

Banking

Right on track

Neutral

Strong earnings growth in 3Q25

- Aggregated 3Q25 PBT (27 listed banks) surged +24.6%yoy from a low base in 3Q24 and -1.8%qoq. The business results resulted from 1) robust credit growth, 2) a strong growth in non-interest expenses, and 4) controllable operating expenses and provision expenses. Accumulated 9M25 PBT rose by +18.7%yoy, completing approximately 75% of the 2025 guidance.
- Banks with impressive results in 3Q25: CTG (+62.0%yoy) in SOCBs, STB (+32.9%yoy), VPB (+76.1%yoy), and SHB (+51.3%yoy) in large private banks; MSB (+31.0%yoy) and OCB (+249.5%yoy) in medium private banks; and some small private banks.

A high record for credit growth in 3Q25

- Total credit disbursement grew +13.37%YTD in 3Q25 (or 19.6%yoy), higher than +9.11%YTD in 3Q24, driven by growth momentum from corporate loans and a gradual recovery in retail loans.
- 21/27 banks with higher credit growth. Some banks led the banking group in 3Q25: CTG (+15.6%YTD) in SOCBs; VPB (+28.2%YTD) in large private banks; LPB (+17.0%YTD) and NAB (+18.1%YTD) in medium private banks; NVB (+32.6%YTD) in small private banks.
- 3Q25 NIM (27 banks) declined by -14bps for quarter-over-quarter and -30bps for year-over-year to 3.11%, mainly resulting from a decrease in lending rate and a slight increase in cost of fund. Compared to the same period, the majority of banks (19/27) experienced a decrease in 3Q25 NIM.
- CASA ratio declined slightly from 21.8% in 2Q25 to 21.4% in 3Q25. The majority of banks (15/27) reported a lower CASA ratio. Leaders: TCB (from 36.4% in 2Q25 to 38.4% in 3Q25), MBB (from 37.7% in 2Q25 to 36.8% in 3Q25), VCB (from 35.8% in 2Q25 to 34.3% in 3Q25), and MSB (from 26.3% in 2Q25 to 27.3% in 3Q25).

Strong growth in non-interest incomes from a low base

- 3Q25 non-interest incomes recorded double-digit growth by +28.6%yoy from a low base, driven by all segments: service fees, investments, other incomes, whereas a quarter-over-quarter decrease across all segments led a fall of -9.3%yoy. Some have higher non-interest income growth in 3Q25: BID (+83%yoy) in SOCBs; SHB (84%yoy), VPB (+75%yoy), and TCB (+53%yoy) in large private banks; HDB (+130%yoy), TPB (+57%yoy), NAB (+118%yoy), and OCB (+123%yoy) in medium banks; some small private banks.

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Contained non-performing loans

- NPLs were controlled. NPL (3-5 group)/ (2-5 group) (Aggregated 27 banks) remained from 2.0%/3.3% in 2Q25 to 2.0%/3.4% in 3Q25. Leaders with low NPL ratios (3-5 group) differed from 2Q25 to 3Q25: VCB (1.0% to 1.03%), CTG (1.31% to 1.09%), ACB (1.26% to 1.09%), and TCB (1.26% to 1.16%).
- The loan loss coverage ratio (LLCR) slightly improved from 80% in 2Q25 to 84% in 3Q25. Top banks with high LLCR changed from 2Q25 to 3Q25: VCB (214% to 202%), CTG (135% to 176%), and TCB (107% to 119%).

