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Company Update

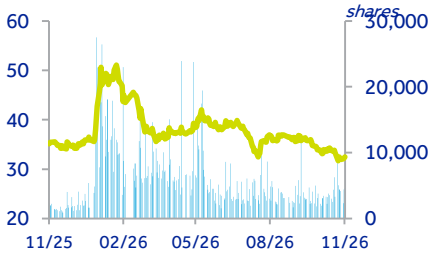
Recommendation	**OUTPERFORM**
	HOSE: BID
	Banking
Target price (VND)	**36,400**
Market price (VND)	**32,450**
Expected share price return	+12.2%
Expected dividend yield	1.4%
Expected total return	**+13.6%**

Stock performance (%)

	YTD	1M	3M	12M
Absolute	-9.8	-4.3	-11.3	-7.7
Relative	-7.7	-5.0	-9.8	-17.3

Source: FiinPro-X

VND '000 **Price and volume** *VND '000 shares*



Ownership

State Bank of Vietnam	76.7%
KEB Hana Bank	14.2%
Others	9.1%

Stock Statistics

	11-Nov-26
Bloomberg code	**BID VN**
52-week range (VND)	31,600-52,550
Shares O/S (m)	7,778
Mkt cap (VND bn)	252,404
Mkt cap (USD m)	9,791
Est. foreign room left (%)	12.7
Est. free float (%)	6.0
3m avg daily vol (shrs)	3,625,263
VND/USD	25,780
Index: VNIndex / HNX	1,746.90/255.73

BANK FOR INVESTMENT AND DEVELOPMENT

We cut our 12-month target price by 9% to VND36,400/share as we lower our target P/E to 8.0x (-1 standard deviation) given low earnings growth and high interest rates, partly offset by 13.8%/6.8% increases in our 2026F/2027F EPS forecasts and rolling our valuation forward to 2027F. OUTPERFORM.

In 9M2026, PBT reached VND29,483bn (+24.8% y/y), fulfilling 70.8% of the full-year target (+10% y/y) and 70.7% of our forecast (+10.2% y/y).

3Q26 PBT reached VND10,579bn (+39.3% y/y, +2.4% q/q), mainly thanks to a 25.0% y/y cut in provision costs, which brought NPL coverage down to 73.4%. NII rose 12.4% y/y and opex 8.3% y/y (CIR 34.4%), so pre-provision profit grew only 10.4% y/y.

Credit growth lagged the sector (+2.4% q/q and +8.0% YTD vs. +11.6% for the system), against an assigned credit quota of 11%, driven by large corporates (+12.4%) and FDI (+54.2%), while retail slowed (+4.0%) and SME declined (-6.1%).

NIM narrowed 11 bps q/q to 2.06%, as COF rose 56 bps to 4.6%, faster than the YOEA (+41 bps to 6.47%), amid sharply higher deposit rates in 3Q26. **We expect NIM to improve in 4Q** as deposit rates fall ahead of lending rates under the SBV's guidance, together with the year-end seasonality of interest income recognition. We forecast 2026F/27F NIM at 2.20%/2.15% (+4 bps/-5 bps).

NFI rose 2.8% y/y thanks to recoveries from written-off loans (+19.5%), FX (+18.0%) and fees (+7.2% y/y), offsetting a 79.9% decline in securities income.

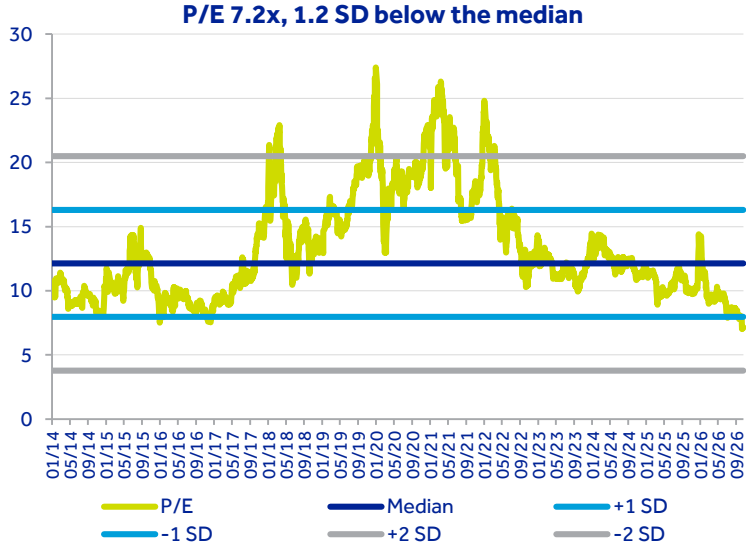
Asset quality weakened. The overdue loan formation ratio rose to 0.6%, above its historical average of 0.41%. The NPL ratio was flat at 1.85% and the Group 2 loan ratio rose 32 bps to 1.54%, while **NPL coverage fell from 75.9% to 73.4% (beginning of year: 99.9%)**. We forecast 2026F provisions of VND25,245bn (credit costs of 1.0%), in line with BID's provisioning plan of VND25,240bn.

