

# Market Outlook 1H2025

**Real estate, gold, stocks 2025 – 2027:  
golden opportunity for stocks?**

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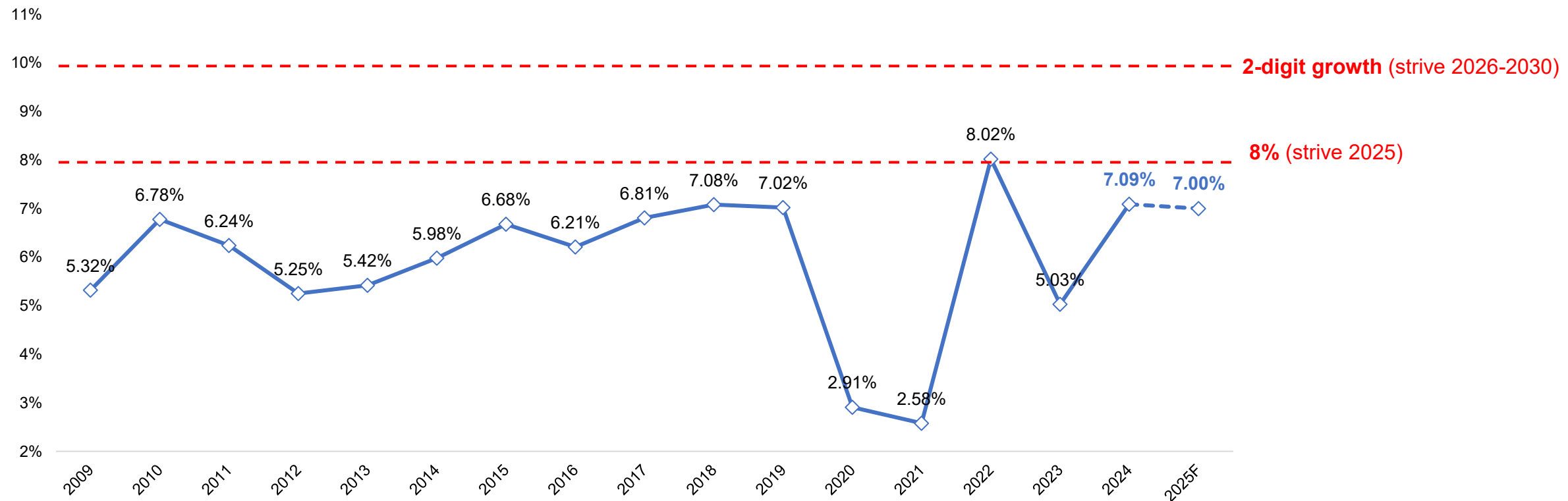
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2. Macroeconomics 1H2025: High growth based on low interest rates
3. Developments of asset classes in Vietnam?
4. Vietnam stock market outlook
5. Sector recommendation and stock picking

## Vietnam – Policy priority: Focusing all resources on economic growth

Prime Minister Pham Minh Chinh:

- December 1, 2024: Strive for national GDP growth in 2025 to reach over 8%, local GRDP growth to be at least 8-10%, creating momentum for double-digit growth in the 2026-2030 period.
- December 31, 2024: Strive for double-digit growth in 2025

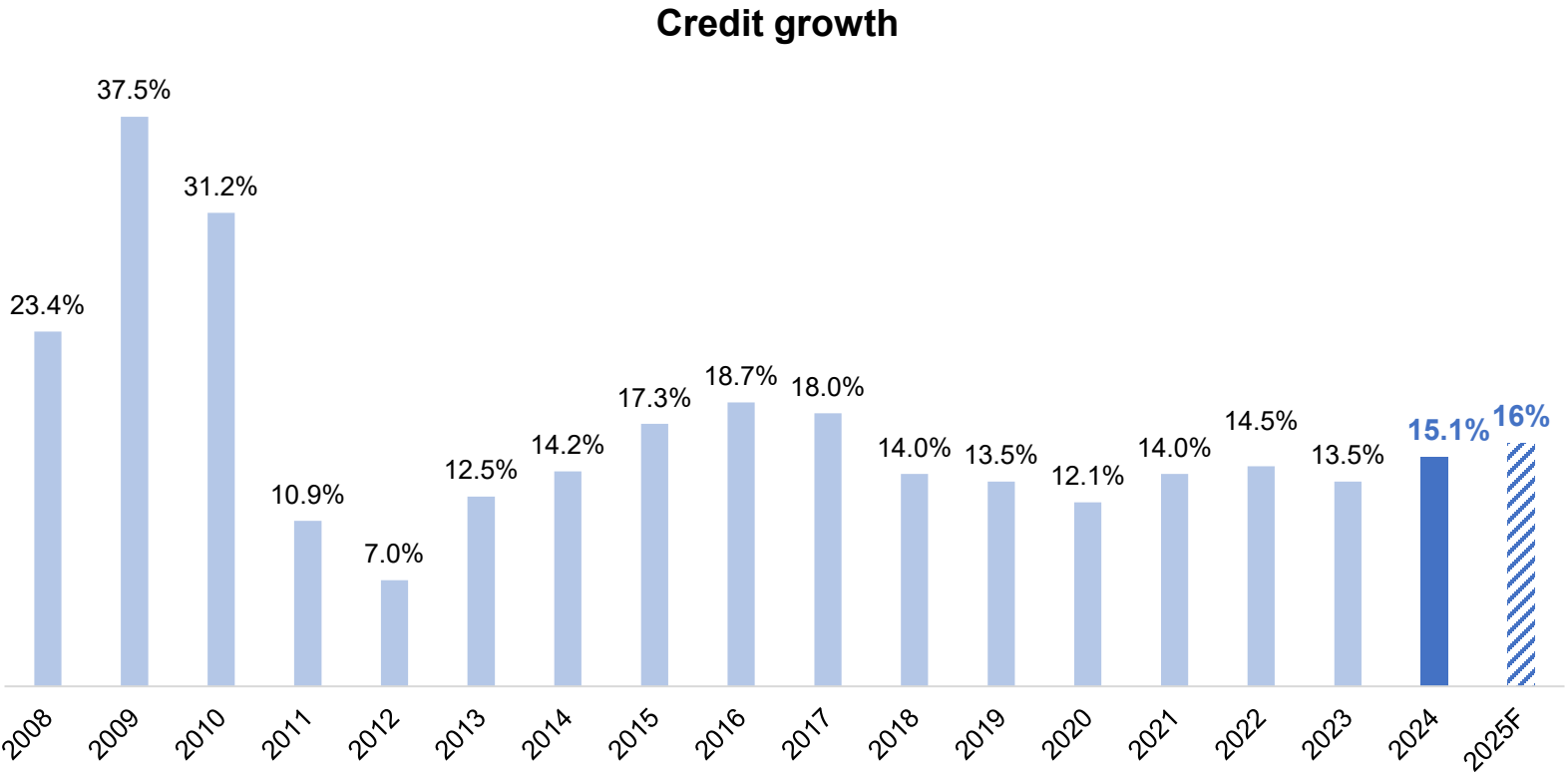
**Vietnam GDP Growth**



# Monetary policy 2025: high credit growth + maintaining low interest rates

4 SBV (VCB BID CTG Agribank) accounts for ~44.7% of the credit market share of the entire economy and is still maintaining a very low interest rate of 4.6-4.8%

Prime Minister: requires strict control of mobilization interest rates, reducing lending interest rates to meet the capital needs of the economy (December 17, 2024)

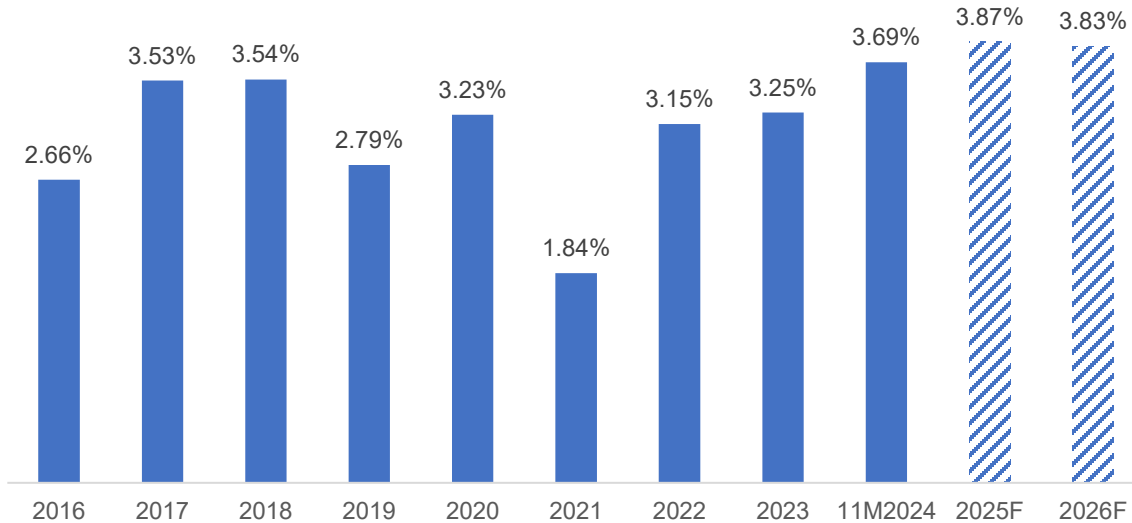


Interest rates at banks	12 months
VIETCOMBANK	4.6
BIDV	4.7
VIETINBANK	4.7
AGRIBANK	4.8
TECHCOMBANK	4.85
ACB	4.9
SEABANK	5.0
MB	5.1
PVCOMBANK	5.1
EXIMBANK	5.2
OCB	5.3
TPBANK	5.3
SACOMBANK	5.4
LPBANK	5.5
PGBANK	5.5
SHB	5.5
VPBANK	5.5
HDBANK	5.6
VIETBANK	5.6
BAC A BANK	5.6
NAM A BANK	5.6
KIENLONGBANK	5.7
VIET A BANK	5.7
DONG A BANK	5.8
NCB	5.8
OCEANBANK	5.8
BAOVIETBANK	5.8
SAIGONBANK	5.8
CBBANK	6.0
ABBANK	6.0
BVBANK	6.0

## Inflationary pressure in 2025 is not high

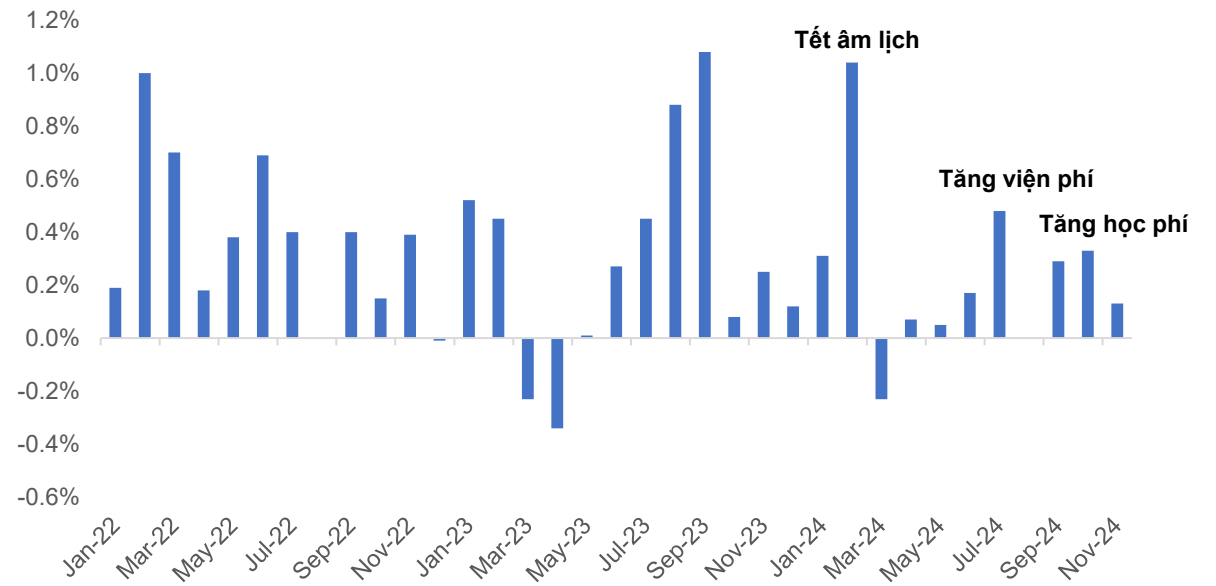
- Oil prices are low and are forecast to continue to decline in 2025:
  - + Macquarie: WTI oil falls to an average of 70.5 USD/barrel (compared to 79.64 USD/barrel in 2024)
  - + World bank: Brent oil falls from 84 USD/barrel to 79 USD/barrel
- Global inflation is declining
- In 2024, the main factors affecting inflation in Vietnam are hospital fees and tuition fees - both of which are factors that can be controlled by the Government. Therefore, if the prices of other commodities increase unexpectedly, the Government can completely stop increasing hospital fees and tuition fees in 2025 to ensure the general inflation level of the economy in 2025.

**Inflation by year**



Nguồn: NHNN

**Inflation by month**

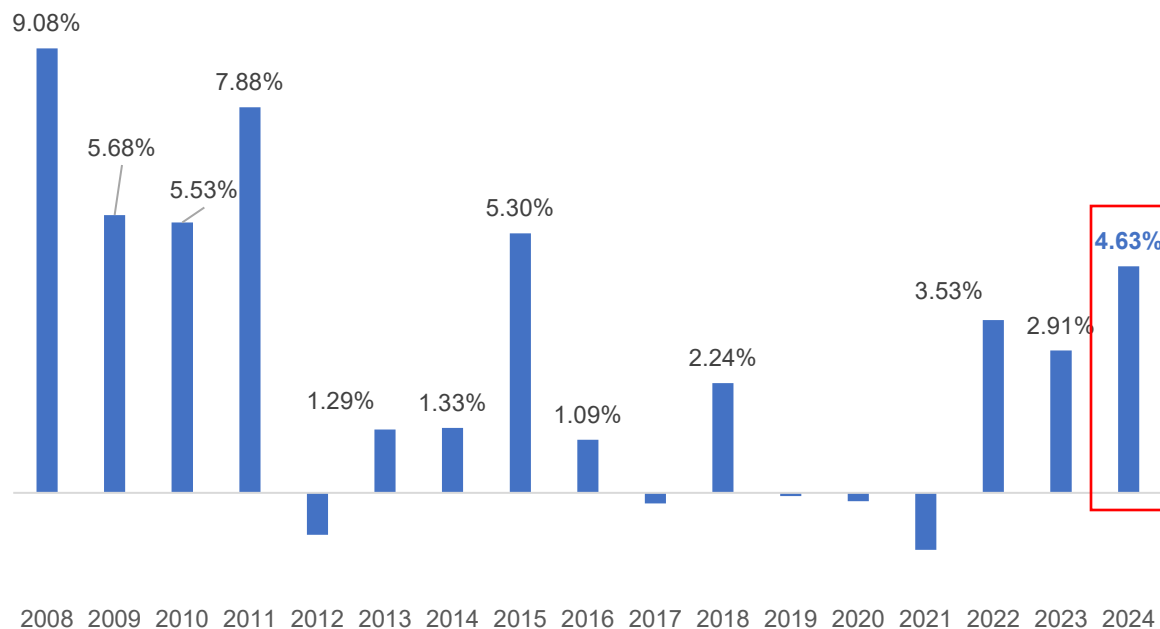


Nguồn: FiinProX

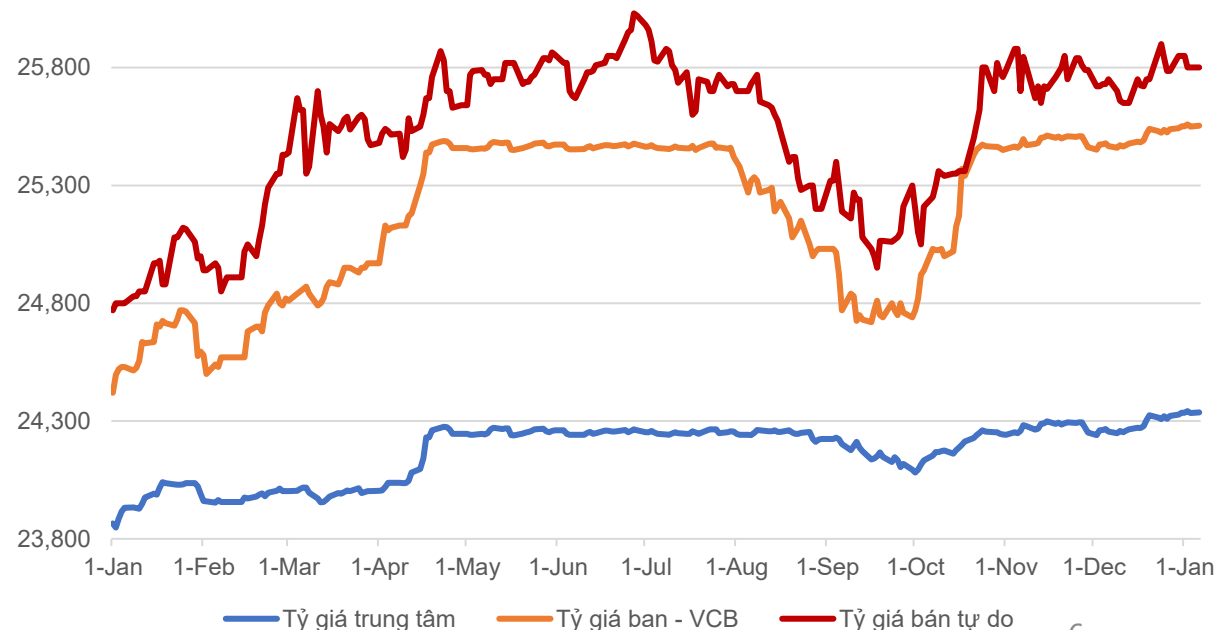
## USD/VND exchange rate - The biggest concern

- The selling rate at Vietcombank increased by 4.63% in 2024
- The exchange rate pressure in 2025 remains very high due to:
  - + The economic policy in the Trump 2.0 term is still to prioritize economic growth for the US
  - + The Fed maintains a high interest rate policy, causing the DXY index to increase
- Deputy Governor of SBV - Dao Minh Tu: "At the end of the year, the exchange rate increased by about 5.03%, which we assess as a harmonious level, ensuring that businesses and investors are not worried, have a speculative mentality and hoard USD".

