

INVESTMENT OUTLOOK 2026

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11.2 km/s

■ ■ ■ ■ The escape velocity

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FOREWORD

Dear Investors,

Last year, we chose the message “Dare to Depart” to capture a mindset of decisive reinvention: accepting a “build as you go, adjust as you learn” approach to move beyond a comfortable growth path, at a time when external headwinds were intensifying—from tariff policy to geopolitical volatility. In many ways, 2025 validated that message. The tariff shock in April and the tremors in the global economic order confronted Vietnam with a more difficult balancing act: growth, stability and confidence. Even so, policy responses tilted toward adaptation, while the reform agenda continued to broaden—gradually strengthening the institutional framework and laying the groundwork for personnel consolidation ahead of a new political term. The transition came with trade-offs, most notably in exchange-rate and interest-rate volatility, as authorities sought to keep the economic engine turning through a period of handover.

For 2026, we titled this report “11.2 km/s”—escape velocity, the minimum speed required for an object to break free from gravitational pull and enter deep space without being drawn back. The metaphor points to an inflection: as external drag shows signs of easing and domestic fundamentals provide sufficient thrust, Vietnam has a window to press the accelerator and shift onto a new growth trajectory. In capital markets, the narrative is also evolving—from “expensive by index” to “attractive in breadth”: earnings reassert themselves as the primary driver, while re-rating becomes increasingly selective.

The report is structured in three layers to support investment decision-making in a coherent flow: (1) the 2026 macro outlook—our base case, key variables and the conditions required to accelerate; (2) the equity-market outlook—EPS drivers, valuation, liquidity, macro/geopolitical risks and the indicators to watch; and (3) 2026 strategy and investment ideas—translating the macro into themes, sectors and stocks, with an emphasis on “nation-building” capital flows, the inputs powering the next growth engine, and a consumer cycle that is gradually warming—supported by a risk-management framework and disciplined portfolio rebalancing principles.

We expect this report to help investors read the cycle correctly, pick the right breadth, and position portfolios in line with risk appetite. We will remain engaged throughout 2026 with scenario updates, tactical calls, a more concrete recommended portfolio and ongoing dialogue—so investors can seize opportunities as “11.2 km/s” becomes the velocity of a new cycle.

Sincerely,

VDSC’s Research Center

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MACROECONOMICS AND MARKET 2025 RECAP

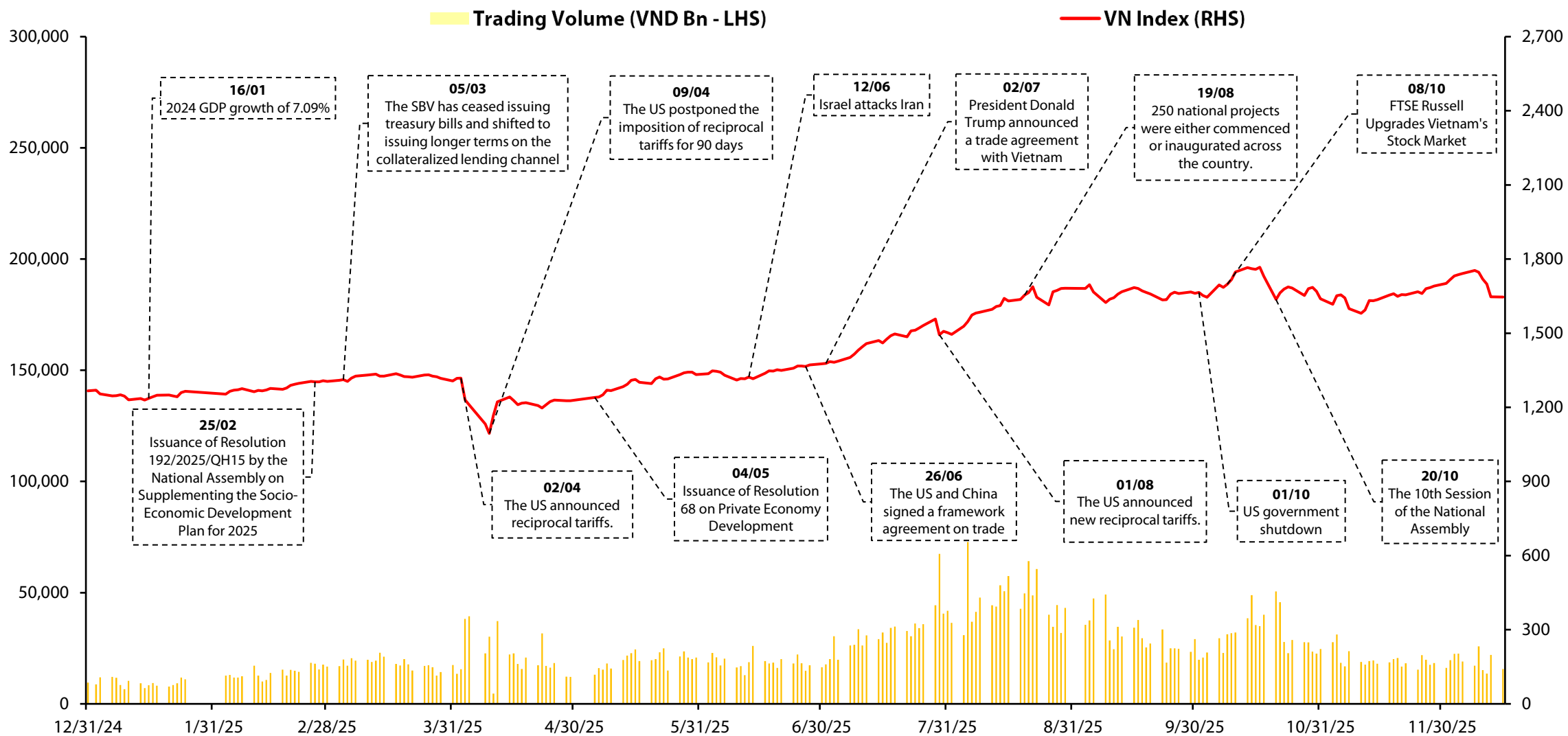
"READY FOR THE TIMES"

2025 review...	
1. Economic Growth	Although the degree of dependence on the FDI sector and the competitiveness of domestic enterprises still need to be monitored. trade recovery since the April tariffs has been a growth driver for Vietnam in 2025. Industrial production and manufacturing have continued to play a leading role in contributing to overall growth momentum. thanks to improved external demand and orders. The PMI index indicated a recovery cycle in manufacturing for five consecutive months, reflecting improved business conditions despite weather-related disruptions.
2. Fiscal Policy	The 2025 fiscal outlook indicates robust budget revenue collection, providing a buffer for policy management. However, bottlenecks in disbursement and expenditure structure mean that outcomes have fallen short of expectations. Public investment is a notable exception, with the assigned plan increasing by over 30% compared to 2024. However, disbursement speed remains a significant issue, with only 60.6% of the plan disbursed in the first 11 months of 2025. This has had an impact on aggregate demand and the construction materials sector, which has fallen short of expectations.
3. Monetary Policy	The State Bank of Vietnam (SBV) has consistently communicated a policy message of providing flexible support for growth while maintaining stability. Recent SBV measures in the open market, such as increasing the OMO interest rate to 4.5% per year and extending the maximum OMO term to 105 days, as well as forward USD sales, demonstrate a priority of shaping short-term interest rates, enhancing the system's ability to provide term liquidity and ensuring the exchange rate remains under control. It is estimated that credit across the entire system has increased by 19% compared to the end of 2024. While this is sufficient to support growth, control over credit quality and allocation to productive sectors is also required. Regarding the exchange rate. there are ongoing pressures, with the VND having depreciated by around 3.45% since the start of the year.
4. Policy Environment	The policy environment in 2025 strongly promoted institutional reforms and reduced compliance costs. This was clearly demonstrated by the Programme for Cutting Administrative Procedures and Business Conditions for the 2025–2026 period, as set out in Resolution 66/NQ-CP. By the end of the year. Directive 220/CD-TTg had mandated the completion of approved plans and the announcement of substantial reduction targets relating to business activities and conditions. In terms of institutions, the government further expanded decentralisation and the delegation of authority following the merger of two levels of government.
5. Stock market	<p>The VN-Index closed day of 26 Dec at 1,729.8 points, marking an impressive 36.6% increase since the start of the year and outperforming most regional markets. Average liquidity on HOSE reached 24,112 billion VND per session. reflecting the strong return of speculative capital flows. particularly from individual and institutional investors (+47.7% compared to 2024).</p> <p>Throughout the year, foreign investors maintained a significant net selling position, totalling 247,451 billion VND via matching and agreement channels. This was primarily concentrated in the real estate sector (VIC: 20,796 billion VND; VHM: 11,520 billion VND) and technology (FPT: 11,741 billion VND). This move primarily stemmed from escalating concerns over uncertainty in global trade policy, which could slow growth prospects globally and reignite inflation risks in many major economies. This prompted foreign capital to actively restructure portfolios and reduce exposure to frontier and emerging markets such as Vietnam. Consequently, the foreign ownership ratio stands at around 16%.</p>

	2025 Target (New)	2024 Actual	Q1/25 Actual	Q2/25 Actual	Q3/25 Actual	11M25 Actual
GDP growth	8.3-8.5%	7.1%	7.1%	8.2%	8.2%	na
– Agriculture, forestry & fishery	3.9%	3.3%	3.8%	4.0%	3.7%	na
– Industry & construction	9.8-10.1%	8.2%	7.6%	8.8%	9.5%	na
– Services	8.5-8.6%	7.4%	7.8%	9.1%	8.6%	na
– Taxes & subsidies	6.4-6.7%	5.7%	5.0%	6.0%	6.6%	na
Industrial Production Index	9.5%	8.4%	8.3%	9.3%	10.0%	9.3%
Retail Sales of Goods & Services	12.0%	9.0%	9.5%	9.0%	10.1%	9.1%
Export-Import Turnover ¹	12.0%	15.4%	13.8%	19.8%	19.3%	17.3%
Trade surplus (\$ billion)	30	25	3.2	4.5	8.9	19.6
Electricity Production & Imports	12.5-13.0%	10.1%	5.0%	2.7%	8.8%	6.5%
Public Investment ²	31.2%	-4.6%	21.8%	25.9%	32.5%	Na
Private Investment	14.3%	7.7%	5.5%	8.9%	8.2%	Na
FDI	9.3%	9.4%	7.1%	8.8%	9.0%	8.9%
Inflation	< 4.5%	3.6%	3.2%	3.3%	3.3%	3.3%
Credit growth ³	> 16.0%	15.1%	17.9%	19.2%	19.6%	19.9%
FX USDVND ⁴	na	25,551	25,740	26,300	26,446	26,401

Source: GSO, SBV, RongViet Securities. ¹ exports grew by 16.3% and imports increased by 18.4% YoY in 11M2025. ² According to the GSO's estimates, actual public investment capital disbursed from the state budget, as reported by the MoF, reached over VND 577.7 trillion as of 11 Dec 2025. The figures are calculated as of the end of the quarter. ³ The exchange rates from Vietcombank, at the end of the quarter, month, and year.

VN Index, Jan 2025 – Dec 2025



Source: Bloomberg, RongViet Securities. Data as of 15/12/2025.

ECONOMIC OUTLOOK 2026

“FROM STABILITY TO ACCELERATION”

2026 is likely to be the year Vietnam “harvests” the reform efforts initiated in 2025, as a more transparent institutional framework and a steadier policy stance begin to translate into stronger economy-wide investment and a consumption recovery, while global growth remains resilient despite a more fragmented economic order.

- **Global backdrop.** A U.S. recession is not our base case for 2026. Growth durability is supported by: (i) a restrained retaliation cycle that limits the risk of tariffs spiraling out of control; (ii) rapid supply-chain adaptation that helps keep trade flows functional; and (iii) a sustained AI-driven capex wave spanning R&D, data centers, utilities/energy, and hardware/software. Event risk in the U.S. could rise around (1) potential leadership changes at the Fed as J. Powell’s term ends in May 2026, and (2) the midterm elections (3 Nov 2026). While strategic rivalry persists, maintaining high-level dialogue through APEC/G20 2026 should help reduce the probability of abrupt escalation shocks.
- **Domestic reforms as a growth catalyst.** 2025 was a “policy-building” year focused on removing institutional bottlenecks, regulatory fragmentation and inconsistent enforcement—toward a framework anchored on transparency, discipline, and market principles. Key pillars include: streamlining administration and public-sector HR reform; modernizing the legislative process; and upgrading procurement/investment regulations to reduce compliance costs and improve execution quality.
- **Investment acceleration in 2026—supported by new engines.** Beyond FDI and public investment, the policy focus is shifting toward the private sector and SOEs. National Assembly Resolution 198/2025/QH15 aims to improve the business environment by easing inspection burdens and legal-risk overhang; expanding access to land and resources; promoting innovation and technology adoption; improving capital and market access for SMEs; and encouraging large corporates to participate in strategic projects and expand internationally. In parallel, Law 68/2025/QH15 redefines SOEs’ role toward key strategic sectors, while Decree 248/2025/NĐ-CP reforms compensation and incentives—raising income by roughly 1.5–2.0x and linking bonuses to performance (up to ~4x base salary), to improve operating efficiency. In the near to medium term, infrastructure and urbanization remain the primary drivers; a science–technology/innovation-led growth model is a strategic direction but will require time to fully materialize.
- **Consumption recovery through two channels.** We expect consumption to improve via: (i) spillovers from the investment upcycle and labor reallocation toward new projects; and (ii) policies that reinforce household income and confidence, personal income tax reform, education support, higher healthcare spending, continued VAT reduction, regional minimum wage adjustments, and progress on social housing policy.
- **Macro framework for 2026.** Inflation is projected at 3.7%–4.0%, with oil prices around USD 60–65/bbl helping stabilize input costs. Our base case assumes SBV policy rates remain unchanged at least through 1H26, with liquidity managed primarily via open-market operations; deposit rates may rise 50–100 bps, while credit growth is guided around ~18% YoY. FX pressures should be milder than in 2024–2025, with the year-end 2026 USD/VND range projected at 26,890–27,150. Fiscal policy enters the 2026–2030 framework with a clear tilt toward development investment: budget revenue ~+29% and spending ~+24% vs 2025; development capex around VND 1,120tn (+~42%); and fiscal deficit near ~4.2% of GDP. Growth in 2026 is expected to improve meaningfully; our base-case reference is ~8.7%, reflecting implementation lags and the transition from “baseline growth” to “target-driven growth”.
- **Key highlights.** A potential upgrade of Vietnam’s sovereign rating to Investment Grade in the 2026 review would be a major catalyst, potentially compressing funding costs for both the sovereign and corporates. Meanwhile, progress on an International Financial Centre legal framework, tax incentives, FX mechanisms, international arbitration, and market infrastructure, will be a key signal of capital-market restructuring momentum, although competitiveness will ultimately depend on execution speed, human capital depth, and digital/logistics infrastructure readiness.

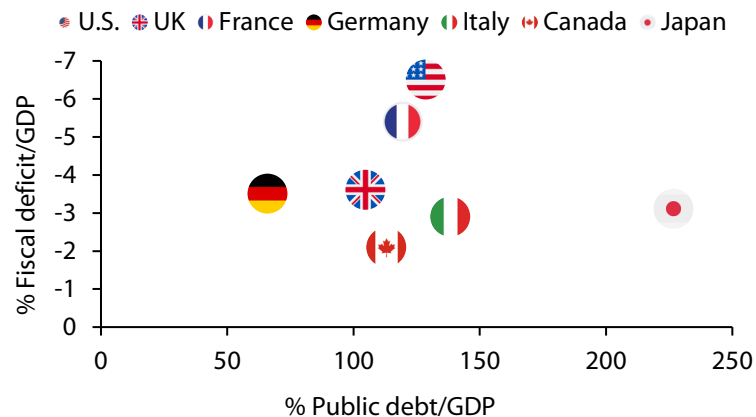
Despite political shocks and persistently high levels of policy uncertainty, the global economy in 2025 demonstrated greater resilience than expected. A recession in the US did not materialize, and one is not expected in 2026. This resilience stems from three main factors: (1) countries exercised restraint in retaliatory measures, preventing tariffs from escalating out of control; (2) global supply chains adapted faster than anticipated, allowing trade volumes to continue growing; (3) a wave of AI-related investments provided a significant growth boost, particularly in the US, offsetting the effects of other restraining factors. Thus, a year that began with deep concerns about trade and the rules-based multilateral order has ended on a cautious note.

Despite increasing tensions and fragmentation, we believe that global growth is expected to remain robust. The main drivers providing a boost to growth next year are:

- **Monetary and fiscal tailwinds continue to underpin global growth momentum.** In the US, the approach to the midterm election cycle is keeping policy priorities anchored on shoring up economic confidence: the 2025 tariff hikes and the rollout of OBBBA-linked tax relief measures in 2026 are being sequenced to maximize policy traction ahead of the vote. In Europe, the fiscal impulse is increasingly driven by higher defense outlays and stepped-up infrastructure investment. On the monetary front, following the sharp and front-loaded tightening in 2022–2023, inflation has eased back toward target, creating room for major central banks to begin cutting policy rates over the coming year and provide a measured buffer to activity (Japan remains the key outlier, where one more hike cannot be ruled out). Our base case is for policy rates to stay broadly stable in Europe, while the US retains greater scope for rate cuts.
- **The combination of trade diversion and intrinsic demand from non-US partners shows that global trade is continuing to grow, contrary to concerns at the start of the year.** Although China's exports to the United States have declined, goods flows have likely been rerouted through emerging markets, where exports to the US have surged. Consequently, the US current account deficit continues to widen despite tariff barriers, yet China's total exports still rose by 5.4%.
- **The sustainable boom in AI infrastructure.** This confidence is reflected in the substantial investment in this technology, which is not limited to the United States and China, but also encompasses areas such as research and development, data centres, energy and utilities infrastructure, hardware and software.

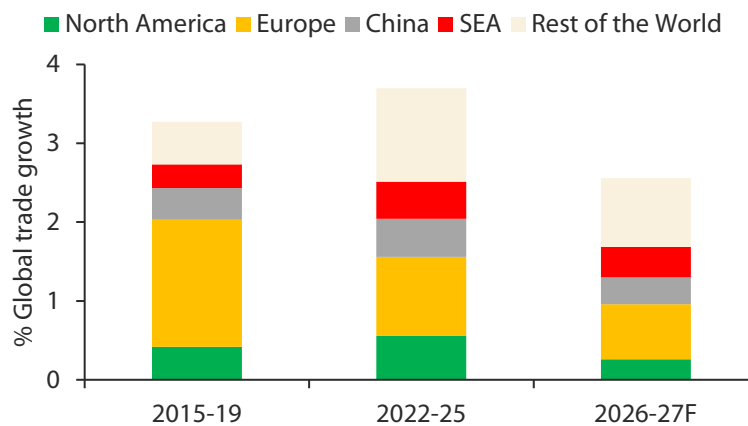
The trend of geopolitical fragmentation continues, with the United States generally failing to curb China's influence. Meanwhile, Europe continues to lag behind as its geopolitical role diminishes, from Ukraine and the Middle East to trade negotiations with the United States. Notably, two major milestones are likely to dominate domestic politics in the United States in 2026: (1) the change in Fed Chair as J. Powell's term ends in May; and (2) the midterm elections on 3 November 2026. While strategic competition will persist, maintaining high-level dialogue channels and cooperation within the APEC and G20 frameworks in 2026 will send positive signals and lead to more stable US–China relations in the short term.

Fiscal policy continues to support growth



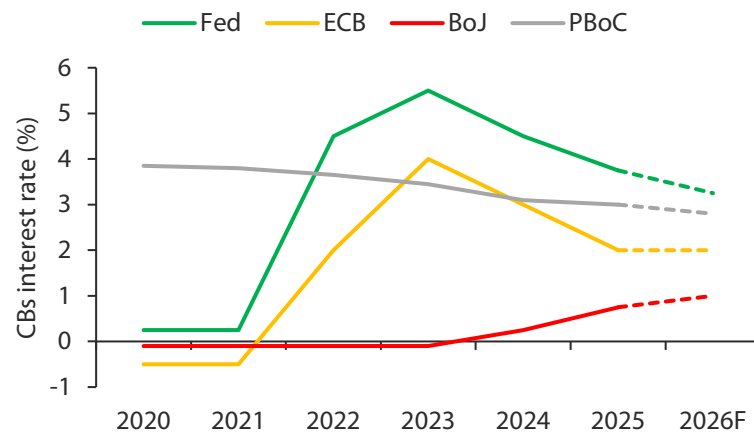
Source: IMF, Bloomberg, RongViet Securities

Trade diversion helps withstand tariffs



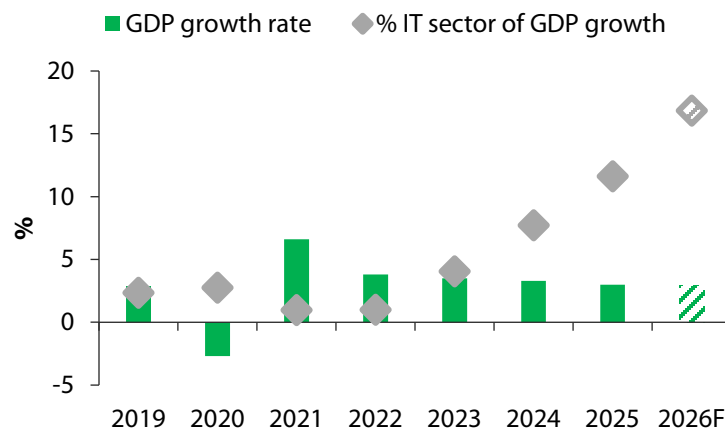
Source: OECD, RongViet Securities

Central banks remain in rate-cutting cycle



Source: Bloomberg, RongViet Securities

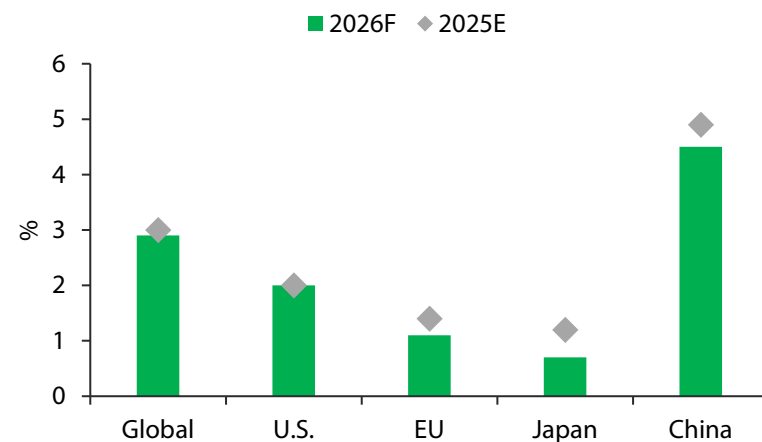
Technology significantly contributes to GDP growth



Source: IMF, Gartner, RongViet Securities

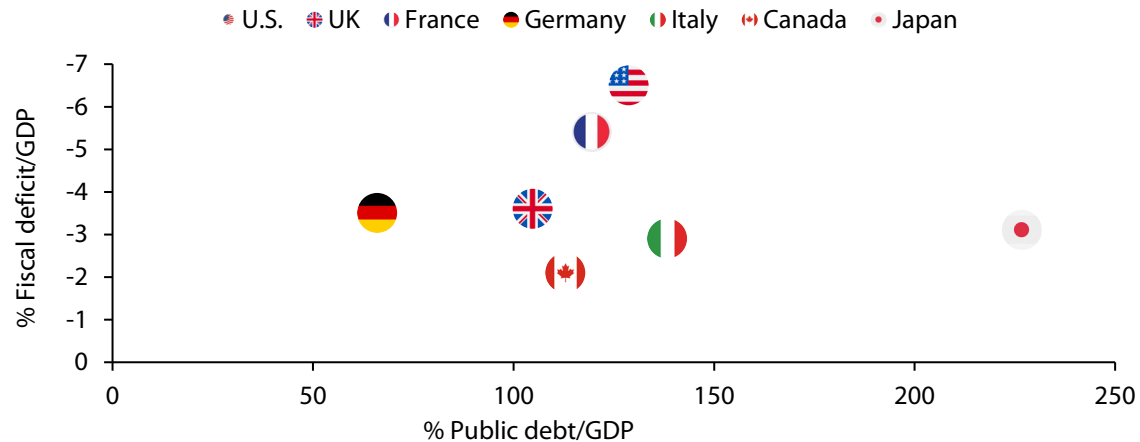
Global growth is projected at 2.9%, supported by the following four key factors: (1) expansionary fiscal policies in major economies; (2) the interest rate cutting cycle of major central banks will continue (except for Japan); (3) global trade diversion helping supply chains remain resilient amid tariffs; and (4) the boom in AI infrastructure serving as a foundation for growth.

Lower GDP growth forecast in developed countries



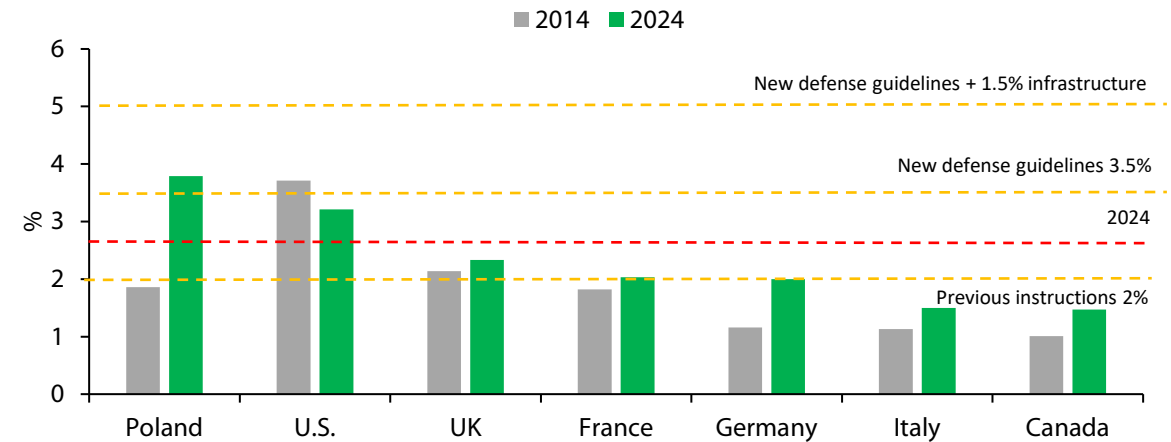
Source: Bloomberg, RongViet Securities

G7 countries and China continue robust public spending to support growth



Source: IMF, Bloomberg, RongViet Securities

NATO countries commit to raising defense spending to 5% of GDP by 2035

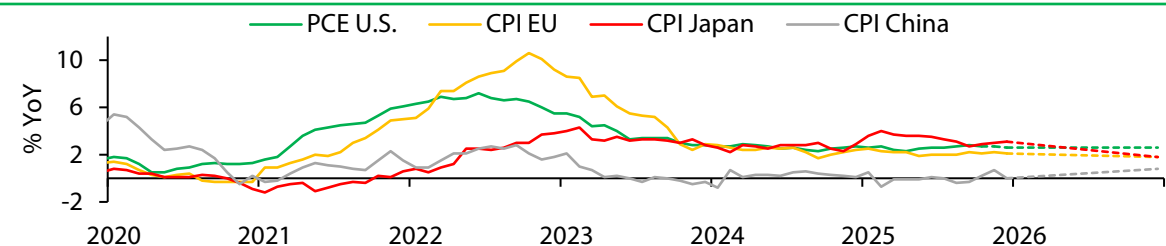


Source: NATO, RongViet Securities

Proactive and selective fiscal policies that provide a synchronised boost to global demand will drive global growth in 2026.

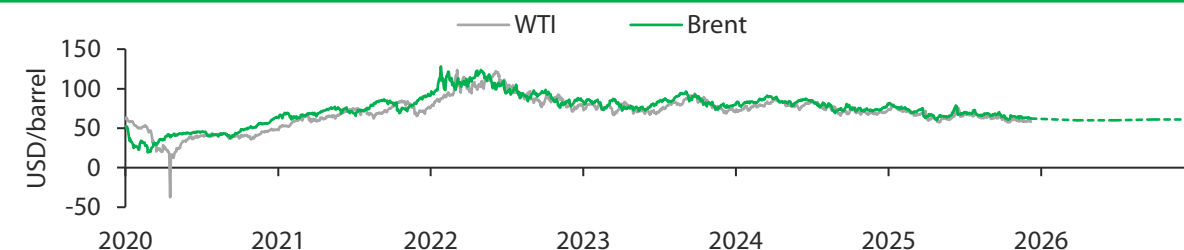
- In the United States, for example, the **One Big Beautiful Bill Act (OBBBA)** will reduce personal income taxes, with a particular focus on low- and middle-income groups. The act also includes tax cuts and investment incentives for businesses, complementing existing legislation such as the CHIPS Act, the Inflation Reduction Act and the infrastructure package. This provides robust support for a new cycle of infrastructure investment.
- In Europe, **NATO has issued new guidelines raising the defence spending commitment to around 5% of GDP by 2035**. Although this target is still some way off, it will require EU countries to gradually increase defence budgets, with a focus on defence, infrastructure, energy security and digital infrastructure.
- Japan's new prime minister, Takaichi, has publicly supported large-scale fiscal stimulus, continuing the legacy of Abenomics to support growth amid an ageing population where real wages and household consumption remain weak. This will be achieved through supplementary budgets for infrastructure, living cost support and targeted tax reductions.
- In China, 2026 marks the start of the new five-year plan for 2026–2030. It is likely that expansionary fiscal policy will be maintained, with a central government budget deficit higher than pre-Covid levels, and local governments will continue to use special bonds to fund infrastructure, housing, energy and strategic technologies (AI, semiconductors, 5G/6G and energy) in order to achieve technological self-reliance goals.

The easing of the labor market and commodity prices helps cool inflation



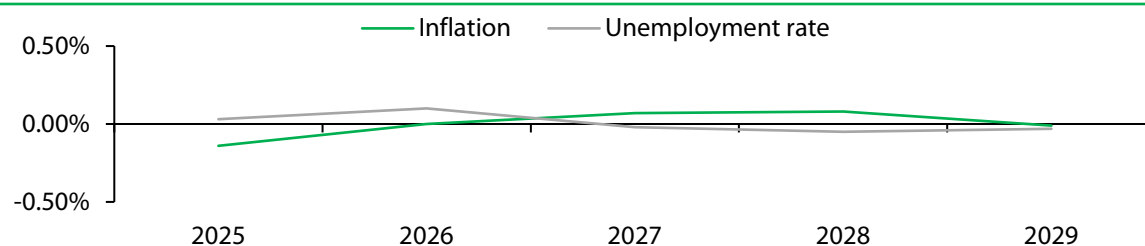
Source: Bloomberg, RongViet Securities

Forecasts from institutions for Brent oil prices are around \$60 per barrel



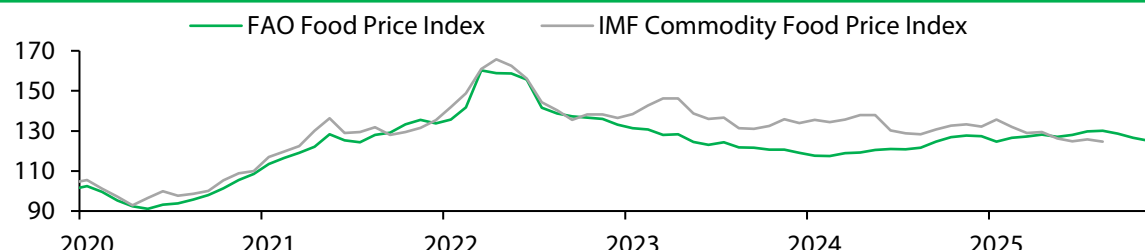
Source: Bloomberg, RongViet Securities

The impact of tariffs causes a reduction in the economy's demand



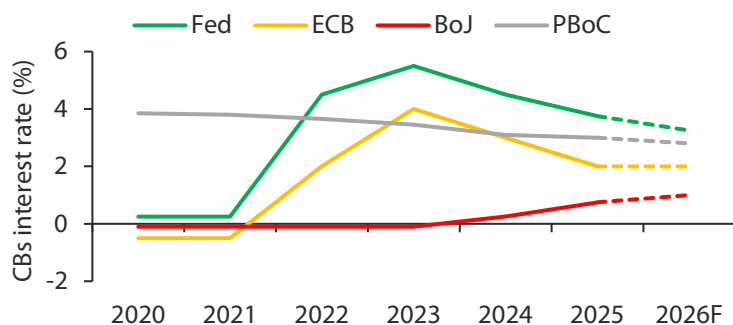
Source: FRBSF, RongViet Securities

Food prices have also been gradually cooling since the 2022 peak



Source: FAO, IMF, RongViet Securities

Central banks remain in the rate-cutting cycle

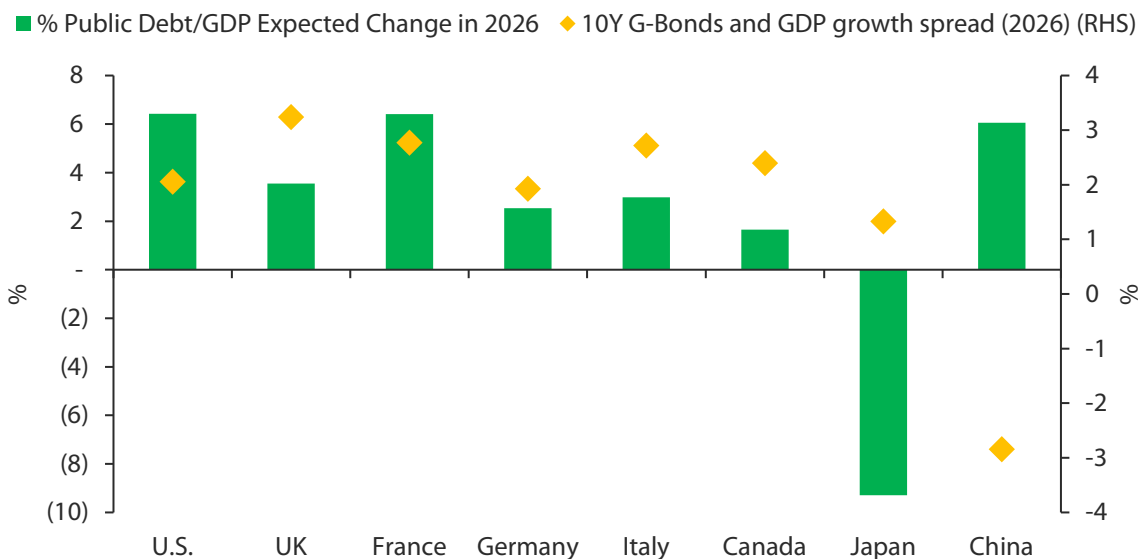


Source: Bloomberg, RongViet Securities

Energy and food price shocks of 2021–22 that led to high inflation have subsided, and although global trade uncertainty has decreased, it remains high compared to YTD. According to research from the FRBSF, the initial rise in the unemployment rate and the decline in inflation suggest that tariffs are having a negative impact on economic demand. Businesses may delay investment until there is greater clarity on trade policy, and consumers are also exercising caution with their spending. These factors are causing the labour market to cool, wage growth to slow and pressure on services inflation to ease.

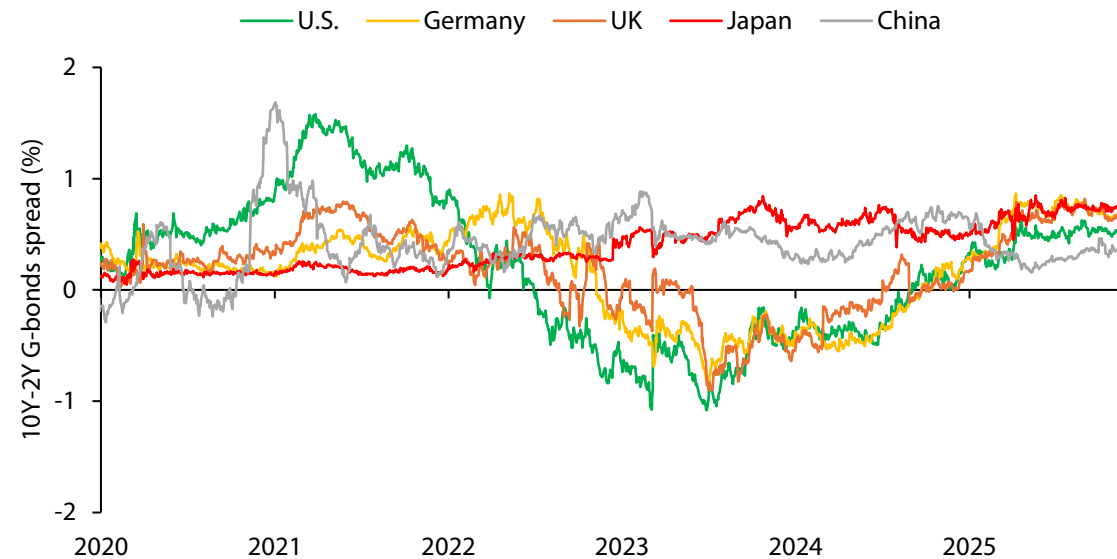
Given this situation, **central banks are expected to continue normalising monetary policy in 2026.** (1) the Fed is expected to implement two rate cuts, one in the first half of 2026 and one in the second, gradually bringing the Fed funds rate down to around 3.0–3.25% by the end of the year; (2) the ECB is expected to maintain its rate at 2%; (3) the BoJ is expected to gradually raise its policy rate from the current 0.5% to 1%, helping to ease pressure on the JPY; and (4) China is expected to keep rates steady or cut them by 10–20 basis points, supported by weak inflationary pressures and the need to stimulate growth.

