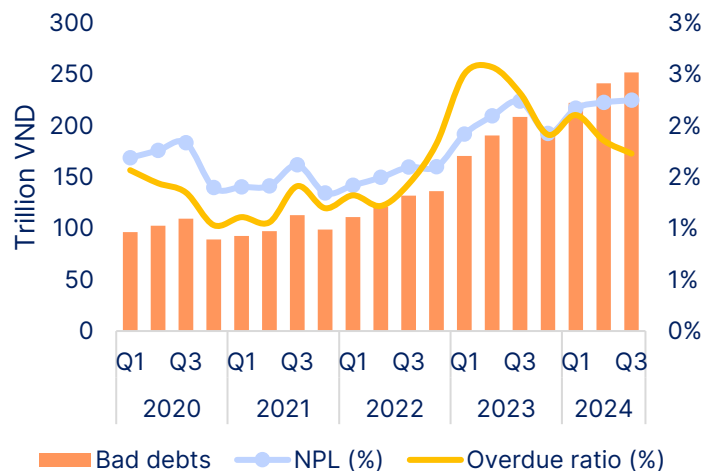


- ✦ The NPL ratio has increased since the beginning of the year due to several reasons: (i) The real estate market faces liquidity challenges; (ii) The debt restructuring period has ended, some businesses that have not yet recovered have been forced to shift to bad debt; (iii) There is pressure from large principal and interest payments on maturing bonds
- ✦ During the debt extension period, banks proactively set aside provisions and managed bad debts. The restructured loan ratio under Circular 02 accounted for a small proportion, around 1.6% of the total outstanding loans in the system by the end of Q3 2024. Only a few banks, such as VPBank (2.5%), MSB (1.2%), and TPB (0.8%), had higher ratios compared to the average, while the rest were all below 0.5%. Therefore, the expiration of Circular 02 will not have a significant impact on banks' balance sheets, and there will be no sudden fluctuations in bad debt levels or provisions.
- ✦ SHS Research expects the NPL ratio to decrease in 2025 as economic growth improves, with lower interest rates and the real estate market benefiting from new regulations aimed at alleviating difficulties.

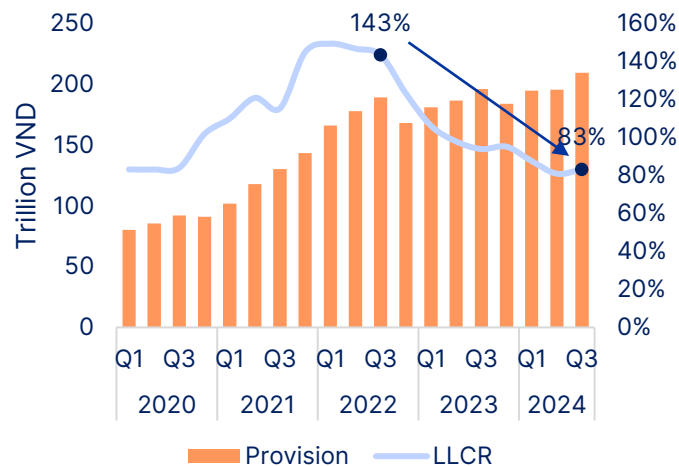
Restructured debt according to Circular 02



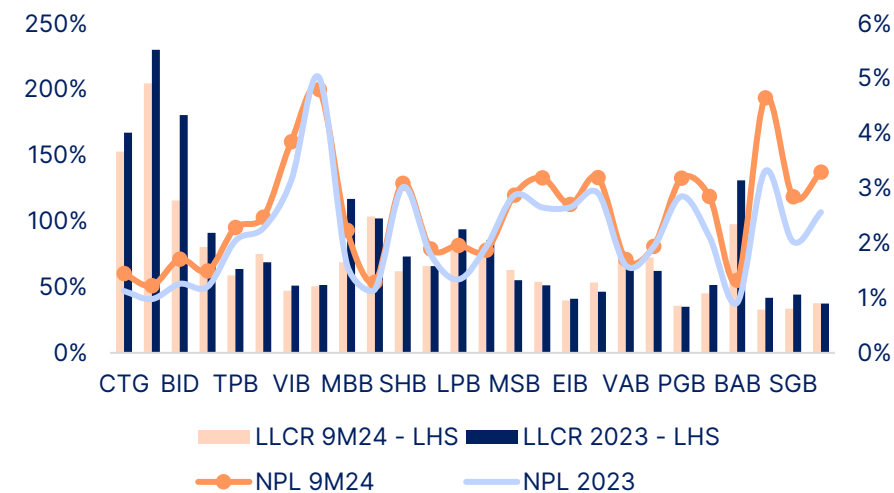
The amount of bad debt has increased (ytd)



The LLCR ratio has decreased from the peak level in Q3 2022



The bad debt ratio and LLCR of the banks

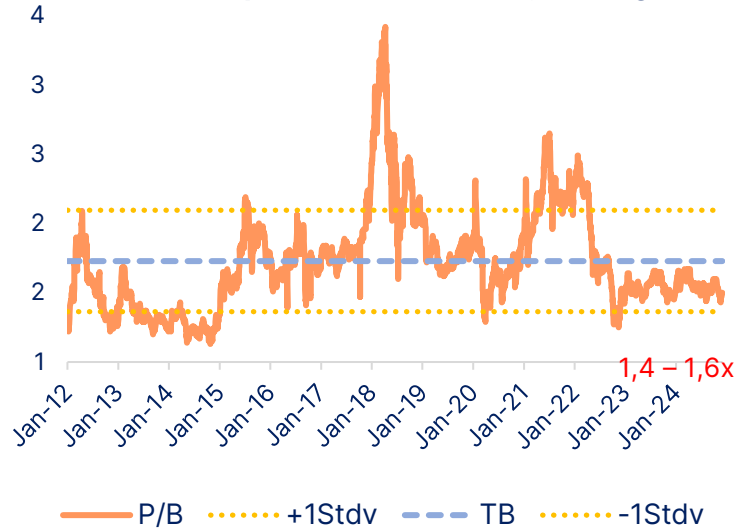


Stock valuations are fluctuating within a narrow range, lower than the average level during the period from 2012 to 2024.

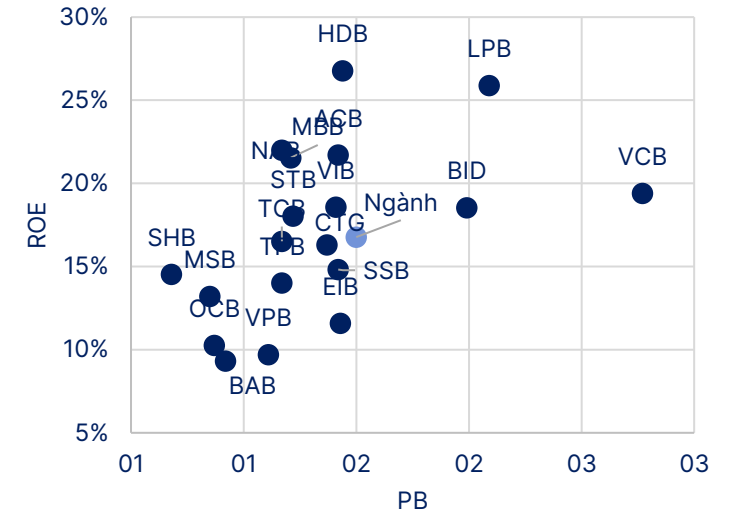


- ✦ The P/B ratio for the banking sector has fluctuated within a narrow range of 1.4x-1.6x over the past two years, which is lower than the average level during 2012-2024. Currently, the P/B ratio for the banking sector is 1.5x, 13% lower than the average P/B valuation.
- ✦ When comparing the data as of the end of Q3 2024, except for the two SOCBs, BIDV and VCB, and LPB, which have a P/B ratio higher than the sector average, most banks are trading at a P/B lower than the sector average. CTG has the lowest P/B ratio within the state-owned bank group at 1.37x.
- ✦ From 2014 to 2024, except for LPB, most banks' P/B ratios at present are either lower than or equivalent to the median level. TPB has the largest deviation, with a P/B 22.5% below the median, followed by VPB at 22.4%.

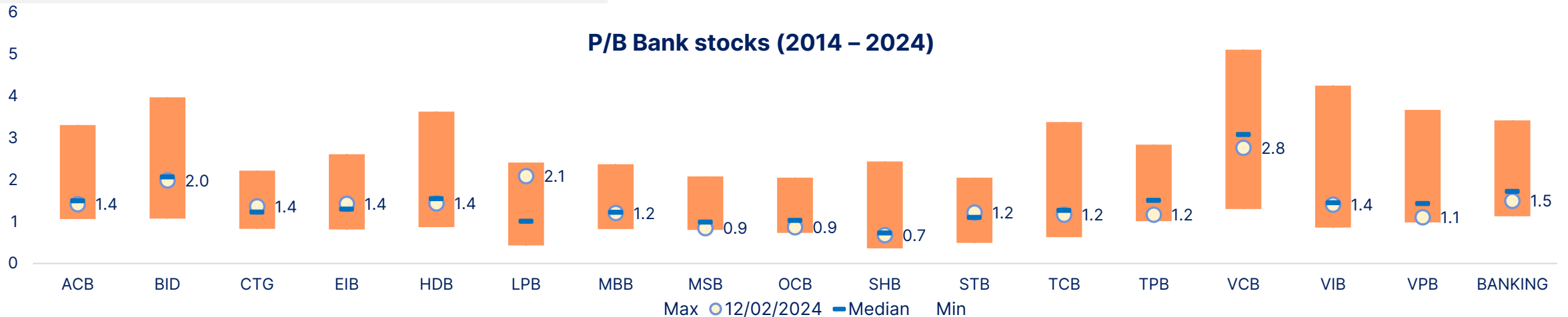
The correlation between P/B and ROE of banks compared to the industry average



The correlation between P/B and ROE of banks compared to the industry average



P/B Bank stocks (2014 - 2024)



A positive outlook for the banking sector



We maintain a **POSITIVE** outlook for the banking sector based on the following factors:

(1) Credit growth continues to be driven in 2025:

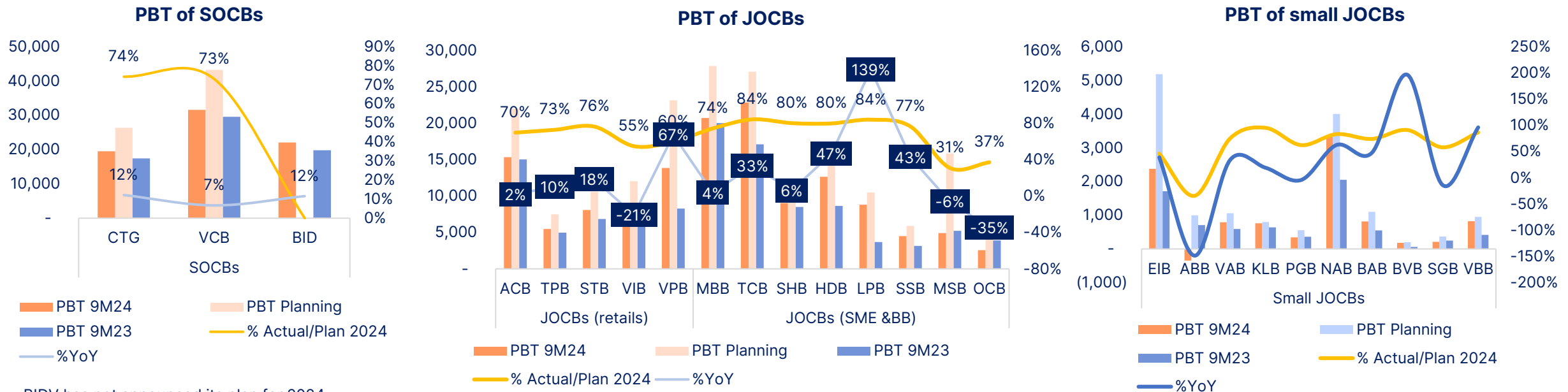
- Double-digit economic growth targets, equivalent to 2024 targets
- Aggressive public investment disbursement, especially for national key projects, will benefit state-owned banks
- Credit demand is returning

(2) The real estate market is showing signs of recovery, with supply expected to increase in 2025

(3) Industry-wide asset quality remains under control with government support policies. The expiration of Circular 02 did not cause significant fluctuations in bad debt & loan loss provisions. However, there are some **risks that require attention**:

(1) NIM likely to decrease due to lending rate competition between banks.

(2) Potential bad debt risks, especially among smaller banks that haven't made adequate provisions; the expiration of Cir.02 could lead to a sharp increase in NPLs.



BIDV has not announced its plan for 2024

	Catalysts	Target price (VND)	Closing price(VND) 31/12/24	Upside (%)	PBT (Bn VND)		P/B(x)	
					2024E	2025F	2024E	2025F
TCB	<ul style="list-style-type: none"> ✦ Credit growth among the highest in the banking system. ✦ Strong asset quality with NPL lower than industry average. ✦ NIM maintained above 4%. ✦ Potential real estate risks exist but not at concerning levels, as Vietnam's real estate market has not reached saturation like China. 	33,800	24,650	37.12%	29,291	35,698	1.09	0.93
CTG	<ul style="list-style-type: none"> ✦ NPAT-MI is forecasted to grow 15.4% YoY in 2025, supported by continued credit expansion and reduced credit costs following the increased loan loss provisioning period during 2023-2024. ✦ Expected to receive SBV approval for capital increase in 2025. CTG currently has plans to distribute stock dividends from retained earnings prior to 2023, with a total amount of 37,905 billion VND, equivalent to 70.59% of charter capital. ✦ Stock valuation is attractive relative to its market position and operational performance. 	45,200	37,800	19.58%	28,436	32,811	1.36	1.15

Source : FiinProX, SHS Research

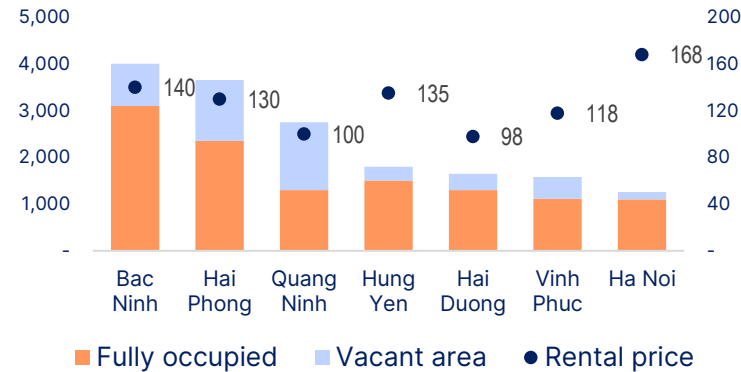
INDUSTRIAL REAL ESTATE



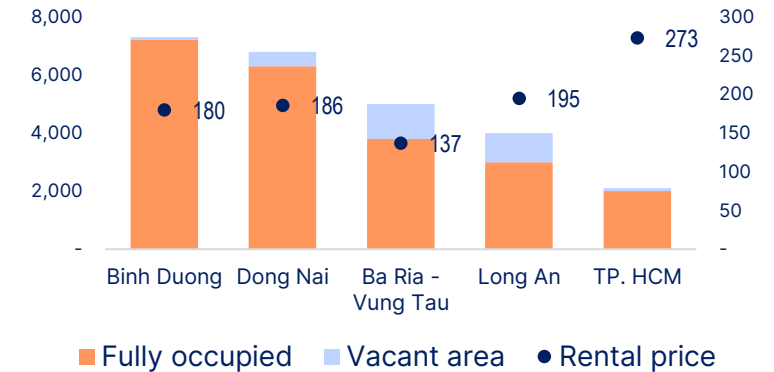
The current situation of the industrial real estate sector

- The total industrial land area nationwide exceeds 38,200 hectares, with over 203 operational industrial parks,** where the southern provinces account for more than 66% of the total industrial land area with over 25,222 hectares, while the northern provinces provide 12,985 hectares (34%).
- Rental prices in the North are increasing faster due to high-quality demand,** while the new supply in the southern market is limited due to slow compensation and land clearance processes.
- The northern market is vibrant thanks to its strategic location, well-developed infrastructure, and abundant land reserve,** while the southern market is characterized by a variety of industries, supported by excellent port systems and a developed logistics network.
- Industrial land reserves are gradually shrinking, especially in the southern region.** Therefore, companies are actively expanding their land reserves, with a preference for companies like Vietnam Rubber Group (GVR), Phuoc Hoa Rubber (PHR), or enterprises that have attracted major international corporations over the years such as Kinh Bac (KBC), Viglacera (VGC), and IDICO (IDC).

The leasing performance of industrial land in the northern provinces (USD/m²)



The leasing performance of industrial land in the southern provinces



Hai Duong and Hung Yen lead the trend of rental price increases in the northern market



BR-VT continues to be an alternative destination to tier-1 markets in the South

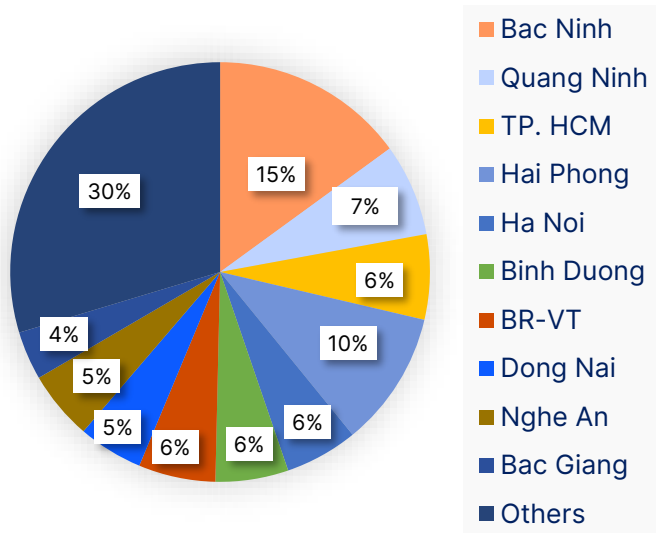


Source: CBRE Vietnam, SHS Research

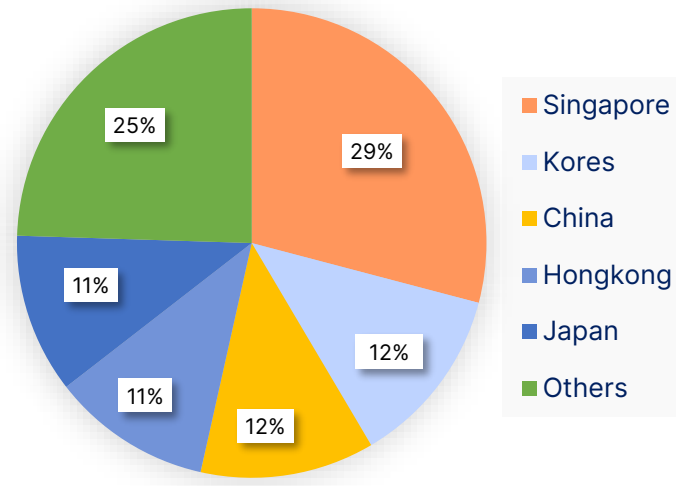
The prospects of the industrial real estate sector

- ✦ **Vietnam has significant potential to attract FDI** due to competitive production electricity prices and labor costs compared to other countries in the region.
- ✦ **The “China + 1” strategy** is driving the shift of major manufacturers to Vietnam, prompted by rising labor costs in China, US-China trade tensions, and the impact of the COVID-19 pandemic on global supply chains.
- ✦ **Strengthening cooperation with major economies will help boost investment into Vietnam.** To date, Vietnam has signed 17 FTAs and is negotiating 2 more (Vietnam – EFTA, ASEAN - Canada).