USD/VND movement



USD/VND movement since 1/1/2024



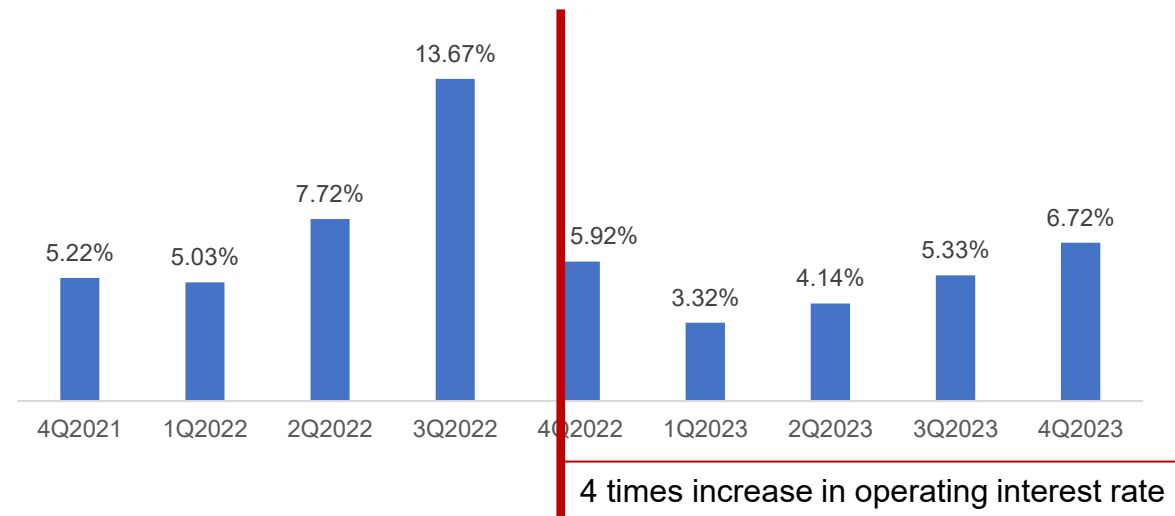
## In 2022, Vietnam chose to sacrifice interest rates to save the exchange rate, consequences?

- 1) GDP growth dropped sharply to only 3.32% in the first quarter of 2023
- 2) Bond bubble burst, especially real estate corporate bonds, in which PDR NVL's stock price hit the floor for many consecutive sessions, with consequences still lingering today
- VIS Rating: In 11 months of 2024, 43 bonds were late in paying principal/interest for the first time with a total value of VND 23,200 billion; in 2023, this number was 369 bonds with late principal/interest with a total value of VND 144,300 billion
- 3) A series of workers lost their jobs. According to the Ministry of Planning and Investment, in the first 5 months of 2023: 509,903 workers were affected by their jobs such as losing their jobs, quitting their jobs, reducing working hours, suspending their labor contracts or taking unpaid leave
- 4) Mass withdrawal of social insurance

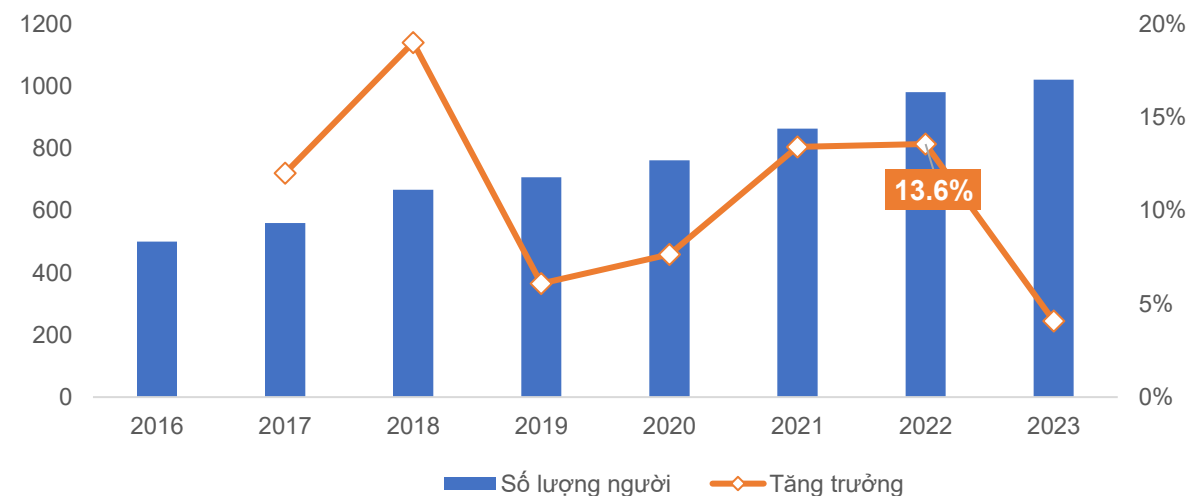
The clear message in macroeconomic management from the Government is: economic growth

**We believe that in 2025, SBV will not increase operating interest rates, although the exchange rate will still face a lot of pressure.**

GDP growth in 2022-2023



Number of people withdrawing social insurance one time



Source: Ministry of Labor, War Invalids and Social Affairs

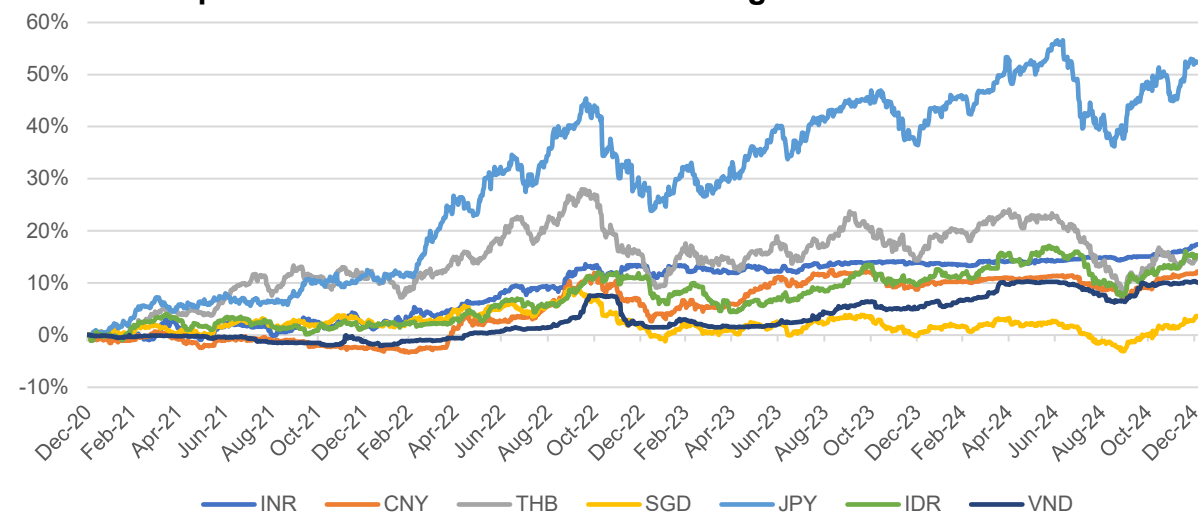
## FDI – If they don't come to Vietnam, where do they go?

- Almost all countries' currencies have depreciated against the USD in the past 4 years
- Moreover, Vietnam is a comprehensive strategic partner with 9 countries in the world, including the US and China, the 2 largest countries in the world
- A series of FTAs that Vietnam has signed



**Assuming VND depreciates ~5%/year, the destination of FDI capital flow is still Vietnam**

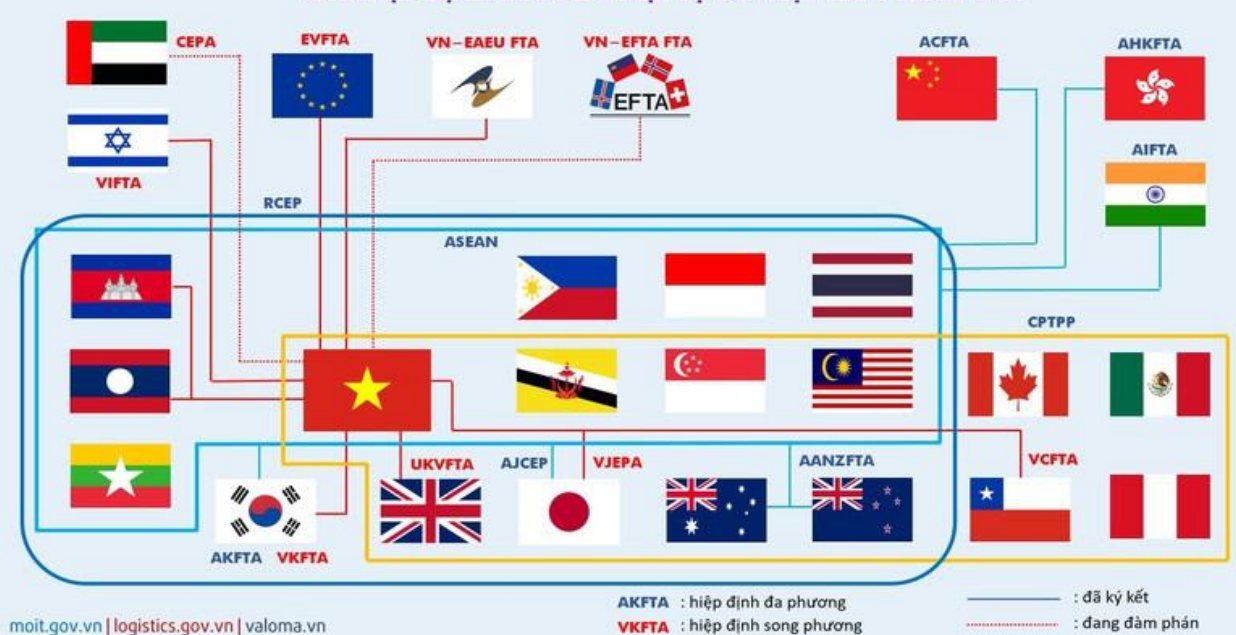
**Depreciation rate of some currencies against USD since 2020**



**9 countries have comprehensive strategic partnership with Vietnam**

Country	Time	World GDP Ranking 2023
China	May-08	2
Russia	Jul-12	11
India	Sep-16	5
Korea	Dec-22	12
US	Sep-23	1
Japan	Nov-23	4
Australia	Mar-24	13
France	Oct-24	7
Malaysia	Nov-24	36

### CÁC HIỆP ĐỊNH THƯƠNG MẠI TỰ DO VIỆT NAM THAM GIA





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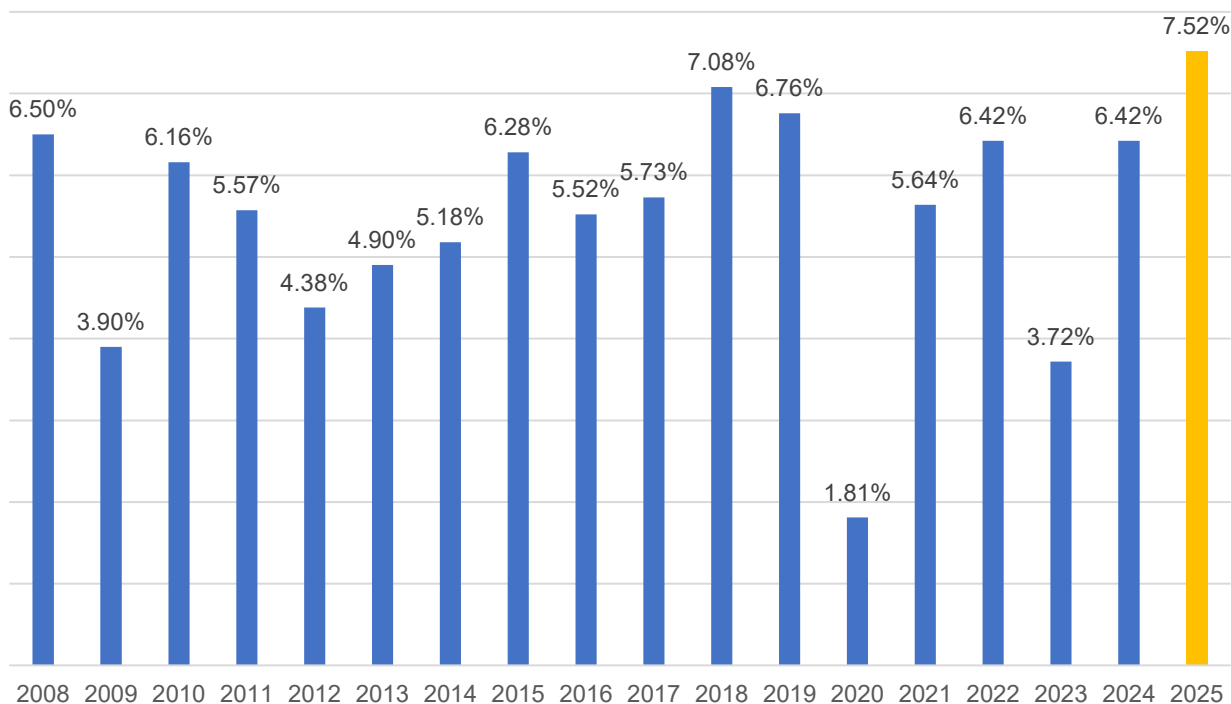
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## 6-month GDP growth is highest since 2008

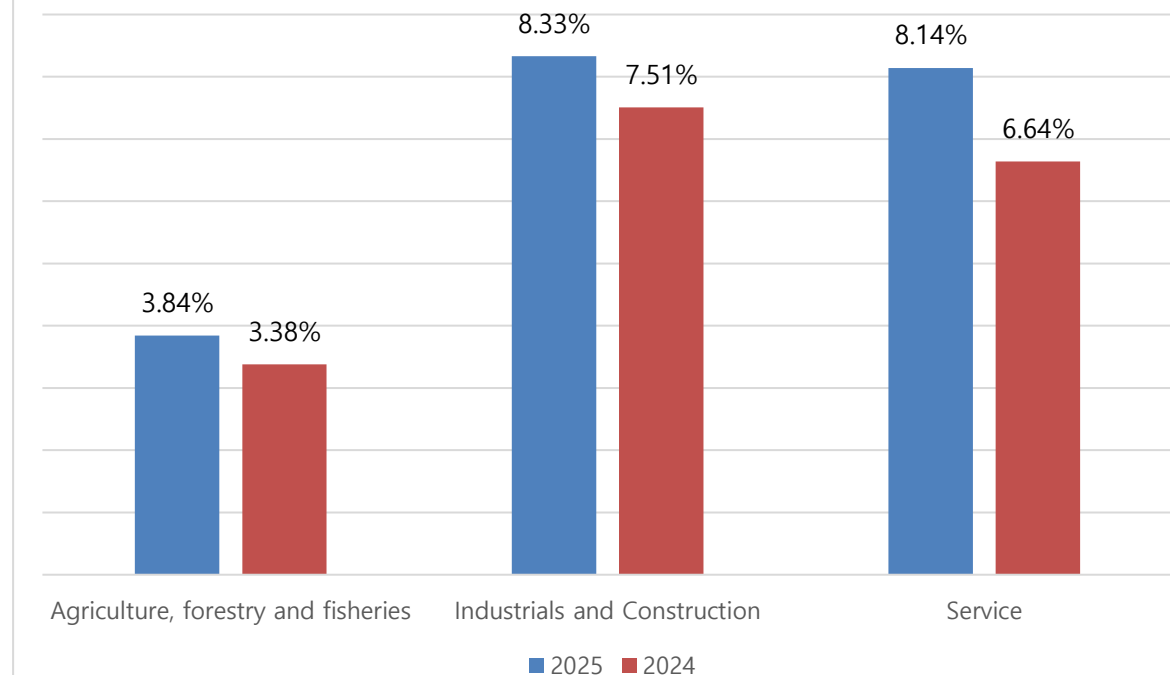
### Reasons for growth:

- All three sectors (Agriculture, Industry, and Services) have good growth compared to the same period

6-month GDP growth



GDP growth by industry sector



## Interest rates and credit remain growth drivers

- Credit growth in the 1H2025 reached 9.9%, 1.6 times higher than the growth rate of 6.1% in 1H2024
- The credit growth plan for 2025 is still 16%
- In 1Q2025, 23/26 banks reduced interest rates compared to the same period, and 18/26 banks reduced interest rates compared to the previous quarter