We forecast 2027F PBT at VND45,968bn (+10.2% y/y), driven by 15% credit growth, partly offset by credit costs rising to 1.1% to keep NPL coverage at around 74% and a slightly lower NIM. Our forecasts do not include new capital raisings.

Given low earnings growth amid high interest rates, we apply a **target P/E of 8.0x**, 1 standard deviation below the historical median, resulting in a 12-month target price of **VND36,400/share**. We maintain our **OUTPERFORM** recommendation.

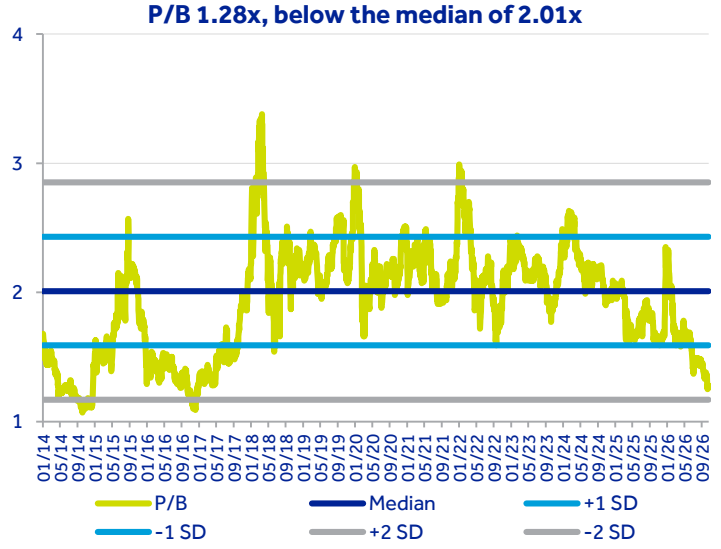
(VND bn)	2023	2024	2025	2026F	2027F
Credit growth	16.3%	15.5%	15.3%	10.7%	15.0%
NIM	2.63%	2.38%	2.16%	2.20%	2.15%
NFI proportion	23.1%	28.4%	30.6%	24.9%	27.1%
TOI growth	5.1%	11.0%	12.7%	8.5%	12.5%
CIR	34.4%	34.3%	33.4%	32.4%	30.8%
Credit costs	1.23%	1.14%	1.04%	1.01%	1.10%
Profit before tax	27,589	31,383	37,863	41,708	45,968
growth	20.4%	13.8%	20.6%	10.2%	10.2%
Profit after tax after MI	21,505	24,658	29,957	32,788	36,138
Adjusted EPS (VND)	2,716	3,187	3,817	3,782	4,172
BVPS (VND)	17,093	20,250	23,933	26,254	29,976
Adjusted ROA	0.8%	0.9%	0.9%	0.8%	0.8%
Adjusted ROE	17.2%	17.1%	17.4%	15.8%	14.8%
CAR (Basel 2)	9.2%	9.0%	9.2%	10.1%	10.2%
P/E (x)	13.2	11.8	9.8	8.6	7.8
P/B (x)	2.1	1.9	1.6	1.2	1.1
DPS (VND)	-	-	450	450	450