Government bond yields rise amid nations' expansion of fiscal spending



Source: IMF, Bloomberg, RongViet Securities

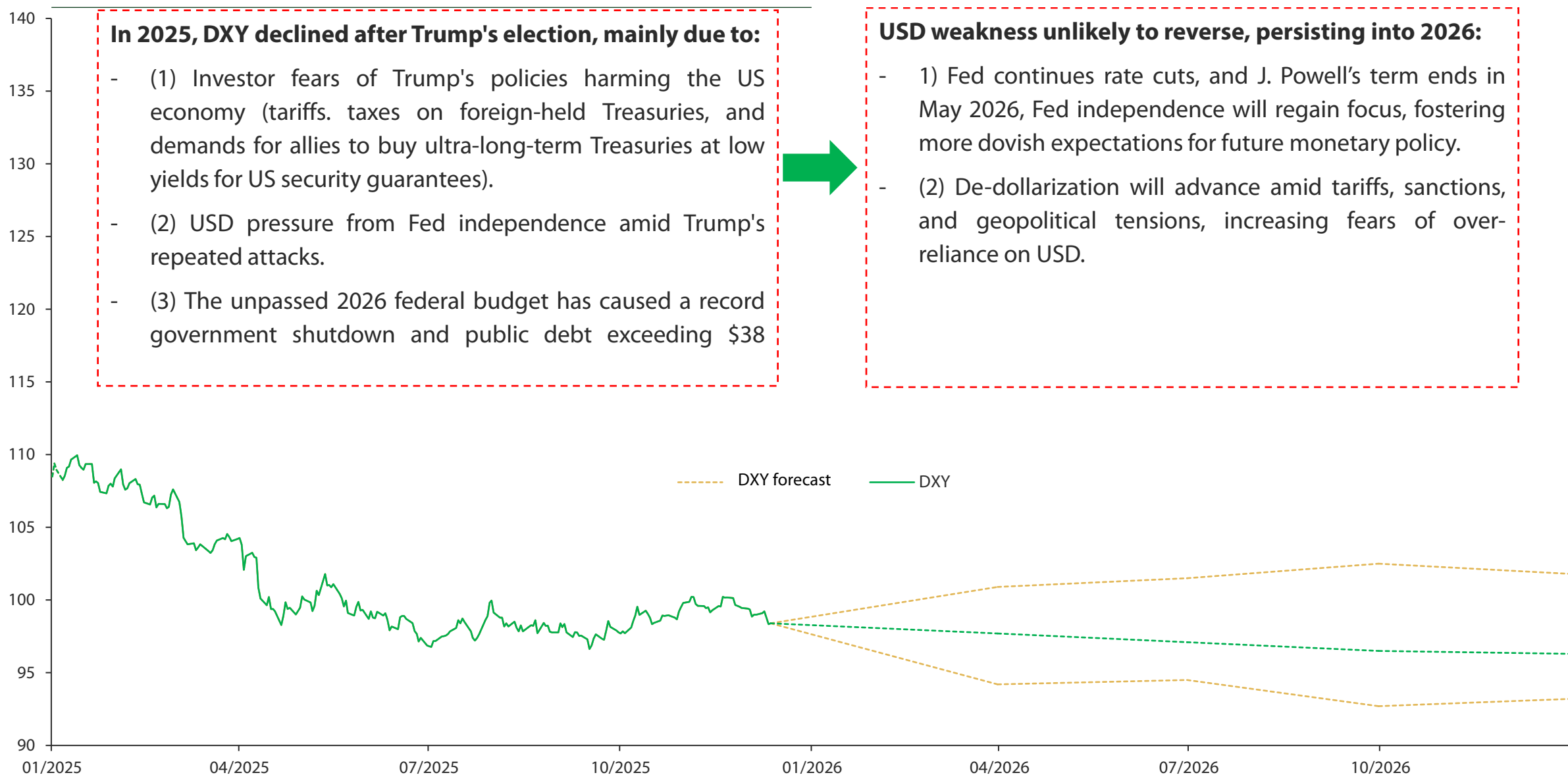
... term premium rebounds since 2023. offsetting countries' unsustainable public debt



Source: Bloomberg, RongViet Securities

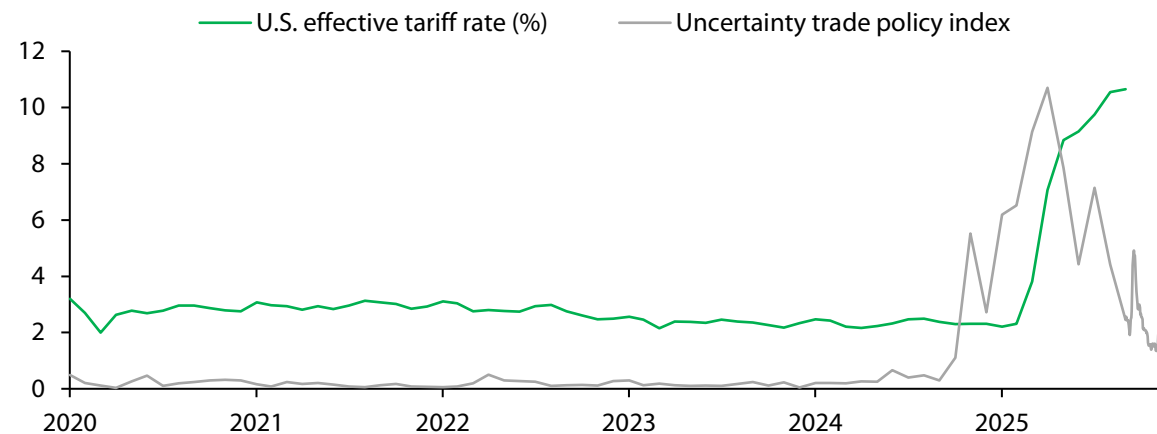
Loose fiscal and monetary policies averted global recession during and post-COVID-19, but drove up sovereign bond yields. In G7 nations, these yields now exceed real GDP growth, forcing budget spending reforms to stabilize debt-to-GDP ratios.

The 10Y/2Y 2026 sovereign yield spread stays high from: (1) public debt sustainability fears; (2) expected central bank rate cuts; and (3) Japanese capital shifts (mainly insurers) as 10Y yields rise over 1.8% in 2025 and BoJ hikes rates to 1% in 2026.



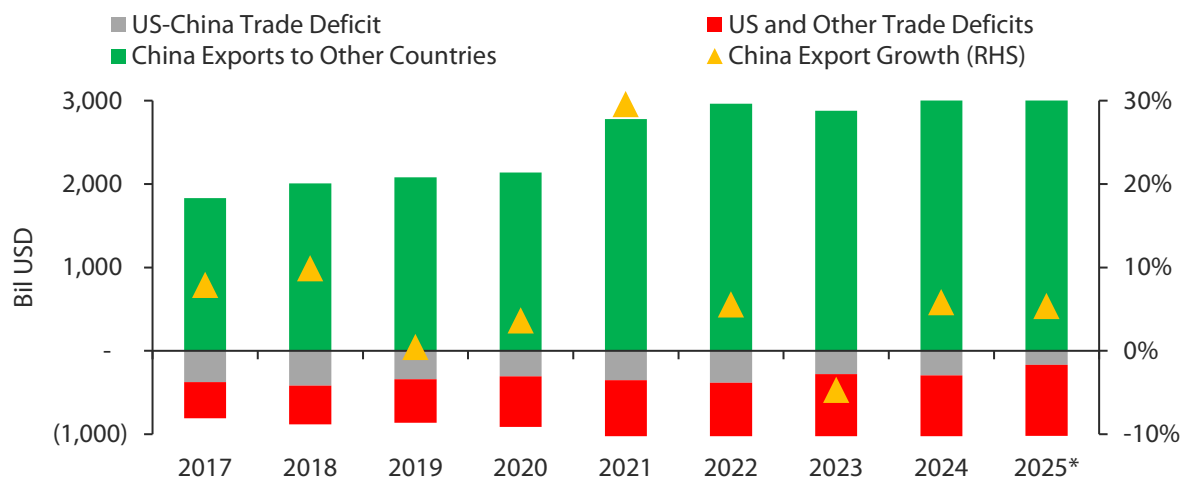
Source: Bloomberg, RongViet Securities

Trade uncertainty has eased since April but remains above historical norms



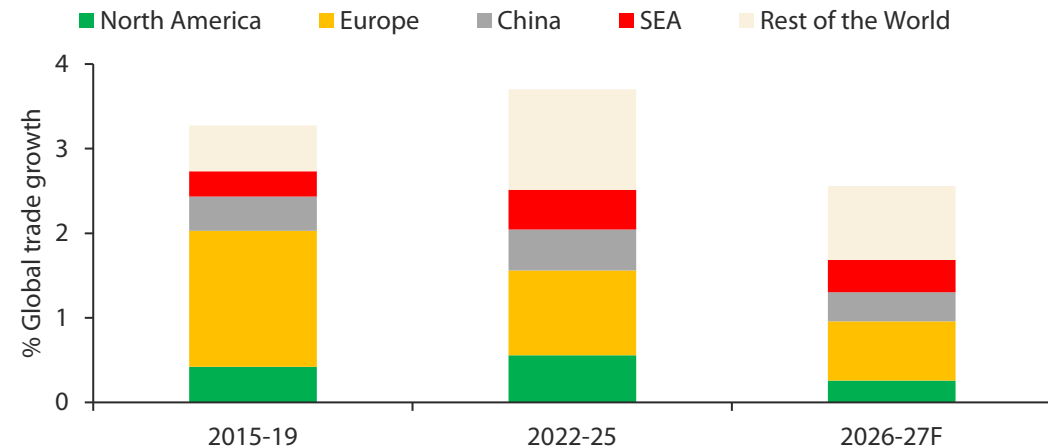
Source: USITC, Bloomberg, RongViet Securities

China's exports sustain growth via alternative channels to the US



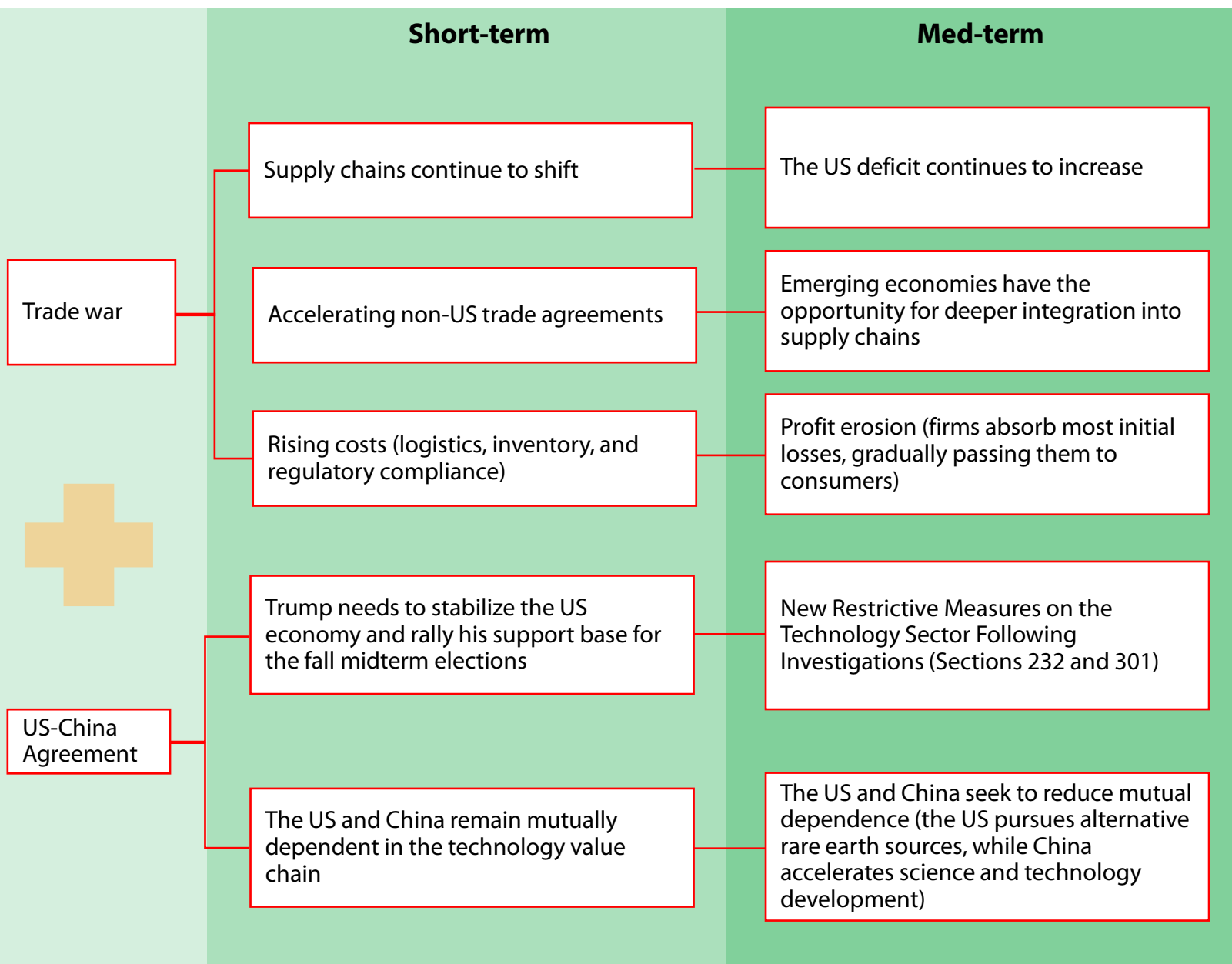
Source: Bloomberg, RongViet Securities

Global trade growth persists amid tariffs

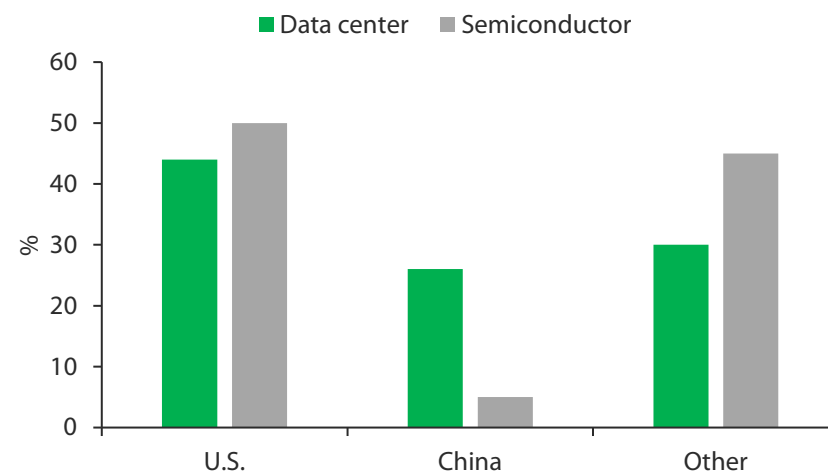


Source: OECD, RongViet Securities

- According to the OECD, global trade growth surges to about 4.2% in 2025, driven by businesses stocking up before tariff increases, then slows to around 2.3% in 2026 as tariffs fully take effect. The composition of trade growth is expected to shift from prior periods, with emerging markets gaining a larger share, particularly Southeast Asia, projected to accelerate in 2026-2027.
- In practice, tariffs mainly cut how well resources are allocated and weaken productivity gains from specialization, but they also push companies to diversify markets and production.

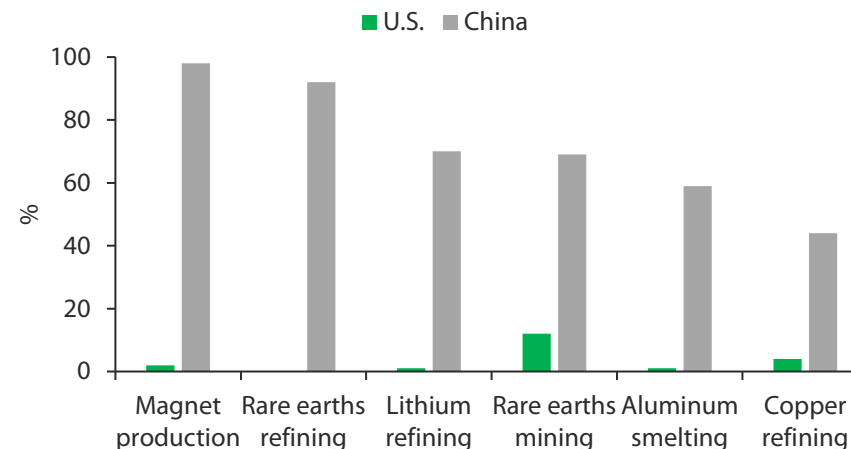


US holds a 50% market share in data centers and semiconductors



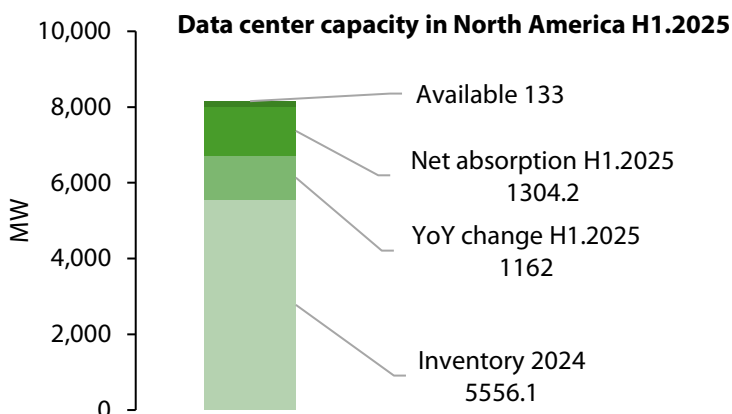
Source: IEA, WSTF, RongViet Securities

... China dominates materials and refining



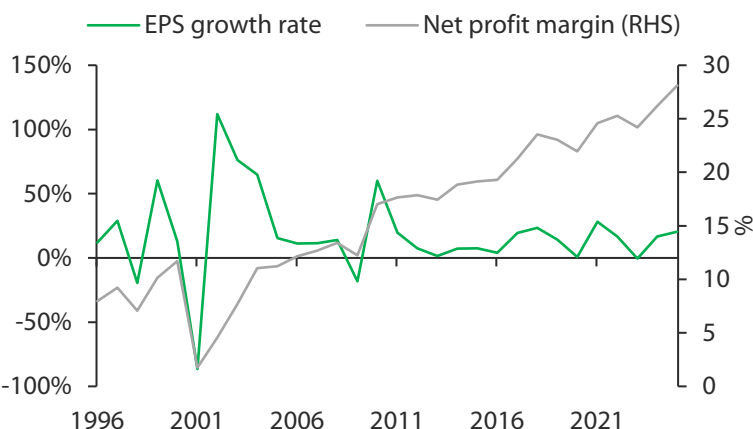
Source: IEA, Woodmac, RongViet Securities

Data center vacancy rates reach record low of 1.6% with 75% of under-construction capacity pre-leased...



Source: CBRE, RongViet Securities

... Q3 2025 earnings reveal AI driving revenue growth for IT sector firms



Source: Bloomberg, RongViet Securities

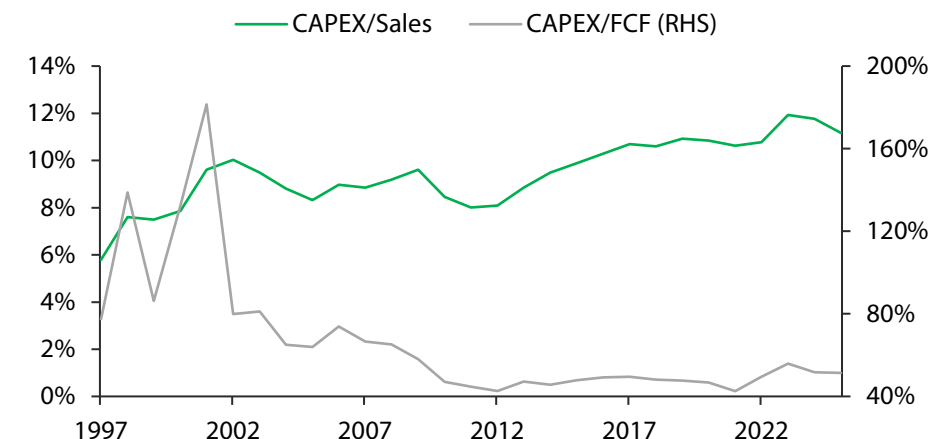
Real AI demand surges

Increased capital investment in AI

Increased capex in related sectors (GPUs, memory, networking, ssds, data centers, power infrastructure, etc.)

Leverage is likely to continue rising alongside the surge in AI investment, although current AI spending remains largely funded by internal cash flows. Early signs of a bubble are emerging, but it's premature to call it overstretched amid infrastructure constraints. We recommend evaluating AI application efficacy in terms of performance, costs, and revenue sustainability going forward.

... The capex-to-revenue ratio has surpassed dot-com era levels, while capex-to-free-cash-flow remains low — signaling room for further expansion



Source: Bloomberg, RongViet Securities

2025 marks a pivotal year for a new growth cycle, laying the foundation for structural shifts in investment and consumption—the two core drivers of medium-term economic growth.

Institutional reforms have been identified as a strategic priority, as structural growth bottlenecks (**fragmented regulations, inconsistent enforcement**) have been clearly recognized. **Resolution 66/TW** serves as a catalytic policy, aimed at standardizing and strengthening the legal framework. The policy focus is shifting from administrative intervention to **creating a transparent, disciplined investment environment based on market principles**, thereby enhancing investor confidence and unblocking capital flows to the enterprise sector. **Key policy reform pillars** that have been and are being implemented synchronously include:

- Streamlining administrative processes and reforming public sector personnel.
- Innovating legislative processes.
- Reforming the legal framework for bidding and investment is expected to improve enforcement efficiency and reduce compliance costs for the private sector.

In 2026, the drivers of total social investment growth will extend beyond public investment and foreign direct investment (FDI), both of which are showing positive trends. New policies will focus on unleashing the potential of the private sector and state-owned enterprises (SOEs), which account for a significant proportion of the economy but have experienced low investment growth over the past five years. These policies include:

- **Resolution 198/2025/QH15** marks a turning point for the business environment by: 1/ reducing the burden of inspections, audits and legal risks; 2/ expanding access to land and production resources; 3/ promoting innovation and technology application; 4/ providing capital support and market expansion for SMEs; 5/ encouraging large enterprises to participate in national key projects and expand into global markets.
- **The SOE sector is being repositioned** in terms of its role and growth drivers. **Law 68/2025/QH15 provides clear guidance on the management and use of state capital**, focusing on key areas such as national defence and security, essential public services, natural monopolies, critical infrastructure and science and technology. **Decree 248/2025/ND-CP reforms the salary and bonus mechanism**, increasing salaries 1.5–2 times and performance-based bonuses up to four times the base salary. This enhances management incentives and operational efficiency.

From an industry perspective, **infrastructure investment and urbanisation will continue to play a leading role in driving growth** in the short and medium term. The shift towards a growth model based on science, technology and innovation is a strategic trend, but it will take time to realise its potential. **International integration remains a key factor**, with trade agreements and strategic partnerships being exploited more effectively thanks to new decentralisation and delegation mechanisms, which enhance enterprises' ability to access markets.

Consumption prospects are improved through two main channels:

- Spillover effects from the recovery and breakthrough in total social investment.
- Policies that strengthen household confidence and income, including: 1/ Personal income tax reforms; 2/ Support for education costs; 3/ Increased health budget spending; 4/ Maintaining VAT reduction policies; 5/ Adjustments to increase regional minimum wages; 6/ Reforms to remove bottlenecks in social housing development policies.

In recognition of institutions as a structural barrier to growth due to **fragmented regulations and limitations in enforcement**, the Party Central Committee has issued a clear message of reform, with Resolution 66/TW playing an important catalytic role in **standardising and strengthening the legal framework**. Unlike previous cycles, the current policy focus is on **creating a transparent and disciplined investment environment** based on market principles. This is expected to boost investor confidence and unblock capital flows in the enterprise sector in the near future.

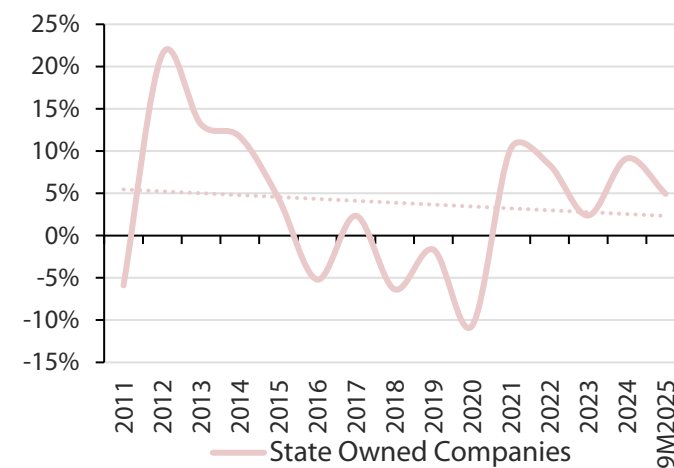
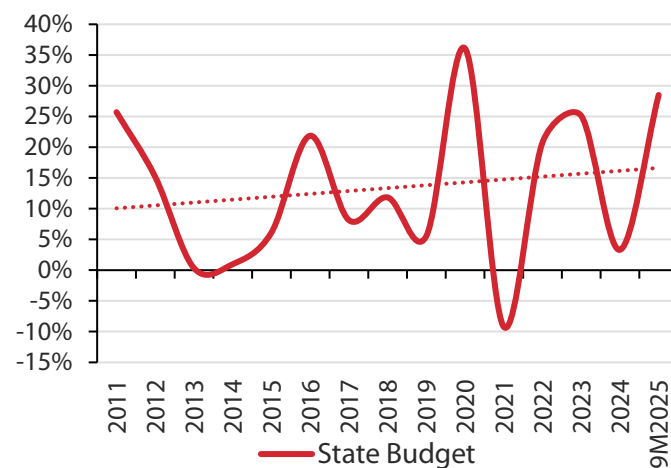
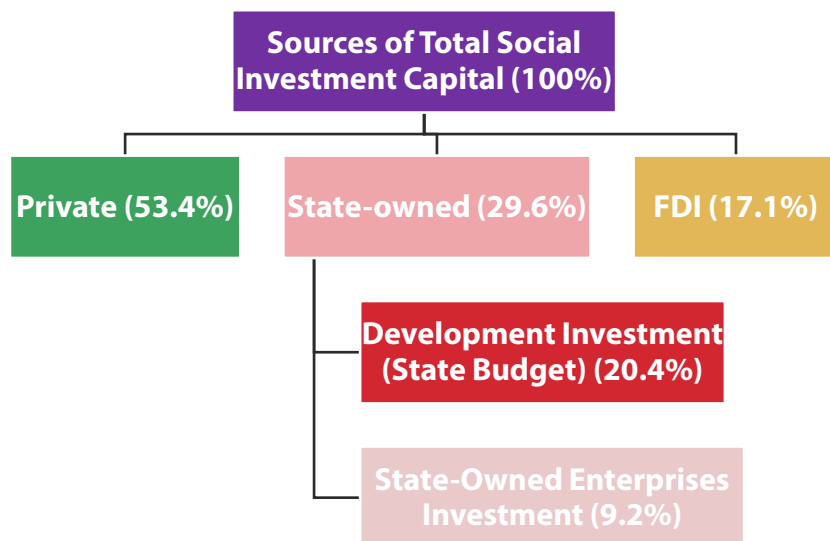
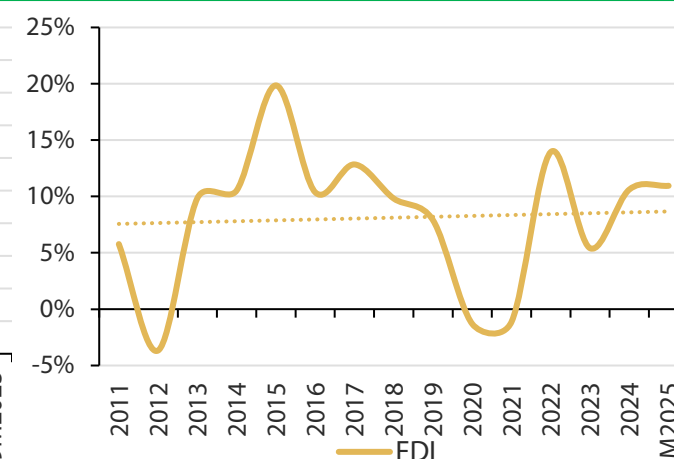
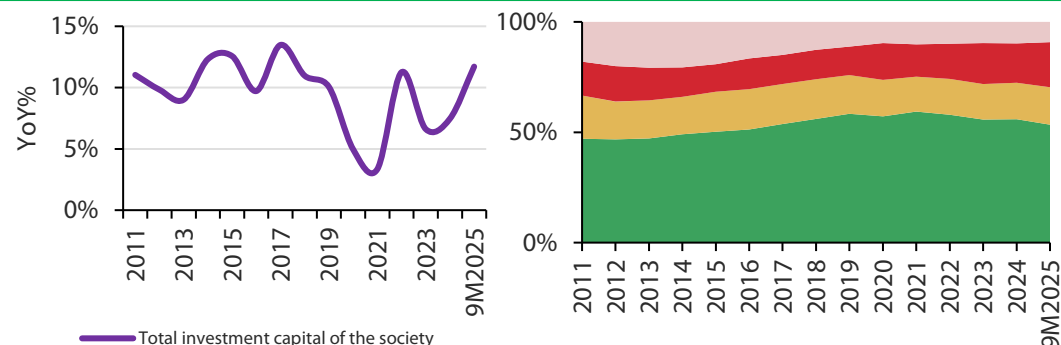
Policies Implemented in 2025

1. Streamlining the Administrative Apparatus	2. Human Resource Reforms	3. Innovating Legislative Processes (Law 64/2025)	4. Reforming Investment and Bidding Procedures (Law 90/2025)	5. Reforming the Legal Framework for Investment (Investment Law 2025)
Objective: Reduce intermediaries and increase efficiency	Focus: Transforming management and rotation models.	Principles: Transparency, Accountability, Flexibility	New Features: Removing barriers, incentives for high technology.	Breakthrough: "Green Lane", reducing administrative procedures.
<ul style="list-style-type: none"> • Establish a 2-tier government structure. • Merge provincial-level administrative units: Reduce from 63 to 34 provinces/cities. • Restructuring Ministries and Sectors: Multi-sector, multi-field, Reduce from 30 entities to 21. 	<ul style="list-style-type: none"> • Decree 154/2025/ND-CP: On payroll streamlining. • 2025 Law on Cadres and Civil Servants: Together with 9 guiding decrees, shifting the management approach from "traditional" to position-based management. • Cadre rotation: Policy of rotating cadres (Party Secretaries, Chairpersons) from other localities or from the central level, to avoid localism. 	<ul style="list-style-type: none"> • Enhancing Transparency: Clarifying the concepts of "Policy" and "Consultation", with strict regulations on the timeframe for public disclosure and feedback. • Individual Accountability: Stipulating the responsibility of leaders, accompanied by exemption mechanisms if proactive. • Flexibility: Allowing the use of administrative documents to guide law application for quick resolution of issues. • Long-Term Vision: Orienting legislation by term, combined with expedited procedures for urgent issues. 	<ul style="list-style-type: none"> • Abolishing SOE bidding packages: SOEs not using state budget capital can independently decide on procurement (except in special cases). • Streamlining processes: Eliminating the intermediary role of the "bid solicitor", reducing intermediate levels. • Legalizing "ordering": Adding the contractor selection method of "ordering" for science and technology tasks • Expanding incentives: For science and technology enterprises, high-tech companies, digital products. • Increasing flexibility: Authorizing the Government to decide on direct appointment of contractors and competitive offers. • Promoting online bidding: More clear and specific regulations • Attracting strategic investment: Expanding special incentives for semiconductors, AI, data centers. 	<ul style="list-style-type: none"> • Narrowing the scope: Clarifying projects required to undergo investment policy approval procedures (20 types) and decentralizing/delegating investment policy approval authority from central to local levels (National Assembly, Government, Provincial People's Committees). • Reduction: Reviewed and cut 38 conditional business investment sectors. • Narrowing adjustment cases: Only when changing technology or capital >20%. • Green lane mechanism: Expanding the application of special investment procedures. • Foreign investors: Allowed to establish enterprises before being granted investment registration certificates. • Flexible duration: Allowed to adjust increase/decrease in project operation duration. • Abolishing procedures: Investment policy approval for outward investment. • Expanding transfer: Allowing transfer of various types of projects instead of limiting to certain cases.

Source: RongViet Securities compiles

- In 9M2025, total social investment capital recorded double-digit growth, primarily due to stable FDI inflows (+11% YoY) and a significant increase in public investment (+29% YoY).
- Moving into 2026, the growth drivers are expected to be public investment, estimated to increase by 10–30% YoY, and FDI, which is expected to maintain its double-digit growth momentum. This is supported by positive capital registration trends in 2025. Notably, investment from state-owned enterprises, and particularly from the private sector, which accounts for a large share but has experienced growth below 10% over the past five years, is expected to be a key factor amid the clearly defined institutional and policy reforms that have been in place since 2025.

Overview of Growth Picture Compared to the Same Period for Total Social Investment Capital (2011–9M2025)



Source: GSO, RongViet Securities

Resolution 198/2025/QH15 concretizes Resolution 68-NQ/TW as a key policy to promote the investment and business environment for the private sector



Fair and Transparent Business Environment	Access to Land and Production Premises	Financial and Tax Support	Science, Technology, and Human Resources	Building Pioneering Enterprises
Objective: Removing the burden of inspections, audits, and legal risks	Objective: Expanding avenues for accessing land resources	Objective: Providing capital support and expanding market opportunities	Objective: Promoting innovation and technology application	Objective: Expand the role of the private economy in national key projects
<ul style="list-style-type: none"> • Limiting inspections and audits: Maximum 1 time/year for a single content, except in cases with clear signs of violation. • Prioritizing digital transformation: Encouraging remote inspections, reducing on-site inspections to avoid disrupting production activities. • Principles for handling violations: Prioritizing the application of civil and economic measures. No criminalization of civil or economic relations. • Publicity & Transparency: Inspection and audit plans and conclusions must be disclosed in accordance with the law. 	<ul style="list-style-type: none"> • Infrastructure support: Local budgets support a portion of infrastructure construction costs in industrial parks (IPs) and industrial clusters (ICs). • Priority access: Technology enterprises and innovative startups are prioritized for leasing land and premises in IPs and ICs. • Direct financial incentives: Support 30% of land rental costs in the first 5 years for technology and innovative enterprises in IPs and ICs. 	<ul style="list-style-type: none"> • Green credit: Interest rate subsidy of 2%/year for loans to implement green and circular projects meeting ESG standards. • SME Development Fund: Serving as a channel for loan guarantees, credit guarantees, and capital financing for SMEs and startups. • Priority in selecting suppliers for public procurement: Bidding packages for construction and goods procurement under VND 20 billion are prioritized for SMEs. • Breakthrough tax and fee exemption/reduction policies: <ul style="list-style-type: none"> • Exemption from corporate income tax (CIT) for 2 years and 50% reduction for the subsequent 4 years • 50% personal income tax (PIT) reduction for 2 years for high-tech personnel starting businesses in innovative fields. 	<ul style="list-style-type: none"> • Science and Technology Development Fund: Enterprises can deduct up to 20% of taxable income to establish a separate fund for technology training activities • R&D expense deduction: R&D expenditures are deductible at 200% of their actual value when determining taxable income for Corporate Income Tax (CIT). • Support for digital transformation: The government provides certain digital platforms and shared accounting software free of charge to small and medium-sized enterprises (SMEs) and micro-SMEs. 	<ul style="list-style-type: none"> • Priority sectors: <ul style="list-style-type: none"> • Transportation infrastructure (high-speed railways, urban railways, etc.). • Heavy energy infrastructure and key industries. • Environmental protection, national defense, and security. • Flexible mechanisms: Allowed to select suitable investment forms such as state ordering, limited bidding, designated contracting, etc.. to ensure efficiency. • Support for Vietnamese enterprises to go global <ul style="list-style-type: none"> • Campaign for 1,000 pioneering enterprises leading in technolog, innovation, digital transformation, and high-tech industry. • Comprehensive support (market access, capital, technology, insurance, legal consulting, M&A) to help potential corporations and enterprises expand regionally and globally.

Source: GSO, RongViet Securities

Law No. 68/2025/QH15 provides specific guidance on the management and use of state capital investment in key sectors of the economy; Decree 248/2025/ND-CP reforms the salary and bonus mechanisms to enhance motivation for personnel in the state-owned enterprise sector.



Policy on Management and Investment of State Capital in Enterprises

Law No. 68/2025/QH15



Main purposes

Effective management of state capital

Preservation and development of capital

Separation of ownership - management rights

Principles of State Capital Investment Management

Legal compliance & market-based mechanisms

Capital preservation & growth

Clear delineation of responsibilities

Scope of the State's Role

The State ensures:

Exercise of state capital ownership rights

Respect for the enterprise's management rights

State-owned enterprises operate under market mechanisms

Orientation for Key Investment Sectors

National defense and security

Essential public services

Natural monopolies and critical infrastructure

Science and technology

Innovation and creativity

Key industries of the economy

Key Principles for Implementation

Restrictions on scattered investment

The State only invests in areas where the market cannot or has not yet performed effectively.

Policy on Salary, Remuneration, and Bonus Regime for State Capital Representatives under Decree 248/2025/ND-CP

Objectives & Principles

Objective:

Principles:

Subjects of Application

Direct owner's representatives:

Controllers:

Representatives of state capital contributions

Core Formula

Actual Income

Base rate

Performance coefficient

Specific adjustment

Explanation:

Maximum salary depends on Basic Salary Level (determined based on the enterprise's scale) and actual business performance (profit/loss).

