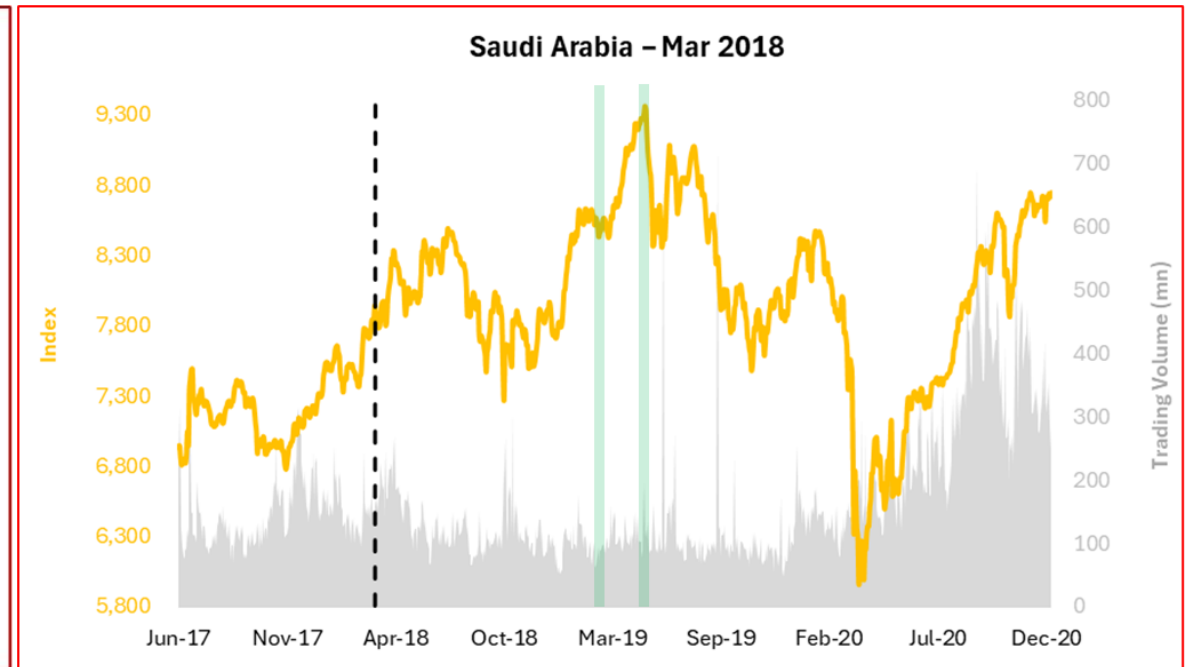
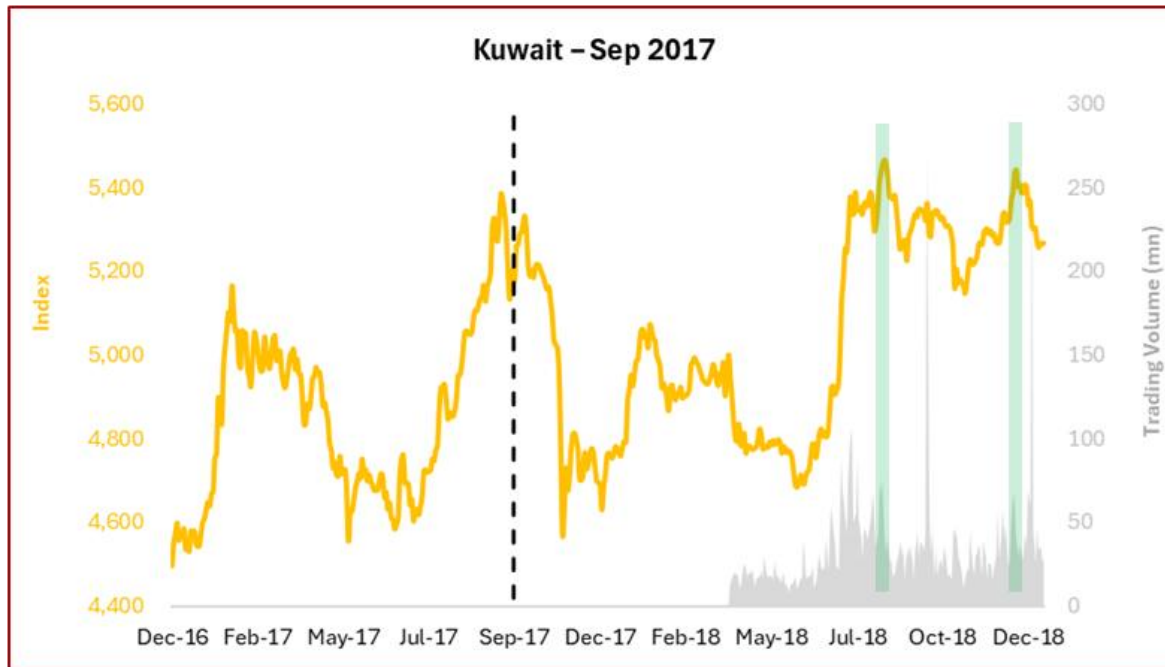


The bull needs some rest before another run! Easing FX pressure, robust 4Q results and approaching inclusion of VN stocks into FTSE EM ETFs will fuel the next bull-run