P/E 7.2x, 1.2 SD below the median



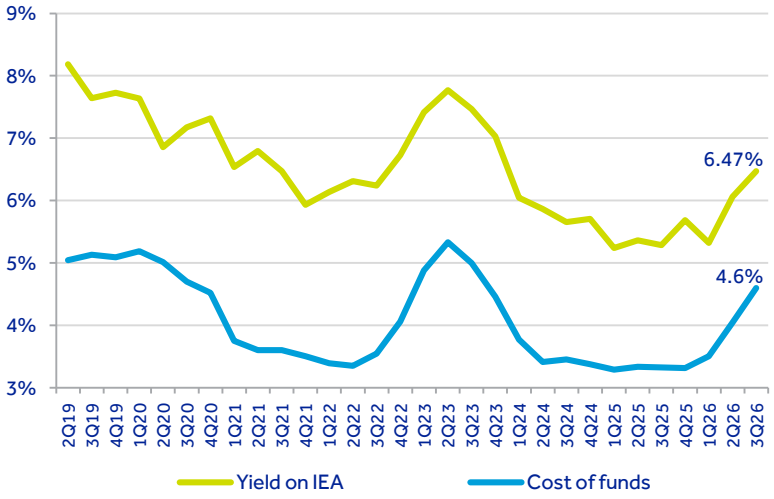
Source: FiinPro-X, ACBS

P/B 1.28x, below the median of 2.01x



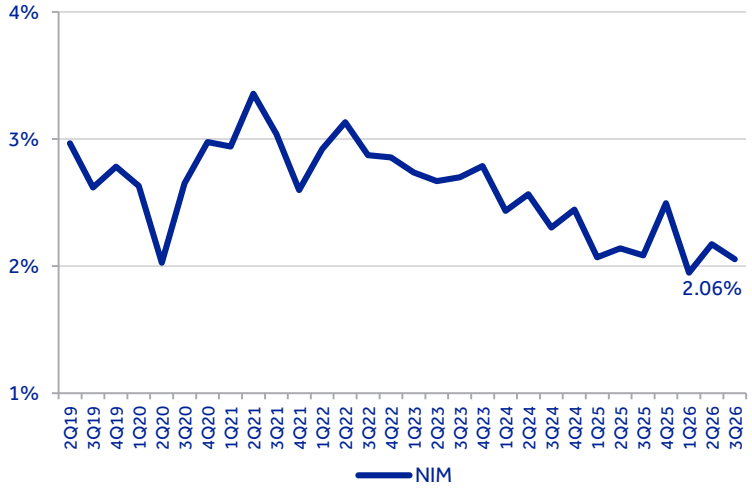
Source: FiinPro-X, ACBS

Funding costs rose faster than yields...