Adjustment to Increase Basic Salary Levels (mn VND/month)

Position	Decree 52/2016 – Appendix II (by company category)	Decree 248/2025 - Article 4 (by Group I/II & Level 1–4)	Evaluation
Full-time Chairman of the Members' Council / Company President	22 → 36 (Category III company → Economic Group)	37 → 80 (Group II Level 4 → Group I Level 1)	Ceiling increases from 36 to 80 (~2.22x); floor increases from 22 to 37 (~1.6x)
Head of the Control Board	19 → 33	31 → 66	Ceiling increases from 36 to 80 (~2.22x); floor increases from 22 to 37 (~1.6x)
Full-time Member of the Members' Council / Controller	18 → 32	30 → 65	Ceiling increases from 32 to 65 (~2.03x); floor increases from 18 to 30 (~1.7x)

Mechanism for Calculating Maximum Salary + Bonus

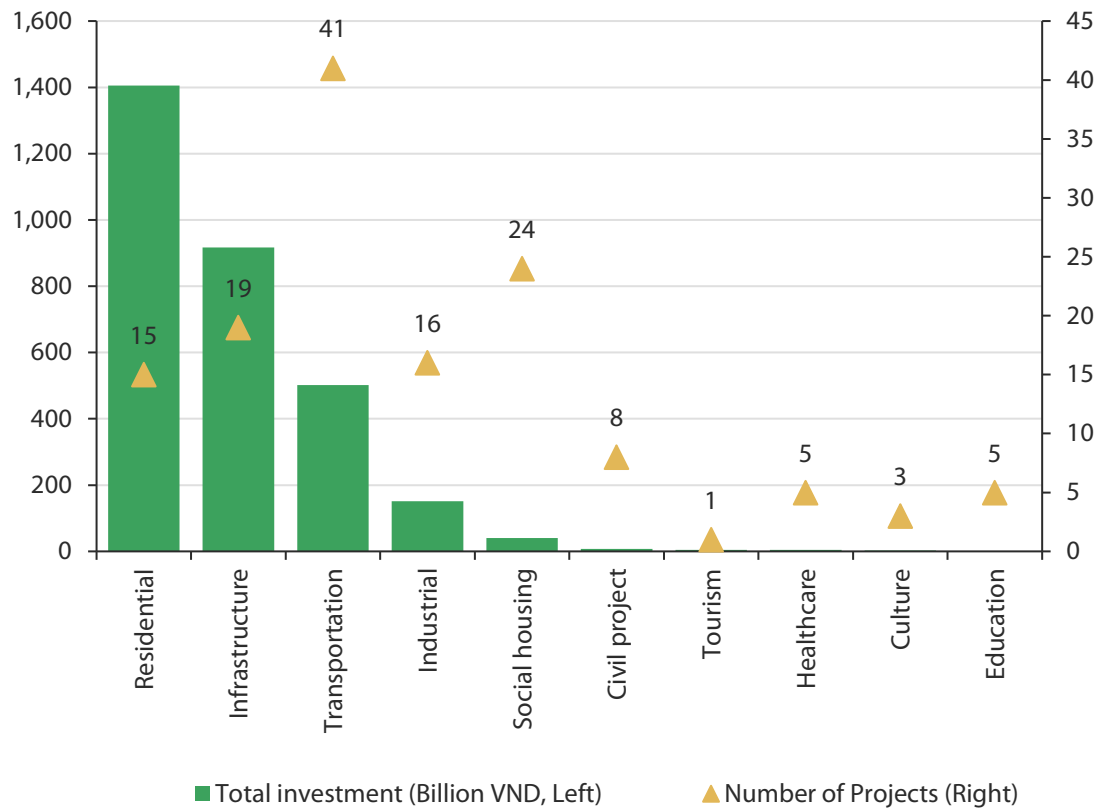
Scenario	Business Performance Conditions	Calculation of Maximum Salary (Article 5)
1. Profitable – Plan completed	Profit achieved ≥ Planned profit	2.0 × Basic Salary (2.0 × Basic Salary) + Overachievement Bonus For every 1% profit over plan → +2% salary Total bonus ≤ 20% of (2 × Basic Salary)
2. Profitable – Plan exceeded	Profit achieved > Planned profit	80% × (2 × Basic Salary) × (Actual Profit / Planned Profit) Not lower than 80% of Basic Salary
3. Profit falls short of plan	Profit achieved < Planned profit	70% × Basic Salary
4. No profit	Profit achieved = 0	50% × Basic Salary
5. Loss	Profit achieved < 0	80% × Basic Salary (determined based on the degree of loss reduction)
6. Reduced loss (compared to plan)	A loss, but narrower than planned.	Additional bonus ≤ 50% of the maximum salary under scenarios 4–6
7. Case of Restructuring	Personnel assigned to handle enterprises undergoing restructuring (planned loss)	Profit ≥ 2x → Maximum salary = 2.5 × Basic Salary Profit ≥ 3x → 3.0 × Basic Salary Profit ≥ 4x → 4.0 × Basic Salary
8. Outstanding Profit Performance	Actual profit ≥ 2 times the minimum profit (Level 1 – Group I)	

Source: RongViet Securities

INFRASTRUCTURE AND URBANIZATION REMAIN KEY PRIORITIES AND PLAY A LEADING ROLE IN THE SHORT TO MEDIUM TERM

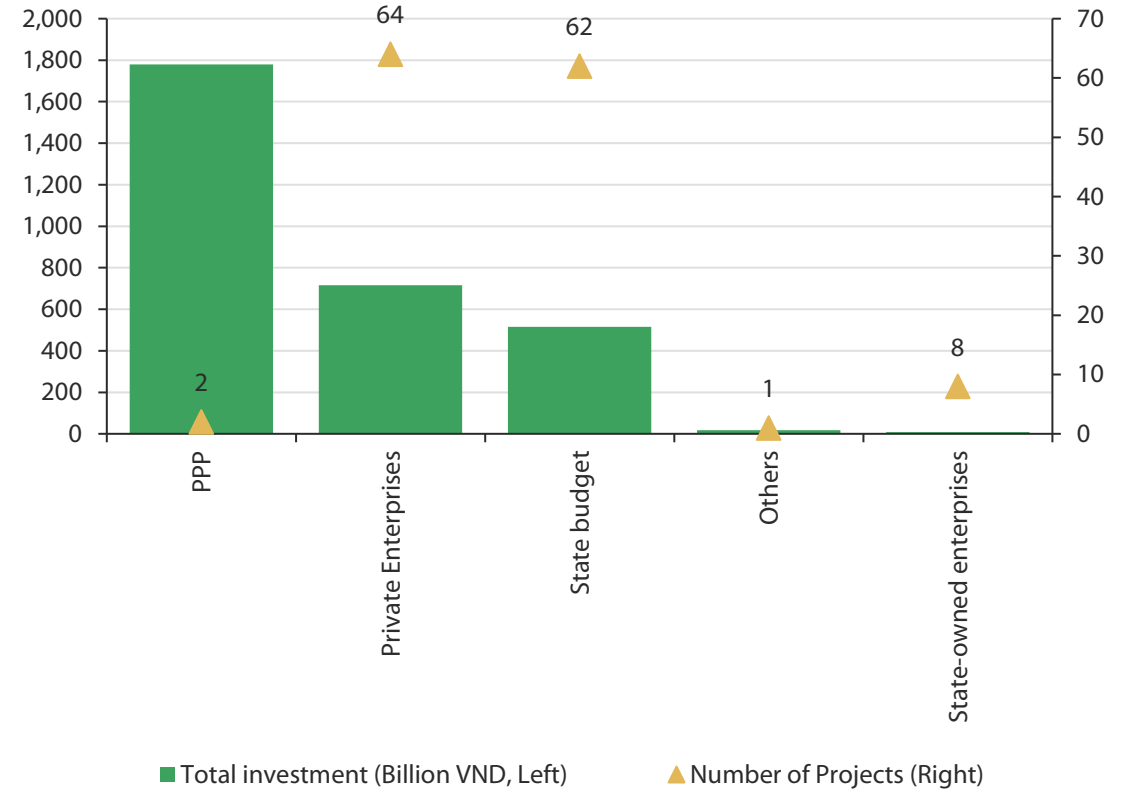
We believe there is still significant potential for infrastructure and urbanization development to meet social needs. While the shift toward a growth model driven by science, technology, and innovation will take more time. In this context, investments in industrial infrastructure, transportation, and urbanization are likely to remain a cornerstone of total social investment in 2026, supported by their substantial scale. With constraints on public budgets and governance capacity, reforms to PPP mechanisms are expected to encourage greater private sector involvement in large-scale infrastructure projects. The simultaneous launch of 137 projects, totaling around 3 quadrillion VND in December 2025, is viewed as a positive development, reinforcing prospects for investment and economic growth in the coming year.

Total investment in projects by sector (VND trillion)



Source: Dispatch No. 240/CD-TTg/2025. RongViet Securities compiles

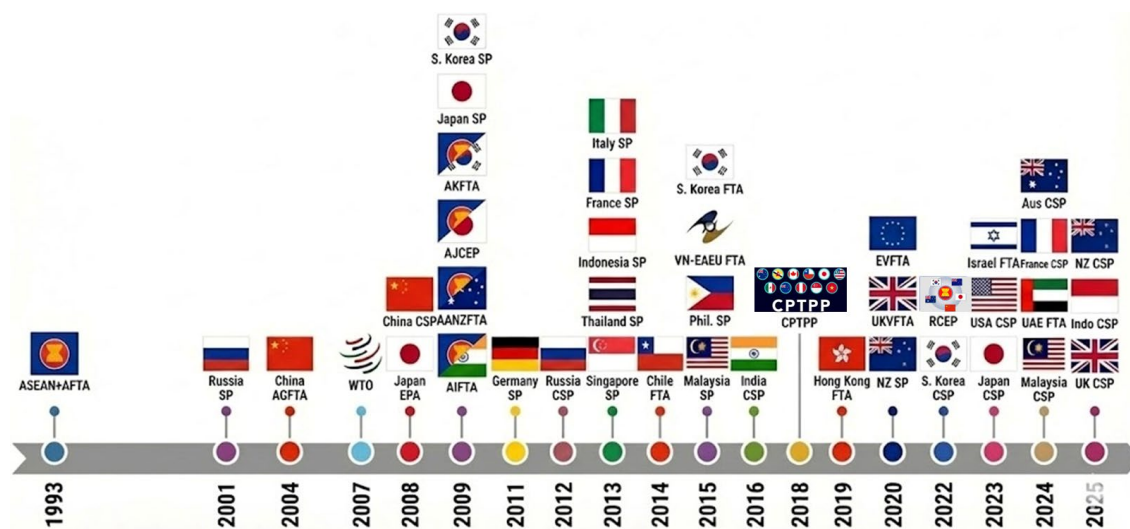
Total investment in projects by funding source (VND trillion)



Source: Dispatch No. 240/CD-TTg/2025. RongViet Securities compiles

The resolution adopted at the 10th Session of the 15th National Assembly represents a significant institutional advancement in Vietnam's international integration strategy by granting the executive branch greater authority and flexibility at both the central and local levels. It is expected to improve trade agreement implementation, diversify investment and trade promotion with partners, enable businesses to access broader international markets better, and reduce reliance on traditional ones.

In 2025, Vietnam continues to affirm its multilateral orientation and commitment to deep integration through a network of trade agreements and comprehensive strategic partnerships



Source: RongViet Securities compiles
 FTA: Free Trade Agreement
 EPA: Economic Partnership Agreement
 SP: Strategic Partnership
 CSP: Comprehensive Strategic Partnership

The National Assembly's resolution on special mechanisms and policies to enhance international integration is expected to address the gap between strategic vision and practical implementation

FOUR PILLARS OF THE RESOLUTION

Upgrading governance & institutions	Enhance global presence	Empower businesses to go further	Investing in human resources
<ul style="list-style-type: none"> Delegate faster decisions for joining multilateral mechanisms; cut procedures. Adopt international standards where domestic rules are lacking. Fast-track resolution of legal bottlenecks for strategic projects. 	<ul style="list-style-type: none"> Attract international organizations via targeted tax, fee and admin incentives. Strengthen overseas missions (more flexible mandates; broader consular, legal services). Pilot provincial overseas offices under local authorities. Join peacekeeping, humanitarian missions when needed. 	<ul style="list-style-type: none"> Build FTA support ecosystems for firms, SMEs, households. Provide market & legal intelligence; support overseas investment, tenders. Set up dedicated funds (integration development; sector export promotion). Back trade remedy actions via industry associations. 	<ul style="list-style-type: none"> Offer competitive packages (incl. housing; performance rewards; +100–300% coefficients). Recruit, retain top experts, especially high-skilled talent. Support sustainable careers for officials in international integration.

The amended PIT Law, approved on December 10, 2025, helps increase individuals' after-tax income and resolves tax uncertainties for household businesses

Individual	Households business					
<ul style="list-style-type: none"> ➤ The progressive tax schedule is reduced from 7 to 5 brackets, keeping the top rate of 35%, raising the highest bracket threshold from VND 80 million/month to over VND 100 million/month. ➤ Family deductions: VND 15.5M/month for the taxpayer and VND 6.2M/month per dependent (from Jan 1, 2026). ➤ Tax exemption applies to 21 income items, including property transfers between relatives, sole residential property/land, bank deposit interest, and overseas remittances... 	<ul style="list-style-type: none"> ➤ PIT and VAT exemption if annual revenue ≤ VND 500 million (increased from VND 200 million in the previous regulation). ➤ Revenue VND 500 million–3 billion: Choose to pay tax based on actual income (15% on taxable income with proper input/output invoices) or based on a percentage of revenue exceeding VND 500 million (first VND 500 million exempt). ➤ Support reduced compliance procedures and promote business transparency. 					
Monthly pre-tax personal income	20.0	30.0	40.0	80.0	100.0	150.0
1. Family deduction (after amending)	21.7	21.7	21.7	21.7	21.7	21.7
- Taxpayer	15.5	15.5	15.5	15.5	15.5	15.5
- Each dependent	6.2	6.2	6.2	6.2	6.2	6.2
2. Mandatory social insurance (10.5%)	2.1	3.2	4.2	8.4	10.5	15.8
- Taxable income	0.0	5.2	14.1	49.9	67.8	112.6
- PIT		0.3	0.9	6.5	10.8	24.9
Progressive PIT brackets – 5 brackets	0%	5%	5-10%	5-10-20%	5-10-20-30%	5-10-20-35%
After-tax salary (post-amendment)	17.9	26.6	34.9	65.1	78.7	109.4
1. Family deduction (before amending)	4.4	4.4	4.4	4.4	4.4	4.4
- Taxpayer	2.1	3.2	4.2	8.4	10.5	15.8
- Each dependent	2.5	11.5	20.4	56.2	74.1	118.9
2. Mandatory social insurance (10.5%)	0.1	1.0	2.4	11.8	17.2	32.5
- Taxable income	5%	5-10-15%	5-10-15-20%	5-10-15-20-25-30%	5-10-15-20-25-30%	5-10-15-20-25-30-35%
- PIT	15.4	15.4	15.4	15.4	15.4	15.4
Progressive PIT brackets – 7 brackets	11.0	11.0	11.0	11.0	11.0	11.0
After-tax salary (pre-amendment)	17.8	25.9	33.4	59.8	72.3	101.7
Changes before and after the law amendment	0.1	0.7	1.5	5.3	6.3	7.7
% changes	0.7%	2.7%	4.6%	8.9%	8.8%	7.5%

Source: 2025 Amended Personal Income Tax Law. RongViet Securities

Major policy reforms supporting education

The National Target Program for Modernizing and Improving the Quality of Education and Training for the 2026-2035 Period, approved on December 10, 2025

→ To implement Decree No. 238/2025/ND-CP dated September 3, 2025.

- **Total expected investment: 580.133 trillion VND (about \$23 billion)**
- **Annual state budget:** ~30,000 trillion VND/year for tuition waivers in public preschool–high school, support for disadvantaged groups, and key vocational training for socio-economic development and national defense-security. Funds will also upgrade school infrastructure to national standards, build practical labs, STEM/STEAM facilities, dormitories, and boarding schools for disadvantaged areas, and standardize schools at all levels by 2030.
- **Increase teacher allowances:** minimum 70% for preschool and general education teachers, with special incentives for those in disadvantaged, border, Island, and ethnic minority areas.
- Develop digital education, universalize digital skills, and apply digital technology/AI in teaching, management, and training for both teachers and students, targeting 95% of teachers trained in digital competencies and at least 30% of educational institutions effectively using digital technology.

Major policy reforms supporting healthcare

The National Target Program on Healthcare, Population, and Development for the 2026–2035 Period, approved on December 10, 2025
→ To implement Resolution No. 72-NQ/TW dated September 9, 2025

- **Annual state budget expenditure: about 6,000 billion VND/year for priority groups receiving periodic health check-ups**
- **All citizens will get at least one free annual health check-up or screening**, along with an electronic health record for lifelong health management.
- The Resolution sets the target of health insurance coverage exceeding 95% of the population by 2026, and achieving universal coverage by 2030.
- **Increase the proportion of the population regularly engaging in physical activity by 10%.**
- **Basic co-payments for services covered by health insurance will be gradually eliminated (with the target of full exemption by 2030).**

VAT reduced by 2% to continue until the end of 2026

Resolution No. 204/2025/QH15, issued on July 1, 2025

- Maintain the 2% VAT reduction for most goods, including food, beverages, and electronic products.
- This will reduce state budget revenue by 39,540 billion VND in 2H2025 and 82,200 billion VND for 2026.

7.2% increase in regional minimum wage

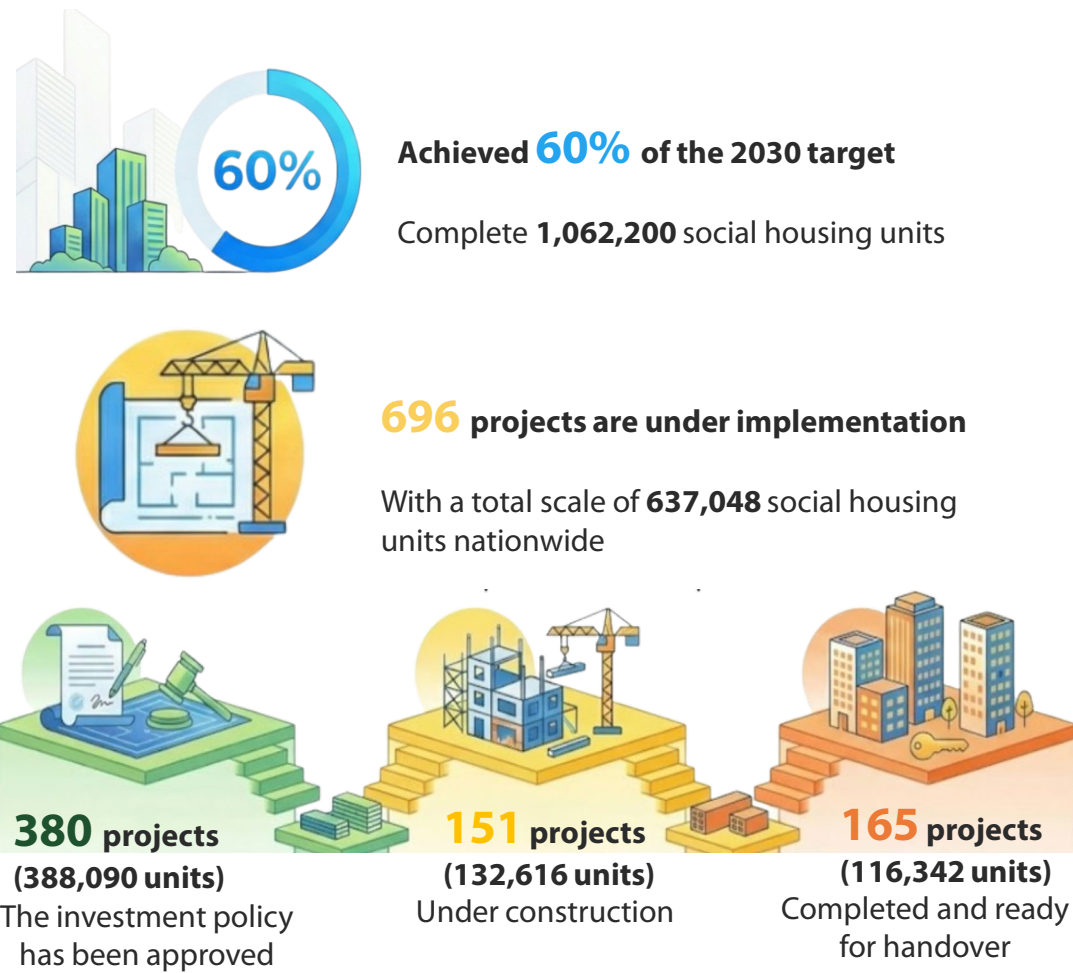
Decree No. 293/2025/ND-CP, issued on November 10, 2025

- Increase the minimum wage by 7.2% across 4 regions (I, II, III, IV).
- This applies to employees under labor contracts, to offset inflation, enhance income, and ensure a minimum standard of living.

Source: Decree No. 238/2025/ND-CP. Resolution No. 72-NQ/TW. The parliamentary session in December 2025. RongViet Securities compiles

2025 marks key milestones in Vietnam's social housing policy, with new legal documents issued to resolve longstanding bottlenecks and advance the target of 1 million social housing units for 2021–2030.

As of end-Q3 2025



Source: Ministry of Construction. RongViet Securities compiles

Key legal policies

Legal document	Policy content
Decision 444/QĐ-TTg	Assign targets for completing social housing in 2025 and subsequent years up to 2030 (1,062,200 social housing units)
Decision 201/2025/QH15	Pilot implementation of special mechanisms and policies for social housing development.
Decree 192/2025/ND-CP	Guidelines for the pilot resolution on special mechanisms and policies for social housing development (investment/construction procedures and sale price regulations)
Decree 261/2025/ND-CP	Amendments and supplements to Decree No. 100/2024/ND-CP - the decree that 'removes restrictions' on many conditions for buyers and offers incentives to investors.
Circular 32/2025/TT-BXD	Standardize forms and documents proving eligibility and income to simplify administrative procedures

Policies facilitating homebuyers and developers

Homebuyers	Developers
<p>Eligible income level for home purchase:</p> <ul style="list-style-type: none">Increased to VND 20 million/month (for single persons).Increased to VND 30 million/month (for single persons with young children).Increased to VND 40 million/month (for married couples). <p>Remove residency condition: People can buy social housing in any province/city, irrespective of household registration or workplace.</p> <p>Social housing loan rate: From October 2025, preferential rates of around 5.4%–6.1%/year for buyers.</p>	<ul style="list-style-type: none">Exempted from land use fees for the area used to build social housing without needing land price valuation procedures, which greatly shortens project preparation time.For sale and lease-purchase prices, investors can set them freely (with a 10% profit cap) without prior appraisal. They receive an independent audit confirmation and report, which is then submitted to the Construction Department for public disclosure. This cuts delays and speeds up capital turnover.The remaining 20% of residential land in the project can be developed commercially under market mechanisms, with no profit cap, which helps offset costs and boosts the overall efficiency of social housing projects.

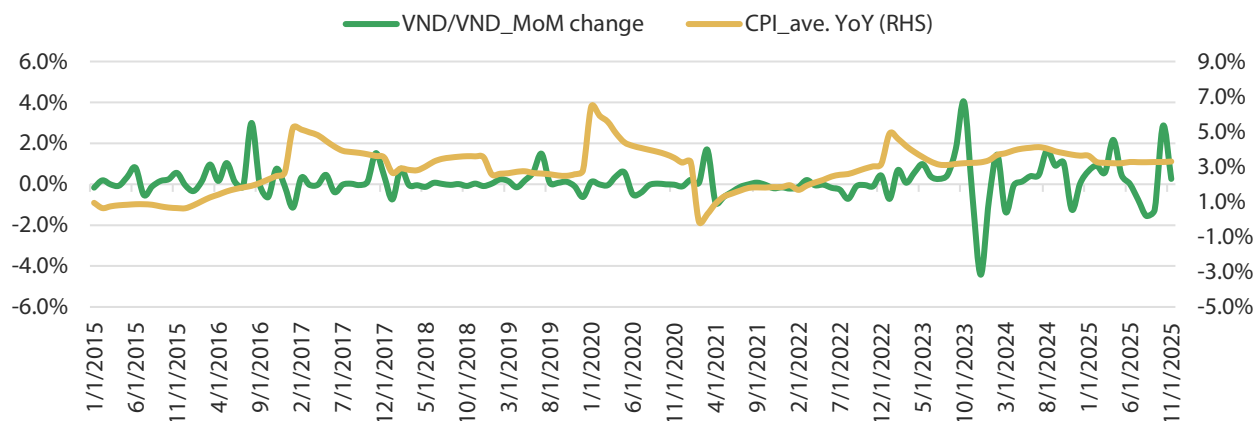
Source: RongViet compiles

Outlook	VDSC View
Inflation	<ul style="list-style-type: none"> We expect 2026 inflation to edge up to 3.7–4.0%. still within policymakers' controllable range. Key supports include: (i) administered-price items likely moving in opposite directions and offsetting each other; (ii) continued policy support via environmental protection tax (BVMT) and VAT in 2026 at broadly 2025-equivalent levels; (iii) oil prices widely forecast at USD 60–65/bbl in 2026, helping stabilize transport-related CPI. Overall, we expect food/agri prices to remain stable, while weak demand limits full pass-through of higher input costs (including from VND depreciation) into retail prices.
Monetary policy	<ul style="list-style-type: none"> In our base case, the SBV is unlikely to hike policy rates, at least in 1H26. Instead, it will rely on more flexible open-market operations to manage FX pressures and short-term liquidity needs. Investment funding demand remains largely met via short-/medium-term bank funding, which may create episodic liquidity tightness and bouts of effective-rate volatility. We expect deposit rates to rise by ~50–100 bps in 2026, with lending rates gradually repricing higher thereafter. We expect the corporate bond market to continue recovering with a more diversified issuer mix, gradually sharing the long-term funding burden with banks—though the transition should be slow given cautious issuer/investor behavior. Credit growth in 2026 is expected to be broadly in line with 2025, at around ~18% YoY, supporting a high-growth policy stance.
FX	<ul style="list-style-type: none"> We see FX pressure in 2026 as less intense than 2024–2025, driven by: (i) continued global rate normalization as inflation cools; (ii) a narrowing USD–VND rate differential; and (iii) stable FDI inflows. In our base case, USD/VND fluctuates within $\pm 4\%$, ending 2026 around 26,890–27,150.
Fiscal policy	<ul style="list-style-type: none"> 2026 marks the first year of the new medium-term fiscal framework (2026–2030), with development investment spending positioned as the core lever to pursue higher growth. The 2026 budget plan approved by the National Assembly implies total revenue +~29% and total expenditure +~24% vs 2025. On the revenue side, as land-rent relief and fee/charge cuts roll off, related revenue is estimated to rise >57% YoY, contributing ~36% of total 2026 revenue. On the spending side, development capex is projected at VND 1,120 tn (+42% vs 2025 plan), accounting for >35% of total 2026 expenditure. The planned budget deficit rises to ~4.2% of GDP (vs 3.8% in the 2025 plan).
Economic growth	<p>We expect 2026 growth to improve meaningfully, reflecting lagged effects from institutional reforms and macro policy direction set in 2025. Easing constraints for both the private sector and SOEs, together with spillovers from recovering social investment and social welfare reforms, should lift household confidence/income and help investment and consumption re-accelerate. Traditional drivers (exports, public investment) plus strengthening domestic demand should continue to underpin industry and services.</p> <p>In our base case, 2026 GDP growth is projected at ~8.7%, below the National Assembly's >10% target, reflecting execution lags and the transition from baseline to target growth.</p>

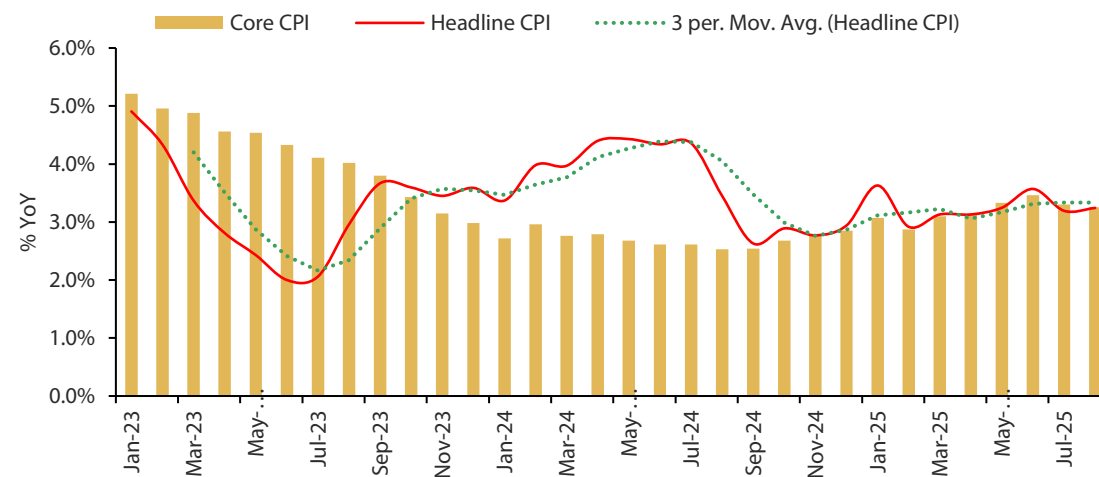
We forecast Vietnam's average inflation in 2026 to remain well contained at 3.7–4.0%, amid a gradual improvement in consumption. Key drivers are as follows:

- Administered prices likely to offset each other, limiting headline CPI impact. We expect government-controlled price items to move in opposite directions, resulting in a broadly neutral CPI effect. In particular, electricity tariffs may continue to edge higher in 2026 as EVN pilots a two-part tariff mechanism for large consumers (Jan 2026–Jul 2027). In contrast, the expansion of health insurance coverage should help cushion household living-cost pressures.
- Tax support and benign oil price outlook should anchor price stability. The government's support measures via environmental protection tax and VAT are expected to be maintained at broadly 2025-equivalent levels in 2026. Meanwhile, consensus forecasts from international institutions point to oil prices in a USD 60–65/bbl range in 2026, helping stabilize transport-related inflation. As a result, we expect agricultural and food prices to remain broadly stable.
- Weaker FX pass-through since 2020 suggests limited inflationary spillover from VND depreciation. Prior to 2020, VND depreciation tended to feed into inflation with an approximate 12-month lag. Since 2020, however, this relationship has become less evident. We attribute this to (i) weaker demand conditions, which limit firms' ability to fully pass higher FX-driven input costs into final prices, and (ii) supportive fiscal policies that help contain prices for CPI-heavy categories.

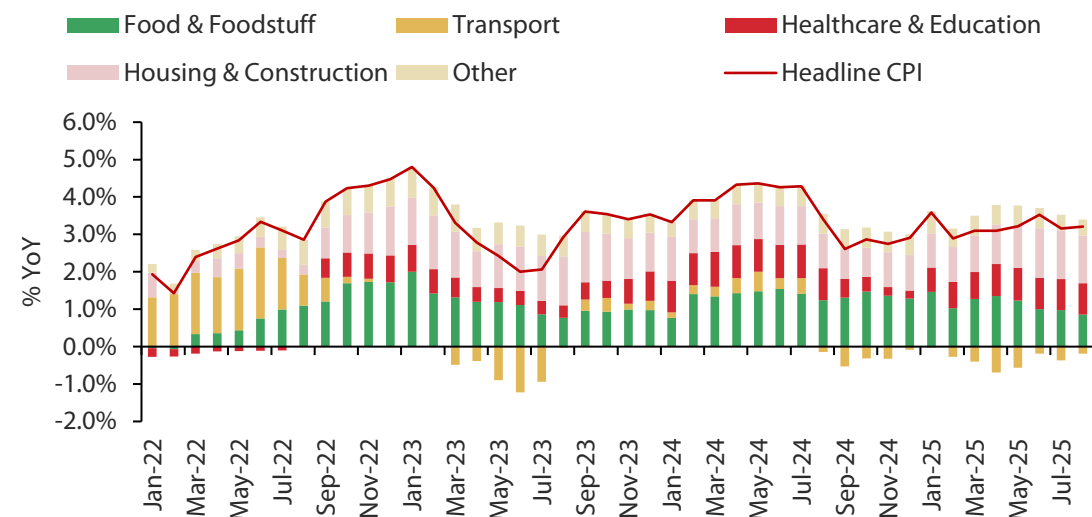
Annual inflation vs. monthly changes in the USD/VND exchange rate.



CPI remained broadly stable at 3.0–3.5% in 2025.



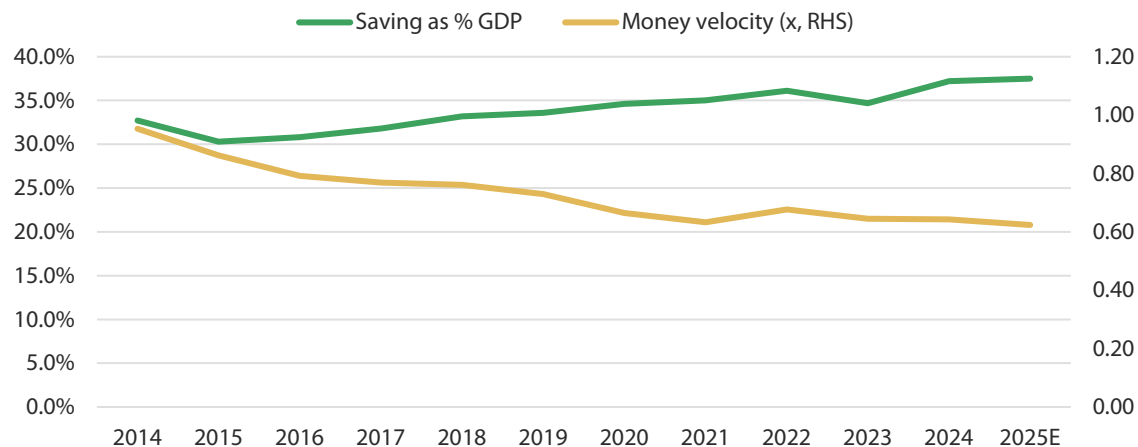
Inflation vs. selected commodity price indices (% YoY).



Source: GSO, RongViet Securities compiles

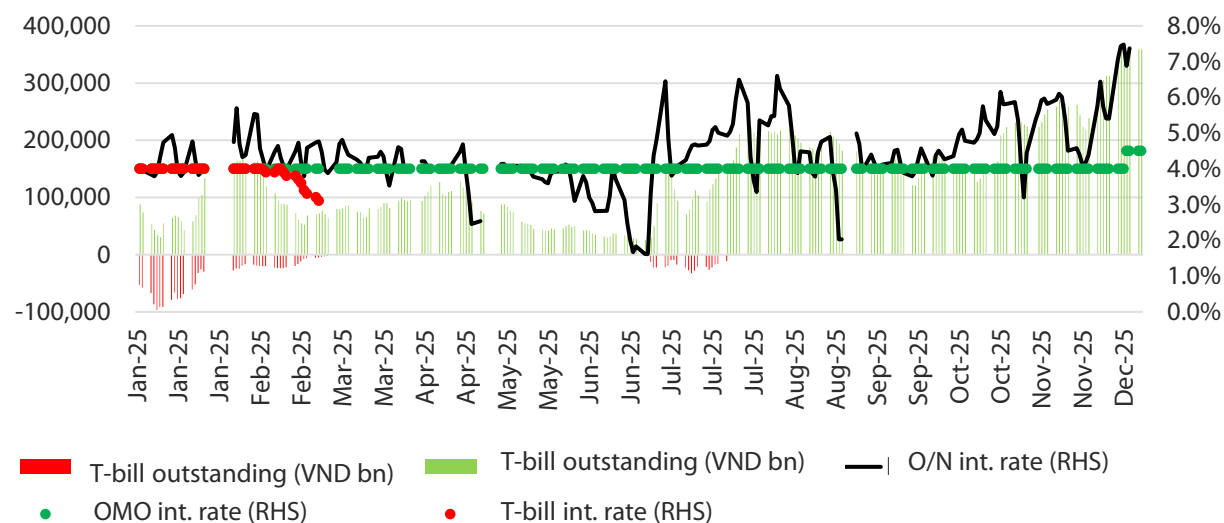
- In our base case, we expect the SBV to keep policy rates unchanged, at least through 1H2026. Instead, the SBV is likely to manage FX pressures and short-term liquidity needs through more flexible open-market operations.
- We forecast deposit rates to rise by 50–100 bps in 2026, driven by: (1) a further decline in money velocity to around 0.6x, indicating that credit expansion has yet to meaningfully diffuse into production and investment activities; and (2) localized funding pressures at some commercial banks to maintain key liquidity safety metrics (LDR, short-term funding used for medium-/long-term lending), potentially triggering a more competitive deposit-rate environment to retain customers. Lending rates should follow, repricing to a higher equilibrium in line with funding costs. With the exception of government-supported lending packages for social housing, we expect preferential loan programs to become more limited and/or be offered at less favorable rates going forward.

Money velocity (x) and savings-to-GDP ratio (%)

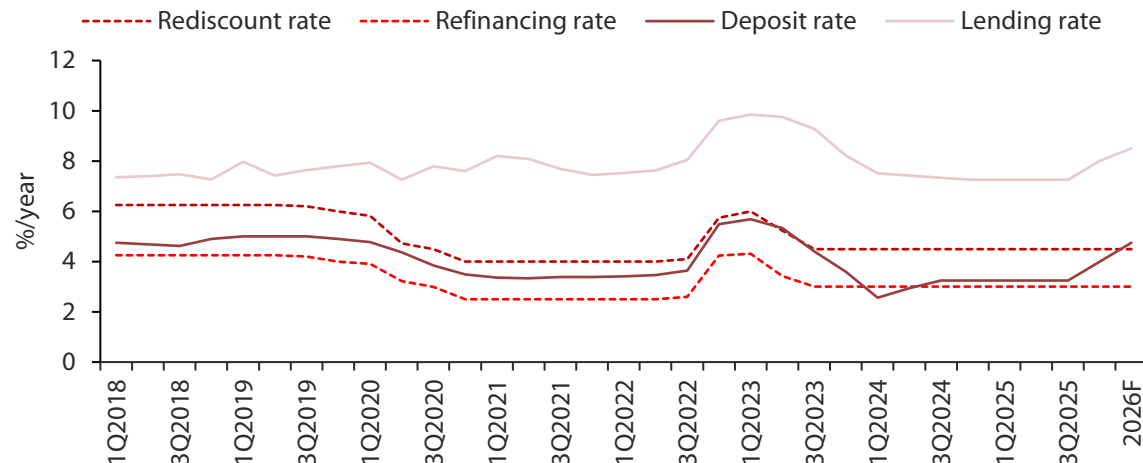


Source: SBV, RongViet Securities compiles

SBV primarily manages liquidity via open-market operations while keeping policy rates unchanged

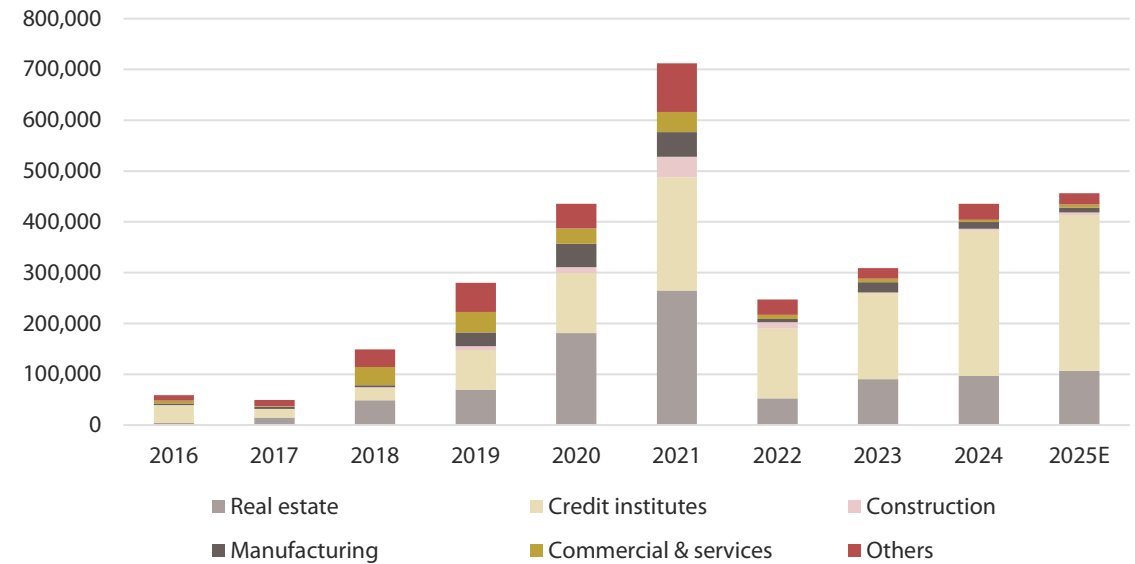


Interest rate trends (2018–2025) and 2026E forecast



- Vietnam's investment funding remains heavily reliant on bank credit. Over 2022–2025E, successful bond issuance has been concentrated largely in the banking sector, while issuance volumes across other sectors have been broadly flat. In 2026, we estimate bond maturities to decline by around 10% YoY, with real estate corporate bond maturities falling to roughly half of the 2025 level. This implies that the economy's investment funding needs will continue to be met predominantly via short- and medium-term bank funding, which could periodically trigger localized liquidity tightness and episodic spikes in effective interest-rate volatility during the year.
- We expect the corporate bond market to recover more meaningfully in 2026, supported by: (1) a rising share of non-financial corporates willing to obtain credit ratings to meet public issuance requirements (Decree No. 245/2025/ND-CP), and (2) a gradual restoration of investor confidence. That said, we expect the normalization process to be gradual, reflecting continued prudence from both issuers and investors.
- For 2026, credit growth is projected to remain broadly in line with 2025, at around ~19% YoY, underpinning the government's high-growth agenda.