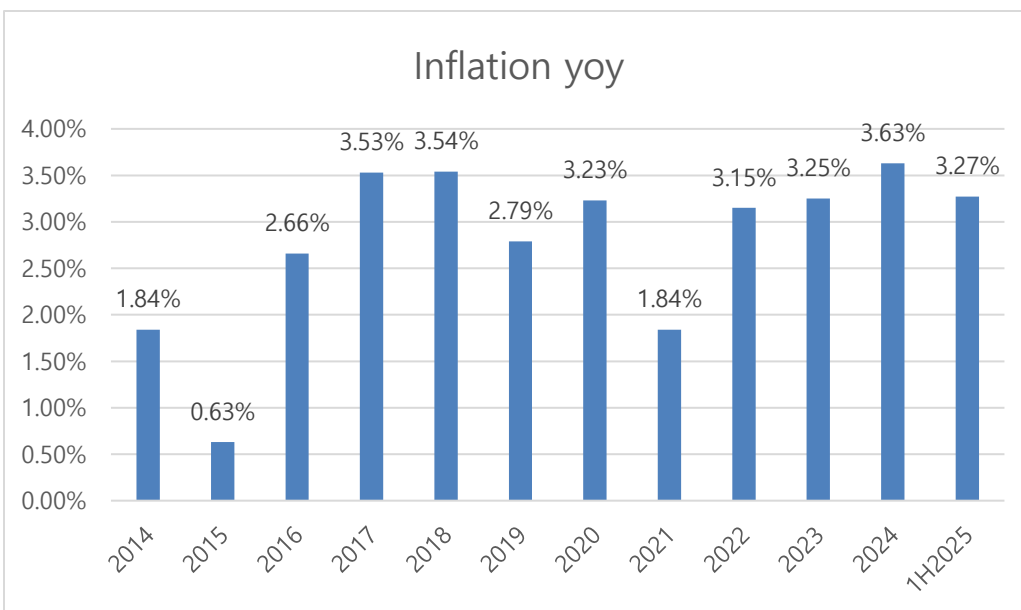
		Average loan interest rate			Compared with	
		Q1-2024	Q4-2024	Q1-2025	Last year	Last quarter
VCB	State-owned	5.4%	4.8%	4.7%	-0.64%	-0.02%
BID	State-owned	5.9%	5.6%	5.1%	-0.79%	-0.46%
CTG	State-owned	6.2%	5.7%	5.5%	-0.72%	-0.25%
ACB	Large private	6.8%	6.7%	6.2%	-0.61%	-0.53%
TCB	Large private	7.4%	6.7%	6.4%	-1.01%	-0.31%
MBB	Large private	7.3%	7.0%	7.0%	-0.24%	0.00%
STB	Large private	7.7%	7.0%	7.3%	-0.39%	0.31%
SHB	Large private	8.8%	9.4%	7.6%	-1.23%	-1.75%
HDB	Large private	10.6%	9.9%	9.2%	-1.34%	-0.70%
VPB	Large private	9.9%	9.8%	9.5%	-0.40%	-0.29%
PGB	Small & Medium Private	6.1%	5.5%	5.9%	-0.15%	0.38%
EIB	Small & Medium Private	6.5%	6.2%	6.1%	-0.40%	-0.09%
ABB	Small & Medium Private	5.9%	6.0%	6.1%	0.17%	0.17%
MSB	Small & Medium Private	6.7%	7.2%	6.4%	-0.23%	-0.79%
VBB	Small & Medium Private	6.6%	6.6%	6.7%	0.01%	0.02%
SGB	Small & Medium Private	7.3%	7.0%	6.7%	-0.51%	-0.29%
VIB	Small & Medium Private	7.5%	7.2%	6.8%	-0.71%	-0.38%
LPB	Small & Medium Private	8.4%	8.0%	6.8%	-1.50%	-1.15%
SSB	Small & Medium Private	7.5%	7.0%	7.0%	-0.51%	-0.08%
BVB	Small & Medium Private	7.6%	7.8%	7.0%	-0.62%	-0.82%
TPB	Small & Medium Private	7.9%	7.1%	7.0%	-0.88%	-0.13%
VAB	Small & Medium Private	7.6%	7.8%	7.0%	-0.56%	-0.76%
OCB	Small & Medium Private	7.6%	7.9%	7.3%	-0.30%	-0.61%
NAB	Small & Medium Private	8.1%	7.6%	7.7%	-0.36%	0.15%
BAB	Small & Medium Private	8.3%	7.7%	7.8%	-0.52%	0.03%
KLB	Small & Medium Private	8.5%	8.5%	9.2%	0.70%	0.69%



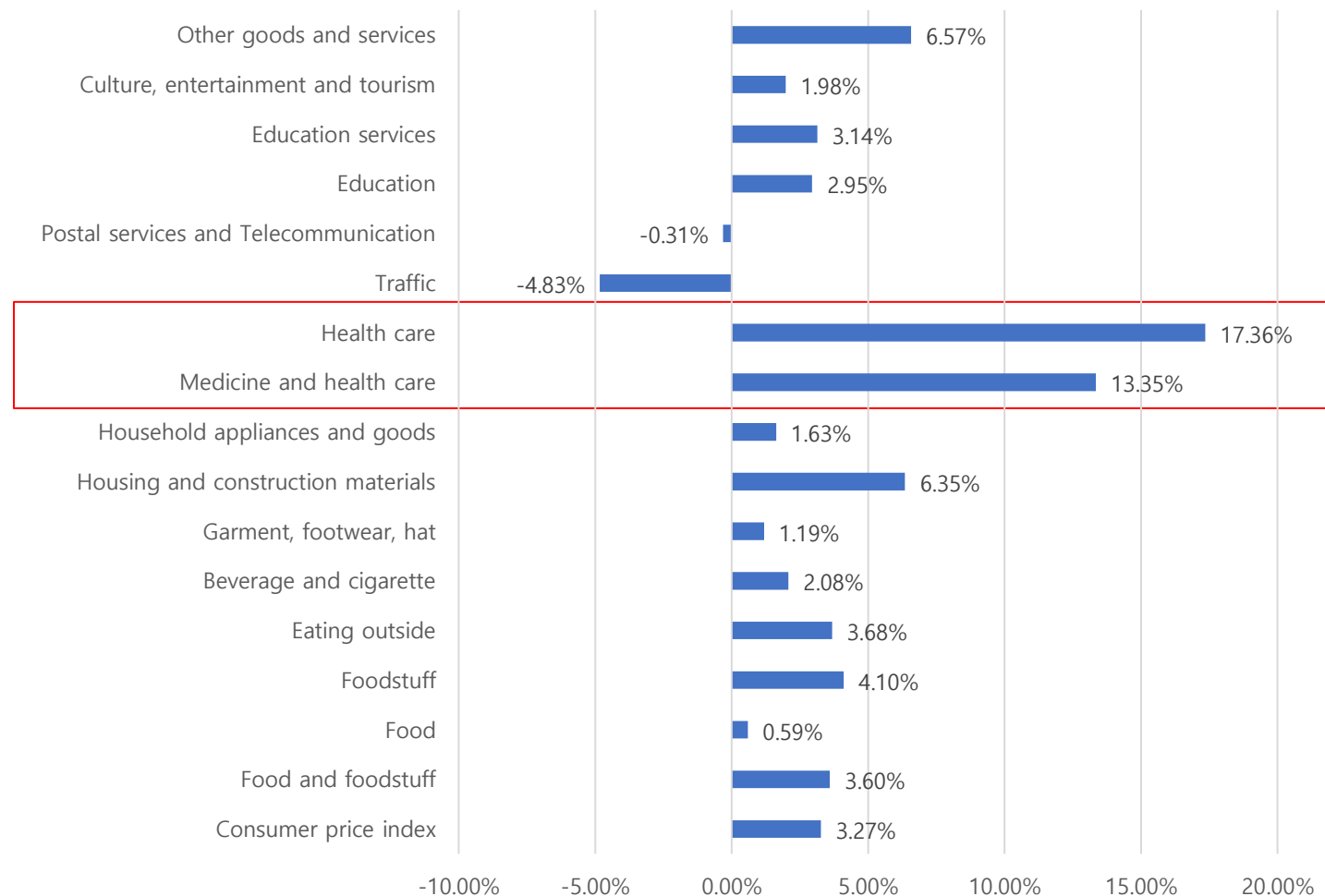
## Inflation decreased compared to 2024, to only 3.27%

Stable inflation **below 4.5%** will not create pressure for monetary policy changes from the State Bank.

Inflation yoy



Inflation by industry group



## USD/VND exchange rate is no longer a priority in monetary policy from SBV?

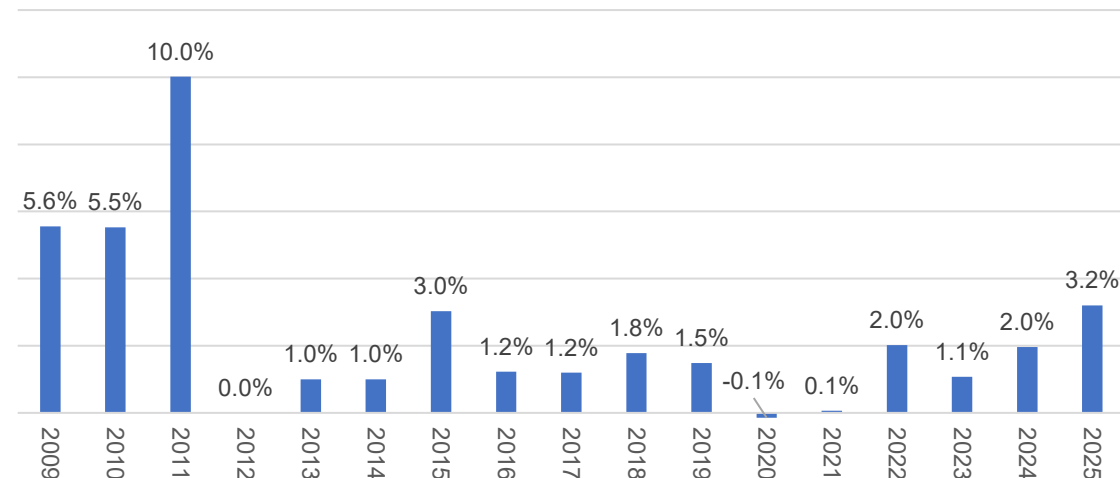
- DXY index is now at a 3-year low, pressure on exchange rate is inherently not big
  - In just over 3 months, the central rate has increased by 3.2%, higher than the annual increase since 2012
- SBV is proactively devaluing VND, is the USD exchange rate no longer a priority in monetary policy from SBV?

Year to date, State Treasury has had 11 foreign currency purchase offers with a total value of nearly 1.9 billion USD (pumping a large amount of VND back into the banking system).

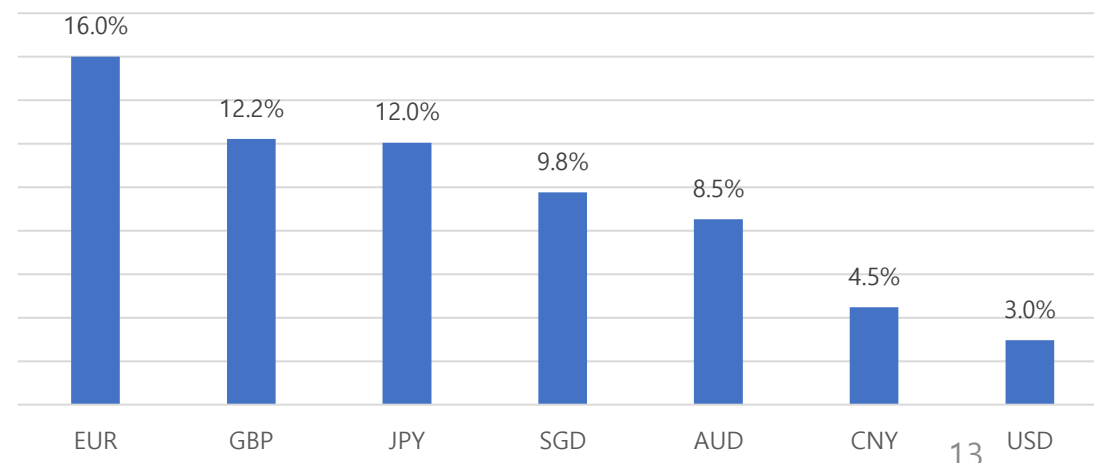
DXY Index



Central rate



Movement of major currencies in 2025



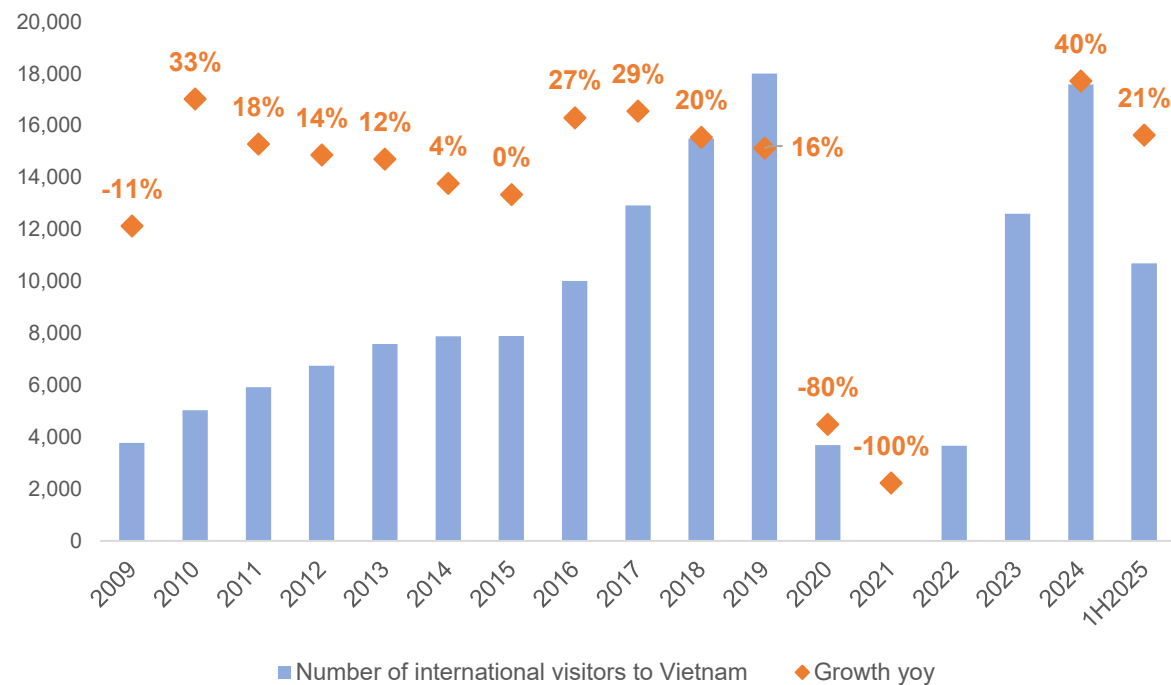
## Total retail sales of goods and services increased by 10.3%, the highest in 3 years

- The important driving force for retail growth comes from international passengers (21% yoy growth), and an increase of 25.9% compared to 1H2019 - before Covid happened, especially in the context of foreign currencies (CNY KRW EUR is appreciating rapidly)

### Retail sale & growth yoy



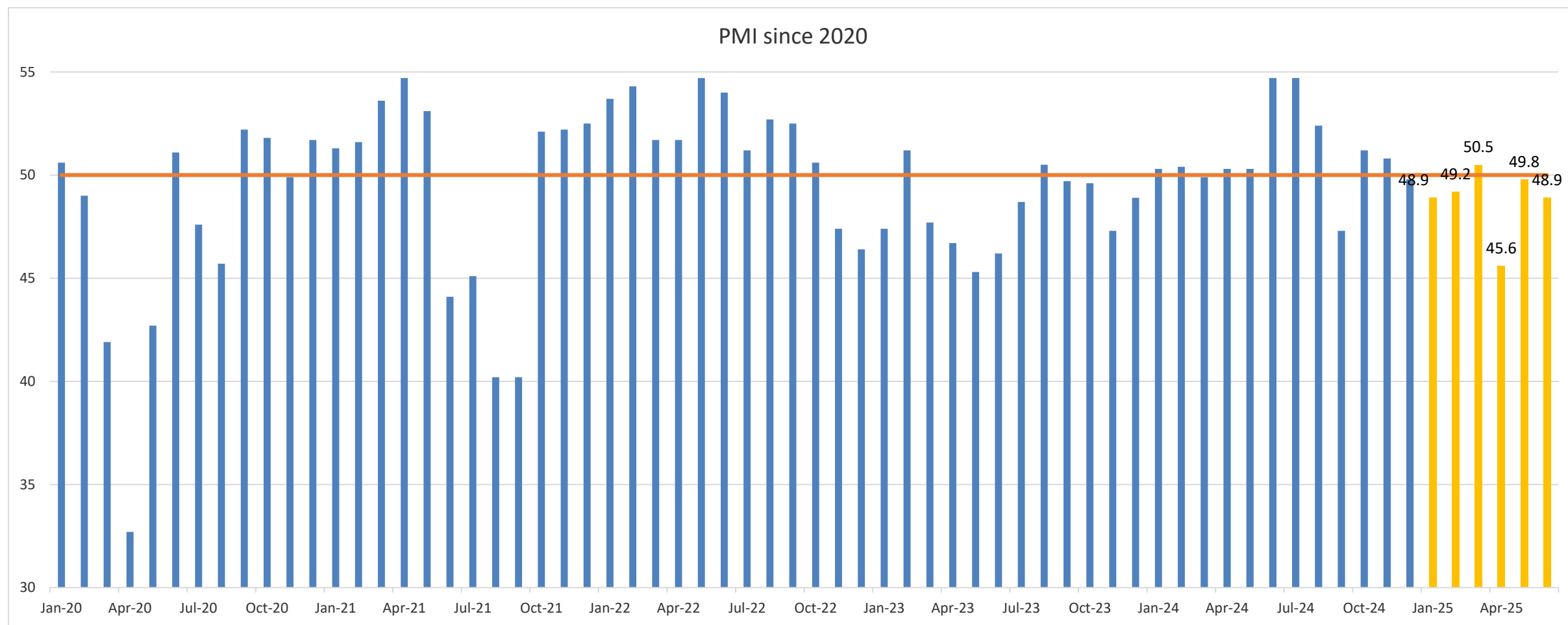
### Number of international visitors to Vietnam