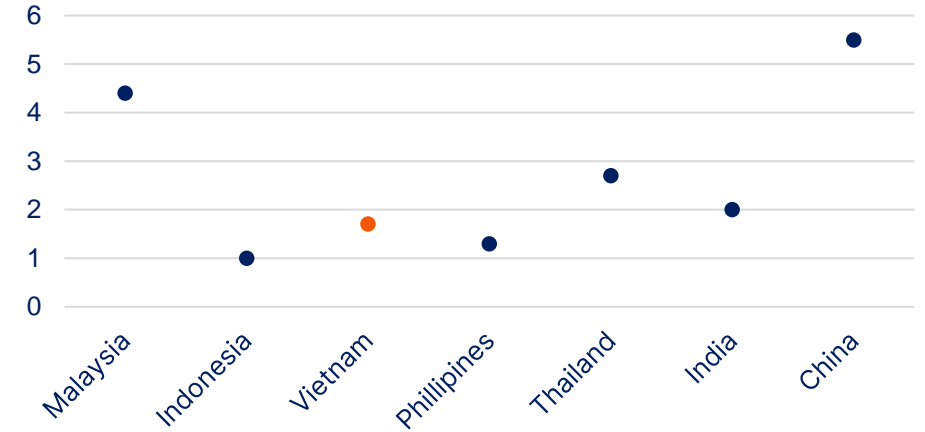
Registered FDI by locality in 2024



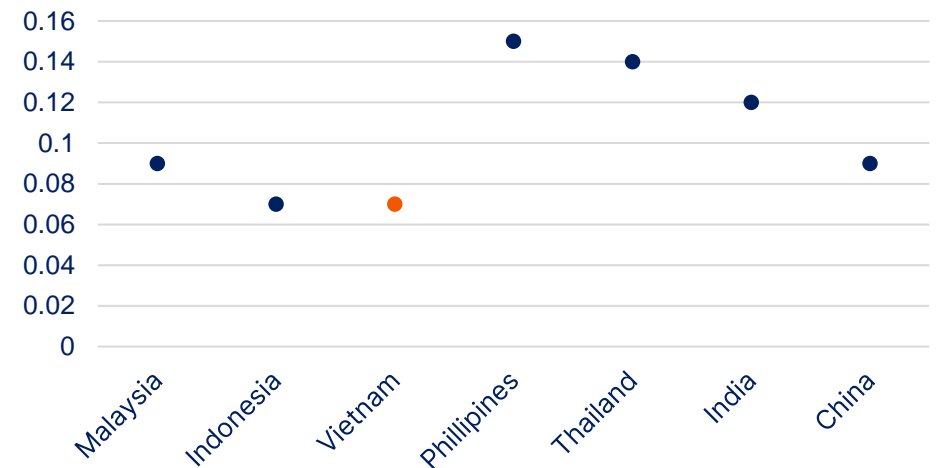
Registered FDI by country in 2024



Manufacturing wages (usd/hour)



Electricity production cost (usd/hour)



Source: World Bank, Foreign Investment Agency

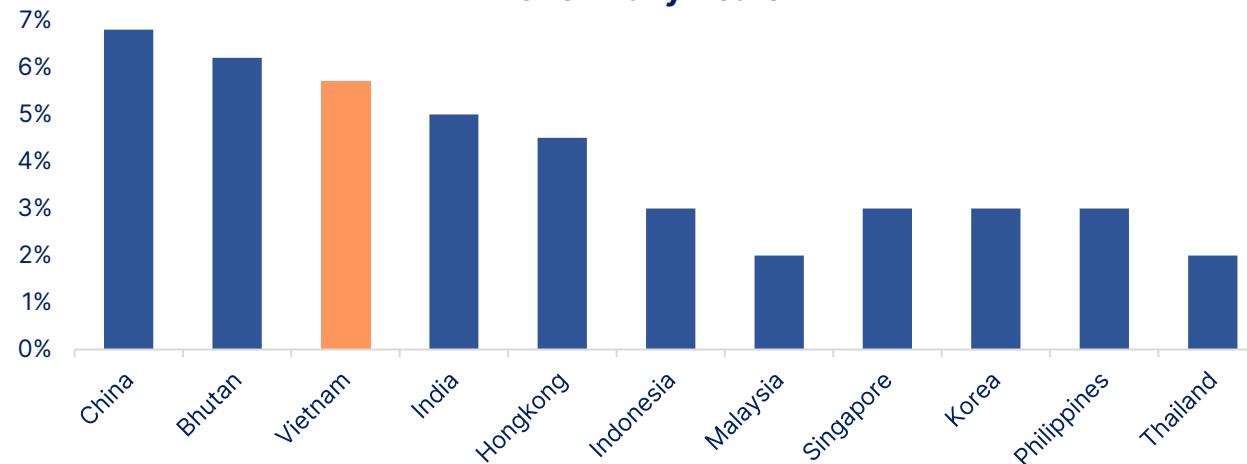
The prospects of the industrial real estate sector

✦ **Robust infrastructure development boosts the potential of industrial zones.** According to ADB, Vietnam's infrastructure investment as a percentage of GDP in recent years is among the highest in Asia, averaging 5.7% of GDP. The government aims to reach 3,000 km of expressways by the end of 2025 and put Long Thanh Airport into operation in 2026.

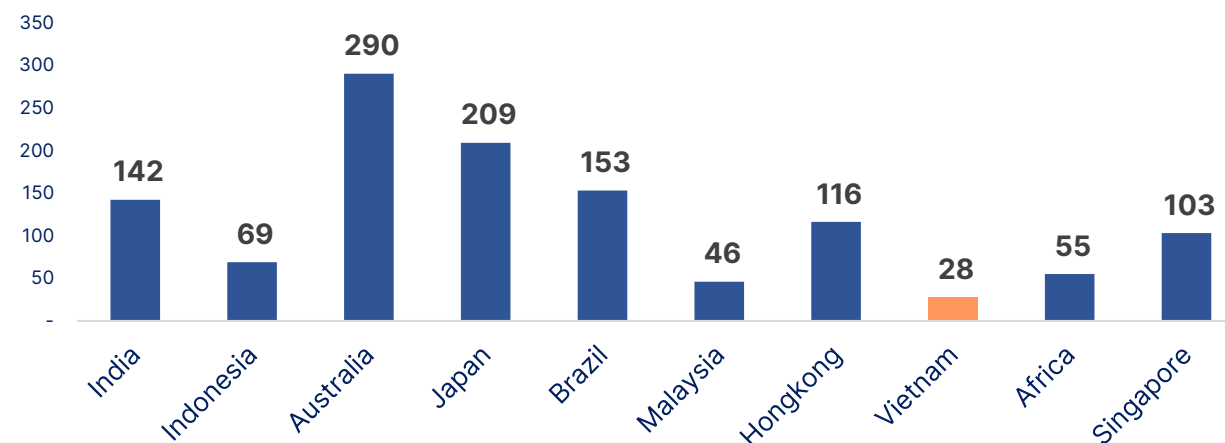
✦ **Vietnam is leveraging all resources to benefit from the wave of the semiconductor and AI industries.** The Prime Minister has issued a national strategy for the development of the semiconductor industry and a program for developing human resources in this sector by 2030, with a vision to 2050. The goal is to attract FDI and build domestic capacity in R&D, production, and testing, aiming to train over 50,000 engineers and have 100 design companies by 2030.

✦ **The data center sector in the Asia-Pacific region is booming,** with Vietnam known for advantages such as low-cost human resources, a large IT workforce, lower construction costs than other countries, a supportive legal framework, and government programs promoting digital transformation.

Investment in Infrastructure as a Percentage of GDP Over Many Years



Number of Emerging Global Data Centers in 2023



Source: ADB, Cloudscene

Recommended Stock Portfolio

We recommend three companies: **SIP**, **BCM**, and **IDC**, for their promising outlook in 2025 due to key reasons:

- These three companies have the best financial and operational indicators in the sector.
- The selected companies also have the largest remaining commercial land reserves ready for lease in the industry: SIP (1,036 hectares), BCM (848 hectares), and IDC (554 hectares), thus having many advantages to attract investment into Vietnam in 2025.

Stock	Market price 27/12/24	Charter capital (bn VND)	Market capitalization (bn VND)	Revenue 2023 (bn VND)	Gross profit margin	PAT 2023 (bn VND)	ROE	P/E	P/B
BCM	69,700	10,350	72,243	8,175	56.2%	2,280	14.9%	25.9	3.8
IDC	56,200	3,300	18,447	7,237	38.6%	1,656	43.4%	8.4	3.5
KBC	27,550	7,676	21,224	5,859	44.9%	2,245	2.3%	50.3	1.2
LHG	36,500	500	1,803	395	54.0%	166	12.5%	9.0	1.1
NTC	214,500	240	5,149	235	67.5%	300	24.8%	19.6	4.5
SZC	43,000	1,800	7,667	818	47.4%	219	10.6%	22.9	2.5
GVR	30,900	40,000	122,800	22,168	22.2%	3,373	6.7%	36.1	2.4
VGC	44,500	4,484	20,041	13,342	25.3%	1,162	7.3%	34.1	2.4
PHR	53,900	1,355	7,236	1,354	20.5%	661	10.3%	18.7	1.9
SIP	85,000	2,105	17,495	6,679	14.4%	1,004	30.5%	14.7	4.1
Average			29,411	6,626	39.1%	1,307	16.3%	24.0	2.7
Median			17,971	6,269	41.7%	1,083	11.5%	21.2	2.5

Source: Fiin Pro, SHS Research

LOGISTICS



Maritime Supply Chain Logistics



Warehouse

A place where goods are stored for transportation to customers.

①

The process begins when a manufacturer or retailer receives an order that needs to be delivered to a customer or location abroad. They send the order information to a freight forwarding company to arrange transportation.

②

The goods to be transported are packed into containers.



Shipping Containers

Containers are standardized metal boxes used for transporting goods over long distances. They typically come in sizes of 20 feet (measured in TEU units) or 40 feet (FEU).

③

The freight forwarding company will arrange for the goods to be picked up from the warehouse and transported to the port.



Freight Forwarding Company

A company that arranges the transportation of goods on behalf of shippers. They book space on ships or other necessary means of transportation and handle customs procedures and documentation.

④

The container arrives at the port and is loaded onto the transport ship.



Port of departure

The goods arrive at the port, where they are loaded onto the ship in preparation for export.

⑤

The shipping line transports the containers along trade routes to the destination port.



Shipping companies

Shipping companies provide transportation services on maritime routes across the world.

⑥

The shipping line arrives at the destination port, and the containers are unloaded.



Destination Port

The location where goods are transported and enter the destination country.

⑦

The freight forwarding company arranges for the pickup of goods from the port to continue transportation.



Freight forwarding company

⑧

The goods continue to be transported by truck, train, or airplane, according to the arrangements made by the freight forwarding company.



Multimodal transportation

The transportation of goods using two or more modes of transport.

⑨

The goods are delivered to the final destination



Final destination

The point where goods are imported into the destination country.

Export recovery will become the main driving force of the logistics industry in 2024.



- In 2024, Vietnam's logistics industry witnessed a strong recovery, driven by export growth, government support,** and improvements in global supply chains. For the entire year, the total trade value of imports and exports reached 786.29 billion USD, a 15.4% increase compared to the previous year, with exports rising by 14.3% and imports increasing by 16.7%. The trade balance showed a surplus of 24.77 billion USD.
- The recovery in exports led to positive growth in the logistics sector.** The total volume of goods transported through seaports is estimated to increase by about 14% in the first 10 months of 2024, reaching over 570 million tons. Dry goods and containers accounted for a large share, with handling volumes reaching over 321 million tons and 191 million tons, respectively.
- The expansion of industrial parks, which play a central role in the export supply chain, also contributed to the increased demand for logistics services.** The average warehouse occupancy rate reached 68%, and the occupancy rate for ready-built factories stood at 84% by the end of Q3 (according to CBRE). These figures are expected to improve further, thanks to strong foreign direct investment (FDI) inflows, with total registered capital surpassing 27.26 billion USD in the first 10 months of 2024.

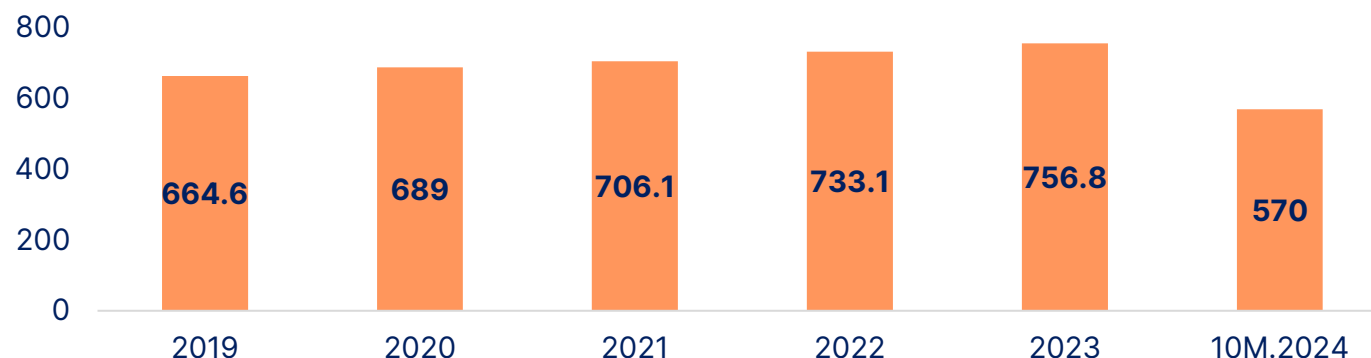
Import and export turnover of goods (billion USD)



Growth rate compared to the same period last year



Cargo throughput at seaports from 2019 to present (million tons)

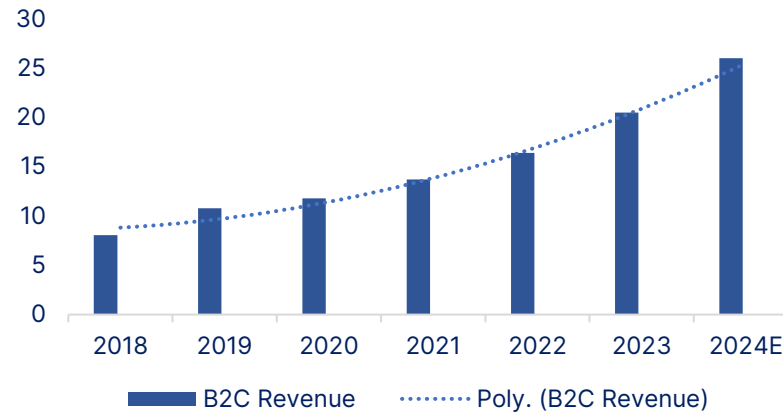


Vietnam's logistics sector is on a strong growth trajectory, driven by the boom in e-commerce.



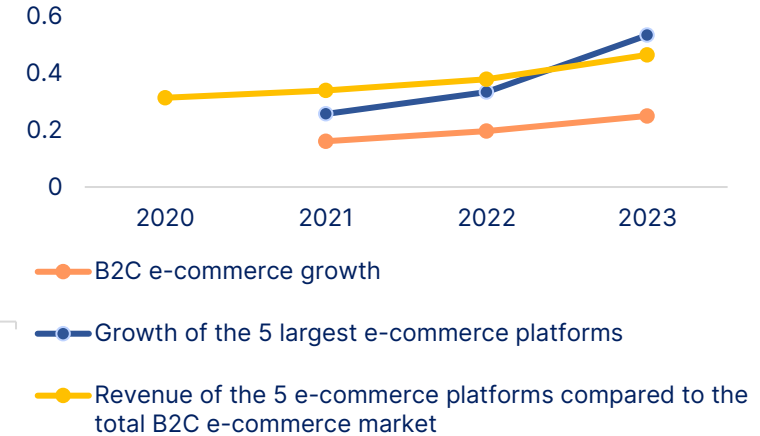
- In recent years, Vietnam's logistics sector has seen significant development, with average growth rates of 14% - 16%, reaching a scale of approximately 40-42 billion USD per year. Vietnam has ranked in the Top 10 of the 50 emerging logistics markets globally. In 2023, the country ranked 4th globally in the Logistics Opportunity Index and 43rd in the Logistics Performance Index (LPI), positioning itself among the top 5 ASEAN nations.
- The last-mile delivery market is becoming increasingly competitive, with more companies, including foreign businesses, entering the sector. Foreign firms, with their low-cost franchise models and feature-rich software, are creating competitive pressure on domestic companies in the race for cost efficiency and service quality.
- Digitalization is reshaping Vietnam's logistics industry, enhancing efficiency, reducing costs, and improving service delivery. Technologies like blockchain, artificial intelligence (AI), and the Internet of Things (IoT) are transforming logistics operations, from basic inventory tracking to providing end-to-end supply chain visibility.
- Despite the progress, logistics costs in Vietnam remain high compared to other countries in the region and the global average.