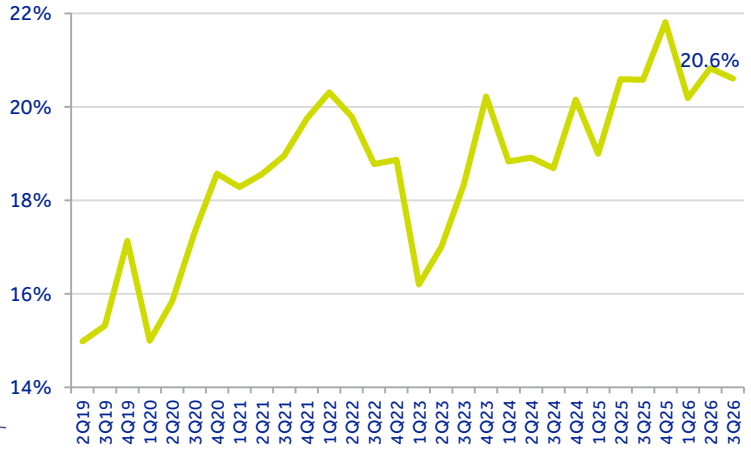
Source: BID, ACBS

... pushing NIM down to 2.06%



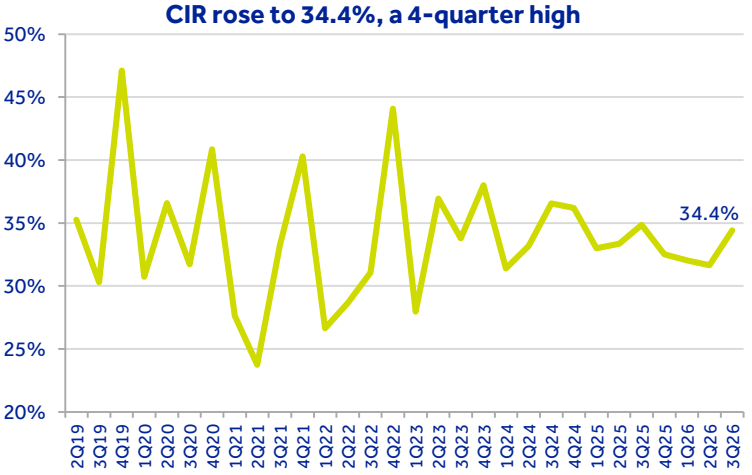
Source: BID, ACBS

CASA stable at around 20.6%



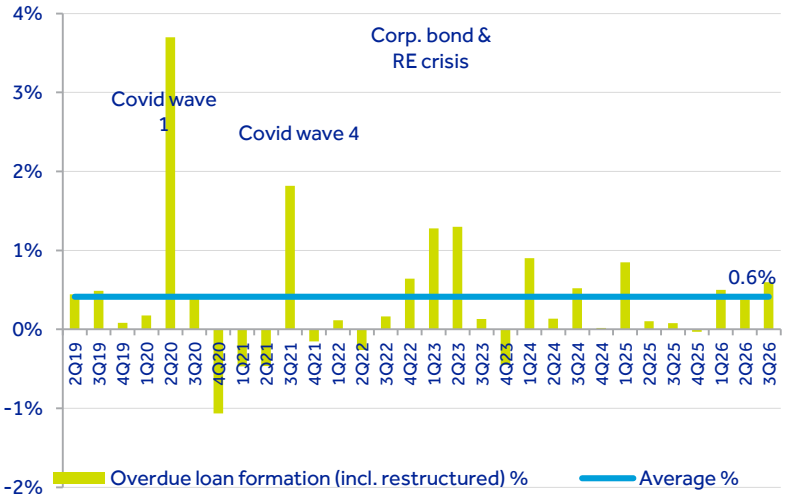
Source: BID, ACBS

CIR rose to 34.4%, a 4-quarter high



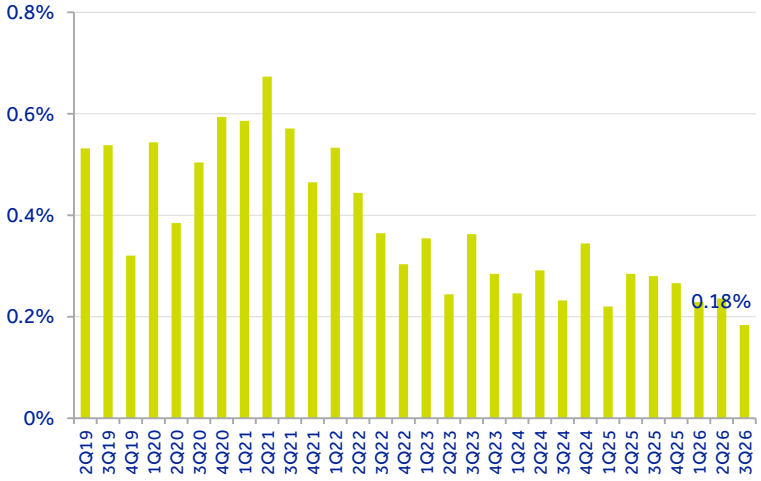
Source: BID, ACBS

Overdue loan formation rose to 0.6%/quarter



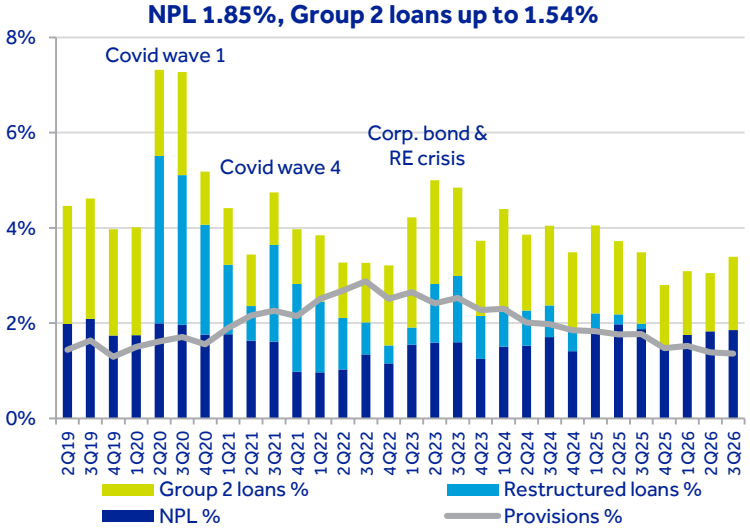
Source: BID, ACBS

Credit costs fell to 0.18% per quarter



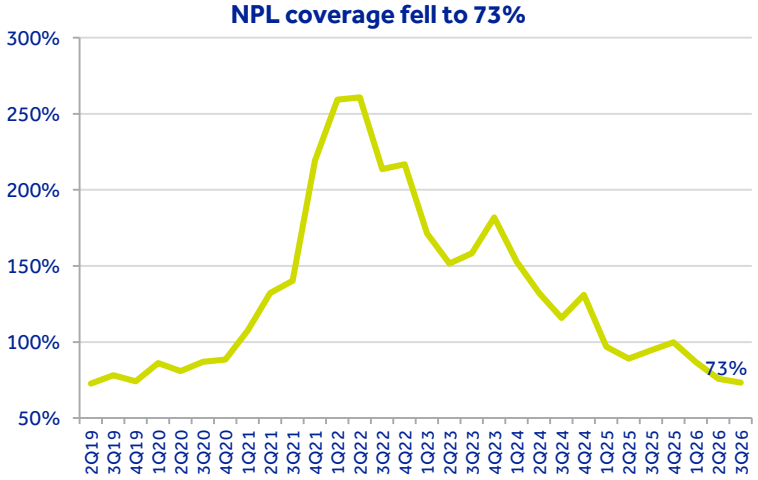
Source: BID, ACBS

NPL 1.85%, Group 2 loans up to 1.54%



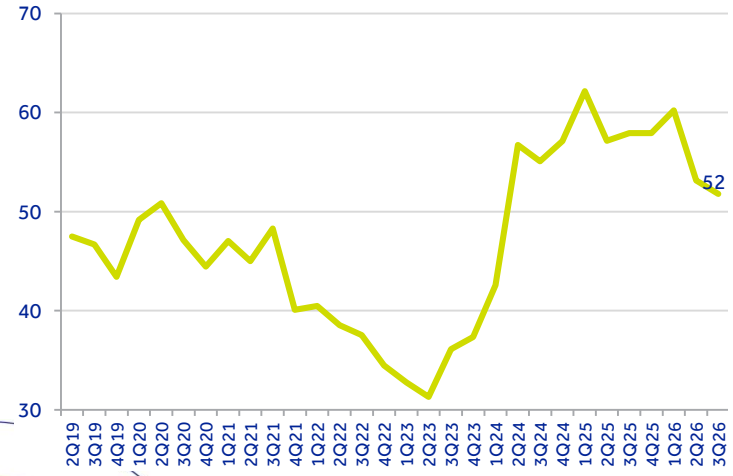
Source: BID, ACBS

NPL coverage fell to 73%



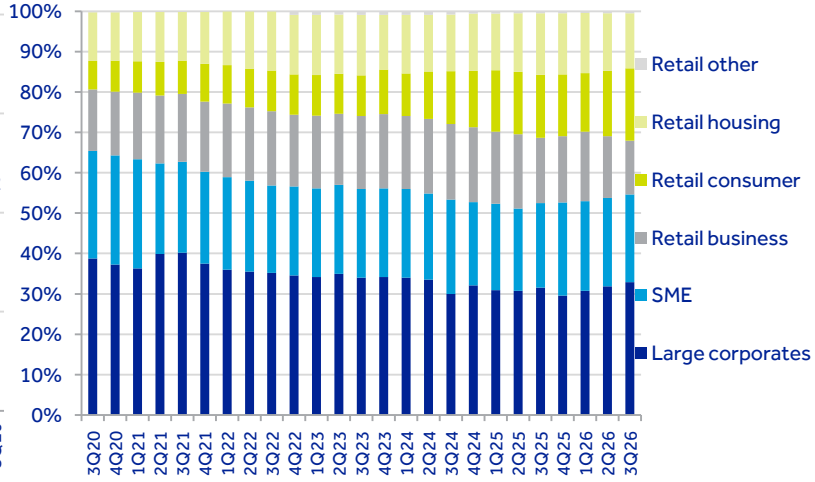
Source: BID, ACBS

Interest receivable days fell to 52



Source: BID, ACBS

Loan mix



Source: BID, ACBS

(Unit: VND billion, unless otherwise stated)	Market price (VND):	32,450	Target price (VND):	36,400	Market cap (VND bn):	252,404