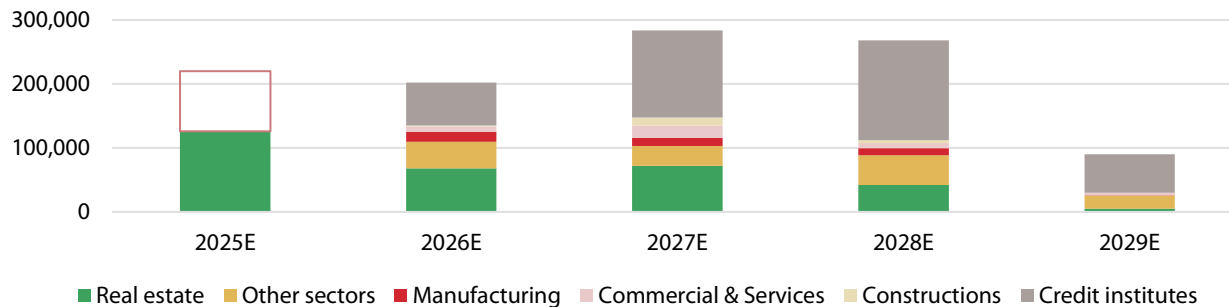
Corporate bond issuance value (2016–2025E)



Source: HNX, RongViet Securities compiles

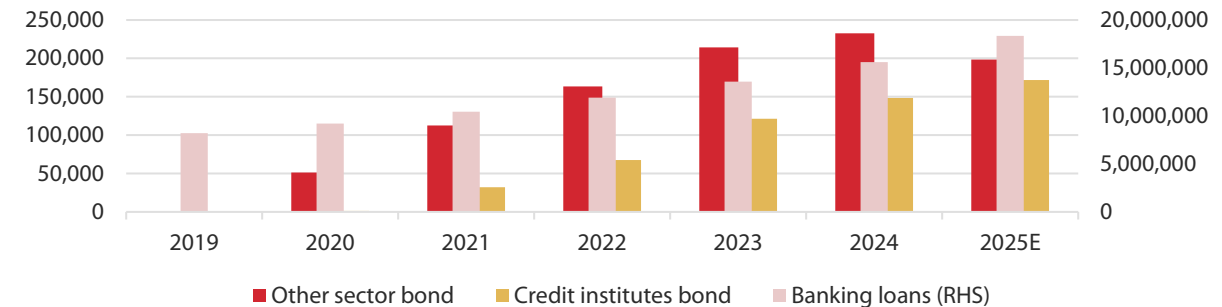
2026 bond maturity pressure is manageable, but rising medium-long-term funding needs continue to weigh on banking system liquidity

Maturity value (VND bn)



Source: HNX, RongViet Securities compiles

Outstanding balances (VND bn)

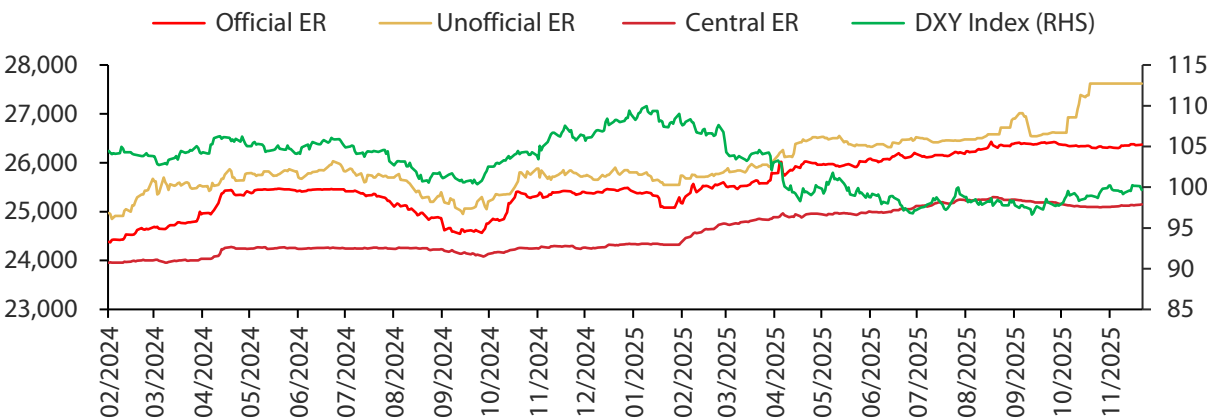


Foreign exchange reserves are estimated to have continued to edge lower in 2025, reflecting intermittent periods of elevated FX demand. We do not expect a meaningful turnaround in 2026, as measures to retain/attract FX inflows into the domestic system will likely require time to take effect. That said, we expect USD/VND pressures in 2026 to be less intense than in 2024–2025, supported by:

- 1) Global rate normalization as inflation cools. Major CBs are expected to continue easing from restrictive settings. In our base case, Fed delivers two rate cuts in 2026, bringing the FFR to 3.0–3.25% by year-end, DXY is expected to soften modestly to 92–95.
- 2) A further narrowing in the USD–VND interest-rate differential, reducing incentives for USD hoarding and alleviating carry-driven FX pressure.
- 3) Stable FDI inflows, providing a steady underpinning for FX supply.

In our base case, we forecast USD/VND to trade within a $\pm 4\%$ band and end 2026 around VND 26,890–27,150 per USD.

Speculative sentiment drives sharp. sporadic spikes in the USD/VND parallel free market

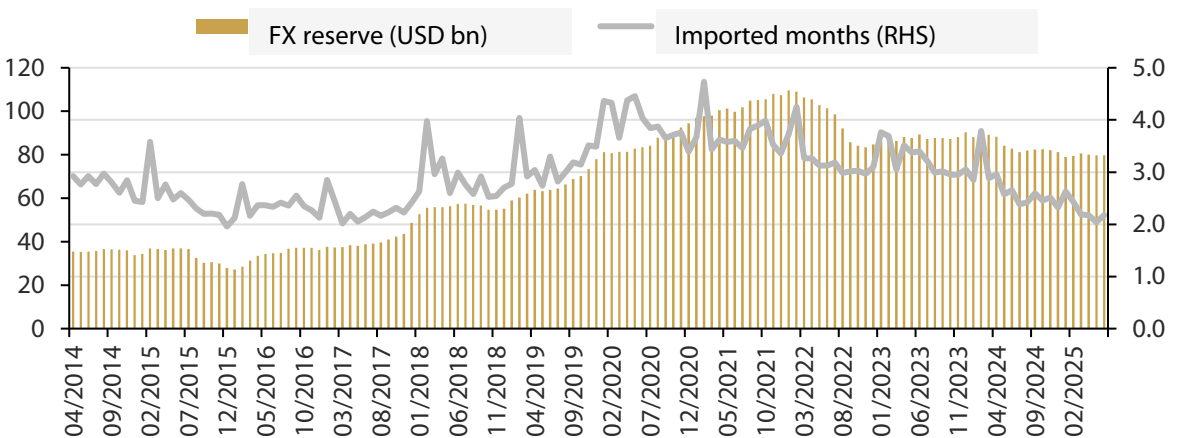


Source: FiinPro, Bloomberg, RongViet Securities compiles

Fed rate outlook for upcoming meetings

	275-300	300-325	325-350	350-375	375-400
12/10/2025	0%	0%	0%	85%	15%
1/28/2026	0%	0%	12%	89%	0%
3/18/2026	0%	0%	51%	49%	0%
4/29/2026	0%	0%	77%	24%	0%
6/17/2026	0%	42%	58%	0%	0%
7/29/2026	0%	80%	21%	0%	0%
9/16/2026	23%	77%	0%	0%	0%
10/28/2026	46%	55%	0%	0%	0%
12/9/2026	69%	31%	0%	0%	0%

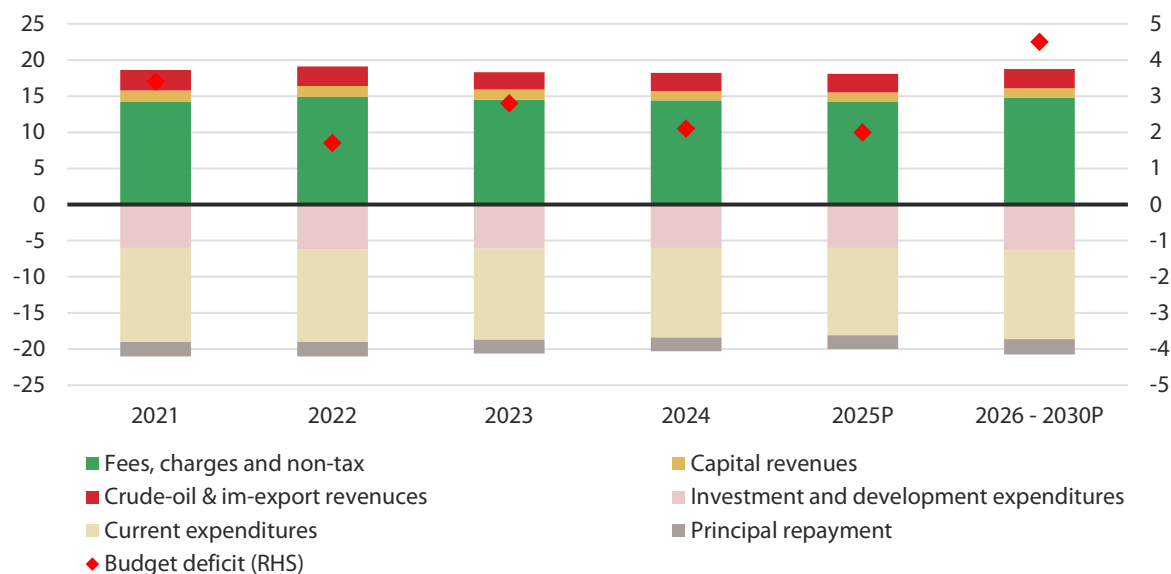
Vietnam’s FX reserves have declined materially from the early-2022 peak



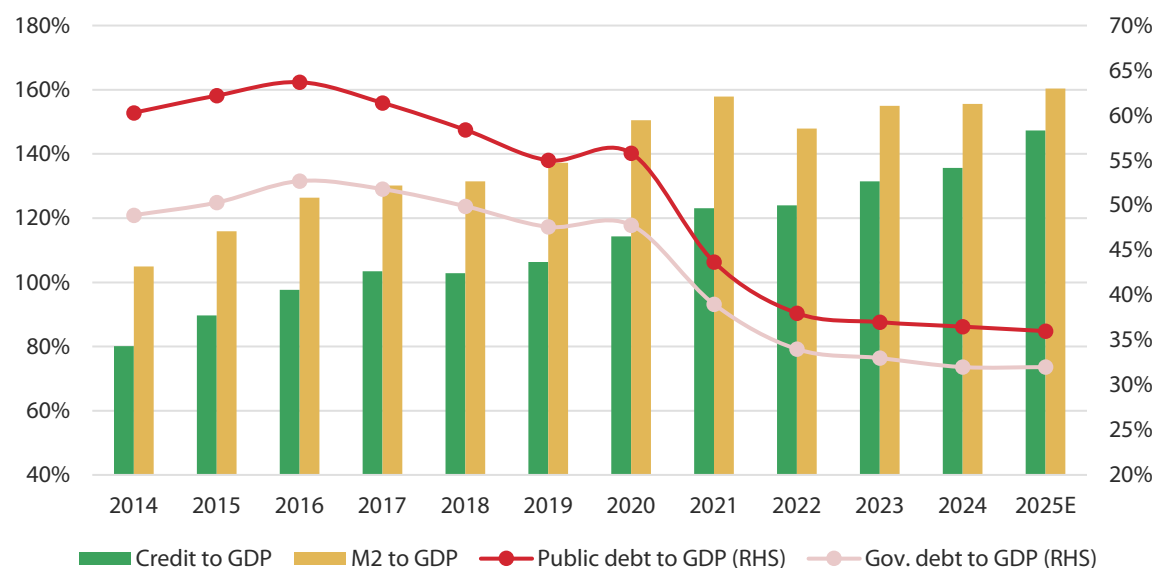
2026 marks the first year of Vietnam’s new medium-term fiscal policy framework (2026–2030). The policy stance is set to turn more expansionary, with a clear focus on development investment (public capex) to support a higher-growth trajectory over the period. Key fiscal restructuring priorities include:

- Tax reform aimed at raising levies on speculative assets while reducing the personal income tax burden to bolster domestic consumption.
- Reassessing corporate income tax incentives based on localization ratios. to encourage the development of supporting industries and strengthen domestic manufacturing capacity.
- A materially wider fiscal deficit envelope, with the budget deficit targeted to expand to roughly ~5% of GDP—around three times the realized level during 2021–2025.

Fiscal balance (% of GDP): 2021–2025 track record; 2026–2030E outlook

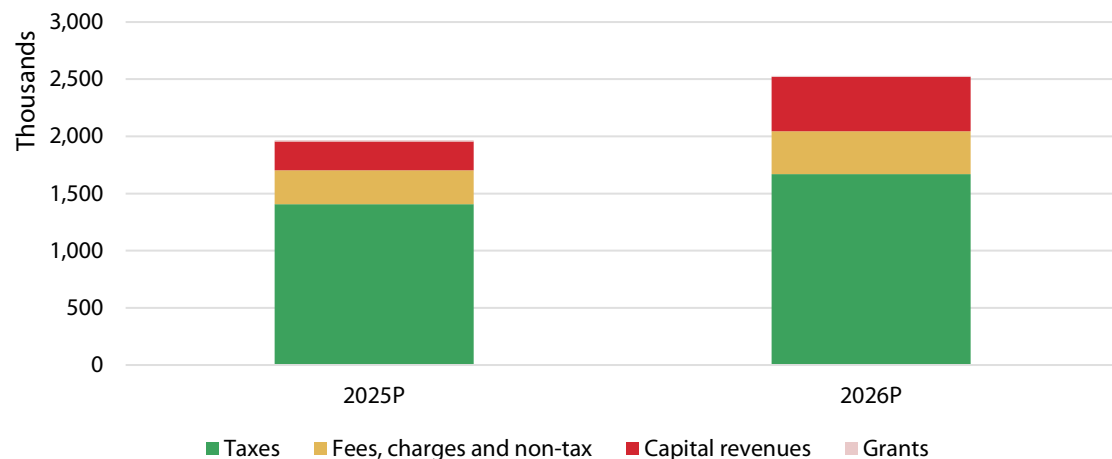


M2 money supply, credit, and public debt (% of GDP): 2014–2025E trends.

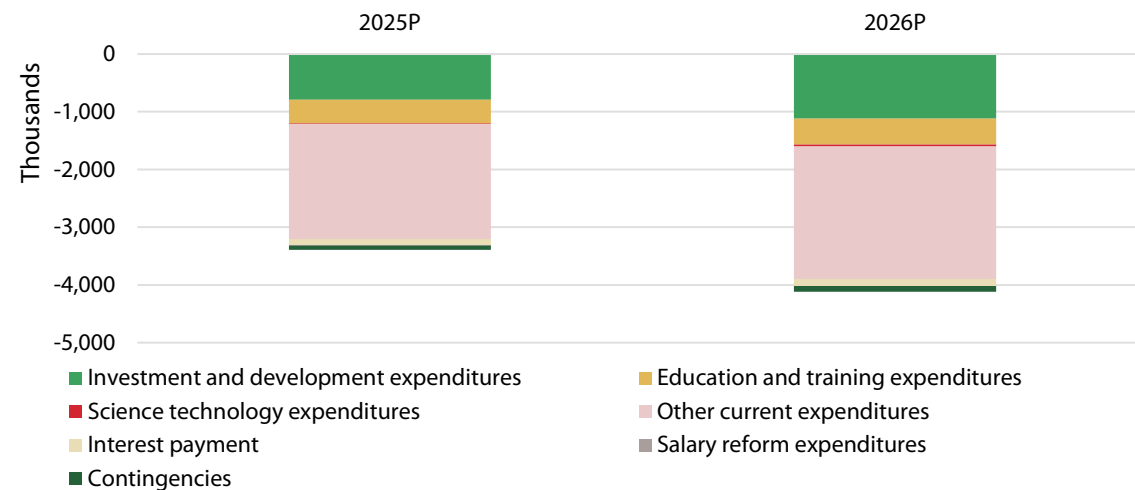


Source: MoF, RongViet Securities compiles. 2024: estimated actuals; 2025: budget estimate; 2026–2030: budget projections submitted to the National Assembly.

Budgeted state revenue, 2025–2026 (VND bn)



Budgeted state expenditure, 2025–2026 (VND bn)



Source: MoF, RongViet Securities compiles | Negative figures indicate expenditures (cash outflows)

The 2026 state budget plan, approved by the National Assembly, implies a strong expansionary stance, with total revenue up ~29% YoY and total expenditure up ~24% YoY versus 2025.

- Revenue mix: Fiscal support in 2026 tilts more toward consumers and lower-income groups, notably by maintaining consumption-related tax relief broadly in line with 2025, VAT at 8% and a 50% cut in environmental protection tax on petroleum products. In addition, the 2025 Personal Income Tax Law has been passed, featuring higher family deductions effective for the 2026 tax year, and a simplification of the progressive PIT schedule from 7 to 5 brackets effective 1 July 2026. Separately, as the government phases out policies that deferred/reduced land rents, fees, and charges, revenue from these items is estimated to rise by >57% YoY, contributing around 36% of total 2026 budget revenue.
- Expenditure focus: Development investment (public capex) is budgeted at VND 1,120 trillion in 2026, up ~42% versus the 2025 plan. Beyond the larger envelope, fast and consistent disbursement will be key to maximizing the effectiveness of the ongoing fiscal easing.

	2021A	2022A	2023A	2024A	2025E	2026F
GDP growth (%)	3%	8.5%	5.1%	7.1%	8.2%	8.7%
Retail sales of goods and services (%YoY)	-4%	19.8%	9.6%	9.0%	9.1%	10.8%
Private investment (%YoY)	0.0%	0.0%	0.0%	0.0%	8.0%	12.0%
FDI disbursement (USD bn)	9.1%	9.6%	13.8%	4.4%	11%	10%
Public investment (%YoY)	8.0%	9.0%	3.7%	5.6%	30%	20%
Exports (%YoY)	19%	11%	-5%	14%	15%	14%
Imports (%YoY)	27%	8%	-9%	17%	16%	15%
Trade balance (USD bn)	4	12	28	25	24	23
Inflation (%)	1.8%	3.1%	3.3%	3.6%	3.3%	3.7% - 4.0%
USDVND exchange rate (year-end)	22,920	23,730	24,420	25,551	26,446	27,020
%YoY	-1%	4%	3%	5%	4%	2%
Rediscount rate (%)	2.5	4.5	3.0	3.0	3.0	3.0
Refinancing rate (%)	4.0	6.0	4.5	4.5	4.5	4.5
10-year government bond yield (% , year-end)	2.4%	5.0%	2.4%	3.1%	4.0%	4.0%
Credit growth (%YoY)	13.6%	14.2%	13.8%	15.1%	19.0%	18.0%
M2 growth (%YoY)	10.7%	6.2%	12.5%	12.0%	16.3%	15.0%

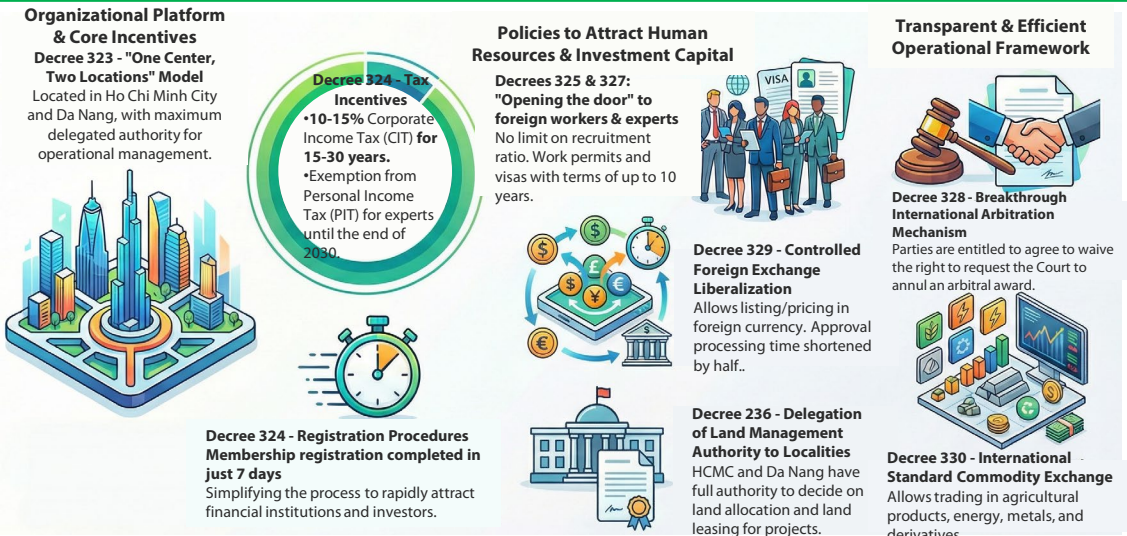
Source: Bloomberg, GSO, Fiinx, Vietcombank, RongViet Securities compiles

Sovereign credit rating

Fitch	S&P	Moody's	Grade
AAA	AAA	Aaa	Investment Grade
AA+	AA+	Aa1	
AA	AA	Aa2	
AA-	AA-	Aa3	
A+	A+	A1	
A	A	A2	
A-	A-	A3	
BBB+	BBB+	Baa1	
BBB	BBB	Baa2	
BBB-	BBB-	Baa3	
★BB+	★BB+	Ba1	Non-Investment Grade
BB	BB	★Ba2	
BB-	BB-	Ba3	
B+	B+	B1	
B	B	B2	
B-	B-	B3	
CCC+	CCC+	Caa1	
CCC	CCC	Caa2	
CCC-	CCC-	Caa3	
CC	CC	Ca	
C	C		
DDD/DD/D	SD/D	C	

Source: RongViet Securities compiles

Implementing decrees on framework and policy incentives for IFC



Source: Baochinhphu, RongViet Securities compiles

If Vietnam is upgraded to Investment Grade in the annual 2026 review, it would be a meaningful catalyst to lower funding costs for both the sovereign and the corporate sector.

As country risk premia compress and the sovereign rating improves, Vietnam's international bond issuance yields would likely decline, which should filter through to lower domestic borrowing costs. This would not only help the Government reduce financing expenses, but also transmit directly to the private sector, where funding conditions are highly sensitive to the sovereign credit profile.

Vietnam is currently rated **BB+**, the highest rung within sub-investment grade. A single-notch upgrade from Fitch or S&P Global would move Vietnam into Investment Grade, aligning with the Government's stated objective under the 2030 economic development strategy. Against a backdrop of solid growth momentum, ongoing institutional reforms, and stronger macroprudential governance, particularly around banking system risk containment and external buffer strengthening, an earlier-than-planned Investment Grade outcome remains a plausible scenario.

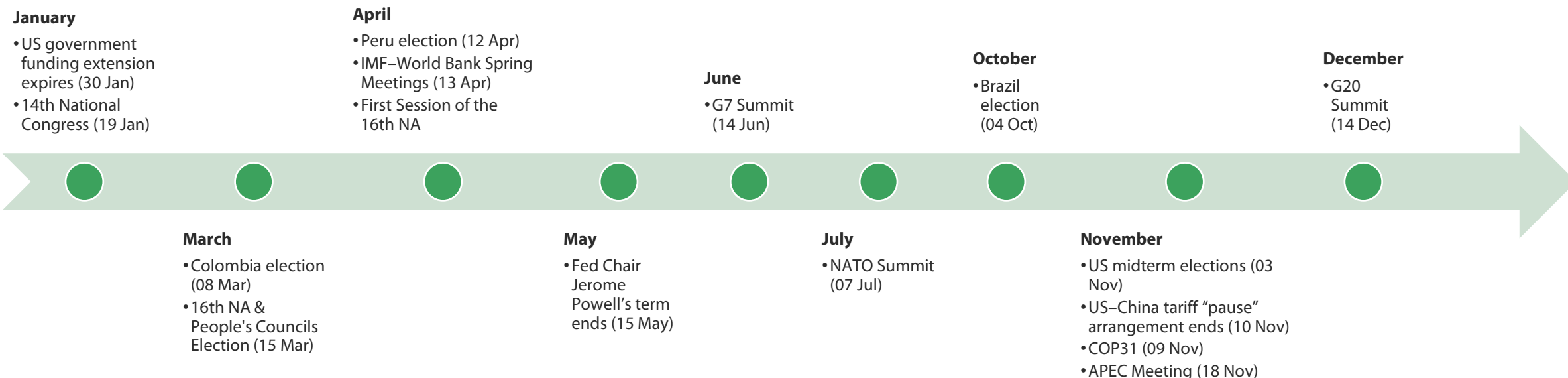
The formal establishment of an International Financial Centre (IFC) in Vietnam could mark the starting point of a broader capital-market restructuring agenda, aimed at improving capital allocation efficiency and lowering the economy's long-term cost of funding.

The Government's issuance of eight implementing decrees under National Assembly Resolution No. 222/2025/QH15 has begun to shape a dedicated legal and institutional framework for the IFC. However, this should be viewed as an initial enabling layer, with true competitiveness versus regional hubs likely to be tested only over the medium to long term.

Vietnam enters this phase with several structural advantages, including a large domestic market, competitive financial service costs, relatively fast administrative processing, and deepening global trade integration. The extent to which these advantages translate into a scalable financial hub will depend on reform execution, especially in developing high-quality financial talent, digital and data-centre infrastructure, urban and logistics connectivity (metro systems, airports, seaports), and the depth and breadth of financial products.

These factors will serve as key leading indicators of implementation speed and credibility, ultimately determining whether Vietnam can progressively position itself as a regionally competitive international financial centre.

- Following the release of the U.S. 2025 National Security Strategy, which tilts more heavily toward the Western Hemisphere, a series of moves related to Venezuela, alongside an expanded security architecture, has lifted geopolitical risk in South America. In 2026, several major South American economies will head into elections, raising the probability of policy and foreign-relations shifts.
- In the U.S., an early-2026 Supreme Court ruling on the legality of IEEPA-based tariffs could shape the legal framework for using tariffs as a policy instrument. In parallel, upcoming Section 232 investigation deadlines, covering semiconductors and pharmaceuticals (27 Dec), critical minerals and trucks (17 Jan), and commercial aircraft and jet engines (26 Jan), are likely to be used as bilateral negotiating leverage.
- Chair Powell's term as Fed Chair is expected to end in May 2026, making markets more sensitive to perceptions of Fed independence, particularly if Trump prioritizes a more dovish successor (with Hassent currently viewed as a leading contender).
- Notably, November 2026 coincides with two key events: (i) the U.S. midterm elections and (ii) the expiration of the U.S.–China tariff truce. This combination suggests late-Q3 to early-Q4 2026 could represent a higher-volatility window, as policy messaging may shift rapidly.
- In Vietnam, a series of political milestones in Q1 2026, notably the consolidation of senior leadership appointments, will be pivotal for the execution of the "Innovation 2.0" agenda.



MARKET OUTLOOK

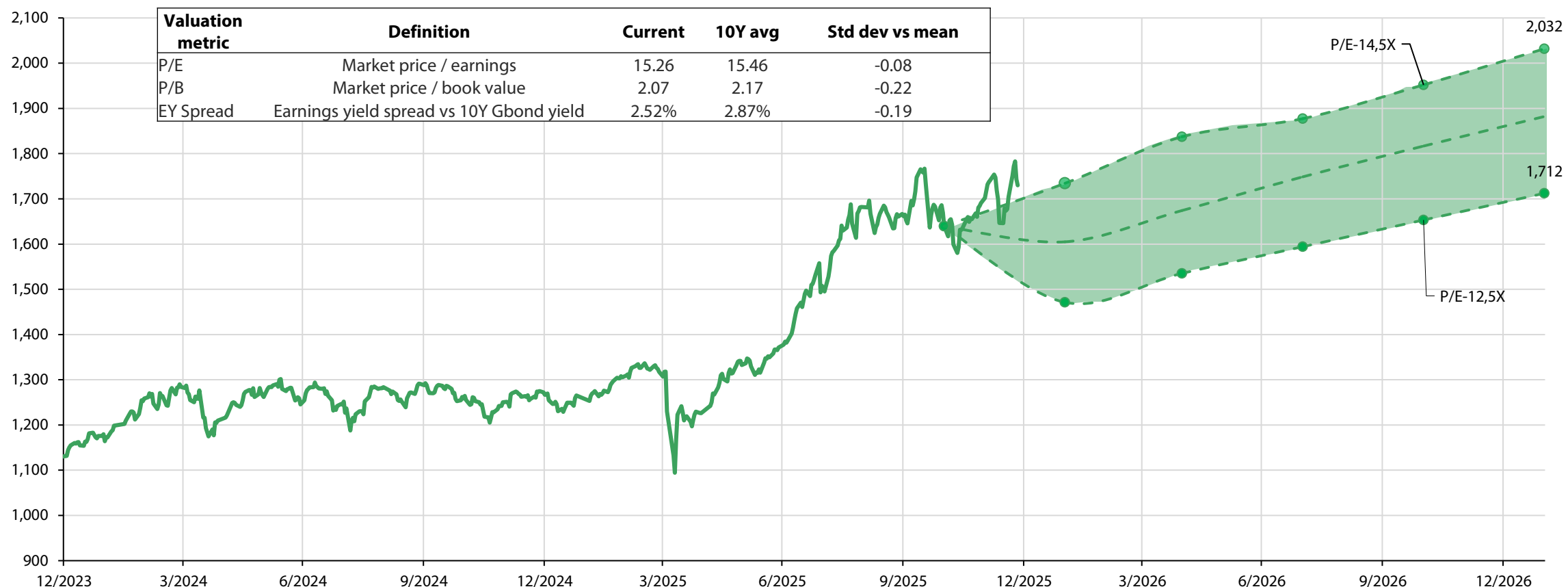
*“EARNINGS QUALITY AS THE KEY DRIVER;
SELECTIVE RE-RATING”*



- We expect 2026 to mark a pivot in Vietnam's equity market—from a narrative of “expensive by index” to one that is “attractive in breadth.” Earnings growth is set to retake the driver's seat, while headline valuations are likely to rebalance as distortions from mega-caps trading on exceptionally high P/E multiples are gradually repriced toward underlying economic contribution.
- We see the VN-Index tracking toward a **1,712–2,032** target range over the next **12–14 months**. Our framework is anchored on 2026F EPS of roughly VND **137–140** (up about 15%–19% year on year) and a target P/E band of **12.5x–14.5x**. The multiple range is more conservative than our prior update, reflecting a deliberate balance between growth tailwinds and macro/geopolitical risk.
 - The core engine is earnings expansion—and there is notable convergence across methodologies. A top-down approach implies 2026 EPS growth of about 15.3% year on year, supported by the interaction of GDP, credit growth, asset turnover and margin dynamics. VDSC's tracked corporate sample points to average EPS growth of roughly 16.2%. Bottom-up consensus data suggest market-wide EPS growth could approach 19%.
 - Current valuation metrics are not, in aggregate, stretched versus history, with P/E and P/B hovering around long-term averages. That said, we are building in a wider margin of safety for 2026 given (i) persistent uncertainty around global policy direction, (ii) interest-rate and FX volatility, and (iii) the risk of “earnings disappointment” among high-P/E large caps.
- Beneath the index, most stocks still trade in low-to-mid P/E bands, even as market-cap weight has shifted sharply toward names on P/E multiples above 30x. The primary driver is the VIC–VPL–VRE–VHM complex: by late 2025, these stocks accounted for a sizable share of market capitalization while contributing relatively little profit due to extremely high valuations—creating a “valuation tail” that mechanically lifts index P/E and skews perceptions of market expensiveness. The constructive implication is that stock-picking opportunities remain abundant below the surface.
- Foreign ownership on the HoSE continues to drift toward a roughly three-year low, even as the absolute value of holdings remains elevated—suggesting a concentrated ownership structure, particularly in financials and banks. In this setup, the right catalyst could meaningfully improve the elasticity of capital flows.
- Policy makers are also accelerating transparency initiatives and trading-infrastructure upgrades to strengthen the investment environment. A new set of regulations taking effect in 2026 is aimed at standardization, greater disclosure and higher market-operating standards. The CCP roadmap and a series of upgrades—including omnibus trading accounts (OTA), improvements to clearing and settlement, a review of foreign-ownership limits, and product development—are expected to lay the groundwork for a “final sprint” toward FTSE reclassification, with operational assessments and verification milestones scheduled across 2026.
- Circular 99/2025 represents a fresh step in lifting financial reporting quality toward global standards. Adjustments that move practices closer to IFRS may not change reported revenue, but they could introduce mild pressure and volatility in net profit after tax through higher provisioning and shifts in expense-recognition timing in certain sectors. The likely result is greater dispersion across companies—and a higher premium on rigorous earnings-quality analysis.
- Investors should also be prepared for potential headwinds in 2026: geopolitical flare-ups, policy uncertainty in the U.S., a delayed Fed easing cycle that could translate into domestic FX and rate pressures, and a correction risk in high-P/E large caps if earnings fail to keep pace with expectations..

We forecast the **VN-Index could advance toward the 1,712–2,032** range over the **next 12–14 months**. Our base-case assumptions underpinning this view include a target **P/E band of 12.5x–14.5x** and forward EPS of **~137–140**, implying **~16% YoY growth**.

Scenario forecast VN-Index trading range over the next 12–14 months

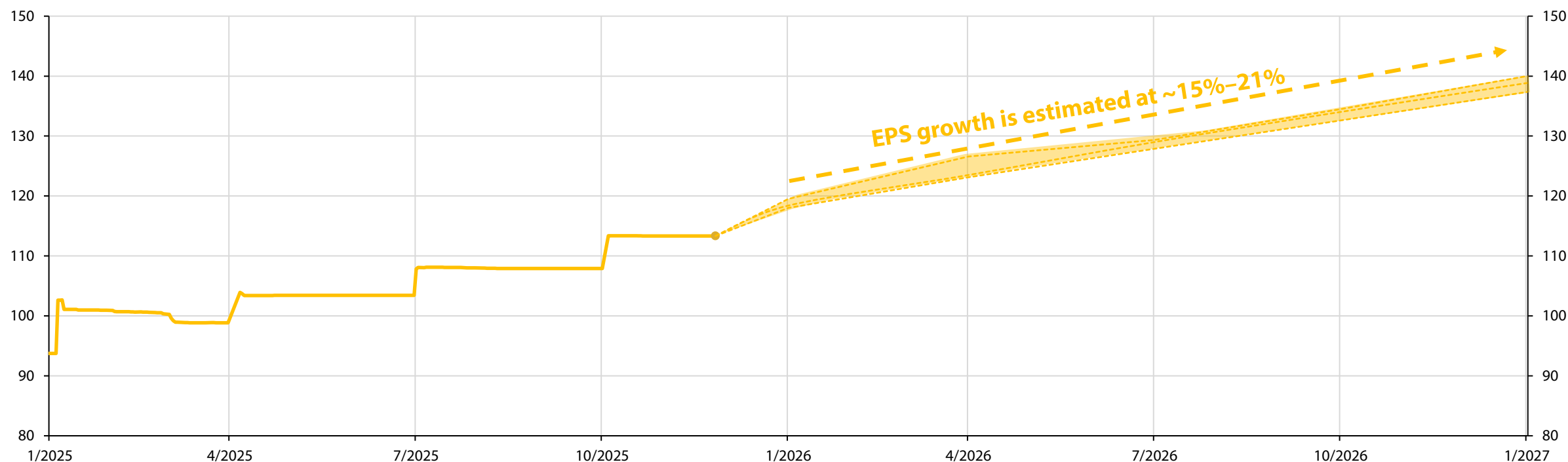


Source: Bloomberg, RongViet Securities compiles

We forecast **VN-Index 2026 EPS at VND 137–140, implying +15% to +19% YoY growth.**

- Under our **top-down framework**, incorporating **GDP growth, credit expansion, asset turnover, and margin assumptions**, 2026 EPS is estimated to rise **15.3% YoY to around VND 139.**
- Based on **VDSC’s research** coverage universe, average EPS growth is estimated at approximately **+16.2% YoY.**
- In addition, using a **bottom-up approach** based on market consensus data, we estimate broad-market EPS growth could reach **~19% versus estimated 2025 EPS.**

12–14 Month EPS Forecast Scenarios – “Top-Down” vs. “Bottom-Up” Perspectives



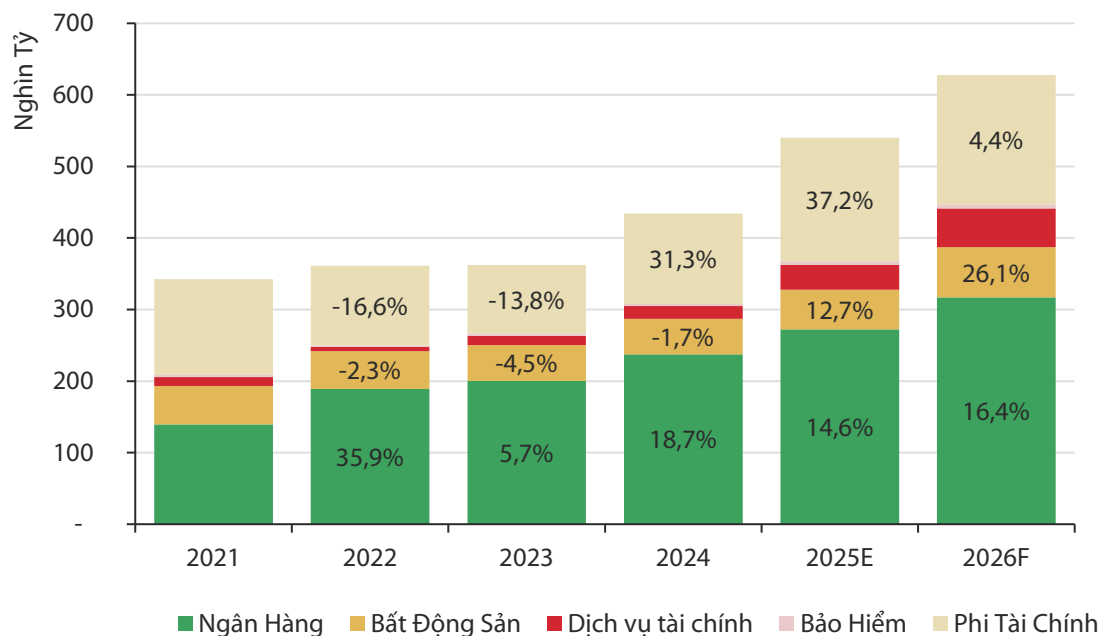
Source: Bloomberg, RongViet Securities compiles

We expect financials, including banks, securities brokers, and insurers, to remain the primary engine of market-wide earnings growth in 2026, as the economy continues to require substantial funding to support broad-based investment and consumption. Within the complex, banks are set to be the key contributor, with sector profit growth estimated at around +16.4% YoY.