Vietnam's B2C E-commerce Revenue from 2018 to 2024 (billion USD)



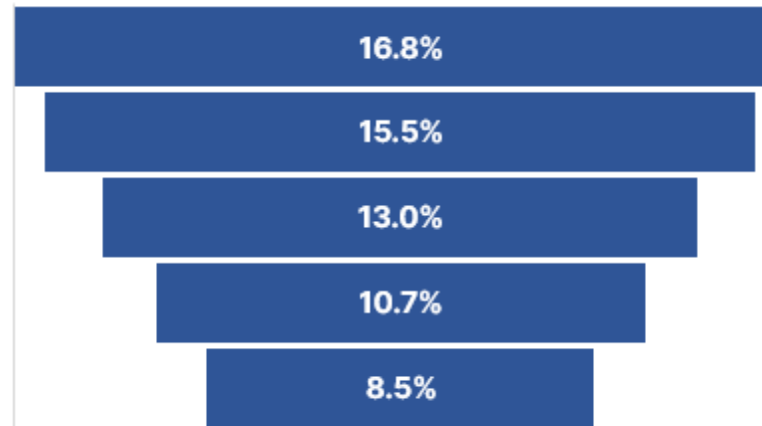
Source: Department of E-commerce and Digital Economy

E-commerce revenue growth in Vietnam from 2021 to 2023



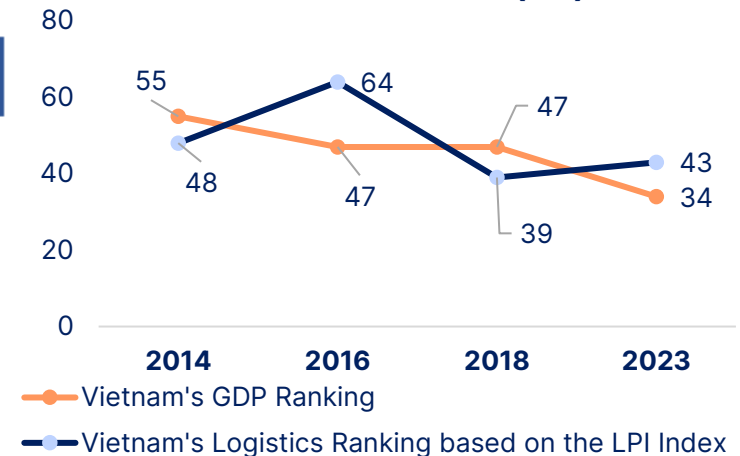
Source: Metric

Logistics costs as a percentage of GDP of different countries



Source: Vietnam Logistics Association (VLA)

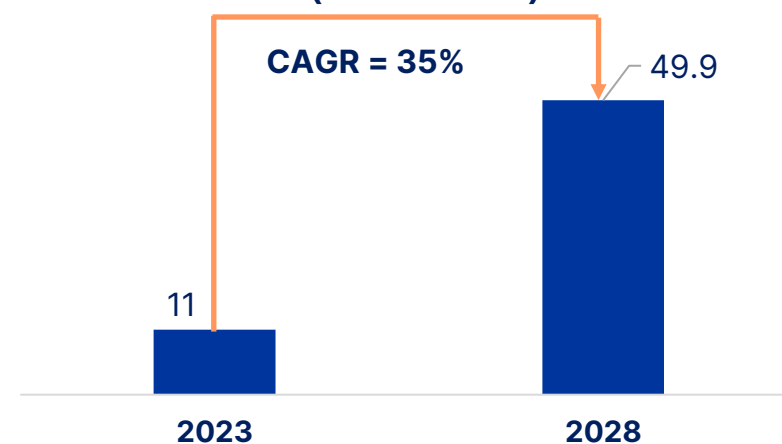
Vietnam's GDP ranking and Logistics Performance Index (LPI)



Source: World Bank, SHS Research 57

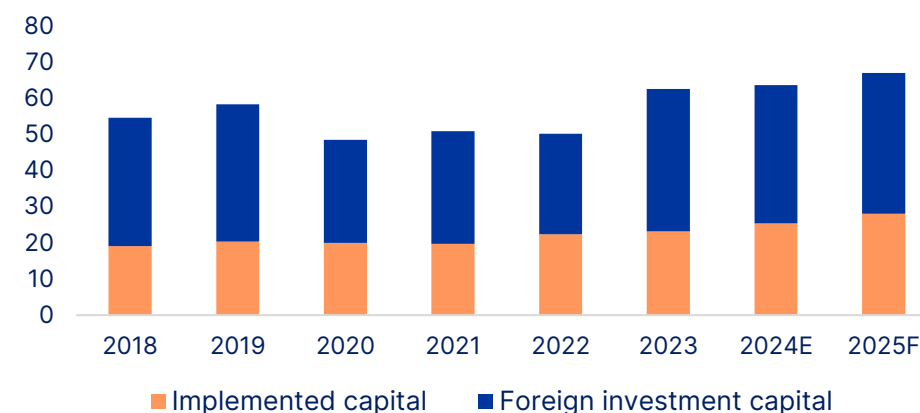
- ✦ According to YouNet ECI and YouNet Media, **the growth of Vietnam's e-commerce market is forecasted to reach a maximum of 35% CAGR from 2024 to 2028.** YouNet ECI predicts that the Vietnamese e-commerce industry will maintain its growth momentum, with the GMV in 2025 expected to peak at 16.8 billion USD. Among this, "shoppertainment" (shopping combined with entertainment) is the key link, accounting for nearly half of the total market value with 8.1 billion USD.
- ✦ **In the next 10 years, Vietnam is forecasted to experience the fourth wave of FDI.** The main growth drivers will come from industrial manufacturing and exports. It is expected that in the next 10 to 15 years, logistics will play a crucial role and become the fastest-growing sector in the economy (*According to New World Wealth and Henley & Partners*).
- ✦ **The three development goals for Vietnam's logistics industry set by the government for the future are:**
 - Reduce logistics costs as a percentage of Vietnam's GDP from 18% to 15% by 2025.
 - Increase the logistics industry's share of Vietnam's GDP from 10% to 15%, aiming for 20%, while also increasing the share of Vietnam's logistics industry in the global logistics sector from 0.4% to 0.5%, with a goal of reaching 0.6%.
 - Boost the growth rate of Vietnam's logistics industry from 14% - 15% per year currently to 20%.

Forecasted e-commerce growth from 2023 to 2028 (in billion USD)



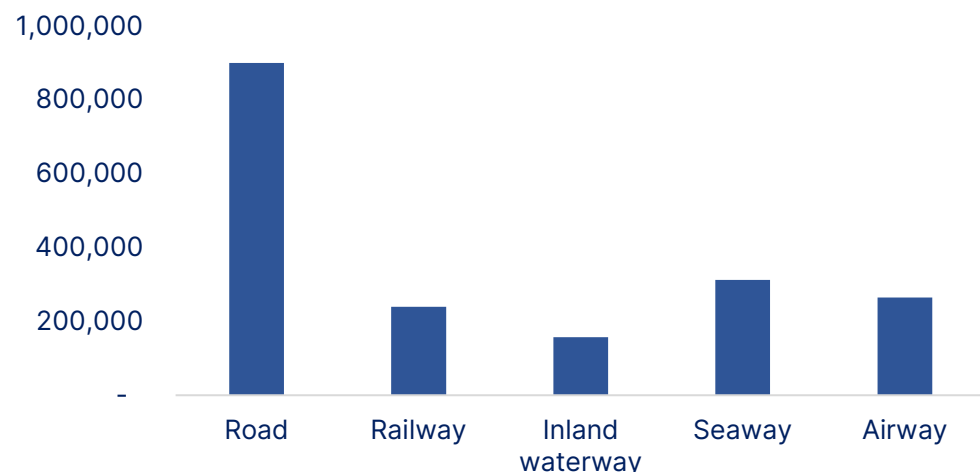
Source: YouNet ECI và YouNet Media

Foreign investment capital over the years (billion USD)



Source: MPI, SHS Research

Government investment plan for infrastructure until 2030 (billion VND)



Source: Ministry of Industry and Trade

✦ **Cross-border e-commerce is forecasted to experience high growth** (double the growth rate of e-commerce in general), creating an urgent demand for cross-border logistics infrastructure to meet this growth rate (*According to the Ministry of Industry and Trade*).

- ❑ In this context, Viettel Post (VTP) has launched the **Lang Son Logistics Park project** – a key project in Lang Son province covering an area of 143 hectares, which will begin operation by the end of 2024.
- ❑ The plan to implement the pilot project of **Smart Border Gate** (E-commerce: 8,000 billion VND) is expected to transform Lang Son into a modern, vibrant trade hub, the largest between China, Vietnam, and the ASEAN region.

✦ Some information about trade between Vietnam and China:

- ❑ **Lang Son Province has a Border Gate Economic Zone covering more than 390 hectares, with industrial zones and clusters being invested in with synchronized infrastructure.** The province's geopolitical location is favorable for economic development, goods exchange both within and outside the province, as well as international foreign trade activities.
- ❑ **According to Vietnam Customs statistics, in 2023, the Vietnam-China trade turnover reached 173 billion USD, a 2% decrease compared to 2022, but still showing positive signs.** Of this, exports to China reached 62 billion USD, up by 5.6%; imports from China amounted to 112 billion USD. In the first 9 months of 2024, Vietnam spent 105 billion USD to import goods from China, the highest level in the past 10 years and the first time exceeding 100 billion USD in just the first three quarters of the year.



Source: SHS Research

Segment	Air freight transportation	Seaport	Last-mile delivery services and cross-border e-commerce
Forecast Information for the Industry			
	<ul style="list-style-type: none"> ✦ The forecast for air freight transportation indicates that growth in volume will slow down as trade returns to normal levels from the high base of 2024. ✦ ACV (Airport Corporation of Vietnam) will invest in Cargo Terminal No. 1 at Long Thanh International Airport. The Long Thanh airport cargo terminal project is expected to complete the approval of technical design, contractor selection, and supporting infrastructure in Q4-2024, with construction set to begin in January 2025. According to the plan, Cargo Terminal No. 1 will be operational in the first quarter of 2027. 	<ul style="list-style-type: none"> ✦ The demand for imports and exports in 2025 is expected to slow down as the low base and high demand from Q2 to Q4/2024 have already been met. ✦ In the Haiphong area: Competition in Haiphong is forecast to increase significantly starting in 2025. ✦ In the southern port area, competitive pressure is expected to rise slightly. ✦ International container freight rates in 2025 are projected to continue fluctuating, though the likelihood of a sharp increase is low. 	<ul style="list-style-type: none"> ✦ Vietnam is forecasted to be the fastest-growing e-commerce market in Southeast Asia, with an expected average annual growth rate (CAGR) of approximately 37% by 2025 (<i>According to Google, Temasek, and Bain</i>). ✦ The e-commerce boom is creating a strong driving force, propelling the logistics industry in Vietnam to grow rapidly. ✦ Cross-border logistics, especially through smart border gates in border provinces such as Lao Cai and Lang Son, is opening up new opportunities and significant revenue streams for the freight transportation sector.

Segment	Air freight transportation	Seaport	Last-mile delivery services and cross-border e-commerce
Stock Recommendation			
	ACV - SCS	GMD	VTP
	<ul style="list-style-type: none"> ✦ ACV: As the unit responsible for developing runway and parking infrastructure for Long Thanh International Airport, ACV will charge landing and takeoff fees. ✦ SCS: <ul style="list-style-type: none"> ❑ SCS is planning to participate in the bidding for the cargo terminal project at Long Thanh Airport, Phase 1. ❑ In Q2 2024, SCS completed the upgrade of the cargo terminal at Tan Son Nhat Airport, which increased the total design capacity by about 50%, expanding the growth potential for the company's cargo volume. 	<ul style="list-style-type: none"> ✦ Port throughput growth: GMD's throughput exceeded 3 million TEUs in the first 9 months of 2024, reflecting the overall growth of Vietnam's seaport industry (+21% YoY). ✦ Stable performance from key ports: Gemalink Port and Nam Dinh Vu Port have reached maximum capacity, significantly contributing to GMD's revenue and profits. ✦ Potential from expansion projects: These projects not only increase handling capacity but also enhance GMD's competitive advantage over other regional competitors. Key projects include Nam Dinh Vu 3 and Gemalink 2. 	<ul style="list-style-type: none"> ✦ Currently maintaining a leading position in the express delivery market. ✦ Shifting and entering a new growth phase. Revenue and profits are expected to continue growing strongly from 2025 to 2030, driven by: <ul style="list-style-type: none"> ❑ The booming e-commerce market, which is fueling strong growth in the logistics industry. ❑ VTP's strategic investment in infrastructure and technology systems, creating a competitive advantage in the sector. ❑ VTP's focus on developing large-scale projects in areas such as cross-border e-commerce, smart border gates, and expanding operations into international markets, opening up long-term growth opportunities.

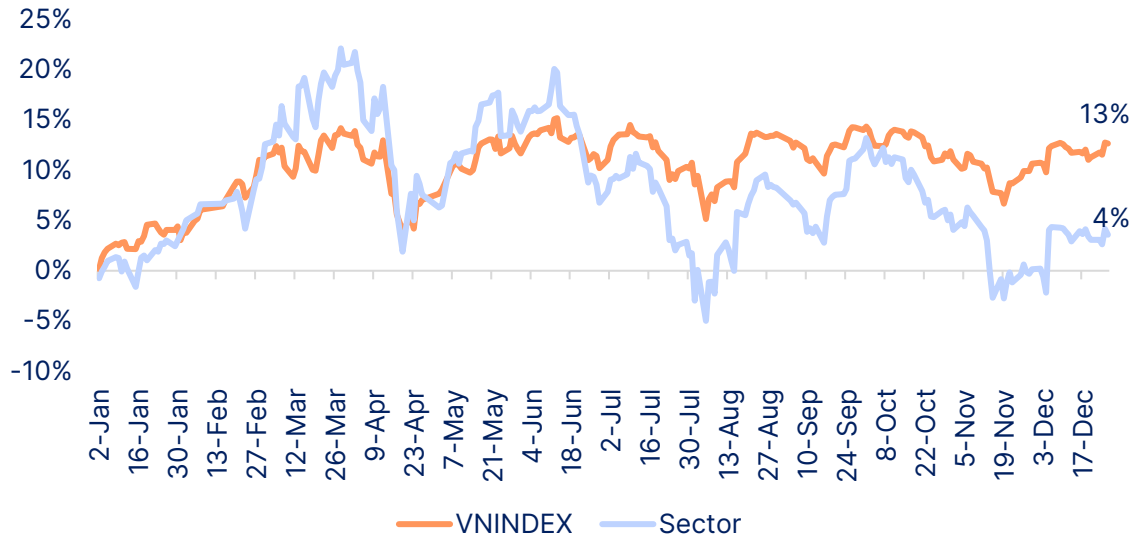
FINANCIAL SERVICES



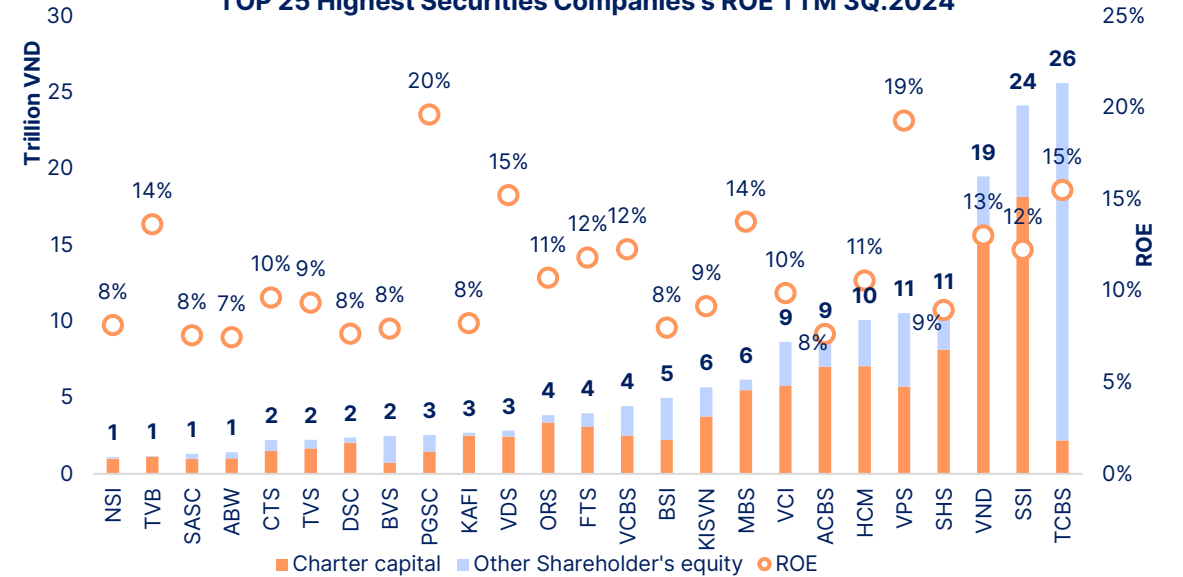
Financial Services Sector – Pass through a quiet FY2024



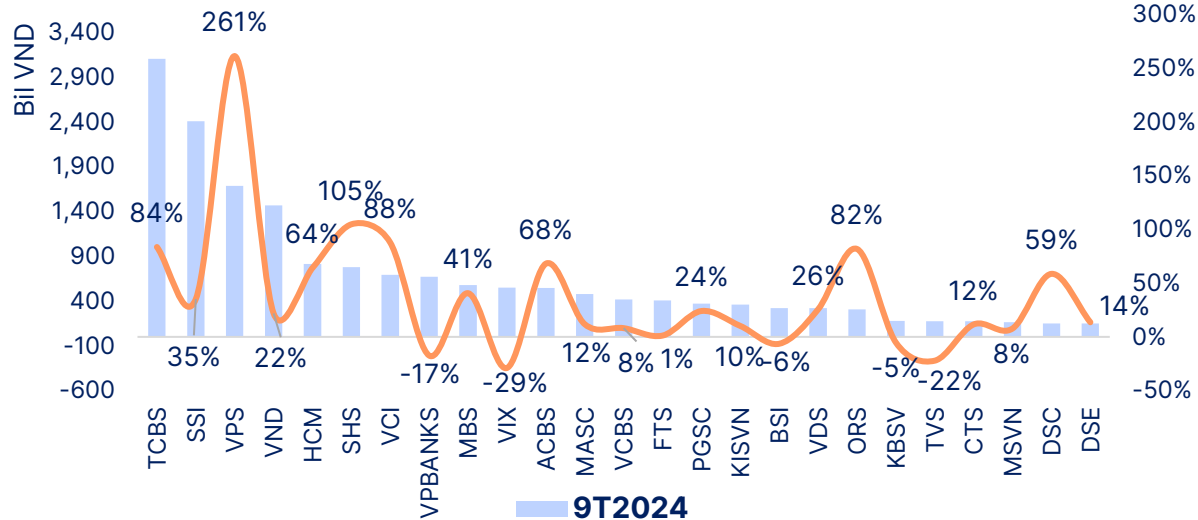
VN-Index and Financial Services Sector Growth FY2024 (YTD)



TOP 25 Highest Securities Companies's ROE TTM 3Q.2024



TOP 25 Highest Securities Companies's NPAT 9T2024

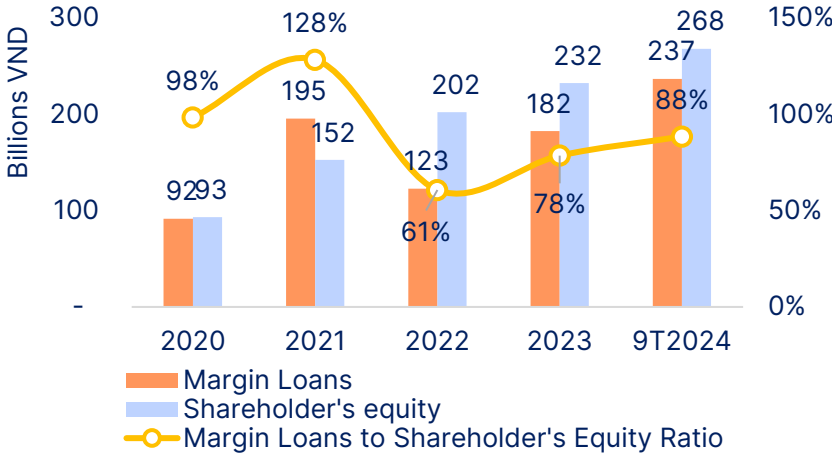


- ✦ The financial services stocks underperformed compared to the broader market. As of December 26, 2024, the sector index increased by only 4% compared to the end of 2023, whereas the overall market index rose by 13%.
- ✦ The stock price performance of securities companies did not align with their profit growth. According to FiinGroup's statistics based on data from 78 securities companies, the net profit (NPAT) of these companies in the first nine months of 2024 reached VND 18,578 billion, marking a 40% YoY growth. Profitability in the securities sector was concentrated among companies with large market shares, with the top 20 securities firms accounting for 89% of the entire sector's profit.

