2Q25 stock market outlook

Navigating US tariff uncertainty

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We have sharply lowered our forecast for the VN-Index by the end of 2025 to 1,100 points from the previous estimate of 1,460 points. This equates to a modest 5% YoY growth in the average EPS of companies listed on the Ho Chi Minh Stock Exchange (HSX) and implies a forward P/E ratio of 11.9x (based on Bloomberg's methodology), which is significantly below the 14.9x recorded at the end of 2024 and well under the 10-year historical average of 16.6x.

The primary driver behind this downgrade is the aggressive tariff policy introduced by the Donald Trump administration, which includes retaliatory tariffs of up to 46% on Vietnamese goods. While recent developments suggest the possibility of tariff reductions through future negotiations, the outlook remains clouded by multiple uncertainties. As such, we have adopted the 46% tariff level as our base-case scenario throughout this report. In line with this, we have revised our EPS growth forecast for listed companies downward from 16.7% to 5%, citing concerns over the anticipated negative impact of the new tariff regime on both export activity and the broader economy. We have also adjusted our year-end 2025 forward P/E assumption to reflect risks associated with a potential rebound in interest rates driven by exchange rate pressures as well as more cautious investor sentiment.

The most pronounced effects of the US tariff policy are expected to manifest in 2Q, as the market focuses on evaluating its repercussions for economic growth, macroeconomic indicators, and corporate performance. Accordingly, we lean toward a scenario in which the downward trend will persist through most of the quarter, despite the possibility of intermittent technical rebounds.

Looking ahead to the second half of 2025, our selected key investment themes include **market reclassification, public investment, legal reform, and credit growth expansion**. Against a backdrop of increasing macroeconomic uncertainty, exacerbated by ongoing global trade tensions, we expect domestically driven sectors to garner greater attention, helping to cushion the impact of declining exports and FDI inflows. In turn, the relevant equity groups are poised for positive price performance in the months ahead.

From a sectoral outlook perspective, our equity research team holds a positive view on the following industries for 2025: **Banking, Residential Real Estate, Food & Beverage, Construction, and Power**. *(For more detailed insights, please refer to Section VI of this report).*

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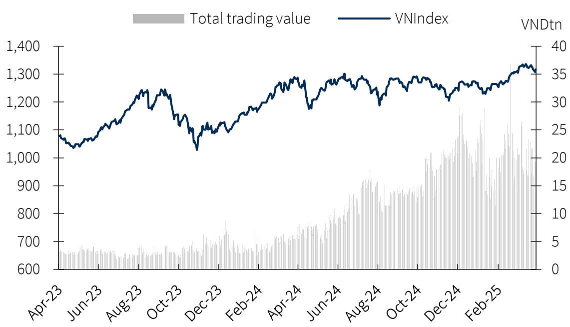
I. Stock market outlook for 2025

The VN-Index posted a slight uptick in 1Q2025

The VN-Index recorded a slight uptick in 1Q2025, supported by favorable 2024 macroeconomic data, robust earnings growth among listed companies, the Government's continued commitments to growth in 2025, and a sustained low-interest rate environment.

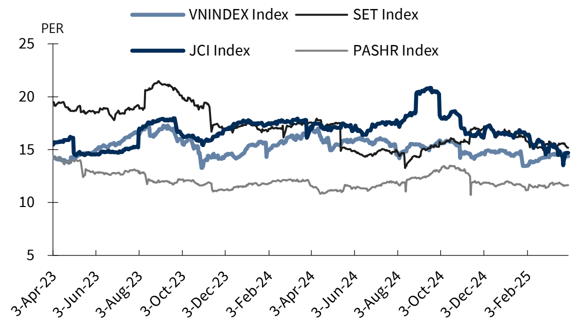
The index rose for the majority of the quarter before reversing course in mid-March amid a global tech sector correction and rising concerns over the potential impact of the US tariff policy. Overall, the benchmark VN-Index rose 3.1% from the start of the year, while trading value fell 24% YoY.

Fig 1. Vietnam – Trading value, VN-Index



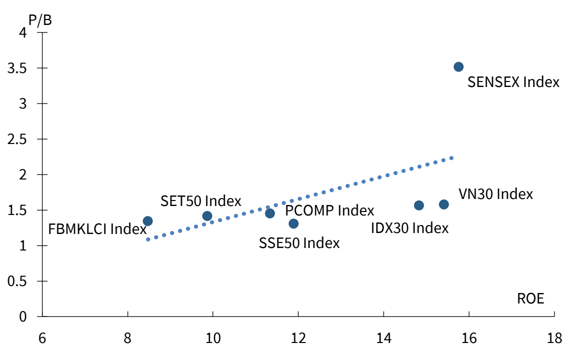
Source: Bloomberg, KB Securities Vietnam

Fig 2. ASEAN4 – P/E across markets



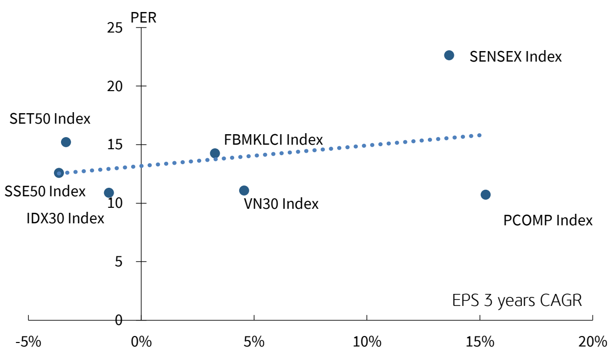
Source: Bloomberg, KB Securities Vietnam

Fig 3. Asia – P/B & ROE across stock markets



Source: Bloomberg, KB Securities Vietnam

Fig 4. Asia – P/E & EPS growth across markets



Source: Bloomberg, KB Securities Vietnam

The market will likely encounter multiple headwinds in the remainder of 2025

The market is expected to encounter multiple headwinds in the remainder of 2025, with the primary challenge stemming from the Trump administration's tariff policy, which imposes retaliatory duties of up to 46% on Vietnamese exports. Nevertheless, a modest recovery in corporate earnings growth, coupled with interest rates that, despite rising more than initially anticipated, are expected to remain relatively low, may help mitigate downside risks and prevent a sharp market correction.

Corporate earnings are expected to see a modest improvement

Amid heightened global uncertainties, KBSV adopts a more cautious stance, lowering our full-year EPS growth forecast for the overall market to 5% YoY, primarily due to mounting concerns over tariff-related risks. The 46% retaliatory tariff imposed by the US on Vietnamese exports poses a significant threat to the country's trade performance. Given Vietnam's heavy reliance on exports, such trade barriers are likely to exert pressure on economic growth, particularly export-oriented sectors such as textiles and fisheries. However, ongoing government policies and stimulus measures are expected to play a key role in stabilizing the economy, supporting businesses, and helping to steer GDP growth toward its target.

The US tariff policy will weigh on macroeconomic and stock market outlooks

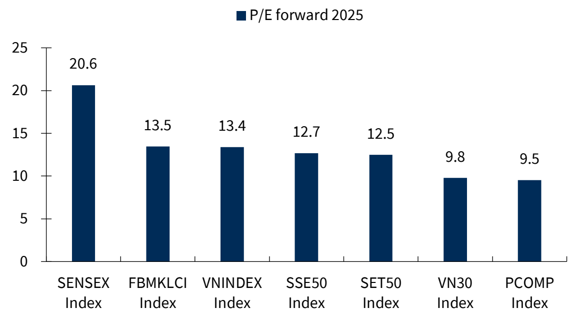
The retaliatory tariff policy, which imposes a 46% rate on Vietnamese goods, may jeopardize the government's 8% GDP growth target, as it could negatively impact (i) export performance, (ii) FDI inflows, and (iii) consumer spending. Nonetheless, the Government is anticipated to implement countermeasures to support economic growth, including accelerating public investment disbursement and diversifying Vietnam's export markets. In light of the potential impact of these tariffs, we have revised our 2025 GDP growth forecast downward to 5-6% from the previous estimate of 7%.

We believe the peak of this trade conflict may occur in April 2025, following the formal announcement of the US tariff measures and the expected responses or negotiations from other countries. In our view, these tariff-related risks could have long-term implications for the Vietnamese economy. However, the negative effects on the stock market may begin to ease toward the end of 2Q2025, as a portion of the downside risk may already be priced in. Moreover, greater clarity around the policy trajectory of Trade War 2.0 could help reduce market uncertainty.

Interest rates edge higher in response to mounting exchange rate pressures but are expected to remain relatively low

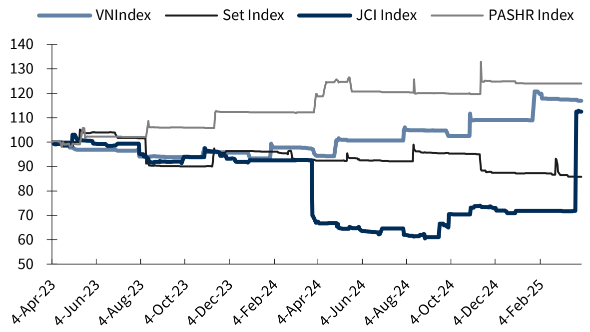
USD/VND exchange rate pressures are mounting amid a decline in USD supply, although the trajectory of the US Dollar Index (DXY) is expected to exert less strain than in 2024. The US imposition of a 46% retaliatory tariff on Vietnamese exports represents an unexpected challenge, prompting our view that the State Bank of Vietnam (SBV) may need to increase its tolerance for VND depreciation, potentially up to 5%, in order to maintain an accommodative monetary policy stance. Should exchange rate pressures intensify, interest rates may rise by 1-1.5%; however, they would likely remain at relatively low levels compared to the COVID-19 trough.

Fig 5. Asia – 2025 forward P/E across stock markets



Source: Bloomberg, KB Securities Vietnam

Fig 6. ASEAN4 – EPS across markets



Source: Bloomberg, KB Securities Vietnam

We have sharply lowered our forecast for the VN-Index by the end of 2025 to 1,100 points from the previous estimate of 1,460 points

We forecast the VN-Index will settle at 1,100 points by the end of this year, corresponding to a 5% YoY growth in market-wide EPS (as detailed later in this report), and a forward P/E ratio of 11.9x, notably below the 14.6x recorded at the end of 2024 and well under the 10-year historical average of 16.6x.

The primary rationale for this downward revision lies in the aggressive tariff measures introduced by the Trump administration, which pose risks to Vietnam's macroeconomic outlook, investment climate, interest rate trajectory, FDI inflows, and overall investor sentiment (as discussed below).

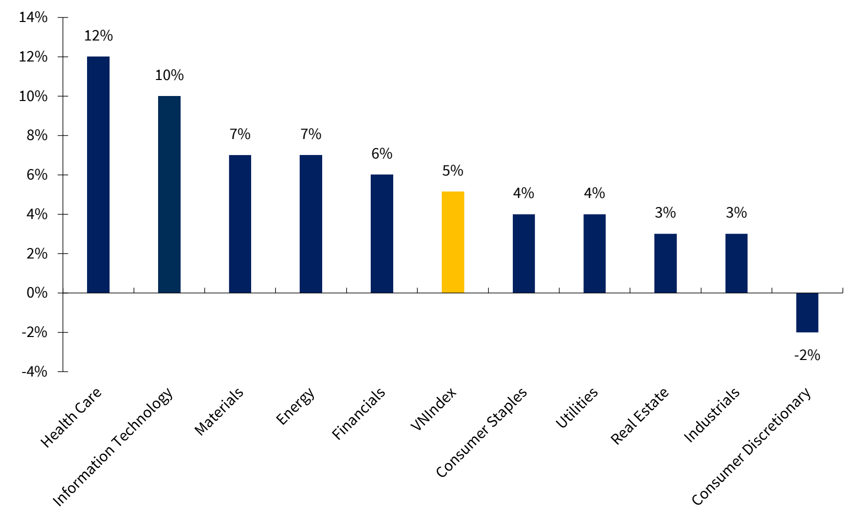
That said, Vietnam's equity market continues to exhibit several internal strengths that may support intermittent recoveries. Key supportive factors include the rollout of the KRX trading platform in early May, the anticipated market upgrade in September, accelerated public investment as a key growth engine, government initiatives aimed at alleviating pressure on the real estate sector, consumption stimulus policies, relatively low interest rates despite a potential rebound, and continued YoY earnings growth among listed companies.