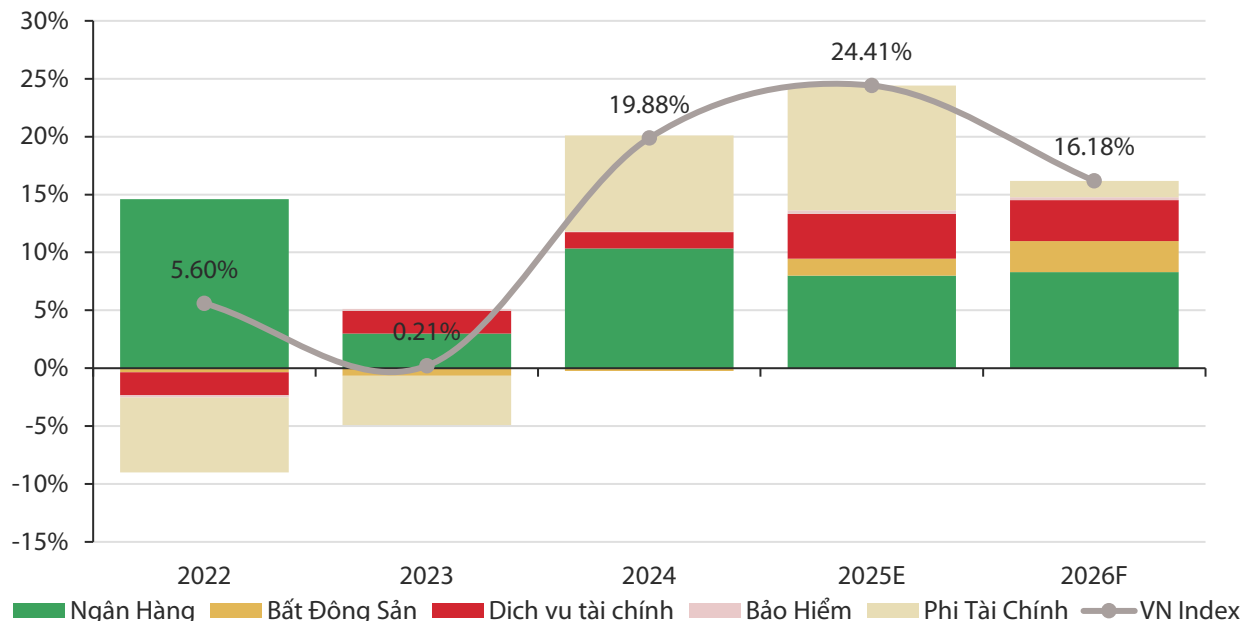
In contrast, the non-financial universe is projected to deliver revenue growth broadly in line with macro expansion, but margin compression remains the base-case risk in the absence of meaningful one-off income. Accordingly, NPAT attributable to parent shareholders for non-financials is estimated to rise by only ~4.4% YoY.

Real estate stands out as a notable outperformer in our view. Beyond the cyclical tailwind from assumed asset price appreciation, the ongoing resolution of legal bottlenecks over the past two years has supported a recovery in project rollout, construction activity, and presales in 2025, building a pipeline for continued sales, handovers, and revenue recognition in 2026. On our estimates, sector earnings could rise by around ~26.1% YoY

NPAT attributable to parent shareholders by sector, scale and YoY growth



Contribution of Industry Groups to the Growth of NPA-MI of the VN-Index

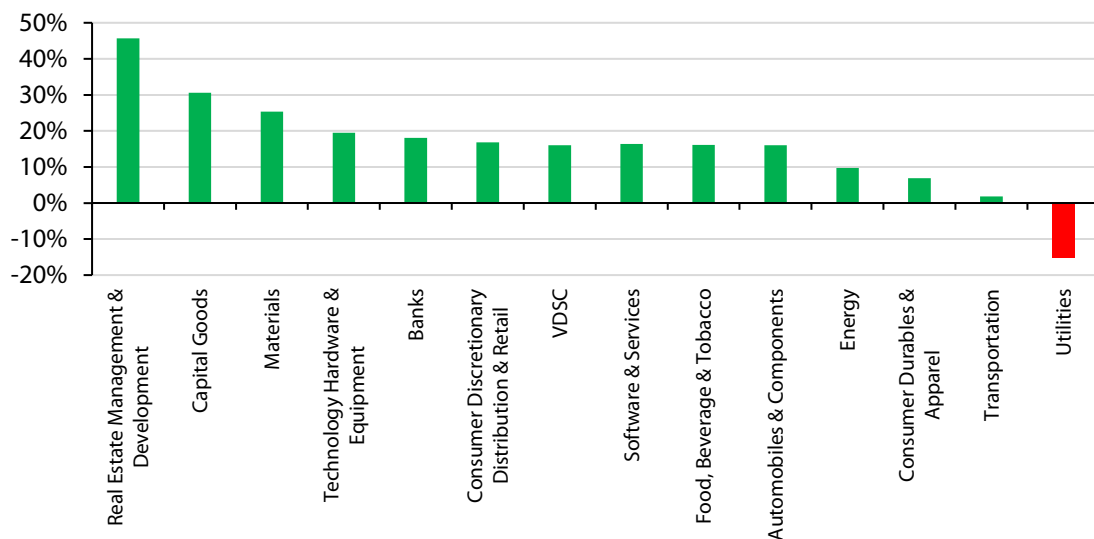


Source: Bloomberg, RongViet Securities compiles

VDSC's research coverage universe represents approximately 62% of total market capitalization. Within this universe, banking stocks account for about 83% of the sector's market cap, while non-financials represent roughly 62% of their sector market cap. In contrast, real estate names in our coverage capture only ~17% of the sector's market cap.

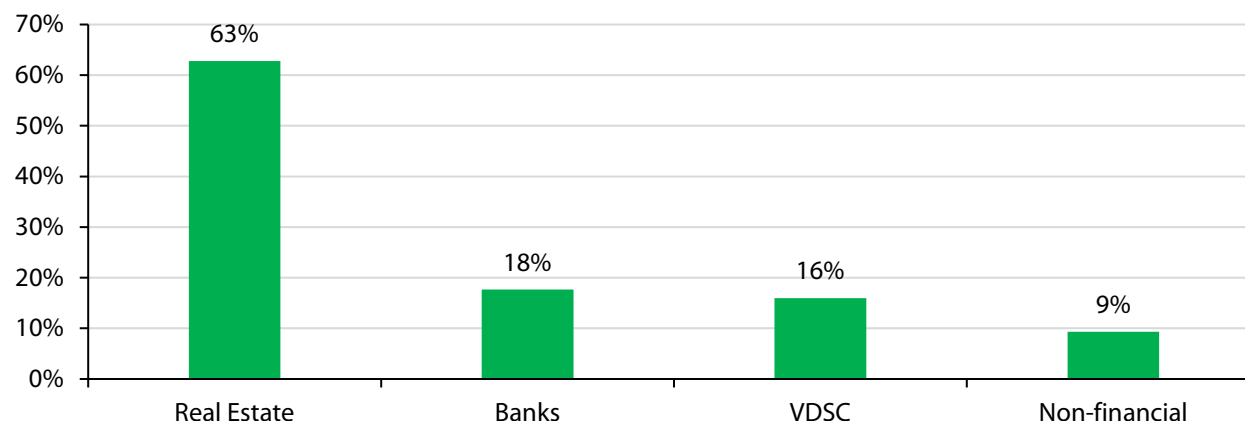
This coverage composition is a key driver behind the material divergence between the earnings-growth picture implied by our coverage-based (bottom-up) aggregation and the results derived from our top-down approach.

2026 NPAT attributable to parent shareholders (NPAT-MI) growth



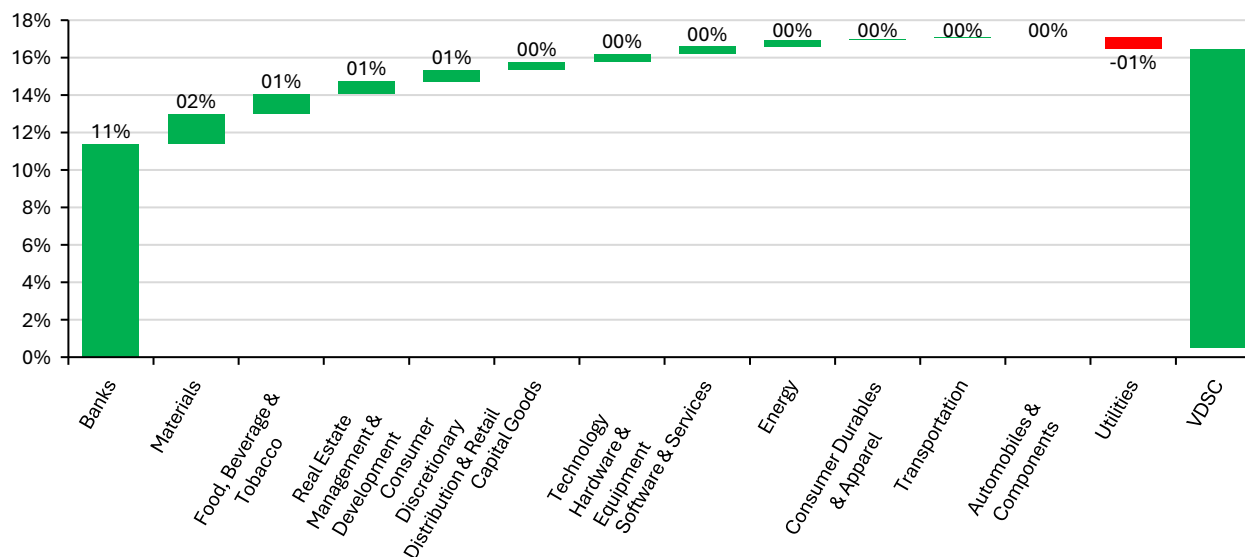
Source: RongViet Securities compiles

2026 NPAT-MI growth



Source: RongViet Securities compiles

Sector contributions to the overall 2026 NPAT-MI growth profile.



Source: RongViet Securities compiles

Detailed revenue and net profit forecasts for stocks in VDSC’s research coverage universe

2026 Forecast: Revenue Growth and NPAT-MI by Sector

No.	Sector	Stock	Revenue growth		NPAT-MI growth		2026 P/E forward	2026 P/B forward	2026 ROE
			2025 E	2026F	2025 E	2026F			
	VDSC’s portfolio		9.2%	14.2%	17.9%	16.1%			
1	Banking	BID, CTG, VCB, MBB, TCB, VPB, ACB, HDB, VIB, OCB, SHB, TPB, LPB	9.5%	14.5%	15.2%	17.7%	7.0	1.3	15.5
2	Industrial Park	LHG, SIP, KBC, NTC	39.8%	39.3%	96,00%	33,00%	8.7	1.4	20.7
3	Industrial Real Estate & Rubber	DPR, PHR, TRC	8.7%	6.1%	32.1%	108.6%	4.5	1.2	49.8
4	Residential Real Estate	KDH, NLG, HDG, TCH	-2.5%	32.8%	44,00%	78.9%	8.1	1.2	13.4
5	Fertilizers	BFC, DPM, DDV, DCM	27.6%	4.1%	61.8%	4.2%	7.5	1.5	15.3
6	Chemicals	DGC	14.9%	-31.6%	14.8%	-46.7%	12.7	1.6	19.5
7	Oil & Gas Services	PVS, PVD	30.2%	17.3%	21.9%	48.3%	11	1.0	12.9
8	Oil & Gas Transportation	PVT	38.3%	6.9%	-10.5%	8.5%	8.2	0.8	9.1
9	Gas Distribution	GAS	4.6%	7.2%	26.5%	-12.2%	14.7	2.4	19.4
10	Petroleum Distribution	PLX	-0.5%	4.4%	-7,00%	9.1%	15.4	1.7	9.3

Source: RongViet Securities compiles

2026 Forecast: Revenue Growth and NPAT Attributable to Parent Shareholders by Sector

No.	Sector	Stock	Revenue growth		NPAT-MI growth		2026 P/E forward	2026 P/B forward	2026 ROE
			2025 E	2026F	2025 E	2026F			
11	Food & Beverage	QNS, VNM, SAB, MCH	-3.4%	6,00%	-9.1%	7.3%	13.9	3.2	20.3
12	Retail	PNJ, MWG, FRT, HAX, DGW, MSN	11.5%	21.7%	58.6%	23.9%	18.7	2.7	17.2
13	Auto parts	DRC	8.2%	14.6%	-47.8%	21.9%	15.2	1.1	3.9
14	Steel & Coated Steel	HPG, HSG, GDA, NKG	11.3%	20.5%	40.9%	30.7%	9.5	0.9	7.4
15	Plastics	BMP, NTP	15.4%	10.0%	29.5%	9.3%	10.5	3.7	47.8
16	Stone	VLB, CTI, NNC	10.6%	7.5%	32.5%	25.2%	8.8	2.8	24.8
17	Concrete	THG	25.2%	25.3%	27.4%	44,00%	5.5	1.8	29.4
18	Aviation Services	ACV, SCS	6.7%	9.2%	-3.6%	0.6%	12.0	2.7	22.3
19	Seaports	GMD, VSC	7.6%	7.4%	8.9%	0.1%	20.7	1.7	9.6
20	Maritime Transportation	HAH	28.8%	2.6%	79.2%	15.9%	7.4	1.5	29.5
21	Seafood	FMC, VHC, ANV	21.7%	6.4%	86.9%	14.9%	6.4	1.3	24.6
22	Textiles & Garments	TNG, MSH	4.7%	4.9%	25.5%	4.2%	6.4	1.2	16.2
23	Electricity	REE, POW, NT2, GEG, PC1	20.1%	29.7%	88.1%	-17.0%	14	0.9	7.2
24	Tech & Telecom	FPT, VGI	15.4%	14.7%	20,00%	17.8%	19.6	4.1	18.2

Source: RongViet Securities compiles

Based on Bloomberg consensus—aggregating forecasts from sell-side analysts—VN-Index 2026 EPS (compiled on a bottom-up basis) is derived from projections for 117 stocks representing roughly 88% of market capitalization and 86% of total NPAT attributable to parent shareholders. **The consensus implies ~19% EPS growth versus estimated 2025 EPS, taking VN-Index EPS to around VND 140 per share.**

Vn-Index: revisions in forecast EPS vs. Actual outcomes (2020–2025E)



Source: Bloomberg, RongViet Securities compiles
 Year-end EPS figures reflect final actual outcomes after the release of 4Q results.
 LTM EPS: trailing 12-month earnings per share.

Market consensus: 2026 NPAT-MI growth estimates

Sector	Sample stocks (consensus set)	2026E YoY %
Consumer services	VPL	74%
Transportation	VJC, VTP, HVN, HHV, GMD, HAH, SCS, VSC, VIP	31%
Materials	NKG, PHR, HPG, HSG, DPM, TRC, DGC, GVR, DHC, ACG, BFC, HT1, DHA, DCM, DPR	25%
Insurance	BVH, BMI, MIG	25%
Autos & components	DRC, PAC	24%
Consumer durables retail & distribution	FRT, MWG, AST, HAX	23%
Financial services	TCX, SSI, HCM, VND	22%
Technology hardware	DGW	21%
Energy	PVD, BSR, PVT, PLX	20%
Banks	HDB, MBB, TCB, CTG, VIB, OCB, ACB, VPB, TPB, VCB, BID, STB, EIB, LPB, MSB	17%
Non-financials & real estate		16%
Software & IT services	CMG, ELC, FPT	16%
Food, beverage & tobacco	BAF, MSN, PAN, FMC, VHC, IDI, VNM, SAB, ANV, DBC	13%
Commercial & professional services	TLG	13%
Real estate	DXG, KBC, NTC, KDH, NLG, VHM, DXS, SIP, VIC, LHG, VRE, BCM, PDR, NVL	12%
Pharmaceuticals	IMP, DHG, DBD, TRA	12%
Consumer staples	PNJ, PTB, TCM, MSH	11%
Personal & household goods	LIX	9%
Capital goods	TV2, DPG, HDG, CTD, VGC, GEX, PC1, CTR, REE, SZC, BMP, IJC, VCG	-3%
Utilities	PPC, BWE, VSH, GAS, NT2, TDM, POW, GEG	-3%
Healthcare	TNH	-106%

Source: Bloomberg, RongViet Securities compiles

We revise **DOWN** our target P/E range for the VN-Index over the next 12–14 months to **12.5x–14.5x** (vs. our latest update on 31 Oct 2025), reflecting a more balanced assessment between valuation supports and downside risks.

On the **supportive side**, we expect foreign flows to improve as: (1) the **Fed** still has room to cut rates toward ~3.25%, enhancing the relative appeal of emerging-market risk assets into year-end; (2) **foreign ownership** in Vietnam has fallen to multi-year lows; and (3) Vietnam is moving closer to **potential inclusion in the FTSE Emerging Market basket**, which could trigger early positioning flows from the start of the year. Domestically, while monetary policy has limited room to ease further, **expansionary fiscal policy**, via faster public-investment disbursement and **more active** State Treasury cash management, remains a policy lever that can support system liquidity and reduce the risk of abrupt upward rate shocks.

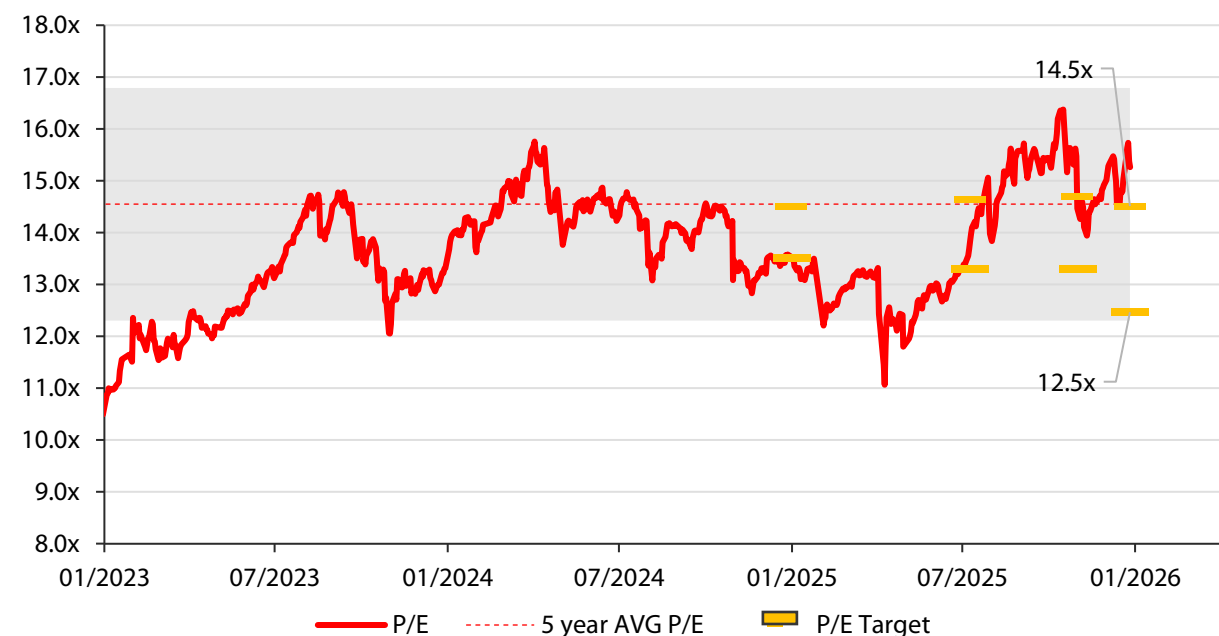
On the downside, **potential valuation drags** include: (1) **heightened geopolitical risks** in an increasingly polarized environment, which could generate negative shocks and weaken sentiment; (2) **elevated policy uncertainty** under the Trump administration, with the potential for unpredictable reactions across global capital markets; (3) **FX and rate risks** should the Fed delay easing, pressuring the VND and forcing a more cautious domestic stance, while large funding needs could push rates higher than expected and trigger broad-based portfolio rebalancing; and (4) **correction** risk in large-cap, **high-P/E names** if earnings growth disappoints versus expectations.

Market P/E framework (headline valuation view)

	Current	Bear	Base	Bull
Expected return – Foreign investors		8.10%	7.40%	6.90%
Expected return – Domestic investors		7.20%	7.20%	7.10%
Weighted-average expected return	6.60%	8.00%	7.40%	6.90%
Implied P/E	15.3x	12.5x	13.6x	14.5x
Percentile	65 th	26 th	42 nd	57 th
Expected probability		25%	50%	25%
Target P/E		13.5x		
Percentile		42 nd		

Source: Bloomberg, RongViet Securities compiles

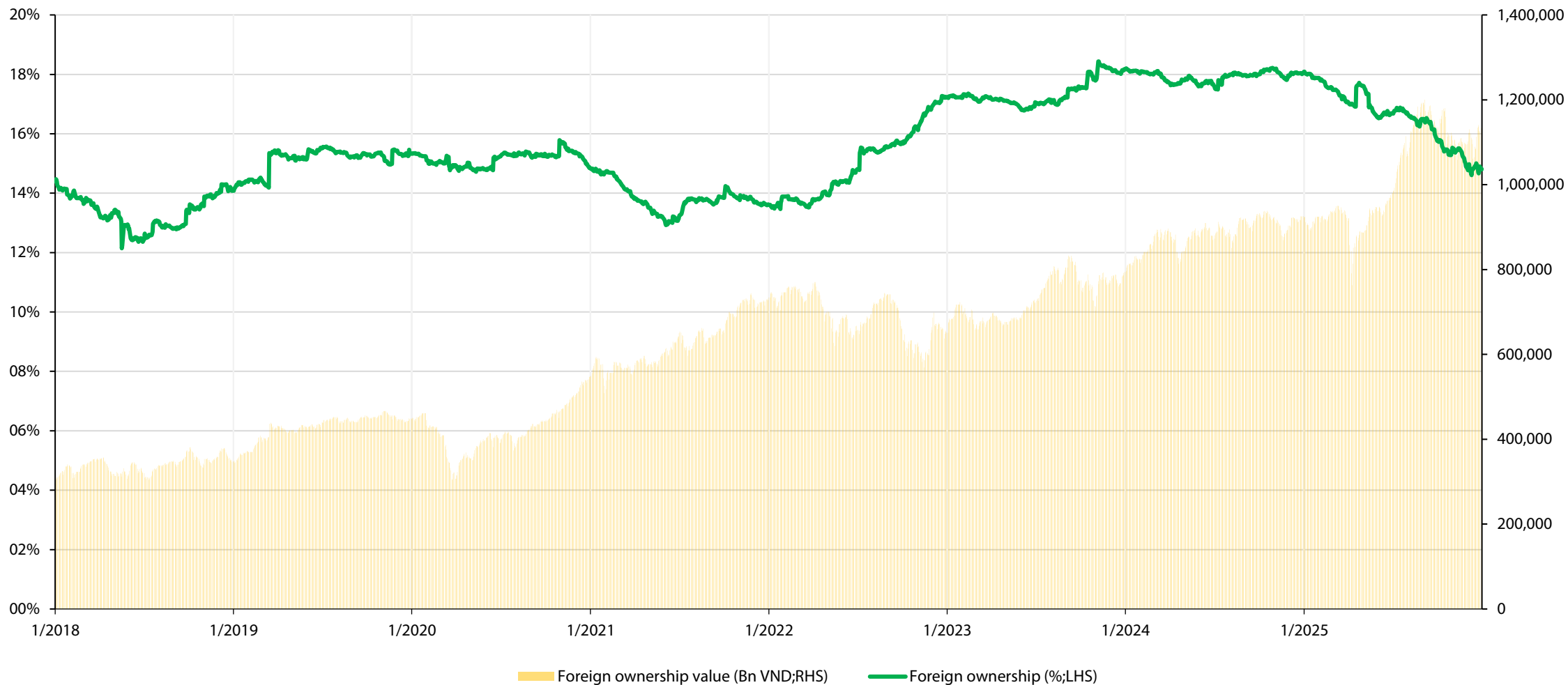
Target P/E range for the next 12–14 months



Source: Bloomberg, RongViet Securities compiles

(*) The shaded area represents a ± 1 standard-deviation band around the 5-year average

The foreign investor ownership ratio is declining to its lowest level in the past 3 years, while the value of holdings remains at a high level. This trend primarily reflects the continued heavy weighting of foreign investors in the financial sector, particularly banks—a sector that has recorded stable and superior investment performance in recent years.



Source: Bloomberg, RongViet Securities compiled

The P/E distribution indicates that the market is "cheap by the majority but expensive by index": most stocks are in the low-to-average P/E range, yet market capitalization has shifted heavily toward the very high P/E group, pushing up the Index P/E. From 2H2025, the group with P/E >30x saw a strong increase in capitalization (from about 9% to ~27%) despite no corresponding rise in the number of stocks, reflecting a narrow "rerating" phenomenon among large-cap stocks. The main driver is the VIC-VPL-VRE-VHM group: by the end of 2025, this group accounted for ~24% of market capitalization but contributed low profits due to extremely high P/E ratios for VIC and VPL (VIC ~135x, VPL ~400x), creating a "valuation tail" and making the Index P/E significantly higher than the rest of the market.

Market Capitalization Distribution by Valuation Zones

P/E Range	12/31/2024			3/31/2025			4/8/2025			6/30/2025			9/30/2025			12/26/2025		
	Index P.E Forward	# Stocks	%Total Market cap	Index P.E Forward	# Stocks	%Total Market cap	Index P.E Forward	# Stocks	%Total Market cap	Index P.E Forward	# Stocks	%Total Market cap	Index P.E Forward	# cổ phiếu	%Tỷ trọng vốn hóa	LTM Index P.E	# Stocks	%Total Market cap
<2		56	2%		36	1%		37	1%		46	2%		39	1%		29	1%
2-4		4	0%		3	0%		3	0%		4	0%		4	0%		6	0%
4-6		9	1%		9	2%		22	9%		17	4%		14	0%		17	0%
6-8		38	16%		31	13%		47	17%		33	7%		35	6%		46	6%
8-10		39	11%		47	15%		50	14%		47	16%		41	11%		65	13%
10-12		35	9%		47	11%	11.2	43	4%		46	10%		44	6%		38	12%
12-14	13.4	40	9%	12.9	36	7%		43	23%	13.6	36	11%		34	15%		32	9%
14-16		25	16%		41	19%		29	5%		24	13%	15.4	30	17%	15.7	32	10%
16-18		22	9%		20	4%		11	5%		28	4%		23	6%		23	12%
18-20		17	2%		15	6%		11	5%		15	3%		12	4%		15	2%
20-22		13	2%		8	1%		12	1%		12	4%		19	3%		7	2%
22-24		9	1%		9	6%		5	1%		15	4%		20	5%		13	5%
24-26		4	0%		8	1%		4	3%		12	4%		7	1%		9	1%
26-28		7	2%		6	1%		7	1%		4	1%		7	2%		3	0%
28-30		12	6%		5	0%		9	2%		4	0%		3	0%		6	0%
>30		70	14%		79	14%		67	9%		57	16%		68	21%		59	27%
VIC	16.07		3%	18.6		4%	17.70		4%	33.4		6%	49.82		9%	134.7		15%
VPL	0.00		0%	0.0		0%	0.00		0%	426.2		3%	626.14		2%	399.4		2%
VRE	9.56		1%	10.6		1%	9.71		1%	13.4		1%	16.57		1%	14.9		1%
VHM	7.93		3%	6.6		4%	6.07		4%	9.4		5%	14.00		6%	17.0		6%

Source: Bloomberg, RongViet Securities

Regulatory reforms taking effect from 2026 are set to enhance transparency and standardization across Vietnam’s equity market, as the market enters the final sprint toward the FTSE upgrade milestone effective on 21 September 2026. Looking ahead, the FTSE Russell review in March 2026 will be pivotal, with Vietnam needing to demonstrate that a workable global brokerage model is operational, enabling foreign investors to fully exercise trading choice.

	Legal document	Effective date	Key change
Market standardization	Law No. 56/2024/QH15	01/01/2026	Public company eligibility tightened with an additional equity threshold of ≥ VND 30bn (alongside existing charter capital and shareholder base requirements)
Market products	Circular No. 115/2025/TT-BTC	28/01/2026	Updated documentation, templates, and end-to-end procedures for treasury share buybacks, re-issuance under the new framework
	Circular No. 122/2025/TT-BTC	06/02/2026	New covered warrant guidance, introducing tighter controls on issuance size and reinforcing issuer obligations.
Enforcement & supervision	Decree No. 306/2025/ND-CP	09/01/2026	Enhanced sanctioning framework and remedial measures for securities issuance, disclosure violations, and corporate bonds, plus additional enforcement tools.

CCP development roadmap	Q1.26	Q2.26	Q3.26	Q4.26	Q1.27	Vietnam Stock Market Upgrade Program (2026–2030)	2026	2027	2028	2029	2030
Accounting regulation updates						Remove the pre-funding requirement for share purchases					
Subsidiary establishment						Implement the Omnibus Trading Account (OTA) mechanism					
Payment regulation updates						Upgrade trading and post-trade clearing/settlement systems					
Declaration readiness						Strengthen supervisory capacity and risk governance					
Main operational workflow						Review the legal framework on foreign ownership limits (FOL)					
						Develop a Central Counterparty (CCP) clearing model					
						Expand tradable products (trading mechanisms, instruments, etc.)					

Source: LSEG, SSC, Decision No. 3761/QD-BTC, RongViet Securities compiles. Yellow indicates the expected implementation time.

Circular No. 99/2025/TT-BTC, effective from 1 January 2026, revises Vietnam's corporate accounting standards with a focus on stronger transparency and greater alignment with international practices (IFRS). While the changes are unlikely to materially affect reported revenue, we expect a mild downside bias to net profit, driven by higher provisioning requirements and a more conservative expense recognition framework.

Sector	Key accounting line-item changes	Revenue / NPAT impact
Real estate	<ul style="list-style-type: none"> Reclassify liabilities by maturity/repayment cycle (ST debt ↑ / LT debt ↓) Investments may be reclassified depending on substance Receivables/deposits provisioning under aging rules may ↑ 	<ul style="list-style-type: none"> Revenue: unchanged NPAT: down if receivables provisions ↑; may turn more volatile if profit recognition for business cooperation/JV-type contracts is adjusted (Q4'25: limited; 2026: clearer).
Construction	<ul style="list-style-type: none"> Enhanced disclosure + reclassification of receivables by project progress. maturity Aging-based provisions may ↑ (especially long-duration projects) 	<ul style="list-style-type: none"> Revenue: unchanged. NPAT: down if provisions ↑; quarterly volatility from one-off reclassification/transition adjustments.
Manufacturing (consumer, textiles, industrial, etc.)	<ul style="list-style-type: none"> Standard costing adoption → COGS may ↑/↓ vs actual cost Periodic repair, maintenance: no longer accrued upfront, recognized, allocated after incurred → expense timing volatility Stricter aging may lift receivables provisions 	<ul style="list-style-type: none"> Revenue: unchanged. NPAT: more volatile driven by COGS and maintenance expense timing.
Retail	<ul style="list-style-type: none"> Unearned revenue, contract liabilities may ↑ Receivables provisions may ↑ 	<ul style="list-style-type: none"> Revenue: unchanged. NPAT: down if provisions ↑.
Ports–Transport–Aviation	<ul style="list-style-type: none"> Shift from accruals to incur then allocate → costs swing more with maintenance schedule FX differences largely routed to equity 	<ul style="list-style-type: none"> Revenue: unchanged. NPAT: quarterly volatility from maintenance; FX translation typically does not change NPAT.
Energy	<ul style="list-style-type: none"> Repair, maintenance costs more timing-volatile Tighter disclosure on restricted cash, cash equivalents 	<ul style="list-style-type: none"> Revenue: unchanged. NPAT: fluctuates with maintenance cycle.
Agriculture	<ul style="list-style-type: none"> Biological assets may be remeasured Related provisions may ↑ Inventories, COGS may be affected by standard costing 	<ul style="list-style-type: none"> Revenue: unchanged. NPAT: higher volatility due to estimates and provisioning.
Technology	<ul style="list-style-type: none"> Unearned revenue may ↑ Equity volatility from FX translation differences 	<ul style="list-style-type: none"> Revenue: unchanged. NPAT: mild timing-driven volatility (revenue/cost recognition shift); FX translation usually does not change NPAT.

Source: Circular No. 99/2025/TT-BTC, RongViet Securities compiles

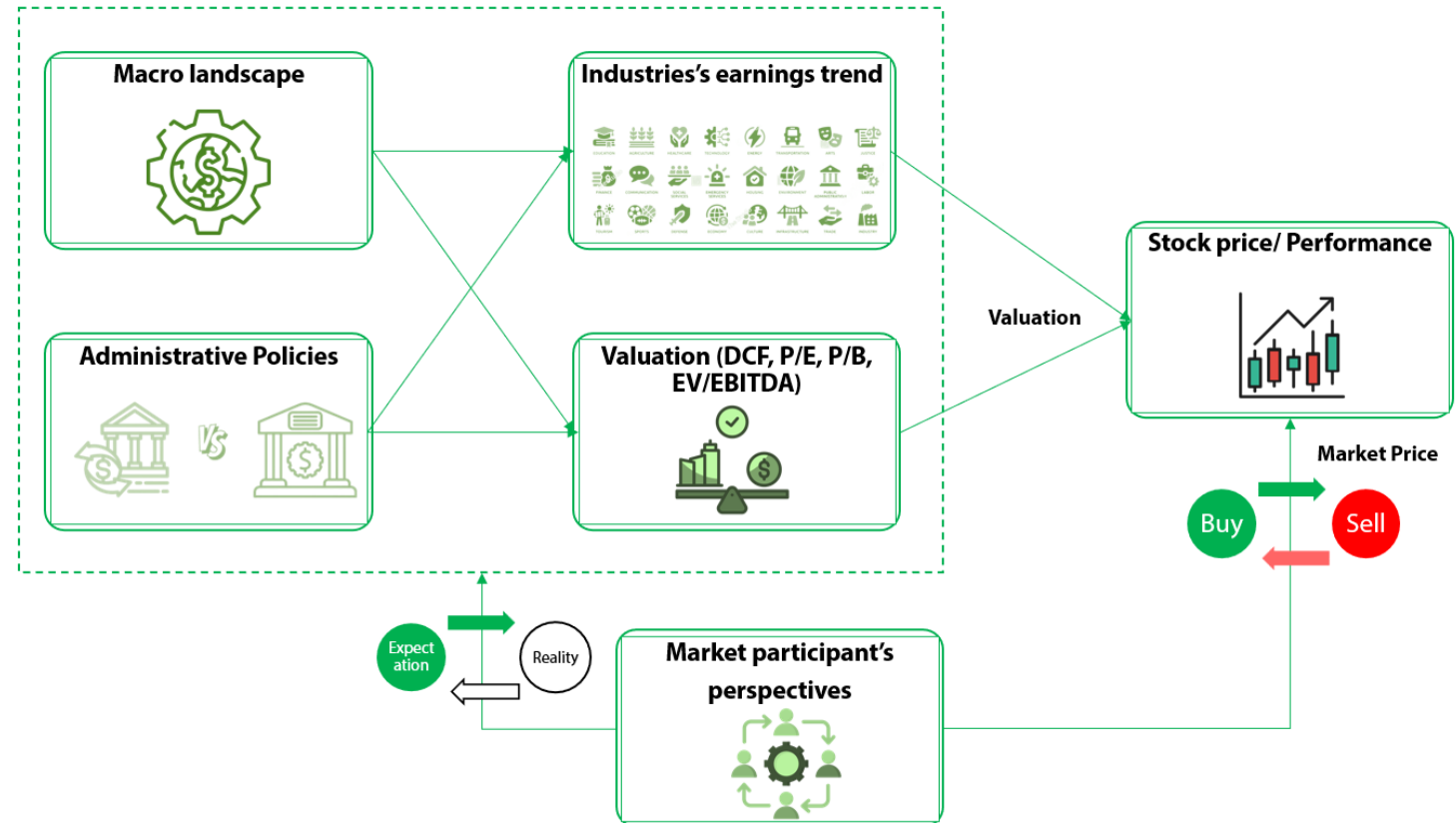
Our investment strategy message for the period ahead centers on:

- Market remain attractive when viewed through its fragmented landscape
- Building a sustainable long-term investment plan
- Diversifying the portfolio
- Rebalancing allocations periodically
- Continuously monitoring and reassessing key risk factors
- Capturing structural trends and time-sensitive market opportunities



The external backdrop is expected to remain broadly supportive, with global growth holding up, tariff pressures easing and foreign-exchange risks gradually fading into year-end. Domestically, policy settings continue to tilt toward pro-growth priorities—**stable monetary conditions, an expansionary fiscal stance** and **institutional reforms** aimed at removing structural bottlenecks. Against that base, earnings growth is expected to stay constructive across both financial and non-financial sectors.

On valuation, the market's headline P/E of 15.4x is skewed by VIC's outsized index weight, making it a less reliable gauge of aggregate valuation. Excluding VIC, the market P/E drops to about 13.6x—suggesting a more reasonable entry point for opportunity hunting. Overall, **we retain a positive long-term view and recommend accumulation for 2026**, with opportunities concentrated in (i) sectors directly leveraged to accelerating earnings growth and (ii) names that could see selective re-rating as asset yields remain attractive relative to historical discount rates, while operating fundamentals stay stable.



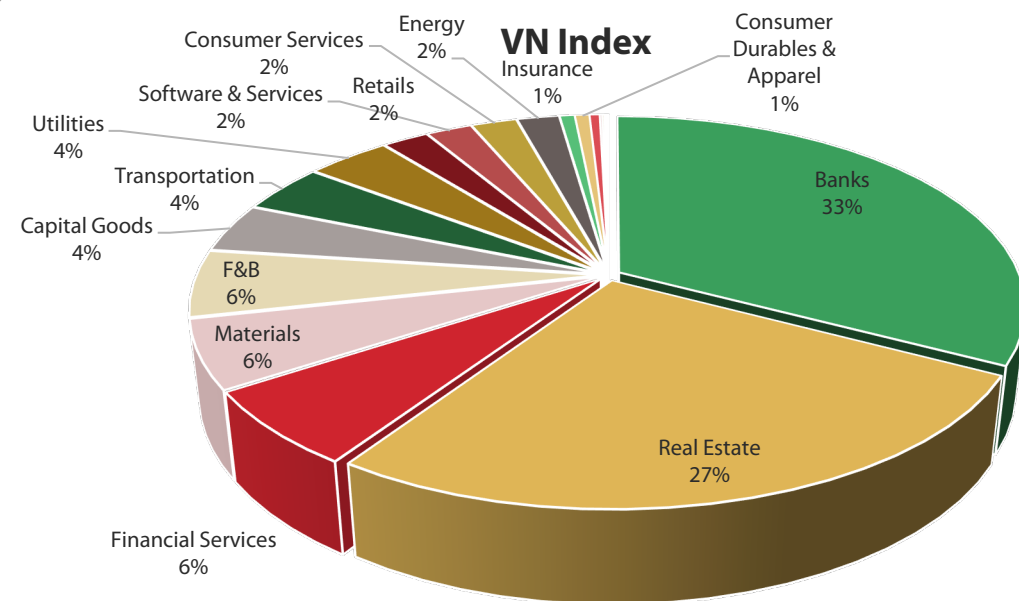
Building a structured investment plan helps investors improve their odds of success and stay anchored to a long-term objective—even through volatile market phases. In our view, an effective plan should prioritize: (1) short-term liquidity and (2) a feasible asset-allocation framework that supports long-term financial goals.

