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 Lớp: CQ58109.02CLC

Môn: Phân tích tài chính và thuế tín dụng

Bài: Lãi

Question 1: Analyse the business situation and results of BIDV. (2021-2022)

Unit: million VND

	2022	2021	Difference	%
I Net interest income	54.556.761	45.157.074	9.399.687	20,82
II Net gain from services	4.813.087	5.487.764	(674.677)	(12,29)
III Net gain from foreign currency trading	3.018.219	1.820.235	1.197.984	65,81
IV Net gain from trading securities	(76.919)	393.302	(470.221)	(119,56)
V Net gain from investment securities	260.259	204.416	55.843	27,32
VI Net gain from other activities	4.143.793	6.025.110	(1.881.317)	(31,22)
VII Income from capital contribution and equity investment in other entities	304.005	288.045	15.960	5,54
Total operating income	67.019.205	59.375.946	7.643.259	12,87
XIII Profit after tax	18.063.825	10.072.391	7.991.434	79,34

* Overview:

In general, Profit after tax and total operating income of BIDV in 2022 compared to 2021 tend to increase, which shows the bank's business situation and result is increasing. The bank's profit after tax in 2022 is VND 18.063.825 million, in 2021 is VND 10.072.391 million, an increase in 2022 compared to 2021 is 7.991.434 million VND, increase rate 79,34%. Total operating income of bank in 2022 is 67.019.205 million VND, in 2021 is 59.375.946 million VND, increase in 2022 compared to 2021 is 7.643.259 million VND, increase rate 12,87%. The growth rate of profit after tax increased faster than the growth rate of total operating income of bank. This is because in 2022 BIDV has reduced the provision expenses for credit losses. The increase in total operating income was due to the increase mainly from Net interest income (accounting for the largest proportion), increase in net gain from foreign currency trading, In addition, Net gain from services, net gain from trading securities and Net gain from other activities decreased.

* Detail:

For credit activities, Net interest income in 2022 is 54.556.761 million VND, 2021 is 45.157.074 million VND, 2022 compared to 2021 increased by 9.399.687 million VND, increase rate 20,82%. Net interest income increased because both "interest and similar

income and interest and similar expenses" are increased, but income increased more. This proves that the scale of credit activities increased, the difference between input and output interest rates increased, which was beneficial for BIDV. The bank's interest income still comes mainly from interest income from loans to customers. In 2022, when the Covid-19 epidemic gradually stabilizes, the economy is in the recovery phase, although there are still many difficulties such as the impact of the Russia-Ukraine war, world inflation, but the Vietnamese State has timely control policies such as stabilizing lending interest rates and reducing interest rates in a number of priority areas, credit management in the direction of increasing resources. Since then, the bank's credit activities have grown.

For service activities, Net gain from services in 2022 is 481,308.7 million VND, 2021 is 548,764 million VND, 2022 compared 2021 decreased by 67,455.3 million VND, decreased rate: 12.29%. Today, banks not only focus on lending activities but also expand many other activities, service activities are also an important activity that banks are aiming for. However, Net gain from services decreased because income from services decreased but expenses increased. Income from services decreased mainly from Settlement services. Thus, service activities of BIDV in 2022 is not good.

Net gain from foreign currency trading in 2022 is 3018,219 million VND, 2021 is 1820,235 million VND, 2022 compared 2021 increased by 1,197,984 million VND, increased rate 65.81%. Increase in net gain from foreign currency trading increased due to the increase in both income and expenses, but the growth rate of income was greater than the rate of increase in expenses. Net gain of BIDV always in the top 3 in the market in period 2019-2022.

Net gain from trading securities in 2022 is (-76,919) million VND, 2021 is 393,302 million VND, 2022 compared 2021 decreased by 470,221 million VND, decreased rate 119.56%. Net gain from trading securities in 2022 is a negative number, because income from this account decreases sharply and expenses increase. In 2022, Vietnam's stock market has many fluctuations and gloom, thus leading to a significant decrease in net gain from trading securities.

Net gain from investment securities in 2022 is 260,259 million VND, 2021 is 204,416 million VND, increased by 55,843, increased rate 27.32%.

Net gain from other activities accounts for a significant proportion of total operating income. Net gain from other activities in 2022 is 4,143,793 million VND, 2021 is 6,085,110 million VND, 2022 compared 2021 decreased by 1,881,317 million VND, decreased rate 31.22%. According to the bank's notes to FS, the majority of Net gain from other activities is recovery of bad debts with the approach that the bank pays great attention to debt collection after settlement, helping the bank reduce losses.

Income from capital contributions and equity investments in other entities in 2022 is 304,005 million VND, 2021 is 288,045 million VND, 2022 compared to 2021 increased by 15,960 million VND, increased rate 5.54%. Income from this account is from dividends and profits received in the year.

