

# Banking

## Boosting credit growth

Analyst Pham Phuong Linh  
(+84) 24-7303-5333 linhpp@kbsec.com.vn

December 30, 2025

## Positive maintain

Recommendations	
<b>VCB</b>	<b>BUY</b>
Target price	VND76,500
<b>BID</b>	<b>BUY</b>
Target price	VND51,800
<b>CTG</b>	<b>BUY</b>
Target price	VND58,00
<b>ACB</b>	<b>BUY</b>
Target price	VND32,100
<b>TCB</b>	<b>BUY</b>
Target price	VND43,100
<b>VPB</b>	<b>BUY</b>
Target price	VND37,800

### Banks beat credit growth target before the end of the year

The first year of the “Era of Growth” marked a pivotal change in macroeconomic management, with consistently loose monetary and fiscal policies to support economic growth. In this context, the banking sector, a crucial policy channel, touched 10-year highs and exceeded the 16% target even before the end of the year. To promote growth and adhere to the direction of maintaining low interest rates, NIMs of many banks have been dented, reflecting the trade-off between profit margins and expansion. Asset quality improved and remained stable thanks to a more favorable economic environment and customer support policies. Despite the impact from external factors (tariffs and exchange rate pressure), PBT of 27 banks managed to post growth (+13% YoY in 9M25).

### The credit growth momentum should be maintained in 2026

2025 is a groundbreaking year as a slew of policy changes have been implemented to expand market openness and support higher growth target, thereby creating a favorable foundation for banks to enter 2026 with a more positive outlook. We expect credit growth will maintain its strong momentum in 2026 (15–17%) with an encouraging business environment and the central role of credit in macroeconomic management. Given rising costs of funds (CoF), NIM is projected to remain stable thanks to strong credit growth and increasingly significant contributions from non-interest income. In addition, capital increases, the move towards Basel III standards, and the deployment of digital asset and gold exchanges will also strengthen the capacity and prospects of banks in the medium-long term.

### The growth outlook is underpinned by several favorable factors, making banking stocks more attractive

Currently, the banking sector is trading at a P/B ratio of 1.54x, only higher than the five-year average -1Std. We believe that the business environment in 2026 will be more favorable with a priority on credit growth, stable NIM, and asset quality, while legal changes are facilitating the development of the entire industry. We expect the P/B ratio of banks to be redefined in the five-year average P/B range (1.7x). Our selected bank stocks for 2026 investment strategy include ViettinBank (CTG), Military Bank (MBB), Techcombank (TCB), Vietnam Prosperity Bank (VPB), and Asia Commercial Bank (ACB).

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## I. 9M25 business performance

### **Banks led the overall economic growth in 2025**

The first year of the “Era of Growth” marked a pivotal change in macroeconomic management, with consistently loose monetary and fiscal policies to support economic growth. In this context, the banking sector, a crucial policy channel, touched 10-year highs and exceeded the 16% target even before the end of the year. To promote growth and adhere to the direction of maintaining low interest rates, NIMs of many banks have been dented, reflecting the trade-off between profit margins and expansion. Asset quality improved and remained stable thanks to a more favorable economic environment and customer support policies. Despite the impact from external factors (tariffs and exchange rate pressure), PBT of 27 banks managed to post growth (+13% YoY in 9M25).

### **Credit growth touched many-year highs, playing a crucial role in economic growth**

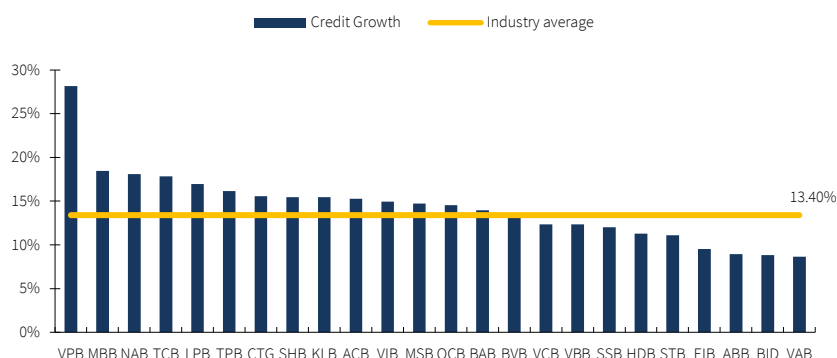
According to the State Bank of Vietnam's (SBV) statistics, system-wide credit growth as of November 27 reached 16.56% YTD, beating the full-year target of 16%. This growth rate is the highest recorded in the last 10 years as credit is an important factor to boost GDP growth. The main credit trends in 2025 include:

- (1) Lending to corporate customers, especially large enterprises, has grown impressively. Meanwhile, the SME and individual customer groups are still recovering slowly, as shown by the performance of banks with a large proportion of retail lending such as ACB and Vietnam International Bank (VIB), credit growth is slower than the industry average. This shows that the recovery level is not uniform among different groups in the economy.
- (2) Loans to real estate have grown more strongly than other sectors and industries, implying that the recovery of the real estate market (removal of legal obstacles) and the promotion of credit are two coordinative factors to accelerate project implementation. The strong increase in supply also helped to make the market more vibrant, and home loans have become the driving force for the retail banking segment at most banks.
- (3) Banks that took over weak credit institutions have outperformed. VPB and MBB are two banks in KBSV's watchlist with the highest credit growth rates across quarters, reaching 28.2% YTD and 18.4% YTD respectively (excluding the transfer of bad debts to weaker credit institutions) at the end of 3Q. HCM Development Bank's (HDB) credit growth slowed in 3Q, falling to 11% due to the transfer of some quality debt to Vikki Bank. If excluding this transfer, HDB's credit growth will be 20.2% YTD.

Although there was no additional credit allocation for banks in 4Q25 as in previous years, sector-wide credit growth exceeded the 16% target after positive developments in the first three quarters.

Banks with high credit limits (VPB & MBB) and those that have large outstanding loans to the real estate sector experienced better growth compared to the rest. Retail banking saw slight signs of recovery from 3Q.

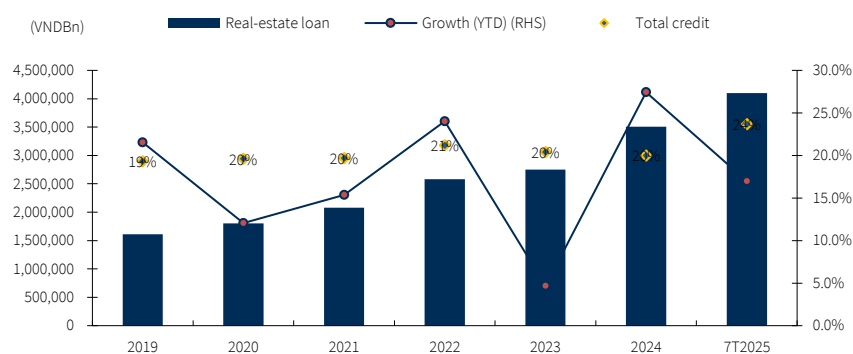
Fig 1. Vietnam – Credit growth across banks in 9M25 (%)



Source: Bank financial statements, KB Securities Vietnam

Data released by July 2025 showed that disbursed credit for the real estate sector reached over VND4.1 trillion, significantly increasing its contribution to the total outstanding loans of the economy (from 20% to 24%). The credit growth rate for this sector is nearly 20% YoY.