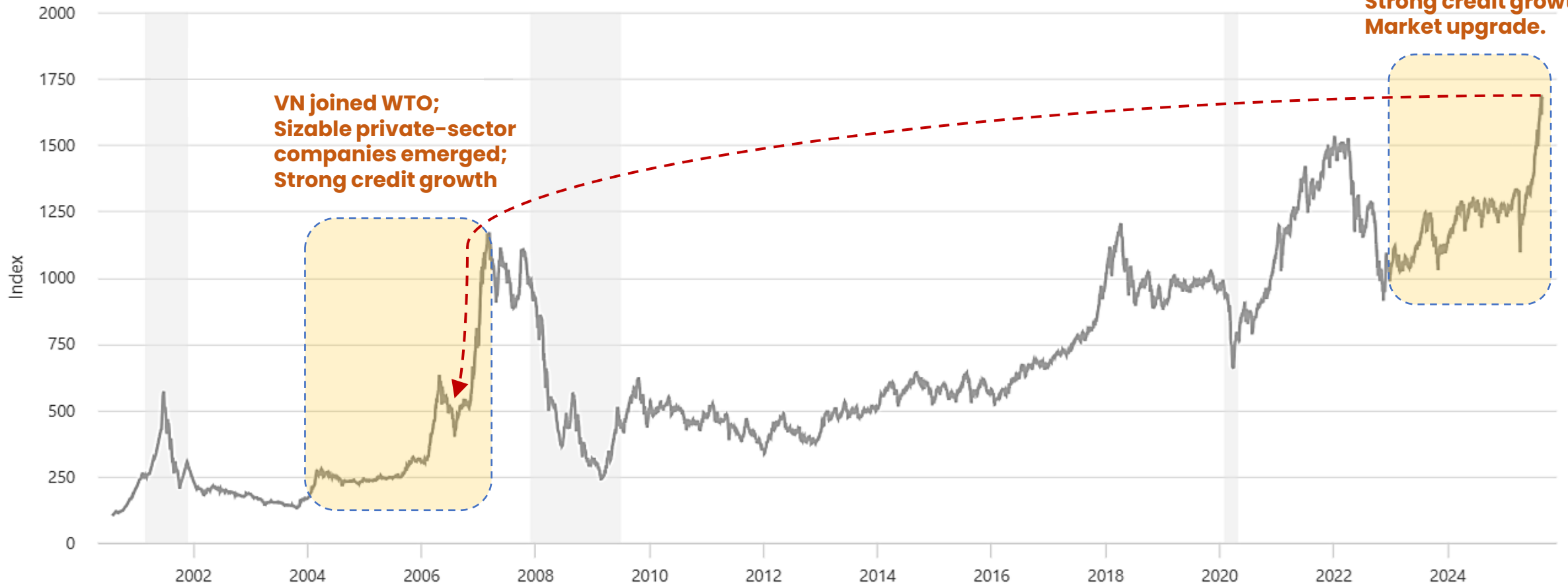
We expect Vietnam market to repeat some positive features of Kuwait and Saudi Arabia market movement upon stock market upgrade to EM by FTSE.



Based on comparison of macro and market dynamics, we expect Vietnam market in 2025-26 could repeat the pattern of 2005-2007 period



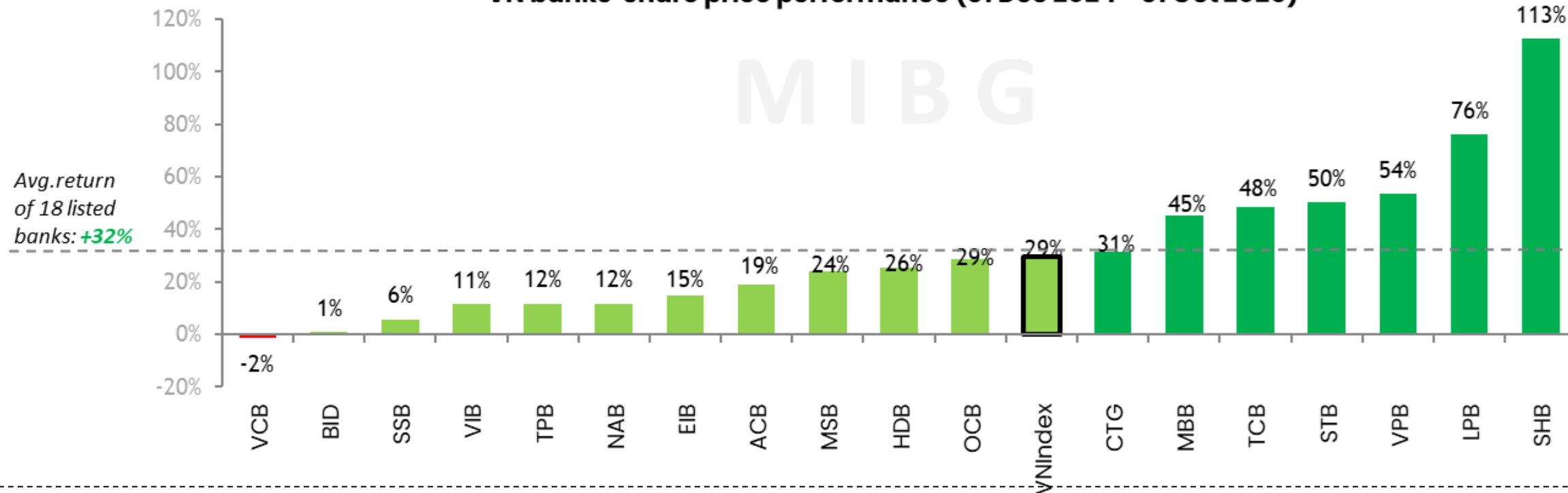
### Vietnam Ho Chi Minh Stock Index / VN-Index evolution, points



Share performance update: Vietnam banks generated good return YTD, albeit a strong pull-back recently!



