

## Viet Nam

The outstanding size of local currency (LCY) bonds in Viet Nam continued to grow to reach VND866 trillion (US\$41 billion) in 4Q14 for growth of 7.9% quarter-on-quarter (q-o-q) and 43.1% year-on-year (y-o-y). Q-o-q growth was driven largely by increases in the stocks of Treasury bonds and corporate bonds. Central bank bonds fell 22.3% q-o-q as the government tried to increase liquidity.

Table 1: Size and Composition of the LCY Bond Market in Viet Nam

	Outstanding Amount (billion)						Growth Rate (%)			
	4Q13		3Q14		4Q14		4Q13		4Q14	
	VND	US\$	VND	US\$	VND	US\$	q-o-q	y-o-y	q-o-q	y-o-y
<b>Total</b>	605,204	29	802,796	38	866,348	41	14.8	15.6	7.9	43.1
Government	590,884	28	790,976	37	853,408	40	15.4	17.9	7.9	44.4
Treasury Bonds	336,920	16	408,560	19	495,187	23	25.8	32.1	21.2	47.0
Central Bank Bonds	38,499	2	173,038	8	134,396	6	(17.0)	(34.3)	(22.3)	249.1
State-Owned Enterprise Bonds	215,466	10	209,377	10	223,825	10	9.0	14.9	6.9	3.9
Corporate	14,320	0.7	11,820	0.6	12,940	0.6	(6.8)	(36.0)	9.5	(9.6)

(-) = negative, LCY = local currency, q-o-q = quarter-on-quarter, y-o-y = year-on-year.

Notes:

1. Bloomberg LP end-of-period LCY-US\$ rates are used.

2. Growth rates are calculated from LCY base and do not include currency effects.

Source: Bloomberg LP.

LCY corporate bond issuance in 4Q14 consisted entirely of a 10-year bond worth VND2.1 trillion issued by Masan Consumer Holdings and backed by the Credit Guarantee and Investment Facility.

Table 2: Notable LCY Corporate Bond Issuance in 4Q14

Corporate Issuer	Coupon Rate (%)	Issued Amount (VND billion)
Masan Consumer Holdings		
10-year bond	8.00	2,100

LCY = local currency.

Source: Bloomberg LP.

Nine LCY corporate issuers with a combined amount of VND12.9 trillion of bonds outstanding at end-December comprised the country's entire corporate bond market.

Table 3: Corporate Issuers of LCY Corporate Bonds in Viet Nam

	Issuers	Outstanding Amount		State-Owned	Listed Company	Type of Industry
		LCY Bonds (VND billion)	LCY Bonds (US\$ billion)			
1.	Asia Commercial Joint Stock	3,000.00	0.14	No	Yes	Finance
2.	Techcom Bank	3,000.00	0.14	No	No	Finance
3.	Masan Consumer Holdings	2,100.00	0.10	No	No	Food
4.	HAGL JSC	1,980.00	0.09	No	Yes	Real Estate
5.	Vincom	1,000.00	0.05	No	Yes	Real Estate
6.	Ocean Group	980.00	0.05	No	Yes	Consulting Services
7.	Ho Chi Minh City Securities	600.00	0.03	No	No	Finance
8.	Binh Chanh Construction	150.00	0.01	No	Yes	Building and Construction
9.	Tan Tao Investment	130.00	0.01	No	No	Real Estate
<b>Total LCY Corporate Issuers</b>		<b>12,940.00</b>	<b>0.61</b>			

LCY = local currency.

Notes:

1. Data as of end-December 2014.

2. State-owned firms are defined as those in which the government has more than a 50% ownership stake.

Source: *AsianBondsOnline* calculations based on Bloomberg data.