II. Business operations

We have downgraded our 2025F EPS growth forecast for listed companies to 5% YoY, down 10ppts from the previous estimate

We have revised our full-year EPS growth forecast for the overall market down from the previously projected 16.7% YoY in our 2025 Stock Market Outlook report to 5% YoY (Figure 7). This notable downward adjustment reflects rising concerns over tariff-related risks. The US has proposed to impose a 46% tariff on Vietnamese goods, posing a significant threat to export activities. Given Vietnam's heavy reliance on exports, such tariffs are expected to exert a negative impact on the country's overall economic growth.

Fig 7. Vietnam – 2025F EPS growth across sectors (%)

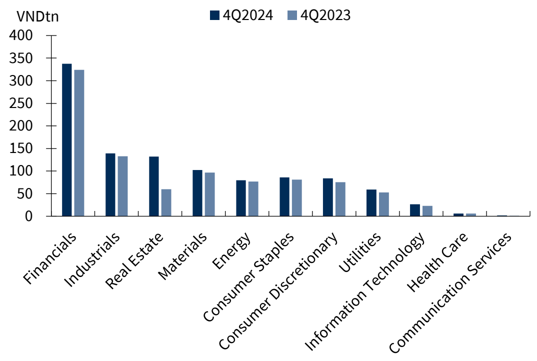


Source: Bloomberg, KB Securities Vietnam

Sectoral outlook highlights growth potential in Healthcare, IT, and Construction Materials, while export-exposed industries face headwinds from tariff risks

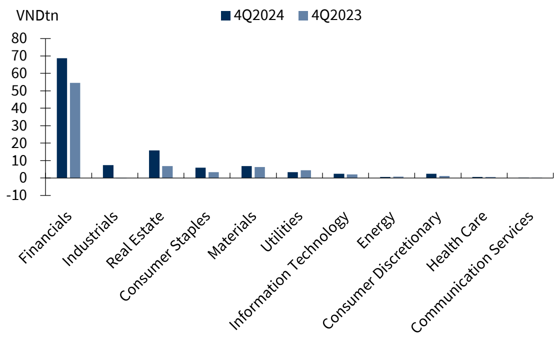
Based on our sectoral assessment and detailed forecasts for leading companies within each group, we project the following:
Healthcare (+12% YoY), Information Technology (+10% YoY), and Construction materials (+7% YoY) are expected to lead market performance, as these sectors are viewed as relatively insulated from tariff-related risks. Notably, the Construction materials sector stands to benefit from increased public investment, which is being deployed as a key economic stimulus measure.
In contrast, Industrials and Consumer Discretionary are projected to underperform the market average, primarily due to their higher exposure to the US tariff policy, primarily due to their higher exposure to the US tariff policy. Export-oriented industries such as textiles and fisheries are particularly vulnerable. Furthermore, the Banking sector, given its significant market weighting, is also expected to experience more moderate growth amid potential macroeconomic volatility that could impact its overall performance.

Fig 8. Vietnam – 4Q2023–4Q2024 revenue across sectors



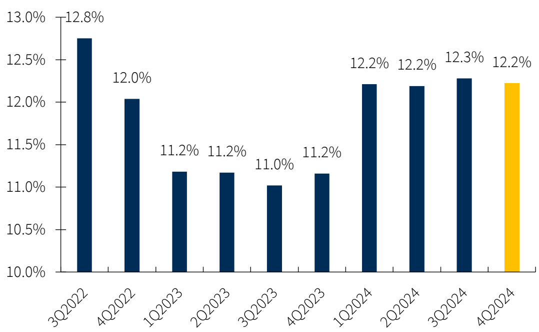
Source: Bloomberg, KB Securities Vietnam

Fig 9. Vietnam – 4Q2023–4Q2024 earnings across sectors



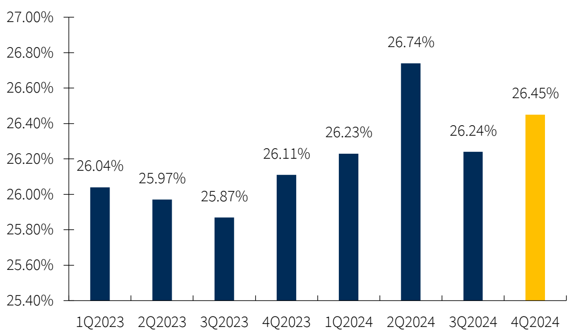
Source: Bloomberg, KB Securities Vietnam

Fig 10. Vietnam – Quarterly net profit margin of listed companies (%)



Source: Bloomberg, KB Securities Vietnam

Fig 11. Vietnam – Quarterly gross profit margin of listed companies (%)



Source: Bloomberg, KB Securities Vietnam

4Q2024 revenue and earnings both showed positive YoY growth

In 4Q2024, the total revenue of HSX-listed companies grew by 13.5% YoY. Sectors that encountered significant challenges in 2023 showed strong signs of recovery during the quarter, with Real Estate (+120% YoY) and Consumer Staples (+8% YoY) leading the rebound. Most other sectors recorded moderate revenue growth compared to 4Q2023.

Earnings across sectors also saw a notable recovery, aligning with our previous expectations. The Financials sector stood out with an impressive 41% YoY profit growth. Both gross and net profit margins have markedly improved since reaching a trough in mid-2023 (Figure 10), reflecting a meaningful enhancement in operational efficiency among listed firms in recent quarters. Amid heightened global uncertainties, KBSV maintains a cautious outlook on overall growth. Nevertheless, ongoing government policies and stimulus initiatives remain key supportive factors, helping to stabilize the economy, support businesses, and drive progress toward the 8% GDP growth target.

III. Macro & stock market overview

1. Mounting challenges for Vietnamese exports & FDI inflows

Trump's inconsistency presents a negotiation opportunity for Vietnam

On April 2, the Trump administration announced a sweeping set of retaliatory tariffs targeting 180 economies, with Vietnam among the nations facing the highest rates, up to 46%. However, on April 10, President Trump declared a 90-day suspension of the new tariffs for most countries, excluding China. As a result, the applicable US import tariff rate has been temporarily reduced to 10%.

Such an abrupt and inconsistent shift has provided a timely opportunity for US trading partners, particularly Vietnam, to engage in diplomatic efforts aimed at easing bilateral trade tensions and negotiating a reduction in the imposed tariff rates.

That said, the future policy trajectory remains uncertain, and the risk of retaliatory tariffs on Vietnamese exports continues to loom. Accordingly, this report focuses on assessing the potential implications of the 46% tariff scenario on Vietnam's economy.

In the short term, Vietnam's total export value could drop by up to 10%

We anticipate that FDI firms will likely suspend disbursements for previously registered new factory construction projects. Simultaneously, there will be a reduction in production within sectors that are particularly susceptible to immediate impacts, specifically:

- **Textiles, wood & wood products, fisheries, and steel:** These sectors are projected to experience significant negative effects. Our estimates indicate that these product categories collectively account for approximately 10% of Vietnam's total export turnover. Consequently, any disruptions in these export orders could result in a potential decrease of up to 10% in Vietnam's total export turnover. This is attributable to two primary factors:(i) the relocation of orders to partners that face lower tariff rates than Vietnam, which may occur within a timeframe of three to six months, and (ii) the heightened risk of a global recession, which is likely to diminish consumer demand.
- **Electronic components, electrical equipment, and high-tech products:** Regarding these categories, which account for 17% of Vietnam's total export value, the impact will still be felt, but to a more moderate degree. This is due to: (i) the greater challenges associated with relocating orders to other countries, including considerations of production facilities, investment costs, and labor resources, and (ii) the integral role these products play in supporting the industrial and high-tech sectors in the US. Therefore, there exists a basis for optimism that Vietnam may successfully negotiate with the US administration, potentially persuading them to consider a reduction of applicable tariffs on these products. It is noteworthy that during Trade War 1.0, these product categories were excluded from the US import tariff list concerning China.

Fig 12. Vietnam – Export turnover in 2023 (USDbn)

Source: General Statistics Office of Vietnam, KB Securities Vietnam

Over the long term, Vietnam faces the risk of losing its competitive edge in attracting US export-oriented FDI enterprises

Vietnam faces a significant disadvantage due to the 46% retaliatory tariff, substantially higher than those imposed on competing nations like India, Indonesia, the Philippines, and Malaysia. This disparity undermines Vietnam's ability to attract FDI enterprises targeting the US export market, leading to:

- **New FDI firms suspending disbursements into Vietnam**
  While Vietnam has the potential to negotiate for tariff reductions, FDI enterprises have already perceived the escalating trend and Donald Trump's strategic direction in Trade War 2.0. This raises concerns about investment costs and risks for factory development in Vietnam.
- **Existing FDI enterprises in Vietnam reducing production capacity**
  The production capacity designated for US exports, estimated at about 30%, is likely to be progressively reduced within Vietnam. Consequently, these enterprises are inclined to relocate this capacity to countries with lower tariff rates.

Vietnam remains attractive to non-US export-oriented FDI enterprises

We anticipate that disbursed FDI capital will recover, offset by non-US export-oriented FDI enterprises, leveraging Vietnam's continued advantages in low labor costs, favorable trading location, and government policies designed to attract FDI. Those FDI enterprises in Vietnam include Samsung Group, LG Corporation, and Intel Corporation (Table 1).

However, over the next 12 to 24 months, these companies may temporarily suspend investment expansion due to existing excess capacity from US-bound production and the time required to redirect orders.

Table 1. Vietnam – Top FDI enterprises by exports

	Headquarters	Total exports in 2023 (USD)	% Vietnam's exports	% exports to the US
Samsung Group	South Korea	55,939,812,607	16%	15-20%
LG Corporation	South Korea	13,844,964,815.75	4%	4%
Intel Corporation	US	10,068,090,480	3%	7%
Luxshare-ICT	US	6,582,758,244.36	2%	48%
TTI	China	1,745,043,449.17	0.494%	88%
Pouyuen Vietnam Co., Ltd	Taiwan	815,406,005.04	0.231%	23%
Sumitomo Wiring System, Ltd	Japan	10,123,426.07	0.003%	5-10%

Source: Trademap, KB Securities Vietnam

Vietnam stands a chance to negotiate lower retaliatory tariffs

July 2025 marks the deadline for the US to impose reciprocal tariffs. Given Donald Trump's past actions, we anticipate that Vietnam's negotiation efforts could lead to a reduction in these tariffs. Simultaneously, Vietnam should leverage this opportunity to advocate for lower tariffs on essential raw materials and components vital to US manufacturing, such as electronic components, electrical equipment, electronics, and semiconductor manufacturing support products. This would further enhance long-term FDI attraction in these strategic sectors.

2. Pressure on the domestic macroeconomic landscape

Trump administration's tariff policy puts pressure on the economic growth outlook

Despite Vietnam's relatively positive macroeconomic indicators in 1Q2025, we remain cautious about the country's growth outlook in light of the proposed reciprocal tariff policy by the Trump administration. Achieving the 8% GDP growth target will become increasingly difficult should the 46% tariff scenario remain in place. Specifically, key components of GDP are likely to be impacted as follows:
(i) Exports (X): Export turnover is likely to decline, as exports to the US, which is among Vietnam's largest export markets, account for roughly 28% of GDP;
(ii) Foreign-invested sector (I): The outlook for the FDI sector has become more uncertain, as Vietnam is no longer positioned to capitalize on trade and investment shifts in the same way it did during Trade War 1 (as outlined in our Macro Note Vietnam amid Trade War 2.0);
(iii) Consumption (C): Domestic consumption could be indirectly impacted by declining income among individuals and businesses in export-oriented industries.