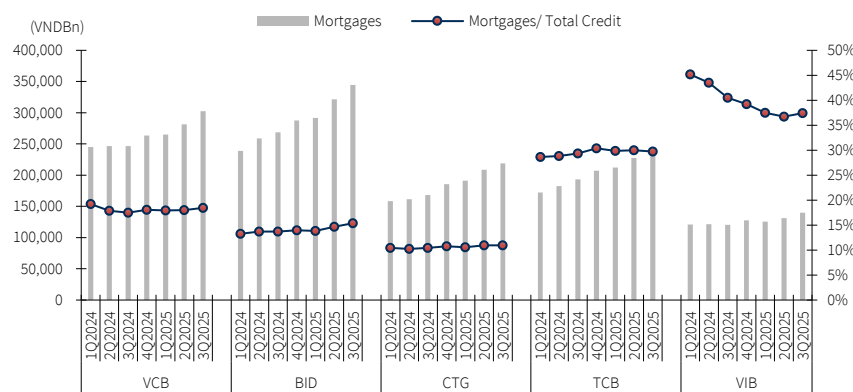
Fig 2. Vietnam – Real estate credit growth (%)



Source: Bank financial statements, KB Securities Vietnam

The proportion of outstanding mortgages in the total loans of state-owned banks has gained, while private banks (such as TCB and VIB, with 30–40% of mortgages) have shown more stable performance. This could be due to state-owned banks offering lower lending interest rates and participating in disbursing funds for social housing projects.

Fig 3. Vietnam – Mortgages, mortgages/total credit



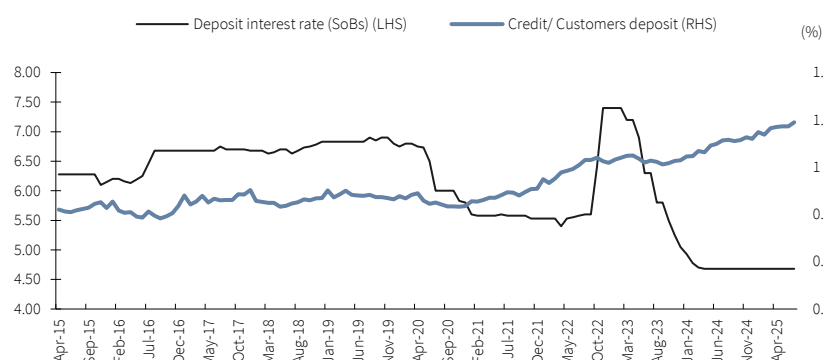
Source: Bank financial statements, KB Securities Vietnam

### Customer deposit slowed down due to low interest rates, and mobilization structure shifted to interbank channel

Although credit recorded impressive growth, the mobilization activity of the entire banking sector was slower (12% YoY increase compared to 16% of credit as of the end of November), widening the gap between these two factors. Customer deposit growth in 9M25 of 27 listed banks was 10.2% given plunging deposit interest rates in line with the easing monetary policy to support the economy. This led to a sharp increase in the net LDR ratio (Loan/Deposit ratio in customer market) in many banks to over 100%, resulting in the system's credit/deposit ratio reaching 1.1x, touching historical highs. To limit liquidity risk, banks also actively shifted to other mobilization sources besides the support of the SBV, including: (1) issuing credit institution bonds and (2) OMO/interbank borrowing. (3) Furthermore, the SBV also supported liquidity for banks handling weak credit institutions and increased Treasury deposits at state-owned banks. The proportion of securities and interbank borrowing increased from 24% (2024) to 26% (3Q25). However, the strong increase in liquidity demand nearing year-end period triggered a wave of deposit interest rate increases across many private banks.

The credit/deposit ratio has quickly widened to a historical high (1.1x). This piled more pressure on customer deposit interest rates, pushing them up from the current lows.

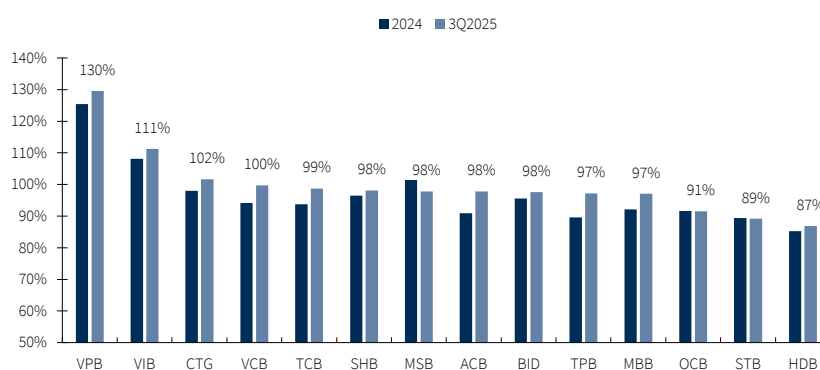
Fig 4. Vietnam – Corporate bonds/total credit across banks (%)



Source: FiinPro, KB Securities Vietnam

Most banks have seen their net LDR ratio increase compared to the end of last year due to deposit growth not keeping pace with credit growth. This poses liquidity risks and puts upward pressure on deposit interest rates in the market.

Fig 5. Vietnam – Corporate bonds/total credit across banks (%)



Source: Bank financial statements, KB Securities Vietnam

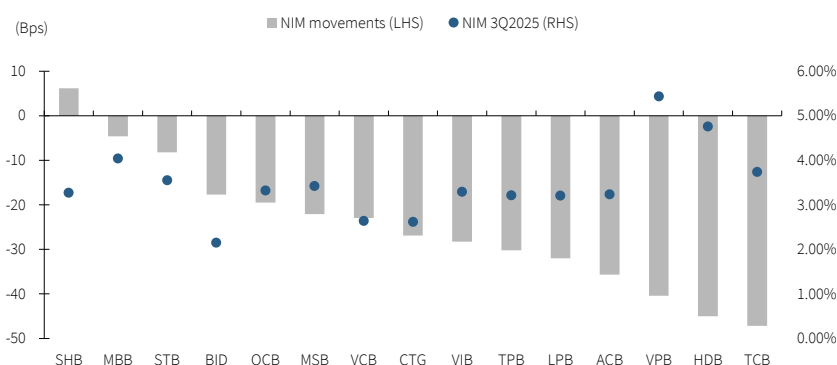
## NIM was under strong downward pressure from plummeting lending interest rates

NIM of most banks under our coverage faced strong downward pressure in 2025. This development is mainly influenced by declining lending yields amid (1) the government directives to maintain low lending interest rates to bolster the economy and (2) interest rate competition among banks to increase market share and credit growth. Although deposit interest rates fell sharply during this period, increased mobilization from government bonds and interbank loans made it difficult for banks to improve their CoF. Sector-wide NIM in 3Q was more stable as the downtrend in lending interest rates slowed down.