INCOME ITEMS	2022	2023	2024	2025	2026F	2027F
Net interest income	55,960	56,136	58,008	63,357	74,380	81,223
Net fee & commission income	5,651	6,570	7,074	6,945	7,292	7,657
Other non-interest income	7,868	10,308	15,979	21,024	17,391	22,565
Total operating income	**69,480**	**73,013**	**81,060**	**91,325**	**99,063**	**111,444**
Growth (%)	11.2%	5.1%	11.0%	12.7%	8.5%	12.5%
Operating expenses	(22,715)	(25,081)	(27,790)	(30,465)	(32,110)	(34,357)
Profit before provision & tax	**46,765**	**47,932**	**53,270**	**60,860**	**66,953**	**77,087**
Provision for credit losses	(23,842)	(20,344)	(21,887)	(22,997)	(25,245)	(31,119)
Profit before tax	**22,923**	**27,589**	**31,383**	**37,863**	**41,708**	**45,968**
Growth (%)	69.2%	20.4%	13.8%	20.6%	10.2%	10.2%
Profit after tax after MI	**18,086**	**21,505**	**24,658**	**29,957**	**32,788**	**36,138**
Adjusted EPS (VND)	**2,322**	**2,716**	**3,187**	**3,817**	**3,782**	**4,172**

BALANCE SHEET ITEMS	2022	2023	2024	2025	2026F	2027F