VN banks' share price performance (31 Dec 2024 - 31 Oct 2025)



Pull-back from recent peak:

VCB	BID	SSB	VIB	TPB	NAB	EIB	ACB	MSB	HDB	OCB	VNIndex	CTG	MBB	TCB	STB	VPB	LPB	SHB
-14%	-15%	-24%	-25%	-21%	-17%	-30%	-14%	-22%	-7%	-17%	-8%	-12%	-20%	-16%	-9%	-26%	-7%	-15%

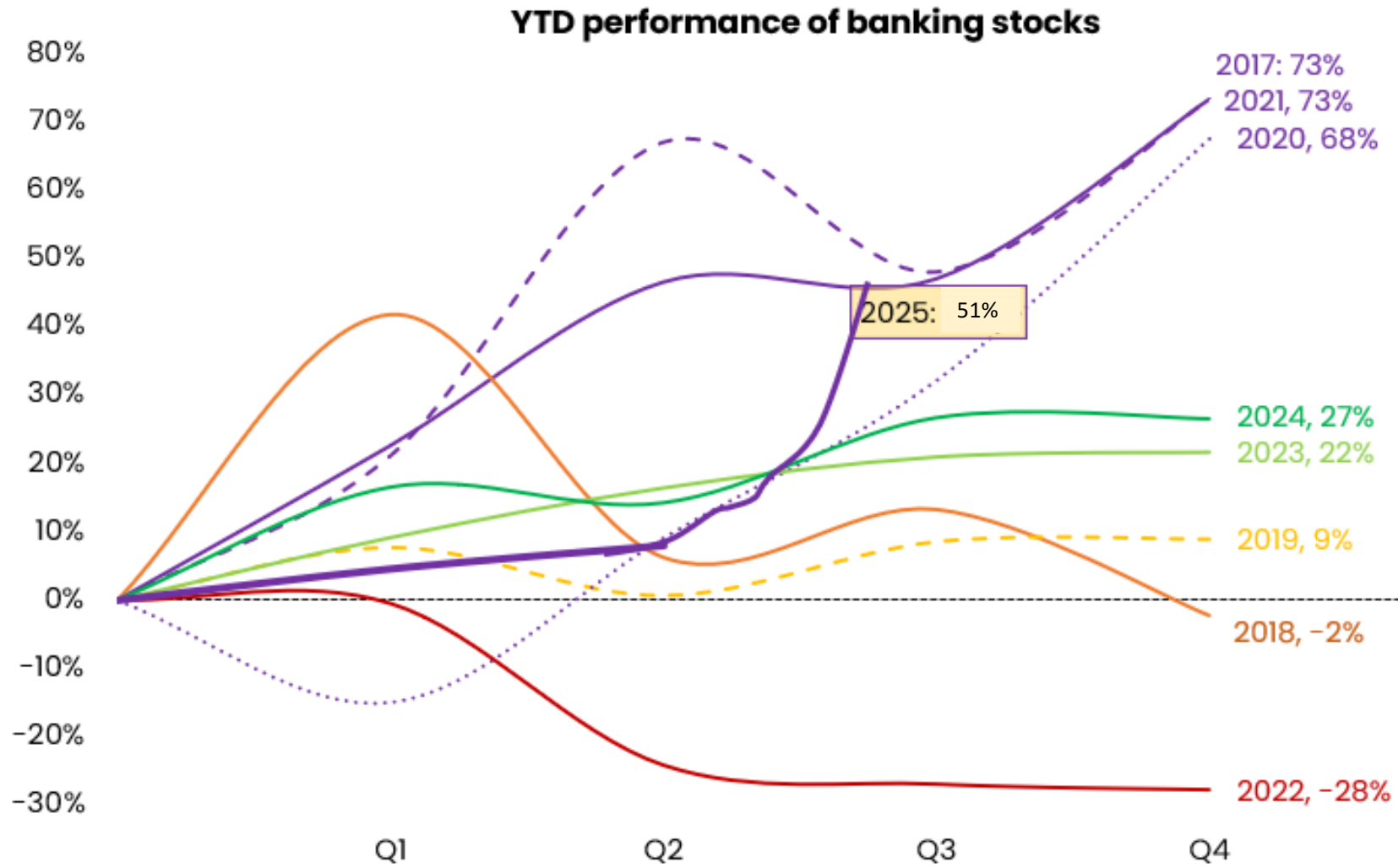
# FY26E Valuation becomes attractive again!