Intense competition among private banks within the same group has caused the NIM of many banks such as VPB, HDB, TCB, and ACB to see steep falls from 2024 to the present. Meanwhile, the state-owned banks and MBB experienced milder declines thanks to more tools to manage input costs.

NIM of many banks saw steep falls compared to 2024 due to pressure from competitive lending interest rates, while the CoF remained stable despite low deposit interest rates, but mobilization from higher-cost sources increased (issuing government bonds and interbank borrowing).

Fig 6. Vietnam – NIM growth in 2025 (% YoY)



Source: Bank financial statements, KB Securities Vietnam

Fig 7. Vietnam – NIM of banks showed a modest recovery QoQ in 3Q25 (%)

	IEA				COF				NIM (LTM)			
	2Q2025	3Q2025	+/- bps (QoQ)		2Q2025	3Q2025	+/- bps (QoQ)		2Q2025	3Q2025	+/- bps (QoQ)	
BID	4.89%	5.00%	11		3.07%	3.13%	7		2.16%	2.15%	-1	
VCB	4.46%	4.48%	2		2.05%	2.10%	5		2.69%	2.63%	-6	
CTG	5.10%	5.24%	14		2.77%	2.88%	11		2.68%	2.61%	-6	
MBB	6.20%	6.54%	35		2.77%	2.94%	18		3.94%	4.03%	9	
TCB	6.32%	6.36%	5		3.03%	3.08%	4		3.89%	3.74%	-15	
VPB	8.40%	8.81%	41		3.81%	4.10%	29		5.34%	5.43%	9	
ACB	5.85%	6.13%	28		3.13%	3.40%	26		3.29%	3.23%	-6	
STB	6.85%	7.15%	30		3.67%	3.84%	18		3.44%	3.55%	11	
SHB	6.78%	7.16%	38		4.22%	4.49%	28		3.07%	3.27%	20	
HDB	8.56%	8.81%	25		4.30%	4.49%	19		4.84%	4.76%	-8	
VIB	6.47%	6.67%	20		3.65%	3.84%	20		3.36%	3.29%	-7	
TPB	6.37%	6.57%	20		3.52%	3.77%	25		3.41%	3.21%	-21	
MSB	5.83%	6.05%	22		3.10%	3.19%	9		3.40%	3.42%	2	
OCB	6.48%	6.83%	35		3.88%	4.11%	23		3.40%	3.32%	-8	

Source: Bank financial statements, KB Securities Vietnam

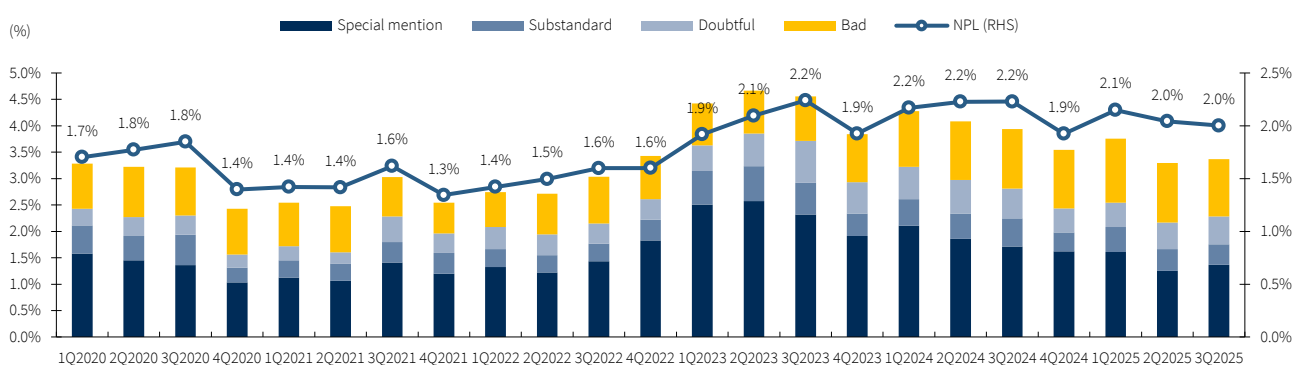
**Asset quality was more stable thanks to a favorable macroeconomic environment, alongside legal support from the legislation of Resolution 42**

As of the end of 3Q25, NPL ratio of 27 listed banks decreased 20bps YoY to 2.0%. State-owned banks and large-scale private banks showed the most notable improvement in NPLs, such as VPB, ACB, TCB, VCB, and CTG. Provisions of listed banks grew by a mere of 4% YoY to cushion profits. Meanwhile, the increase in NPL along with the scale of credit implied that the loan loss coverage ratio (LLCR) of banks has not recovered much after the sharp decline in 2024 (a period when many provision buffers were used to handle bad debts). Except for CTG and the group of large-scale private banks (CTG, TCB, VPB, ACB) which recorded better LLCR, the remaining banks all showed declines. The two remaining state-owned banks, VCB and BID, saw their coverage buffer decrease by 20–40bps after the first three quarters of 2025. BID's LLCR fell below 100% after a year of maintaining high at over 130%.

In 2025, the completion of the legal system also contributed to improving asset quality. The legislation of Resolution 42 should improve customers' debt repayment awareness while also shortening the time for processing and recovering bad debts for banks (*See also [Stock Market Outlook 2H2025](#), Section IV, Part 3. Resolution 42*). The amended law officially took effect from October 2025. According to many banks, these changes have already begun to exert an initial positive impact.

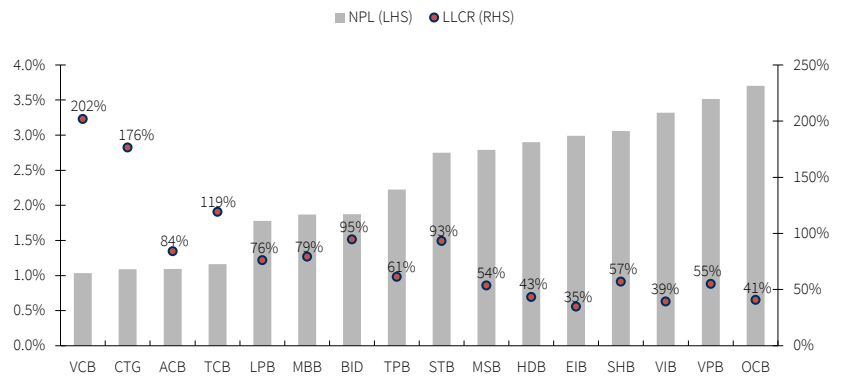
About the impact of natural disasters on the asset quality of the entire industry, statistics show that around 250,000 customers were affected with outstanding loans of nearly VND60,000 billion. The SBV has directed commercial banks to implement timely solutions to support customers such as reducing interest rates and offering loan programs to restore production. It is expected that the damage caused by natural disasters will not significantly affect the asset quality of the entire industry due to (1) the relatively small scale compared to Typhoon Yagi in 2024 and (2) support measures from banks to help customers overcome the hardship.