Outstanding loans & corporate bonds	1,535,139	1,785,020	2,061,532	2,377,270	2,631,638	3,026,384
Growth (%)	12.1%	16.3%	15.5%	15.3%	10.7%	15.0%
Customer deposits	1,473,598	1,704,690	1,953,165	2,223,225	2,423,315	2,726,229
Growth (%)	6.8%	15.7%	14.6%	13.8%	9.0%	12.5%
Total assets	**2,120,677**	**2,300,869**	**2,760,792**	**3,330,904**	**3,670,613**	**4,132,732**
Shareholders' equity	**99,395**	**117,901**	**139,677**	**168,045**	**204,209**	**233,160**
BVPS (VND)	14,410	17,093	20,250	23,933	26,254	29,976

KEY RATIOS	2022	2023	2024	2025	2026F	2027F
NPL (%)	1.2%	1.3%	1.4%	1.5%	1.6%	1.6%
NPL coverage (%)	210.4%	180.9%	131.0%	99.9%	74.2%	74.5%
NIM (%)	3.0%	2.6%	2.4%	2.2%	2.2%	2.1%
CIR (%)	33%	34%	34%	33%	32%	31%
ROA (%)	0.8%	0.8%	0.9%	0.9%	0.8%	0.8%
ROE (%)	17.5%	17.2%	17.1%	17.4%	15.8%	14.8%
CAR Basel 2 (%)	9.3%	9.2%	9.0%	9.2%	10.1%	10.2%
P/E (x)	12.2	13.2	11.8	9.8	8.6	7.8
P/B (x)	2.0	2.1	1.9	1.6	1.2	1.1
Dividend yield (%)	-	-	-	1.4%	1.4%	1.4%

BANKS' FINANCIAL RATIOS

(VND bn)