Increasingly intense competition in Brokerage and Margin Lending



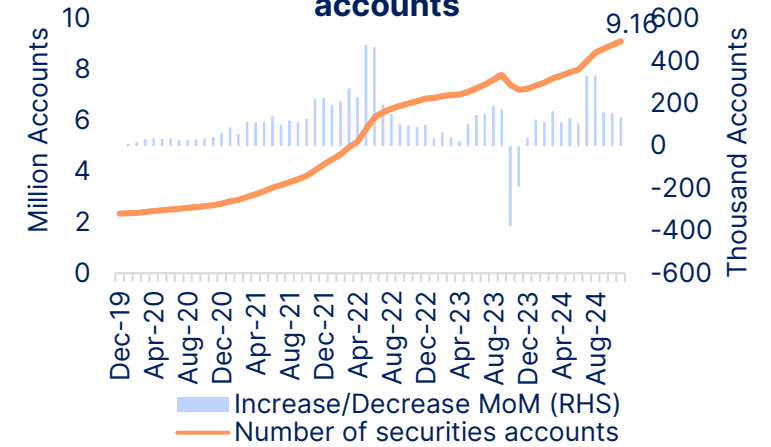
Margin loans in the Vietnamese Stock Exchange



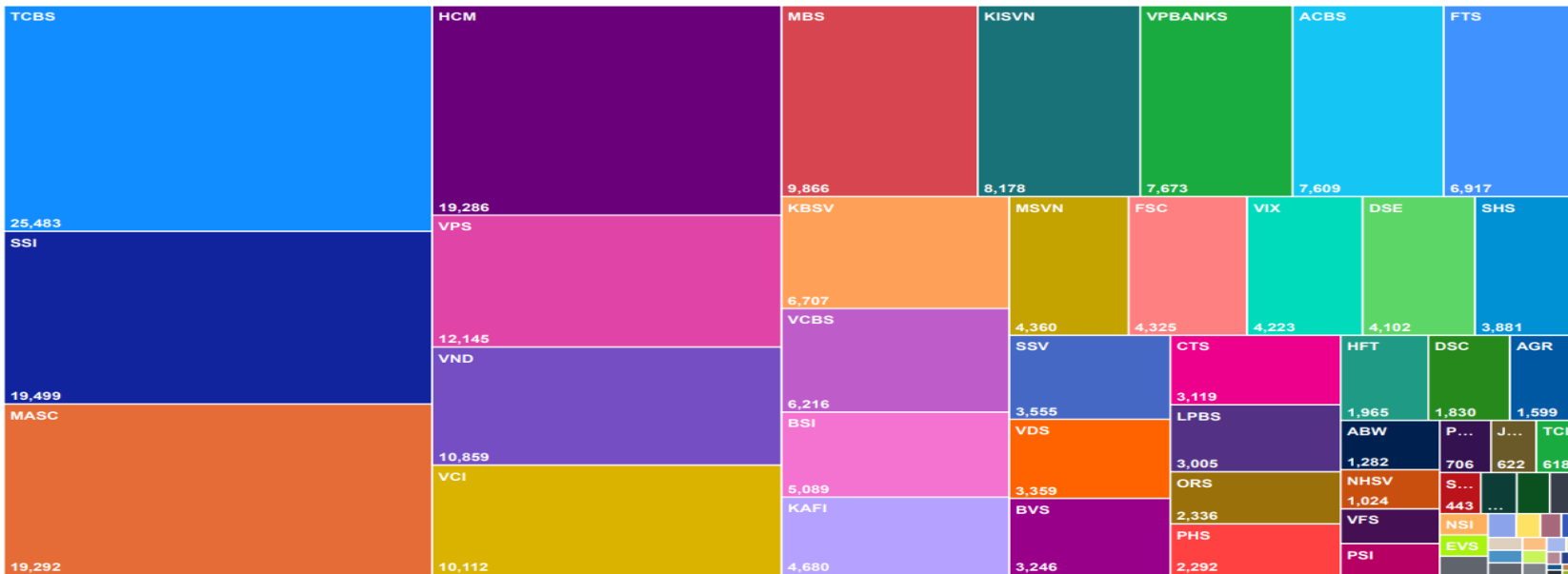
Top 10 Brokerage Market Share in HSX 2024

No	CTCK	2019	2020	2021	2022	2023	2024
1	VPS	3.94%	8.22%	16.14%	17.38%	19.60%	18.26%
2	SSI	13.96%	12.33%	11.05%	9.84%	10.44%	9.18%
3	TCBS	-	-	4.57%	5.12%	6.32%	7.18%
4	HSC	10.54%	8.66%	6.71%	5.72%	5.32%	6.41%
5	VCSC	8.19%	7.69%	4.87%	4.72%	4.47%	6.08%
6	VNDS	6.81%	7.19%	7.46%	7.88%	7.01%	5.87%
7	MBS	4.77%	4.79%	4.27%	4.63%	5.00%	4.89%
8	MAS	-	4.73%	4.44%	5.47%	5.06%	4.54%
9	KIS	3.08%	3.60%	2.89%	2.87%	3.20%	2.93%
10	VCBS	-	-	-	-	-	2.91%

Total number of securities trading accounts

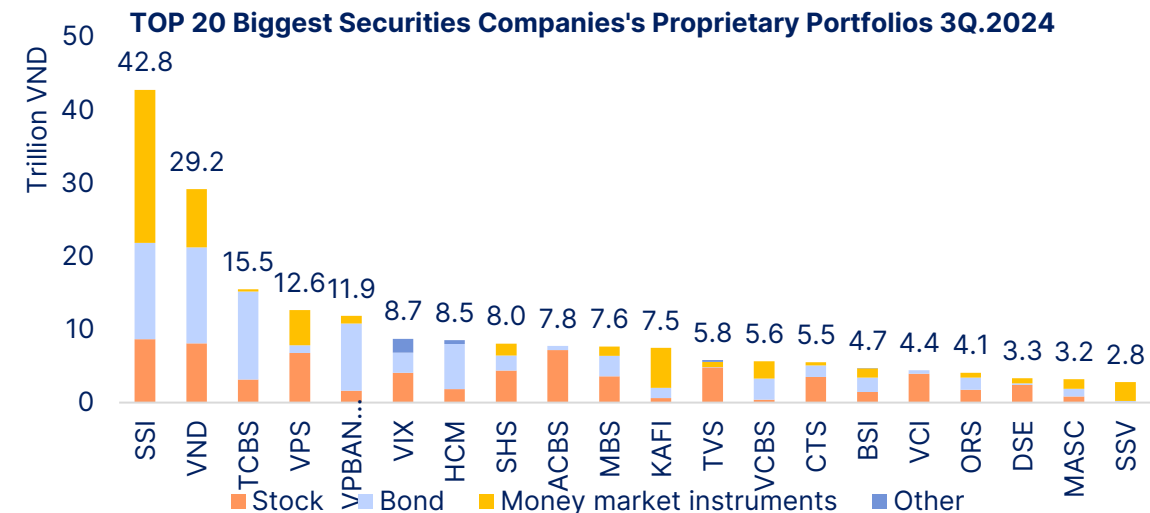
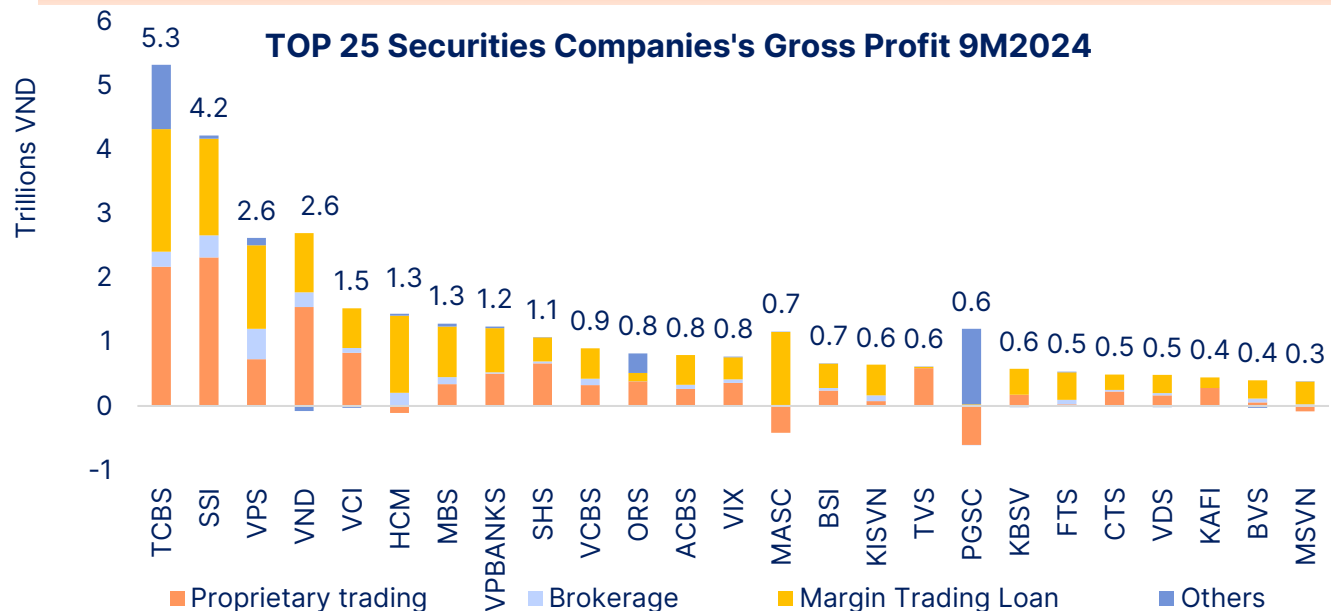


Heatmap - Margin loans 3Q.2024 by securities companies (Bil VND)



- ✦ Retail securities companies, as well as foreign-invested securities firms with the advantage of low-cost funding, are gaining increasing market share thanks to the rising participation of individual investors.
- ✦ Securities companies focused on institutional clients like SSI, HCM, and VCI have seen a decline in brokerage market share during the 2021–2023 period. However, HSC and VCSC are showing improvements in brokerage market share during the first nine months of 2024 following successful increases in charter capital.
- ✦ As of the end of Q3 2024, margin loans in the whole market reached VND 237 trillion, up 30% year-to-date. The current margin lending ratio stands at 88% of securities firms' equity, significantly lower than the regulatory limit of 200%.

Proprietary Portfolios Focused on Bonds and Money Market Instruments



- ✦ The majority of securities firms' proprietary trading portfolios are primarily concentrated in bonds and money market instruments. A smaller group of securities companies focuses on proprietary equity trading, which entails higher profit volatility due to market fluctuations.
- ✦ According to FiinGroup, securities firms raised an additional VND 23,066 billion in equity capital through new issuances in 2024. By the end of the year, firms such as HCM, ORS, and TCBS plan further capital increases. The planned additional equity issuance for 2025 currently totals VND 15,176 billion.
- ✦ Securities firms are accelerating their capital-raising efforts to strengthen resources for proprietary trading and margin lending activities.

Source: SHS Research

Company	Issued shares		Issued Value (Bil VND)	
	2024	2025	2024	2025
BSI	20,278,312	20,278,312	-	-
DSE	30,000,000	-	900	-
HCM	194,179,234	359,985,557	1,942	3,600
LPBS	363,800,000	-	3,638	-
MBS	135,150,498	-	1,687	-
ORS	150,500,000	201,599,845	1,145	2,016
SHS	-	899,472,424	-	8,182
SSI	473,339,040	-	2,467	-
TCBS	1,743,622,700	119,000,000	-	1,379
TCI	20,423,145	-	-	-
VCI	280,600,000	-	4,074	-
VIX	789,861,432	-	6,560	-
VND	588,103,072	-	2,436	-
Total	4,789,857,433	1,600,336,138	24,849	15,176

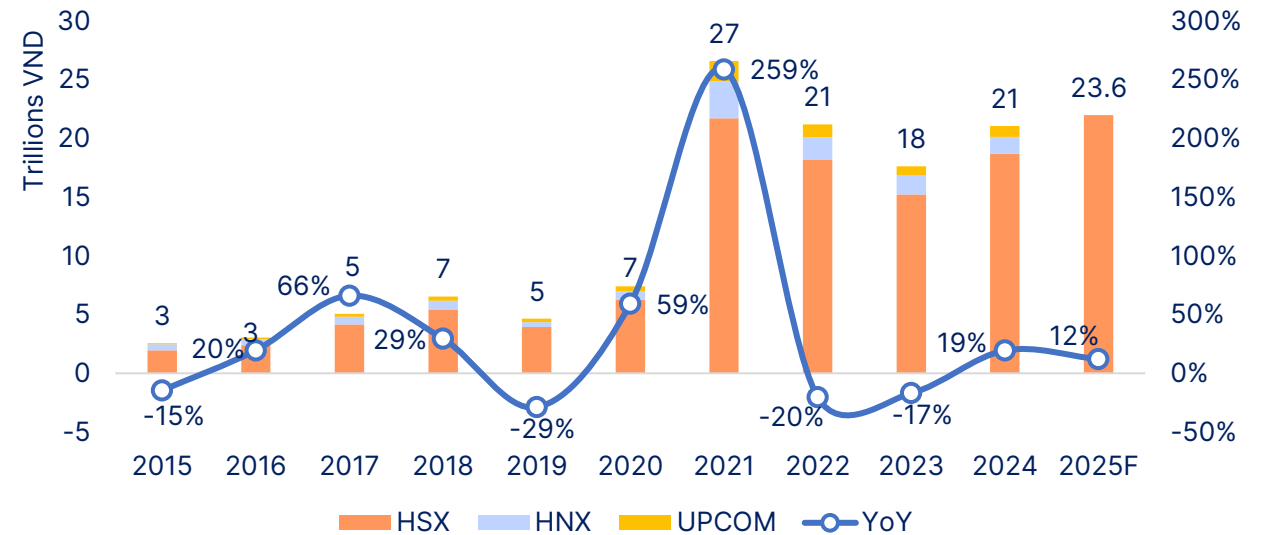
Stock Market in 2025 – Timing Is Everything

- In 2025, with uncertainties surrounding events such as President Trump’s return to office and potential official statements regarding trade tariffs, including those affecting exports to the U.S. from Vietnam, there may be a scenario where the VN-Index experiences significant volatility, potentially adjusting by 15% to 20%, before the market stabilizes and grows again.
- The market is expected to pick up momentum starting from Q2 2025, especially as FTSE reviews the potential upgrade of Vietnam’s market status. Under the base case scenario, the VN-Index in 2025 is expected to accumulate within 1,200–1,300 range before a growth phase kicks in. The VN-Index is forecasted to increase by 11–12% in 2025 compared to 2024, targeting 1,400–1,420.
- Market trading volume is expected to follow a similar trend as the VN-Index, remaining low during periods of accumulation within 1,200–1,300 but spiking when the market either declines sharply or breaks out of the accumulation zone. On average, the total market trading value is projected to grow by around 11–12% compared to 2024.

Scenarios of VN-Index in 2025

Scenarios	Index	Liquidity (VND Bil)
Base Case	VN-Index could experience significant volatility, with a sharp correction of 15% to 20% before consolidating within the 1,200 – 1,300.	+3% - +5%
Optimistic Case	An increase of 11% - 12% compared to 2024, reaching 1,400 – 1,420.	+11% – +12%

Average Trading Value Per Day

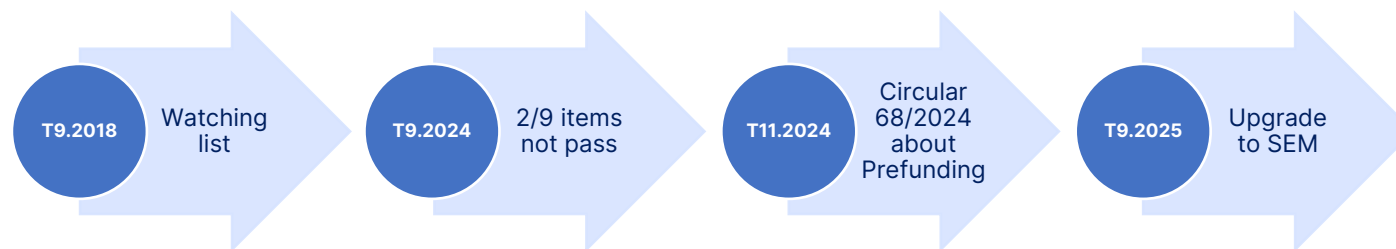


Source: SHS Research

Market Upgrade Opportunities in 2025

- On September 18, 2024, the Ministry of Finance issued Circular 68, allowing foreign institutional investors to trade without margin requirements, effective from November 2, 2024. This policy change marks a significant step toward upgrading Vietnam's market status in FTSE's classification. Vietnam could be upgraded to Secondary Emerging Market (SEM) status by FTSE as early as September 2025, transitioning from its current Frontier Market classification.
- If upgraded, Vietnam may be allocated a weight of 0.3% in the FTSE Emerging Markets Index (FTSE EM). The total net inflows from ETFs and passive funds tracking the FTSE EM Index are estimated to range from \$0.5 billion to \$1 billion. Active funds are expected to bring in significantly more capital, potentially five times the amount from passive funds. However, the exact figure depends on fund managers' decisions and market conditions. Securities firms that focus on institutional clients, such as SSI, VCI, and HCM, stand to benefit significantly from these changes.
- If Vietnam achieves SEM status under FTSE while remaining a Frontier Market under MSCI, the scale of ETF inflows might be limited compared to a simultaneous upgrade by both providers. However, the government's ongoing reforms, aimed at meeting MSCI's criteria for Emerging Market status, serve as a long-term catalyst for Vietnam's stock market.