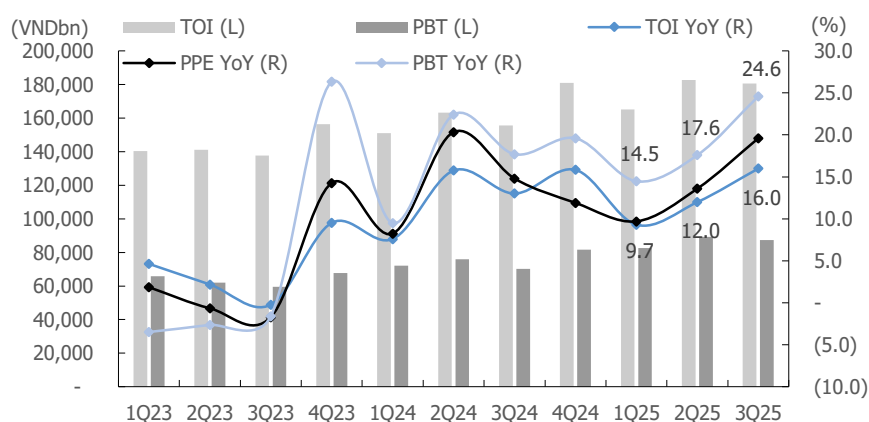
4Q25F: Sustain growth

- Despite the banking industry facing pressure on NIM and high bad-debt levels, we estimate that 4Q25 earnings could maintain growth momentum. 4Q25 credit demands could continue to grow higher than in the same period. SBV resets an ambitious credit growth target of over 16% for the banking system in 2025, requiring higher credit disbursement from commercial banks. NIM could remain or decline slightly in 4Q25 due to lower asset yield and higher COF. 2025F NIM could slightly decline. Non-performing loans could be controlled amid better business conditions.
- As of 10 Nov 2025, the banking industry's P/B valuation is trading at 1.57x, which represents an attractive level relative to its five-year historical average of 1.72x.

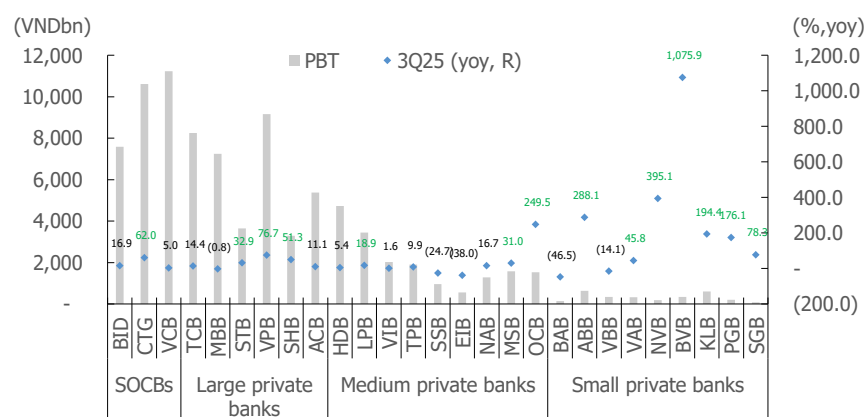
Unit: VNDbn, %

No	Banks	3Q25 TOI	yoy	3Q25 NAP	yoy	PBT 9M25	yoy	% plan	Comment
1	BID	21,154	22.6	6,087	16.7	23,632	7.2	73.9	Forecasted 3Q25 earnings equals to 96% of actual figures
2	CTG	22,500	2.7	8,512	63.9	29,535	51.4	86.9	Forecasted 3Q25 earnings equals to 78% of actual figures due to higher provision expenses.
3	VCB	18,052	7.2	9,026	5.3	33,133	5.1	75.8	Forecasted 3Q25 earnings equals to 99% of the actual figure.
4	TCB	14,242	21.2	6,614	14.2	23,385	2.4	74.2	Forecasted 3Q25 earnings is in line with the actual figure. However, the revenues and expenses are lower than actual numbers.
5	MBB	15,597	22.8	5,800	(0.7)	23,139	11.6	73.0	Forecasted 3Q25 earnings equals to 110% of the actual figure
6	STB	8,797	21.5	2,901	31.8	10,988	35.8	75.0	Forecasted 3Q25 earnings equals to 97% of the actual figure. However, higher estimated provision expenses compensated for lower estimated operating expenses.
7	VPB	20,138	33.7	7,364	76.8	20,396	47.1	80.7	Forecasted 3Q25 earnings equals to 72% of actual figures due to lower service incomes.
8	ACB	8,385	3.1	4,281	10.6	16,072	4.8	69.9	Forecasted 3Q25 earnings equals to 98% of the actual figure.
9	HDB	9,516	11.5	3,799	7.1	14,803	17.0	69.9	
10	LPB	5,323	5.0	2,762	18.5	9,612	9.0	64.6	
11	VIB	5,007	1.4	1,625	1.6	7,046	6.7	63.9	
12	TPB	4,525	13.3	1,521	10.0	6,048	10.7	67.2	
13	MSB	3,404	16.0	1,274	30.2	4,760	(2.9)	59.5	
14	OCB	2,931	27.9	1,228	253.7	3,431	34.4	64.3	