That said, we believe the Vietnamese government will adopt proactive measures to mitigate the adverse impacts of the tariff policy, including: (i) accelerating public investment disbursement, with a 2025 target of VND875 trillion (rising Government spending); (ii) encouraging export market diversification, helping offset potential losses from the US market; and (iii) maintaining a low-interest rate environment to stimulate domestic economic activity. Taking into account the potential effects of the reciprocal tariff policy, we have revised our 2025 GDP growth forecast downward to 5-6% from the previously projected 7%.

Exchange rate pressure will intensify due to reduced USD supply and FDI inflows, despite a more favorable DXY trend compared to 2024

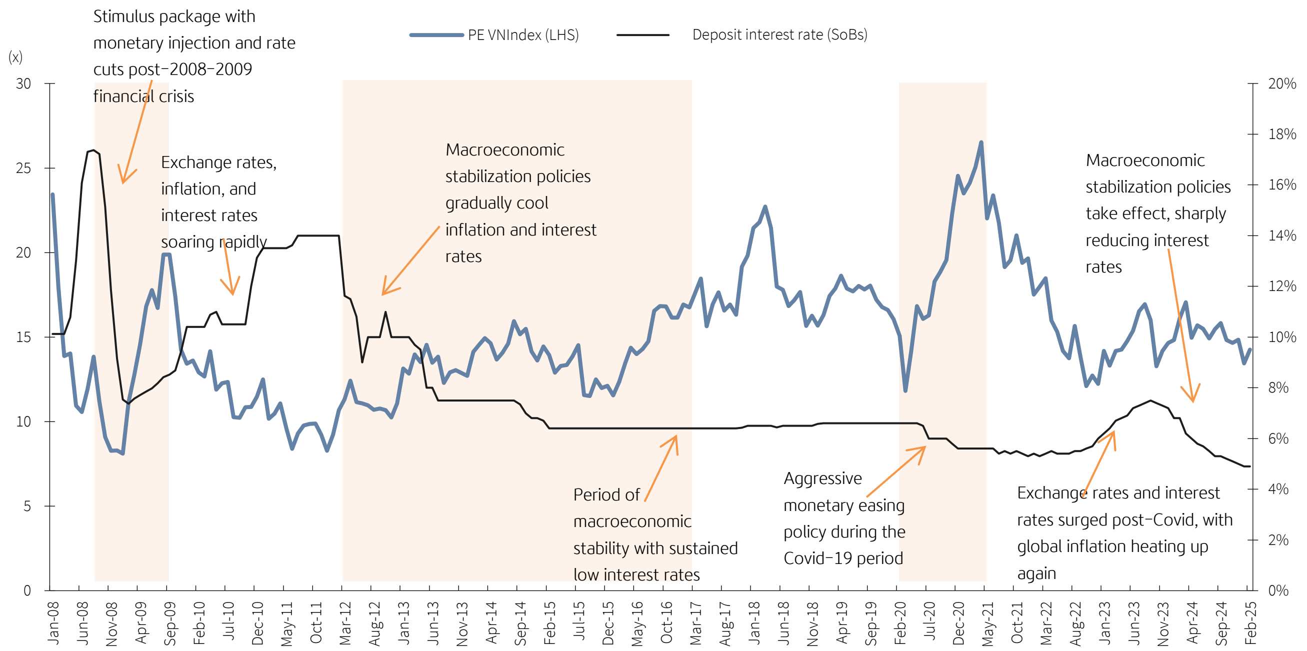
Exchange rate pressures may intensify in the near term due to a diminished USD supply from exports and reduced FDI inflows. The US's 46% reciprocal tariffs on Vietnamese exports present an unforeseen challenge. Therefore, the SBV may need to increase its tolerance for VND depreciation to 5%. However, this exchange rate pressure in 2025 could be partially mitigated by the more favorable trend of the Dollar Index (DXY), which has decreased by 5.1% YTD, compared to last year's 7.1% increase.

Interest rates may increase in response to upward USD/VND exchange rate pressures but are expected to remain low

According to the Monetary Policy Department, US tariff policies are exerting pressure on the USD/VND exchange rate, but the SBV is committed to injecting liquidity in a timely manner to facilitate interest rate cuts and support economic growth. KBSV believes that the SBV is likely to maintain its accommodative monetary policy, keeping interest rates low to support economic growth, provided the exchange rate remains within acceptable parameters. Should the VND experience excessive depreciation (above 5%), the SBV may intervene through (i) selling foreign exchange reserves and (ii) raising the refinancing rate while absorbing VND via Open Market Operations (OMO). Such exchange rate pressures would challenge the maintenance of low interest rates throughout 2025. The deposit interest rate is forecast to increase by 1-2%, while the lending interest rate will increase slightly and more slowly (0.5-1%). Deposit interest rates are projected to rise by 1-2%, with lending interest rates increasing slightly and more slowly (0.5-1%). Nonetheless, we anticipate that interest rates will remain relatively low, continuing to support domestic economic growth.

We have identified a correlation between the VN-Index's P/E ratio and prevailing interest rates (Figure 13). In the current context, low interest rates act as a favorable supporting factor for the market. However, given the ongoing volatility and heightened uncertainty in both domestic and global macroeconomic conditions, we maintain a cautious outlook on the market's near-term trajectory.

Fig 13. Vietnam – Correlation between VN-Index's P/E & interest rates



Source: FiinPro, KB Securities Vietnam

Note: The bolded areas indicate periods during which the stock market's P/E ratio surged, driven by a low-interest rate environment.

IV. Investment themes

Investment themes	Beneficiary industry groups	Tickers
Market reclassification	Securities	SSI, HCM, VCI
Public investment	Construction, Construction materials, Power	GEG, REE, PC1, TV2, VCG, HHV, VLB, HPG
Legal reform	Residential real estate	NLG, KDH, DXG
Credit growth expansion	Banking, Residential real estate	VCB, ACB, TCB, CTG, NLG, KDH, DXG

Following the easing of the US tariff shock, we have revised our list of promising near-term investment themes. These include: market upgrade, public investment, legal reform, and credit growth expansion. Amid ongoing macroeconomic uncertainty driven by the global trade war, KBSV anticipates that domestically driven sectors will take center stage in economic development, serving to offset the decline in trade surplus from weakened exports. Consequently, related equity groups are expected to demonstrate strong price growth potential over the course of the year.

1. Market reclassification

Market upgrade remains a recurring theme in KBSV's recent strategy reports. We maintain our positive outlook on Vietnam's potential reclassification by FTSE in September 2025, as well as the expected capital inflows that could follow. This long-anticipated milestone has the potential to significantly impact market dynamics. Accordingly, KBSV will continue to deliver timely updates and insights on this topic, along with the latest relevant developments.

Vietnam is advancing regulatory reforms to support its potential upgrade from Frontier to Emerging Market status

Vietnam has been on FTSE Russell's watchlist for a potential market upgrade since September 2018 but has yet to be reclassified. In the most recent review conducted in October 2024, the country continued to fall short of meeting the Delivery versus Payment (DvP) settlement cycle criterion. In response, positive regulatory measures have been introduced—most notably Circular 68/2024/TT-BTC, which permits foreign investors to trade securities without the requirement for prefunding. Nonetheless, concerns persist regarding the implementation process and underlying operational mechanisms. Recently, the State Securities Commission of Vietnam (SSC) has proposed amendments and supplements to key legal documents and is actively coordinating with relevant ministries and agencies to advance nine core initiatives. These concerted efforts are aimed at gradually fulfilling the criteria set by international rating agencies, with the ultimate objective of upgrading Vietnam's stock market from Frontier to Emerging Market status (Table 2).

Table 2. SSC – Proposed solutions towards the goal of market upgrade

No.	Solutions	Notes
1	Proposed amendments to the disclosure appendix under Circular 68/2024/TT-BTC, including the removal of the requirement to disclose the identity of the authorized representative.	FTSE Russell has proposed that only the names of institutions failing to settle transactions be disclosed, without the need for public disclosure of their legal representatives.
2	Non-prefunding (NPF) solution	The SSC has engaged in discussions with securities firms and urged them to standardize their implementation procedures to minimize discrepancies in service rollout. The following key aspects have been agreed upon: - A unified list of securities eligible for NPF trading services - A standardized approach for determining the required cash balance when placing stock purchase orders - A consistent process for handling failed trades - Agreement/contract execution with clients
3	Retaining foreign ownership limits for foreign investors during share purchases from securities companies	The KRX system will allow foreign ownership limits to be maintained until the settlement date, T+3. Its deployment is expected in May or June 2025, following the completion of testing by market participants.
4	Implementing a Straight-Through Processing (STP) system to enable seamless electronic communication between securities firms and custodian banks	The system is largely complete, and the Vietnam Securities Depository and Clearing Corporation (VSDC) has begun testing with market members, with full operation scheduled for March 2025.
5	Deploying the KRX system with a clearly defined roadmap, ensuring full public disclosure of its enhanced, differentiated, and superior features	Ahead of the official launch, the stock exchanges and VSDC will provide detailed information on the system's functions and features to ensure all market participants are well-informed. Both the stock exchanges and VSDC are required to expedite the implementation process and report progress to the SSC by April 2025.

6	Launching omnibus trading accounts (OTA)	- A review and revision of Circular 120/2020/TT-BTC is under consideration to incorporate provisions for OTAs managed by fund management companies. - Efforts are underway to clarify the allocation process for omnibus trading, enabling detailed accounting for individual funds and fund portfolios. - The SSC is considering a phased approach to implement these measures initially for foreign investment funds.
7	Introducing a Central Counterparty Clearing (CCP) mechanism for the Vietnamese stock market	Key steps toward implementing the CCP mechanism include: - Establishing a subsidiary under the VSDC - Finalizing clearing and settlement procedures between VSDC and its members - Enabling commercial banks to participate as clearing members
8	Establishing a dedicated policy dialogue group to foster continuous communication between regulators and foreign investors, aimed at addressing challenges and overcoming regulatory barriers	- A dedicated policy dialogue group has been established to provide regularly updates and address outstanding issues, with the goal of enhancing the investment experience for foreign investors within the existing legal framework, thereby supporting the market upgrade process. - The group comprises representatives from the SSC, investment experts, international investment funds, institutional investors, selected securities firms, and custodian banks.
9	Simplifying the process for foreign investors to open capital accounts for indirect investment	Amendments to legal regulations are being proposed to simplify and expedite the account opening process for foreign indirect investors. The SBV is currently drafting a new circular to replace Circular 05/2014/TT-NHNN.

Source: State Securities Commission of Vietnam

KBSV maintains that Vietnam will receive positive feedback, paving the way for a potential upgrade in September 2025

According to FTSE Russell's announcement, the results of the March 2025 review were released on April 9, 2025. Vietnam has yet to meet two key criteria: the DvP settlement cycle and the costs associated with failed trades, both of which are currently rated as "restricted." FTSE Russell will continue to monitor market developments and engage with stakeholders to access the effectiveness of the NPF model and the handling of failed trades, which are critical considerations for an upgrade. The anticipated launch of the KRX system in 2Q2025 is viewed as a constructive step in the broader upgrade process. However, several challenges remain, including enhancements to the account registration process, improvements in information disclosure practices, and the resolution of issues related to foreign ownership limits.

As these developments are generally in line with previous expectations, KBSV maintains the base-case scenario that Vietnam will receive positive feedback, paving the way for a potential upgrade in September 2025.