Ticker	Exchange	Mkt cap 11-Nov-26	Total assets 3Q26	Equity 3Q26	NPL ratio 3Q26	Group 2 loans 3Q26	NPL coverage 3Q26	ROA (TTM)	ROE (TTM)	CAR (Basel 2) 2025	P/E	P/B
BID	**HOSE**	**252,404**	**3,493,271**	**203,020**	**1.9%**	**1.5%**	**73.4%**	**1.0%**	**18.6%**	**9.2%**	**7.2**	**1.3**
CTG	HOSE	246,989	2,951,845	207,466	1.2%	1.1%	160.4%	1.5%	22.5%	9.9%	5.8	1.2
VCB	HOSE	452,878	2,682,409	253,761	0.7%	0.3%	243.2%	1.6%	17.6%	11.6%	10.9	1.8
MBB	HOSE	195,334	1,837,857	164,142	1.7%	1.3%	84.7%	2.0%	21.8%	11.0%	5.5	1.2
VPB	HOSE	223,000	1,610,787	200,078	3.1%	3.6%	54.0%	2.2%	17.0%	14.4%	7.2	1.2
TCB	HOSE	232,252	1,318,165	197,325	1.3%	0.9%	107.1%	2.4%	15.4%	14.6%	8.1	1.2
HDB	HOSE	146,404	1,142,906	94,304	3.4%	3.9%	46.0%	2.0%	23.3%	16.7%	7.6	1.6
ACB	HOSE	119,571	1,104,380	104,013	1.2%	0.9%	90.9%	1.6%	16.5%	12.5%	7.4	1.2
STB	HOSE	129,137	1,057,398	64,137	7.3%	2.5%	34.8%	0.2%	2.5%	9.2%	-	2.0
SHB	HOSE	59,582	993,512	79,200	2.2%	1.4%	81.7%	1.5%	19.0%	12.6%	3.8	0.7
LPB	HOSE	108,140	694,183	46,592	1.9%	1.4%	62.8%	2.0%	26.3%	11.9%	9.0	2.3
VIB	HOSE	52,482	599,584	49,766	3.2%	2.8%	41.8%	1.4%	16.2%	11.4%	6.8	1.1
TPB	HOSE	41,791	596,512	52,133	2.1%	2.6%	57.0%	1.6%	17.9%	18.9%	5.0	0.9
NAB	HOSE	27,633	462,765	28,161	1.6%	0.7%	66.9%	1.2%	19.8%	11.2%	5.4	1.0
MSB	HOSE	61,214	439,960	46,857	2.7%	1.7%	47.2%	1.5%	14.3%	12.5%	9.8	1.3
SSB	HOSE	52,379	429,376	43,249	2.3%	1.0%	71.0%	0.8%	7.8%	13.4%	15.9	1.2
OCB	HOSE	33,075	363,726	37,120	4.0%	1.7%	58.1%	1.3%	13.0%	12.3%	7.3	0.9
PCB	UPCoM	8,273	280,464	14,087	2.9%	0.8%	50.1%	0.7%	13.9%	-	4.5	0.6
ABB	UPCoM	26,833	276,575	23,625	1.4%	1.7%	86.8%	1.8%	22.8%	11.4%	5.4	1.1
EIB	HOSE	30,549	241,495	26,632	2.6%	3.0%	41.4%	0.1%	0.7%	12.4%	-	1.1
NVB	HNX	45,039	238,221	25,166	4.9%	0.6%	25.5%	0.5%	6.3%	-	35.8	1.8
BAB	HNX	11,987	220,904	13,865	1.2%	0.7%	127.4%	0.6%	8.9%	10.1%	10.0	0.9
VBB	HOSE	17,621	212,947	13,451	2.3%	1.8%	62.4%	0.8%	12.9%	13.4%	8.6	1.0
VAB	HOSE	8,119	156,490	11,110	1.4%	0.1%	54.8%	1.0%	13.5%	9.4%	5.7	0.7
BVB	HOSE	9,993	145,222	8,142	2.9%	1.4%	46.3%	0.5%	9.4%	13.3%	9.6	0.9
KLB	HOSE	7,715	115,968	9,733	2.0%	1.1%	80.9%	1.9%	22.7%	14.4%	3.9	0.8
PGB	UPCoM	8,386	92,637	8,364	3.9%	2.2%	30.6%	0.8%	9.2%	10.6%	9.7	0.8
SGB	UPCoM	4,655	35,373	4,247	3.1%	8.2%	34.7%	-0.1%	-0.8%	15.6%	-	1.1
	Average	**93,337**	**849,819**	**72,491**	**2.5%**	**1.8%**	**72.2%**	**1.2%**	**14.6%**	**12.5%**	**8.6**	**1.2**
	Median	**48,709**	**451,363**	**44,921**	**2.3%**	**1.4%**	**60.3%**	**1.4%**	**15.8%**	**12.4%**	**7.3**	**1.1**

Source: FiinPro-X, ACBS

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OUR RECOMMENDATION SYSTEM

BUY	: Expected prospective total return (including dividends) in VND will be 20% or more within 12 months
OUTPERFORM	: Expected prospective total return (including dividends) in VND will be from 10% to 20% within 12 months
NEUTRAL	: Expected prospective total return (including dividends) in VND will be from -10% to 10% within 12 months
UNDERPERFORM:	Expected prospective total return (including dividends) in VND will be from -20% to -10% within 12 months
SELL	: Expected prospective total return (including dividends) in VND will be less than -20% within 12 months

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