- **Liquidity management.** We recommend maintaining a sufficient buffer to cover near-term needs—daily expenses, upcoming debt repayments, and short-term financial plans. This portion should be allocated to cash and/or short-duration fixed income to preserve stability during market drawdowns. A disciplined approach—drawing down as planned and replenishing during market weakness—can enhance long-term outcomes by reducing forced selling risk and improving entry points.
- **Long-term financial objectives.** Risk assets such as equities, fund units, and real estate typically offer higher long-run returns, making life-cycle financial goals more achievable. While investors may face short-term “macro headwinds,” asset values tend to revert to reflecting their underlying economic benefits as these “macro anchors” fade. Accordingly, capital earmarked for lifetime goals should be deployed with a long horizon and a clear strategic framework. We favor a well-diversified portfolio across multiple high-potential sectors, balancing long-term return potential with portfolio resilience.

Priority order of key factors in building a financial investment plan



Source: RongViet Securities compiles



Beyond diversifying across asset classes, investors should also adopt a disciplined approach to equity portfolio construction. Sector diversification helps: (1) reduce concentration risk in any single industry, (2) capture different growth cycles across sectors, and (3) smooth portfolio returns during periods of market volatility.

In practice, an efficient equity portfolio typically comprises **10–20 stocks**, broad enough to mitigate idiosyncratic (single-name) risk, yet still manageable for ongoing monitoring, research, and timely decision-making. That said, the optimal number of holdings should be tailored to an investor's **risk appetite and capital base**, with flexibility to scale exposure up or down in line with objectives and execution capacity.



Rebalancing is the process of resetting portfolio weights when allocations drift away from the original strategy—particularly critical for listed equity portfolios. The objective is to **maintain the intended risk profile** and prevent any single stock from becoming an outsized position (e.g., after a sharp price rally that increases overall portfolio risk).

Key benefits of rebalancing include: **more effective risk control, systematically buying low and trimming high, reinforcing investment discipline, and reducing single-name dominance.** As a result, investors can **improve long-term risk-adjusted outcomes while staying aligned with their stated financial objectives.**

Price volatility is an inherent feature of equity markets. Idiosyncratic risk, such as sector-specific moves or company-level shocks, can be **mitigated through diversification**. By contrast, **systemic (market) risk** impacts the broader market and **cannot be eliminated simply through asset allocation**.

Systemic risk is typically driven by macro forces such as economic downturns, political instability, policy shifts, abrupt interest-rate adjustments, natural disasters, or global crises. To **manage this risk**, investors should:

1. **Identify risk factors early** and closely monitor their evolution.
2. **Assess both probability and severity**, distinguishing temporary shocks from structural regime shifts.
3. **Proactively prepare hedging tools and response frameworks**, for example:
 - Raising dry powder when the probability of a risk event rises materially; and/or
 - Using index futures to hedge downside without fully liquidating core equity holdings.

Market risk often has the strongest impact in the short term, but markets tend to **normalize over time**. Maintaining a long-term, **fundamentals-driven view** helps investors rebalance more effectively during volatility and avoid emotionally driven decisions when risks prove localized or transient.



INVESTMENT THEMES IN 2026

1

**THEME 1:
MATERIALS FOR
THE HIGH-
GROWTH ENGINE**

2

**THEME 2:
FOLLOWING THE
TECTONIC FLOW**

3

**THEME 3:
THE CONSUMER
RACE IS HEATING
UP**

Achieving high economic growth targets for the 2026–2030 period requires large-scale capital investment...

- To realize the target of average GDP growth of 10% per year during 2026–2030, total social investment capital demand is estimated at approximately 35 quadrillion VND for this period, corresponding to a compound annual growth rate (CAGR) of 15%. The private sector, identified as one of the main pillars of growth, is expected to account for 55–60% of total investment capital.

- Data for 2024 shows that bank credit is meeting about 80% of the private sector's capital needs. Given Vietnam's economy's characteristic reliance on credit, this will remain the primary capital supply channel for the economy, at least during 2026–2027. We estimate average credit growth for this period at 18% to meet economic demand, corresponding to outstanding loans of nearly 25.8 quadrillion VND and a credit-to-GDP ratio potentially reaching 170%.

- A high credit-to-GDP ratio could make sustained high economic growth difficult, with economic crises becoming an unavoidable risk. Therefore, alongside bank credit, the development of the capital market (equities and bonds) needs to be prioritized to share the burden of medium- and long-term capital mobilization with the banking system.

... promising a long-term favorable cycle for the financial sector and financial services

- Banks will become a pillar of the new growth cycle through asset scale expansion, growth in net interest income, and their role in financing major economic investment projects.

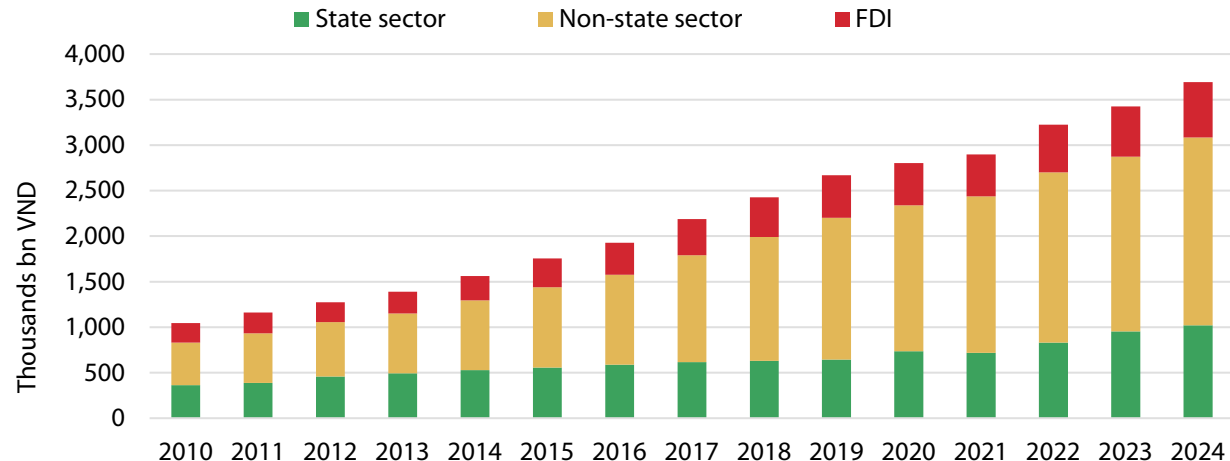
- The capital market, through securities companies and financial institutions, will play an important intermediary role in mobilizing equity and bond capital, improving capital allocation efficiency. This promises opportunities to increase stock market liquidity, boost investment banking activities, brokerage, margin lending, and asset management.

We select banks with strong capital foundations, corporate lending capabilities, and the ability to adapt to the Government's capital allocation orientation

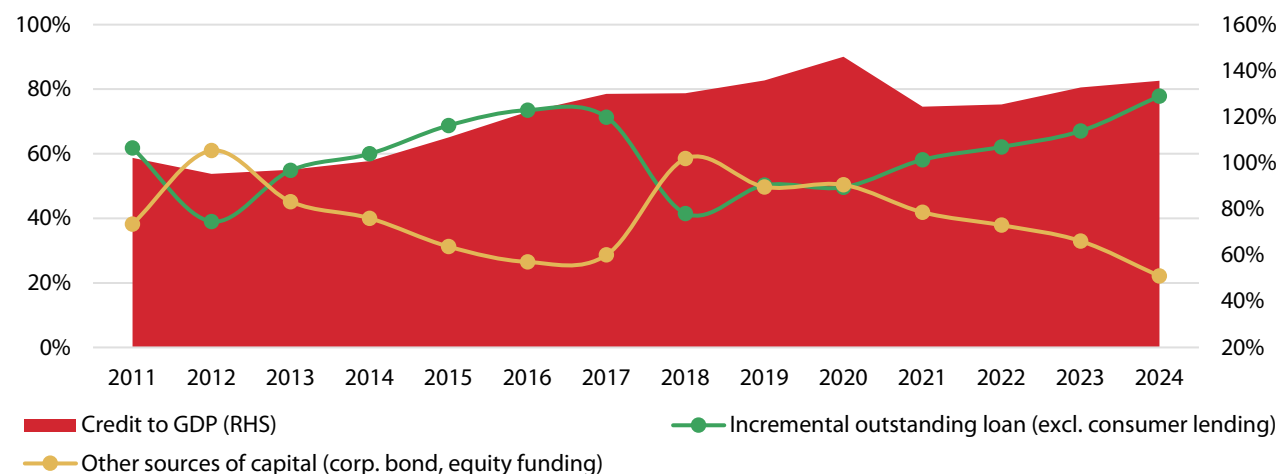
- Banks: **VCB, CTG, BID, MBB, TCB**

- Securities: **TCX**

The non-state economic sector has contributed over 55% of total social investment capital since 2018



The proportion of bank capital in total private investment capital continues to show an upward trend. The credit outstanding-to-GDP ratio is approaching the IMF's warning level.



Source: GSO

Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividen d in next 12M (VND)	Upside (%)	Total income YoY %		NPAT YoY %		ROE %		P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
CTG	35,200	41,500	0	18%	5.5	11.5	23.5	22.4	19.5	20.1	1.6	1.3	8.2	7.1	<p>Medium- and long-term credit is expected to grow favorably, driven by public investment, real estate, FDI, and production/business activities. Growth is forecasted at 17-18%, with NIM expanding by 10bps each year in 2026F-27F.</p> <p>The driver of Tier 1 capital enhancement through retained earnings strengthens the attractive profit growth outlook. The improving NPL trend indicates that asset quality is under control, therefore credit costs are expected to continue declining by 10bps each year in 2026F-27F, alongside more proactive plans for off-balance sheet NPL recovery. This contributes to forecasted PBT growth of 22%/24% YoY in 2026F/27F.</p>
VCB	57,100	69,800	0	22%	6.3	15.4	8.8	14.1	17.5	17.5	2.1	1.9	13.6	11.4	<p>Stronger credit growth thanks to benefits from increased public investment, private investment, and FDI, enabling VCB to utilize its high (17-19%) and stable credit growth limit in 2026F-27F. Expectations of a less cautious management stance, with increased medium- and long-term credit and CASA (thanks to public investment disbursement flows), could help expand NIM (+10-20bps vs 2025F), thereby supporting income growth. Profit growth outlook accelerates from 2026F/27F, reaching 16%/16% YoY.</p> <p>Investment highlights: P/B valuation is at the lowest level in the past 3 years (2.1x); Plan to increase charter capital through private placement (6.5%), helping strengthen the already high capital adequacy ratio of 12% and maintain low cost of funding.</p>
BID	38,800	42,100	0	9%	4.1	12.0	4.8	13.5	17.2	16.9	1.7	1.5	10.3	9.3	<p>BID, as the largest state-owned bank in Vietnam by scale, plays a leading role in implementing the Government's development policies on investment and credit growth. Credit growth is expected at 13-14% due to its large scale and constraints from a low capital adequacy ratio. The orientation toward improving the capital adequacy ratio may prioritize risk-weighted asset control and asset quality management, creating potential for reducing credit costs. This will lead to a more stable outlook for income and profit growth, though at a moderate level in 2026F/27F (10-12% YoY).</p> <p>Investment highlights: Current P/B valuation (1.6x) is close to the 3-year historical low (1.5x); Plan to increase charter capital through private placement (6.5%).</p>

Growth focus through boosting social investment capital, including public investment (infrastructure, state projects) and private investment (FDI, domestic enterprises), will bring significant benefits to state-owned banks such as VCB, CTG, and BID due to their leading role in arranging and financing capital for large projects and receiving disbursement flows.

(1) Acting as the main channel for providing medium- and long-term loans to state-invested joint-stock enterprises (e.g., ACV, etc.) for project development + private enterprises developing PPP projects + working capital for enterprises in construction contractor consortia.

(2) Receiving budget investment funds into project management boards, then disbursing short-term loans to consortia and construction contractors, most of whom maintain accounts at state-owned banks, thereby helping to increase CASA for this group.

(3) In addition, these banks have high concentration in lending to core economic growth drivers such as manufacturing and business activities (67% market share among listed banks) and trade (63% market share).

Source: RongViet Securities compiles

Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividend in next 12M (VND)	Upside (%)	Total income YoY %		NPAT YoY %		ROE %		P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
MBB	24,850	30,100	300	22%	16.4	19.3	10.8	25.4	20.9	22.2	1.6	1.3	8.2	6.4	<p>Benefiting from private investment and a multi-layered ecosystem: Deep relationships with large private conglomerates, combined with a modern digital banking product ecosystem, enable MBB to capture private investment growth and maximize its high credit growth limit (30-35%) in 2026F-27F.</p> <p>Profit is forecasted to grow 27% YoY / 14% YoY for 2026F / 27F.</p> <p>Investment highlights: Current P/B valuation (1.5x) is quite attractive for a bank aiming to become one of the Big-5, with the ability to maintain ROAE above 20% thanks to favorable profit prospects and a stable cash dividend policy that does not impair CAR. Plan to increase charter capital through private placement (1%), treasury share purchases, and divestment from MCredit.</p>
TCB	33,900	43,500	0	28%	9.3	19.2	16.6	22.9	16.4	17.5	1.5	1.2	10.9	7.8	<p>TCB stands out with its close relationships with major private conglomerates such as Vingroup and Sun Group, which have plans to strongly participate in the nation's large-scale PPP infrastructure projects. With the improved PPP legal framework, the bank can easily benefit from the implementation of infrastructure projects combined with real estate development by these developers, driving credit growth of 20% in 2026F-27F.</p> <p>Profit is forecasted to grow steadily at 20% YoY for 2026F-27F.</p>
TCX	46,450	54,100	0	16%	34.5	26.6	100.0	26.6	21.3	19.1	2.5	1.9	17.4	11.0	<p>Benefiting from the capital raising demand through the corporate bond market of many large conglomerates, with its leading position in corporate bond underwriting services (excluding commercial bank bonds), with an annual issuance scale of approximately 70-80 trillion VND, accounting for 40% market share.</p> <p>With the development orientation toward a wealthtech model, TCX is expected to continue leveraging its strong investment application platform and diverse distribution channels as levers to generate profits from bond distribution and proprietary trading activities.</p> <p>The revenue streams from underwriting and distribution mentioned above will maintain a key role in TCX's profit outlook, contributing 2/3 to total operating income and projected to sustain a compound growth rate of 20% over the next 3 years. PBT for 2026F/27F is forecasted to grow 22%/18% YoY.</p>

Source: RongViet Securities compiles

Investment will be a key highlight in the 2026 economic growth landscape

- Total social investment has returned to its recovery trajectory, led by stable FDI disbursement and the accelerating pace of public investment—two drivers likely to continue playing a pivotal role in 2026. Notably, the private sector (approximately 53% of total investment) and state-owned enterprises (approximately 9%) are expected to achieve clearer breakthroughs as institutional reforms are accelerated and effectively implemented.
- Major reform initiatives have been concretized through policy systems and legal frameworks. Resolution 198/2025/QH15, which specifies Resolution 68-NQ/TW, serves as a pillar in improving the investment environment for the private sector. In parallel, reforms in state capital management under Law 68/2025 and salary reforms for state-owned enterprises under Decree 248/2025 are expected to enhance capital efficiency and operational discipline. 2026 is highly likely to mark the period when substantive results from these reforms begin to be recorded.

Following the investment flow will be a suitable approach to identify opportunities

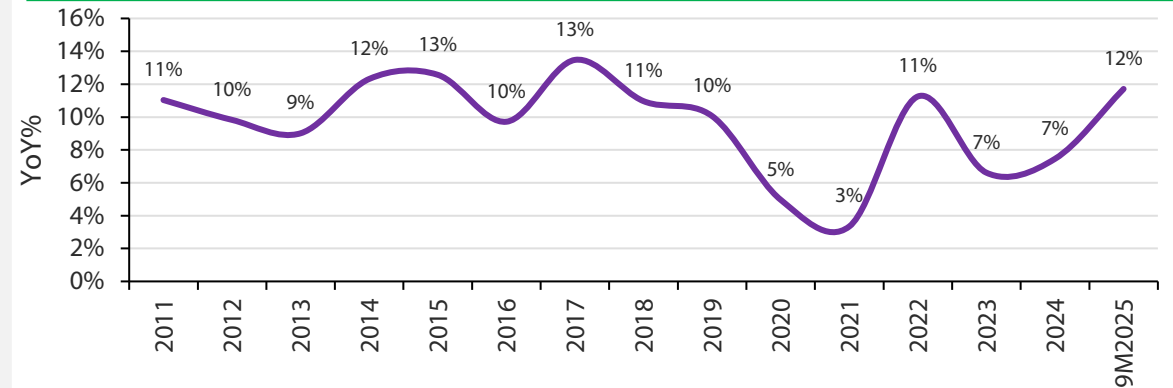
- From a direct perspective, enterprises supplying construction materials, construction contractors, and infrastructure project investors will benefit directly from the scale and implementation progress of projects.
- From an indirect perspective, the increase in investment activities and labor migration to new projects will create positive spillover effects on residential real estate values, industrial zones, and consumer demand in surrounding areas.

We select enterprises with revenue streams directly tied to the investment cycle and strong core business prospects, including:

- Construction materials: HPG, THG, BMP, CTI.
- Construction and installation: PVS, PC1, TV2.
- Industrial and energy services: PVD, PVT.
- Infrastructure and energy project investors: GEG, POW, REE, ACV.
- Production capacity expansion: HPG, THG.
- Residential and industrial real estate: KBC, SIP, PHR, KDH, NLG, TCH.

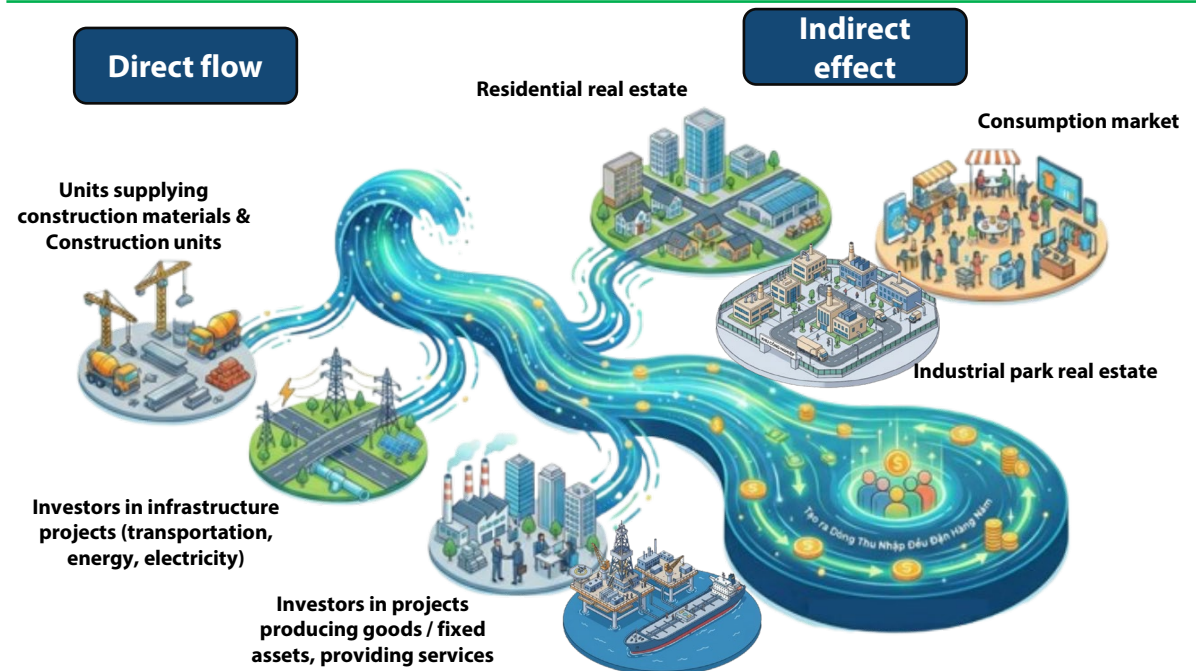
In terms of priority, we focus on enterprises with attractive valuations that have not yet fully reflected growth potential and the ability to generate returns from core operations. For enterprises with strong fundamentals but valuations that are not yet sufficiently attractive, investment opportunities will emerge during market corrections or periods of strong volatility.

Growth of Total Social Investment Capital (2011–9M/2025)



Source: GSO, RongViet Securities compiles

The Flow of Social Investment Capital



Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividend in next 12M (VND)	Upside (%)	Revenue YoY %		NPAT YoY %		ROE %		P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
HPG	26,900	33,700	0	25%	26.4	24.1	46.4	31.0	13.4	15.5	1.6	1.4	14.4	9.0	<p>•HPG's revenue for the 2025–2026 period is projected to reach approximately 175 trillion VND and 218 trillion VND respectively (+26% YoY and +24% YoY), supported by two main drivers: (1) improved domestic demand, boosting construction steel output; and (2) the DQ02 project coming online, thereby making HRC the flagship product from 2026 onward. Domestic HRC demand is assessed as remaining high due to construction needs, with the assumption that output from Dung Quất could meet about ~45% of domestic demand in 2026.</p> <p>•In the medium to long term, the trend of infrastructure development, particularly high-speed railway projects to enhance regional connectivity, is expected to create additional growth room for construction steel demand in Vietnam. With high-strength steel production capacity (from DQ02) and policy orientation prioritizing domestic materials, HPG is projected to accelerate investments in rail steel mills and high-quality steel mills during 2026–2027, thereby expanding long-term growth drivers.</p>
CTI	22,050	43,500	1,000	102%	4.9	8.7	12.5	72.5	10.0	14.2	0.9	0.9	8.5	6.8	<p>We expect CTI to benefit both directly and indirectly from the wave of investment expansion, thereby improving its business performance and cash flow in 2026 through three main drivers: (1) the Phuoc Tan real estate project – CTI Diamond Center (10.4 ha, near the interchange of the Bien Hoa – Vung Tau expressway) entering the sales phase after completing land use obligations; (2) the Thien Tan 10 quarry (permitted capacity of 900,000 m³/year) expected to commence operations after finalizing land procedures and financial obligations, while the Xuan Hoa quarry continues to record positive results thanks to high demand in the Southeast region; and (3) the construction segment maintaining stable contributions with a backlog exceeding 400 billion VND.</p> <p>From the balance sheet perspective, the compensation for the BOT project is viewed as a key catalyst. We expect the BOT National Highway 91 (Can Tho) to qualify for early contract termination and receive compensation with an estimated total value of ~1,232 billion VND, thereby enabling CTI to fully repay its loans, significantly improve its financial structure, and support valuation. According to the draft, payment is expected to be made approximately 55 days after completing the documentation and cost auditing; the company anticipates early recognition of the compensation when the Decree addressing BOT bottlenecks is in the final review stage before issuance.</p>

Source: RongViet Securities compiles

Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividend in next 12M (VND)	Upside (%)	Revenue YoY %		NPAT YoY %		ROE %		P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
THG	45,700	59,300	4,200	39%	25.2	25.3	27.4	44.0	24.1	31.0	1.8	1.8	8.8	5.5	<p>•In 2026, we expect localized construction demand in the region to be the key driver boosting growth in THG's concrete segment. Concrete revenue is forecasted to increase ~27% YoY, driven by an estimated ~15% YoY rise in selling prices to offset input cost pressures, combined with a ~10% YoY increase in output supported by prospects for factory capacity expansion.</p> <p>•In addition, stable cash flows from the real estate segment will continue to support profit quality and dividend policy. The two industrial zone real estate projects (GT1 & GT2), along with the residential real estate project (D7 road), are expected to maintain positive contributions to revenue and profit in 2026. We estimate a dividend of 4,200 VND per share, corresponding to a dividend yield of approximately 9%, thereby reinforcing the stock's attractiveness in a context where investors prioritize cash returns and stable payout levels.</p>
BMP	176,600	198,300	16,700	22%	20.0	10.0	32.9	11.8	46.5	48.9	4.6	4.7	12.1	9.8	<p>•We expect BMP to continue maintaining revenue growth momentum in 2026, primarily driven by volume, amid the assumption of sustained high selling prices. Accordingly, consumption volume is forecasted to reach approximately 102 thousand tons (+9% YoY), supported by (1) prospects for construction sector growth and (2) the company continuing to aggressively pursue discount policies to increase market share (estimated discount level of ~25%).</p> <p>•Regarding profitability, we assess that BMP has a standout advantage due to expectations that PVC resin prices will struggle to recover from bottom levels, owing to increased supply in China and weakened demand in India. In this scenario, gross profit margin is projected to continue expanding to approximately 48.7% (+180 bps YoY) in 2026, driving ROE above 50% while maintaining a dividend yield of around 9%, thereby reinforcing the stock's attractiveness.</p>

Source: RongViet Securities compiles

Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividend in next 12M (VND)	Upside (%)	Revenue YoY %		NPAT YoY %		ROE %		P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
PC1	21,750	29,100	0	34%	17.2	-0.5	56.4	-12.9	8.5	6.9	1.5	0.8	18.0	14.0	<p>We believe that the national grid expansion and upgrading program towards a “smart grid” will be a key investment driver, ensuring the transmission capacity of electricity from renewable energy centers in the Central region (Binh Thuan, Ninh Thuan, etc.) to industrial production clusters in the North and South. According to estimates from the Ministry of Industry and Trade, total investment capital for grid projects is approximately 477 trillion VND, equivalent to ~9.5 trillion VND/year, thereby creating significant growth potential for EPC general contractors like PC1 through portfolio expansion and backlog increase.</p> <p>•In this context, we forecast PC1's 2026 EPC backlog to reach approximately 8,000 billion VND, maintaining a record-high backlog level similar to 2025. Further ahead, in the 2027–2028 period, the backlog could accelerate as the 500kV backbone project groups serving hydropower sources in the Northeast region and the Central-South transmission project groups enter the construction phase.</p> <p>•According to the orientation in Decision 2634/QD-TTg, the Government sets the target of commercially operating 6 LNG gas power plants during the 2028–2029 period, with a total capacity of approximately 8,700 MW and an estimated total investment of ~256,000 billion VND. To meet the timeline, these projects are highly likely to commence construction in 2026–2027, thereby opening up an early bidding cycle for EPC items starting from Q4/2025 and continuing throughout 2026.</p> <p>•According to our estimates, the total value of EPC contracts for this group of projects could reach approximately ~90,000 billion VND. Of which, the consulting/design-supervision (construction consulting) category accounts for about ~20%, equivalent to ~18,000 billion VND. This represents a large-scale opportunity for electric consulting enterprises with the capacity to implement complex projects and high technical expertise, such as TV2, in terms of both expanding backlog and enhancing the quality of medium-term growth.</p>
TV2(*)	35,100	43,900	0	25%	6.0	187.1	5.4	212.3	5.2	15.3	1.8	1.6	35.3	11.1	

Source: RongViet Securities compiles; (*) Market consensus data collected by Bloomberg

Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividend in next 12M (VND)	Upside (%)	Revenue YoY %		NPAT YoY %		ROE %		P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
PVD	27,350	27,000	500	1%	1.6	8.3	28.3	18.5	5.5	6.4	0.9	0.9	17.0	14.4	<p>• From 2026, stable rig operations are expected to drive PVD's core growth, as most owned rigs have secured firm contracts through the end of the year, ensuring reliable revenue and cash flow.</p> <p>• Meanwhile, the internationalization strategy should unlock new opportunities, with PVD potentially establishing a joint venture with a Malaysian partner to develop well technical services for international markets—particularly Malaysia, which accounts for roughly 25% of Southeast Asia's demand for self-elevating jack-up rigs.</p> <p>• Regarding investment efficiency, the case for expanding the owned rig fleet is supported by attractive returns: each new rig is estimated to contribute around ~VND 400 billion in annual EBITDA. With an average investment cost of about ~USD 80 million per JU 361–400' IC rig, the payback period is estimated at just 5–6 years, thereby reinforcing PVD's long-term value creation prospects through new rig additions.</p>
PVT	18,500	20,300	0	10%	33.4	6.2	-11.0	13.7	9.4	9.9	1.0	0.8	8.8	7.9	<p>In 2026, the oil & gas transportation sector is expected to face ongoing oversupply pressure, limiting a strong freight rate recovery. However, PVT benefits from a balanced business model and a well-structured segment mix, which reduces its cyclical sensitivity.</p> <ul style="list-style-type: none"> • Crude oil transport remains the key pillar, backed by high long-term contract ratios that mitigate freight rate volatility; segment revenue projected +20% YoY from new vessels. • Bulk cargo and refined products/chemicals will still face oversupply pressure, but the negative impact will be partially offset by new vessels, leading to revenue growth of ~17.6% YoY and ~8.5% YoY, respectively. • LPG is expected to remain stable with modest growth of ~4.2% YoY. <p>We forecast 2026 consolidated revenue at VND 17,343 billion (+7% YoY) and NAPAT-MI at VND 1,061 billion (+8.4% YoY). From 2026–2030, fleet investment efficiency will continue to drive growth: pre-tax profit (after interest expenses) is estimated at ~VND 1.5 billion per 1,000 additional DWT invested annually, equivalent to ~VND 80–150 billion EBITDA per vessel depending on segment—thereby strengthening PVT's foundation for sustainable growth.</p>

Source: RongViet Securities compiles

Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividend in next 12M (VND)	Upside (%)	Revenue YoY %		NPAT YoY %		ROE %		P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
GEG	14,700	19,600	0	33%	33.1	-11.2	425.1	-69.2	9.9	3.2	1.2	0.9	11.4	28.3	<p>•During 2025–2029F, GEG plans to develop 4 new power plants, adding 179 MW of installed capacity—the primary driver of revenue growth in the coming years. The additional capacity breakdown includes 8.6 MW hydropower, 49 MWp solar, and 130 MW wind. Upon project completion, electricity output is expected to rise from 1.3 billion kWh (2024) to 1.7 billion kWh (2029F), implying a CAGR of ~4.7% per year over 2025–2029F.</p> <p>•In 2026, GEG expects to commission 3 plants: Ea-Tih hydropower (8.6 MW), VPL2 wind power (30 MW), and Duc Hue 2 solar power (49 MWp). Notably, Duc Hue 2 is one of the pioneering projects selling electricity under the DPPA mechanism (direct power purchase agreement) to an industrial customer—instead of indirectly through the national grid—thereby expanding consumption models and enhancing commercial efficiency potential.</p>
POW	12,800	15,700	0	23%	18.1	56.2	92.2	-10.8	4.9	4.0	1.1	0.8	19.1	20.6	<p>•In December 2025, POW will commission Nhon Trach 3–4, adding 1,624 MW of installed capacity and raising total capacity to 5,853 MW (+36% from the previous period). This marks Vietnam's first LNG-fired power plant. Unlike existing gas-fired plants reliant on domestic gas supplies, Nhon Trach 3–4 uses imported LNG, thereby reducing domestic supply risks and positioning it to benefit from the rapid decline in global LNG prices.</p> <p>•In 2026, we forecast Nhon Trach 3–4 to contribute about 5.9 billion kWh, lifting POW's consolidated output to ~25.8 billion kWh (+41% YoY) and potentially supporting ~53% YoY revenue growth. Overall, Nhon Trach 3–4 is likely to become a strategic asset in POW's power generation portfolio, driving scale expansion while enhancing mid-term fuel flexibility.</p>

Source: RongViet Securities compiles

Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividend in next 12M (VND)	Upside (%)	Revenue YoY %		NPAT YoY %		ROE %		P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
<u>REE</u>	61,300	78,300	1,000	29%	19.6	-4.1	43.8	-9.5	9.2	8.0	1.6	1.4	12.8	12.8	<ul style="list-style-type: none"> •REE maintains its strategy to expand total installed capacity to 3,000 MW by 2030 (from the current ~1,000 MW), with a long-term focus on offshore wind power. The company is currently surveying offshore areas in Vinh Long for an offshore wind project; due to its technical capabilities and project management experience, we assess that REE has the potential to become one of Vietnam's pioneering enterprises in operating and developing offshore wind power. •In the short term, REE expects to commission four new nearshore wind power plants in Q4/2026: V1-2 Extension, V1-3 Phase 2, V1-5, V1-6 Phase 2, and Dong Hai 3. These projects have a total investment of approximately VND 11.3 trillion, adding 224 MW of wind capacity, thereby raising REE's total wind capacity to 351 MW—an increase of about 176% from the current level.
<u>ACV</u>	49,700	60,800	0	22%	6.8	9.0	-2.8	-0.2	11.9	10.6	2.7	1.9	16.7	17.8	<ul style="list-style-type: none"> •Long Thanh Airport and the Terminal T2 expansion at Noi Bai are scheduled for commercial operations in 1H2026, significantly expanding aviation infrastructure capacity and easing overload pressure at the two key airport hubs in northern and southern Vietnam. Removing this supply bottleneck is expected to better enable the aviation sector to meet recovering international tourism demand, particularly as Asian travelers increasingly favor geographically proximate and cost-competitive destinations. •In the first year of operation, international passenger volume at Long Thanh is estimated to reach ~80% of design capacity, driven by plans to redirect international flights from Tan Son Nhat, with potential full utilization by 2028. At full capacity, EBITDA is projected at ~VND 23 trillion, implying a CAGR of approximately 10% over 2025–2028—reinforcing medium-term growth prospects amid the aviation infrastructure capacity expansion cycle.

Source: RongViet Securities compiles

Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividend in next 12M (VND)	Upside (%)	Revenue YoY %		NPAT YoY %		ROE %		.P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
KBC	33,200	44,300	0	33%	130.6	81.7	345.8	69.5	8.8	12.3	1.3	1.1	17.7	9.7	<ul style="list-style-type: none"> •After an intensive land clearance phase to build a land bank in 2025, we expect KBC to enter a dual-benefit cycle in 2026, driven by (i) accelerated development and leasing at new industrial zones and (ii) improving FDI inflows. Total leased area is projected at ~165 ha (+20% YoY), primarily from Trang Due 03, Que Vo 2 Extension, and Nam Son Hap Linh. •In the urban development segment, Trang Cat will complete land use fee payments in 2025, enabling partial project transfers and significant revenue/cash flow recognition (~VND 5.3 trillion) in 2026 amid ongoing regional infrastructure improvements. These proceeds are expected to ease debt pressure while creating room for reinvestment in large-scale projects, including The Trump International Hung Yen (888 ha; currently undergoing land clearance), which features a golf complex and a high-end urban area. •On the back of positive outlook from industrial land leasing and real estate, we forecast 2026 revenue and net profit at ~VND 11.6 trillion (+82% YoY) and VND 3.2 trillion (+70% YoY), respectively.
SIP	51,300	78,400	2,000	57%	4.4	7.0	20.0	-6.0	31.0	25.0	2.4	2.2	10.5	9.5	<ul style="list-style-type: none"> •We expect the leased area to recover in the coming period, primarily driven by Phuoc Dong Industrial Park. New leased area here is projected at ~67 ha (+50% YoY), supported by (1) competitive rental rates (~USD 80/m² per cycle, about 50% lower than Tier-1 markets), (2) strategic location near the Moc Bai – Ho Chi Minh City expressway, serving as a key connection between Cambodia and Vietnam markets, and (3) a suitable infrastructure ecosystem for manufacturing and processing, including reliable power supply and clean water treatment. SIP also plans to accelerate land clearance at Phuoc Dong IZ in 2026 to secure large contiguous land plots for handover according to customer requirements. •In Tier-1 markets, we believe the company will continue to intensify efforts at (1) Le Minh Xuan 03 IP, focusing on attracting investors in ready-built factories, and (2) Loc An – Binh Son IP, which stands to benefit from Long Thanh Airport's operations through rising demand from logistics enterprises.

Source: RongViet Securities compiles

Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividend in next 12M (VND)	Upside (%)	Revenue YoY %		NPAT YoY %		ROE %		P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
PHR	55,900	71,600	1,000	30%	4.2	-1.6	115.2	36.2	25.0	29.9	1.9	1.5	11.5	5.5	<p>•Compensation income and industrial zone cooperation are expected to be the primary growth drivers for PHR in 2026. Under the base-case scenario, we estimate the company will recognize compensation payments from the Bac Tan Uyen 1 project (Thaco) during 2026–2027, covering a total area of approximately 786 ha at an estimated unit price of ~VND 2.5 billion/ha. Specifically, in 2026, PHR could recognize around 400 ha (equivalent to ~VND 1,000 billion), with the remaining ~386 ha (~VND 965 billion) recorded in 2027.</p> <p>•On this basis, we forecast 2026 revenue at VND 1,806 billion (flat versus 2025), while net profit reaches VND 1,669 billion, representing a 1.59x increase YoY. The forecast reflects: (1) a slight ~1.3% YoY decline in rubber segment revenue due to reduced harvesting area for industrial zone development, despite average selling prices remaining around ~VND 48 million/ton; and (2) significant contribution from compensation income for the Bac Tan Uyen 1 project, plus profits from joint venture and associate investments such as VSIP III and NTU 3.</p>
KDH	32,050	39,341	0	23%	81.3	22.3	5.1	32.7	9.5	13.4	2.0	1.5	40.1	31.9	<p>•KDH's 2026 business performance is expected to grow primarily driven by the flagship Gladia project. KDH is expected to hand over around 50 units in Q4/2025, with the remainder paid progressively and recognized in 2026. With over 140 units remaining for sale and handover, 2026 revenue is projected at ~VND 7,266 billion (+22% YoY) and NPAT-MI at ~VND 1,129 billion (+33% YoY), while gross margins remain high at ~70%, due to the low-rise product handover structure.</p> <p>•Over 2026–2028, new supply will be unlocked from the investment cycle, featuring two key projects: (1) Gladia high-rise (616 units), scheduled to break ground in Q1/2026; and (2) Solina Phase 1 (89 ha), comprising ~500 low-rise units and 1,000 apartments, with legal procedures completed and ready for implementation from 2026.</p> <p>•KDH has adjusted its project development strategy by launching sales after obtaining sales permits, rather than waiting for construction completion. This approach shortens capital turnover cycles, accelerates cash flows, and creates room to finalize legal procedures for residential projects such as Phong Phu 2, Binh Trung Extension, Tan Tao, and Le Minh Xuan Industrial Park—thereby strengthening medium- to long-term growth prospects.</p>

Source: RongViet Securities compiles

Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividend in next 12M (VND)	Upside (%)	Revenue YoY %		NPAT YoY %		ROE %		P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
NLG	30,100	43,112	0	43%	-34.0	-1.1	49.2	115.3	0.1	0.1	1.3	1.1	15.5	8.8	<p>•We believe 2025–2028 will mark a strong sales acceleration cycle for NLG, as the company plans to launch nearly its entire project portfolio, expanding from 5 projects (2022–2024) to 9 projects (2025–2028). The portfolio includes existing projects (Waterpoint, Mizuki, Izumi, Akari Phase 3) and new ones (Anzen Residences, Elyse Island). Accordingly, presales in 2025 and 2026 are estimated at VND 10,721 billion (+123% YoY) and VND 11,595 billion (+8% YoY), respectively, building backlog for subsequent years.</p> <p>•Regarding revenue recognition, we do not expect a breakthrough in 2026 due to handover delays. Despite strong presales growth, 2026 net revenue is projected at ~VND 4,700 billion (-1% YoY), as most products sold during the 2025–2026 "seeding" phase will be handed over and recognized mainly from late 2026–2027 onward—consistent with the revenue recognition characteristics of real estate developers.</p>
TCH	18,700	24,100	500	32%	1.0	80.3	67.5	86.0	12.8	19.0	1.5	1.1	26.4	6.4	<p>•TCH is a large-scale developer in Hai Phong, owning a substantial land bank in the Thuy Nguyen urban area—a newly planned district of the city. Its projects are expected to achieve high absorption rates thanks to (1) the relocation of Hai Phong's new administrative-political center to Thuy Nguyen (post-merger) and (2) ongoing improvements in connectivity infrastructure, linking Thuy Nguyen with central Hai Phong and the VSIP Hai Phong Industrial Park.</p> <p>•In the 2025–2026 financial period, the company plans to simultaneously launch low-rise products at HH New City-II and HH Green River, with initial absorption rates showing promise (~30% of units in the first sales wave), laying a solid foundation for strong performance in upcoming quarters. We forecast revenue for 2025–2026 at VND 4.7 trillion (flat versus 2024) and VND 8.5 trillion (+80% YoY), respectively; NPAT-MI for 2026 is estimated at VND 2.66 trillion (+86% YoY). Currently, TCH is trading at a 2026 P/B of ~1.2x, considered attractive given the company's market position and growth potential.</p>

Source: RongViet Securities compiles

Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividend in next 12M (VND)	Upside (%)	Revenue YoY %		NPAT YoY %		ROE %		P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
PVS	33,700	41,000	700	24%	37.2	25.5	31.8	2.6	9.9	9.8	1.2	1.1	11.9	11.9	<ul style="list-style-type: none"> •The M&C (Mechanical & Construction) segment will continue to be PVS's core growth pillar. For 2026, we forecast revenue of 39,360 billion VND (+24% YoY) and NPAT-MI of 2,085 billion VND (+63% YoY), supported by strong progress on key projects including Block B – O Mon, Lac Da Vang, Su Tu Trang Phase 2B, and offshore wind power projects. M&C is expected to account for approximately 71% of total revenue, of which Block B contributes ~36% with a gross margin of ~4% (higher than the usual 2–3%), while offshore wind projects contribute around ~30%. •Beyond operational growth, 2026 profit is expected to receive an additional boost from provision reversals. The completion of the warranty period for the Sao Vang – Dai Nguyet project in February 2026 could enable a reversal of approximately 700 billion VND in provisions, delivering a significant uplift to earnings in the year.