The prospect of a market upgrade bodes well for the stock market

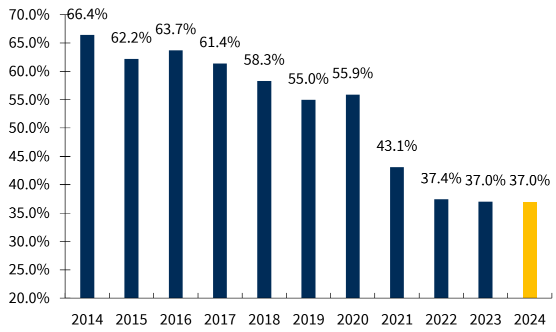
We maintain our view as outlined in the Vietnam Stock Market Outlook 2025 report that the local equity market stands to benefit from new investment inflows both prior to and following an official market upgrade. Vietnam has the potential to attract ~USD800 million to USD1 billion from passive investors tracking FTSE indices, excluding additional capital from those following other benchmark indices. Moreover, once reclassified, the market is expected to see increased participation from active funds, with estimated inflows ranging from USD 4 to 6 billion. As a result, large-cap stocks with sufficient size and liquidity are likely candidates for index inclusion. We estimate that stocks such as VCB, MSN, VNM, HPG, SAB, among others, could be added to the index. In addition to passive fund flows, stocks with strong business prospects and remaining foreign ownership room are also expected to attract heightened interest from active investors. Furthermore, a successful market upgrade could modestly enhance earnings and trading fees for securities firms, particularly SSI, HCM, and VCI, which currently hold the largest market share of foreign institutional clients.

2. Public investment

Public investment emerges as a key driver of economic growth amid global trade uncertainty

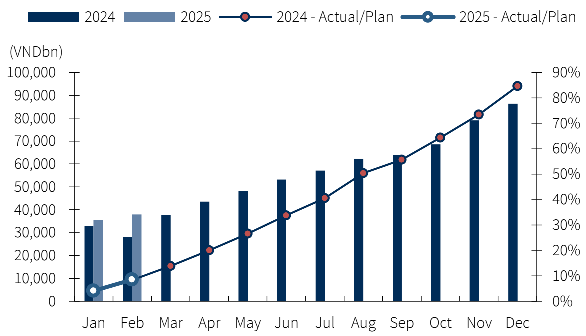
Recent actions by the Government underscore a strong commitment to accelerating public investment disbursement. In addition to raising the public investment capital plan to approximately USD 36 billion—up from USD 31 billion in the plan finalized at the end of last year—this represents a nearly 38% increase compared to 2024. A series of amended laws has also established a more favorable legal framework for both state-funded and FDI-backed projects. These developments were highlighted in our Vietnam Stock Market Outlook 2025 report. Concurrently, administrative streamlining efforts are being actively pursued to eliminate procedural bottlenecks, clarify responsibilities among stakeholders, and facilitate the execution of large-scale infrastructure projects. These reforms are designed to address long-standing institutional barriers and improve the efficiency of critical investment deployment. Moreover, Vietnam maintains substantial fiscal capacity to support expanded public investment, with the public debt-to-GDP ratio at approximately 37% in 2024. As global trade tensions persist and show signs of intensifying, Vietnam's economic growth—historically driven by FDI inflows and trade—will increasingly rely on public investment, as the Government reorients its focus toward this sector to sustain GDP growth in the coming years.

Fig 14. Vietnam – Public debt-to-GDP ratio (%)



Source: KB Securities Vietnam

Fig 15. Vietnam – Public investment disbursement plan assigned by the Prime Minister



Source: Ministry of Finance, KB Securities Vietnam

Note: The disbursement closing date is calculated through the end of January of the following year.

The transportation infrastructure and power sectors will be prioritized for development

According to Vietnam's National Road Network Master Plan for the 2021-2030 period, with a vision to 2050, the total length of expressways nationwide is expected to reach approximately 5,000 km, doubling the current figure. In tandem, major airport and seaport projects are being implemented with the objective of doubling both cargo and passenger transport capacity. Alongside these efforts to stimulate economic growth, the Government is also prioritizing the expansion and modernization of the national power grid. Investments in transmission capacity aim to ensure reliable energy supply for uninterrupted business and industrial operations, reinforcing Vietnam's ambition to become a leading industrial hub in the region.

The power sector poised for growth amid ambitious renewable energy targets and grid expansion plans under NPDP8

The revised National Power Development Plan VIII (NPDP8), submitted in March, sets forth ambitious targets to increase installed power capacity to over 236 GW by 2030, approximately three times the current capacity of 79 GW. The plan reflects a significant transition toward renewable energy, aligning with Vietnam's commitment to achieving net-zero emissions by 2050 while sustaining robust, double-digit economic growth. The projected power mix by 2030 is outlined as follows:

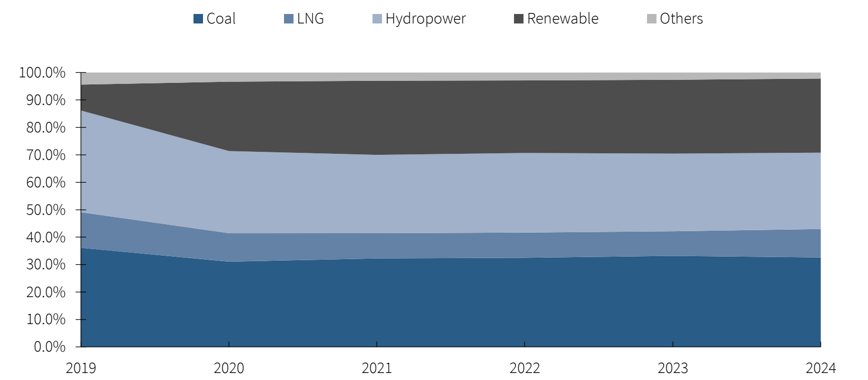
- Renewable energy (wind and solar): 78,525-128,477 MW, accounting for approximately 33%-54% of total generation capacity
- Hydropower: 35,000 MW, representing about 18%
- Coal-fired power: 31,055 MW, contributing 13%-17%
- Gas-fired power: 10,861-14,930 MW, or around 6.3%
- LNG-fired power: 22,524 MW, comprising 9%-12%

Regarding grid development, the revised plan includes:

- 2025-2030: Construction of an additional 13,000 km of 500 kV transmission lines, 15,307 km of 220 kV lines, and significant upgrades to existing substations
- 2031-2050: Addition of 15,326 km of 500 kV lines and 9,700 km of 220 kV lines

The total investment required for power generation and transmission infrastructure during the 2026-2030 period is estimated at USD137 billion, comprising ~USD118 billion for generation sources and USD19 billion for grid expansion. Given the sustained increase in power demand and the comprehensive investment roadmap laid out in NPDP8, KBSV maintains a constructive outlook for the power sector. With sector-wide risks gradually being mitigated, we particularly favor the growth potential for renewable energy and power construction companies like GEG, HDG, REE, PC1, and TV2.

Fig 16. Vietnam – Power generation capacity structure



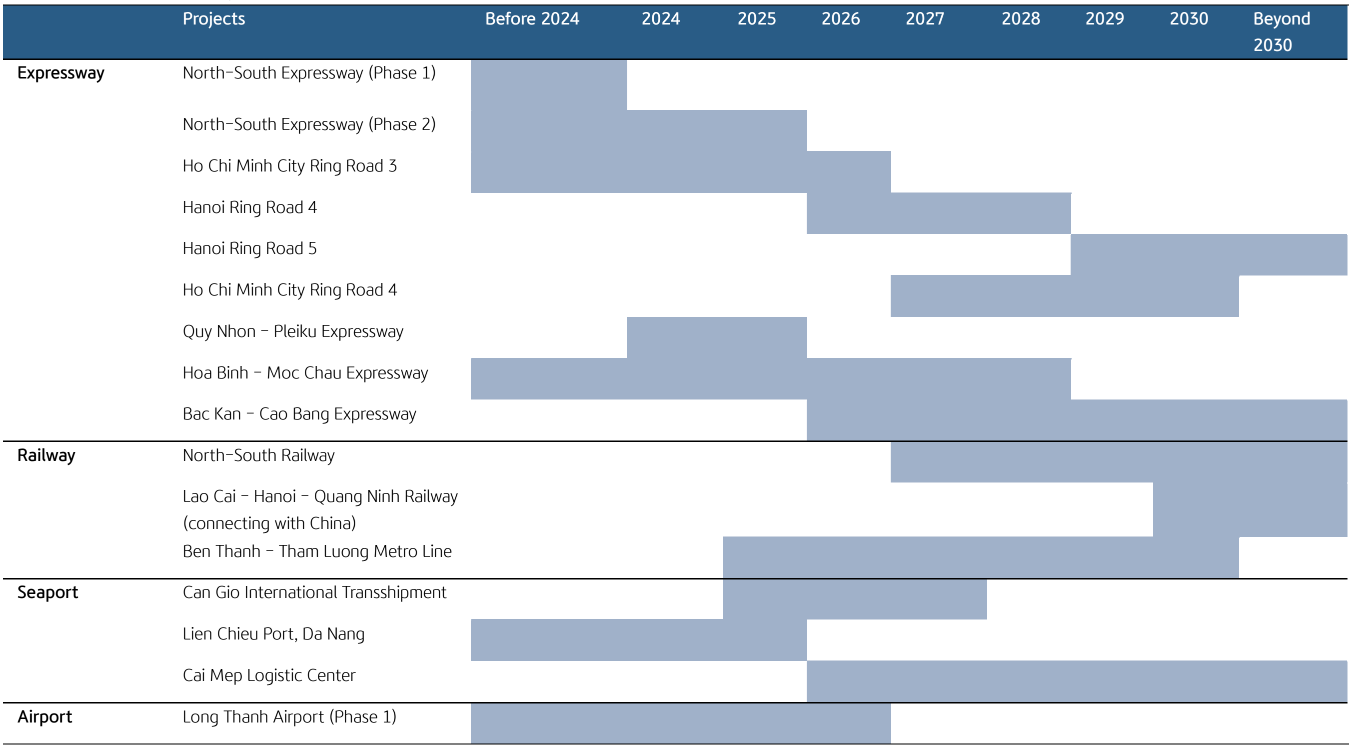
Source: Vietnam Electricity (EVN)

Demand for construction and building materials is expected to rise, driven by accelerated public investment

With a strong determination to meet disbursement targets in the final year of the 2021-2025 mid-term public investment cycle and to lay a solid foundation for the 2026-2030 period, key public investment projects are set to be expedited during the strategic 2025-2026 phase.

- **Construction sector:** KBSV maintains a positive outlook, as mentioned in the [Vietnam Stock Market Outlook 2025] report, for construction stocks, particularly EPC contractors and companies with a proven track record in executing large-scale state-funded projects, like VCG, LCG, C4G, and HHV.
- **Construction materials sector:** According to the Ministry of Construction, raw materials account for 60%-70% of total public investment costs, with sand and gravel representing 20%, steel 25%, and asphalt 15%. The current supply shortage of sand and gravel in the southern region favors companies with substantial stone reserves, such as DHA and VLB. Moreover, demand for construction steel, cement, and especially asphalt is expected to rise, driven by major infrastructure projects like Long Thanh International Airport, Phase 2 of the North-South Expressway, and Ho Chi Minh City's Ring Road 3, which are set to accelerate in the coming year. In light of these developments, KBSV's top picks in the materials sector include HPG, HT1, and PLC, which are well-positioned to benefit from the anticipated surge in demand.

Table 3. Vietnam – Key public investment projects



Source: KB Securities Vietnam

3. Legal reform

The adjustment of the growth target reflects the policymakers' new vision

The National Assembly's Resolution No. 192/2025/QH15 has revised the growth target, prioritizing GDP growth with the goal of 8% or more. To achieve this, resources have been fully mobilized, including an accommodative monetary policy (stimulating credit growth and maintaining low interest rates), an expansive fiscal policy (boosting public investment), and various government initiatives aimed at revitalizing the real estate market, which plays a key role in the economy.

Revitalizing the real estate sector is essential for achieving the ambitious growth target

According to the General Statistics Office of Vietnam (GSO), the real estate sector's direct contribution to GDP has ranged from 3.38% to 4.5% over the past five years, excluding its indirect contributions through the stimulation of industries such as construction, building materials, and finance-insurance. The total contribution is estimated to reach 14-15%. Therefore, implementing active policies to support the real estate market is crucial for achieving the overarching growth target of 8%.

In the past year, the government has introduced several amendments to the Land Law, Housing Law, and Real Estate Business Law, laying a foundation for the healthy development of the market. Recently, the Prime Minister and various ministries and agencies have issued a number of regulations and implementation guidelines to support these legislative changes (Table 4).