Source: General Department of Tourism

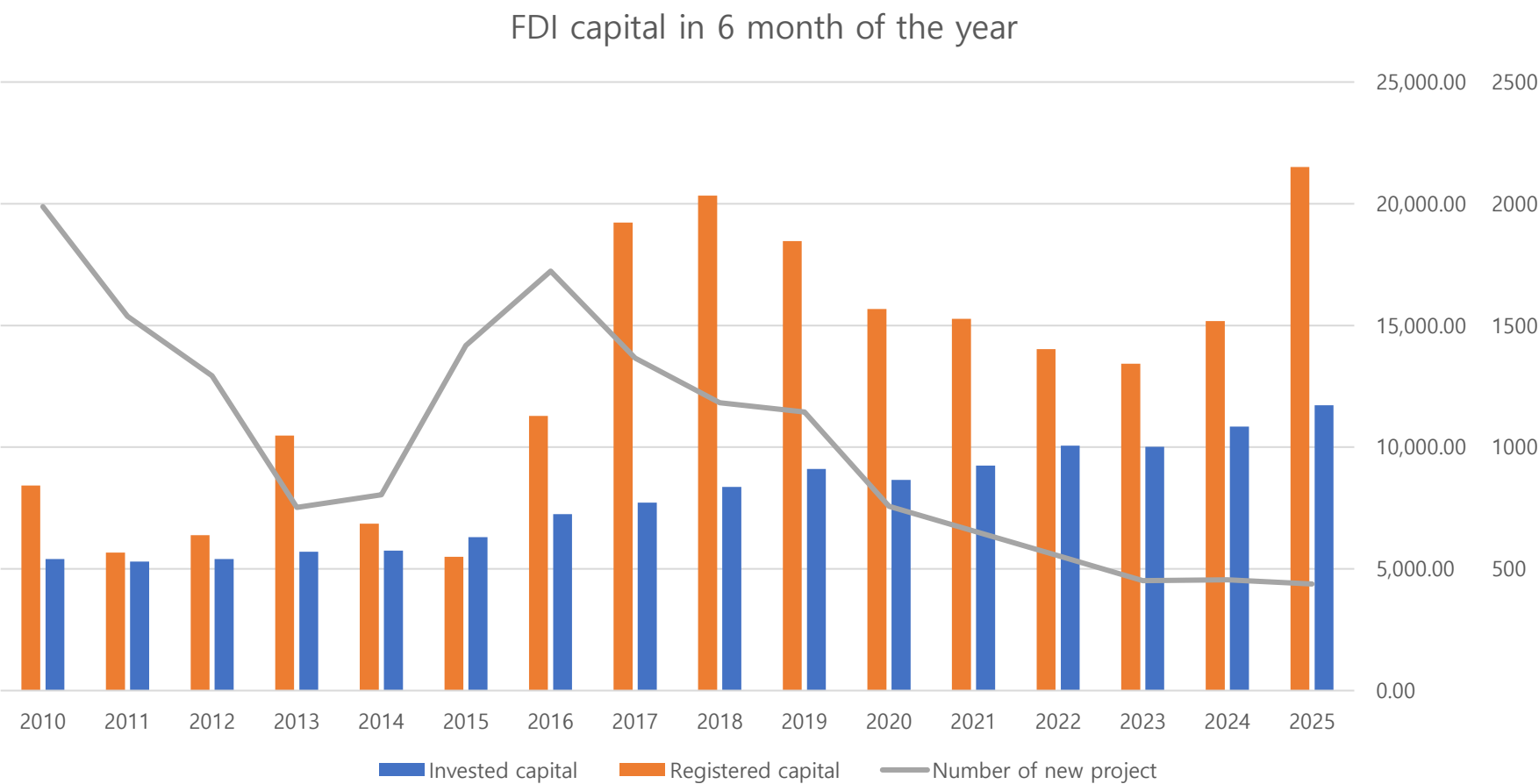
## Manufacturing is showing signs of weakness

- In the past 6 months, there were 5 months with PMI below 50 points, showing that growth is based on the service, construction, and real estate sectors; meanwhile, domestic production and industrial activities still face many difficulties



# FDI invested 1H2025 increased 8.1% yoy

CARG of FDI capital realized in 15 years (from 2010-2025) is 5.5%; thus, FDI growth in 1H2025 is higher than the average of the past 15 years.



Nation	Registered
Singapore	10,207
Korea	7,057
China	4,732
Hongkong	4,348
Japan	3,502
Taiwan	2,085
Cayman Island	1,231
Samoa	856
Turkey	763
British Virgin Islands	586
Netherlands	546
US	287
Others	2,025

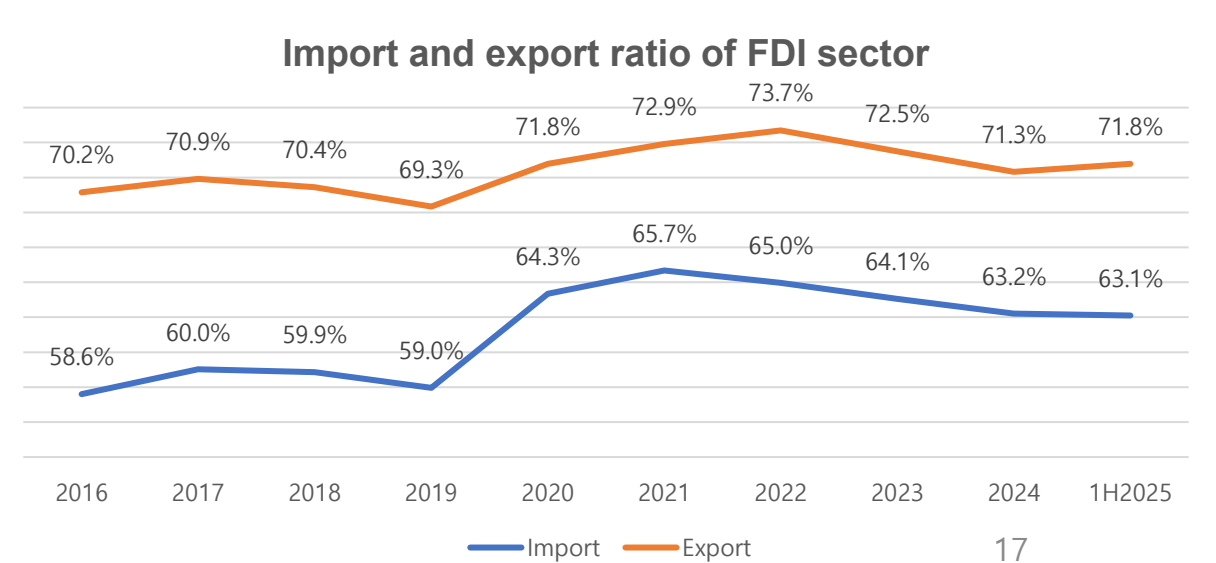
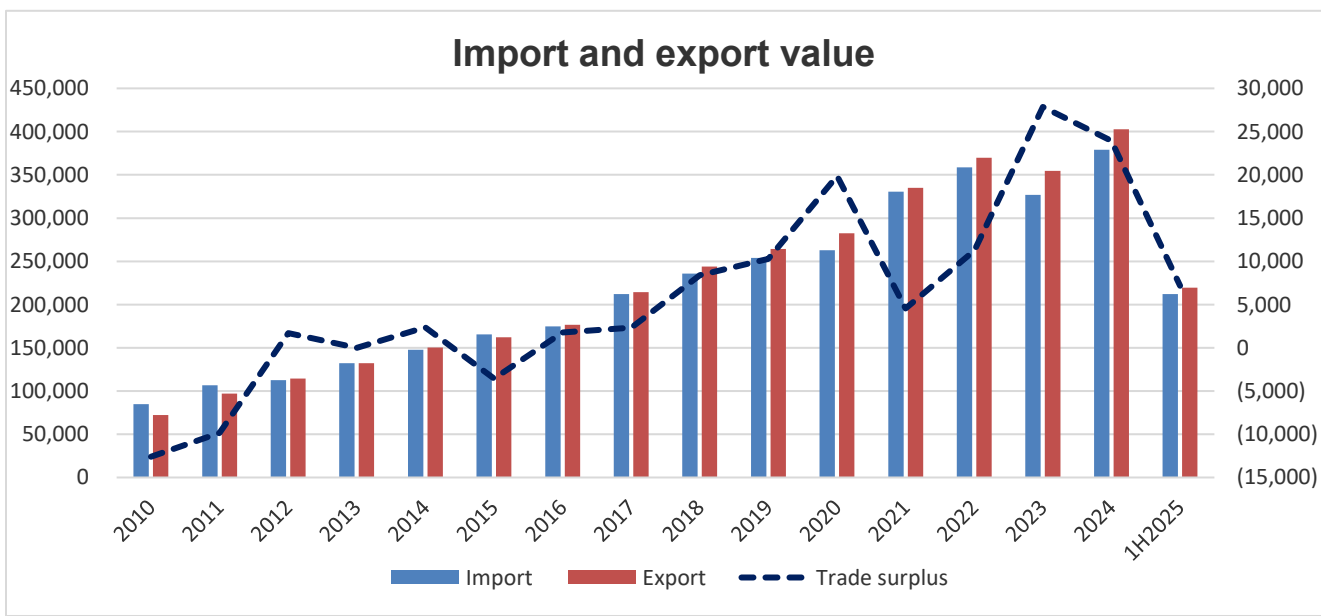
Unit: Million USD

Source: FiinProX



# Import and export still grew 17.2% yoy

Export	2017	2018	2019	2020	2021	2022	2023	2024	1H2025	Import	2017	2018	2019	2020	2021	2022	2023	2024	1H2025
US	41,592	47,530	61,347	77,077	96,270	109,389	97,020	119,501	70,914	China	58,592	65,516	75,452	84,187	110,533	117,867	110,645	144,021	84,700
China	35,404	41,366	41,414	48,905	55,926	57,703	61,208	61,212	29,122	Korea	46,961	47,582	46,935	46,895	56,314	62,089	52,511	55,926	28,357
Korea	14,819	18,241	19,720	19,107	21,948	24,293	23,499	25,619	13,737	Taiwan	12,727	13,231	15,173	16,701	20,780	22,631	18,421	22,741	14,775
Japan	16,859	18,834	20,413	19,284	20,130	24,233	23,315	24,608	12,807	Japan	16,977	19,041	19,526	20,341	22,801	23,374	21,638	21,588	11,592
Hongkong	7,582	7,958	7,156	10,437	11,995	10,936	9,632	12,423	7,657	US	9,349	12,747	14,365	13,713	15,277	14,471	13,822	15,103	8,870
Netherlands	7,105	7,085	6,881	6,999	7,685	10,430	10,242	12,994	6,258	Thailand	10,643	12,043	11,656	10,965	12,586	14,092	11,797	12,447	6,316
Germany	6,363	6,873	6,555	6,644	7,288	8,968	7,400	7,935	4,752	Indonesia	3,660	4,937	5,703	5,382	7,603	9,641	8,729	10,527	5,756
India	3,758	6,544	6,674	5,235	6,281	7,962	8,499	9,065	5,044	Malaysia	5,949	7,450	7,291	6,575	8,166	9,124	7,809	9,133	5,212
Thailand	4,808	5,487	5,272	4,917	6,155	7,476	7,192	7,783	4,158	Australia	3,182	3,751	4,455	4,677	7,968	10,145	8,533	7,592	3,634
England	5,422	5,779	5,758	4,955	5,766	6,066	6,345	7,543	3,875	Kuwait	288	2,604	3,534	3,168	4,710	6,582	5,882	7,250	3,326
Australia	3,281	3,966	3,495	3,621	4,401	5,553	5,224	6,476	3,084	India	3,940	4,147	4,538	4,435	6,964	7,087	5,865	5,830	2,851
Taiwan	2,574	3,151	4,392	4,322	4,587	5,118	4,737	5,619	3,306	Brazil	1,838	2,387	2,747	2,907	4,106	4,548	4,675	5,377	2,543
Canada	2,716	3,014	3,912	4,361	5,270	6,315	5,616	6,374	3,411	Singapore	5,316	4,527	4,091	3,670	4,260	4,837	4,710	5,375	3,063
Mexico	2,339	2,240	2,828	3,159	4,558	4,533	4,438	5,465	3,087	Cambodia	1,030	969	901	1,178	4,710	4,826	3,681	4,782	3,458
Philippines	2,836	3,465	3,730	3,550	4,571	5,100	5,150	6,189	2,916	Germany	3,205	3,812	3,697	3,348	3,952	3,617	3,687	3,768	1,896



## Conclusion: The 1H2025 macro picture is on track as forecasted

- 1 Growth remains high at 7.52%
- 2 The driving force for growth comes from monetary policy (low interest rates and boosting credit growth ~9.9%) and fiscal policy (promoting public investment)
- 3 Inflation is not a concern
- 4 Exchange rate is a concern, but SBV will only use monetary measures to control the exchange rate, not increase interest rates
- 5 FDI still grows positively, despite exchange rate concerns
- 6 Import-export growth is still high at 17.2%
- 7 However, domestic production activities are still weak

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Return on equity since inception (24.5 years) = 11.47%/year



10-year yield (since July 2015) = 9.18%/year





12.5-year yield (since 2012) = 11.89%/year



However, Vn-Index only increased by 45% since 2022



# Bank deposit rates are lowest in history

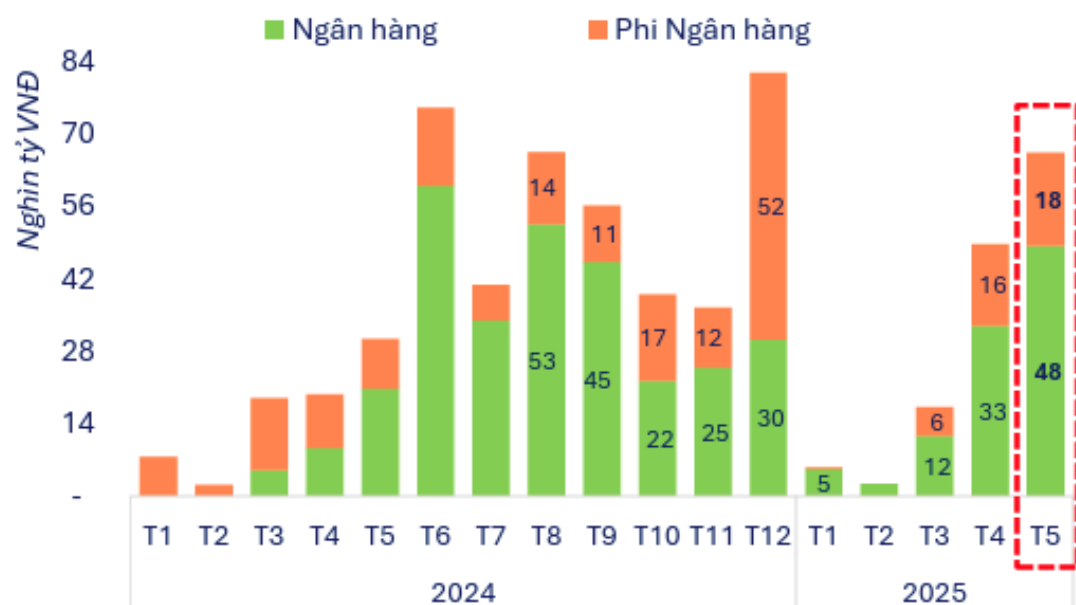
Banks	1 month	3 month	6 month	12 month	18 month	24 month	36 month
Viet Capital Bank	3.8	4	5.3	6.05	6.35	6.45	-
BacABank	3.9	4.2	5.35	5.8	6.2	6.2	6.2
DongABank	4.1	4.3	5.55	5.8	6.1	6.1	6.1
OceanBank	4	4.3	5.3	5.7	6.1	6.1	6.1
Saigonbank	3.3	3.6	4.8	5.8	6	6	6.1
HDBank	3.35	3.45	5.2	5.5	6	5.4	5.4
CBBank	4.05	4.25	5.65	5.75	5.9	5.9	5.9
VietBank	4	4.1	5.3	5.7	5.8	5.8	5.8
PG Bank	3.4	3.8	5	5.5	5.8	5.9	5.9
BAOVIET Bank	3.1	4	5	5.5	5.8	5.8	5.8
Eximbank	3.5	3.4	5.2	5.4	5.7	5.8	5.1
NamABank	4	4.3	4.6	5.3	5.6	-	-
TPBank	3.7	4	4.6	-	5.5	-	5.8
MSB	3.6	3.6	4.7	5.5	5.5	5.5	5.5
Kienlongbank	3.5	3.5	5.2	5.5	5.5	5.5	5.5
NCB	3.9	4.1	5.25	5.5	5.5	5.5	5.5
OCB	3.9	4.1	5.1	5.2	5.5	5.7	5.9
VietABank	3.2	3.5	4.6	5.2	5.5	5.6	5.6
LPBank	3.1	3.3	4.2	5.2	5.5	5.5	5.5
SeABank	2.95	3.45	3.75	4.5	5.45	5.45	5.45
ABBank	3	3.6	5.4	5.7	5.4	5.3	5.3
VPBank	3.7	3.9	4.9	5.4	5.4	5.5	5.5
GPBank	3	3.52	4.6	5.3	5.4	5.4	5.4
SHB	3.3	3.6	4.7	5.2	5.3	5.5	5.8
PVcomBank	3	3.3	4.2	4.8	5.3	5.3	5.3
MBBank	3.7	4	4.5	5.05	5.05	5.9	5.9
VIB	3.5	3.7	4.7	4.9	5	5.1	5.1
SCB	2.8	3.2	4.2	4.9	4.9	5	5.2
Agribank	1.7	2	3	4.7	4.7	4.8	-
VietinBank	1.7	2	3	4.7	4.7	4.7	4.8
BIDV	1.7	2	3	4.7	4.7	4.7	4.7
Vietcombank	1.6	1.9	2.9	4.6	4.7	4.7	4.7
Techcombank	3.15	3.45	4.45	4.65	4.65	4.65	4.65
ACB	2.3	2.7	3.5	4.4	4.5	4.5	4.5