*Conclude:

In summary, the bank's business situation and results are increasing, the structure of operating results is quite reasonable, and provisions are well managed. However, the declining net gain from service is an issue that BIDV needs to reconsider, along with the general trend to increase business results growth & reduce operational costs, the bank should increase the proportion of net gain from services.

Question 2

Unit: billion VND

Items	31 /12/2022	31/12/2021	Different	%
1. Equity capital	143.296	121.989	21.307	17,47
Tier 1 capital	96.781	81.018	15.763	19,46
Tier 2 capital	54.041	48.497	5.544	11,43
Deduction	7.526	7.526	0	0,00
2. Risk-weighted assets	1.605.727	1.419.209	186.518	13,14
Credit risk-weighted assets	1.477.914	1.293.484	184.430	14,26
Capital requirement for Operational Risk	10.190	8.959	1.231	13,74
Capital requirement for Market Risk	35	1.099	(1.064)	(96,82)
3. Capital adequacy ratio(CAR)	8,92%	8,60%	0,33%	3,82%
Δ CAR (capital)	1,50 %			
Δ CAR (RWA)	(1,17) %			
Total degree of impacts	0,33 %			

⊗ Overview:

Looking at the analysis, we see that the (CAR) capital adequacy ratio in 2022 is 8,92%, in 2021 is 8,6 %, in 2022 compared to 2021, it will increase 0,33% with an increase rate of 3,82 %. This shows that in 2022, BIDV has ensured capital adequacy more than in 2021. The CAR ratio show that, on 31/12/2022 equity capital can guarantee 0,0892 times the risk-weighted asset of BIDV, 31/12/2021 equity capital can guarantee 0,086 times the risk-weighted asset. Capital adequacy ratio (CAR) in both years is said to ensure regulatory compliance. The increase in (CAR) capital adequacy ratio in 2022 compared to 2021 is: because equity capital and risk-weighted asset both increased, but equity capital's growth rate increase faster than the growth rate of risk-weighted asset.

⊗ Detail:

BIDV's equity capital in 2022 is 143.296 billion VND, in 2021 it is 121.989 billion VND, in 2022 it will increase compared to 2021 is 21.307 billion VND with an increase rate of 17,47 %. This show that BIDV has increase its financial capacity, thereby increasing its operating network. Comparing equity capital with total assets as 31/12/2022, equity capital accounts for only about 6,89% (total assets as of 31/12/2022: 2.080,180 billion VND), this equity capital is considered to be at reasonable level. The increase in equity capital has had the effect of increasing the bank's CAR by 1,5 %.

BIDV's Tier 1 capital in 2022 is 96.781 billion VND, in 2021 it is 81.018 billion VND, in 2022 it will increase compared to 2021 is 15.763 billion VND with an increase rate of 19,46%. Tier 1 capital basically includes bank's equity and disclosed reserve. BIDV's Tier 2 capital in 2022 is 54.041 billion VND, in 2021 it is 48.497 billion dong, in 2022 it will increase compared to 2021 is 5.544 billion dong with an increase rate of 11,43%. Tier 2 capital is additional equity capital including undisclosed reserves, subordinated debt and other type of capital. The deduction in 2022 and 2021 are all 7.526 billion VND.

+ BIDV's RWA in 2022 is 1.605.727 billion dong, in 2021 it is 1.419.209 billion dong, in 2022 it will increase compared to 2021 is 186.518 billion dong with an increase rate of 13,14%. The increase in RWA had the effect of reducing the bank's CAR by 1,17%.

+ Credit risk-weighted assets make up the largest portion of total RWA. Credit risk-weighted assets in 2022 are 1.477.91 billion dong with an increase compared to 2021 (1.293.484 billion dong) is 184.430 billion dong with an increase rate of 14,26%. Credit risk-weighted assets mainly come from Corporate Receivables, retail credit portfolio, RWA - operational risk in 2022 are 10.190 billion dong, in 2021 it is 8.959 billion dong, in 2022 it will increase compared to 2021 is 1.231 billion dong with an increase rate of 13,74%.

RWA - market risk in 2022 are 35 billion dong ,
in 2021 is 1099 billion dong , in 2022 it will decrease compared
to 2021 is 1.064 billion dong with an decrease rate
of 96.82 %

⊗ Conclusion:

There was an increase in CAR in Year 2022 which also
meant that the amount of risk-weighted ~~adjusted~~ asset
ensured by the equity capital had increased. The capital
adequacy ^{ratio} of BIDV in 2022 grew compared to 2021,
which was very important in ensuring the bank's financial
safety and encouraging its businesses.