Table 4. Vietnam – Recent policies and directives related to the real estate market

Document type	Notes
Resolution	
Resolution 158/2024/QH15	The 2025 Socio-Economic Development Plan emphasizes addressing challenges and obstacles to facilitate the recovery and stable, healthy, and sustainable development of various markets, particularly the financial market, gold market, corporate bond market, and real estate market, while also accelerating the development of social and worker housing.
Resolution 161/2024/QH15	Continued efforts will be made to enhance the effectiveness and efficiency of implementing policies and laws governing real estate market management and the development of social housing.
Resolution 170/2024/QH15	Special mechanisms and policies are being developed to resolve difficulties and legal entanglements related to projects and land issues mentioned in inspection conclusions, audits, and court rulings in Ho Chi Minh City, Da Nang City, and Khanh Hoa Province.
Resolution 171/2024/QH15	A pilot program will be launched for commercial housing projects developed through agreements on the transfer or existing ownership of land use rights.
Decree	
Decree 71/2024/ND-CP	Land pricing regulations under the 2024 Land Law
Decree 102/2024/ND-CP	Detailed implementation guidelines for several provisions of the 2024 Land Law
Decree 123/2024/ND-CP	Regulations on administrative penalties for land-related violations
Decree 175/2024/ND-CP	Detailed provisions and implementation measures for the 2014 Construction Law on managing construction activities
Decree 180/2024/ND-CP	VAT reduction policies in accordance with National Assembly Resolution No. 174/2024/QH15
Official Telegram	
Official Telegram 130/CD-TTg	Urgent instructions to accelerate the resolution of challenges and bottlenecks hindering the progress of social housing projects
Official Telegram 134/CD-TTg	Timely corrective actions regarding land use rights auctions
Official Telegram 03/CD-TTg	Focused efforts to rectify and address price manipulation, speculation in the real estate market, and increased inspections and audits of real estate investment and construction projects

Source: Report No. 21/BC-BXD, KB Securities Vietnam

The new policies, coupled with a stable macroeconomic environment, will boost new launches in the real estate sector

If implemented promptly, the new policies are expected to effectively ease bottlenecks faced by many real estate businesses. Key highlights include:

- The 2024 Land Law officially takes effect, introducing significant changes such as the removal of the land price bracket and adjustments to the land price table to align more closely with market prices. KBSV expects these changes will streamline site clearance procedures and accelerate project implementation.

- The 2024 Land Law also emphasizes decentralization, promotes administrative reform in land management, and reinforces the accountability of local authorities in land use and governance, all while aiming to reduce bureaucratic procedures.
- Projects in prime locations with resolved legal issues are expected to be strong catalysts for both business performance and stock price appreciation. Additionally, recent drafts and directives related to social housing development create new opportunities for companies to expand in this segment.
- Monetary policy easing and persistently low interest rates provide further support for both project development and sales activities across the sector.
- Accelerated public investment initiatives are also expected to stimulate transaction volumes in areas adjacent to major infrastructure projects.

Overall, with strong policy support and a stable macroeconomic backdrop, the real estate market is poised for a healthy recovery in the near term. This rebound is expected to generate positive spillover effects across the broader economy and related industries. Accordingly, the real estate and public investment sectors are well-positioned to benefit from ongoing legal reforms, presenting substantial growth potential moving forward.

Trade policy headwinds pose risks to Vietnam's real estate sector

Recent shifts in U.S. trade policy have introduced considerable uncertainty to the global economy, with Vietnam particularly exposed. FDI inflows into Vietnam may be adversely impacted, potentially reducing demand for industrial park (IP) land leases and, consequently, lowering absorption rates for real estate projects in surrounding areas. Furthermore, if trade tariffs persist and the economic impact intensifies, housing demand could weaken. A potential reversal in monetary policy would further weigh on the real estate sector, posing additional downside risks.

4. Credit growth expansion

Stimulating credit growth would support economic expansion

Vietnam shares many similarities with other Northeast Asian countries—such as China, Japan, and South Korea—during their high-growth periods fueled by FDI attraction and export-led development. However, to achieve the ambitious goal of doubling per capita income by 2030 and transitioning to a high-middle-income economy, Vietnam must undergo deeper structural transformation across various sectors. To this end, the government is focusing on policies aimed at stimulating domestic demand, accelerating public investment, and prioritizing key economic sectors. These measures are viewed as essential not only for achieving the 8%+ GDP growth target but also for cushioning the impact of export declines stemming from global trade tensions, including those seen during the US-China trade war under President Trump. In support of these efforts, a credit growth target of 16% has been set for the banking sector in 2025, with a strong emphasis on channeling capital toward core areas such as consumer credit, manufacturing, and mortgages.

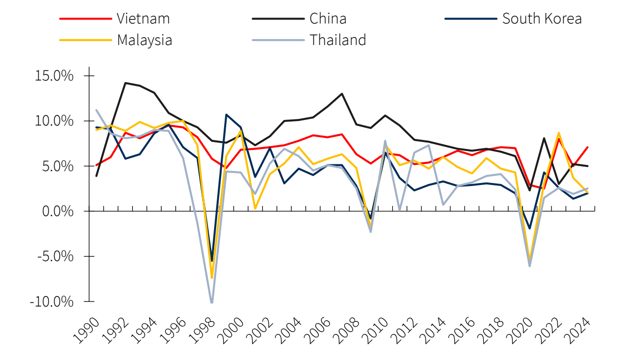
The market presents numerous favorable conditions for driving credit growth this year

The policy direction of the SBV aligns closely with that of the government, as both focus on supporting economic growth through enhanced credit provision. SBV's directives are firmly grounded in Vietnam's broader macroeconomic context, with a strong emphasis on channeling credit to sectors and services that can generate significant added value.

Flexible monetary policy:

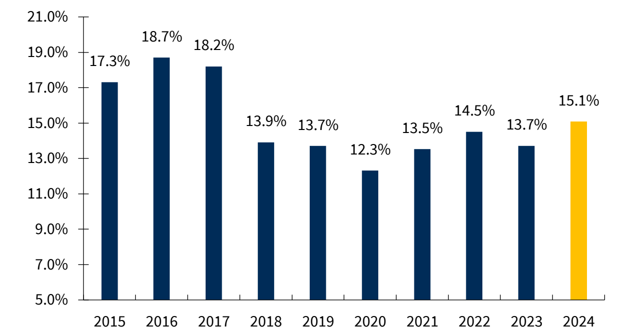
- To meet the demands of economic growth, the SBV has proactively allocated credit limits to banks with robust growth prospects while directing the consolidation of underperforming financial institutions.
- The SBV has consistently demonstrated its commitment to maintaining an accommodative monetary policy, supporting economic stimulation by keeping interest rates low and ensuring ample liquidity across the financial system. Continued net injections through OMO, extending the maturity of collateralized loans, and reducing Treasury bill (T-bill) interest rates have helped alleviate pressure on market fundraising, thereby mitigating the impact on lending interest rates.

Fig 17. Asia – GDP growth across economies (%)



Source: KB Securities Vietnam

Fig 18. Vietnam – Credit growth in 2015-2024 (%)



Source: State Bank of Vietnam, General Statistics Office of Vietnam

Credit growth initiatives will particularly stimulate banking and residential real estate sectors

The easing and promotion of credit growth typically have a direct impact on sectors closely linked to bank lending, expansion investments, and consumer stimulation. While most sectors in the economy benefit to varying degrees, the banking and residential real estate industries are expected to experience the most significant effects:

Banking sector

- Robust loan growth in key segments will bolster banks' interest income. Vietnam still has substantial room to expand real estate lending. According to the SBV, real estate loans currently account for 21-22% of total credit, below that of several regional counterparts like Singapore and Malaysia. It is anticipated that a higher real estate supply in 2025 will boost credit for home purchases and project development, which have experienced slower growth in 2024. However, if significant tariffs return under President Trump, lower per capita income could dampen housing demand and indirectly affect credit growth.

- Public investment is expected to remain a key growth driver, with major infrastructure projects triggering a wave of satellite projects. These developments will boost activity in construction, building materials, and logistics, thereby stimulating bank credit.

Residential real estate sector

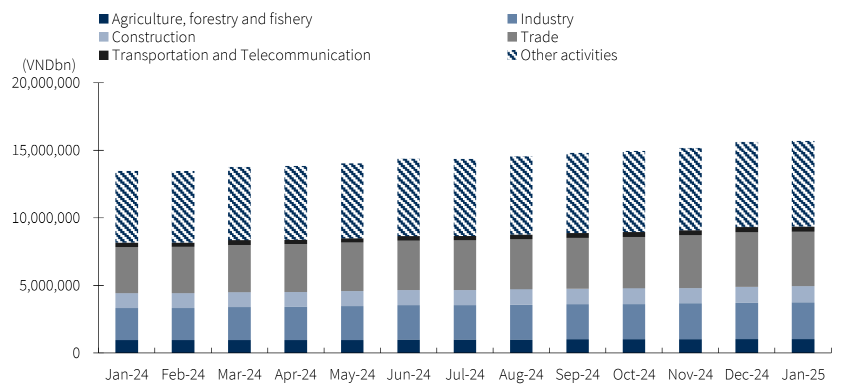
- The real estate market is poised for a positive recovery in 2025, supported not only by low mortgage rates and policy measures aimed at accelerating credit growth, but also by the government's proactive efforts to improve the legal framework. Key initiatives include the implementation of the revised 2024 Land Law, the 2023 Housing Law, the 2023 Real Estate Business Law, and other directives aimed at addressing legal bottlenecks, project licensing, and planning challenges. These reforms are expected to enhance market transparency and improve the quality of real estate supply. Additionally, the Prime Minister has called for the acceleration of affordable housing loan programs under the plan to develop one million social housing units. With supply and demand mismatched in this segment, credit demand is expected to rise as new supply comes online.

The newly imposed tariffs could exert short-term pressure

On the downside, potential tariff policies may indirectly dampen credit absorption and economic growth. Under such pressure, the room for further monetary easing would narrow if tariffs are imposed on Vietnam. In that scenario, deposit interest rates could rise by 1-1.5%, while lending rates may increase more moderately, still putting pressure on banks' net interest margins (NIM).

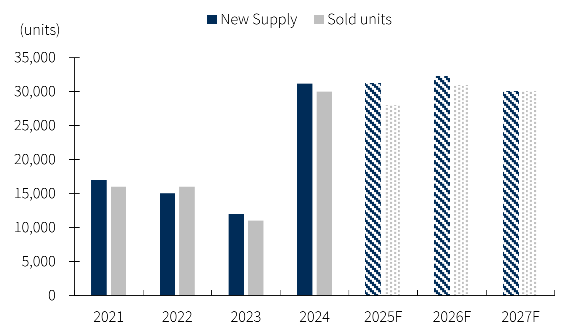
According to the SBV's estimate, outstanding consumer credit and real estate development loans account for approximately 22%.