Source: RongViet Securities compiles

The consumption narrative is set to become clearer and more compelling into 2026...

- **A stable macro backdrop should restore consumer confidence broadly in line with expectations.** The case for consumption strengthens as the Government rolls out demand-supportive measures, including VAT cuts, regional minimum wage hikes, and policy initiatives in education and healthcare. In the near term, spillover effects from public investment are likely to lift domestic demand, with consumption acting as a key transmission channel into production, particularly for the private sector. Over the longer run, Vietnam's structural tailwinds remain intact: a large domestic market of 100+ million people and an expanding middle class (with penetration projected to reach ~75% of the population by 2030).
- **In parallel, the policy push to standardize business models and enhance market transparency is gaining traction.** The Government has signaled a clear transition agenda to improve economic efficiency, encouraging the shift from small household businesses to formal enterprises, simplifying administrative procedures and business registration, and fostering a more transparent operating environment. This should accelerate the migration from the informal economy (counterfeit goods, low-quality products, smuggling) to the formal sector, improving consumer trust and supporting more sustainable consumption.

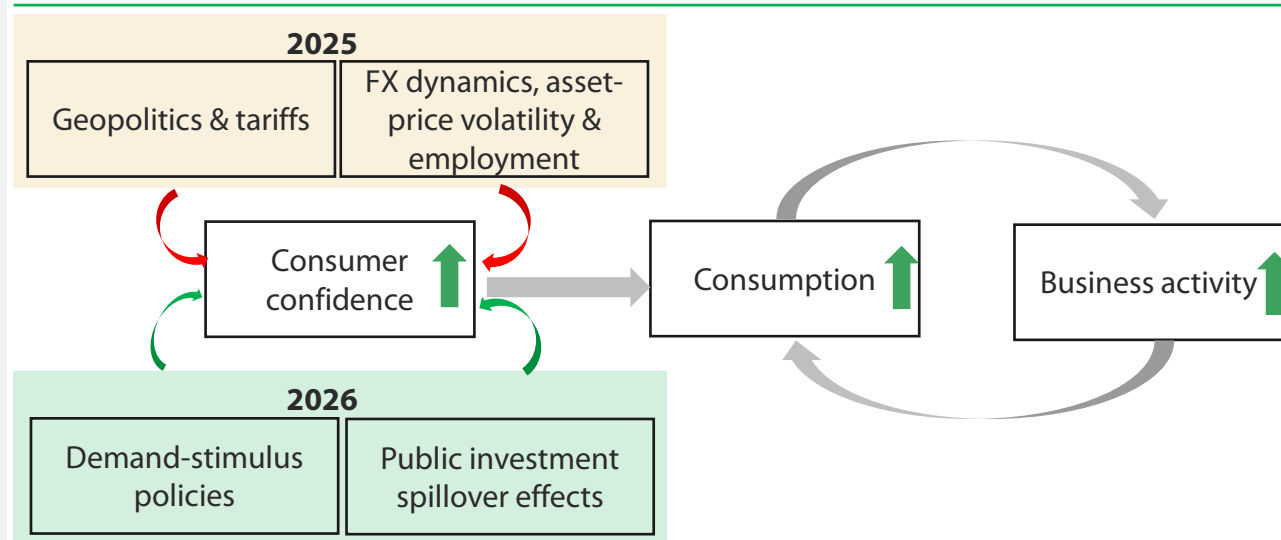
... Against these policy tailwinds and shifting consumption trends, we see investment opportunities in

- Companies with well-packaged, scalable business models and strong operational transparency, which should better manage rising compliance requirements while strengthening consumer trust.
- Companies positioned to benefit from a re-acceleration in domestic demand, supported by fiscal stimulus and public-investment spillovers.

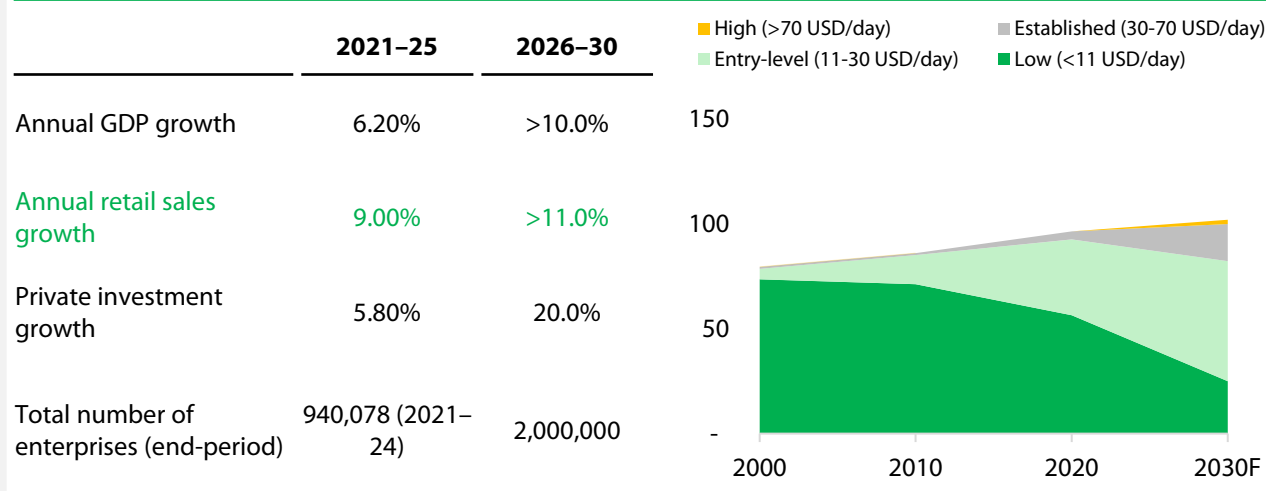
... Within our selection, we prioritize names with resilient fundamentals

- Modern retail distribution: MWG, MSN, FRT
- Structural growth potential: DGW, PNJ

The consumption narrative is becoming clearer and more compelling...



...entering a new growth cycle from 2026 onward



Source: MoF, GSO, McKinsey, Resolution No. 306/NQ-CP, RongViet Securities compiled

Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividen d in next 12M (VND)	Upside (%)	Revenue YoY %		NPAT YoY %		ROE %		P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
MSN	75,300	97,800	0	30%	-0.5	26.0	90.2	35.7	8.5	10.4	3.4	2.3	39.7	21.1	<p>Suitable for growth investment due to robust profit growth outlook (+36.0% YoY), driven by the recovery of the core MCH segment from a low base and sustained strong revenue growth/profitability in new segments (MML, MSR, PLH, WCM).</p> <p>Key highlights: Aggressive expansion of WCM (targeting ~1,000 stores), sustained SSSG growth (above 10.0% YoY), and net profit margin efficiency of 2.0%.</p>
MWG	87,000	99,600	1,000	16%	18.3	24.9	73.7	21.8	19.4	18.5	4.1	3.2	24.7	16.3	<p>Suitable for growth investment as three key growth drivers are expected to continue propelling 2025–2026 profit growth (+21.8% YoY):</p> <p>(1) Expanding market share in consumer electronics through differentiated services and deeper partnerships with brands</p> <p>(2) Scaling up financial investments (projected +25.0% YoY)</p> <p>(3) Aggressive expansion of BHX (targeting ~1,000 stores) while maintaining a solid net profit margin of 2.2%</p>
DGW	39,050	50,900	1,000	33%	21.0	17.9	25.0	18.4	16.2	17.1	2.6	13.1	15.8	13.1	<p>Suitable for growth investment as 2026 profit is projected to maintain strong growth of 18.4% YoY, driven by:</p> <p>(1) New segments such as IoT devices, AI servers, and home appliances are sustaining robust average revenue growth above 30.0% YoY.</p> <p>(2) Meanwhile, the core mobile phone segment is expected to regain momentum (+10.1% YoY) after a challenging year, due to iPhone’s distribution market share bottoming out from Q3-2025 and Xiaomi regaining share against other Android brands</p>

Source: RongViet Securities compiles

Selected Stocks by Investment Theme

Ticker	Closed price @26 Dec (VND)	Target price (VND)	Dividend in next 12M (VND)	Upside (%)	Revenue YoY %		NPAT YoY %		ROE %		P/B (x)		P/E (x)		Investment Theme Rationales
					2025F	2026F	2025F	2026F	2025F	2026F	Cur.	2026F	Cur.	2026F	
PNJ	95,900	104,000	2,000	11%	-4.1	8.1	10.4	9.8	18.1	17.4	2.7	1.8	14.4	12.8	<p>Suitable for value investment as 2026 earnings are expected to recover from the low base of 2025 (~9.8% YoY) and trade at a forward 2026 P/E below the 5-year average, driven by:</p> <p>(1) Reduced medium- and long-term risks of raw material shortages and price volatility, as Decree 232/2025/ND-CP officially takes effect, allowing controlled autonomous importation of raw materials by enterprises;</p> <p>(2) Signs of jewelry demand recovery emerging from the second half of 2025 and expected to continue into 2026, further supported by new personal income tax policies;</p> <p>(3) Effective and timely sales policies combined with the ability to adjust selling prices upward.</p>
FRT	144,200	160,000	0	11%	27.1	17.3	113.1	28.4	26.1	25.1	8.0	7.1	39.8	28.3	<p>Suitable for growth investment as 2026 revenue and parent-attributable net profit are expected to sustain double-digit growth, reaching 17% and 28% YoY, respectively. Key drivers include:</p> <p>(1) Long Chau continues to open 350–400 pharmacies in 2026 while maintaining average monthly revenue per store at VND 1.2–1.3 billion, supported by scale advantages, competitive pricing, and value-added services (e.g., 1:1 consultations and free home delivery). Additionally, stricter controls on counterfeit/smuggled/hand-carried goods and new regulations on ETC prescriptions will enhance chain accessibility.</p> <p>(2) Vaccine immunization as a long-term growth driver: Expected to open 60–70 centers in 2026, leveraging competitive pricing advantages, customer cross-over from pharmacies, persistent weak market supply (unable to meet demand), and low vaccination coverage (<5% of population).</p> <p>(3) FPT Shop maintaining ICT market share and recovering in consumer electronics: Recovery signals observed from Q3/2025 are expected to continue into 2026, as the chain focuses on operational standardization post-restructuring (only 10 stores closed in 2025, with no further closures planned for 2026).</p>

Source: RongViet Securities compiles

What is active investing?

- Active investing aims to outperform a benchmark (generate alpha) through stock selection, active position sizing, and dynamic rebalancing as fundamentals, valuation, and catalysts evolve.
- The portfolio is managed around explicit investment theses, each position must have a clear growth driver, with key risks and validation points defined upfront.

Pros

- Catalyst capture: monetizes earnings/valuation inflection points (earnings cycle, policy shifts, project milestones, and re-rating as risk premia compress).
- Capital efficiency: concentrates capital in high-conviction ideas with attractive upside-to-risk, rather than mirroring the market.
- Flexible risk management: actively adjusts exposure and rotates across macro–sector–company setups.

Cons

- Thesis timing, accuracy risk: catalysts may fail to materialize or arrive later than expected; earnings may miss forecasts.
- Execution discipline dependency: entry timing, position sizing, and trimming/exit discipline largely determine outcomes.
- Transaction costs: rebalancing can create costs and market impact if liquidity is not managed.

Who is it for?

- Investors targeting outperformance vs the market (alpha).
- Those willing to tolerate near-term volatility to optimize medium-term returns.
- Best suited for 6–18 month capital (enough time for catalysts to flow into earnings and valuation).

How we allocate capital and select stocks for the 2026 active portfolio

Our core selection framework includes:

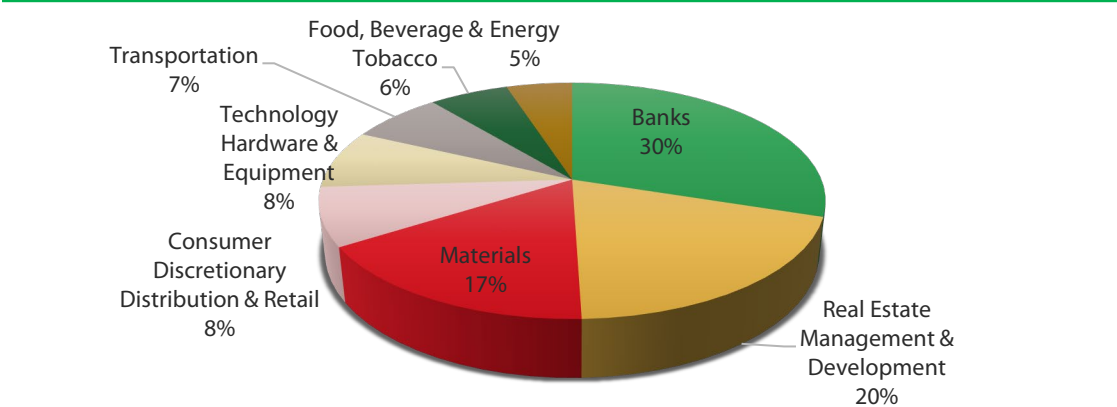
- Clear and differentiated catalysts within each sector. Catalysts may include earnings-cycle upturns, capacity expansion, projects/orders, margin improvement, policy changes, demand recovery, or valuation re-rating as risk expectations decline.
- Revenue aligned with macro flow. We prioritize companies directly leveraged to key macro themes (public investment/FDI, consumption, credit, manufacturing recovery, infrastructure, logistics, etc.).
- Preference for large caps and relatively high liquidity to ensure stability, information coverage, efficient entry/exit, and scalability—enabling rebalancing without excessive price impact.

Monthly review and rebalancing as a portfolio governance mechanism to refresh theses with new data (macro, earnings results, policy updates, catalyst progress). We adjust weights based on catalyst realization and valuation margin of safety, and trim/exit when catalysts fade or valuation has already priced in most upside.

Our initial stock selection for 2026 includes...

Stock	Target price	Dividend	Close @ 26/12	Expected return	P/E 2026F	NPAT YoY 2026F	P/B 2026F	ROE 2026F	Weight
<u>MBB</u>	30,100	300,	24,850	22%	6.4	25.4	1.3	15.0	9.00%
<u>CTG</u>	41,500	0	35,200	18%	7.1	22.4	1.3	17.5	9.00%
<u>MWG</u>	99,600	1,000	87,000	16%	16.3	21.8	3.2	21.5	8.00%
<u>DGW</u>	50,900	1,000	39,050	33%	13.1	18.4	13.1	12.0	8.00%
<u>KDH</u>	39,400	0	32,050	23%	31.6	32.6	1.5	4.2	7.80%
<u>VCB</u>	69,800	0	57,100	22%	11.4	14.1	1.9	16.7	7.50%
<u>ACV</u>	60,800	0	49,700	22%	17.8	-0.2	1.9	11.3	7.00%
<u>KBC</u>	44,300	0	33,200	33%	9.7	69.5	1.1	13.8	6.50%
<u>PHR</u>	75,800	1,000	55,900	37%	4.5	159.6	1.6	49.8	6.50%
<u>HPG</u>	33,700	0	26,900	25%	9.0	31.0	1.4	11.4	6.00%
<u>ANV</u>	35,200	1,000	27,000	34%	6.4	12.0	1.7	16.8	6.00%
<u>NLG</u>	43,100	0	30,100	43%	8.8	115.3	1.1	17.5	5.20%
<u>PVS</u>	41,000	700	33,700	24%	8.3	63.1	1.0	17.6	5.00%
<u>BID</u>	43,300	0	38,800	12%	9.2	13.1	1.4	14.4	4.50%
<u>CTI</u>	43,500	1,000	22,050	102%	6.8	72.5	0.9	14.5	4.00%

Portfolio allocation by sector



Source: Bloomberg, RongViet Securities compiled

What is value investing?

- Value investing is the strategy of buying stocks when the market price is below intrinsic value, with the expectation that valuation will mean-revert toward a fair level over time.
- The emphasis is on companies with “existing business yield”, profits, cash flows, and/or dividends that serve as a tangible value anchor, rather than relying on new, step-change catalysts.
- Core philosophy: buy with a margin of safety, prioritize earnings quality and capital discipline, and remain patient while the market converges toward fundamental value.

Pros

- Higher margin of safety: attractive valuations help cushion downside during volatility.
- Fundamental-based total return: stable earnings and/or recurring dividends provide a carry component while waiting for re-rating.
- Well-suited for a selective market: when capital rotates toward earnings quality and reasonable valuation rather than “hot” growth.
- Less catalyst-dependent: returns are driven primarily by valuation and durability of fundamentals.

Cons

- Weaker catalysts: price discovery can be slow; near-term performance may lag.
- Value-trap risk: “cheap” may reflect structural deterioration, weak governance, or poor earnings quality.
- Requires discipline and patience: mispricing can persist longer than expected.

Who is it for?

- Long-term investors with a 12–36 month holding horizon.
- Investors willing to accept lower liquidity in part of the portfolio and prolonged market inefficiency.
- Those prioritizing capital preservation, cash-flow yield, and valuation over catalyst-driven trading.

How we allocate and select stocks in the 2026 value portfolio

Our core criteria include:

- Stable business outlook: ability to sustain profits/cash flows through the cycle with limited extreme volatility.
- Attractive yield vs market value: earnings/FCF yield (depending on sector) sufficiently high to deliver compelling risk-adjusted expected returns.
- Consistent dividends: a track record and clear dividend policy to improve total-return quality.

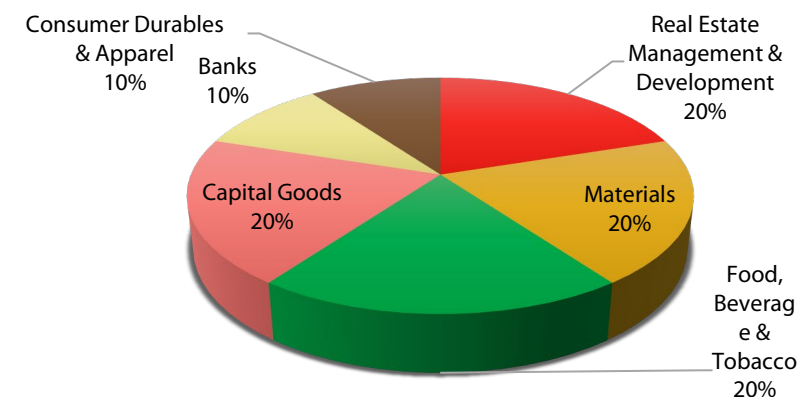
Portfolio construction, review, and rebalancing

- We typically hold ~10 stocks with balanced sizing to reduce concentration risk and improve stability.
- We rebalance periodically to: (1) reset weights to target ranges as valuation moves; and (2) adjust exposures based on earnings durability and the current margin of safety.
- We rotate/replace holdings when: (1) upside becomes limited as valuation re-rates and the margin of safety compresses; or (2) profits/cash flows deteriorate, undermining the original value thesis.

Value portfolio stock list

Stock	Target price	Dividend	Close @ 26/12	Expected return	P/E 2026F	NPAT YoY 2026F	P/B 2026F	ROE 2026F	Weight
<u>LHG</u>	46,000	1,900	28,700	67%	4.9	1.3	0.7	21.1	10.0%
<u>GDA</u>	25,100	1,000	16,400	59%	7.0	5.5	0.6	9.2	10.0%
<u>SIP</u>	78,400	2,000	51,300	57%	9.5	-6.0	2.2	20.2	10.0%
<u>MSH</u>	45,500	4,000	33,150	49%	6.1	6.5	1.4	22.0	10.0%
<u>FMC</u>	48,000	2,000	34,800	44%	5.7	13.7	0.7	24.6	10.0%
<u>DCM</u>	43,100	1,600	31,800	41%	8.2	4.5	1.4	15.7	10.0%
<u>ACB</u>	31,200	1,000	23,900	35%	5.9	20.4	1.1	16.3	10.0%
<u>REE</u>	78,300	1,000	61,300	29%	12.8	-9.5	1.4	19.2	10.0%
<u>SAB</u>	55,000	5,000	48,750	23%	14.1	4.5	3.0	14.0	10.0%
<u>BMP</u>	198,300	16,700	176,600	22%	9.8	11.8	4.7	72.7	10.0%

Portfolio allocation by sector (sector weight breakdown).



Source: Bloomberg, RongViet Securities compiled

Ticker	Target price (VND)	Divid end	Closed price @26 Dec (VND)	Upside (%)	P/E 2026F	NPAT YoY% 2026F	P/B 2026F	ROE% 2026F	Investment Thesis
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<u>ACB</u>	31,200	1,000	23,900	35%	5.88	20%	1.10	16.35	<ul style="list-style-type: none"> ACB is currently trading at a 2026F P/B of ~1.1x, considered attractive relative to its ~20% ROAE profitability, consistent double-digit profit growth trajectory, and stable dividend policy. On growth, ACB maintains a solid profit path with a 5-year CAGR of ~18%, supported by a strategy diversifying core credit pillars. Over 2025–2030, beyond its traditional strength in retail banking, the bank plans to accelerate expansion in the large corporate segment, focusing on customers in sectors linked to import-export supply chains such as FDI enterprises, international trading companies, and industrial park real estate. We view this as an appropriate direction, bringing a "fresh impetus" to sustain high and more durable credit growth, with a projected credit CAGR of ~19% over the next five years. On risks, ACB's asset quality remains among the safest in the system. Following the 2023–2025 period, ACB has effectively managed credit risks, reducing NPL to 1.1% by end-3Q25 while maintaining LLR at ~80%. We expect NPL to decline to ~1.0% in the coming years, due to a prudent risk appetite (no exposure to high-risk corporate bonds) and a credit portfolio with low sensitivity to real estate.
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<u>SAB</u>	55,000	5,000	48,750	23%	14.11	4%	3.03	13.98	<p>SAB's medium- to long-term revenue growth outlook faces significant challenges due to tightening regulations on alcohol consumption in Vietnam (Decree 168/2024/ND-CP; scheduled +5%/year excise tax increases starting 2027). Therefore, SAB is more suitable for dividend-focused investing, with an expected payout of ~VND 5,000 per share over the next 12 months (yielding ~10%).</p> <p>However, 2026 is viewed as a relatively favorable year for beer industry consumption, while SAB is improving cost efficiency and profit margins due to:</p> <p>(1) Seasonal/event factors: Lunar New Year 2026 arriving late (mid-February) and 2027 early (early February) could support demand at both the start and end of 2026, as retailers typically stock up 1–1.5 months in advance; old inventory has been cleared, while SAB launched early Tet products from Oct–Nov 2025 and distributors are restocking. The summer World Cup (June–July) will also act as a consumption catalyst; 2026 serves as a "buffer" year before demand risks rise with the excise tax hike cycle beginning in 2027.</p> <p>(2) Cooling input costs: SAB has locked in raw material and aluminum can prices for 2026 at significantly lower levels than the 2021–2022 peak; barley prices in particular have fallen to ~USD 250/ton since Oct 2025 (-26% YoY), returning to pre-COVID levels.</p> <p>(3) Post-M&A synergies: Integration of SBB's distribution network and sales team to expand into the lower mainstream segment, while achieving cost savings through recycling at the SBB plant and utilizing excess raw materials for SBB products instead of low-margin resale</p>
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Source: RongViet Securities compiles

Ticker	Target price (VND)	Divid end	Closed price @26 Dec (VND)	Upside (%)	P/E 2026F	NPAT YoY% 2026F	P/B 2026F	ROE% 2026F	Investment Thesis
MSH	45,500	4,000	33,150	49%	6.11	7%	1.42	21.95	<ul style="list-style-type: none"> MSH recorded a significant improvement in performance from 3Q2025, with gross profit margin rising from 15% to 21%, supporting net profit of about VND 200 billion (+54% YoY). The drivers stemmed from selective high-margin order intake, particularly from Chinese customers, where CMT (cut-make-trim) margins can reach up to 25%—far exceeding the industry average. At the same time, the revenue share from CMT processing surged from 12% to 40%, offsetting the decline in finished goods in the US market; the CMT segment is expected to continue growing, with further margin expansion potential as orders from Chinese partners increase. We expect MSH to maintain its profit margins and order volume in 2026. On valuation, the stock is currently trading at a P/E of 6.39x and EV/EBITDA of 4.2x—28% and 36% below its 5-year average, respectively, and 16%/13% below the industry median—implying rerating potential if profitability sustains its upward trend. Additionally, with the new higher earnings base, MSH could pay dividends of up to VND 4,000 per share, offering an attractive yield for cash flow-focused investors.
LHG	46,000	1,900	28,700	67%	4.94	1%	0.70	21.13	<ul style="list-style-type: none"> In the Long Hau 03 Industrial Park segment, LHG plans to accelerate land clearance for the remaining area (recovering ~4 ha from TAIJ) while completing land use fee obligations and final land handover for the remaining 9.4 ha. This will provide LHG with contiguous land plots at LH03 for handover/leasing from 2026 onward. Under a conservative scenario, we estimate the company will continue leasing ~4 ha in 2026, generating industrial land rental revenue of ~VND 262 billion (flat versus 2025). Additionally, Long Hau 03 Phase 2 (90 ha) is expected to obtain investment approval in 2026, creating room for long-term business area expansion. The ready-built factory (RBF) segment will continue delivering stable cash flows due to operational experience (total area >15 ha), average factory size of ~3,000 m² suitable for SME customers, and occupancy rates >90%—equating to average annual cash flow of ~VND 200 billion (rental yield ~20%). In 2026, LHG plans to commission high-rise factories at Long Hau 1 IZ (26,000 m² leasable) and expand by an additional 46,000 m² at Plot 3A in Long Hau 3 IZ, raising total RBF area to ~22 ha (+27% YoY)—thereby enhancing cash flow growth potential from 2026 onward.

Source: RongViet Securities compiles

Ticker	Target price (VND)	Divid end	Closed price @26 Dec (VND)	Upside (%)	P/E 2026F	NPAT YoY% 2026F	P/B 2026F	ROE% 2026F	Investment Thesis
DCM	43,100	1,600	31,800	41%	8.18	5%	1.37	15.72	<ul style="list-style-type: none"> In 2026, we forecast DCM's growth to slow down with fewer breakout factors, as selling prices are unlikely to rise sharply as in previous periods. Nevertheless, revenue can still improve thanks to higher output, particularly in the NPK segment and urea exports. Gross margins are expected to remain stable as selling prices move in line with cost trends; input costs will rise only modestly due to the VAT offset mechanism limiting the impact from rising gas prices. Gas price increases are mainly driven by a +3% YoY currency effect and slight rises in extraction/production costs, while Brent crude oil is assumed to decline by ~3% to USD 65/barrel. On valuation, DCM is currently trading at relatively attractive levels with a trailing P/E of 9.5x and trailing P/B of 1.6x—below the 5-year averages of 10x and 1.8x, respectively—partly reflecting expectations that urea prices in 2026 will struggle to rise faster than in 2025. However, short-term stock price movements will still be heavily influenced by urea price volatility.
GDA	25,100	1,000	16,400	59%	7.00	6%	0.58	9.19	<ul style="list-style-type: none"> GDA is expected to sustain its recovery momentum by strengthening its position in the domestic market. With a prudent investment strategy focused on product quality, the company is increasing market share and maintaining its spot in the Top 3 largest coated steel enterprises (alongside HSG and NKG). Notably, GDA has consistently held the #2 domestic market share position from 2016–2024, with an average share of around 15%. In 2025–2026, as exports face impacts from trade defense measures in key markets (US, etc.), GDA proactively shifts orders back to the domestic market, raising the domestic revenue ratio to ~67% (compared to ~40% previously). As a result, 2026 output is projected at ~790 thousand tons (+7% YoY), corresponding to capacity utilization of about 93%. Regarding profitability, we assume gross margins will remain around ~6.6% under a scenario of average HRC prices recovering ~3% per year, while SG&A expenses are well-controlled and decline to ~3.7% thanks to the domestic market focus. Accordingly, the 2026 net profit is estimated at ~VND 350 billion (+6% YoY). The stock is currently trading at a 2026 P/E of ~7.6x and P/B of ~0.6x, reflecting an attractive valuation relative to its position as the #2 domestic coated steel player. In the long term, growth potential stems from the new flat steel mill: from 2027, the company plans to commission Phase 1 with an annual capacity of 300 thousand tons (out of a total designed capacity of 1.1 million tons/year). Beyond construction-coated steel, this project opens opportunities in industrial equipment steel—a double-digit growth segment where no domestic player has yet participated effectively.

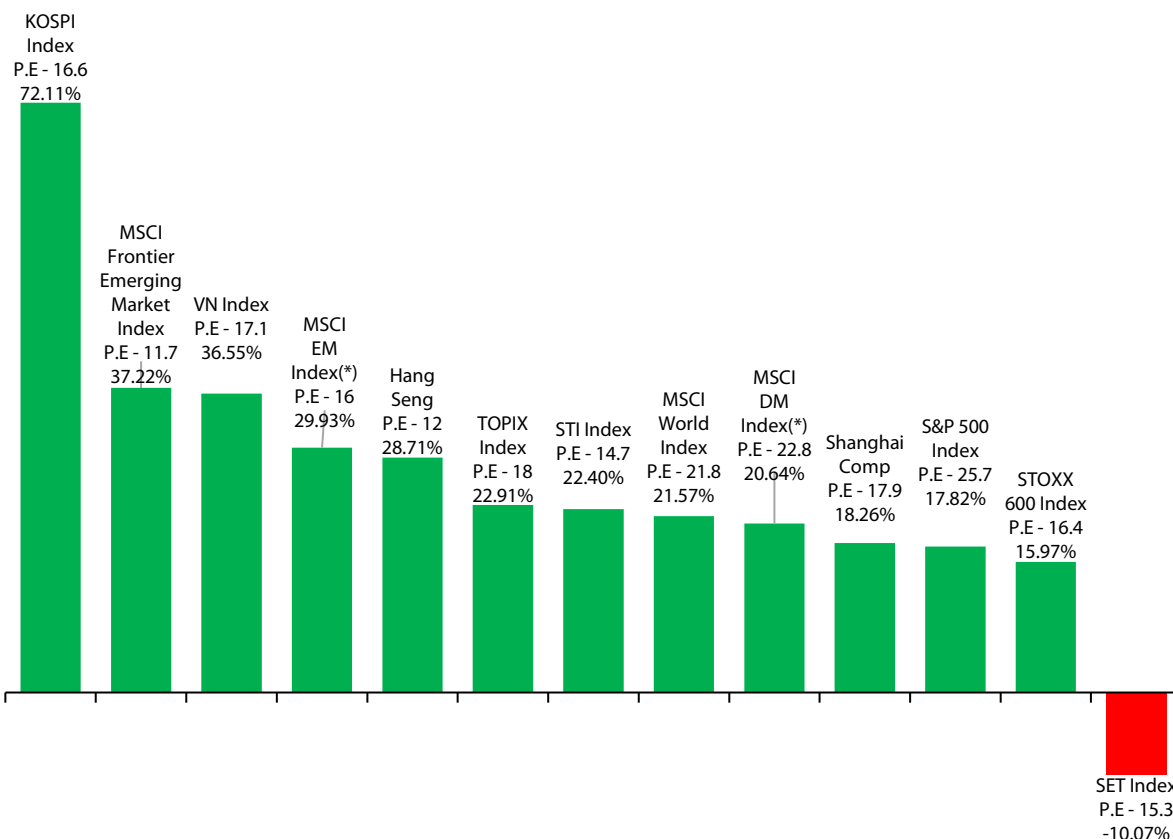
Source: RongViet Securities compiles

Ticker	Target price (VND)	Divid ends	Closed price @26 Dec (VND)	Upside (%)	P/E 2026F	NPAT YoY% 2026F	P/B 2026F	ROE% 2026F	Investment Thesis
FMC	48,000	2,000	34,800	44%	5.72	14%	0.66	24.65	<p>FMC – Attractive valuation; “tax catalyst” could unlock growth from 2H2026</p> <ul style="list-style-type: none"> In 1H2026, FMC's business performance may face pressure as output temporarily declines due to the company shifting orders from the US to the EU and Japan. However, brighter prospects in the US market are expected from Q3/2026, as FMC is likely to benefit from a 0% anti-dumping duty (ADD) for the 2024 review period (POR20)—a key factor enabling market share expansion and renewed growth. According to the timeline, preliminary POR20 results are scheduled for release in March 2026, with final results approximately six months later. In the US, FMC maintains a competitive edge through its portfolio of breaded/value-added shrimp products, which are not subject to ADD, and primarily competes with Indonesia and Thailand. At the same time, Vietnam's current countervailing duties are comparable to those of Indonesia and Thailand, helping preserve price competitiveness. In a less favorable ADD scenario, FMC still has a “pivot” strategy by expanding output to Japan, the EU, Australia, and New Zealand; with its established experience in demanding markets like Japan, medium- to long-term implementation risks are assessed as manageable.
ANV	35,200	1,000	27,000	34%	6.43	12%	1.69	16.78	<p>ANV – Sustaining growth momentum through market share expansion, driven by two core pillars: pangasius and tilapia</p> <ul style="list-style-type: none"> We expect ANV to maintain growth by expanding output in both tilapia and pangasius, projected at +50% and +9% YoY, respectively, amid diverging selling price trends. Tilapia prices are estimated to decline slightly by ~5% YoY, while pangasius prices rise modestly by ~2% YoY. Volume growth will be led by markets in the US, Brazil, Thailand, Mexico, and Russia, offsetting the volume decline in pangasius to China. Downward pressure on tilapia prices stems primarily from Chinese competition, assuming tariffs between Vietnam and China remain unchanged from January 2024 levels. In contrast, pangasius prices edge higher due to export market restructuring—shifting from China to higher-priced markets like the US and Brazil. Regarding profitability, gross margins are expected to remain stable at ~26%, as a slight improvement in pangasius margins offsets the decline in tilapia margins. Tilapia margins will soften due to a ~5% YoY drop in average selling prices, while raw material costs fall only ~3% YoY (tied to an assumed ~3% YoY decline in soybean prices). Meanwhile, pangasius margins improve marginally, supported by ~1.8% higher selling prices and a ~1% YoY reduction in raw pangasius costs.