Roadmap for Vietnam's Stock Market Upgrade

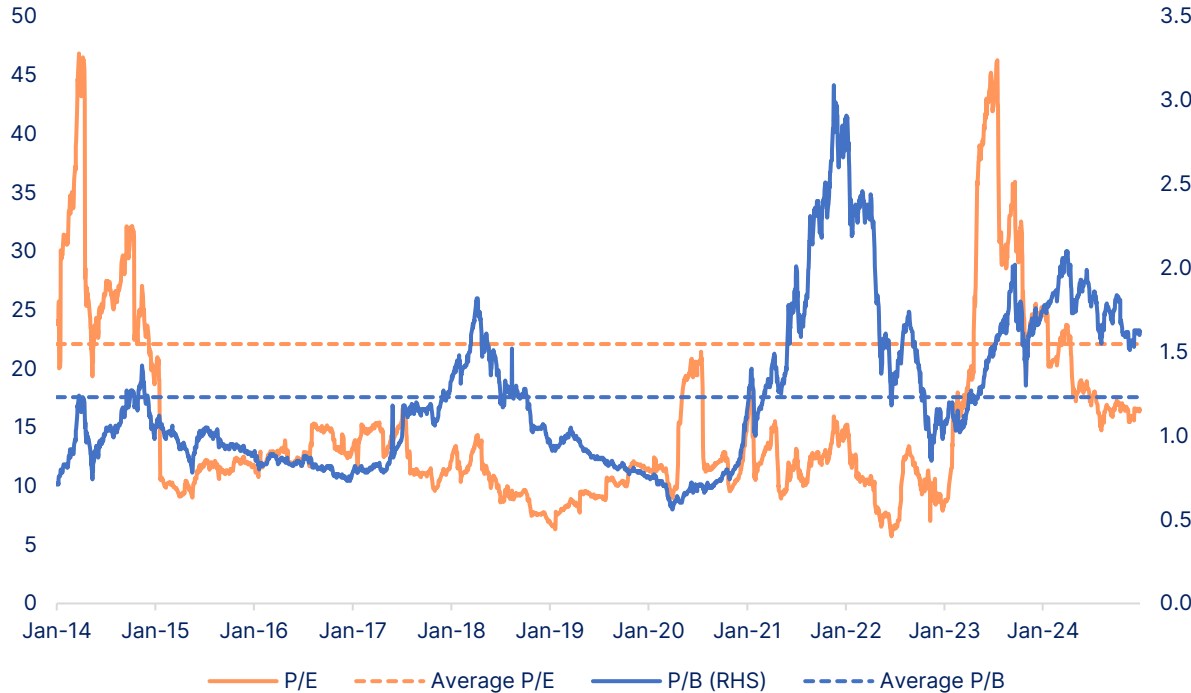


Stocks expected to be included in the Portfolio

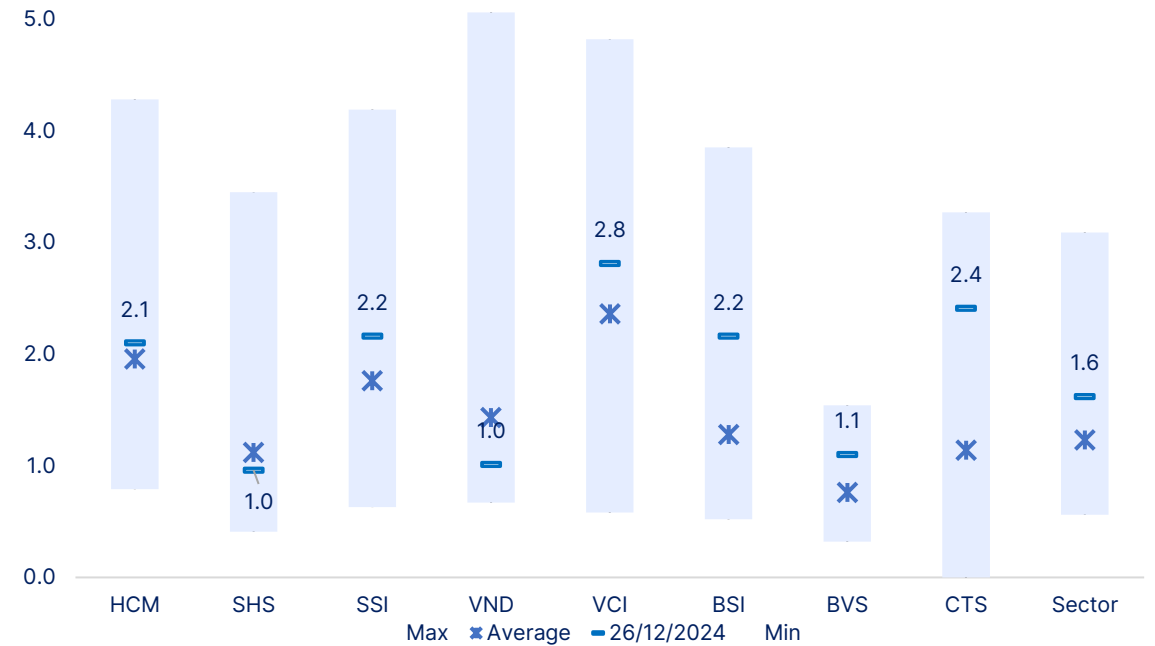
Ticker	Free-float	Market Cap(USD)	Foreign Ownership	Foreign Ownership Limit	Remaining Foreign Ownership Rate	Remaining Foreign Ownership Room
SSI	70.00%	2,031,536,088	40.40%	100.00%	59.60%	1,170,417,691
VNM	40.00%	5,179,273,369	51.58%	100.00%	48.42%	1,012,004,362
VHM	35.00%	6,480,393,993	12.31%	50.00%	37.69%	1,548,185,102
VIC	30.00%	6,070,135,704	10.02%	48.02%	38.00%	1,473,611,857
HPG	55.00%	6,698,496,373	21.71%	49.00%	27.29%	1,745,581,826
MSN	45.00%	3,947,400,397	26.20%	49.00%	22.80%	344,941,128
VJC	55.00%	2,122,510,846	13.14%	30.00%	16.86%	91,333,982

Source: SHS Research

P/E and P/B Ratio of Financial Services Sector from 2014 to 2024



P/B Ratio of the Financial Services Sector and Selected Stocks from 2014 to 2024



Source: SHS Research

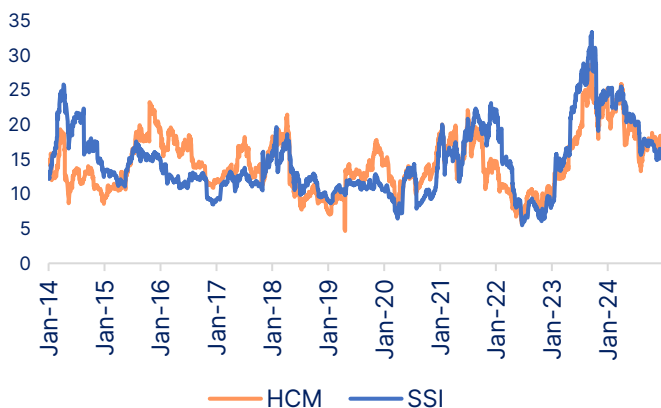
- ✦ The P/E ratio of securities sector stocks has fallen below the 10-year average, indicating relatively lower valuations compared to historical trends.
- ✦ The P/B ratio remains above the 10-year average, it is still significantly lower than the sector's historical peak.
- ✦ The pressure from the zero-fee policy at many securities companies is starting to affect the rest of the market in the new fee competition race. Companies are adopting different strategies, with some focusing on a zero-fee online trading model for individual clients, while others are concentrating on developing asset management services. The strategies of these companies are increasingly diverging, and the future will differ significantly from the present.

Recommended stocks

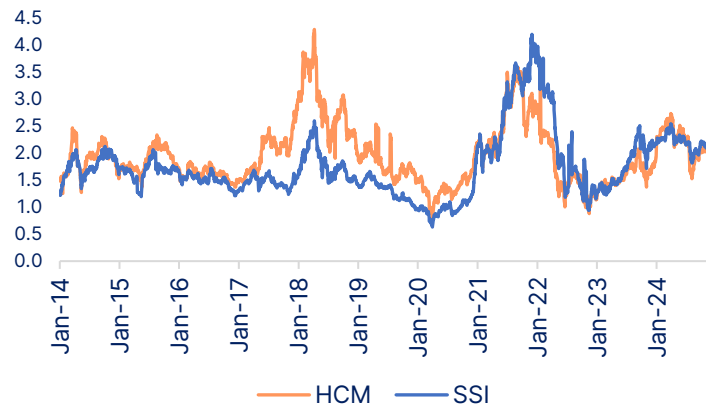


Stock	Margin Loan (VND Bil)	Brokerage Market Share 3Q. 24	EPS (VND)	ROE	P/E	P/B	Investment thesis
SSI	19.499	8,84%	1.586	12,22%	16,68	2,16	<ul style="list-style-type: none"> Benefits from the market upgrade with a large institutional client base and a top 2 brokerage market share. The operational efficiency is among the highest in the market. Valuation is at the average level for the period from 2014 to 2024.
HCM	19.286	6,65%	1.608	10,55%	18,41	2,12	<ul style="list-style-type: none"> Benefits from the market upgrade with a large institutional client base. Have plan to increase capital by 50% in 2025 to supplement margin lending and proprietary trading activities. Capital increase creates competitive momentum to expand brokerage market share. The operational efficiency is among the highest in the market, with low dependency on proprietary stock trading. Valuation is at the average level for the period from 2014 to 2024.

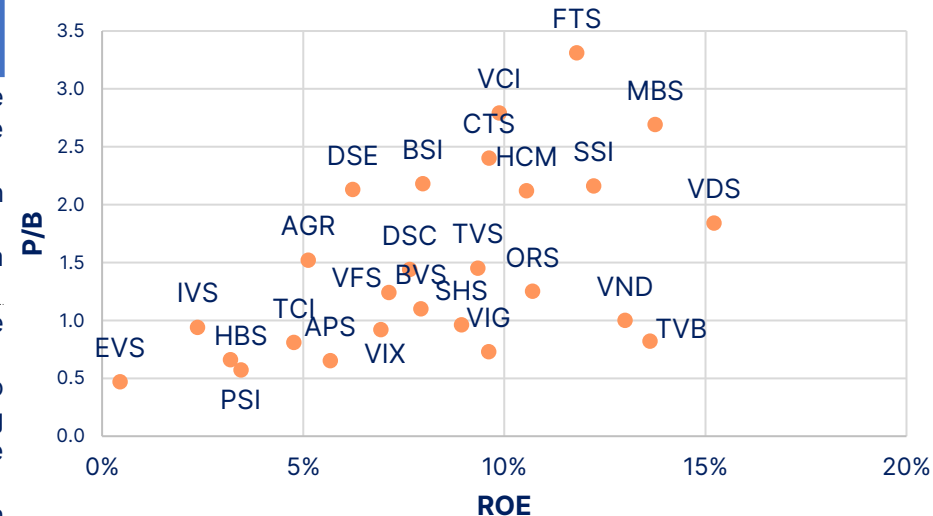
P/E Ratio



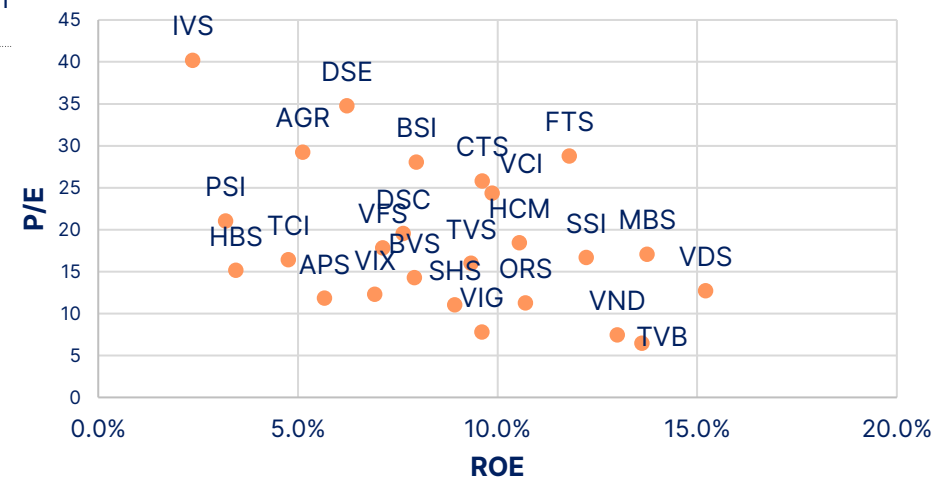
P/B Ratio



P/B and ROE



ROE and P/E



TECHNOLOGY - TELECOMMUNICATIONS

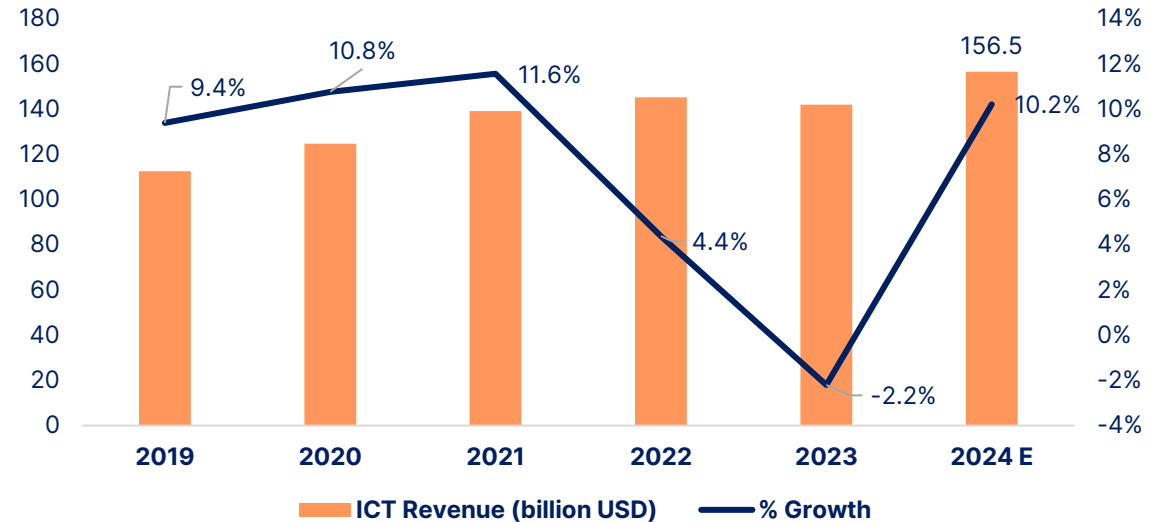
The current state of IT – Telecommunication industry



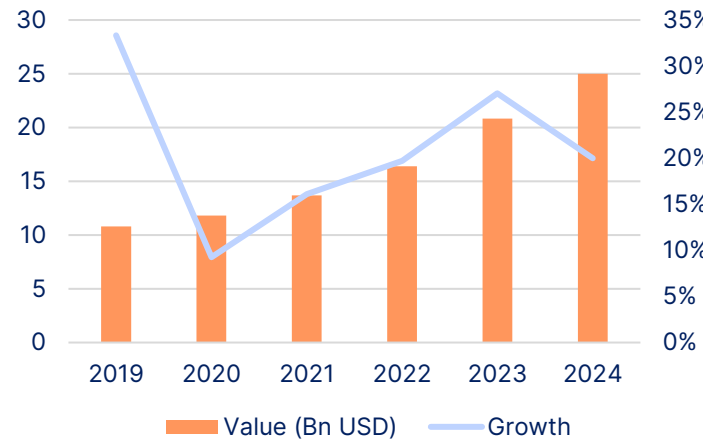
✦ **The Ministry of Information and Communications reported the industry's total revenue in 11M 2024 is estimated at VND 3.98 quadrillion (USD 159.6 billion), up 19.8% YoY, achieving 95.6% of the plan.** Information and Communications Technology (ICT) revenue in 9M reached USD 118 billion, (+17.8% YoY). IT products' export turnover (excluding software) in 11M 2024 reached USD 115.5 billion (+15.1% YoY), a record level, of which computers, electronics, and components accounted for USD 65.2 billion, up 13.8% YoY.

✦ **IT legal framework and infrastructure have seen improvements thanks to corporates' and governments' effort.** In 2024, the national population database connected 18 ministries and 63 localities, serving 1.3 billion queries and synchronizing 537 million records (as of September 2024). By November 30, the nationwide rate of fully online public service applications reached 45.78% (2024's target is 50%). Vietnam climbed 15 places, ranking 71/193 in the UN's E-Government Development Index.

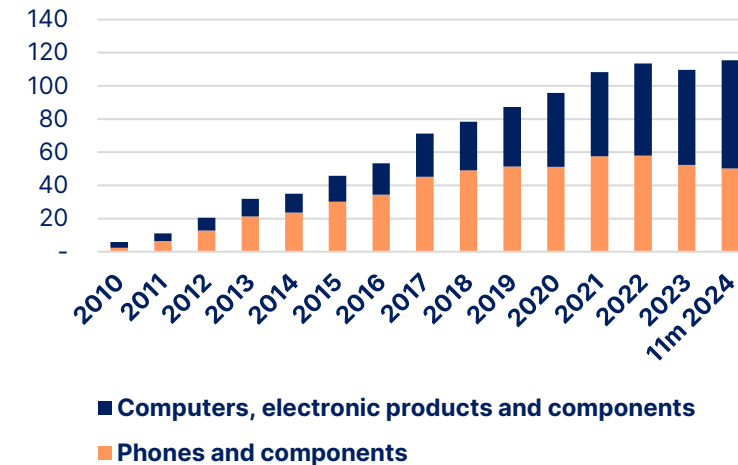
✦ **Resolution 57-NQ/TW of the Politburo, along with Law of Data, 1 decree, 5 decisions issued by the Government in 2024,** demonstrates the highest-level of commitment to positioning technology as a breakthrough factor for Vietnam and a critical foundation for the sector's future development.



The Scale of Vietnam's E-commerce Market



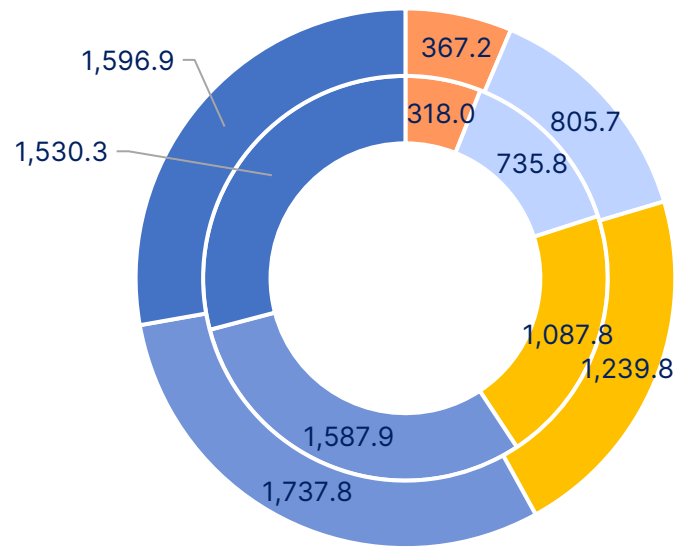
Export Value (billion USD)



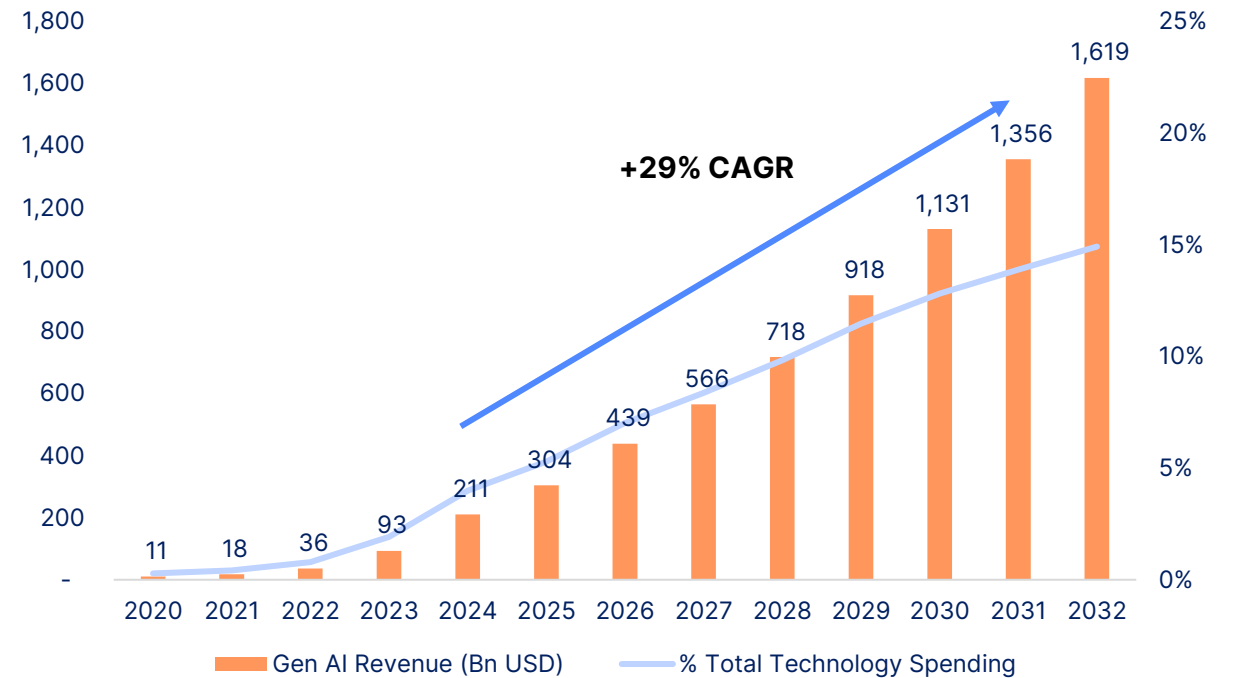
Source: MIC, GSO, SHS Research

- The global technology sector's growth will drive higher demand for IT services from Vietnam.** According to Gartner, global IT spending in 2024 is estimated to reach USD 5.26 trillion, up 7.2% compared to 2023. Of this, software and services dominate, accounting for USD 4.2 trillion, an 8% increase. In 2025, total spending is projected to rise further by 9.3%, with software and services growing by 8.7%.
- AI and opportunities in the semiconductor value chain.** According to Bloomberg, the global Generative AI market is forecasted to grow at a 29% CAGR from 2024 to 2032. It is estimated to reach USD 304 billion by 2025 (+44% YoY) and expand further to USD 1,619 billion by 2032, accounting for 14.9% of total technology spending.