Fig 19. Vietnam – Outstanding credit by sector (VNDbn)



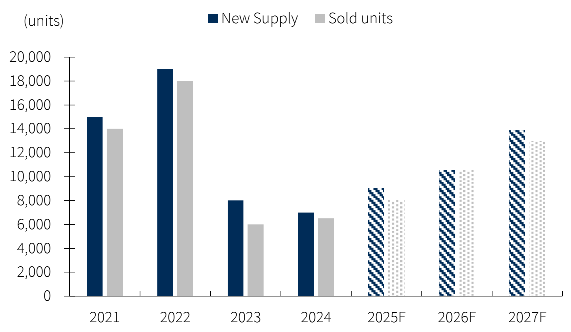
Source: State Bank of Vietnam

Fig 20. Hanoi – Number of condos launched and sold



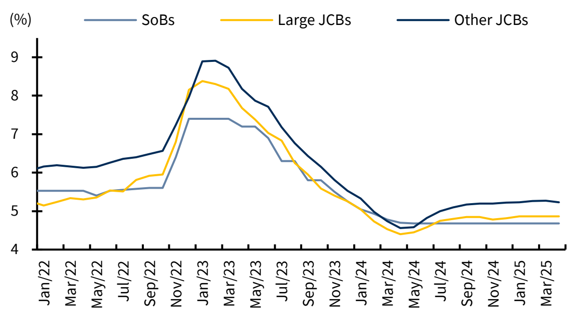
Source: CBRE

Fig 21. HCMC – Number of condos launched and sold



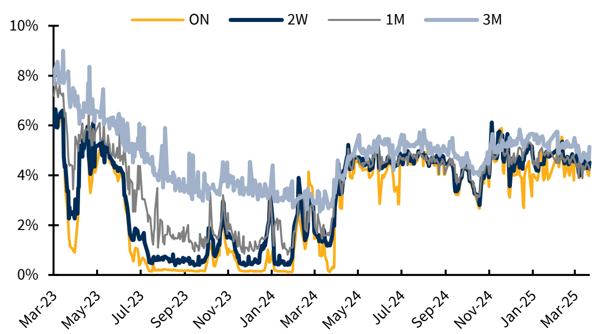
Source: CBRE

Fig 22. Vietnam – Average deposit interest rates (%)



Source: KB Securities Vietnam

Fig 23. Vietnam – Interbank interest rates (%)



Source: State Bank of Vietnam

V. KBSV model portfolio

No.	Ticker	Target price	Closing price (April 9, 2025)	Expected return	2025 forward P/E	2025F NPAT growth	Investment catalysts	Link to report
1	BWE	50,500	42,350	19.2%	13.0	34.0%	- Benefiting from the vertical market of water, BWE fully enjoys the growth of clean water consumption in the region, reaching 3-5% by 2035. - Biwase Long An's clean water consumption may reach a CAGR of 15% by 2030. Tan Hiep Water Plant should contribute VND37 billion in profit from 2025. - Clean water price enters the increasing roadmap of 3%/year from 2H25. Important legal documents are being proposed to be adjusted in a favorable direction, eliminating the standard profit for water providers.	BWE
2	VNM	74,800	52,000	43.8%	11.4	1.4%	- Sales output and product prices should remain flat, sending domestic revenue up by only 0.1%. Revenue from foreign markets may rise 7-10% YoY. - GPM and EBIT should fall 70 bps due to weak consumer demand. - NPAT is expected to remain flat compared to 2024.	VNM
3	FPT	151,900	105,300	44.3%	16.5	19.7%	- FPT plans to invest USD100 million in the AI sector in Japan, expected to bring in USD100 million in revenue with an EBITDA margin of 50%. The project contributes to improving FPT's competitiveness in software outsourcing. - Global IT spending will lead FPT's IT segment, with 2025 revenue expected to grow 22%. - FPT continues to invest in building school facilities, introducing new programs to keep up with technology trends. 2025 revenue is estimated at VND7,947 billion.	FPT
4	BMP	125,700	114,100	10.2%	9.5	0.0%	- Sales output is forecast to improve thanks to increased discounts for agents, regaining market share in the context of the real estate market recovering in 2025. - GPM may reach 41%/39% in 2025/2026 thanks to favorable developments in Chinese PVC prices amid the slow recovery of real estate. - The company will maintain a high cash dividend yield, reaching 9-10%.	BMP
5	MWG	76,200	46,250	64.6%	14.1	28.5%	- ICT&CE chain focuses on increasing market share to boost revenue in 2025. - BHX expands its network to the Central region in 2025 with 200-400 new stores in the period of 2025-2029. - EraBlue is expected to gain a large market share after reaching the break-even point, targeting 500 stores by 2027. - Consumer demand is likely to decline under the indirect impact from the US high reciprocal tariffs.	MWG
6	HPG	35,600	21,300	67.1%	6.4	35.9%	- Consumption is boosted by real estate recovery and approved public investment and anti-dumping measures increasing by 27%/23% in 2025/2026F. - Steel prices should remain stable in 2025. If iron ore and coke prices decrease, HPG's margin will improve. - Phase 2 of Dung Quat Complex 2 will be operational from 1Q26, with two large blast furnaces optimizing production costs.	HPG

VI. Sector outlook

Banking

Sustaining growth

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April 9, 2025

Positive maintain

Recommendations	
CTG	BUY
Target price	VND48,800
BID	BUY
Target price	VND46,700
TCB	BUY
Target price	VND36,200
VPB	BUY
Target price	VND25,700
ACB	BUY
Target price	VND35,400
MBB	BUY
Target price	VND31,600
VCB	BUY
Target price	VND72,800
STB	NEUTRAL
Target price	VND40,000
VIB	BUY
Target price	VND24,600

Banks maintained growth amid difficulties in 2024. Credit growth in 2024 hit 15% YoY, led by the real estate market and the corporate customer group. NIM declined under pressure from rising CoF while banks are fiercely competing in lending interest rates. The positive point is that the asset quality of banks has shown signs of improvement since 4Q24.

Credit was boosted to drive the economic growth target of 8%. Credit in the whole system by March 12 grew 1.24%, a positive start compared to the negative growth of 0.74% in the same period last year. However, credit growth in the remaining months may depend on the proportion of loans for import-export activities and manufacturing-processing industry (15-20%) while retail consumption will also be indirectly affected. The driving force for 16% credit growth will come from (1) low lending interest rates; (2) the rebounding real estate market; and (3) accelerated public investment (supporting credit for the SoBs).

NIM of banks should decrease in the short term. The interest rate average may inch up as the room for monetary policy easing was narrowed after Trump's reciprocal tariff launch (which has been analyzed in the previous section). It is expected that deposit interest rates will gain 1-1.5%, and the increase in lending interest rates will be less and slower. In general, interest rates are slated to be maintained at a low level to support the economy in line with the Government's direction, which also puts more pressure on NIM of banks, but the level of impact will be differentiated.

The legislation of Resolution 42 is a turning point in bad debt handling. The prospect of improving asset quality is not clear as global macroeconomic uncertainty may pull back the economy. Instead, we expect the legislation of Resolution 42 to push banks forward once it is passed. The resolution ramps up the reversal of written-offs (accounting for a large proportion), helping to handle outstanding debts and increase profits from debt collection.

The industry has attractive valuation with long-term prospects. The VNIndex is experiencing a strong correction, reflecting worries over the sweeping tariff announcement. However, we remain optimistic about the long-term prospects of banking stocks thanks to their solid financial foundation, while the short-term outlook is still supported by credit growth and the legislation of Resolution 42. KBSV chooses Asia Commercial Bank (ACB) for its safe risk appetite; Techcombank (TCB) and VPBank (VPB) for their growth potential amid rebounding land market and Resolution 42 facilitating debt recovery.

Securities

Awaiting market upgrade in the tail end of 2025

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April 9, 2025

Neutral change

2024 performance showed big improvements compared to 2023. In 2024, TOI of 35 largest cap securities companies touched VND42,105 billion (+19.9% YoY), and NPAT reached VND22,682 billion (+33.5% YoY). The bounceback in industry-wide profit was attributable to 2023's low comparative base.

The growth force came from all business segments, especially margin lending. The gross profit from securities brokerage at securities companies under our coverage grew 10.2% YoY to VND2,549 billion while the investment segment gained 9.9% YoY to VND18,851 billion. Margin lending generated VND18,363 billion (+37.5% YoY) with an average yield of 11.0% (-1.1ppts YoY). Full year ROE posted a modest gain from 8.9% in 2023 to 9.9%, but it is still low compared to previous years given securities companies ramping up capital increase.

The market was positive in 1Q but will face big pressure in the rest of the year. The stock market performed well in the first three months of the year (+4.9% YTD) with trading value estimated to grow 7.3% QoQ (adjusted after the Tet holiday). However, KBSV changed its view from positive to neutral on the prices and liquidity of the local stock market for the rest of 2025, considering the possible adverse impact of the 46% reciprocal tariff rate on the growth prospects of the entire market's profits and the developments of exchange rates and interest rates.

Hopes of market upgrade this September is a silver lining for capital flows
We expect Vietnam stock market will be upgraded according to FTSE Russell's assessment in September 2025 and officially added to the FTSE emerging market index basket in 2026. According to our estimates, after the upgrade, Vietnam can receive roughly VND136,000 billion in foreign capital from ETFs, passive and active funds with selected portfolios in the FTSE emerging market basket. In addition, the KRX system, which should be rolled out in 1H25, will also be a highlight for securities stocks in the coming time.

The current valuation is not really attractive amid unclear growth prospects. The profit outlook for securities stocks in 2025 has become unclear amid tariff uncertainty. Investors can consider stocks with advantages of institutional customers, strong resources, and deep discount rates around the five-year average P/B -1Std such as Vietcap Securities (VCI), HCM Securities (HCM), and SSI Securities (SSI) to get good return.

Residential real estate

Rebounding strongly

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April 9, 2025

Positive maintain

Recommendations	
VHM	BUY
Target price	VND56,200
KDH	BUY
Target price	VND40,000
NLG	BUY
Target price	VND45,800
DXG	BUY
Target price	VND20,600

The number of condos launched in 2024 in Hanoi surged while the HCMC market remained quiet, with absorption rates improving in both markets and exceeding supply. CBRE data showed the supply of new condos in Hanoi reached 30,900 units (+200%YoY), and the number of sold units hit 31,000 (+178%YoY), contributed by projects from reputable investors such as Vinhomes, CapitaLand, MIK, and Masterise. The HCMC market was quite subdued with 5,050 new units (-41%YoY), the lowest since 2013, and 7,000 condos sold (-4%YoY). The average price in Hanoi spiked 36%YoY to VND72 million/m², approaching the price of the HCMC market at VND76 million/m² (+24%YoY).

The supply of townhouses/villas in both markets improved. The Hanoi market recorded a supply of 6,300 units (+140%YoY); and the number of units sold reached 6,100 (+43%YoY). HCMC recorded a recovery compared to 2024 with 230 units launched (+8x%YoY) and 250 units sold (+2x%YoY), which was still much lower than the previous period as supply mostly came from small-scale projects. Condo prices maintained an uptrend with primary prices in Hanoi and HCM respectively hitting VND220 million/m² (+19%YoY) and VND310 million/m² (+13%YoY).

The housing market is expected to recover strongly since (1) interest rates on home loans remain low, and investors have been offering many new, more preferential and flexible sales policies. (2) Supply improved thanks to the efforts of the Government and related ministries and branches in developing and promulgating many detailed regulations and instructions for the implementation of the Land Law 2024, Housing Law 2023, Real Estate Business Law 2023, and other directives and documents guiding the removal of legal obstacles for a number of projects, shortening the time to complete legal procedures, and facilitating the development of social housing. (3) The government has increased public disbursement into large projects, and traffic routes connecting the center of Hanoi and HCMC with neighboring regions and provinces to stimulate real estate investment demand. We expect the housing market in the Southern region, including HCM and neighboring provinces such as Binh Duong, Dong Nai, and Long An to recover in 2025 after a period of stagnation.

However, we also note the risks related to (1) the US imposition of reciprocal tariffs on Vietnam affecting home buying demand, especially in housing projects around industrial parks and (2) the imbalance between supply and demand when most of the products for sale are high-end condos, not meeting living needs.

We have observed that many real estate stocks are currently trading at a lower 2025 P/B forward than the five-year average. With a positive perspective about the residential real estate industry, investors can make use of stock price corrections and choose businesses with good prospects with large clean land banks, full legal documents, projects being implemented and opened for sale and safe financial structure. Notable investment opportunities are Vinhomes (VHM), Khang Dien House (KDH), Nam Long Investment (NLG), and Dat Xanh Group (DXG).

Industrial real estate

Hit by Trade war 2.0

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April 9, 2025

Negative change

Recommendations	
KBC	BUY
Target price	VND36,100
GVR	NEUTRAL
Target price	VND38,800
SIP	NEUTRAL
Target price	VND98,000

Occupancy rates at industrial parks in the North and South were high in 2024. CRBE reported the respective rates in the tier 1 market in the two regions are 80% and 89%. The average rent in the North recorded a considerable increase, reaching USD137/m^2/leasing term (+4% YoY), while the comparative figure in the South slowed down with a modest gain of 1.4% YoY, recording USD175/m^2/leasing term.

