

Vietnam Banking sector: Update on Business Plans for 2026

Key takeaways from 2026 AGMs and business plans

Vietnam commercial banks have announced their 2026 business plans, targeting an average PBT growth of approximately 13.5% yoy, lower than the 16% growth achieved in 2025 (details in table 1), with the exception of BID and CTG, which are still awaiting approval from SBV.

- Overall, banks maintain a positive outlook on business prospects, though caution has increased amid global uncertainties, particularly the risk of energy supply disruptions in the Strait of Hormuz. PBT growth targets show clear divergence: HDB (41%), OCB (39%), VPB (35%) lead with ambitious growth targets, while some conservative banks (STB 6%, LPB 5%, EIB 0.2%) are focused on increasing provisioning and strengthening asset quality.
- Among topics discussed at AGMs, **rising interest rate and tightening liquidity** were the primary concerns. Despite expectations that deposit rates may ease following the meeting between SBV and commercial banks in early Apr 2026, persistent funding pressure is likely to limit the scope for a sharp decline in interest rates, in our view. Additionally, **banks' guidance on NIM indicated continued short-term downward pressure**. VPB expects standalone bank NIM at around 4.4% in 2026 (-20bps yoy), while CTG, MBB, LPB, STB believe that NIM will remain under pressure due to rising funding costs and limited ability to reprice lending rates upward accordingly.
- **Real Estate credit control** is another widely discussed topic. Banks' BOD broadly view real estate as a key growth engine for the economy. However, lending will become more selective, prioritizing projects with clear legal status and real housing demand. Credit growth strategies also show notable divergence. Some retail-focused banks like ACB, VIB continue to expand into corporate segments, while TCB is increasing unsecured lending and reducing real estate exposure, VPB maintains focus on retail and SME segments. This reflects a broader credit portfolio diversification trend amid weak consumer spending recovery and declining liquidity in the real estate market.
- A notable highlight is that **credit growth targets are increasingly aligned with deposit mobilization**. Many banks have proactively set deposit growth targets above credit growth, such as VPB (40% vs. 34%), NAB (33% vs. 21%), MSB (24% vs. 18%), while strengthening funding capacity is a key strategic priority for SOCBs. This trend reflects the need to reinforce funding base amid the banking system facing high funding pressure, as evidenced by the record-high VND LDR of nearly 112% at the end of Q1 2026. Thus, we believe that credit growth in 2026 will be significantly dependent on each bank's deposit mobilization capacity. For banks granted high credit growth quotas, insufficient funding growth could become a binding constraint, limiting their ability to fully utilize their allocated credit room.
- Regarding **asset quality**, SOCBs maintain a cautious stance, mainly due to current macro conditions (energy prices, i/r increase...). Specifically, CTG expected asset quality to deteriorate in 2026. Similarly, VCB highlighted that ongoing global uncertainties may weigh on domestic macro conditions, in turn affecting key sectors to which VCB has significant credit exposure.
- Another emerging trend is **the participation in Vietnam International Financial Center (VIFC)**. Seven commercial banks (including VCB, MBB, HDB, SHB, LPB, TPB and NAB) have incorporated plans to establish subsidiaries at VIFC into their 2026 AGM resolutions, while CTG is still in the research phase. In addition, banks continue to expand their financial services ecosystems: ACB, TPB have already planned to establish non-life insurance companies, while MSB is planning to enter the asset management sector. Expanding into new business lines is expected to help banks increase non-interest income, enhance cross-selling and optimize profit in the long term – this is becoming a key strategic focus for many banks currently as balance sheet-driven income growth becomes gradually limited.
- **Capital raising continues broadly across the sector**. Many banks are planning to raise charter capital exceeding 20% this year, led by SOCBs and banks involved in restructuring 0 dong banks. Notable increases include BID (36.8%), VPB (32.2%), HDB (30%) and MBB (27.5%) through stock dividends, ESOP issuances and private placements.

Overall, the banking sector enters 2026 in a phase of more selective growth, where credit remains the key driver but is increasingly constrained by funding capacity and non-interest income is emerging as a new growth catalyst. In our view, the divergence in outlook among banks will continue to widen. Banks with advantages in cost of funds, strong capital buffers, robust risk management and a comprehensive financial ecosystem will be better positioned to outperform peers in 2026.