**Vietnam' listed banks' average P/B valuation during 2011–Aug 2025**

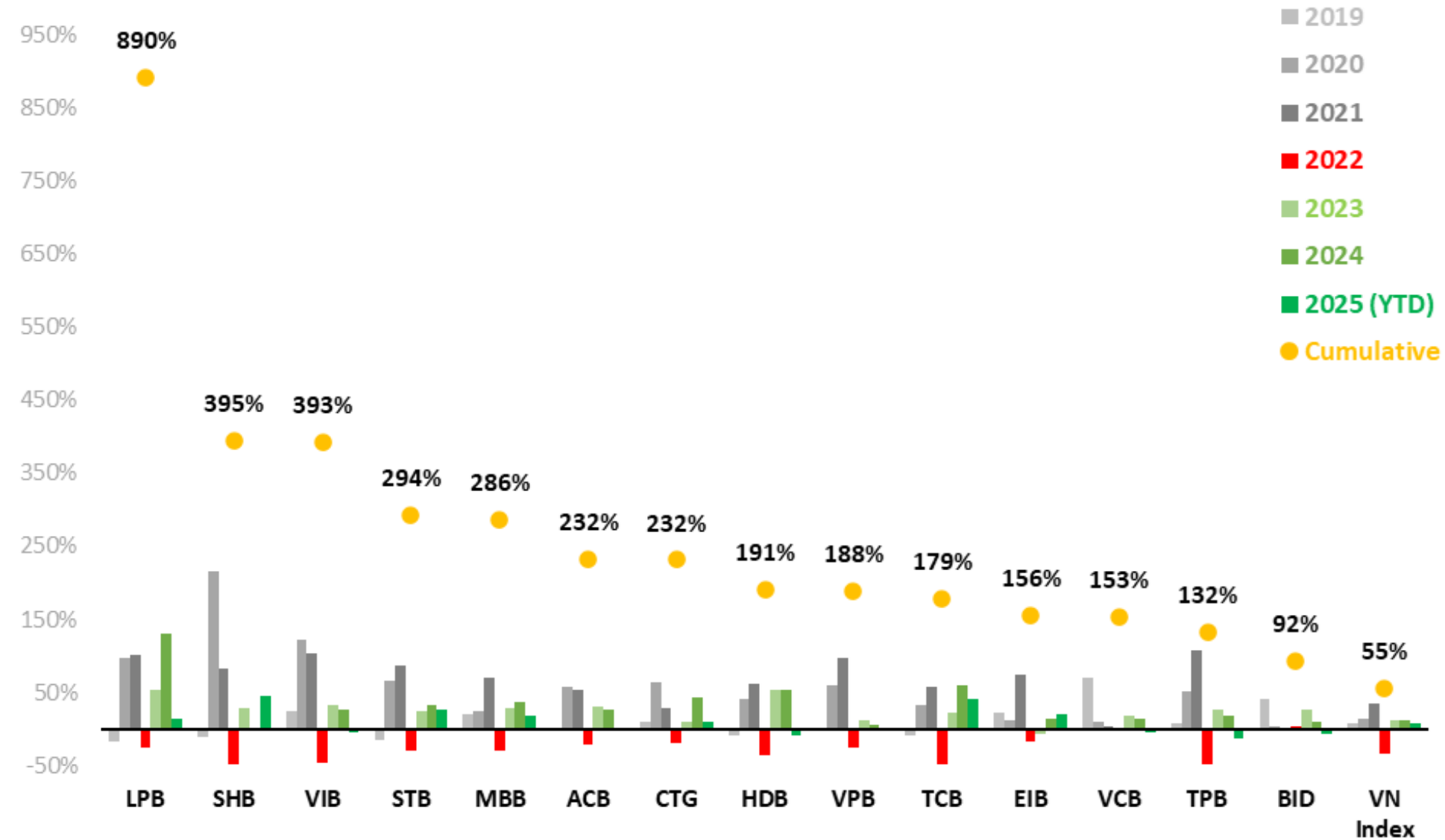


We expect the sector's share performance in 2025-26 to resemble 2017 pattern, with favorable macro backdrop and stock-market upgrade as re-rating catalyst.





## Banking Stocks vs VN Index



Giai đoạn 2020-24 chứng kiến nhiều biến số chưa từng có:

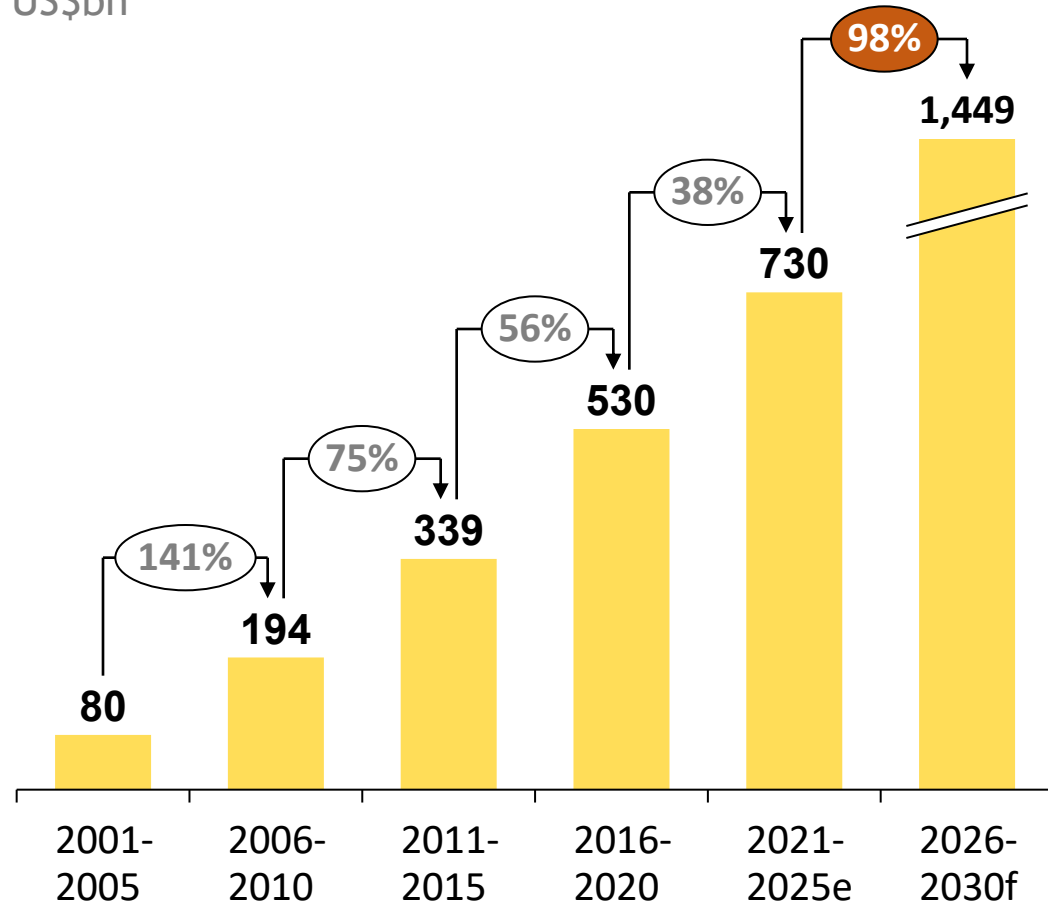
1. Covid (2020-21)
2. Kẹt thanh khoản (Thị trường Trái phiếu, BDS – 2022)
3. Lãi suất cao (2022-23).
4. Áp lực tỷ giá (2022-25)
5. Thay đổi lãnh đạo VN và Thế giới
6. Xung đột địa chính trị
7. Chiến tranh thương mại

To realize its ambitious target of 10% annual GDP growth during 2026-30, Vietnam is projected to invest about US\$1.4 trillion over the next five years