# The bond debt crisis is not over yet

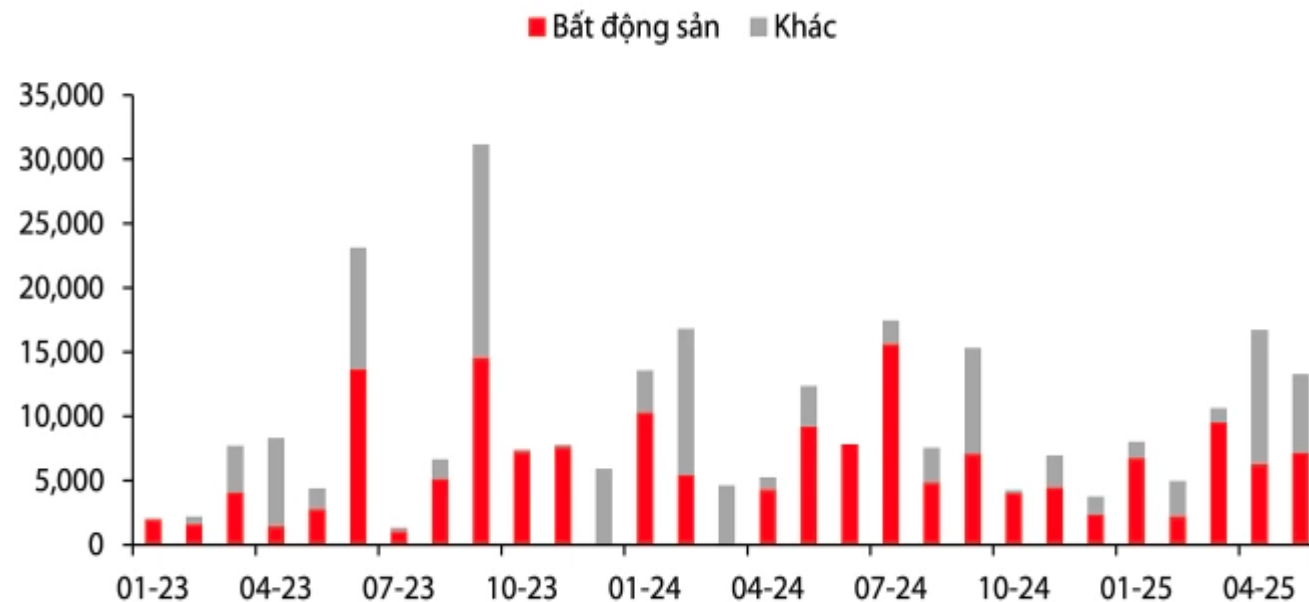
- Banking group accounted for 73% of the new issuance bond value in May, but bank bonds are not for retail investors: the minimum value is usually around VND50 billion
- In the non-banking group, Vingroup eco-system (including Vinfast) mobilized VND13 trillion, accounting for 60.9% of the total issuance value in May
- In the first 5 months of the year, the real estate group had more than VND31,800 billion in late-payment bonds, accounting for nearly 60% of the market

**Banks account for 73% of new issuance value in May**



Source: FiinPro-X

**Monthly value of deferred bonds**



Source: HNX

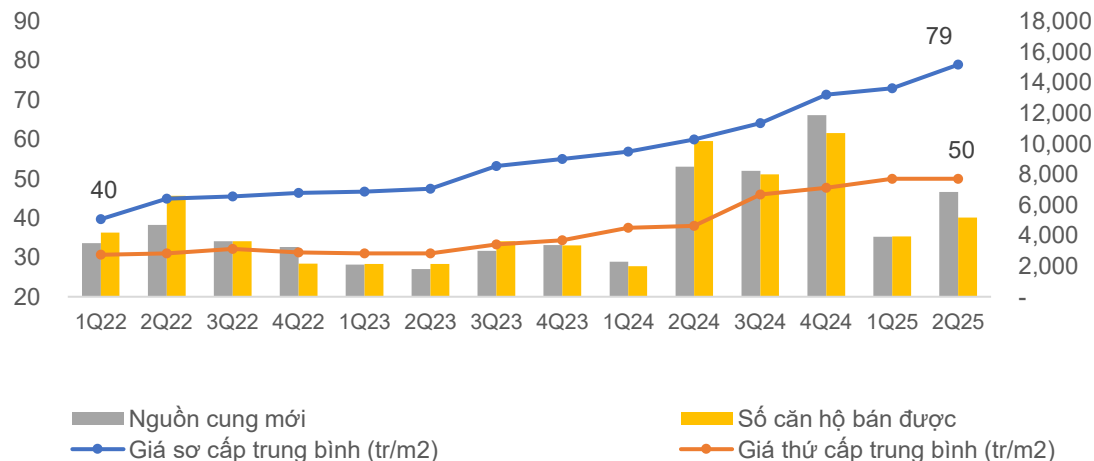
# Gold already increased by 81% since 2022

- Rate of return since 2007 is 12.1%
- If we ignore 2025, the return rate from 2007 is: 10.16%
- The difference between Vietnam and global gold prices is currently over ~15 million VND
- Buying and selling large quantities of gold is not easy

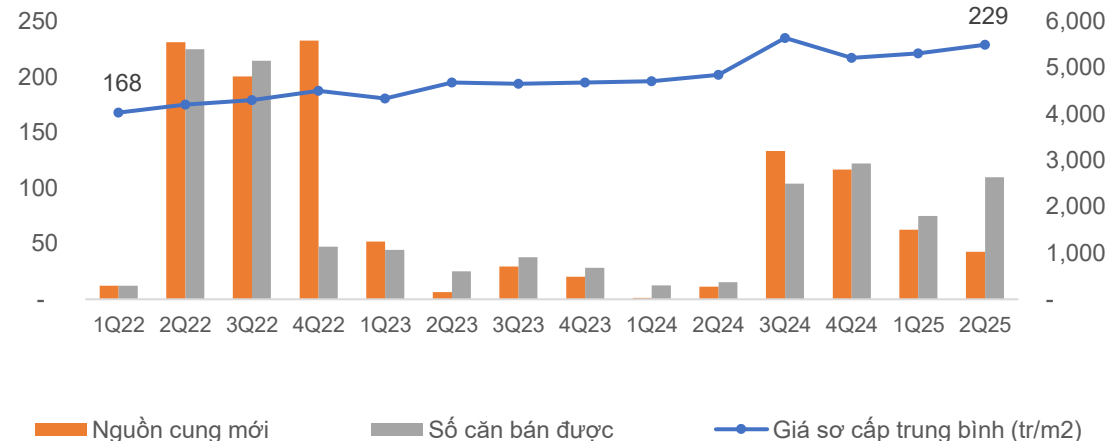
Date	SJC gold price- Buy VND/lượng	SJC gold price- Sell VND/lượng	Increase/year
07/09/2025	118,600,000	120,600,000	36,400,000
12/31/2024	82,200,000	84,200,000	8,200,000
12/29/2023	73,000,000	76,000,000	9,300,000
12/30/2022	65,900,000	66,700,000	5,050,000
12/31/2021	60,950,000	61,650,000	5,550,000
12/31/2020	55,550,000	56,100,000	13,600,000
12/31/2019	42,100,000	42,500,000	6,020,000
12/28/2018	36,300,000	36,480,000	102,000
12/29/2017	35,923,000	36,378,000	1,285,000
12/30/2016	34,363,000	35,093,000	2,363,000
12/31/2015	32,380,000	32,730,000	-2,640,000
12/31/2014	35,370,000	35,370,000	-1,770,000
12/31/2013	37,140,000	37,140,000	-9,160,000
12/31/2012	45,600,000	46,300,000	4,500,000
12/30/2011	40,800,000	41,800,000	6,000,000
12/31/2010	35,800,000	35,800,000	9,190,000
12/31/2009	26,610,000	26,610,000	8,810,000
12/31/2008	17,800,000	17,800,000	1,550,000
12/31/2007	16,250,000	16,250,000	

# Real estate prices raised too high?

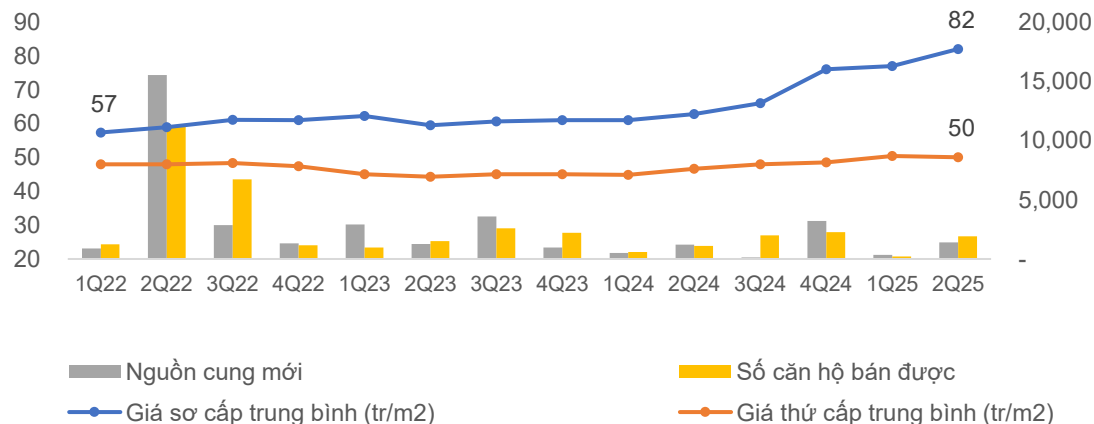
## Average primary price and supply of apartment segment in Hanoi



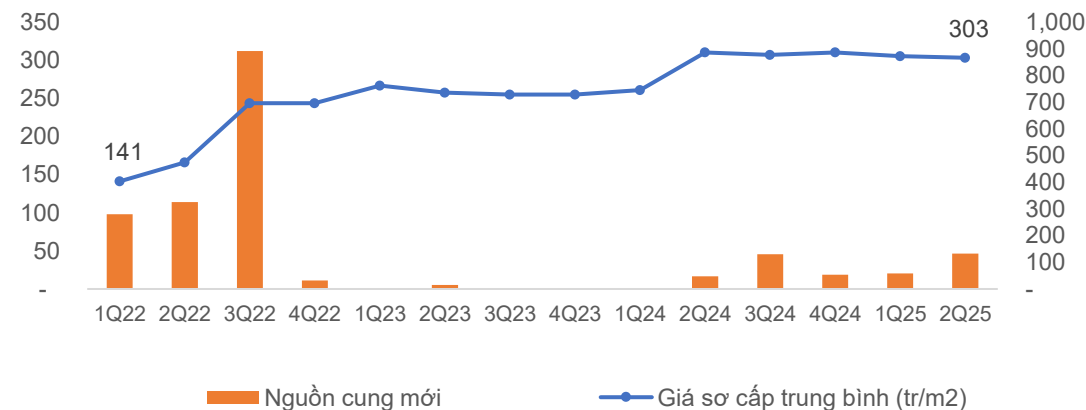
## Average primary selling price and supply of low-rise segment in Hanoi



## Average primary price and supply of apartment segment in Ho Chi Minh City



## Average primary selling price and supply of low-rise segment in Ho Chi Minh City



# Primary price is too high?

Projected opening and expected price in Q2-Q3/2025 in Hanoi & HCMC					
	Projects	Investors	Location	Scale	Expected price VND million/m2
Hanoi	Masteri Grand Avenue (Vinhomes Global Gate)	Masterise Homes	Dong Anh	1.460 units	100-110
	The Matrix One (2 <sup>nd</sup> phase)	MIK Group	Nam Tu Liem	990 units	120-130
	Sun Fexila Suites	Sun Group	Cau Giay	1.667 units	180-200
	Long Bien Central	Taseco Land	Long Bien	422 units	118 (*)
	Hausman Premium Residences	FLC Group	Nam Tu Liem	410 units	90-100
	Galia Hanoi	Mey Group	Hoang Mai	798 units	82 (*)
HCM	Limiere Midtown - The Global City	Masterise Homes	Thu Duc	9.400 units	155-165
	The Prive	DXG	Thu Duc	3.175 units	125 (*)

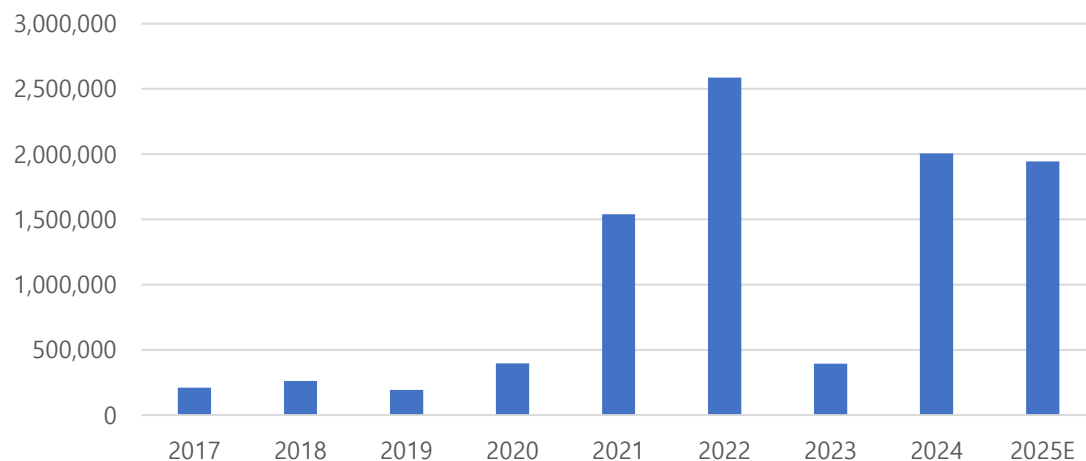
(\*) Market reference price, excluding VAT

# Foreign currency – rising sharply in 2025

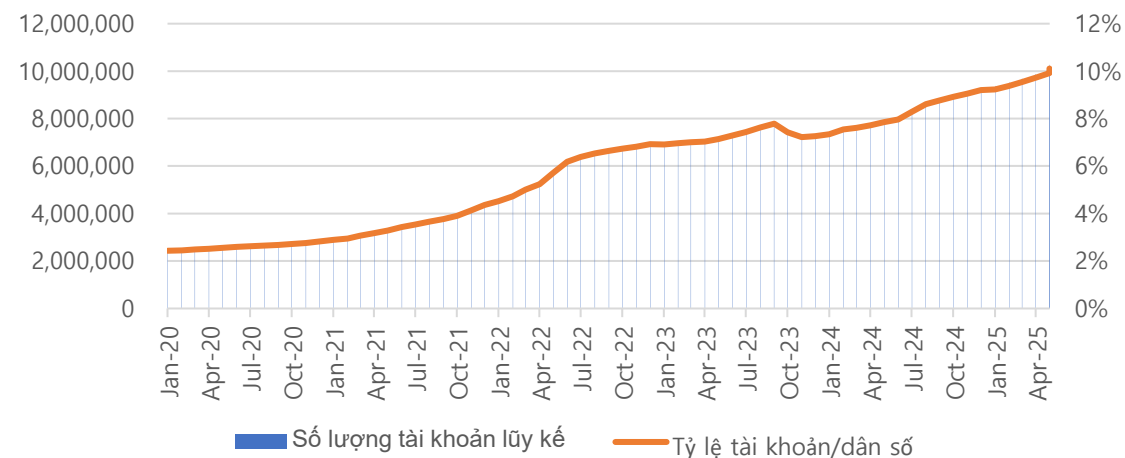
2025 year-to-date increase	2.97%	16.01%	12.23%	12.05%	8.53%	9.77%	4.48%
Average annual increase	2.56%	2.20%	0.77%	1.71%	1.74%	3.77%	0.54%
Date	USD	EUR	GBP	JPY	AUD	SGD	CNY
07/02/2025	26,310	31,659	36,474	186	17,464	20,882	3,705
12/31/2024	25,551	27,291	32,500	166	16,091	19,024	3,546
12/29/2023	24,420	27,539	31,292	175	16,758	18,662	3,483
12/30/2022	23,730	25,841	28,837	183	16,202	17,810	3,458
12/31/2021	22,920	26,546	31,235	203	16,780	17,122	3,653
12/31/2020	23,190	29,093	31,960	228	18,029	17,734	3,616
12/31/2019	23,230	26,601	30,518	216	16,363	17,281	
12/31/2018	23,245	27,179	29,721	212	16,488	17,143	
12/29/2017	22,735	27,258	30,720	203	17,766	17,076	
12/30/2016	22,785	24,248	28,201	196	16,570	15,902	
12/31/2015	22,540	24,708	33,521	187	16,514	16,025	
12/31/2014	21,405	26,479	33,943	182	17,845	16,559	
12/31/2013	21,125	29,266	35,073	202	18,940	16,836	
12/31/2012	20,855	27,754	33,870	244	21,821	17,201	
12/30/2011	21,036	27,699	32,954	275	21,767	16,520	
12/31/2010	19,500	27,835	32,214	256	21,254	16,229	
12/31/2009	18,479	26,963	30,212	203	16,855	13,387	
12/31/2008	17,486	24,975	25,462	195	12,183	12,269	
12/31/2007	16,030	23,763	32,231	143	14,168	11,190	
12/29/2006	16,057	21,185	31,645	136	12,682	10,537	
12/30/2005	15,859						
12/31/2004	15,746						
12/31/2003	15,510						
12/31/2002	15,280						
12/31/2001	14,725						
12/29/2000	14,168						