**Fig 8. Vietnam – NPL portfolio across banks (%)**



Source: FiinPro, KB Securities Vietnam

Fig 9. Vietnam – NPL & LLCR at banks by the end of 3Q25 (%)



Source: Bank financial statements, KB Securities Vietnam

## II. 2026 outlook

**Controlled easing policy should be maintained in 2026, and interest rates may advance 50–100bps YoY.**

In 2026, monetary policy is likely to continue its controlled easing trend to support a GDP growth target of around 10%. However, the room for further easing will be more limited than in 2025 as risks of exchange rates and liquidity caused the SBV to operate its policy more flexibly and cautiously. Cash situation in the banking system has become strained again recently, following the strong credit growth in 2025 and leading to a rapid increase in deposit interest rates in 4Q.

In this context, we project that deposit interest rates in 2026 will be repositioned to a level 70–120bps higher than in 2025 to ensure a balanced supply for high credit growth targets (15–17%) and compliance with the SBV safety ratios. Lending interest rates bottomed out in 3Q25, consistent with our forecasts in quarterly strategy reports. The current increase in CoF will push lending interest rates up, but the rate of increase may be slower due to the relatively fierce competition for market share among banks.

With interest rates expected to re-establish in a new equilibrium zone, we believe that customer deposits at banks will improve compared to 2025. Simultaneously, the increased issuance of certificates of deposit & FI bonds may help narrow the gap between credit and deposit. Furthermore, the SBV is likely to continue flexibly using monetary policy tools to supplement system liquidity to reach the credit growth target. Therefore, KBSV forecasts that liquidity pressure in 2026 will not be too large, although periods of tension may still occur, but these will be temporary.

**Credit growth is expected to remain high at 15–17%**

The outlook for credit growth in 2026 is positive (15–17%) as it plays a key role in achieving the Government's GDP growth target of 10%. The driving forces are:

- (1) The real estate market is projected to recover strongly after legal obstacles were removed in 2025. In addition, new legal frameworks effective from 2026 will create a more transparent and stable foundation, boosting both individual home loan and real estate developer credit demand.
- (2) Public disbursement continues to be a bright spot as many key infrastructure projects enter peak construction phases, leading to higher credit demand from the construction, materials, and logistics sectors. Furthermore, new projects under the 2026–2030 infrastructure plan will be launched, creating room for expanding credit for businesses.
- (3) The recovery of retail activity, along with the improved capital absorption capacity of businesses as production and business activities recover, will help expand the room for consumer lending.
- (4) Although interest rates may rebound, the increase will remain much lower than in the previous period, ensuring easy access to capital for businesses and individuals, thereby maintaining stable credit demand.

We believe that credit will remain an effective tool for the government to pursue high growth targets in the 2026–2030 period, but bank capital needs to be more evenly distributed across sectors to ensure growth is accompanied by quality and to limit concentration risks. State-owned banks will play a leading role in channeling credit for production, exports, and FDI, while private banks are expected to benefit more from the recovery of retail and real estate. Banks such as MBB, VPB, and HDB should maintain high credit growth, reaching 20–30%, thanks to their advantages in credit limits and the ability to expand their customer base.

### **NIM should stabilize after a period of sharp falls**

NIM of banks should stabilize in 2026 despite pressure from rising CoF, but this will be offset by output growth and optimized loan portfolio strategies.

- (1) CoF are forecast to post slight increases as deposit interest rates have bottomed out. Other funding channels also maintain high costs, interbank lending rates remain high for a long time, while bond issuance rates of banks closely follow the general interest rate trend. This makes the challenge of managing CoF more difficult. Banks with large CASA advantages or liquidity support from the SBV (TCB| MBB, VPB, HDB, VCB, and CTG) will control CoF increases at a slower rate than the industry average.
- (2) The recovery of yield-earning assets (IEA) will undermine the negative impact on NIM with (i) high sector-wide credit growth at 15–17%; (ii) a portion of CoF being passed on to customers, with lending interest rates increasing slightly in line with the market developments; (iii) the credit structure shift towards higher-yielding segments, such as real estate, retail, and medium-to-long-term lending, thanks to recovering demand and banks' priority strategies; and (iv) improved asset quality that helps to better recognize interest receivables.

We believe that the NIM growth will be mixed among different groups of banks. State-owned banks, which have maintained very low deposit interest rates for a long time, are more likely to see better improvements in NIM than private banks. In addition, the group of banks supporting weaker financial institutions should also recover positively thanks to the advantage of high credit growth limits and preferential interest rate input capital. Small and medium-sized private banks may face greater pressure, causing NIM to tend to go flatline or slightly decrease. This is due to fierce competition in both input (deposit mobilization) and output (lending), especially at banks with low CASA ratios or those competing for credit growth.

### **Positive profit growth will help improve asset quality**

In the scenario which expects 15–17% credit growth and stable NIM in 2026, we forecast that NIM of banks will improve from 2025's levels, returning to a growth rate of 15–20% YoY. Meanwhile, non-interest income sources are projected to contribute more to the total operating income after 2025 as banks boost operations for subsidiaries within the financial ecosystem such as insurance and securities.

Maintaining a double-digit income growth rate gives banks more room to strengthen their reserve buffers, which were limited due to the slowdown in NIM last year. On the other hand, we expect that with the economy recovering and growing better, credit quality will improve and the NPL ratio will be controlled. In addition, legal changes in the debt resolution process (legislation of Resolution 42) would have a positive effect on the risk management activities of banks. However, KBSV will also stay cautious about external uncertainties surrounding tariff policies (affecting domestic export businesses) and the rapid growth of real estate credit.

**The banking sector is expected to take pivotal changes to prepare for a new growth cycle**

The banking sector is expected to enter a new growth cycle with groundbreaking changes:

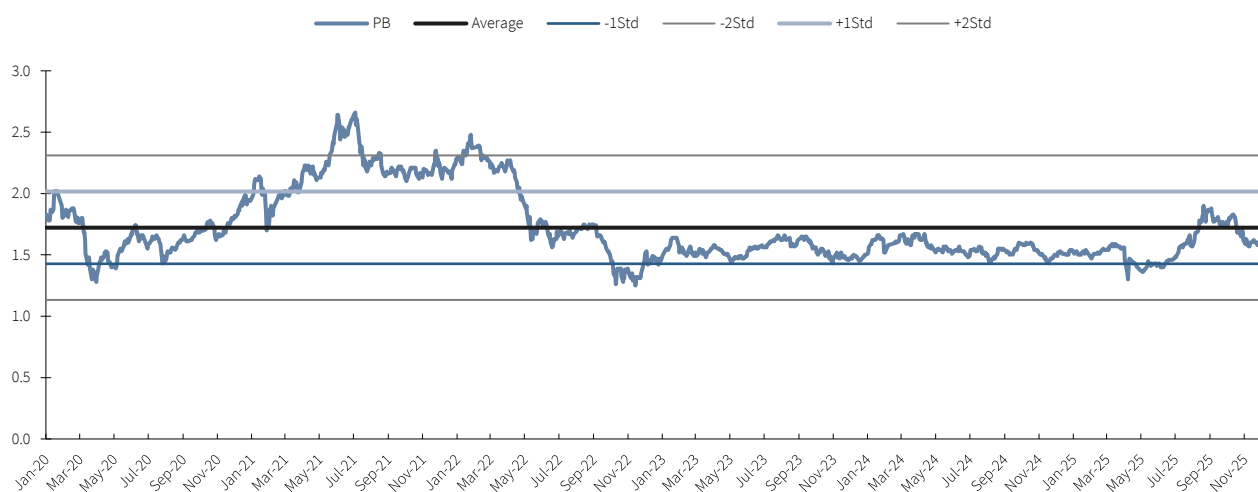
- (1) Roadmap for meeting internationally standardized Basel III:  
The issuance of Circular 14/2025 establishing a roadmap for the gradual application of Basel III (voluntary until 2029, mandatory from 2030) will help improve the capital quality and risk management of banks. This is considered an important foundation for the gradual removal of the credit limit mechanism, as future credit growth may be determined more by capital capacity and risk control levels rather than administrative allocation. Accordingly, banks with a big capital buffer will have a clear advantage in expanding their operations and maintaining high growth rates in the medium to long term. Meanwhile, pressure to increase capital will intensify for banks with thin buffers (CTG, BID, STB, and the group of small-scale banks), but it will also open up opportunities for capital increases in many banks to meet increasingly stringent requirements.
- (2) Changes in regulations on digital assets and gold trading for improved openness of the financial market:  
The promulgation of Decree 232/2025 on the management of the gold market has gradually brought large-scale gold transactions back into the formal financial system, enhancing transparency and expanding the intermediary role of banks. Furthermore, the legal framework for digital assets is gradually being finalized with the identification of digital assets and the establishment of strict licensing standards for domestic exchanges. These new regulations not only contribute to improving market transparency but also help banks expand their operational scope and new revenue sources, especially in the areas of services, payment, and distribution. Banks with strong capital bases, technological advantages, and complete ecosystems (like TCB, MBB, VPB, and ACB) are supposed to benefit.

**The growth outlook is bright with many supportive factors, making bank stocks more attractive**

After a market correction, the banking sector's P/B ratio returned to 1.54x, equal to the P/B ratio at the end of 2024 and only slightly higher than the five-year average -1Std. We believe the business environment in 2026 will be more favorable, with a priority on credit growth, stable NIM, and asset quality, while legal changes are facilitating the development of the entire sector. We expect the banking sector's P/B ratio to be reset to the historical mean of 1.7x.

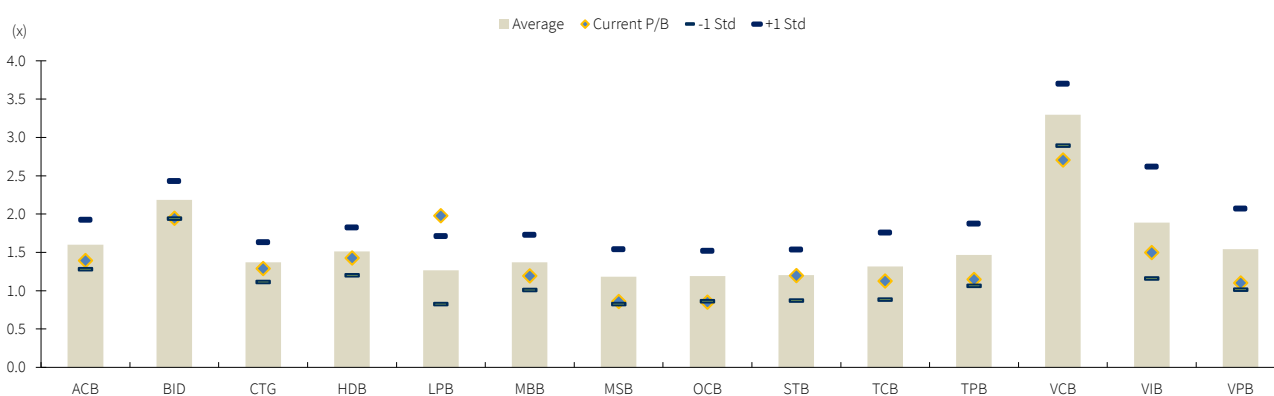
For our stock picks for 2026, we favor CTG in the state-owned group for its transformation into a dynamic bank; TCB, MBB, and VPB for their outstanding growth rates and potential for deploying digital assets; and ACB for its safe risk appetite and its new move to anticipate the gold bullion business. Currently, these stocks are trading at relatively attractive price levels for buy and long-term accumulation.

**Fig 10. Vietnam – P/B of the banking sector in 2020–2025 (x)**



Source: Fiinpro, KB Securities Vietnam

**Fig 11. Vietnam – P/B across banks (x)**



Source: Bloomberg, KB Securities Vietnam



## Top picks

Asia Commercial (ACB)

BID Bank (BID)

VietinBank (CTG)

Techcombank (TCB)

Vietcombank (VCB)

VPBank (VPB)

# Asia Commercial Bank (ACB)

## A strategic move toward revenue diversification

December 5, 2025

Analyst Pham Phuong Linh  
(+84) 24-7303-5333 linhpp@kbsec.com.vn

### Credit growth accelerated in 3Q2025 after a subdued first half

By end-September 2025, ACB delivered credit growth of 15.2% YTD—outpacing the sector average of 13.4%—following a subdued first half driven by the slow recovery of the retail lending segment. Despite the solid rebound in loan disbursements, net interest income edged down slightly amid continued NIM compression. For the first nine months, ACB reported VND6,072 billion in PBT, equivalent to 67% of its full-year guidance.

### Lending yields improved in 3Q, but NIM recovery remains constrained

Encouragingly, lending yields improved in 3Q (+17bps), supported by broad-based gains across both credit volumes and loan rates. However, we believe NIM is unlikely to stage a meaningful recovery, given rising deposit rates in the retail market and an accommodative monetary policy stance expected to persist throughout 2026.

### Asset quality improved broadly, keeping provisioning needs manageable despite a slight expected uptick in NPLs

Asset quality strengthened across most customer segments, easing provisioning pressure in the quarter (provisions declined 20% YoY). While the NPL ratio may tick up slightly toward year-end, we continue to view ACB's asset quality as resilient, with the full-year NPL ratio projected to remain in the 1.2–1.3% range.

### We reiterate BUY on ACB with a target price of VND32,100/share

We reiterate our BUY call on ACB and revise our target price to VND32,100 per share, implying 28% upside from the closing price on December 4, 2025.