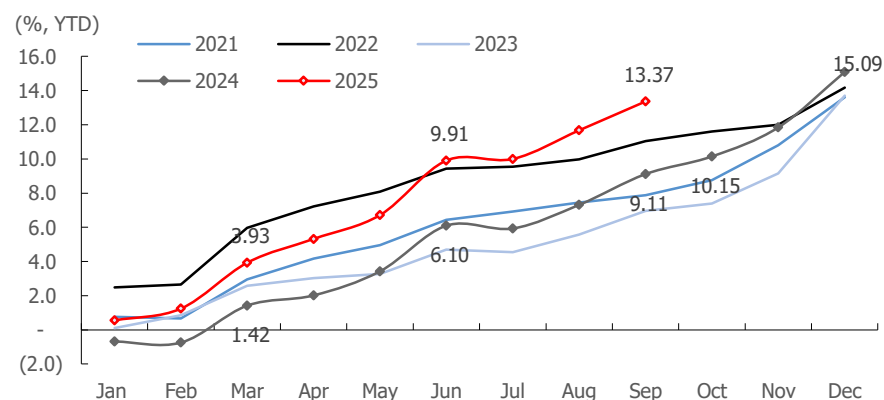
Sources: FiinproX, KIS Research

Figure 1. Double-digit growth in aggregated 3Q25 TOI and PBT

Source: FiiiproX, KIS Research

Figure 2. 3Q25 earnings divergence: 22/27 banks with positive growth

Source: FiiiproX, KIS Research. Note:

Figure 3. Higher credit growth

Source: SBV, KIS Research

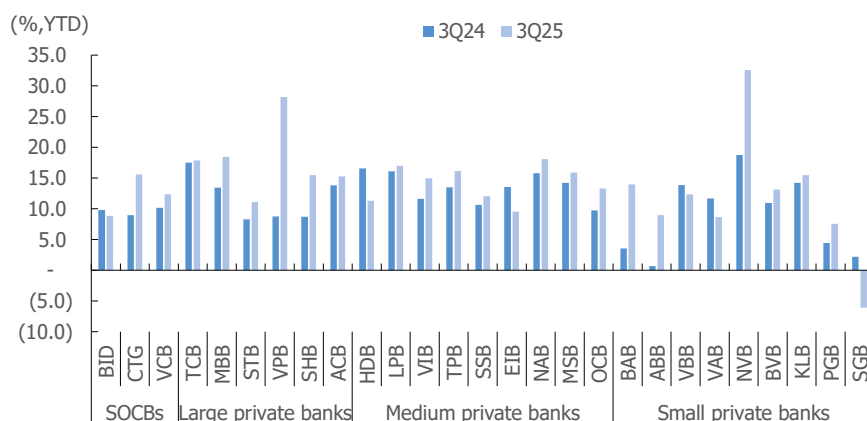
Double-digit earnings growth in 3Q25 from a low base manageable costs.

Some banks with impressive performance: CTG, STB, VPB, SHB, LPB, MSB, OCB, and some small banks.

Credit disbursement in 3Q25 reached the highest level in recent years.

21/27 banks with higher credit growth.

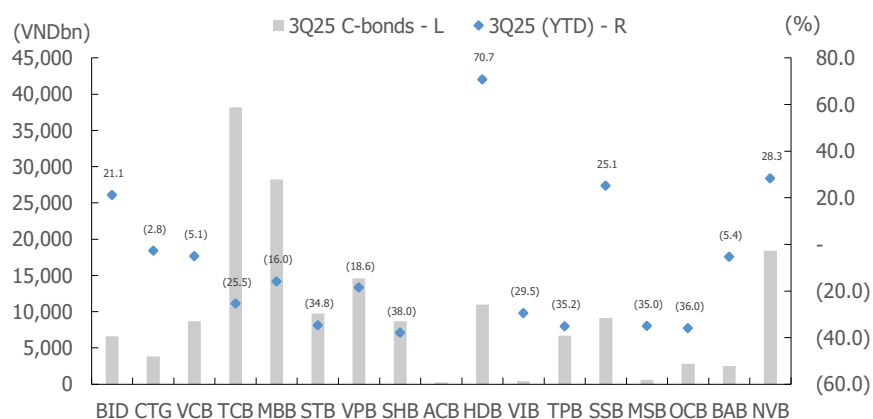
Figure 4. Credit growth diverged among banks