# LONG-TERM STOCK MARKET POTENTIAL: VERY POSITIVE

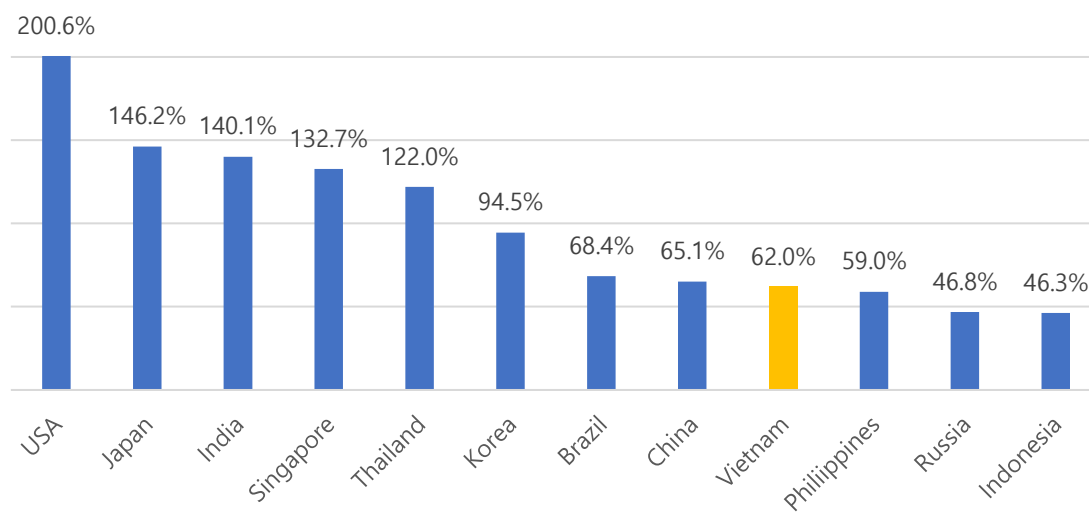
## New account number



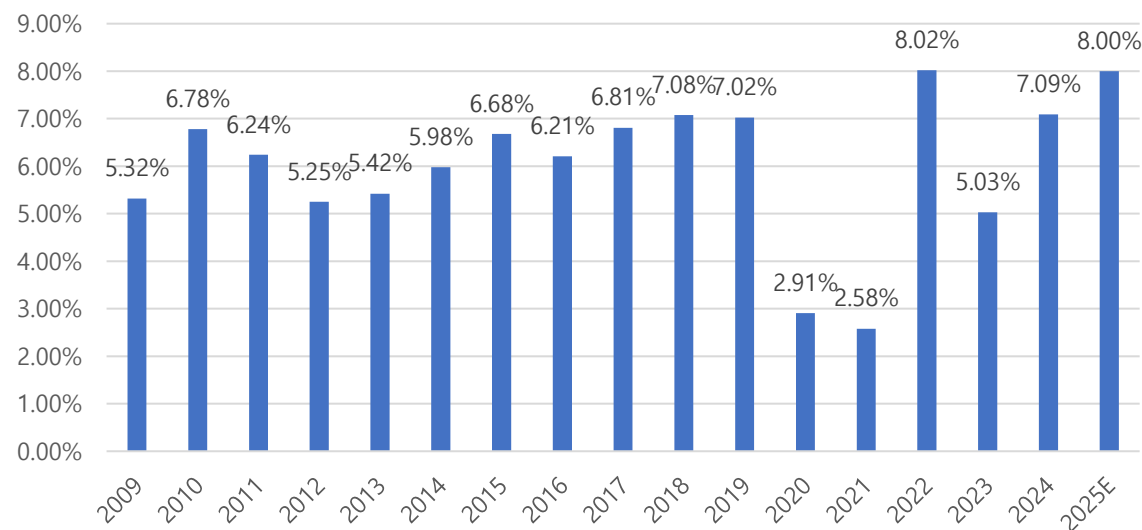
## Account/population ratio reached 10.1%



## Stock market capitalization/GDP



## GDP growth



Source: World bank



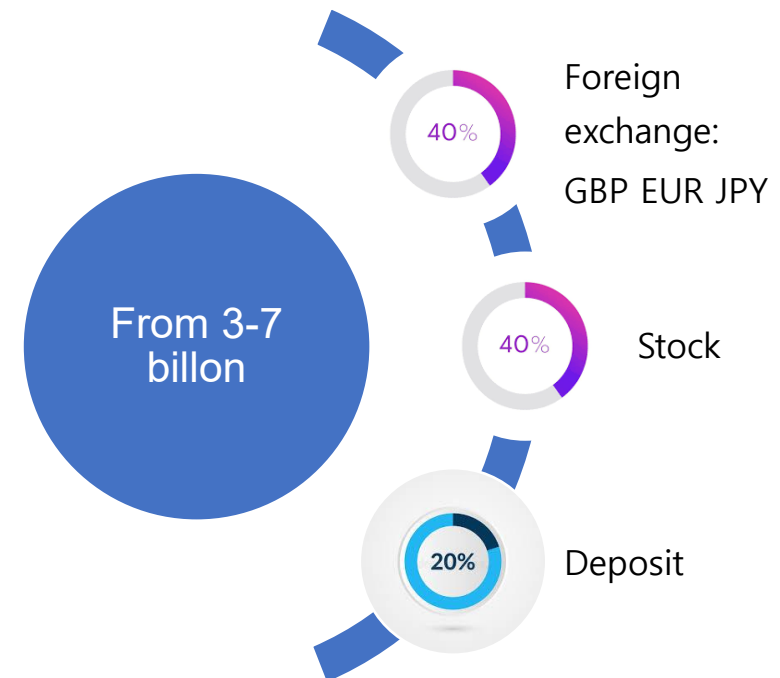
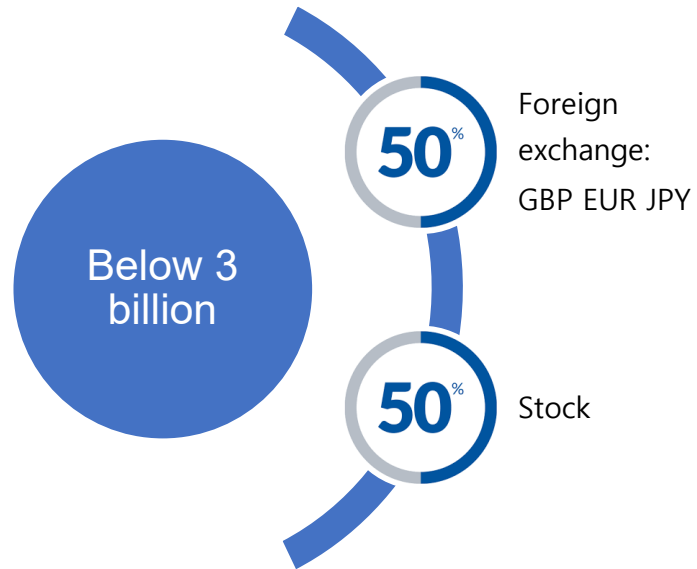
# Securities laws are constantly improving and many new products are available to investors.

Some major changes in the Vietnamese Stock Market

- 1999: Foreign ownership limit (FOL) was increased to 20% (in which 1 institutional investor was allowed to own a maximum of 7% and 1 individual investor was allowed to own a maximum of 3% of 1 enterprise)
- 2003: FOL at a public company was increased to 30%, and FOL at a securities company was increased to 49%
- 2005: FOL was increased to 49% at all enterprises, except for the banking group
- 2013: Trading hours were increased and ended at 3:00 p.m.
- 2015: FOL restriction was removed, except for some special industry groups, or cases where the enterprise charter provided otherwise
- 2017: The derivatives market was officially traded
- 2019: The new Securities Law was passed and officially took effect from 2020
- 2022: Reduced payment time for cash and money from T+3 to T+2.5
- 2022: Tighten the situation of stock price manipulation in the stock market

The Vietnamese government is committed to actively changing laws and policies to meet new requirements from MSCI and FTSE so that the Vietnamese stock market can be upgraded to emerging market status by 2025.

# Portfolio Allocation





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1. Economic Forecast 2025: All-resources Focus on Growth
2. Macroeconomics 1H2025: High growth based on low interest rates
3. Developments of asset classes in Vietnam?
- 4. Vietnam stock market outlook**
5. Sector recommendation and stock picking

## Will the Fed Cut Interest Rates by 0.5% in 2025?

### Fed meetings in 2025

July: 29-30

September: 16-17

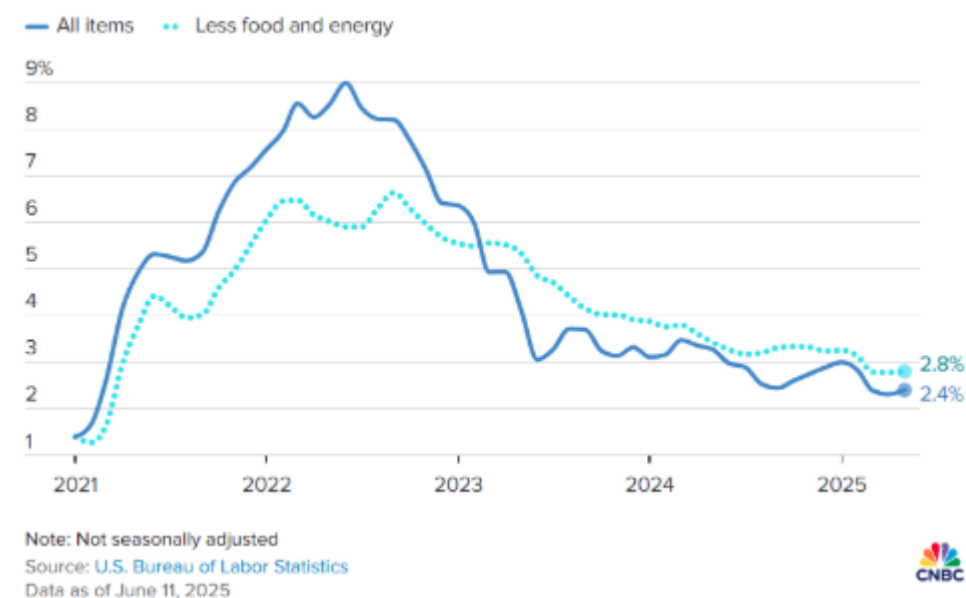
October: 28-29

December: 9-10

Inflation in the US in May was 2.4%, close to the Fed's long-term expectation of 2%.

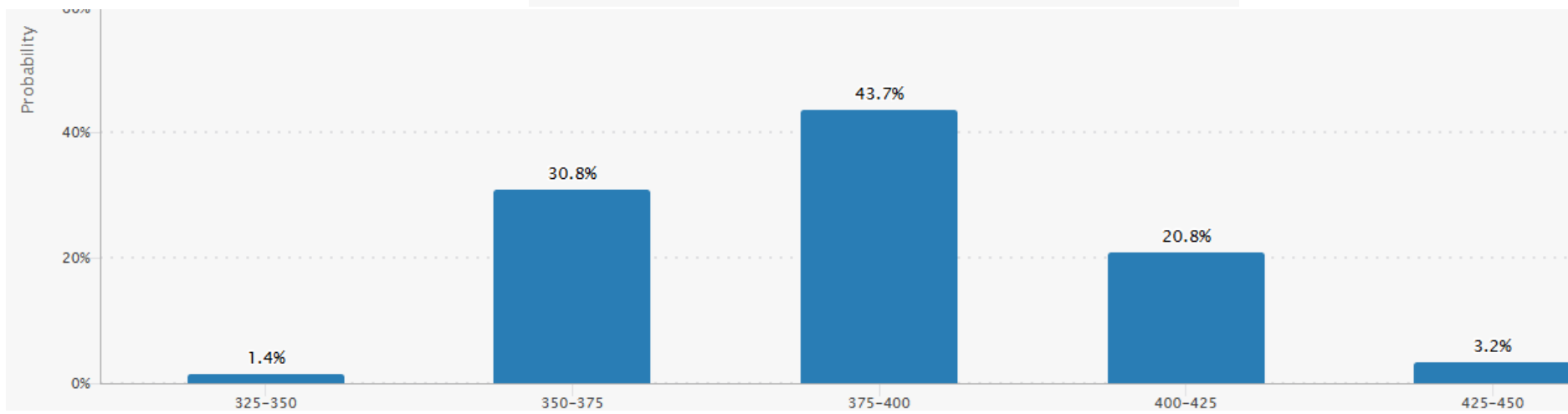
**Fed's concern: will the reciprocal tax increase the price of goods in the US?**

43.7% of experts surveyed in the US predict: The Fed will cut interest rates by 0.5% in the remaining period of 2025 from 4.5% to 4%

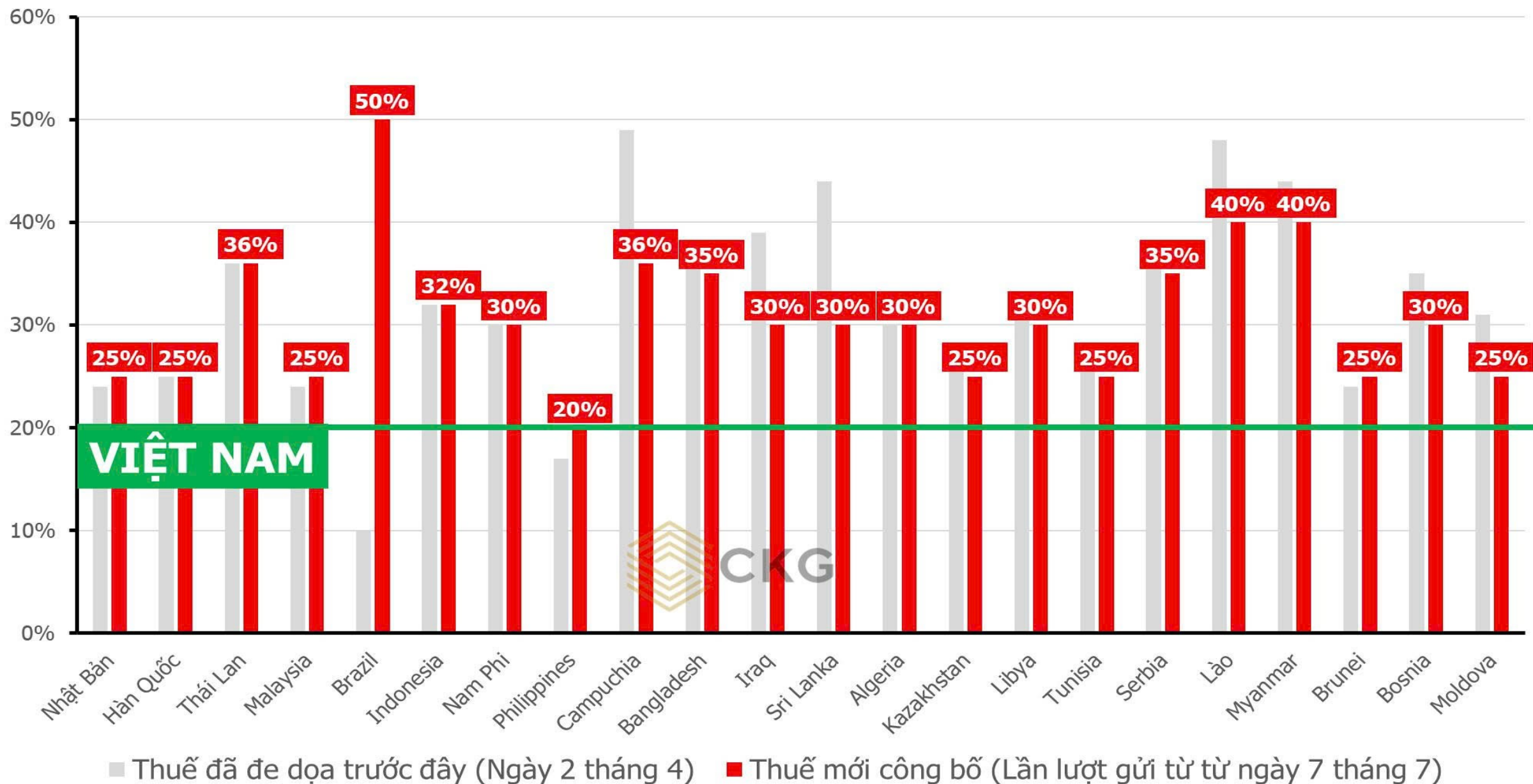


Long-term expectation threshold 2%

Target Rate Probabilities for 10 Thg12 2025 Fed Meeting



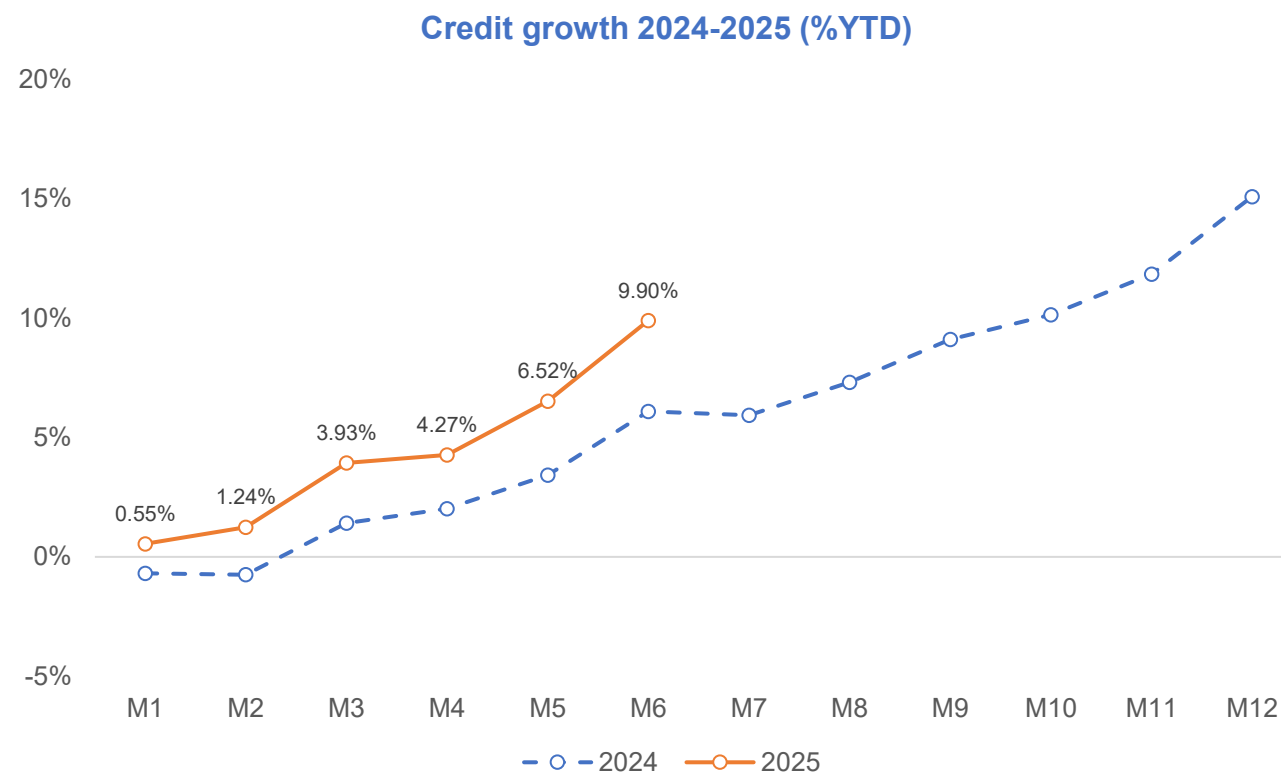
## Vietnam has the lowest reciprocal tax rate on the US market