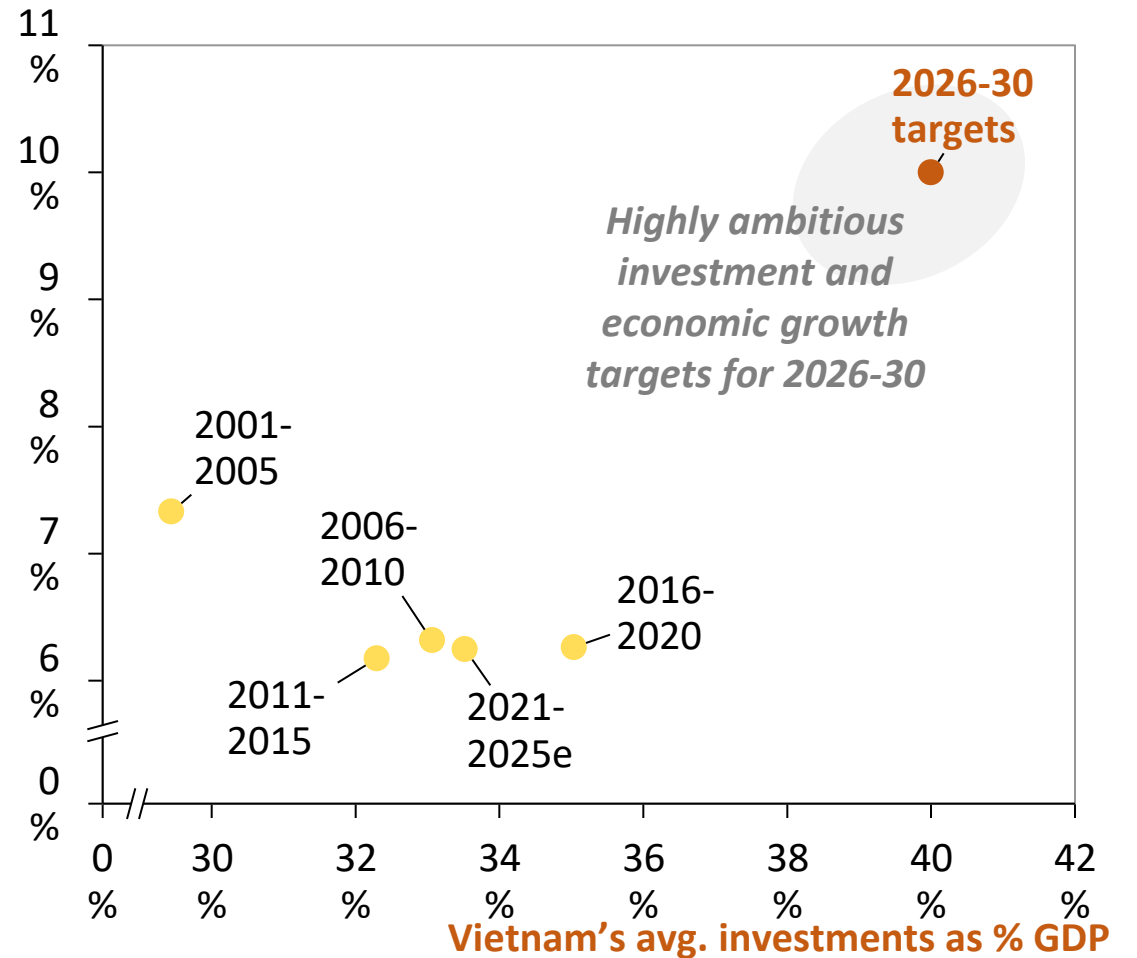


### Vietnam's total investments during each period

US\$bn



### Vietnam's avg. real GDP growth

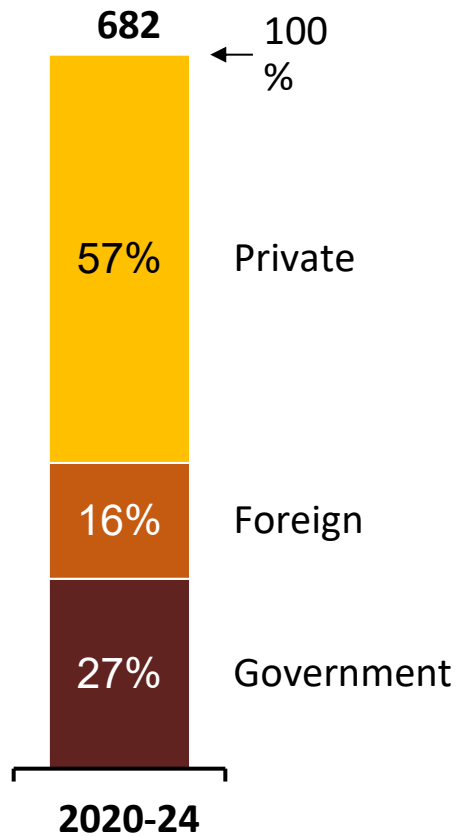


There is still good room for **corporate-lending** expansion into sectors like manufacturing, Transportation BT projects, Utilities...