The industrial real estate market in the two regions posted different growth last year. The North absorbed FDI capital flows, focusing on high-tech projects, with notable investments from Samsung Display (USD1.8 billion), LG Display (USD1 billion), and Foxconn (USD383 million). Meanwhile, the South benefited from the demand for ready-built warehouse/factories with total leased areas reaching 750,000m^2/400,000m^2 (+114%/100%YoY).

The supply made notable improvement after a slew of industrial parks got investment policies approved. In 2M25 alone, the investment policies for 4,286ha in industrial park land of 14 industrial parks were approved, of which 2,132ha were in the North and 2,154ha in the South. In addition, the supply in the South is expected to sharply increase with the trend of converting rubber plantations into industrial parks led by rubber producers like Vietnam Rubber Group (GVR), Dong Phu Rubber (DPR), Phuoc Hoa Rubber (PHR), and Tay Ninh Rubber (TRC).

Trump's 46% reciprocal tariff will dent FDI capital flows into Vietnam. In the short term (2025-2026), FDI enterprises tend to suspend the disbursement of capital for previously registered new plant construction projects. In the long term, we expect that FDI disbursement to recover and be offset by FDI enterprises targeting export markets outside the US, supported by Vietnam's advantages of cheap labor force, favorable location for trade, and preferential policies. However, these companies may continue the current suspension in the next one or two years due to excess capacity from the output serving the US market and more time to redirect orders to other markets.

Most industrial park stocks have P/B valuations lower than their five-year average. Although the current valuation is attractive, investors should be cautious because these businesses are vulnerable to the direct adverse impact from the escalating Trade war 2.0, followed by serious risks to business operations and corporate profits in 2025.

Logistics

Troubled by reciprocal tariffs

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April 9, 2025

Neutral change

Recommendations	
GMD	BUY
Target price	VND76,000
ACV	BUY
Target price	VND122,600
AST	BUY
Target price	VND64,300

Port operators may hardly record growth this year. We assess that the general situation of these companies in 2025 will be less positive than in 2024, based on: (1) FDI inflows are predicted to fall after Vietnam pays high reciprocal tariffs to the US. Import and export activities will also decrease, and Southern enterprises whose main export market is the US may be hit hard. (2) Northern port operators will have to face competition in both price and output when the capacity of Hai Phong port cluster in 1Q25 increased by 2.2 million TEUs thanks to Lach Huyen port. In the short term, the decline in output may be offset by port service rates (early this year, local ports announced rate hikes, averaging 5-15% depending on the type of service). However, in the medium term, the growth of port service rates is slated to slow down as Vietnamese seaports become less attractive than other ports in regional countries which are subject to lower tax rates.

Spot freight rates have dropped, while time charter rates (T/C) have witnessed insignificant changes. Port throughput will also decline alongside imports and exports. Freight rates for self-operated vessels are forecast to continue to decline since (1) the demand for cargo transportation reduces while concerns about surplus vessels remain high, shipping lines are continuously purchasing or ordering new vessels; and (2) different duties applied to different countries will change many shipping routes, and shipping lines will lower freight rates to attract customers. However, we believe that T/C freight rates will not see many fluctuations as the demand for chartering vessels may remain stable due to concerns over political instability and supply chain volatility in the coming time. Enterprises owning large-scale fleets with new vessels available for charter may receive less negative impact from the current situation.

The recovery of airlines should slow down. We expect the GPM of the passenger service segment will improve as the number of international passengers, who bring much higher gross margin than the domestic group, continues to grow faster than the local passenger group when (1) airlines are continuously deploying new direct routes connecting to many European and Australian countries; (2) tourism stimulus and visa exemption policies are being promoted; and (3) new airport projects are being implemented, which will add significant capacity to the aviation industry. However, the reciprocal tariff tends to partly affect the group of international visitors to Vietnam for FDI activities. Furthermore, air passenger transporters and air cargo port operators will receive direct effects from the decline in imports and exports.

We change our view on the logistics companies from positive to neutral due to the detrimental high reciprocal tariff from the US. After considering the above general outlook of the industry, investors should only consider stocks with long-term recovery potential thanks to capacity expansion plans and healthy financial status such as Gemadept (GMD), Hai An Transport and Stevedoring (HAH), Taseco Air Services (AST), and Airports Corporation of Vietnam (ACV) when the stock prices have dropped to attractive levels.

Construction materials

Underpinned by the local market

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April 9, 2025

Neutral maintain

Recommendations	
HPG	BUY
Target price	VND35,600
BMP	NEUTRAL
Target price	VND125,700

The impact from the 46% reciprocal tariff rate varies among construction material companies. For the steel industry, the tariff will remain at 25% under Section 232 instead of 46% under the fresh tax regime. Despite not being hit by the reciprocal tariff, the exportation of galvanized steel to the US will be less positive after the newly announced anti-dumping and countervailing duties (the highest rate for each type is 59%/46.73%). For the plastic pipe market, we believe that the reciprocal tax will not affect consumption because production output focuses on serving domestic demand. For wood and stone industries, the tariff impact may be huge because the US market accounts for an average of 50%/80% of their export revenue.

Profit growth of steel enterprises will be mixed. Domestic consumption in 2M25 soared 49% with sales output of construction steel, HRC, and galvanized steel expanding by 61%/46%/43% YoY respectively. The main driving force was the higher demand from the housing market and public investment projects. KBSV predicts the average steel price will gain 1-2% YoY in 2025 thanks to recovering domestic demand. As the consumption demand in China may remain low due to the slower-than-expected recovery of the real estate market, iron ore and coking coal prices are forecast to continue their declines in 2025, boding well for the GPM of upstream steel manufacturers (construction steel & HRC) like Hoa Phat Group (HPG).

Plastic pipe consumption should continue to improve in 2025. KBSV estimates that the plastic pipe sales output will advance 6% YoY in 2025, mostly supported by the recovery of the real estate market. According to our observation, Chinese PVC resin prices were still low in 1Q25 and may recover slowly from 2H25 amid weak recovery signals from this country's land market. Low input costs are the incentive for plastic pipe manufacturers to maintain high GPM in 2025.

The current valuation is reasonable, except for HPG's. HPG and Binh Minh Plastic's (BMP) PBR is at 1.4x/3.5x, equivalent to the five-year average -0.8/+1.7Std. We hope the rebounding domestic demand will lead the growth of the building material industry this year. Investors can wait for the equilibrium point, consider and choose businesses with (1) leading position in the industry, (2) favorable stock price and input cost developments, (3) ability to improve core business activities, and (4) limited external impacts. Our top picks include HPG and BMP.

Food & beverage

Stable domestic consumption

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April 9, 2025

Positive maintain

Recommendations	
VNM	BUY
Target price	VND74,800
MSN	BUY
Target price	VND87,500

The food and beverage consumption should remain stable with modest growth. Domestic sales of Vinamilk (VNM), SABECO (SAB), and Quang Ngai Sugar (QNS, parent company of Vinasoy) all posted growth of 1-3% in 2024 after reporting write-downs in 2022-2023. The number of F&B stores last year grew by a mere of 1.8% YoY, reflecting a slowdown in store openings, although the total revenue of the industry still gained 16% (according to IPOS and Nestle) and is forecast to increase 10%/year until 2027 (Euromonitor, Statista) thanks to Vietnam's golden population age (32 years old) and tourism robust growth (over 30%) in 2025. We expect revenue of the above leading brands to grow by 1-3%, lower than the industry average due to fierce competition. Meanwhile, Masan Group's (MSN) consumer brands (Masan Consumer Goods, Masan Meatlife, and Phuc Long) expect higher growth of 5-7% thanks to the advantage of the Wincommerce retail system and continuous store expansion.

Leading businesses have good cost control capabilities, helping to cushion profit margins from unfavorable market impacts. We believe the beverage industry's performance will be flat as input material costs continue to cool down compared to the 2023-2024 period amid a spectre of economic slowdown. Beverage businesses such as VNM, SAB, and QNS (with sugar products mainly sold to F&B businesses) should record flat revenue and profit compared to 2024. We believe that VNM will be able to improve its profit margins when demand recovers with stimulus policies in 2H25. Similarly, MSN's consumer and pork margins may remain almost unchanged thanks to its brand reputation and steady domestic demand, partly supported by the divestment of Masan High-Tech Materials' (MSR) business with negative margin.

The industry valuation is attractive with stable prospects and high dividend yield. All three F&B stocks that we cover, VNM/SAB/QNS, are trading at attractive P/B of 3.5/2.4/1.6x, lower than the five-year average of 4.5/4.5/1.8x. Investors can choose VNM shares with their attractive valuation, current dividend yield/price of 7.1%, and a profit CAGR of 3.6%/year in the period 2025-2029.

Retail

Consumption indirectly impacted by the US reciprocal tariff

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April 9, 2025

Neutral change

Recommendations	
MWG	BUY
Target price	VND76,200
FRT	BUY
Target price	VND218,200
PNJ	BUY
Target price	VND111,900
DGW	NEUTRAL
Target price	VND44,100

Retail businesses showed impressive rebounds in 2024 performance. Total revenue generated by retail giants (including Mobile World Investment – MWG, FPT Digital Retail – FRT, and Masan Group – MSN) hit VND225,830 trillion (+15.1% YoY). ICT&CE business results grew by a single digit due to industry saturation, while Phu Nhuan Jewelry's (PNJ) jewelry retail segment bounced back 14.3% YoY from negative growth in 2023. In particular, the two chains with the most remarkable growth are FRT's Long Chau Pharmacy and MWG's Bach hoa Xanh with respective revenue growth of 59.5% YoY and 30.2% YoY in 2024.

Total retail sales of goods and services in 2M25 advanced 9.4% YoY to VND1,137 trillion (+6.2% YoY if excluding price increases). Of that, retail sales of goods reached VND878 trillion (+8.7% YoY) or 77.2% of total revenue, with cultural and educational items recording the sharpest growth, +15.9% YoY. Revenue from accommodation, food and beverage services/travel and tourism services grew by 12.5% YoY/16.4% YoY, respectively. The growth is attributable to the government's favorable visa policies and tourism promotion mechanisms and strategies to attract international visitors.

Consumer demand will face two-way impacts in amid weak purchasing power in the first two months of 2025. Vietnam's PMI in January and February was 48.9 points and 49.2 points respectively, both below the 50-point threshold despite a small gain in February, implying that consumer demand is still low. For the next months of 2025, KBSV believes that consumer demand will face two-way impacts. The positive impact comes from the 2% reduction in VAT on goods and services extended from July 1, 2025 to December 31, 2026. On the contrary, the 46% reciprocal tax rate on Vietnamese exports also indirectly hinder consumer demand because (1) people's income will decrease. Exporting companies are cutting costs amid a slowdown in export orders due to hefty duties, leading to lower wages and worse, job losses. (2) Higher domestic commodity prices following the VND depreciation have led to higher import costs.

Retailers are offering deep discounts. However, the tariff uncertainty has cast a cloud over the retail industry's profit growth in 2025. Therefore, we believe that we need to further follow the developments of the tariff negotiations between the two countries in the coming time.

Power

Revised Power Plan VIII unlocking new growth potential

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April 9, 2025

Positive maintain

Recommendations	
POW	BUY
Target price	VND14,600
GEG	NEUTRAL
Target price	VND14,600
REE	NEUTRAL
Target price	VND77,200

Electricity consumption will sustain growth in 2025. In the first two months of the year, total power output gained 3.2% YoY to 45.1 billion kWh, equal to 13% of the full-year forecast. EVNNPC's electricity consumption in the Northern region led the country, reaching 14.6 billion kWh (+5% YoY) with larger consumption by the industrial sector, reaching 9 billion kWh (+5.1% YoY). Vibrant tourism and trade activities have boosted power consumption in the Central region to achieve double-digit growth, hitting 9 billion kWh (+20.6% YoY).