Source: FiinproX, KIS Research

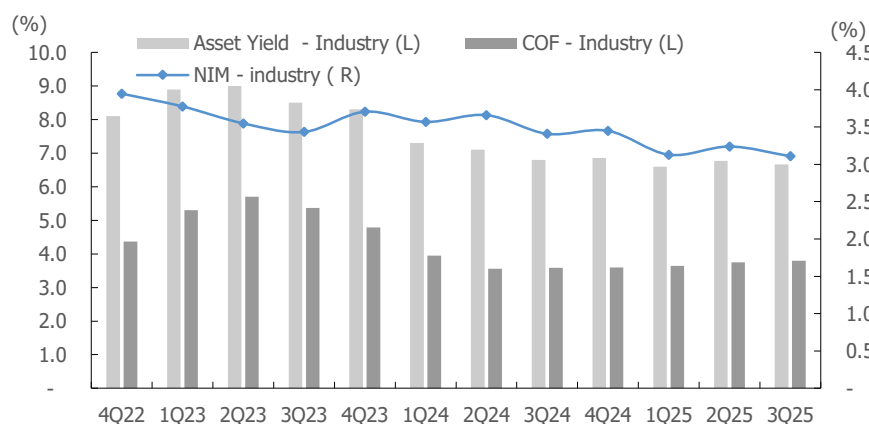
Almost all banks reduced their corporate bond holdings during the market stagnation. Exceptions included BID, ACB, HDB, SSB, and NVB.

Figure 5. Banks continues to reduce outstanding balance



Source: FiinproX, KIS Research

Figure 6. Industry's 3Q25 NIM

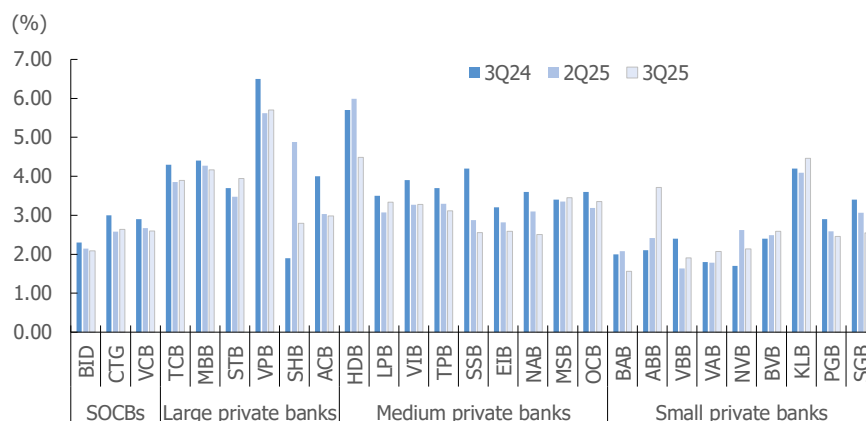


Source: FiinproX, KIS Research

The industry's net interest margin declined slightly in 3Q25

Figure 7. the industry's Q25 NIM

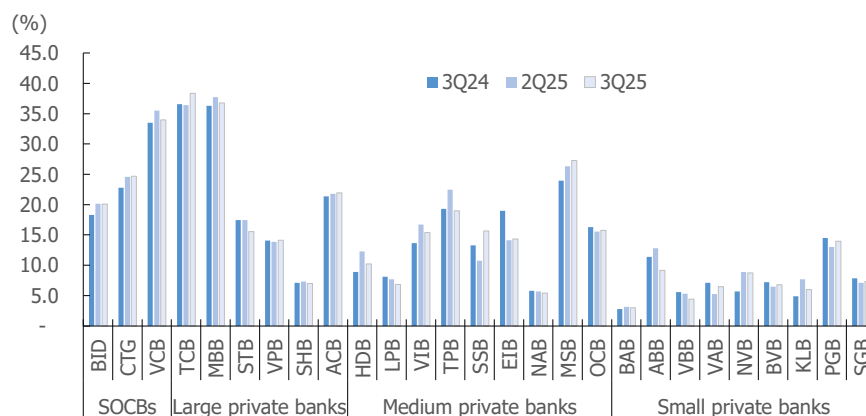
13/27 Banks improve quarterly NIM in 3Q25.