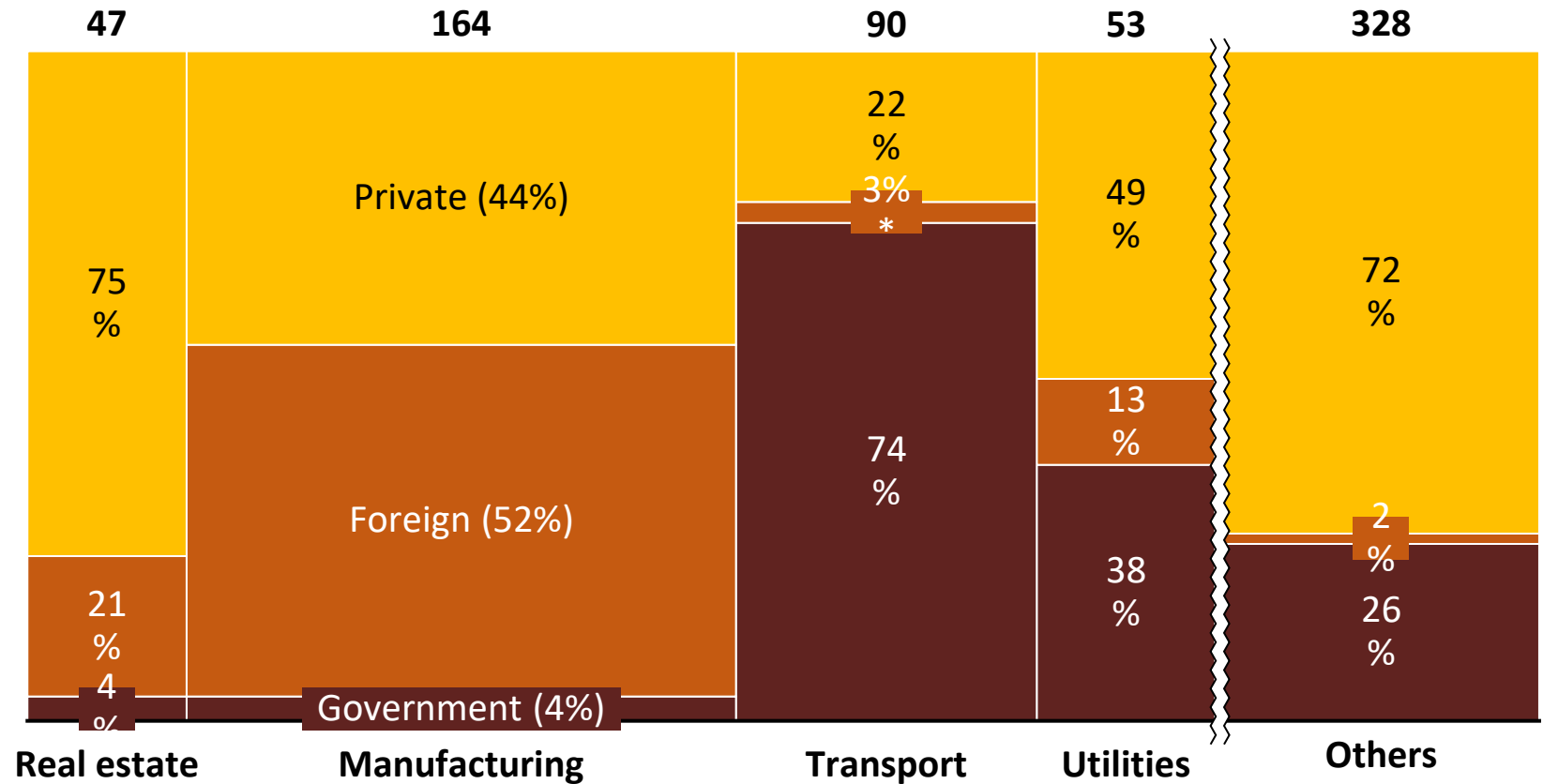
**Vietnam's investments**

US\$bn, 2020-24 total



**.....by main sectors**

US\$bn, 2020-24 total



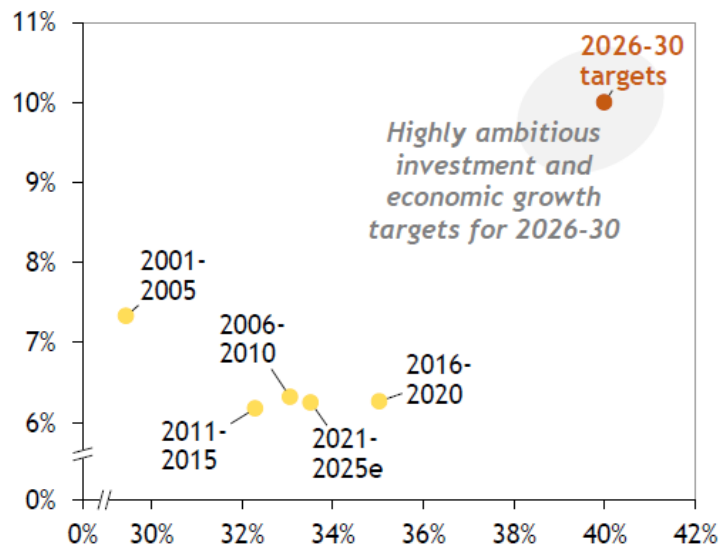
# Banks are key financiers and beneficiaries of the Nation-building period



## VIETNAM ECONOMIC PLAN 2026 – 2030

The proposed economic plan is targeting **annual GDP growth of 10%**

### Vietnam's avg. real GDP growth



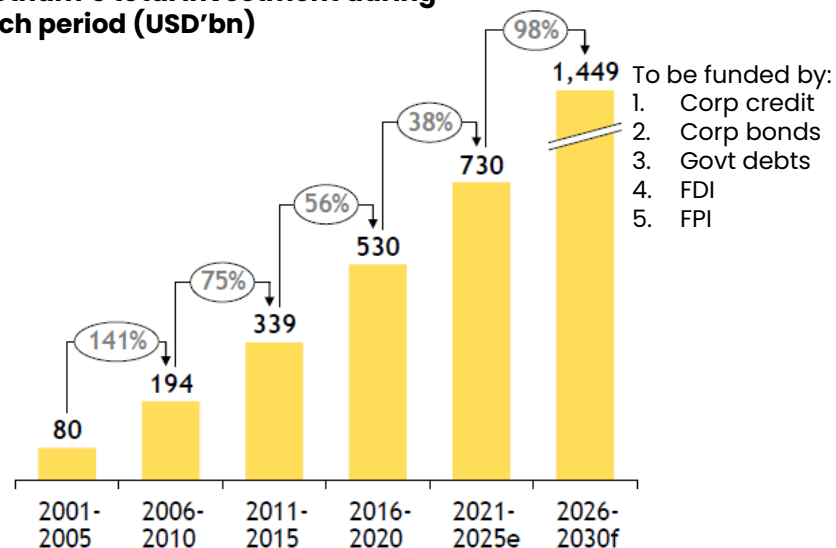
### Vietnam's avg. investments as % GDP

Source: VN Ministry of Finance, IMF, MSVN Research

Note: VN is currently rated BB+ (S&P & Fitch) and Ba2 (Moody's). Investment grade indicates a low risk of default i.e. BBB- (S&P & Fitch) and Baa3 (Moody's)

The country is projected to **invest ~USD1.4tr over the next 5 years (or USD280b annually)**, primarily in infrastructure

### Vietnam's total investment during each period (USD'bn)



## KEY CATALYST

### Developing corporate bond market

- Diversify funding sources
- Reduce burden on banks
- Ideal for infra, energy investments

### Building IFCs

- Ho Chi Minh and Da Nang to position VN as a regional capital and fund management hub
- Spur FDI, FinTech, ESG and talent development

### Stock market upgrade to Emerging Market status (FTSE & MSCI)

- Gain better access to global capital and valuation
- Signals improved regulatory standards