La Nina may end in 3Q, facilitating thermal power generation. In 2M25, the Ministry of Industry and Trade mobilized thermal power sources instead of hydropower to reserve capacity during the dry season. However, La Nina lasting until 1Q25 improved the flow to the reservoirs, sending hydropower capacity to 9.3 billion kWh (+8% YoY) or 21% of total output. Coal and gas power capacity was recorded at 24.8 billion kWh/2.7 billion kWh (-4.6% YoY/-34% YoY), accounting for 55%/6% of total output. In 2H25, hydropower operating capacity is predicted to be lower than 2H24 due to less rain. Therefore, thermal power plants can raise their Qc output to meet the expected 10% increase in power consumption.

Prospects for each enterprise in the industry are different. Revenue of coal power enterprises in 2024 reached VND 44,983 billion (+4.9% YoY). Revenue of hydropower plants is not optimistic because EVN limits electricity sold on the competitive market and lowers PPA prices YoY to VND27,334 billion (-0.5% YoY). In 2025, electricity consumption should slow down when Trump's tariff policies limit electricity consumption of the industrial group. Coal-fired power plants will see a decrease in operating capacity due to higher electricity generation costs compared to hydropower, which offers low costs and stable capacity. Gas-fired power plants should improve their revenue from 2024 low bases with more stable domestic gas sources and the Nhon Trach 3&4 project coming into operation.

The revised National Power Development Plan 8 (NPDP8) is expected to help plants overcome obstacles. The plan is supposed to add solar and wind power capacity targets until 2030. At the same time, the price mechanism adjusted according to each geographical area will soon be approved to attract private capital flows. We believe that the new planning will remove legal difficulties and create attractive investment mechanisms for power plants.

Power plants have attractive valuation in the long-term. P/B of power stocks is currently trading at 1.1x, lower than the five-year average -1Std due to the lack of short-term growth catalysts. In the long term, thanks to the revised NPDP8 and the PPA price mechanism, stocks will benefit from capacity expansion, especially leading businesses like PV Power (POW), REE Corporation (REE), Gia Lai Electricity (GEG), and Power Engineering Consulting 2 (TV2). These are attractive investment opportunities to take into account during market corrections.

Information technology

IT spending challenged by new tariffs in the short term

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April 10, 2025

Neutral change

Recommendations	
FPT	NEUTRAL
Target price	VND151,900

Information technology revenue has been on the rise. According to the Ministry of Information and Communications, the revenue from the IT sector in 2024 is estimated at VND4,200 trillion (+13% YoY). Revenue from digital technology and telecommunications alone hit VND3,800 trillion and VND147 trillion (+11.2% YoY/+3.5% YoY). High-quality human resources in Vietnam are a solid foundation for the expansion of both the quantity and scale of enterprises. By 2025, the numbers of IT companies and staff are forecast to reach 60,000 (+10% YoY) and 1.3 million (+6% YoY).

Revenue from major markets continues to grow. In 2024, revenue and NPAT of listed IT companies touched VND75,566 billion (+17.3% YoY) and VND26,176 billion (+16.9% YoY). As the industry leading corporation, FPT Corporation (FPT) recorded strong revenue growth from key markets Japan (+32% YoY), APAC (+35% YoY), EU (+52% YoY), and the US (+9% YoY).

Tariff risks challenge IT spending growth. Although software services are not subject to the US tariffs, indirect impacts may be inevitable. Higher tariffs threaten the global economic outlook, causing businesses to cut spending on technology investment. However, for large enterprises such as FPT, the adverse impact can be minimized as it may increase contracts on providing IT system operation services to big customers with high value and longer term.

The policy of training domestic talents will supplement human resources. To realize the ambition of developing the IT and semiconductor equipment industry, Vietnam aims at training and attracting highly qualified human resources. By 2030, the nationwide workforce in the semiconductor industry should reach 50,000 staff, including 42,000 bachelors, 7,500 masters, and 500 postgraduates. We believe that IT enterprises will have an advantage in the semiconductor business thanks to the highly qualified staff.

IT stocks have witnessed deep corrections, but their valuations remain high. The P/E of IT companies is currently at 23x, higher than the five-year historical average of 21x. Investors should wait for correcting sessions to buy. FPT is a notable stock thanks to its leading position in the industry and ability to seek large-value contracts with customers operating in diverse industries, thereby diminishing the negative impact from Trump's blanket tariffs.

Textiles

Hit hard by Trump’s reciprocal tariffs

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April 9, 2025

Negative change

Recommendations	
MSH	NEUTRAL
Target price	VND63,500

Textile and garment enterprises posted impressive recovery in 4Q24. The total revenue and NPAT of 27 companies listed on the three exchanges HSX, HNX and UpCom were VND20,344 billion (+14.5% YoY) and VND1,100 billion (+87.9% YoY). The remarkable improvement in business results came from the recovery of orders in the FOB segment with high added value. Many textile enterprises have received full orders until 2Q25.

Textile export turnover grew 9.2% YoY to USD5.6 billion in 2M25, boosted by February performance. The US is Vietnam's largest market with USD2.5 billion in export value (+12.4% YoY), accounting for 43.7% of total exports. Other major markets including Japan, EU, and South Korea achieved growth rates of 9.5% YoY, 7.4% YoY, and 4.1% YoY, respectively. This export growth is still within the target growth plan set by the Vietnam Textile and Apparel Association.

Local textile exporters may reel from the US’s reciprocal tariffs. On April 2, 2025, the Trump administration announced the reciprocal tariffs on its trading partners worldwide. Accordingly, Vietnam is among the hardest hit with a rate of 46%. The top five countries exporting textiles to the US are subject to rates as follows: China (55%), Bangladesh (37%), India (32%), Indonesia (26%), and Indonesia (26%). KBSV believes this may hit Vietnam textile industry in terms of:

- Demand for Vietnamese textile products in the US will decrease as (1) the average price of these items in this country climbs in line with higher tariffs. (2) Vietnam is the second highest taxed country among the five countries with the largest export turnover to the US. According to KBSV's calculations, the average price of textile and garment exports to the US under the new duties will escalate 16.7%, only after the 21.2% increase of China and higher than the increases of Bangladesh, Indonesia, and India (respectively rising 12.5%, 9.7% and 6.8%).
- The value of new contracts signed by textile companies is likely to decline when new orders tend to run into countries with more competitive price advantages because the product price is one of the key factors for retailers when choosing low value-added textile suppliers such as CMT and FOB.

Most textile and garment enterprises are currently having P/E valuations around the three-year average. Although many stocks currently have attractive valuation, investors still need to follow further tariff negotiations between the US and the countries mentioned above.

Livestock & Fisheries

Risks from export markets

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April 9, 2025

Neutral change

Recommendations	
DBC	BUY
Target price	VND35,100
VHC	BUY
Target price	VND82,800

Both export and domestic markets were positive in 1Q25. Shrimp and pangasius exports posted promising results, reaching USD931.6 million (+35.7% YoY) and USD464.7 million (+13% YoY) respectively in the quarter. Most of the major export markets of the two export items achieved high growth, while the largest market for Vietnamese pangasius, China, dropped 11% YoY. Vinh Hoan Corporation's (VHC) export revenue from the EU/US market gained 15%/9% YoY, while China/other countries plummeted 50%/11% YoY in 2M25. In 1Q, Sao Ta Foods (FMC) reported a 23% YoY growth in revenue thanks to a 42% YoY increase in shrimp export volume. Record high prices of liveweight hogs and piglets in 1Q25 helped Dabaco (DBC) and BAF Viet Nam Agriculture (BAF) get robust revenue and profit growth compared to the low base levels in 1Q24.

Stable livestock input costs should help reduce costs. Rabobank forecasts that feed costs will be lower than in 2024 when the prices of soybeans, bran, and corn in 2025 remain flat amid sluggish demand in China. Self-sufficient pig husbandry enterprises such as DBC and BAF, or VHC and Nam Viet Corporation (ANV) in the pangasius segment will benefit more from their self-sufficiency in piglets/fingerlings and feed.

The export outlook may be subdued, but the domestic market remains stable. Vietnam's fishery import-export surplus with the US is estimated at USD1.7 billion, of which Vietnam exported USD1.8 billion and imported about USD64 million from the US (according to USDA and the General Department of Customs). The high US tariffs may hinder the growth of Vietnam's fishery exports, while direct competitors such as India, Ecuador and Indonesia will be subject to lower rates, respectively at 26%, 10% and 32%. Fishery corporations with a high proportion of exports to the US in revenue such as VHC/FMC/Minh Phu Corporation-MPC, at 31%/20%/16% (2024), will see a decline in revenue and profit from this year. However, we do not rule out the possibility that tariffs may change in a more positive direction. For domestic consumption, we expect pork sales output to remain stable with an average price higher than 2024, despite unsettling macroeconomic situation.

Valuation of enterprises returns to attractive levels. The steep corrections in both VHC and DBC stock prices amid global uncertainties have brought these two to attractive valuations of 1.3x and 1.2x, respectively, lower than the five-year average of 1.7x and 1.3x. Investors can consider investing in the two stocks when tariff policies and global and local economic outlook become clearer in the coming time.

Construction

Gaining more backlog

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April 9, 2025

Positive maintain

Recommendations	
PC1	BUY
Target price	VND 30,600
CTD	NEUTRAL
Target price	VND95,400
LCG	BUY
Target price	VND13,900

Residential construction rebounded on higher supply from housing projects. In 2024, the number of newly licensed projects and apartments reached 79 projects (+18% YoY) and 38,345 apartments (+53% YoY). We expect the residential real estate industry to continue its recovery in 2025 with the completion of the legal corridor to remove obstacles and accelerate many projects. However, the industry may be indirectly affected by the monetary policy upheaval due to Trump's new tax regime.

Industrial construction will receive direct impacts from the decline in FDI capital. In 2M25, the total registered FDI in Vietnam nearly touched USD6.9 billion (+36% YoY). However, the US's sweeping tariffs on Vietnamese exports will cause many businesses to suspend new investments or reduce their scale, so FDI inflows into Vietnam may slow down. We expect these adverse impacts can be mitigated by the Government's efforts to attract foreign investors from Korea, Japan, and Europe as well as more abundant supply of industrial park land with a more complete legal framework, the approved planning of most provinces and cities, and additional land use quotas for many provinces under Decision 227/QD-TTg.

Infrastructure construction will benefit from the accelerated disbursement of many key public projects in 2025. The total disbursement in 2M25 is estimated at VND60,424 billion or 6.9% of the full-year plan (slower than the same period in 2024). However, we expect the disbursement of public investment to be ramped up towards the end of the year as 2025 is the final year of the 2021-2025 Medium-term public investment plan, so key projects such as the North-South Expressway, Long Thanh International Airport, Ho Chi Minh City Ring Road 3, and Hanoi Ring Road 4 are being urgently implemented by to prepare for the 2025-2026 period. In addition, the revised Law on Public Investment and the revised Law on Investment under the public-private partnerships model, which came into force from January 2025, are expected to help speed up the capital disbursement process and make it more effective.

The Revised National Power Development Plan 8 will raise the demand for power construction. The supply of power construction work is expected to recover positively in the long term when (1) a large solar and wind power capacity should be added by 2030; (2) the price mechanism adjusted for geographical area will soon be approved to attract private capital flows; and (3) DPPAs help stimulate demand for transmission line construction.

We give a positive rating to the construction sector. Currently, most construction stocks are trading below the five-year average P/B, and attractive investment opportunities include PC1 Group (PC1) and Lizen JSC (LCG). For stocks with good fundamentals but high valuations such as Coteccons Construction (CTD), investors can wait for the next correction to increase their proportion.

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Investment ratings & definitions

Investment Ratings for Stocks
(based on expectations for absolute price gains over the next 6 months)

Buy:	Neutral:	Sell:
+15% or more	+15% to -15%	-15% or more

Investment Ratings for Sectors
(based on expectations for absolute price gains over the next 6 months)

Positive:	Neutral:	Negative:
Outperform the market	Perform in line with the market	Underperform the market

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