Source: FiinproX, KIS Research

Figure 8. CASA ratios

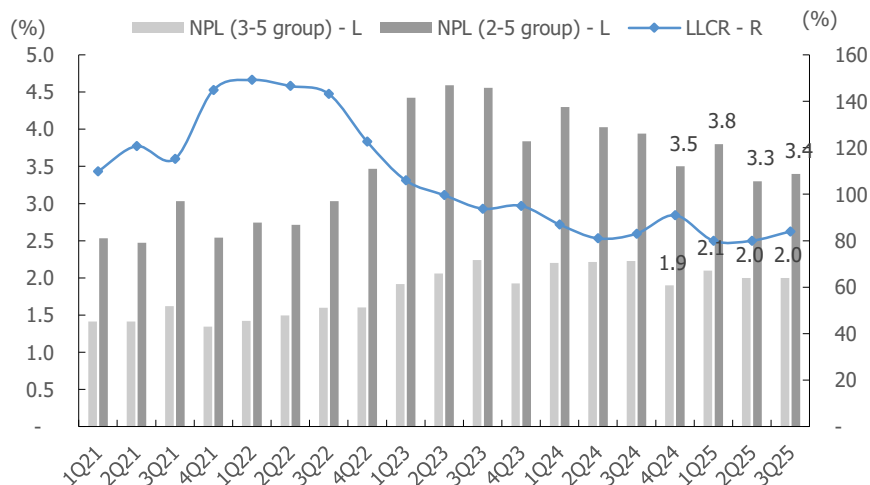
12/27 banks experienced a quarterly improvement in the CASA ratio.



Source: FiinproX, KIS Research

Figure 9. Controlled non-performing loans (27 banks)

In 3Q25, remained non-performing loans and maintaining LLCR at 84%.

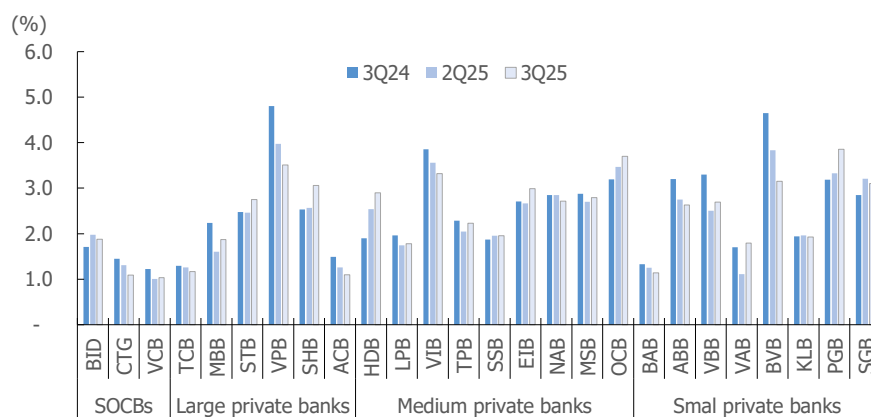


Source: FiinproX, KIS Research. Note: current loan: group 1, Special mentioned loan: group 2, Substandard loan: group 3, doubtful loan: group 4, estimated loss loan: group 5.

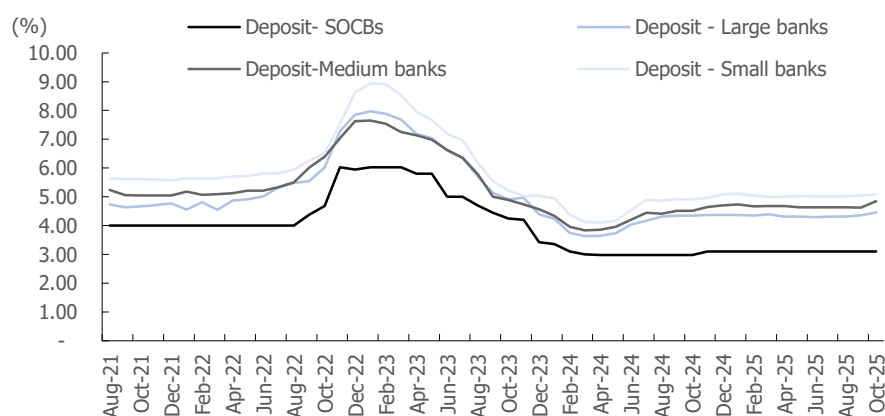
Figure 10. NPL (3-5 group)/ total loans

Leaders with low ratios included VCB, CTG, ACB, BAB, and TCB.

13/27 banks with decreasing NPL ratios.



Source: FiinproX, KIS Research, Note: current loan: group 1, Special mentioned loan: group 2, Substandard loan: group 3, doubtful loan: group 4, estimated loss loan: group 5.

Figure 11. Deposit rates (6 months) remain stable

Source: Banks, SBV, KIS Research

Slightly increase in net interest margin

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