**Buy** maintain

<b>Target price</b>	<b>VND32,100</b>
Upside	28%
Current price (Dec 4, 2025)	VND24,900
Consensus target price	VND32,232
Market cap (VNDtn/USDbn)	142.8/5.4

#### Forecast earnings & valuation

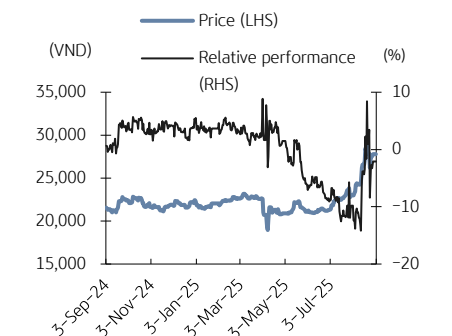
FY-end	2023	2024	2025F	2026F
Net interest income (VNDbn)	24,960	27,795	29,310	34,820
PPOP (VNDbn)	21,872	22,612	24,865	28,194
NPAT-MI (VNDbn)	16,045	16,790	18,005	20,137
EPS (VND)	4,131	3,759	3,505	3,920
EPS growth (%)	2	-9	-7	12
P/E (x)	6.0	6.6	7.1	6.4
Book value per share (VND)	18,269	18,685	18,779	21,324
P/B (%)	1.36	1.33	1.33	1.17
ROE (%)	24.8	21.7	20.0	19.6
Dividend yield (%)	2.16	2.16	2.16	3.60

#### Trading data

Free float	87.9%
3M avg trading value (VNDbn/USDmn)	403.5/15.4
Foreign ownership	30.0%
Major shareholder	Sather Gate Investments Limited (4.99%)

#### Share price performance

(%)	1M	3M	6M	12M
<b>Absolute</b>	20.9	30.8	23.0	28.9
<b>Relative</b>	8.4	6.0	-5.5	-2.1



Source: Bloomberg, KB Securities Vietnam

# BID Bank (BID)

## Asset quality showing signs of recovery

December 5, 2025

Manager Nguyen Anh Tung  
(+84) 24-7303-5333 emailaddress@kbsec.com.vn

**3Q25 PBT grew 16.9% YoY to VND7,594 billion**

In 3Q25, NII of Bank for Investment & Development of Vietnam (BID) gained 8.5% YoY to VND15,173 billion, driven by 8.8% YTD credit growth while NIM continued to remain low. Credit costs were average (0.28%) with provisions touching VND6,186 billion (+1.4% QoQ, +33.9% YoY), and PBT was VND7,594 billion (+16.9% YoY). 9M25 PBT totaled VND23,632 billion (+7.2% YoY).

**Credit growth in 2026 should reach 15%**

KBSV expects BID's credit growth to remain at 15% in 2026, based on (1) high credit demand in the context of the government's GDP growth target of 10%; (2) the driving force from the private economy, promoting public investment, and the real estate recovery; and (3) competitive advantage from low CoF.

**NIM expected to improve in 2026**

KBSV expects NIM of BID in 2026 will be better than 2025 as credit growth is higher than deposit growth, allowing the bank to flexibly adjust lending interest rates. Furthermore, BID can benefit in the short term as interbank interest rates rise while the bank continues interbank net lending.

**NPL improved to 1.87% and may further decrease in 2026**

Asset quality has shown positive developments with the NPL ratio reaching 1.87% (-10bps QoQ). KBSV expects that low interest rates and strongly rebounding economy will help BID's asset quality improve significantly in 2026.

**BUY rating – Target price VND51,800/share**

After considering valuation results, business prospects, and possible risks, we recommend BUY for BID shares. The target price for 2026 is VND51,800 apiece, 37% higher than the price on December 5, 2025.

**BUY** change

**Target price VND51,800**

Upside	37.0%
Current price (Dec 5, 2025)	VND37,800
Consensus target price	VND43,280
Market cap (VNDtn/USDbn)	265.4/10.1

### Forecast earnings & valuation

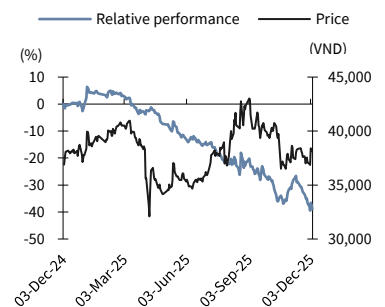
FY-end	2023	2024	2025F	2026F
Net interest income (VNDbn)	56,136	58,008	60,718	75,062
PPOP (VNDbn)	47,932	53,094	54,545	67,466
NPAT-MI (VNDbn)	21,505	25,140	26,368	29,060
EPS (VND)	3,773	3,645	3,755	4,139
EPS growth (%)	5	(3)	3	10
PER (x)	10.0	10.4	10.1	9.1
BVPS	21,554	21,009	25,078	29,217
PBR (x)	1.8	1.8	1.5	1.3
ROE (%)	19.4	19.1	16.7	15.5
Dividend yield (%)	0.0	0.0	0.0	0.0

### Trading data

Free float	5.7%
3M avg trading value (VNDbn/USDmn)	135.5/5.13
Foreign ownership	14.7%
Major shareholder	State Bank of Vietnam (SBV, 80.99%)

### Share price performance

(%)	1M	3M	6M	12M
<b>Absolute</b>	1.1	-6.8	6.5	0.4
<b>Relative</b>	-9.1	-11.0	-22.7	-38.9



Source: Bloomberg, KB Securities Vietnam

# VietinBank (CTG)

## Solid growth momentum into 2026

November 28, 2025

Manager Nguyen Anh Tung

(+84) 24-7303-5333 tungna@kbsec.com.vn

**3Q2025 PBT amounted to VND10,614 billion (+62% YoY)**

In 3Q2025, net interest income reached VND17,176 billion, up 10.3% YoY, supported by robust credit growth of 15.6% YTD despite a 37bps YoY contraction in NIM. Provision for credit losses declined 36.7% YoY thanks to improving asset quality, lifting 3Q2025 PBT to VND10,614 billion (+62.0% YoY).

**KBSV expects CTG's credit growth to hit 17% in 2026**

KBSV expects CTG's credit growth to hit 17% in 2026, underpinned by (1) robust borrowing demand amid the Government's ambitious GDP growth target of 10% and beyond; (2) momentum from the private sector, boosted public investment, and the ongoing recovery of the real estate market; and (3) CTG's structural low-cost funding advantage.

**NIM should edge up on a higher share of retail lending**

KBSV forecasts a modest 3bps YoY increase in CTG's NIM in 2026, supported by a higher share of retail lending, which should lift average IEA yield and partially offset the rise in CoF amid tightening liquidity conditions and USD/VND-related pressures on deposit rates.

**CTG is expected to sustain healthy asset quality in 2026**

Asset quality remains a key strength, with an NPL ratio of 1.09% (the second lowest in the sector after VCB) and a robust buffer, as reflected in a 176% loan loss coverage ratio (LLCR). KBSV believes favorable macro conditions and a low interest-rate environment will enable CTG to sustain healthy asset quality in 2026.

**We upgrade CTG to BUY with a target price of VND58,000/share**

Based on valuation results, business outlook, and potential risks, we upgrade CTG to BUY with a target price of VND58,000 per share for 2026, implying an 18.8% upside from the closing price on 27 November 2025.