Source: RongViet Securities compiles

MARKET APPENDIX

Most stock markets have witnessed positive growth since the beginning of the year. Vietnam has become a standout in Southeast Asia, with the VN-Index increasing by 36.55% amid stock market upgrade and the launch of 'Innovation 2.0'



Source: Bloomberg, RongViet Securities. Data as of December 26, 2025

(*)DM: Development Market

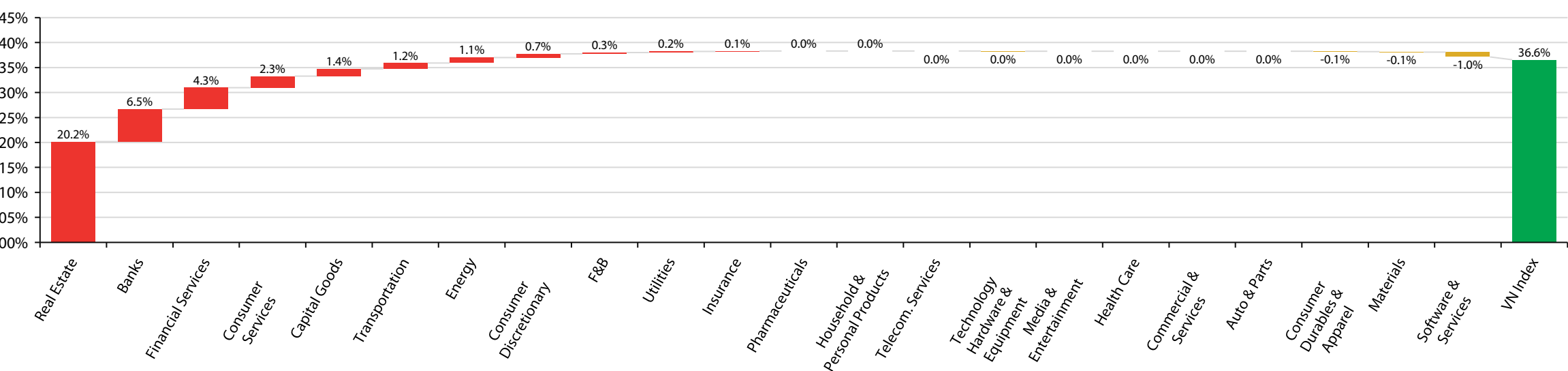
EM: Emerging Market

Market liquidity has seen a significant increase since the end of Q1 2025, contributing to a 46.7% rise in VN-Index liquidity compared to 2024

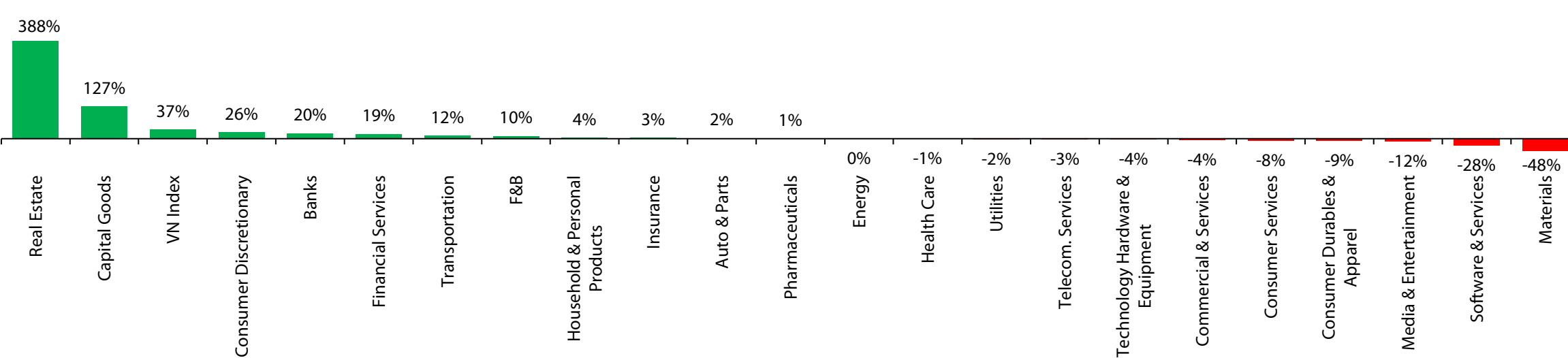
	VN Index		Upcom		HNX Index	
2025	23,943		671		1,734	
2024	16,320		742		1,305	
2023	13,477		587		1,540	
2022	15,351		936		1,773	
2021	20,018		1,505		2,907	
2020	5,206		310		595	
2019	2,925		203		321	
2018	4,251		269		717	
2017	3,430		148		574	
2016	1,924		58		448	
2015	1,587		33		457	
2014	1,888		17		824	

Source: Bloomberg, RongViet Securities. Data as of December 26, 2025

Year-to-date performance among industry groups since 2025



Sector contributions to market growth in 2025



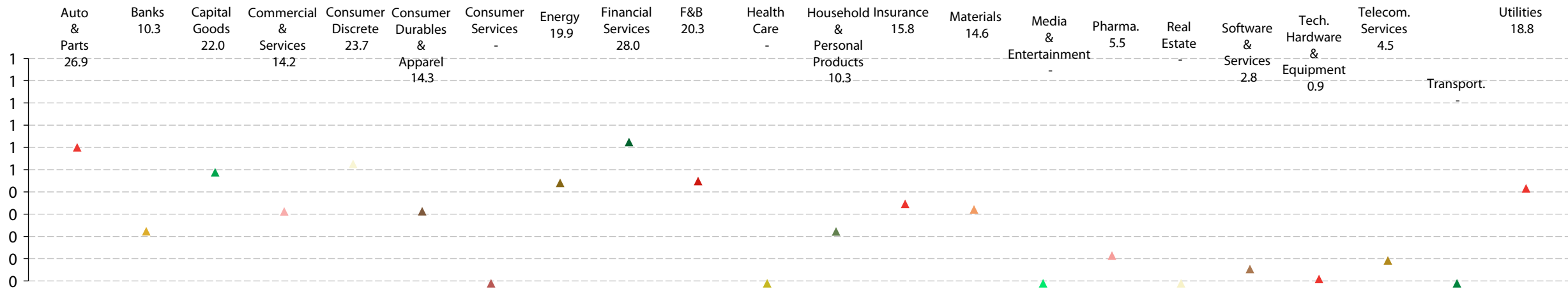
Source: Bloomberg. RongViet Securities. the groups were classified by ICB level 2. Data as of December 26, 2025

Trading value rebounded significantly across most sectors, led by banking and financial services relative to others and the overall market

VND bn/ section	Average daily liquidity											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Banks	86	183	102	341	1,015	443	1,633	5,285	2,727	2,419	3,543	6,329
Financial Services	157	137	81	150	236	75	224	1,987	1,413	2,035	2,137	4,185
Real Estate	303	207	500	532	795	472	911	4,011	3,021	2,981	2,856	3,867
Industrial Goods and Services	189	120	228	296	416	257	692	2,379	1,742	1,456	1,703	2,722
Food. Beverage and Tobacco	211	212	374	370	504	299	656	1,653	1,401	1,102	1,538	1,974
Construction and Materials	152	186	193	287	183	132	285	896	1,118	1,064	889	1,368
Technology	51	42	41	72	85	79	121	281	250	225	725	986
Retail	10	11	29	203	175	160	231	467	493	459	831	925
Chemicals	41	31	28	60	38	20	121	464	778	440	628	538
Energy	91	62	68	146	180	128	160	422	355	201	271	431
Basic Resources	44	25	116	147	89	44	176	804	548	505	434	340
Travel and Leisure	3	1	21	86	131	116	84	140	125	93	152	328
Utilities	43	53	43	30	28	82	120	332	333	161	180	216
Consumer Products and Services	40	50	66	69	87	83	115	265	254	162	271	177
Health Care	19	56	39	63	33	21	32	195	77	38	49	58
Insurance	21	24	24	23	22	20	48	114	116	39	42	49
Media					4	6	2	10	11	4	21	47
Automobiles and Parts	34	10	30	17	13	9	17	65	23	9	38	26
Telecommunications	0	0	0	0	0	0	1	9	5	1	2	3
Personal Care. Drug and Grocery Stores	0	1	4	2	1	1	5	4	1	0	2	1
VN Index	1,888	1,587	1,924	3,430	4,251	2,925	5,206	20,018	15,351	13,477	16,320	23,943

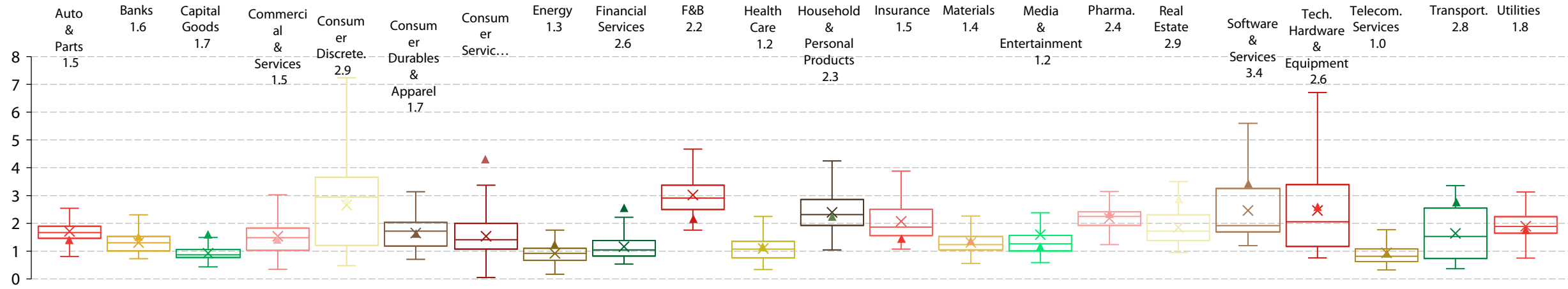
Source: Bloomberg. RongViet Securities. Data as of December 15, 2025

P/E by sector (2019-2025)



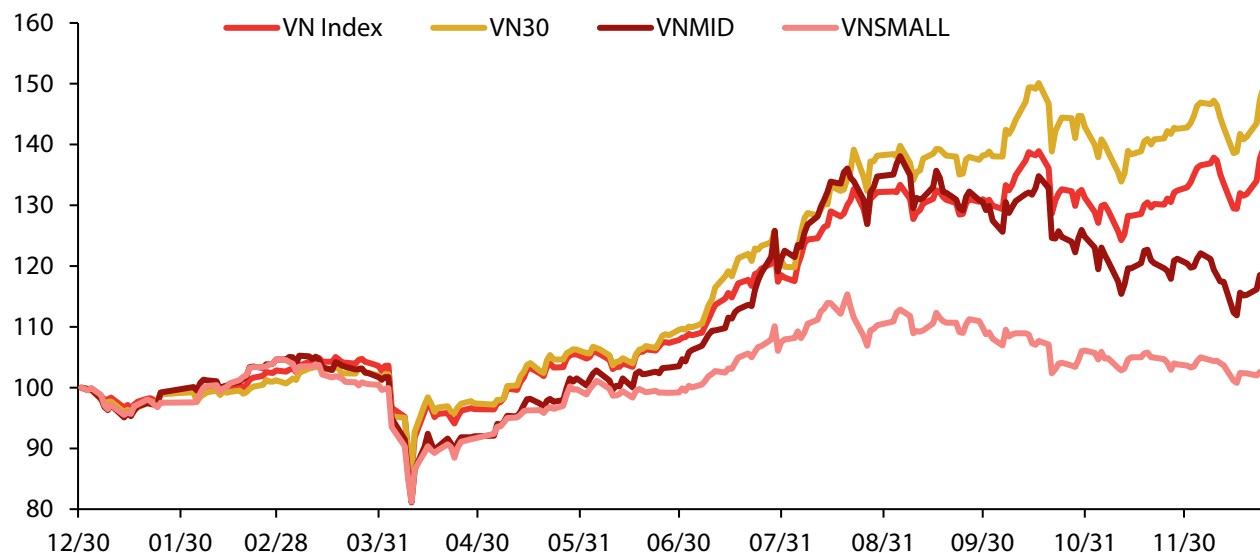
X: 5-year average P/E. p: current P/E
Source: Bloomberg. RongViet Securities. Data as of December 26, 2025

P/B by sector (2019-2025)



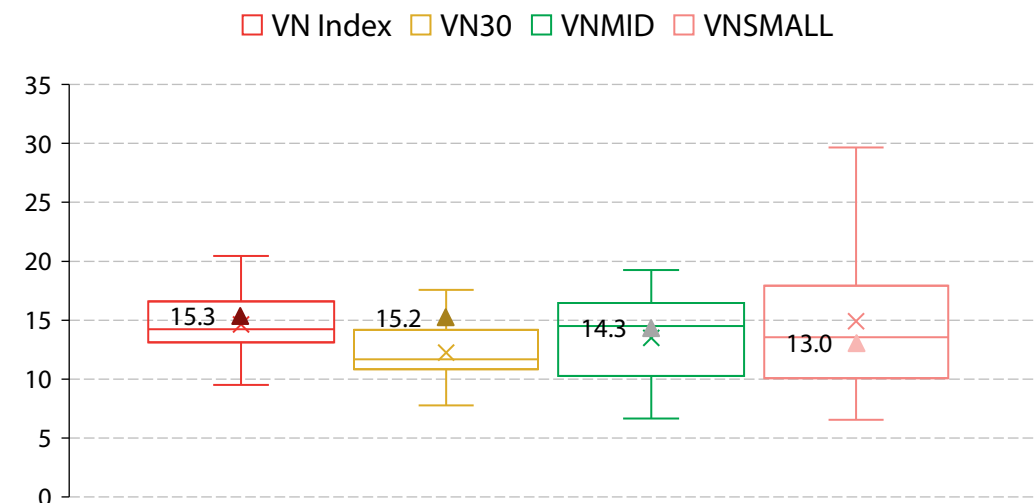
X: 5-year average P/B. p: current P/B
Source: Bloomberg. RongViet Securities. Data as of December 26, 2025

VN30 Index has strongly outperformed since the beginning of the year



Source: Bloomberg. RongViet Securities. Data as of December 26, 2025

P/E ratios by cap size (2019-2025)



X: 5 year average P/E. p: current P/E

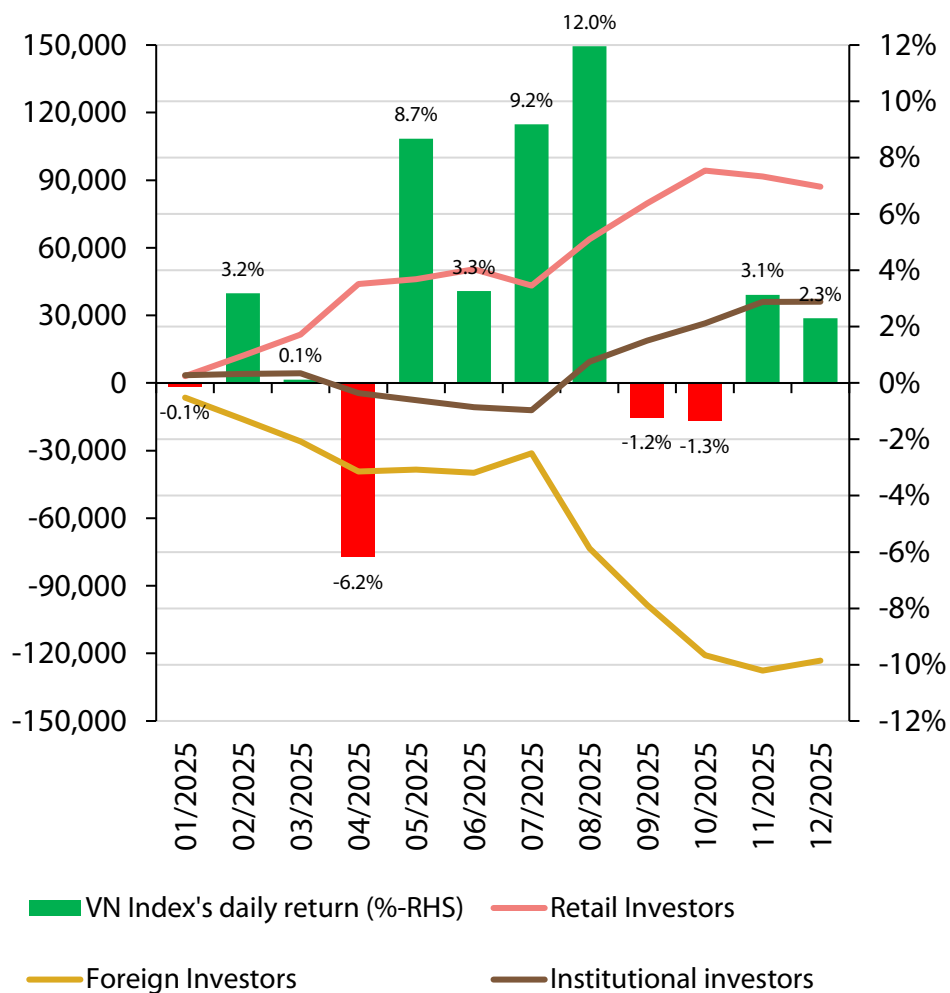
Source: Bloomberg. RongViet Securities. Data as of December 26, 2025

Market liquidity by cap size – Cash flow spreads, concentrated in Large Caps

VND bn	Average liquidity									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
VN30	1,026	1,555	2,441	1,718	2,762	9,358	5,650	4,993	7,150	12,066
VNMID	466	906	923	711	1,451	6,004	6,435	6,400	6,910	9,302
VNSMALL	336	322	282	276	610	2,783	2,413	1,576	1,718	1,855
VN Index	1,924	3,430	4,251	2,925	5,206	20,018	15,351	13,477	16,320	23,943

Source: Bloomberg. RongViet Securities. Data as of December 26, 2025

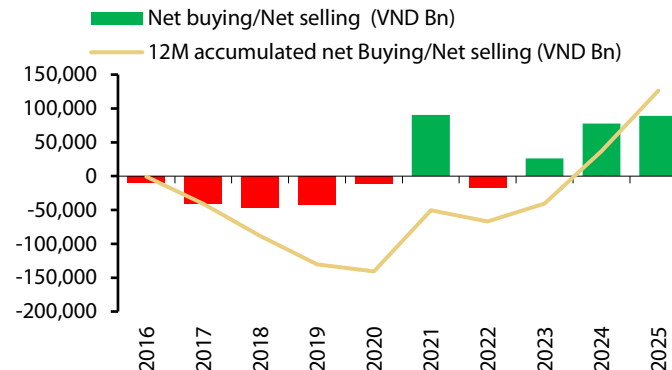
Market performance correlation and trading activity by investor group (12-Month Cumulative)



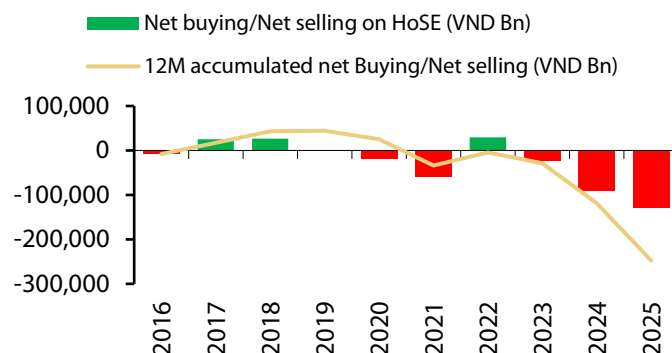
Source: Finnpro. RongViet Securities. Data as of December 26, 2025

Cumulative net buy/sell value

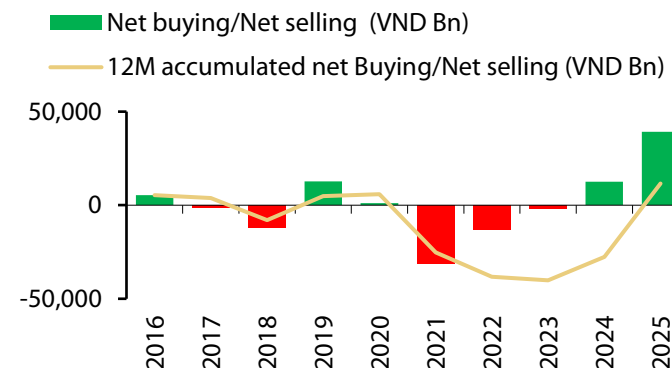
Retail investors



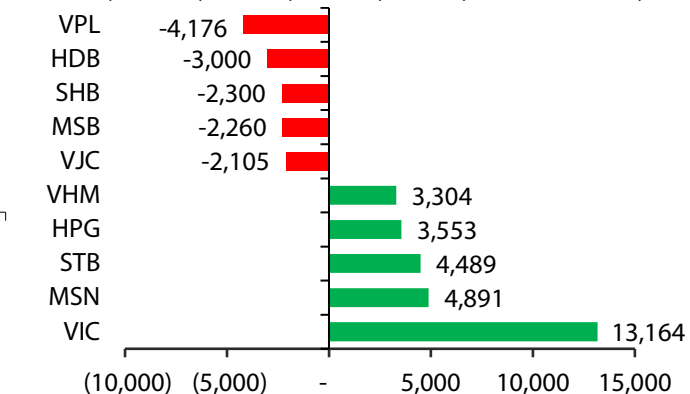
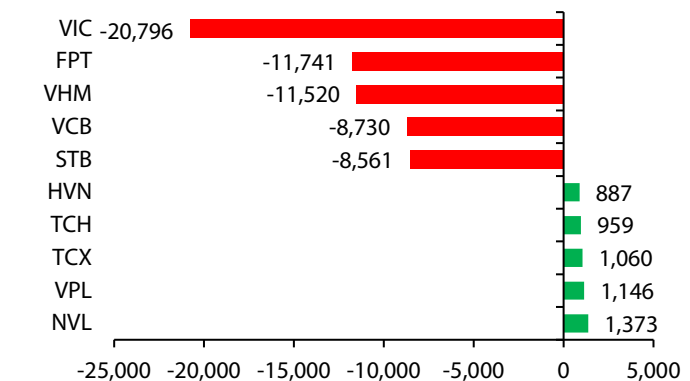
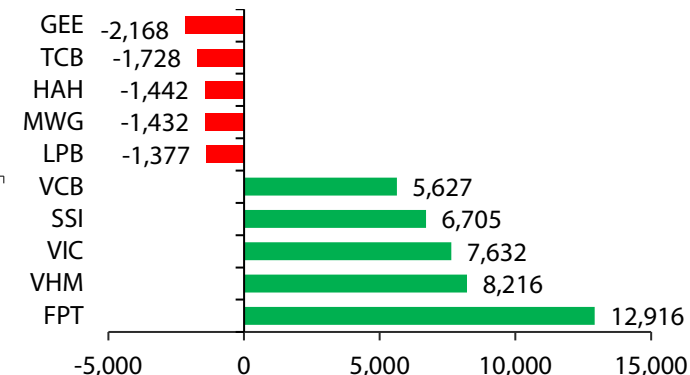
Foreign investors



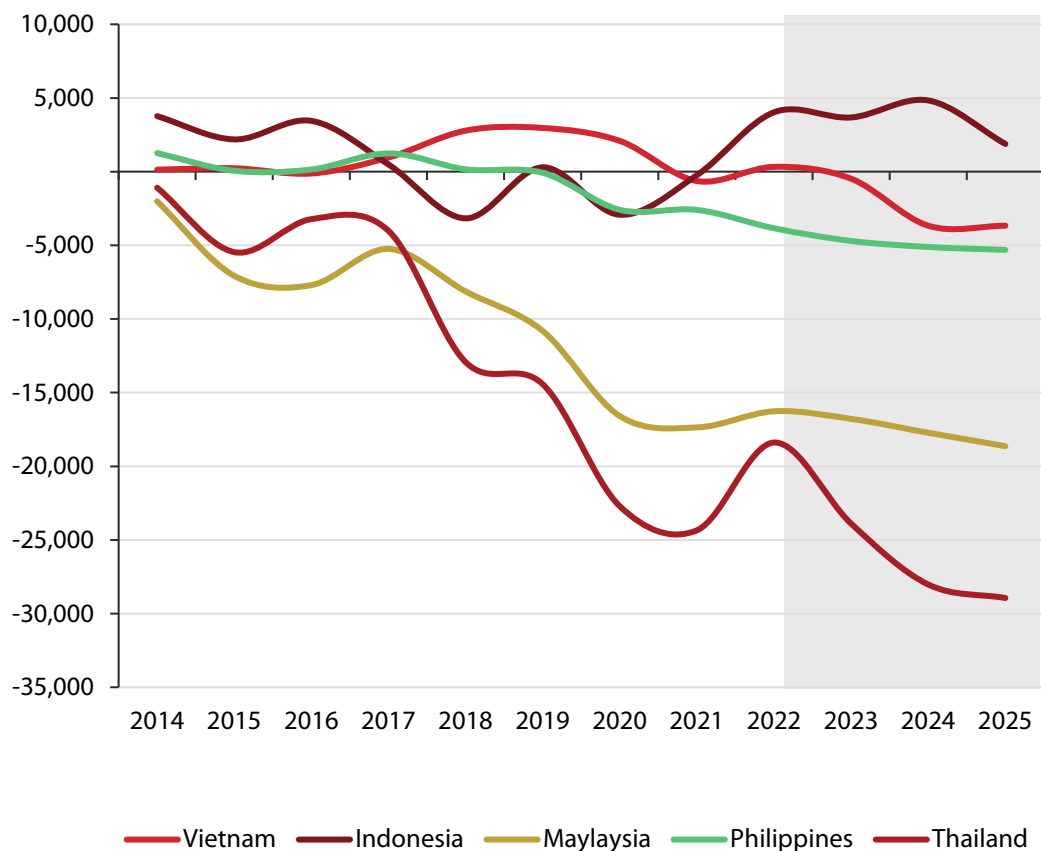
Institutions



Top traded stocks

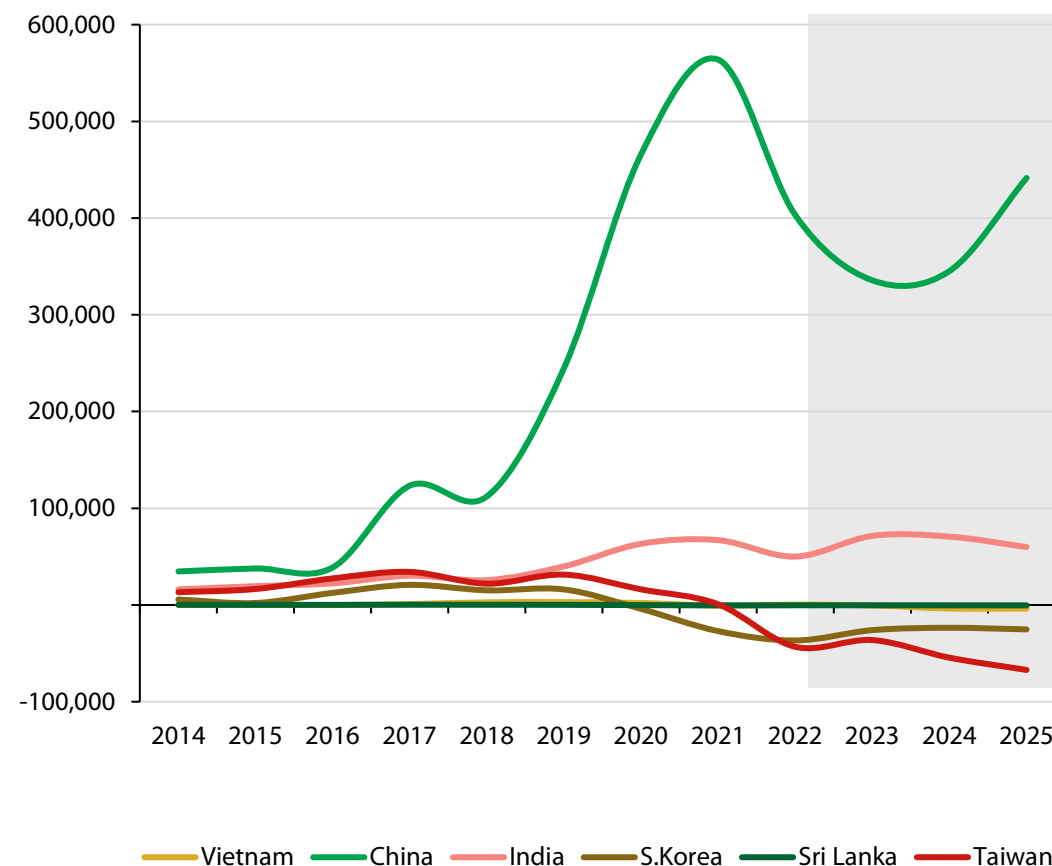


Cumulative net capital flow (million USD) - Southeast Asia's net selling trend continues to increase



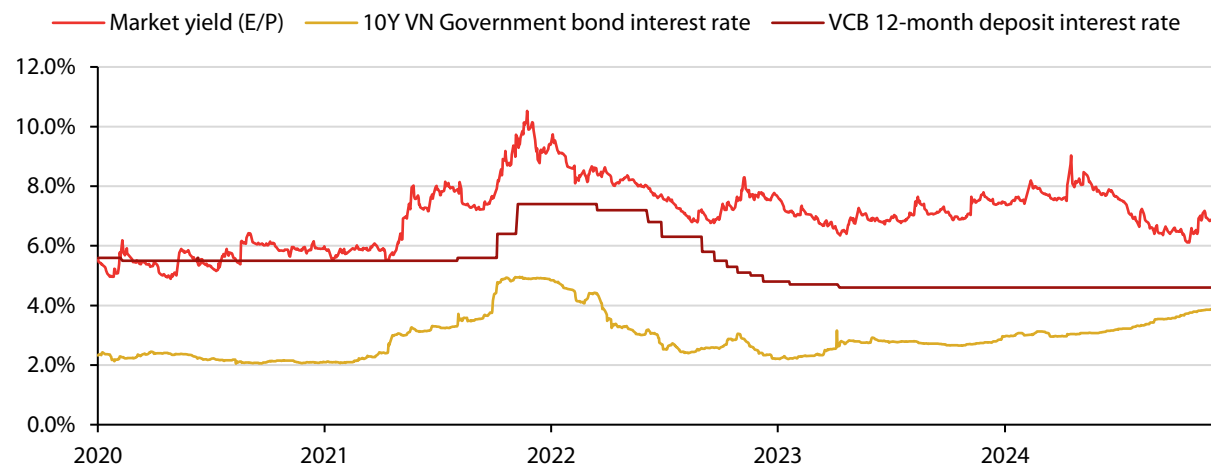
Source: Bloomberg. RongViet Securities. Data as of December 26, 2025

Cumulative net capital flow (million USD) – Foreign capital flow in Asian markets shows net selling trend, with China's recovery since 2024

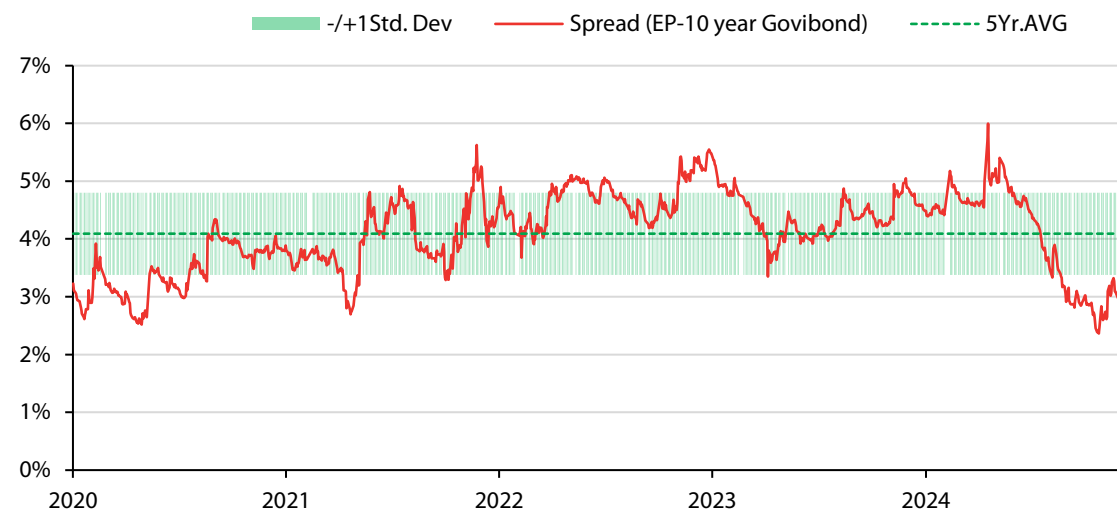


Source: Bloomberg. RongViet Securities. Data as of December 26, 2025

Correlation between stock market returns, 10-year government bond yields, and VCB's 12-month deposit interest rate



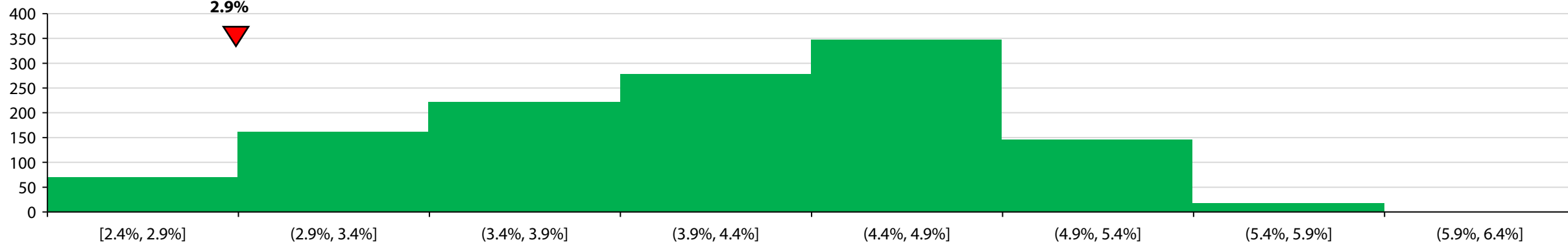
Yield spread between stock market returns and 10-year government bond yields



Yield spread distribution (2019 - Present)

Current yield spread

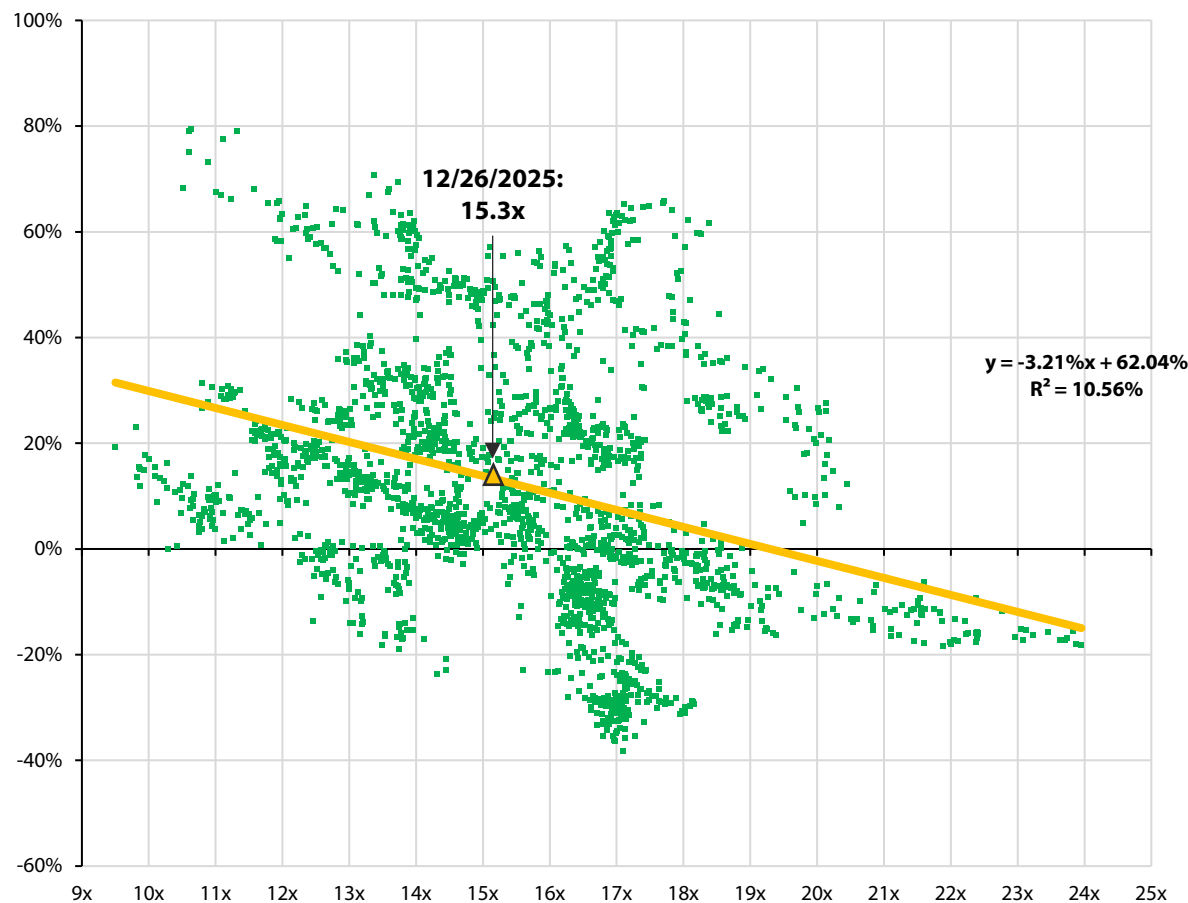
2.9%



Source: Bloomberg, RongViet Securities

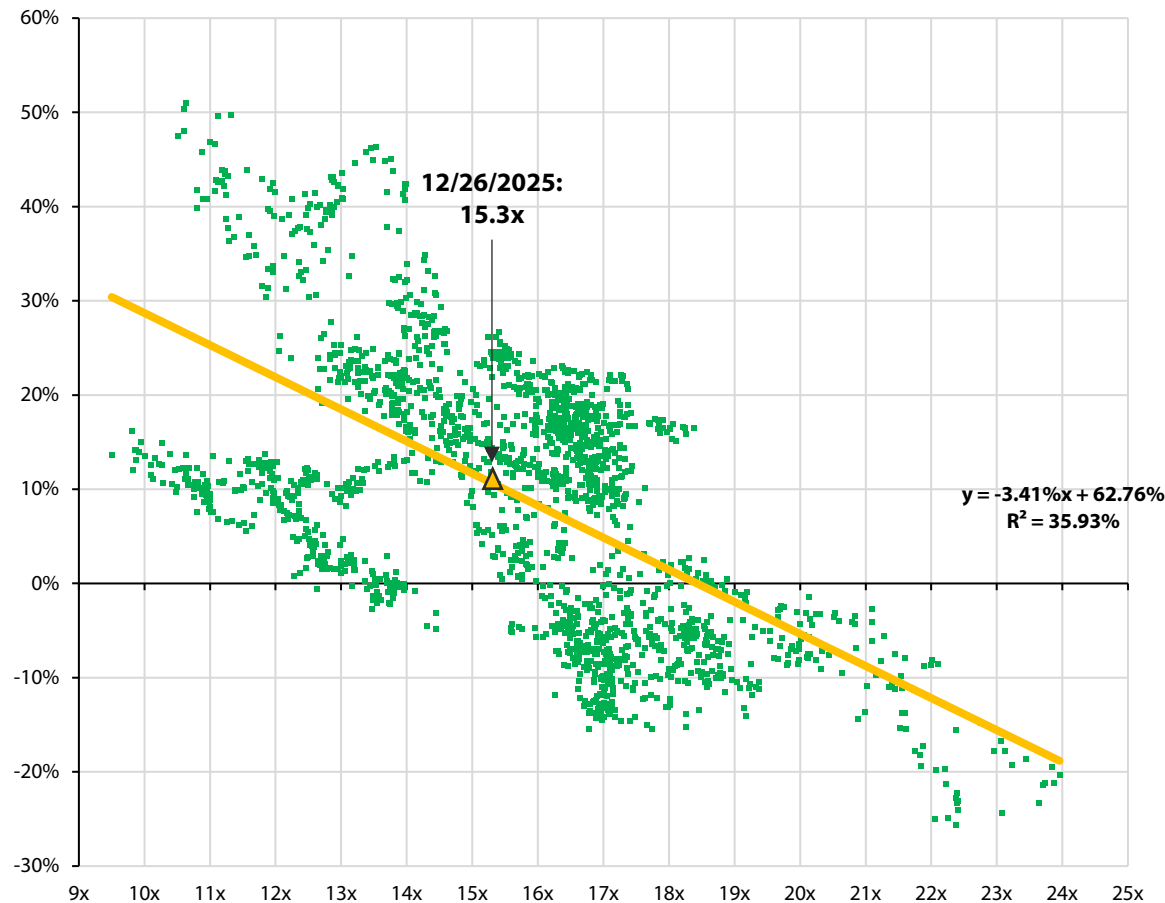
Yield Spread (*): This indicator represents how the market prices the equity risk premium (ERP) when investing in the listed capital market compared to the risk-free rate with an equivalent investment horizon. The 10-year government bond yield serves as a suitable proxy for the risk-free rate. The chart illustrates the probability distribution of the yield spread over the past five years. Statistically, 70% of yield spread fluctuations occur within one standard deviation.

VN Index P/E ratio and 1-year holding period returns



Source: Bloomberg. RongViet Securities. Data as of December 26, 2025

VN Index P/E ratio and 2-year holding period returns



Source: Bloomberg. RongViet Securities. Data as of December 26, 2025

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