IT Spending (billion USD)



■ Data Center
 ■ Equipments
 ■ Software
 ■ IT services
 ■ Communication services

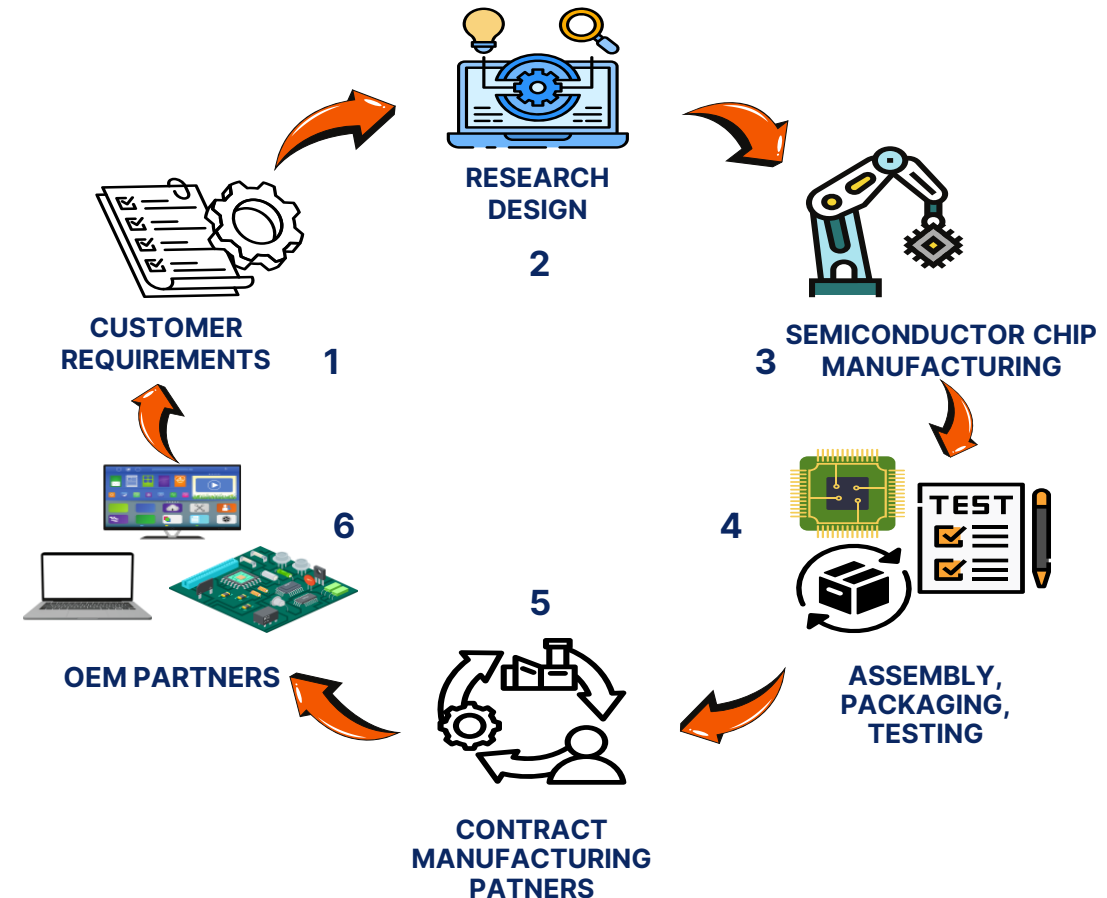


Source: Gartner, Bloomberg

- Collaboration with Nvidia creates opportunities for Vietnam to provide AI services and expand its role in the semiconductor industry**, valued at USD 620 billion in 2024 and projected to reach USD 1 trillion by 2030, driven by production chain relocations from Nvidia's partners and new FDI projects. According to SEMI, Vietnam's semiconductor market is expected to reach USD 18.23 billion in 2024, with a CAGR of 11.48%, and grow to USD 31.39 billion by 2029.
- Potential from 5G's commercialization.** With high speed, low latency, and the ability to connect multiple devices simultaneously, 5G will enhance customer experiences and enable new network services. Additionally, Vietnam's digital transformation will accelerate with smart solutions, IoT, VR/AR, autonomous vehicles, and other advanced technologies.

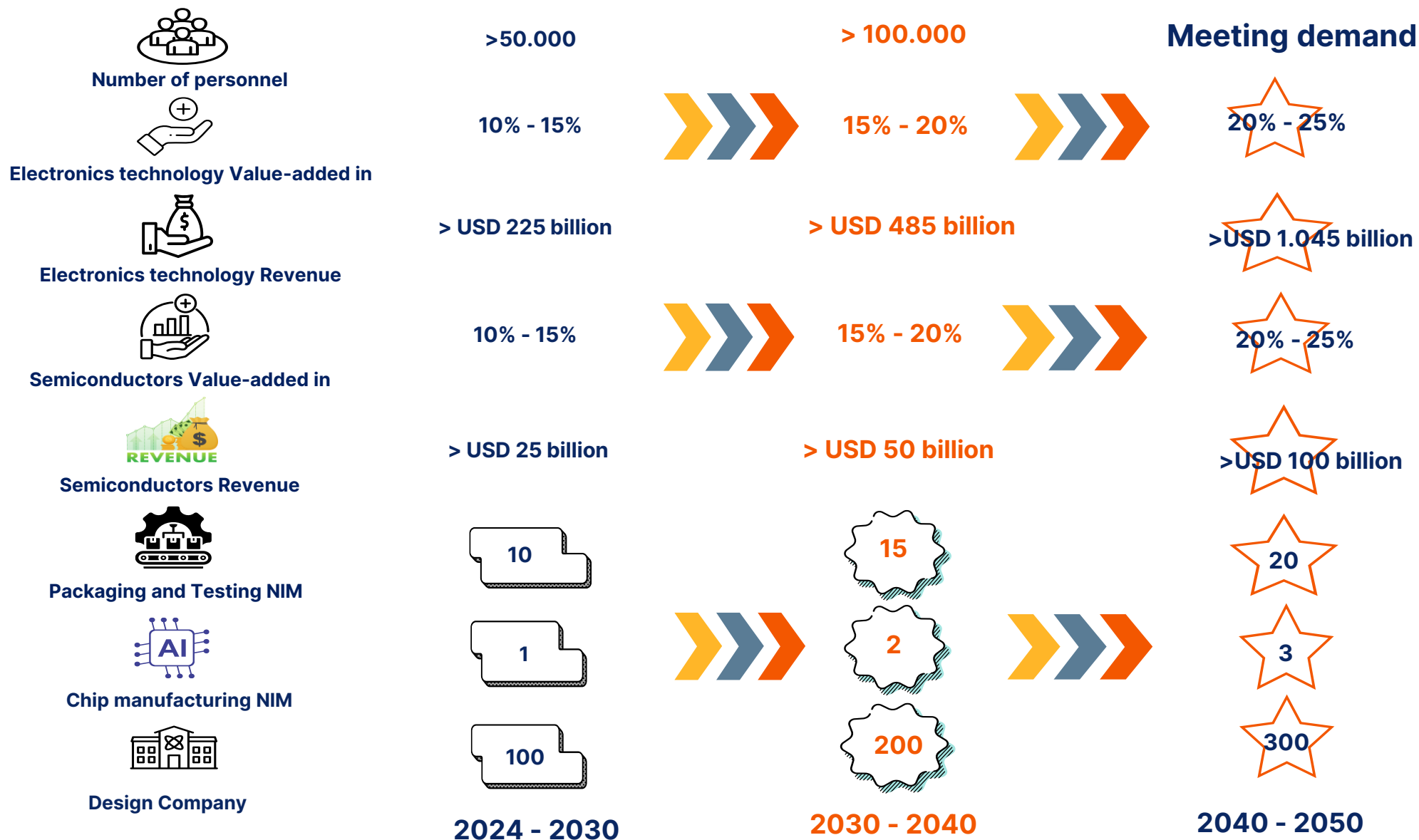
	4G	5G
Theoretical download speed	1 Gbps	10 Gbps
Latency	60 – 98 ms	< 1 ms
Frequency	Up to 20Mhz	100Mhz – 800Mhz
Number of connected devices/km2	100.000	1.000.000

SEMICONDUCTOR INDUSTRY VALUE CHAIN



Source: Gartner, Bloomberg

Vietnam's Semiconductor Industry Development Strategy



FPT

- ✦ **Revenue from IT services in foreign markets will continue to be supported by increasing technology demand, especially driven by AI trend**, particularly from traditional markets such as Japan following the inauguration of FPT's AI Factory.
- ✦ **Leveraging its position as a leading technology company while Government's policy is to use technology and innovation as breakthroughs for the economy in the upcoming period.** The increase in technology investment by Government agencies and businesses, aiming to capture new technological trends and enhance productivity, competitiveness, will positively impact FPT's operations in both hardware and IT services supply.
- ✦ **Strong financial position, low debt** (41% of equity), and cash & cash equivalents valued at VND 27,377 billion (41% of total assets and 85% of total liabilities).
- ✦ **Training sector increasingly contributing a larger share to profit structure.** Growing demand for qualified IT professionals, coupled with the development of high-tech industries, government policies encouraging investment in workforce training, and FPT's continued expansion of training centers across many provinces and cities nationwide, are expected to continue driving this segment in the future.
- ✦ FPT is the number one company in Vietnam with strong competitiveness in the global market. FPT maintains its leadership position in software outsourcing and technology consulting services, with strong competitiveness ranking just below a few Indian companies.

CTR

- ✦ **The Towerco segment continues to experience robust growth with significant development potential, aiming to become Vietnam's leading Towerco service provider.** It is forecasted that CTR will build an additional 3,500 – 4,000 BTS stations by 2025. The sharing ratio is expected to rise to 1.05 by 2025.
- ✦ **The construction segment will continue to be driven and grow in 2025** thanks to: (i) ongoing 2024 civil construction backlog execution; (ii) market share growth as smaller competitors struggle, especially in B2C civil; (iii) expansion into infrastructure and state-funded projects.
- ✦ **Position within the Viettel ecosystem:** As a member of the Viettel Military Industry and Telecom Group, Viettel Construction benefits from the group's reputation and vast network, facilitating access to large projects and market expansion, especially in markets where Viettel Group is investing: Africa, Asia.
- ✦ **The direction for transforming Vietnam's telecommunications infrastructure into digital infrastructure, in line with the Ministry of Information and Communications' plan by 2025,** includes: 100% of communes covered by fiber broadband, over 80% of households, 100% of mobile subscribers having broadband, over 80% of people using the internet, and over 50% of the population having electronic payment accounts; telecommunications revenue growth rate is expected to average 8% - 10% per year.
- ✦ **Prospects for telecommunications technology transformation from 4G to 5G will support Towerco segment.** Expecting demand for expanding 4G coverage from telecommunications companies will increase following 2G network shutdown in September 2024 and 3G network by the end of 2026, in accordance with the Ministry of Information and Communications' (MIC) goals.

OUTLOOK FOR OTHER INDUSTRIES IN 2025

Industry	Negative	Neutral	Positive	Assessment	Recommended Stocks
Residential real estate		✓		<ul style="list-style-type: none"> The industry outlook will continue to be influenced by subdued trading and the processing of a large volume of maturing bonds. The amended Land Law increases the cost of acquiring clean land for projects. 	KDH
Oil and gas		✓		<ul style="list-style-type: none"> In 2025, oil price is expected to remain relatively balanced following the economic, political, and energy policies of major countries. Among these, Trump's preference for fossil fuels will be a key driver in shaping the overall trend. The amended Electricity Law, effective from February 1, 2025, prioritizes the development of natural gas and offshore wind power. The draft Decree on Petroleum Business: Petroleum distributors are allowed to independently determine retail prices. 	BSR, PVS, PVB
Textile and garment		✓		<ul style="list-style-type: none"> Demand from markets is expected to improve due to reduced inventory and lower inflation, along with the potential US imposition of tariffs on Chinese textile products. Risks include: 1/ Interest rates not decreasing as quickly as expected; 2/ Increased trade retaliation and the risk of supply chain disruptions leading to higher costs. 	TNG
Aquaculture		✓		<ul style="list-style-type: none"> Demand from markets is expected to improve due to reduced inventory and inflation. However, risks include: 1/ Interest rates not decreasing as quickly as anticipated; 2/ Increased trade retaliation and the risk of supply chain disruptions, leading to higher costs. 	VHC, FMC
Fertilizer		✓		<ul style="list-style-type: none"> The amended VAT Law, effective from July 1, 2025, will allow businesses in the sector to reclaim input VAT, reducing production and business costs. Input prices (such as oil) are expected to decrease in 2025, and China's export production has yet to recover fully. 	DGC, DCM, DPM

OUTLOOK FOR OTHER INDUSTRIES IN 2025

Industry	Negative	Neutral	Positive	Assessment	Recommended Stocks
Retail			✓	<ul style="list-style-type: none"> ✦ The National Assembly's continuation of a 2% VAT reduction in 2025 first half is expected to stimulate consumer demand, support production and business activities, and create new growth momentum for the retail sector. ✦ The expansion of the retail network, including supermarkets and convenience stores, has seen significant growth in Vietnam. Coupled with e-commerce integration in recent years, these networks are reaching more customers in less urbanized areas. ✦ ICT sales are anticipated to recover in 2025, driven by the typical 3-4 years product replacement cycle. The previous sales peak occurred in 2021 during the COVID period. 	FRT, MWG, DGW
Aviation and tourism			✓	<ul style="list-style-type: none"> ✦ Recovery is expected to continue, supported by foreign tourist arrivals' improvement. Additionally, major aviation infrastructure projects under development are likely to have a positive long-term impact on the industry outlook. 	ACV
Construction materials		✓		<ul style="list-style-type: none"> ✦ Demand for materials from large-scale public investment programs remains a key driver, as real estate market is not expected to recover in the near term. 	VLB
Construction		✓		<ul style="list-style-type: none"> ✦ Infrastructure construction activities will continue to benefit from expansionary fiscal policies. However, the subdued real estate market is projected to be a significant negative factor for the sector. 	VCG, HHV
Utilities		✓		<ul style="list-style-type: none"> ✦ Water demand is anticipated to grow steadily, with higher growth in certain regions attracting significant FDI. The hydropower sector is forecasted to show positive performance as La Niña conditions are likely to persist into 2025. 	BWE, REE

TOP 10 RECOMMENDED STOCKS FOR 2025

TOP 10 RECOMMENDED STOCKS FOR 2025



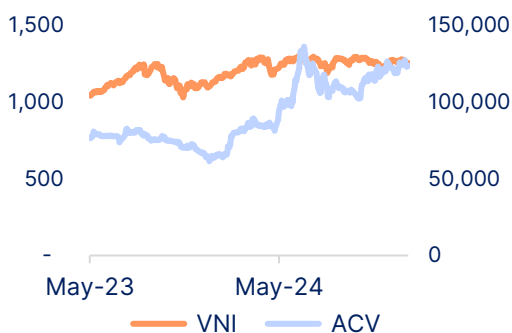
No.	Ticker	Closing Price	Sector	Recommendation
1	ACV	125,900	Logistics	POSITIVE
2	CTR	124,500	Telecommunications	POSITIVE
3	CTG	37,800	Banking	POSITIVE
4	DGC	116,600	Chemicals	POSITIVE
5	FPT	152,500	Information Technology	POSITIVE
6	HPG	26,650	Steel	POSITIVE
7	SIP	83,100	Real Estate	POSITIVE
8	SSI	26,050	Securities	POSITIVE
9	TCB	24,650	Banking	BUY
10	VTP	136,900	Logistics	POSITIVE
VN-Index		1,266.78		

(Click on each ticker to view detailed content)

Basic Information

Market Cap (bn VND)	265,587
Outstanding Shares (mn shares)	2,176
Listed Shares (mn shares)	2,177
Average Trading Volume (10 sessions)	395,444
52-week Low Price	64,200
52-week High Price	135,600
Ownership by Other Investors	4.59%
State Ownership	95.41%

Price Movements



Business Description

ACV currently manages, invests in, and operates 22 airports across the country, including 11 international airports and 11 domestic airports. ACV's core business focuses on providing aviation support services, including aviation services, non-aviation services, and retail operations.

INVESTMENT THESIS

- Strong growth prospects for the aviation industry.** ACV manages 22 airports in Vietnam, handling 90% of passenger traffic. With Asia-Pacific aviation projected to grow 4.5% annually until 2050, Vietnam remains a key market. International passenger traffic is expected to rise 10% in 2025, supported by favorable visa policies and tourism promotion.
- Increased transport capacity starting in 2025.** Phase 1 of Long Thanh International Airport is expected to commence operations in 2027, with a capacity of 25 million passengers and 1.2 million tons of cargo annually. ACV is responsible for developing runway and apron infrastructure for this project, generating revenue from takeoff and landing fees at Long Thanh. Additionally, Tan Son Nhat Terminal T3, which has reached 80% completion, is slated to begin operations in May 2025. This will significantly enhance ACV's transport capacity. These projects will form a major airport hub in the South, bolstering the growth of the aviation sector and the regional economy.
- Expansion and modernization investments.** ACV is actively implementing projects to upgrade and expand its facilities, including Noi Bai Terminal T2, Dong Hoi Apron, and Cat Bi Cargo Terminal. By 2025, ACV expects to commission new terminals and finalize the classification of airfield assets to increase state capital. These efforts strengthen ACV's position in Vietnam's aviation industry, particularly in the context of rising demand for transport and infrastructure development.

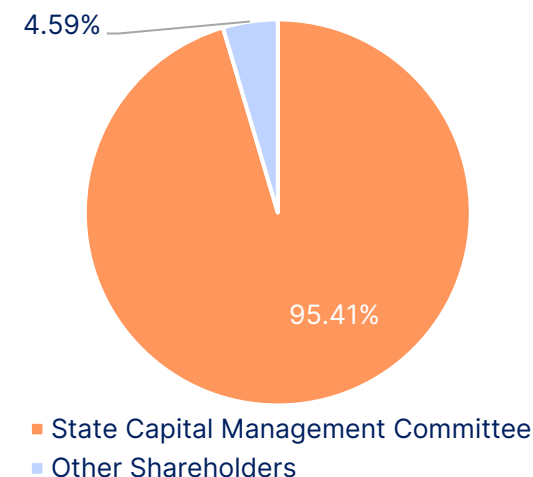
RISKS

- The appreciation of the JPY puts pressure on exchange rate losses for ACV's long-term loans. At the same time, the slow recovery of international passenger traffic, particularly from China, and delays in airport capacity expansion could affect the growth rate. The potential emergence of new epidemics is also a risk factor.