**Buy** change

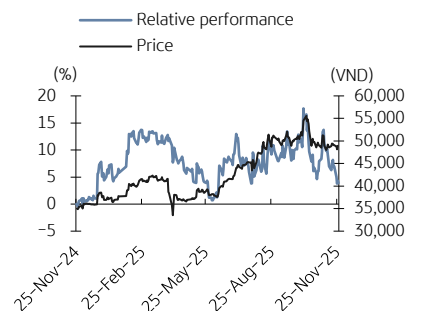
<b>Target price</b>	<b>VND58,000</b>
Upside	18.8%
Current price (Nov 27, 2025)	VND48,850
Consensus target price	VND62,175
Market cap (VNDtn/USDbn)	260.7/9.9

<b>Trading data</b>	
Free float	15.8%
3M avg trading value (VNDbn/USDmn)	480.5/15.2
Foreign ownership	25.5%
Major shareholder	State Bank of Vietnam (SBV, 64.49%)

<b>Share price performance</b>				
(%)	1M	3M	6M	12M
<b>Absolute</b>	0	-1	30	40
<b>Relative</b>	-3	-4	1	4

### Forecast earnings & valuation

FY-end	2023	2024	2025F	2026F
Net interest income (VNDbn)	52,957	62,403	65,695	77,594
PPOP (VNDbn)	50,105	59,363	62,370	74,239
NPAT-MI (VNDbn)	19,904	25,348	32,420	36,674
EPS (VND)	3,706	4,720	6,037	6,829
EPS growth (%)	5.3	27.4	27.9	13.1
P/E (x)	13.2	10.3	8.1	7.2
Book value per share (VND)	23,440	27,655	33,692	40,521
P/B (x)	2.08	1.77	1.45	1.21
ROE (%)	17.1	18.6	19.8	18.5
Dividend yield (%)	0.0	0.0	0.0	0.0



Source: Bloomberg, KB Securities Vietnam

# Techcombank (TCB)

## Lower concentration risk from real estate

December 1, 2025

Analyst Pham Phuong Linh

(+84) 24-7303-5333 linhpp@kbsec.com.vn

**TCB's real estate lending will be halved to 25% in the next five years**

Techcombank (TCB) has set a long-term plan to lower the proportion of the ReCom sector (Real estate, construction & construction materials) in its credit portfolio from the current 37% to 25% in the next five years. Assuming credit growth of 18%/year in 2026–2030, it is estimated that credit growth of the sector will slow down to 9–11%/year (or 50% less than the average growth rate of over 20% in the past three years).

**NIM posted modest rebound QoQ, but it is still under pressure amid rising interest rates**

Deposit interest rates are tending to increase again in the 4Q industrywide to balance deposits with loans, piling pressure on cost of funds (CoF) of TCB. NII from the Flexible pricing policy should help NIM recover after the bank completes the handling of outstanding loans under this policy in 2028.

**Asset quality should not be affected by changes in lending strategy**

We expect TCB to continue to maintain its leading position in asset quality, especially with the strategy of diversifying the loan portfolio to minimize concentration risk.

**Valuation: BUY – Target price VND43,100/share**

We recommend BUY for TCB shares with a target price of VND43,100 after shifting the valuation time to the end of 2026, which is equivalent to a potential upside of 28% compared to the closing price on November 28, 2025. For the period 2026–2030F, the expected annual profit growth is still positive, but the increase in interest rates may continue to put pressure on NIM, making it difficult to return to the peak of over 4.5–5% in history.

**Buy** change

**Target price VND43,100**

Upside	28.1%
Current price (Nov 28, 2025)	VND33,750
Consensus target price	VND44,143
Market cap (VNDtn/USDbn)	277.1/10.5

### Forecast earnings & valuation

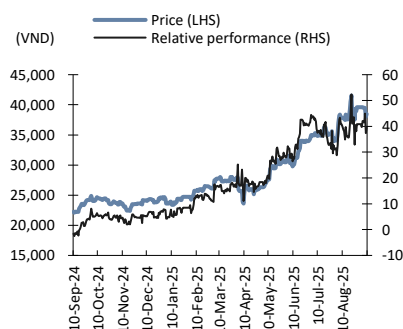
FY-end	2023	2024	2025F	2026F
Net interest income (VNDbn)	27,691	35,508	37,648	46,051
POPP (VNDbn)	26,809	31,621	35,335	41,254
NPAT-MI (VNDbn)	18,191	21,760	24,776	29,087
EPS (VND)	5,111	3,046	3,463	4,060
EPS growth (%)	-11%	-40%	14%	17%
PER (x)	5.1	8.6	7.5	6.4
Book value per share (VND)	37,364	20,940	24,085	26,351
PBR (x)	0.70	1.25	1.23	1.12
ROE (%)	14.8%	15.6%	15.6%	16.3%
Dividend yield (%)	0.00%	0.00%	2.87%	2.87%

### Trading data

Free float	77.4%
3M avg trading value (VNDbn/USDmn)	933.9/35.6
Foreign ownership	22.5%
Major shareholder	Masan Group (MSN, 14.9%)

### Share price performance

(%)	1M	3M	6M	12M
<b>Absolute</b>	1.7	28.1	38.5	73.0
<b>Relative</b>	-1.6	3.7	15.4	42.6



Source: Bloomberg, KB Securities Vietnam

# Vietcombank (VCB)

**Anchored by industry-leading asset quality**

November 13, 2025

Manager Nguyen Anh Tung

(+84) 24-7303-5333 tungna@kbsec.com.vn

**3Q2025 PBT touched VND11,239 billion (+5% YoY)**

In 3Q2025, despite a solid 12.4% YTD credit expansion, NII grew only 8.0% YoY due to continued NIM compression. Provision for credit losses jumped by 138.2% YoY to VND776 billion, resulting in PBT of VND11,239 billion (+5.0% YoY). For 9M2025, PBT reached VND33,133 billion (+5.1% YoY).

**Loan growth is forecast at 15.5% in 2026**

KBSV forecasts VCB's credit growth at 15.5% in 2026, driven by: (1) strong credit demand under the Government's 10% GDP growth target; (2) momentum from the private sector, boosted public investment, and a recovering property market; and (3) VCB's structural low-cost funding advantage.

**NIM is expected to remain broadly flat in 2026**

KBSV expects NIM to remain broadly flat in 2026, as VCB is likely to maintain low lending rates to support economic growth and foster loan growth. Meanwhile, sustaining low deposit rates may prove challenging amid tightening liquidity and exchange rate pressures. Several factors that may lend support to NIM in 2026 include: (1) liquidity assistance from the SBV; (2) lower reserve requirement ratio; and (3) VCB's net lending position in the interbank market.

**VCB's industry-leading asset quality keeps provisioning pressure minimal**

Provisioning pressure is considered negligible, backed by VCB's superior asset quality. The bank's 3Q2025 NPL ratio stood at 1.03%—the lowest in the system—while its LLCR remained robust at 202%, providing strong provisioning flexibility.

**We reiterate BUY for VCB with a target price of VND76,500/share**

Based on valuation results, business prospects, and potential risks, we reiterate BUY for VCB with a 2026F target price of VND76,500 per share, implying a 28.6% upside from the closing price on November 12, 2025.