Table 1: Summary 2026 business plans, selected banks

Bank	Credit growth		Deposit growth		PBT growth		NPL (cir 31) 2026P	Cash div.	Charter capital Increase		Current charter capital (VND bn)	CAR	2026 Strategic Priorities
	2026P	2025A	2026P	2025A	2026P	2025A			Stock div.	Others			
HDB	37.0%	25.7%	28.0%	24.9%	41%	28%	≤ 2%	0.0%	30.0%		50,053	16.7%	Establish subsidiary at VIFC
OCB	15.0%	14.6%	14.0%	15.1%	39%	25%	< 3%	0.0%	15.0%		26,631	12.4%	- Increase short-term lending; focus on corporate segment - Increase term deposit mobilization
VPB	34.0%	35.4%	40.0%	33.0%	35%	53%	< 2.5%	5.0%	26.0%	Private placement to foreign shareholders: 6.2% (post stock div.)	79,339	14.3%	- Strengthen credit growth in retail & SME segments - Diversify funding channels - Enhance financial ecosystem
VIB	15.0%	26.4%	26.0%	10.0%	27.0%	1%	< 3%	9.0%	9.5%	ESOP: 0.24%	34,040	12.2%	Selective expansion into corporate segment
SHB	- S1: 10.2% - S2: 16.0%	16.0%	In line with credit growth	16.0%	- S1: 18% - S2: 28%	30%	≤ 2%	6.0%	10.0%		53,442	12.6%	- Establish subsidiary at VIFC - Divest SHBFC, transfer stakes in 2 overseas subsidiaries (SHB Lao & SHB Cambodia)
NAB	21.0%	17.8%	33.0%	18.4%	18%	16%	< 2.5%	0.0%	20.0%	- ESOP: ≤ 5.8% - Private placement: ≤ 5.8%	17,157	11.2%	Establish subsidiary at VIFC
MBB	30.0%	36.7%	30.0%	31.5%	15%	19%	≤ 1.5%	10.0%	15.0%	- Rights issue to existing shareholders: ≤ 10% - Private placement: ≤ 2.5%	80,550	11.1%	- Establish subsidiary at VIFC - Increase retail/SME loan by 1.5–3% p.a - Increase stable funding, maintain #1 CASA ratio - Enhance financial ecosystem
ACB	16.0%	18.6%	16.0%	12.5%	14%	-7%	< 2%	7.0%	13.0%		51,367	12.5%	- Establish non-life insurance subsidiary - Accelerate corporate segment expansion - Expand financial ecosystem (insurance, investment)
MSB	18.0%	16.8%	24.0%	28.7%	13%	2%	< 3%	0.0%	20.0%		31,200	12.5%	Acquire stake in a fund management company
TPB	15.0%	19.6%	16.0%	20.9%	12%	21%	< 2.5%	5.0%	15.0%	ESOP: 3.6%	27,740	12.8%	- Establish subsidiary at VIFC - Establish non-life insurance subsidiary (TPIs)
TCB	- S1 (Rapid resolution of Iran conflict): 12% - S2 (Protracted resolution with lingering economic effects): 12%	20.7%	In line with credit growth	23.8%	- S1: 15% - S2: 7.6%	18%	- S1: < 1.5% - S2: < 2.0%	0.0%	0.0%	ESOP: 0.24%	70,862	14.6%	- Strengthen low cost-of-funds advantage - Broaden integrated financial product & service offerings within ecosystem
STB	12.0%	17.9%	10.0%	8.9%	6%	-40%	< 4.5%	0.0%	0.0%		18,852	9.2%	Control asset quality and optimise operating expenses
VCB	10.0%	15.3%	SBV approval	10.5%	5%	4%	< 1.5%	n/a	n/a	- Issuance from reserve fund: 12.8% - Private placement: 6.5%	83,557	11.7%	- Establish subsidiary at VIFC - Improve deposit mobilisation - Selective credit growth; raise collateral ratio & quality - Increase fee income; expand financial ecosystem - Streamline headcount and improve productivity
LPB	11.7%	18.1%	In line with credit growth	18.6%	5%	17%	n/a	30.0%	0.0%		29,873	n/a	- Establish subsidiary at VIFC - Increase non-interest income
SSB	17.0%	14.1%	23.0%	11.6%	3%	14%	< 3%	0.0%	20.5%	ESOP: 1.4%	28,450	13.4%	
EIB	16.5%	10.8%	17.8%	10.7%	0.2%	-64%	< 2.5%	0.0%	0.0%		18,688	n/a	- Increase retail & SME CASA - Increase non-interest income
BID	SBV approval	15.3%	SBV approval	13.8%	SBV approval	18%	≤ 1.6%	0.0%	19.2%	- Issuance from reserve fund: 6.85% - Public/private placement: 10.7%	72,801	n/a	- Accelerate capital raising to improve CAR - Improve deposit mobilization, especially CASA - Accelerate bad debts resolution
CTG	SBV approval	15.6%	SBV approval	11.9%	SBV approval	37%	< 1.8%	0.0%	20.9%		77,670	~10%	- Research on VIFC participation - Increase low-cost funding - Accelerate bad debts resolution - Increase non-interest income

Sources: Bank data, S&I Ratings compiled; Notes: S1/S2 = Scenario 1/2.