RECOMMENDATION

- We recommend a **POSITIVE** outlook for ACV's stock potential. ACV has strong growth prospects driven by the recovery of the aviation industry, expansion projects, and its dominant position in the sector.
- SHS will update ACV's 2024 business performance and 2025 business plans in upcoming company analysis reports.

Shareholder Structure



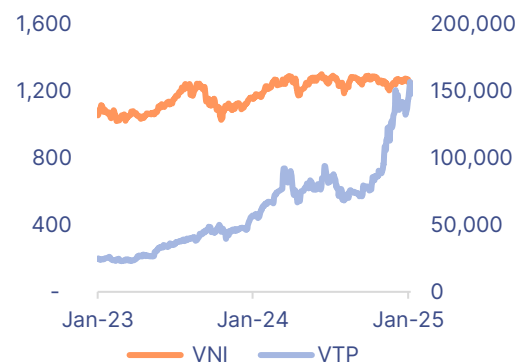
Key Financial Ratios

	2022	2023	9M.2024
Total Assets (billion VND)	60,193	67,348	73,258
Owner's Equity (billion VND)	43,907	50,414	57,086
Revenue (bn VND)	13,805	19,998	16,834
Net income	7,237	8,470	8,488
ROE	16.5%	16.8%	14.9%
ROA	12.0%	12.6%	11.6%
EPS (VND)	2,580	3,318	3,900
BVPS (VND)	20,167	23,156	26,200
P/B (x)	6.0	5.2	4.7
P/E (x)	46.5	36.2	31.3

Basic Information

Market Cap (billion VND)	18,084
Outstanding Shares (shares)	121,783,042
Listed Shares (shares)	121,783,042
Average Trading Volume (10 sessions)	1,313,690
52-week Low Price	54,600
52-week High Price	157,000
Ownership by Other Investors	39.16%
State Ownership	60.84%

Price Movements



Business Description

VTP - A subsidiary of Viettel Military Telecommunications Group, is one of the largest postal companies in Vietnam. Its core activities include domestic and international express delivery, logistics, with growth driven by e-commerce parcel delivery and logistics expansion.

INVESTMENT THESIS

- ✦ **VTP - A leading technology logistics company in Vietnam with positive prospects.** VTP is accelerating strongly amidst the e-commerce boom. With e-commerce booming, Vietnam's logistics sector has grown 14-16% annually, reaching \$40-42 billion. In this context, VTP has strengthened its leadership in express delivery, increasing its market share from 16% in 2021 to 17.2% in 2023.
- ✦ **VTP is undergoing transformation and entering a new growth phase.** From 2019 to 2023, VTP achieved an impressive compound annual growth rate (CAGR) of 25.8%. According to SHS forecasts, VTP's revenue and profit will continue to maintain strong growth from 2025 to 2030, with respective CAGRs of 25.3% and 34%. This growth is driven by several key factors:
 - ❑ **E-commerce boom:** Vietnam is becoming one of the fastest-growing e-commerce markets globally, with a projected CAGR of 25-35% until 2030, leading to strong growth in the logistics industry.
 - ❑ **Continual investment in infrastructure and technology:** VTP is consistently investing in infrastructure and technology, creating a competitive advantage in the industry.
 - ❑ **Focus on cross-border e-commerce and smart border development:** VTP is focusing on areas such as cross-border e-commerce, smart border gateways, and expanding internationally, opening long-term growth opportunities.

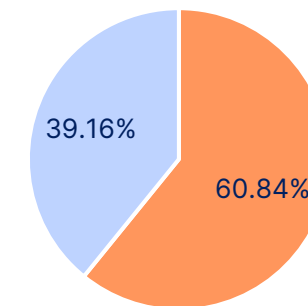
RISKS

- ✦ **Slower-than-expected business model transformation:** The process of VTP's business model transformation in the coming years may be slower than anticipated.
- ✦ **Slower market share growth:** VTP's market share could grow at a slower pace due to: (i) Foreign companies accepting losses to lower service prices, (ii) E-commerce platforms developing their own logistics systems, directly competing with delivery companies.
- ✦ **Inflation and rising costs:** Inflation may affect consumer purchasing power, and rising fuel prices will drive up the input costs for VTP.

RECOMMENDATION

- ✦ SHS released its initial analysis report on VTP stock on December 24, 2024 (please refer to the detailed report [here](#)). With the profit potential and contributions from the Lang Son logistics park project, SHS will continue to update the target price, recommendations, and profit forecasts for VTP in the upcoming period.

Shareholder Structure



- Viettel Military Telecommunications Group
- Other Shareholders

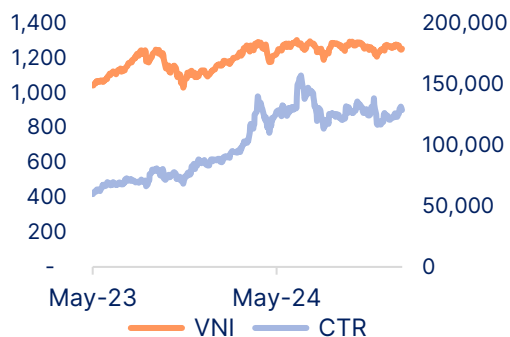
Key Financial Ratios

	2023	2024E	2025F
Total Assets (bn VND)	6,434	7,133	10,498
Owner's Equity (bn VND)	1,581	1,873	3,707
Revenue (bn VND)	19,588	25,314	28,164
Net income	380	405	739
ROE	24%	22%	20%
ROA	6%	6%	7%
EPS (VND)	2,652	3,322	3,033
BVPS (VND)	12,984	15,384	15,226
P/B (x)	10.78	9,10	9,19
P/E (x)	52.8	42,1	46,2

Basic Information

Market Cap (bn VND)	14,698,59
Outstanding Shares (shares)	114,385,879
Listed Shares (shares)	114,385,879
Average Trading Volume (10 sessions)	1,153,250
52-week Low Price	85,800
52-week High Price	156,900
Ownership by Other Investors	34.34%
State Ownership	65.66%

Price Movements



Business Description

CTR - A subsidiary of Viettel Group, is the largest telecom infrastructure leasing company in Vietnam. CTR provides construction, operation, system integration, and infrastructure leasing services primarily for telecom operators. Its growth is driven by the increasing mobile data consumption in Vietnam and the future expansion into the Towerco sector.

INVESTMENT THESIS

- ✦ **The Towerco segment continues to experience strong growth and has significant room for development, maintaining its position as the number one Towerco service provider in Vietnam.** CTR is forecasted to build an additional 3,500–4,000 BTS stations by 2025, with the sharing ratio expected to rise to 1.05 by the same year.
- ✦ **The construction segment is expected to grow further in 2025, driven by:** (i) ongoing execution of the backlog of civil construction projects signed in 2024; (ii) opportunities to strengthen market share as smaller competitors face difficulties, especially in B2C civil segment; (iii) efforts to expand the construction business into infrastructure and state budget projects
- ✦ **Position within the Viettel Ecosystem: As a member of Viettel Military Telecommunications Group,** CTR benefits from the group's strong reputation and extensive network, enabling access to large-scale projects and market expansion, particularly in regions where Viettel operates, such as Africa and Asia.
- ✦ **Vision for Vietnam's Telecom Infrastructure Transformation:** In line with the Ministry of Information and Communications' direction, Vietnam aims to upgrade its telecom infrastructure to digital infrastructure by 2025. This includes nationwide fiber coverage, 100% broadband mobile subscriptions, 80% internet penetration, 50% of the population with e-payment accounts, and 8%-10% annual telecom revenue growth.
- ✦ **Prospects for 4G to 5G Transition:** The shift from 4G to 5G is expected to support the Towerco segment. Demand for expanded 4G coverage from telecom providers will likely rise following the shutdown of 2G networks in September 2024 and 3G networks by the end of 2026, in line with the Ministry of Information and Communications' objectives.

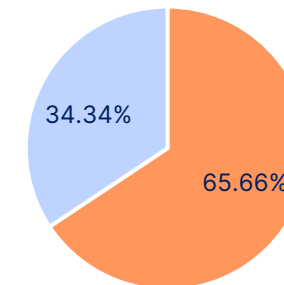
RISKS

- ✦ The outlook for telecom tower construction is lower than expected, as telecom companies are not willing to share telecom towers.

RECOMMENDATION

- ✦ We recommend a **POSITIVE** outlook for CTR's stock potential. As Vietnam's leading telecom infrastructure contractor and operator, CTR benefits from cost advantages and strong support from its parent company, Viettel Group. CTR is well-positioned to capitalize on Vietnam's growing mobile data consumption, particularly through its expansion into the high-potential Towerco sector.
- ✦ SHS will update CTR's 2024 business performance and 2025 business plans in upcoming company analysis reports.

Shareholder Structure



- Viettel Military Telecommunications Group
- Other Shareholders

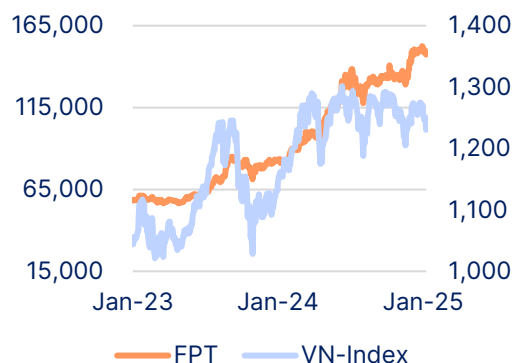
Key Financial Ratios

	2022	2023	9M.2024
Total Assets (billion VND)	6,041	6,915	6,721
Owner's Equity (billion VND)	1,624	1,988	1,690
Revenue (billion VND)	9,369	11,299	9,107
Net income	442.9	515.9	387.5
ROE	4.7%	4.6%	4.3%
ROA	7.3%	7.5%	5.8%
EPS (VND)	3,872	4,510	4,640
BVPS (VND)	14,205	17,380	14,780
P/B (x)	9.0	7.4	8.7
P/E (x)	33.2	28.5	27.7

Basic Information

Market Cap (bn VND)	216,688.5
Outstanding shares (share)	1,471,069,183
Listed shares (share)	1,471,069,183
Average Trading Volume (10 sessions)	3,069,560
52w low price	81,826
52w high price	153,900
State ownership	4.96%
Free-float	77.77%

Price performance



Company description

FPT is a leading Information Technology enterprise in Vietnam. The company's primary offerings include Telecommunications Services and Digital Content, Software, System Integration, and Education. Key markets: Japan, the United States, Europe, and the Asia-Pacific region.

INVESTMENT THESIS

- The global trend of increasing investment in Information Technology is expected to continue into 2025, driving growth for FPT's technology services in foreign markets.** The company's effective M&A strategy, targeting overseas tech firms, has secured large contracts, including a recent USD 250 million deal with an automotive partner, ensuring robust growth in this segment in the coming years.
- The rapid adoption of AI across industries is accelerating, and FPT's strategic partnership with Nvidia to establish two AI Factories is expected to attract substantial demand, particularly from the Japanese market.**
- Government initiatives to leverage technology as a growth driver, alongside the development of the semiconductor industry and legal framework improvements, will further boost domestic technology activities.** As a leading player, FPT is well-positioned to contribute through services like software solutions, system integration, and data center offerings.
- The rising demand for training and skill upgrades to meet technological advancements is also expected to grow.** With its High-Tech Center, vocational colleges, and university network, FPT's education segment is forecasted to play a significant role in its future business results.

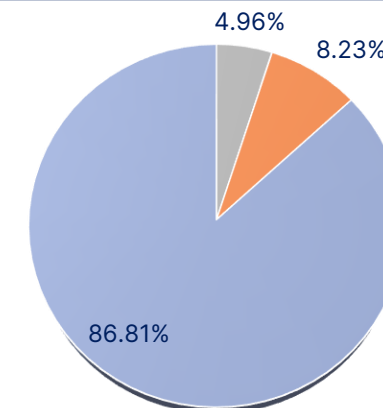
RISKS

- Competitive pressure from Indian technology companies.

RECOMMENDATION

- We recommend a **POSITIVE** outlook for FPT.
- SHS will provide updates on FPT's 2024 production and business performance, as well as 2025 business plan, in upcoming corporate analysis reports.

Shareholder structure



■ SCIC ■ Chairman and Related Parties ■ Other

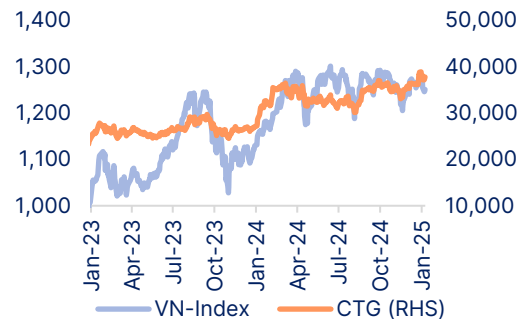
Key financial indicators

	2022	2023	9T.2024
Total asset	51,650.4	60,282.8	67,581.6
Equity	25,356.1	29,933.9	35,364.2
Revenue	44,009.5	52,617.9	45,240.9
NPAT	6,491.3	7,788.0	6,926.6
ROE	0.3	0.3	27.49%
ROA	0.1	0.1	11.74%
EPS (VND)	4,840.0	5,091.0	5,119
BVPS (VND)	19,185.0	19,683.0	20,183
P/B (x)	5.0	7.5	7.3
P/E (x)	19.6	28.9	28.77

Basic Information

Market Cap (VND Bil)	7.963,03
Share Outstanding (Mil Shares)	5.369,99
Average Trading Volume (10 sessions)	6.694.842
52W Lowest Price	30.150
52W Highest Price	38.900
Foreign Ownership Limited	30%
Foreign Ownership	27%
Free Float	15%

Price Movement



Valuation Ratios

Indicator	2024E	2025E	Sector
BVPS (VND)	27,500	32,388	
EPS (VND)	4,219	4,867	
ROAE (%)	1.04%	1.04%	1.48%
ROAA (%)	16.7%	16.3%	12.99%
P/B (x)	1.36	1.15	1.35
P/E (x)	8.9	7.7	9.93

INVESTMENT THESIS

- ✦ Credit growth is expected to remain positive in 2025-2026. In 2024, CTG achieved credit growth of 16.88%, exceeding the industry average, supported by retail lending and large corporate clients. Increased investment in infrastructure and interest rate competition among banks are helping drive the credit growth of State-owned commercial banks.
- ✦ Asset quality continues to improve. The non-performing loan (NPL) formation rate for CTG in 9M 2024 decreased to 1.6%, down from 2.2% in 2023. The rate of Group 2 loans remained stable at 1.44%, the lowest since Q2 2022. Restructured loans under Circular 02 accounted for 0.17% of total outstanding loans and have been fully provisioned. The NPL coverage ratio at the end of Q3 2024 was 153%, ranking second in the sector. We expect this positive asset quality trend to continue, with provisioning costs expected to decrease in 2025.
- ✦ NPAT-MI for 2025 is forecasted to increase by 15.4% YoY, supported by continued credit expansion and reduced credit costs following the provisioning efforts during 2023-2024 to solve bad debts.
- ✦ CTG is expected to receive approval from the State Bank of Vietnam (SBV) to increase capital in 2025. CTG has a plan to distribute stock dividends from retained earnings of 2023 and prior, amounting to VND 37,905 billion, equivalent to 70.59% of its charter capital. The capital increase is crucial due to the rapid expansion of credit and the current low Capital Adequacy Ratio (CAR) relative to the industry.
- ✦ The stock valuation is attractive relative to CTG's market position and operational efficiency. As of Q3 2024, CTG is trading at a trailing P/B ratio of 1.36x, the lowest among State-owned commercial banks, in line with the industry average. With the current stock price and the 2025 profit forecast, CTG's forward P/B ratio is expected to be 1.15x, making it an attractive investment opportunity.

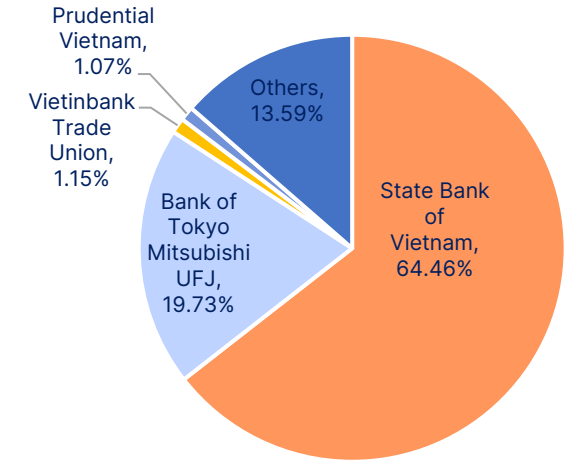
DISADVANTAGES

- ✦ CTG continues to make high provisions to increase the non-performing loan (NPL) coverage ratio.
- ✦ Economic growth is recovering more slowly than expected, which impacts credit demand.

RECOMMEND

- ✦ We recommend a **POSITIVE** outlook for CTG shares with a target price of VND 45,200 per share.
- ✦ SHS will provide a detailed update on CTG's business performance and financial situation in the upcoming company analysis report.

Shareholder Structure



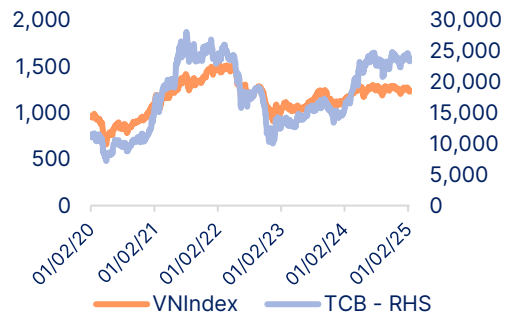
Key Financial Ratios

Indicator (Bil VND)	2023	2024F	2025F
Total asset	52,957	63,153	72,620
Equity	17,591	17,719	19,986
Revenue	70,548	80,872	92,606
NPAT	20,443	22,644	25,930
ROE	25,115	29,792	33,865
ROA	24,990	28,436	32,811
EPS (VND)	2.86%	2.99%	2.99%
BVPS (VND)	1.04%	1.04%	1.04%
P/B (x)	17.1%	16.6%	16.3%
P/E (x)	1.13%	1.45%	1.30%
Total asset	1.55%	1.65%	1.60%
Equity	29%	28%	28%

Information

Market capital (Bn VND)	165,318
No. of shares (shares)	7,064,851,739
Volume of listed shares	7,045,021,622
Average Trading Volume (10 sessions)	9,808,640
Low price 52w	16,500
High price 52w	24,900
Foreign ownership	22.51%
Free-float	65.00%

Price chart



Company description

TCB was established in 1993 with its headquarters in Hanoi. Techcombank has grown to over 13,000 employees and more than 300 branches nationwide, with strategic partnerships with major corporations such as Masan and Vingroup. The bank has the highest proportion of real estate lending in the industry, accounting for approximately 70% of total credit.