**Buy** maintain

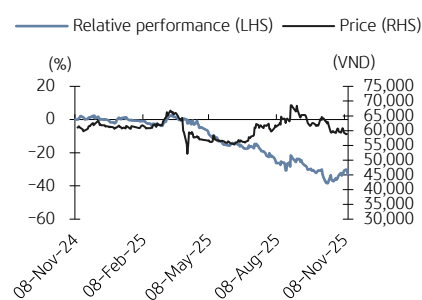
<b>Target price</b>	<b>VND76,500</b>
Upside	28.6%
Current price (Nov 12, 2025)	VND 59,500
Consensus target price	VND 75,900
Market cap (VNDtn/USDbn)	497.2/18.8

<b>Trading data</b>	
Free float	10.2%
3M avg trading value (VNDbn/USDmn)	467.9/17.7
Foreign ownership	21.5%
Major shareholder	State Bank of Vietnam (SBV, 74.80%)

<b>Share price performance</b>					
(%)	1M	3M	6M	12M	
<b>Absolute</b>	-5	-7	6	-3	
<b>Relative</b>	2	-3	-19	-33	

## Forecast earnings & valuation

FY-end	2023	2024	2025F	2026F
Net interest income (VNDbn)	53,621	55,406	57,717	67,695
PPOP (VNDbn)	45,809	45,551	47,910	55,509
NPAT-MI (VNDbn)	33,033	33,831	35,438	37,502
EPS (VND)	5,910	6,053	4,241	4,488
EPS growth (%)	(6.4)	2.4	(29.9)	5.8
P/E (x)	15.1	14.7	14.0	13.3
Book value per share (VND)	29,524	35,106	27,723	32,211
P/B (x)	3.01	2.53	2.15	1.85
ROE (%)	22.0	18.7	16.6	15.0
Dividend yield (%)	0.0	0.0	0.0	0.0



Source: Bloomberg, KB Securities Vietnam

# VPBank (VPB)

## Cheering the successful IPO of VPBankS

November 6, 2025

Manager Nguyen Anh Tung  
(+84) 24-7303-5333 tungna@kbsec.com.vn

**3Q25 PBT recorded VND9,166 billion (+76.7% YoY)**

The impressive credit growth of 29.4% YTD and improved NIM in 3Q brought NII of VPBank (VPB) to VND15,061 billion (+12.0% QoQ, +23.9% YoY). Provisions slightly gained 6.8% YoY, making PBT surge 76.7% YoY to VND9,166 billion. 9M25 PBT of the bank hit VND20,396 billion (+47.2% YoY).

**Credit growth target of 35% for 2025 is feasible**

KBSV maintains its forecast that VPB's credit growth will reach 35% YTD in 2025 and stay high until 2026, with (1) corporate customers being the key growth force, (2) healthy developments of the real estate industry, and (3) recovering retail lending.

**Pressure on NIM will remain high in 4Q25 and 2026**

We expect the average interest earning assets (IEA) to improve with the recovery of retail lending, a segment with higher lending rates, and better asset quality, thereby improving NII. Meanwhile, the cost of funds (CoF) will continue to face pressure from liquidity and exchange rates.

**VPB made a successful IPO of 375 million VPBankS shares for VND33,900 apiece**

On October 31, VPB officially closed the IPO for 375 million shares of VPBankS Securities (VPBankS) with the price of VND33,900/share. The total proceeds came in at VND12,173 billion, raising the charter capital to VND18,750 billion. After the IPO, VPB's ownership at VPBankS was 80%.

**Valuation: BUY – Target price VND37,800/share**

Based on the valuation results, business prospects, and potential risks, we recommend BUY for VPB shares. The target price for 2026 is VND37,800, 32.8% higher than the price on November 6, 2025.

**Buy** change

**Target price VND37,800**

Upside	32.8%
Current price (Nov 6, 2025)	VND28,500
Consensus target price	VND36,100
Market cap (VNDtn/USDbn)	226.1/8.6

### Trading data

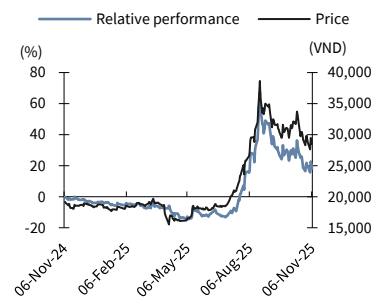
Free float	55.6%
3M avg trading value (VNDbn/USDmn)	1,472/55.9
Foreign ownership	24.05%
Major shareholder	SMBC (15.01%)

### Share price performance

(%)	1M	3M	6M	12M
<b>Absolute</b>	-11.2	-8.4	56.6	48.6
<b>Relative</b>	-5.2	-9.1	29.9	18.2

### Forecast earnings & valuation

FY-end	2023	2024	2025F	2026F
Net interest income (VNDbn)	38,175	49,080	57,096	73,051
PPOP (VNDbn)	35,798	47,915	53,382	69,295
NPAT-MI (VNDbn)	9,974	15,779	21,006	25,541
EPS (VND)	1,257	1,989	2,648	3,219
EPS growth (%)	-53	58	33	22
PER (x)	22.7	14.3	10.8	8.9
Book value per share (VND)	17,620	18,563	20,210	23,430
PBR (x)	1.62	1.54	1.41	1.22
ROE (%)	7.0	11.1	13.8	15.7
Dividend yield (%)	0.0	0.4	3.5	0.0



Source: Bloomberg, KB Securities Vietnam

**KB SECURITIES VIETNAM (KBSV)**

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**Head Office:**

Levels 16&17, Tower 2, Capital Place, 29 Lieu Giai Street, Ngoc Ha, Hanoi, Vietnam

Tel: (+84) 24 7303 5333 – Fax: (+84) 24 3776 5928

**Hanoi Branch:**

Level 1&2, Office Building, 5 Dien Bien Phu Street, Ba Dinh, Hanoi, Vietnam

Tel: (+84) 24 7305 3335 – Fax: (+84) 24 3822 3131

**Ho Chi Minh Branch:**

Level 21, Vietinbank Tower, 93-95 Ham Nghi Street, Sai Gon, Ho Chi Minh City, Vietnam

Tel: (+84) 28 7303 5333 – Fax: (+84) 28 3914 1969

**Saigon Branch:**

Level 1, Saigon Trade Center, 37 Ton Duc Thang Street, Sai Gon, Ho Chi Minh City, Vietnam

Tel: (+84) 28 7306 3338 – Fax: (+84) 28 3910 1611

**CONTACT INFORMATION**

Hotline: 1900 1711

Email: [info@kbsec.com.vn](mailto:info@kbsec.com.vn)

Website: [www.kbsec.com.vn](http://www.kbsec.com.vn)

**Investment ratings & definitions**

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**Investment Ratings for Stocks**

**(Based on the expectation of price gains over the next 6 months)**

Buy:	Neutral:	Sell:
+15% or more	+15% to -15%	-15% or more

**Investment Ratings for Sectors**

**(Based on the assessment of sector prospects over the next 6 months)**

Positive:	Neutral:	Negative:
Outperform the market	Perform in line with the market	Underperform the market

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