## Interest rates and credit remain growth drivers

- Credit growth in the 1H2025 reached 9.9%, 1.6 times higher than the growth rate of 6.1% in 1H2024
- The credit growth plan for 2025 is still 16%
- In 1Q2025, 23/26 banks reduced interest rates compared to the same period, and 18/26 banks reduced interest rates compared to the previous quarter
- The Prime Minister requested to **soon remove the credit growth limit**, and develop a set of criteria to control credit safety, and report to the Prime Minister in July
- The National Assembly officially legalized Resolution 42, **"finalizing" the right to seize collateral assets of credit institutions**

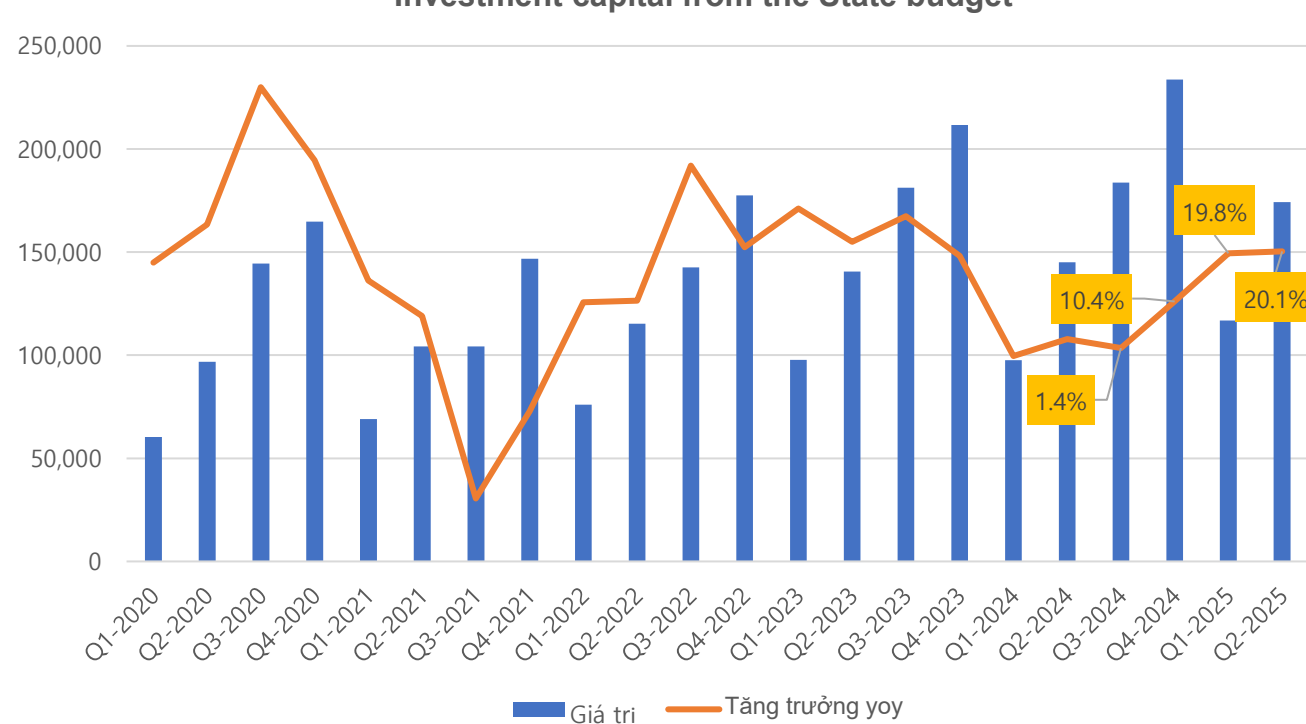
		Average loan interest rate			Compared with	
		Q1-2024	Q4-2024	Q1-2025	Last year	Last quarter
VCB	State-owned	5.4%	4.8%	4.7%	-0.64%	-0.02%
BID	State-owned	5.9%	5.6%	5.1%	-0.79%	-0.46%
CTG	State-owned	6.2%	5.7%	5.5%	-0.72%	-0.25%
ACB	Large private	6.8%	6.7%	6.2%	-0.61%	-0.53%
TCB	Large private	7.4%	6.7%	6.4%	-1.01%	-0.31%
MBB	Large private	7.3%	7.0%	7.0%	-0.24%	0.00%
STB	Large private	7.7%	7.0%	7.3%	-0.39%	0.31%
SHB	Large private	8.8%	9.4%	7.6%	-1.23%	-1.75%
HDB	Large private	10.6%	9.9%	9.2%	-1.34%	-0.70%
VPB	Large private	9.9%	9.8%	9.5%	-0.40%	-0.29%
PGB	Small & Medium Private	6.1%	5.5%	5.9%	-0.15%	0.38%
EIB	Small & Medium Private	6.5%	6.2%	6.1%	-0.40%	-0.09%
ABB	Small & Medium Private	5.9%	6.0%	6.1%	0.17%	0.17%
MSB	Small & Medium Private	6.7%	7.2%	6.4%	-0.23%	-0.79%
VBB	Small & Medium Private	6.6%	6.6%	6.7%	0.01%	0.02%
SGB	Small & Medium Private	7.3%	7.0%	6.7%	-0.51%	-0.29%
VIB	Small & Medium Private	7.5%	7.2%	6.8%	-0.71%	-0.38%
LPB	Small & Medium Private	8.4%	8.0%	6.8%	-1.50%	-1.15%
SSB	Small & Medium Private	7.5%	7.0%	7.0%	-0.51%	-0.08%
BVB	Small & Medium Private	7.6%	7.8%	7.0%	-0.62%	-0.82%
TPB	Small & Medium Private	7.9%	7.1%	7.0%	-0.88%	-0.13%
VAB	Small & Medium Private	7.6%	7.8%	7.0%	-0.56%	-0.76%
OCB	Small & Medium Private	7.6%	7.9%	7.3%	-0.30%	-0.61%
NAB	Small & Medium Private	8.1%	7.6%	7.7%	-0.36%	0.15%
BAB	Small & Medium Private	8.3%	7.7%	7.8%	-0.52%	0.03%
KLB	Small & Medium Private	8.5%	8.5%	9.2%	0.70%	0.69%



# Public investment grew by 20.1% in the second quarter of 2025

- Public investment growth has increased continuously in the last 3 quarters
- Tu Lien Bridge used public investment capital, started construction on schedule on May 19
- Tu Lien Bridge: connecting Nghi Tam Street, Tay Ho District with Dong Anh District, total route length of about 3km, total investment of over 20,000 billion VND
- Hanoi: simultaneously started construction of 4 bridges before October 10: Ngoc Hoi Bridge, Tran Hung Dao Bridge, Van Phuc Bridge, and Thuong Cat Bridge

Investment capital from the State budget



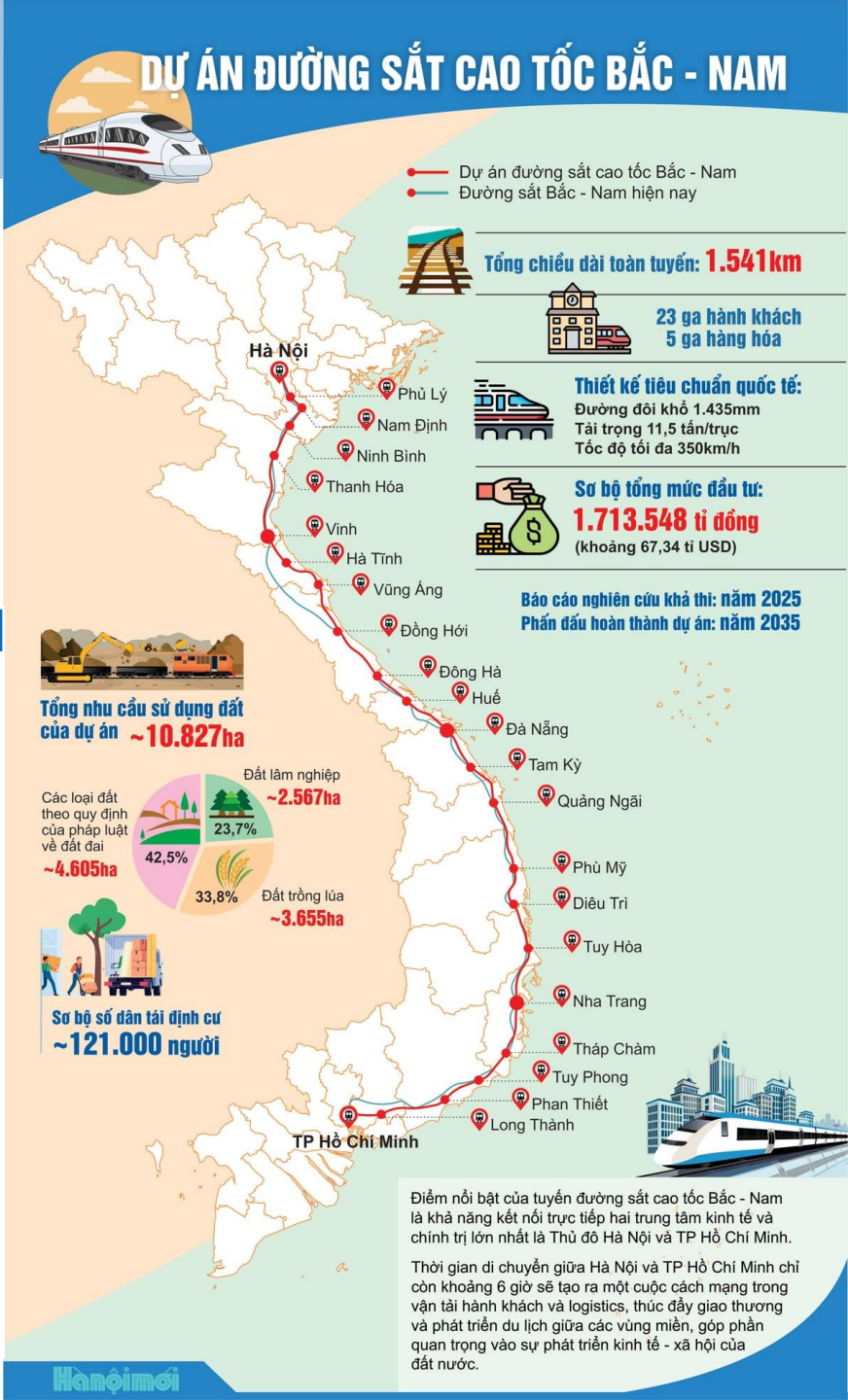
Typical projects in the period 2025-2030	CAPEX (Billion VND)
North-South Expressway	1,713,548
Hanoi - Lao Cai - Hai Phong Railway	203,231
North-South Expressway - Phase 2	147,000
Long Thanh Airport	336,630
Ring Road 3 - Ho Chi Minh City	75,378
Ring Road 4 - Hanoi	88,694
Ho Chi Minh City - Moc Bai Expressway	20,100
Ho Chi Minh City - Nhon Trach Expressway	17,400
Chau Doc - Can Tho - Soc Trang Expressway	44,500
Khanh Hoa - Buon Ma Thuot Expressway	21,935
Bien Hoa - Vung Tau Expressway	17,800
Long Thanh - Dau Giay Expressway Phase 2	15,000

# North-South high-speed railway: Thaco or Vinspeed?

## The will from the government is very strong:

- Using the central budget to clear land for the North-South high-speed railway
- Simultaneous site clearance for high-speed railway from August 19, 2025, site clearance must be completed in 2026

Tiêu chí	VinSpeed	THACO
Total investment	61.27 billion USD	61.35 billion USD
Equity (20%)	12.27 billion USD	12.3 billion USD
Remaining capital (80%)	The State lends 49 billion USD, 0% interest rate for 35 years	Loan from domestic/foreign credit institutions, government guarantees and supports interest for 30 years
Operation period	99 years	70 years
Investment form	Direct investment	Direct investment
Construction period	5 years (1 phase)	7 years (2 phases)
Technology	Modern electrification technology, in cooperation with Chinese, Japanese, German partners to transfer technology	Technology transfer cooperation from Germany, France, Japan, Korea
Transfer commitment	Unknown	No sale of shares, no franchise to foreign investors
Ticket price	At least 60-75% of the ceiling price of air tickets	Not yet announced specifically, will propose to the State for approval
Land fund exploitation	Exploiting land funds near train stations to develop urban areas, real estate projects	Priority given to land fund allocation for urban development according to TOD model





## FTSE April: Vietnam still fails to meet DvP and Failed Trade

Minister of Finance: Stock market must be upgraded by 2025

### Expected route:

- September 2025: Vietnam added to the FTSE (Emerging Markets) index basket
- Expected weight of Vietnam is 0.3%
- Passive cash flow is about 1.7 billion USD
- Active cash flow: About 8.5 billion USD (5 times more than ETF funds - according to FTSE Russell)

FTSE QUALITY OF MARKETS CRITERIA (Watch List) as at March 2025						
CRITERIA	DEV WATCH	GREECE*	ADV EMG WATCH	SEC EMG WATCH	FRONTIER WATCH	VIETNAM**
World Bank GNI Per Capita Rating (Atlas Method)		High				Lower Middle
Credit Worthiness		Speculative				Speculative
<b>Market and Regulatory Environment</b>						
Formal stock market regulatory authorities actively monitor market (e.g., SEC, FSA, SFC)	X	Pass	X	X	X	Pass
Fair and non-prejudicial treatment of minority shareholders	X	Pass	X			Restricted
No or selective incidence of foreign ownership restrictions	X	Pass	X			Restricted
No objection to or significant restrictions or penalties applied to the investment of capital or the repatriation of capital and income	X	Pass	X	X	X	Pass
No or simple registration process for foreign investors	X	Pass	X			Restricted
<b>Foreign Exchange Market</b>						
Developed foreign exchange market	X	Pass	X			Restricted
<b>Equity Market</b>						
Brokerage - Sufficient competition to ensure high quality broker services	X	Pass	X	X		Pass
Transaction costs - implicit and explicit costs to be reasonable and competitive	X	Pass	X	X		Pass
Tax - imposition of taxes to be reasonable and comparable between domestic and non-domestic investors	X	Pass	X			Pass
Stock Lending is permitted	X	Pass				Restricted
Short sales permitted	X	Pass				Not Met
Developed Derivatives Market	X	Pass				Restricted
Off-exchange transactions permitted	X	Pass				Not Met
Efficient trading mechanism	X	Pass	X			Restricted
Transparency - market depth information / visibility and timely trade reporting process	X	Pass	X	X	X	Pass
<b>Clearing, Settlement and Custody</b>						
Settlement - costs associated with failed trades	X	Pass	X	X	X	Restricted
Settlement Cycle (DvP)	X	T+2	X	X	X	T+2
Central Securities Depository	X	Pass	X	X		Pass
Central Counterparty Clearing House (Equities)	X	Pass	X			Not Met
Settlement - Free delivery available	X	Pass				Not Met
Custody - Sufficient competition to ensure high quality custodian services	X	Pass	X	X		Pass
Account structure operating at the Custodian level (securities and cash)	X	Pass				Not Met

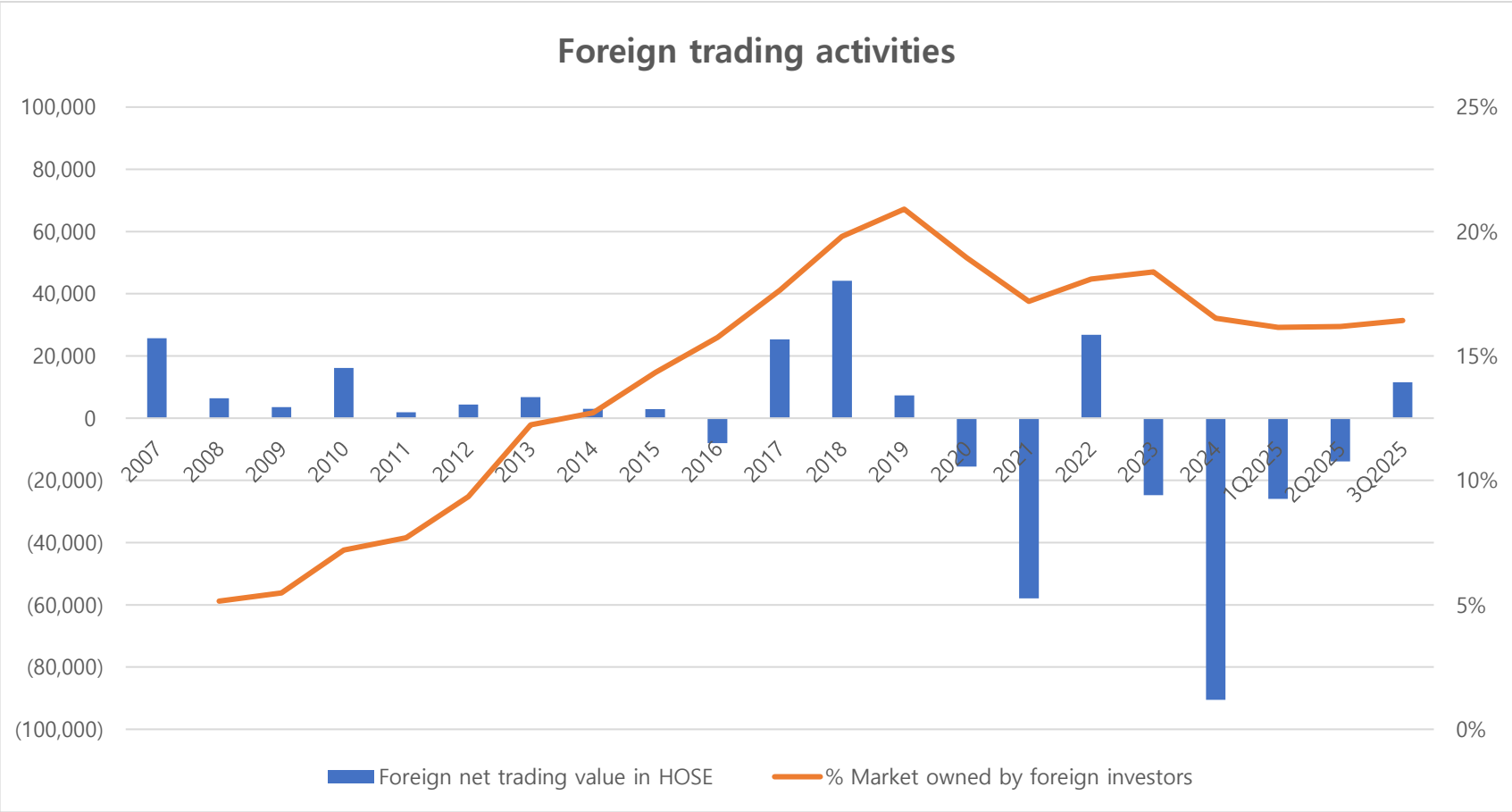
Shading indicates a rating change from September 2024