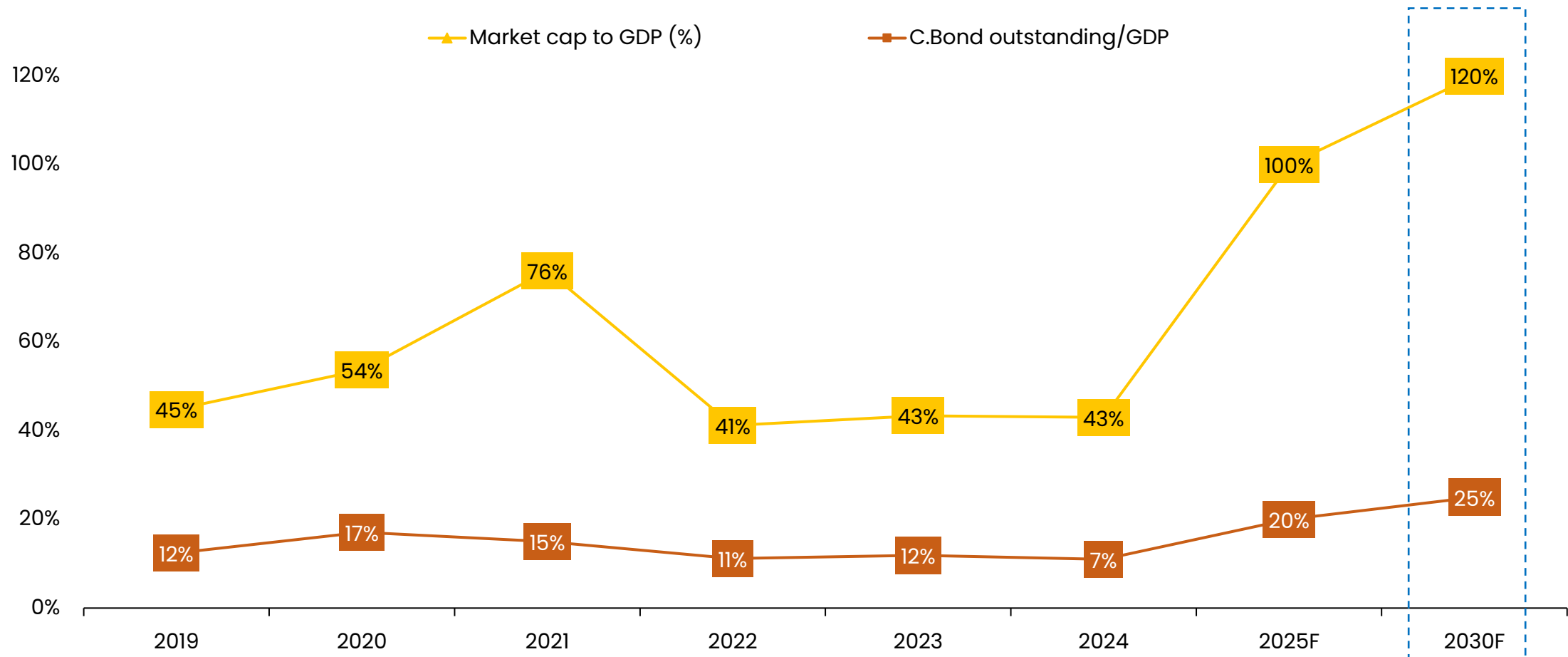
### Upgrading sovereign credit rating to credit rating to "Investment Grade" <sup>1</sup>

- Reduce borrowing costs
- Unlocks capital from pension funds, insurers, etc.
- Signal macro stability and improve corporate ratings



# Deepening capital markets is a must

Vietnam's **equity and bond markets remain relatively young** as compared to ASEAN peers. Deepening its capital markets has become critical for Vietnam to raise funds for its nation-building ambition



Source: LSEG Datastream, DBS, World Bank, Maybank Research Vietnam

# Stock market upgrade to “Emerging status” by FTSE and MSCI



VN market is qualified for EM in terms of both market cap and trading turnover. **Upgrade to EM by FTSE in Oct 2025 could be followed by MSCI upgrade in 2028.**



**FTSE  
RUSSELL**

## Market Cap (USDbn)

China	7,464
Taiwan	2,830
India	2,242
Indonesia	910
Thailand	502
Malaysia	276
Vietnam	270 ★
Qatar	162
Philippines	152
Chile	108
Czech	102
Columbia	70

## Daily Traded Value (USDmn)

China	93,039
Taiwan	14,825
India	2,925
Thailand	1,194
Indonesia	1,143
Vietnam	1,128 ★
Malaysia	276
Chile	189
Qatar	84
Philippines	73
Columbia	29
Czech	28

**MSCI** 

## Market Cap (USDbn)

China	7,464
Taiwan	2,830
India	2,242
S.Korea	2,019
Indonesia	910
UAE	781
Thailand	502
Malaysia	276
Vietnam	270 ★
Philippines	152
Peru	132
Egypt	30

## Daily Traded Value (USDmn)

China	93,039
Taiwan	14,825
S.Korea	8,346
India	2,925
Thailand	1,194
Indonesia	1,143
Vietnam	1,128 ★
UAE	327
Malaysia	276
Peru	86
Philippin...	73
Egypt	32

We expect Vietnam will be **upgraded to "Investment Grade"** by S&P by 2028 (bull-case) or 2030 (base-case), provided that its current reform agenda are well executed



### Vietnam's sovereign ratings

S&P	Moody's	Fitch
AAA	Aaa	AAA
AA+	Aa1	AA+
AA	Aa2	AA
AA-	Aa3	AA
A+	A1	A+
A	A2	A
A-	A3	A-
BBB+	Baa1	BBB+
BBB	Baa2	BBB
BBB-	Baa3	BBB-
<b>BB+</b>	Ba1	<b>BB+</b>
BB	<b>Ba2</b>	BB
BB-	Ba3	BB-
B+	B1	B+
B	B2	B
B-	B3	B-

### Evolution of Vietnam's sovereign ratings by Fitch