CATALYSTS

- TCB continues to maintain strong credit growth.** It was one of the banks that had its credit "room" expanded at the end of the year, with the limit adjusted from 16% to 18.4%. This adjustment provides TCB with more lending capacity to meet surging market credit demand. We expect TCB's credit growth in 2024 to reach approximately 20% and maintain a steady rate of 23%-24% during the 2025-2027 period.
- New Opportunities in the Insurance Sector:** (i) **Non-life insurance:** TCB has established Techcom Non-life Insurance Company (TCI) and signed a comprehensive strategic cooperation agreement with PVI Insurance (HoSE: PVI) to provide services in non-life insurance and reinsurance. This initiative allows TCB and TCI to enter the non-life insurance market, contributing to the strengthening of TCB's ecosystem; (ii) **Life insurance:** In October 2024, TCB ended its exclusive partnership with Manulife and is now seeking a new strategic partner in the life insurance sector. In the short term, TCB is expected to face a revenue shortfall from bancassurance and higher operating costs due to compensation payments to Manulife, estimated at around VND 1,800 billion.
- TCB maintains its position among the top banks for CASA ratios in recent years.** To attract customer deposits, TCB diversifies its mobilization policies. The "Automatic Profit" product launched in early 2024 and the "Call me by fire" concert ticket program for new and existing account holders are expected to contribute 4.5%-5% to TCB's CASA by year-end. This increase will help TCB alleviate provisioning pressures following the expiration of Circular 02.
- Strong operational performance.** While enhancing its digitalization and data capabilities, TCB has effectively controlled its costs, resulting in an ROA significantly above the industry average (~1.8%). Its 3Q2024 net profit margin reached 47.6%, about 30% higher than the industry average, which remains a key factor in TCB's ability to compete with its peers and strengthen its position in the industry.

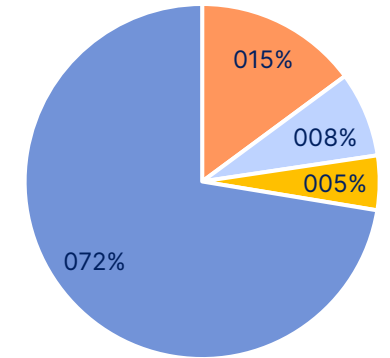
RISKS

- The real estate market is recovering more slowly than expected.
- The non-performing loan (NPL) ratio is showing an increasing trend.

RECOMMENDATION

- We recommend **BUY** for TCB stock with a target price of 33,800 (+37.12%) based on the closing price on December 31, 2024. We combine two valuation methods: Residual Income (RI) and P/B (1.2x). NIM is expected to decrease slightly but remain above 4%, with projections of 4.35% for 2024F and 4.31% for 2025F.
- The initial report will be updated by SHS soon.

Ownership



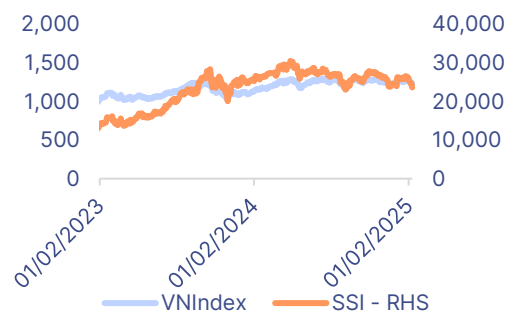
Basic ratios

	2023	2024F	2025F
Total assets	849,482	968,857	1,181,799
TOI	40,061	48,548	58,333
NII	27,691	35,883	42,780
PBT	22,888	29,291	35,698
ROE	14.7%	16.2%	16.8%
ROA	2.3%	2.5%	2.6%
EPS (VND)	5,104	6,576	4,007
BVPS (VND)	36,990	21,682	25,560
P/B (x)	0.85	1.09	0.93
P/E (x)	6.21	8.48	4.48

Information

Market capital (Bn VND)	46,693
No. of shares (shares)	1,963,863,918
Volume of listed shares	1,961,872,450
Average volume 10 sessions	12,904,230
Low price 52w	23,100
High price 52w	30,600
Foreign ownership	40.06%
Free-float	70.00%

Price chart



Company description

SSI was established in 1999. The company has an extensive network of operations in major cities such as Hanoi, Ho Chi Minh City, etc. The company's stock has been listed on the HNX since 2006 and transferred to the HoSE in 2007. As of the end of 2024, SSI holds the second position in market share for brokerage on the HoSE with a rate of 9.18%.

CATALYSTS

✦ **We expect an increase in foreign inflows with the catalyst being the "market upgrade."** FTSE Russell is likely to announce Vietnam's upgrade to an emerging market in the September 2025 review, with the actual implementation potentially occurring from March 2026. The net market capitalization of Vietnam is estimated at USD 43 billion by FTSE Russell, and the total net inflows could reach as high as USD 1.6 billion after the upgrade (excluding actively managed funds). We expect SSI to improve its business performance in the wake of this new wave of capital and potentially be included in the FTSE EM index, alongside VND, VCI, and HCM.

✦ **Maintaining the number 2 position in market share for brokerage across the industry.** With its existing strengths in technology, human resources, and products, SSI's brokerage revenue continues to grow, maintaining its position as the second-largest broker by market share, behind only VPS. The market share in 2024 is projected to be 9.18%. We believe SSI will benefit from and maintain its market share due to its large customer base, especially with the operation of the KRX system and the market's upgrade.

✦ **A safe and highly stable investment portfolio.** As of the end of Q3/2024, SSI's FVTPL portfolio is valued at approximately VND 37.316 trillion (-15% YTD). The decrease in value comes from SSI's reduction in holdings of government bonds. The portfolio size is relatively large compared to the market, but with 61% in deposits and certificates of deposit, 33% in bonds from state-owned commercial banks, and only 6% in stocks, it is considered to be highly safe and stable.

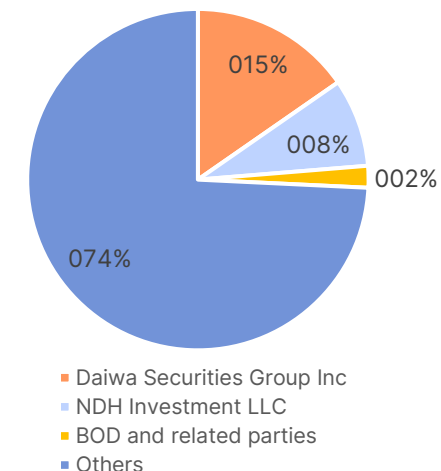
RISKS

- ✦ The implementation of the KRX system and the market upgrade review by FTSE Russell may take longer than expected.
- ✦ The stock price volatility of securities companies is cyclical and has a high beta coefficient, often correlating with market liquidity.

RECOMMENDATION

- ✦ We recommend a **POSITIVE** outlook for SSI due to its positive business performance and opportunities arising from the market upgrade.
- ✦ SHS will update the business performance for 2024 and the business plan for 2025 for SSI in upcoming equity reports.

Ownership



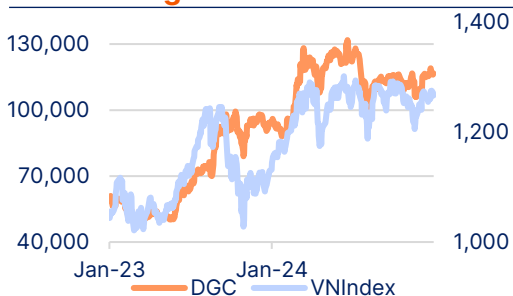
Basic ratios

	2022	2023	9M2024
Total assets	52.226	69.241	66.181
Equity	22.384	23.241	24.115
Revenue	6.336	7.158	6.308
PAT	1.699	2.293	2.407
ROE	9,34%	10,11%	12,22%
ROA	3,30%	3,78%	4,30%
EPS (VND)	1.140	1.426	1.582
BVPS (VND)	14.918	15.389	12.220
P/B (x)	2,29	1,54	1,94
P/E (x)	29,97	16,62	14,98

Basic information

Market Capitalization (billion VND)	42,649.12
Outstanding shares (share)	379,778,413
Listed shares (share)	379,779,286
Average trading volume over 10 session (share)	1,783,830
52w low price	85,000
52w high price	131,800
State ownership	0%
Free-float	61.62%

Diễn biến giá



Company description

DGC is a leading company in the production and trading of chemicals in Vietnam. Its main products include yellow phosphorus, food-grade phosphoric acid (TPA, H₃PO₄ 85%), technical-grade phosphoric acid (WPA, H₃PO₄ 50%), batteries, fertilizers, and animal feed additives. Key markets include India, Japan, South Korea, and Taiwan.

INVESTMENT THESIS

- ✦ **The price of yellow phosphorus (P4) and phosphorus-based products from DGC is expected to enter an upward trend starting in 2025.** The main drivers of the price increase are the growing demand in AI, semiconductors, and EV batteries (with global semiconductor sales in Q4/2024 up +16.2% YoY), alongside a significant reduction in inventory levels among key customers in the region, including Japan, South Korea, and India (South Korea -24% YoY).
- ✦ **Maintaining revenue and profit from core business segments with an annual gross profit margin of approximately 37%.** DGC's P4 and acid products are highly purified, meeting export standards and delivering steady net profits of approximately VND 3,500–4,000 billion annually starting from 2025.
- ✦ **Long-term growth drivers come from the Nghi Son Chemical Project and the Duc Giang Ethanol Project.** (i) The Duc Giang Ethanol Project is estimated to commence operations in Q1/2025, contributing VND 800–1,200 billion in revenue to DGC with a gross profit margin of 10–13%. (ii) The Nghi Son Chemical Project (Phase 1) is expected to begin commercial operations in Q1/2026, adding VND 1,200–1,700 billion in revenue with a gross profit margin of 15–17%.
- ✦ **Resolution 171/2024/QH15 has been approved, paving the way for the development of the Duc Giang Chemical Apartment Project.** Resolution 171/2024/QH15 introduces a pilot framework for implementing commercial housing projects through agreements on acquiring or utilizing land use rights. This facilitates real estate businesses in developing commercial housing projects and addresses legal obstacles, providing a clearer regulatory framework for project execution.

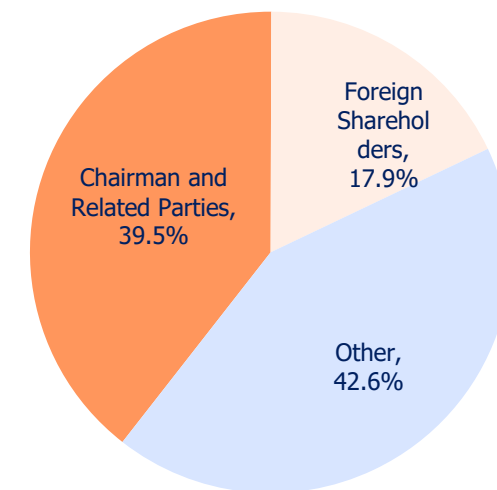
RISKS

- ✦ The price of yellow phosphorus and related products may not rise as expected.
- ✦ The Nghi Son Chemical Project faces delays.
- ✦ Legal issues in obtaining approval for new mining licenses for apatite, the Duc Giang Chemical Apartment Project, and the Bauxite-Aluminum Project in Dak Nong.

RECOMMENDATIONS

- ✦ We recommend a **POSITIVE** outlook for DGC's stock potential, based on the aforementioned factors and the approval of the 5% VAT for fertilizers, which will take effect on July 1, 2025.
- ✦ SHS will update on DGC's production and business performance for 2024, along with its business plans for 2025, in upcoming corporate analysis reports.

Shareholder structure



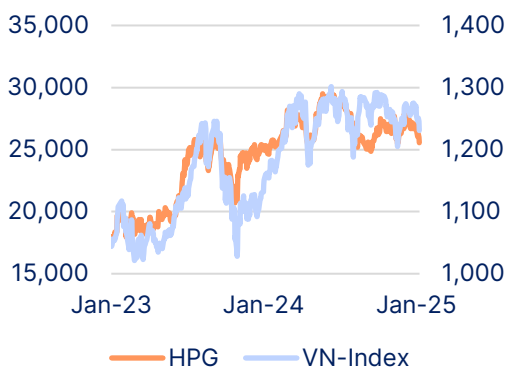
Các chỉ số cơ bản

	2022	2023	9T.2024
Total Asset	13,406.1	15,605.0	16,197.0
Equity	11,300.4	12,556.3	14,141.2
Revenue	14,444.1	9,748.0	7,451.3
NI	6,037.0	3,241.7	2,322.2
ROE	73.1%	29.3%	23%
ROA	55.1%	22.4%	19%
EPS (VND)	14,653	8,163	7,791
BVPS (VND)	37,011.8	28,526.2	36,205.9
P/B (x)	2.1	3.1	3.2
P/E (x)	4.2	12.3	15.9

Basic Information

Market Capitalization (billion VND)	163,424.2
Outstanding shares (share)	6,396,250,200
Listed shares (share)	6,396,250,200
Average trading volume over 10 session (share)	12,808,430
52w low price	24,590
52w high price	29,950
State ownership	0%
Free-float	55.94%

Price performance



Company description

HPG is a leading enterprise in steel products' production and trading in Vietnam. The company's main products include hot-rolled coils (HRC), construction steel, coated steel sheets, agricultural products, industrial parks, and residential real estate.

INVESTMENT THESIS

- Dung Quat 2 Project:** Upon full completion by the end of 2025, this project will increase HPG's HRC production capacity by 2.86 times to 8.6 million tons, cementing its position as the industry leader. With the largest HRC production capacity in Vietnam, HPG is poised to expand domestic sales to bridge supply-demand gaps and enhance its ability to produce high-quality, value-added specialty steel products.
- Support from Public Investment and Anti-Dumping Duties.** Domestic public investment projects, combined with potential anti-dumping duties on imported HRC, are expected to benefit HPG. Results of anti-dumping investigations on HRC imports from China and India are anticipated in 2025. If duties are imposed, they will bolster HPG's sales, especially as public investment intensifies to spur economic growth.
- Opportunities from U.S. Tariffs on Chinese Steel.** The U.S. administration is expected to increase tariffs on Chinese steel imports from 25% to 60%, which could boost demand from alternative markets to fill the resulting supply shortages, creating an opportunity for HPG.
- Long-Term Prospects from North-South High-Speed Railway Project.** The railway project, slated to begin construction by the end of 2027, is expected to require approximately 6 million tons of steel, offering significant opportunities for domestic steel producers, including HPG.

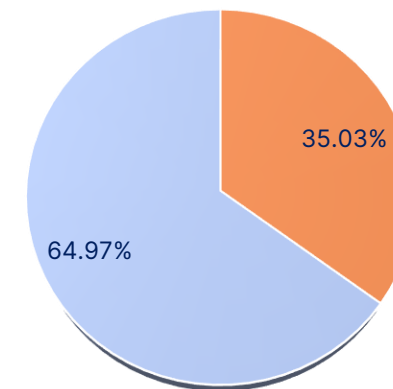
RISKS

- Real estate market remains subdued.
- Competitive pressure from imported Chinese steel.
- Increased trade defense measures from import markets.

RECOMMENDATION

- We recommend a **POSITIVE** outlook for HPG.
- SHS will provide updates on HPG's 2024 production and business performance, as well as 2025 business plan, in upcoming corporate analysis reports.

Shareholder structure



■ Chairman and Related Parties ■ Other

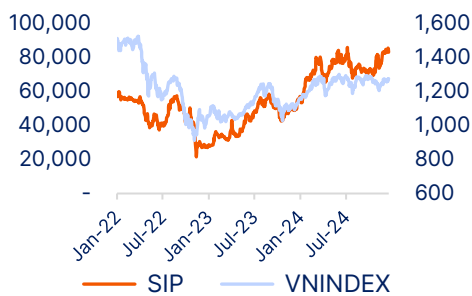
Key financial indicators

	2022	2023	9T.2024
Total asset	170,335.5	187,782.6	211,386.3
Equity	98,112.9	102,836.4	111,779.1
Revenue	141,409.3	118,953.0	104,364.1
NPAT	8,444.4	6,800.4	9,210.4
ROE	9.09%	6.88%	11.38%
ROA	4.87%	3.82%	6.03%
EPS (VND)	1,459	1,117	1,905
BVPS (VND)	16,511	17,674	17,446
P/B (x)	1.7	1.45	1.46
P/E (x)	19.19	22.87	13.41

Basic information

Market capitalization (billion VND)	16,632
Number of outstanding shares (millions)	210.5
Average trading volume	879,750
52-week low price	53,250
52-week high price	86,900
Foreign ownership	5.58%
PB trailing	3.52

Price trend



Company description

SIP is a company operating in the fields of investment, construction, and industrial park infrastructure business. SIP is currently operating and managing 4 industrial parks in the South, with a total leased area of 2,428 hectares

Investment thesis

- Vietnam still has significant potential to attract FDI due to competitive electricity production prices and labor costs compared to other countries in the region.** The "China + 1" strategy has been creating a trend of large manufacturers shifting to Vietnam. This trend is driven by the rising labor costs in China, the US-China trade tensions, and the impact of the COVID-19 pandemic on global supply chains.
- Vietnam's infrastructure investment-to-GDP ratio in recent years has been among the highest in Asia,** with an average of 5.7% of GDP, which will help drive the potential development of industrial parks.
- SIP owns a large land bank ready for lease in prime locations at low costs due to land acquisition being completed in earlier phases.** Among industrial real estate companies operating in the South, SIP holds the largest remaining commercial land bank with 1,034 hectares. These include Phuoc Dong Industrial Park (772ha) in Tay Ninh, Loc An – Binh Son Industrial Park (133ha) near Long Thanh Airport – Dong Nai, Le Minh Xuan 3 Industrial Park (106ha), and Dong Nam Industrial Park (23ha) in Ho Chi Minh City.
- SIP is one of the few industrial park developers licensed to build substations (TBA) and supply electricity to the industrial parks,** enabling a favorable electricity supply margin (about 6%). The utility services segment contributes up to 66% of SIP's gross profit.
- SIP has a healthy financial situation and offers a high dividend payout ratio.** From 2020 to 2023, SIP has consistently maintained an average cash dividend payout ratio of 20-50% of par value.

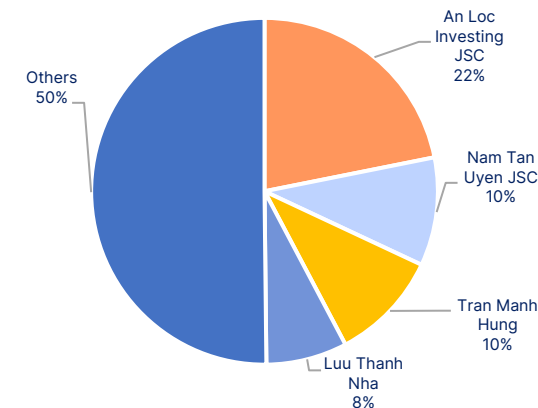
Risk

- FDI capital invested in Vietnam may not grow as strongly as expected.

Recommendation

- We recommend a **POSITIVE** outlook on SIP shares due to the advantage of owning a large commercial land bank ready for lease in the southern region, which will enable the company to capitalize on the growing wave of FDI investment into Vietnam.

Shareholder structure



	2022	2023	9T2024
Total Asset	19,003	21,060	24,344
Equity	3,660	4,028	4,710
Revenue	6,036	6,679	5,737
PAT	1,009	1,003	902
ROE	28%	25%	19%
ROA	5%	5%	3.7%
EPS (VND)	11,109	5,520	4,022
BVPS (VND)	35,700	19,620	20,080
P/B (x)	2.24	4.07	3.98
P/E (x)	7.2	14.5	19.9

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