\* Greece on the Watch List for possible reclassification from Advanced Emerging to Developed

\*\* Vietnam on the Watch List for possible reclassification from Frontier to Secondary Emerging

# Foreign investors have returned to net buying 11,544 billion as of July 11

- Foreign investors net bought **11,544 billion** in just **9 trading sessions** in July 2025, after the information on reciprocal taxes with the US was announced



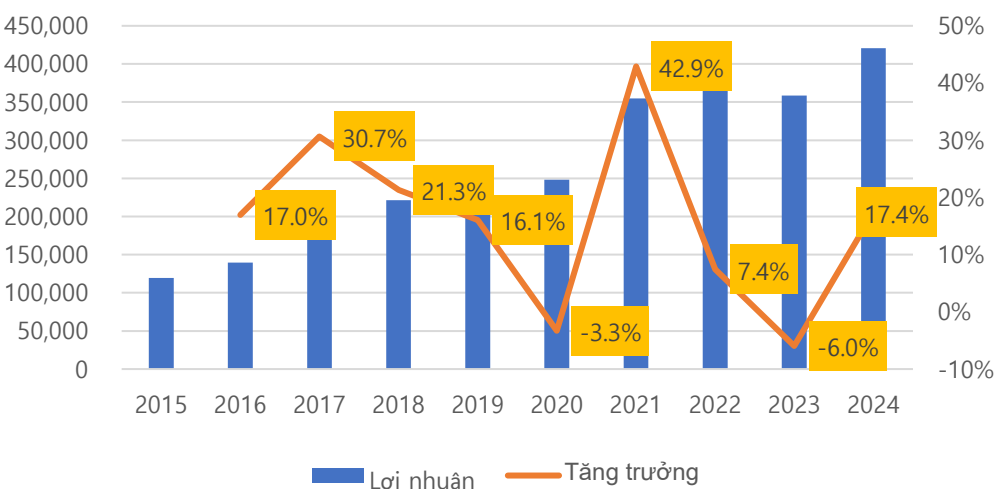
Top sell		Top buy	
FPT	(8,150,953)	MWG	2,688,375
VIC	(5,890,856)	HPG	1,739,025
VHM	(4,249,279)	VIX	1,635,281
VCB	(3,907,356)	VCI	1,334,646
VNM	(3,805,562)	VND	1,239,277
STB	(2,656,770)	NVL	1,226,661
TPB	(2,374,837)	EIB	1,100,241
FRT	(1,288,875)	SHB	1,017,224
DGC	(1,236,854)	HVN	882,453
SAB	(1,203,689)	TCH	813,589
HAH	(1,127,645)	DXG	773,846
HCM	(1,002,198)	GVR	756,234
VJC	(929,081)	DGW	565,326
GMD	(902,803)	APG	468,060
KDH	(835,687)	VGC	467,948
VHC	(756,575)	NLG	454,023
PVD	(725,289)	FUEVFN30	413,571
MSN	(626,417)	CTG	350,393
BID	(503,217)	VCG	323,864
BSI	(460,798)	GEX	289,490
SCS	(448,885)	SSI	284,436
E1VFVN30	(381,325)	BVH	260,269
PTB	(354,543)	NAB	191,287
TLG	(327,064)	BMP	186,718
VRE	(322,000)	GAS	179,552



## Corporate profits on HOSE to grow 17.4% in 2024

Many industries with good growth are banking, retail (MWG FRT), real estate (VIC NVL), steel (HPG HSG NKG), VNM, MSN, industrial park real estate (KBC BCM).

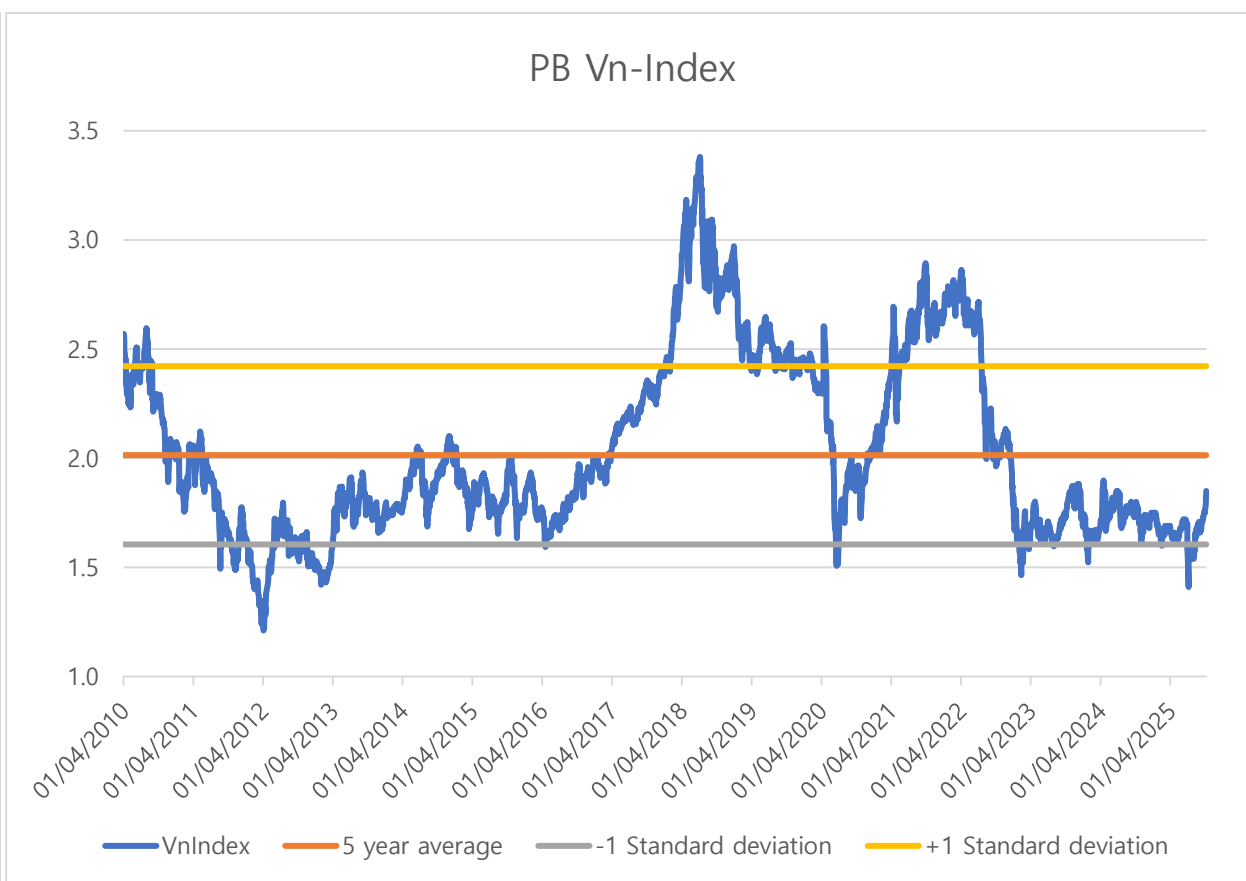
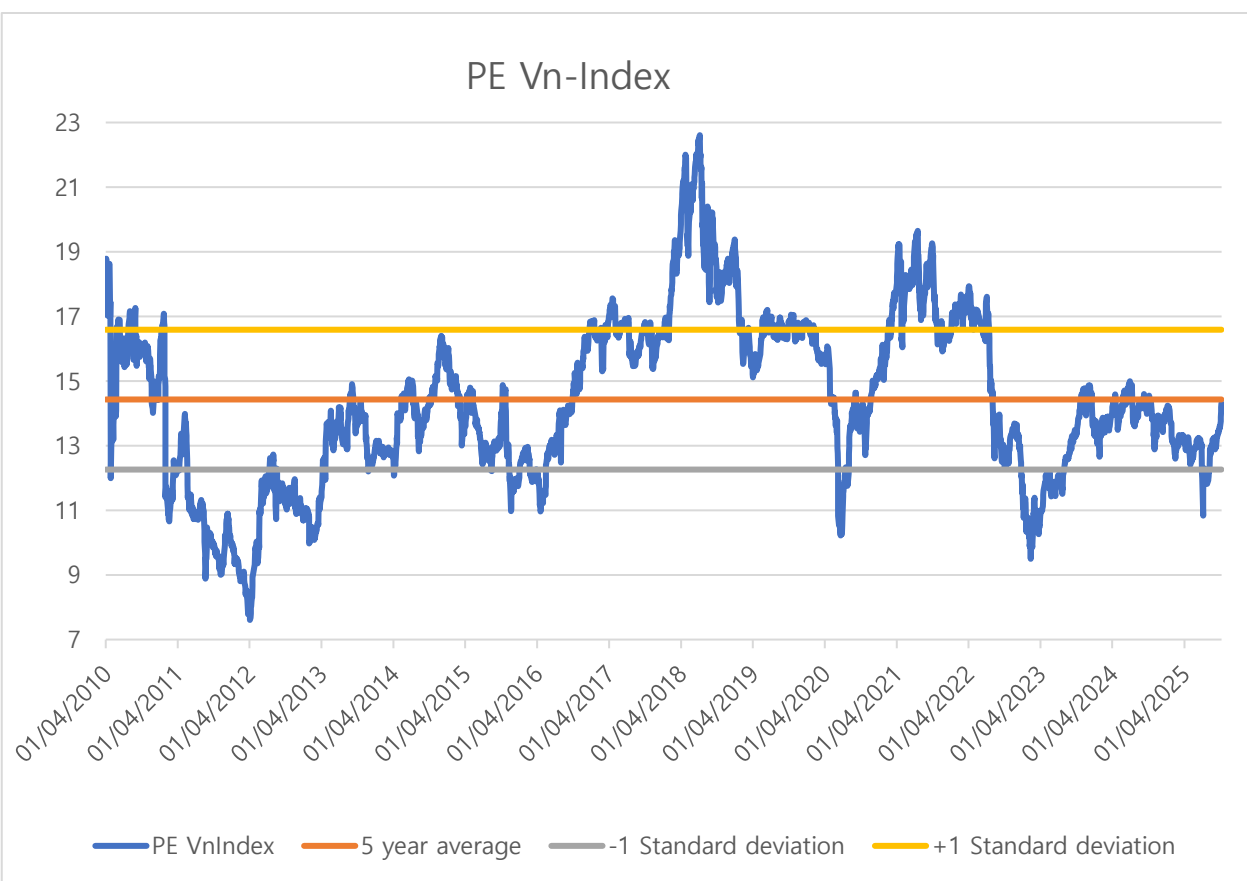
Corporate profits on HOSE



1Q2025		Revenue			Net profit		
		Amount	YoY %	QoQ %	Amount	YoY %	QoQ %
<b>Finance</b>		143,452	112.5%	-5.0%	81,419	14.5%	-4.7%
	Banking				63,934	13.3%	-3.8%
	Financial service	8,903	8.5%	4.6%	2,960	-4.0%	49.5%
	Real estate	120,315	163.4%	-5.7%	13,452	26.3%	-16.4%
	Insurance	14,234	4.5%	-4.3%	1,073	18.1%	22.9%
<b>Non-Finance</b>		573,530	6.2%	-8.9%	33,043	0.9%	8.0%
	Retail	59,990	13.6%	1.0%	1,916	71.9%	60.4%
	Technology	20,862	23.3%	-8.4%	2,666	41.1%	9.5%
	Oil & gas	101,259	-5.9%	-7.8%	685	-71.2%	0.6%
	Utilities	62,824	12.5%	-4.4%	5,238	61.0%	34.6%
	Travel & Leisure	52,306	8.3%	10.5%	4,306	-40.9%	130.4%
	Industrial Goods & Services	39,405	13.0%	-17.7%	2,514	24.9%	-17.5%
	Personal & Household Goods	18,970	-17.3%	-1.7%	1,251	-3.4%	-4.3%
	Chemicals	29,845	24.7%	-9.8%	3,205	37.8%	-13.9%
	Automobiles & Parts	11,845	23.3%	-29.0%	155	-42.4%	3.1%
	Basic Resources	67,969	9.9%	-7.5%	4,008	5.3%	22.8%
	Food & Beverage	73,835	0.4%	-16.4%	4,765	3.0%	-20.5%
	Media	448	53.4%	-36.7%	24	47.1%	-73.0%
	Construction & Materials	28,684	8.0%	-26.1%	1,719	-9.0%	-25.9%
	Health Care	5,289	5.0%	-20.1%	590	-2.6%	-8.3%
<b>Total</b>		<b>716,982</b>	<b>18.0%</b>	<b>-8.2%</b>	<b>114,462</b>	<b>10.2%</b>	<b>-1.4%</b>

## Valuation is still cheap - PB is lower than 5-year average

- PE PB Vn-Index is currently 14.3 and 1.85 times
- However, interest rates are at historic lows, so PE PB deserves to be higher than average



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## Investment theme 2025

No	Investment theme	Industry	Stock
1	Loose monetary policy – low interest rates, high credit growth Legalizing Resolution 42 helps banks seize collateral, recover bad debts, and record extraordinary profits	Banking	VCB BID CTG TCB ACB VIB VPB TPB HDB MBB ACB
		Real Estate	DXG DXS NLG KDH VHM
		Securities	HCM SSI VCI
		Steel	HPG
		Construction	CTD VCG CTR
2	Boosting public investment	Steel	HPG
		Construction	CTD VCG CTR
3	Market upgrade	Stocks in the FTSE portfolio	HPG VHM MSN VNM VIC VCB SSI
		Securities	HCM SSI VCI
4	Groups sold heavily by foreign investors in 2024		VHM VIB MSN VRE HPG VPB VIC VNM
5	Steady growth group	Industrial Park	BCM GVR PHR KBC
		Power Water	PC1 HDG POW REE BWE

## Top stocks selected on April 14

Industry	Stocks	% increase (@15/July)	Investment catalyst
Banking	CTG	16.8%	Raising capital 44.6%
	MBB	21.9%	Raising capital 33%
	TCB	41.2%	TCBS equitization and real estate industry recovery
Securities	HCM	11.2%	Raising capital, FTSE upgrade, KRX
	MBS	1.7%	Concentrated shareholder structure, FTSE upgrade, KRX
Steel	HPG	14.8%	Public investment, real estate recovers
Construction	VCG	40.9%	Public investment, real estate recovers, and PE is lower than CTD
Real estate	VHM	118.5%	Tu Lien Bridge starts construction on May 19, foreign investors reduce net selling
	DXG	45.0%	Completed offering of 150 million shares at price of 12,000/share
Utilities	POW	14.2%	Nhon Trach 3 4 plant expected to be handed over in June 2025 Increasing LNG imports from the US will help POW increase production Potentially issuing shares to increase charter capital
Aviation	HVN	31.2%	Increasing capital, reducing interest rates, investing in aircraft to reduce US-VN trade deficit
Average		32.5%	
Average (VHM excluded)		23.9%	
Vn-Index		15.30%	

## Top Stock Picks Now 2025 and Long Term

Industry	Stocks	Lý do chính
Banking	CTG	Raising capital 44.6%
	MBB	Raising capital 33%, high credit growth thanks to receiving 0-dong bank (OceanBank)
	TCB	TCBS equitization and real estate industry recovery
	<b>TPB</b>	Định giá hấp dẫn (PE 0.99), và các vấn đề sau vụ Chủ tịch TPB và vụ BCG sẽ dần qua đi
	<b>VPB</b>	Legalizing Resolution 42 on seizing collateral (banks with high on-balance sheet and off-balance sheet NPL benefit greatly)
	STB	- Complete the restructuring project in 2025, - Legalize Resolution 42 helps STB quickly resolve bad debts that have been outstanding for many years (full provisions have been made) and bring in extraordinary profits
Securities	HCM	Raising capital, upgrading stock market
	MBS	Concentrated shareholder structure, upgrading stock market
Steel	HPG	Public investment, real estate recovers
Construction	VCG	Public investment, real estate recovers, and PE is lower than CTD
Real estate	NTL	Hanoi real estate prices are increasing very high, financial situation is very healthy
	DXG	Completed offering of 150 million shares at price of 12,000/share
Utilities	POW	- Nhà máy Nhơn Trạch 3 4 dự kiến vận hành thương mại vào tháng 8 và tháng 11/2025 - Tăng nhập LNG từ Mỹ sẽ giúp POW tăng sản lượng - Có thể sẽ phát hành cổ phiếu tăng vốn điều lệ - Kế hoạch chuyển đổi xe điện sang xe xăng sẽ có lợi cho các doanh nghiệp điện
Aviation	HVN	Raising capital, reducing interest rate, Investing in aircraft to reduce US-VN trade deficit, escaping accumulated losses, and getting margin again
Big projects	VIC	- If the North-South railway project is won - The plan to ban gasoline vehicles will have more drastic moves

**Headquarter**

9th floor, East Tower, Lotte Center Ha Noi, 54 Lieu Gia, Cong Vi ward, Ba Dinh District, Ha Noi

Hotline: 1900.1055

Fax: 0243.941.0248

**Ha Noi branch**

1st floor, Somerset Grand Hanoi & Room 505, 5F, Hanoi Tower, No. 49 Hai Ba Trung, Tran Hung Dao ward, Hoan Kiem District, Ha Noi

Hotline: 0283.838.5917

Fax: 0283.620.0887

**Ho Chi Minh branch**

3rd floor, President Place Building, 93 Nguyen Du, Ben Nghe ward, District 1, HCM

Hotline: 0283.838.5917

Fax: 0283.620.0887

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