

VBMA NEWSLETTER

December 2024



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MARKET NEWS

Government bond auction results in December 2024

No.	Bond code	Issuer	Tenor (year)	Auction date	Offering value (VND bn)	Bidding value (VND bn)	Winning value (VND bn)	Winning yield (%/year)
1	TD2429012	State Treasury	5	04/12/2024	1,500	1,150	1,000	1.96
2	TD2434027	State Treasury	10	04/12/2024	5,000	2,450	1,000	2.68
3	TD2439032	State Treasury	15	04/12/2024	1,000	950	0	-
4	TD2454046	State Treasury	30	04/12/2024	1,500	800	800	3.18
5	TD2439032	State Treasury	15	11/12/2024	1,000	950	0	-
6	TD2429012	State Treasury	5	11/12/2024	2,000	1,000	500	2
7	TD2454046	State Treasury	30	11/12/2024	1,500	1,140	40	3.18
8	TD2434027	State Treasury	10	11/12/2024	4,500	2,950	1,200	2.73
9	TD2429012	State Treasury	5	18/12/2024	2,000	1,250	100	2
10	TD2439032	State Treasury	15	18/12/2024	1,000	600	0	-
11	TD2454046	State Treasury	30	18/12/2024	1,500	629	429	3.18
12	TD2434025	State Treasury	10	18/12/2024	4,500	2,000	300	2.75
13	TD2429012	State Treasury	5	25/12/2024	1,500	1,000	800	2.06
14	TD2444039	State Treasury	20	25/12/2024	500	0	0	0
15	TD2434025	State Treasury	10	25/12/2024	3,500	1,750	200	2.77
16	TD2439032	State Treasury	15	25/12/2024	500	500	0	-
17	TD2454046	State Treasury	30	25/12/2024	1,000	1,088	1,000	3.22

Sources: HNX, collected by VBMA

In December 2024, the State Treasury of Vietnam (STV) called for 17 auctions of government bonds with the total offering value of VND 34,000 billion, the winning ratio was 21.7%.

Of all the tenors called for auction by STV, the 5-year, 10-year and 30-year tenors were issued VND 2,400 billion (winning rate of 34.3%), VND 2,700 billion (winning rate of 15.4%) and VND 2,269 billion (winning rate of 41.3%). Meanwhile, there was no winning bid for 15-year and 20-year bonds. The average winning yield slightly increased compared to last month.

The total issued value of government bonds by STV through auctions in 2024 was VND 330,376 billion, equivalent to 82.6% of 2024's plan (VND 400,000 billion). The issued value of G-bonds in Q4 was VND 58,705 billion, reaching 45.9% of Q4's plan (VND 128,000 billion). The average G-bonds issuance tenor in December 2024 was 14.53 years, the average issuance interest rate was 2.63%/year.

The value of Outright transactions was VND 249,399 billion (increased 21.9% compared to the previous month) and Repo transactions was VND 86,174 billion (rose 5.2%).

The average daily Outright transaction value was VND 11,336 billion, and the average daily Repo transaction value was VND 3,917 billion. Compared to the same month in 2023, December 2024's average outright transaction value slightly rose 5.8% and the average repo transaction value increased by almost 48%.

In December, the net bought value of foreign investors was VND 328 billion, bringing the net bought value of 2024 to VND 1,139 billion.

Vietnamese government bond yields (according to VBMA's outright trading room) increased at all tenors.

Yields for tenors under 4 years and above 10 years increased by 10.4-16.7 bps, 4-year, 7-year and 10-year bonds' yields rose by 21.2 – 25.1 bps, while yield for 5-year bonds sharply grew by 32.5 bps compared to the end of last month.

In December, The State Bank of Vietnam (SBV) resumed issuing SBV-bills with a total value of VND 123,648 billion in 7-, 14- and 28-day bills, but also continued to buy VND 172,000 billion in 7- and 14-day valuable papers.

Corporate bonds issued in 2024:

According to data consolidated by VBMA as of December 31st 2024, there were 54 issuances of corporate bond through private placement with the issuing value of VND 56,793 billion and 1 issuance under public offering worth VND 800 billion in December 2024. In 2024, there were 429 private placements worth VND 410,544 billion and 22 public offerings worth VND 32,914 billion.

In December 2024, enterprises redeemed VND 27,458 billion of corporate bonds, 36% lower compared to the same period of 2023. In 2025, there will be VND 216,670 billion of corporate bonds reaching maturity.

*The data consolidated by VBMA was collected from website of HNX according to the issuing date and redemption date. This data might subject to change from time to time based on the information disclosure from HNX and SSC. The corporate bond data is collected as of 31 December 2024.

VBMA ACTIVITIES IN DECEMBER 2024

VBMA is Honored to Receive Certificate of Commendation from the Minister of Finance

On December 5, 2024, in Hanoi, the leadership of the Vietnam Bond Market Association (VBMA) participated in the "Conference on Taking Stock of Vietnam's Government Bond Market Operation and Development Over 15 Years" organized by the Ministry of Finance. The conference aimed to review the achievements of the specialized Government Bond (G-bond) market over the past 15 years and outline development directions through 2030.

At the conference, Mr. Le Duy Hai, Chairman of VBMA, represented the Association in receiving a Certificate of Commendation from the Minister of Finance. The certificate recognized VBMA's contributions to the development of the G-bond market during the 2020–2024 period, significantly supporting the country's socio-economic growth.

Additionally, 10 member organizations of VBMA, which were outstanding market makers actively participating in both the primary and secondary G-bond markets, also received Certificates of Commendation from the Minister of Finance on this occasion.

Taking Stock of Vietnam's Government Bond Market Operation and Development Over 15 Years

At the "Conference on Taking Stock of Vietnam's Government Bond Market Operation and Development Over 15 Years" on December 5, 2024, Mr. Vu Quang Dong, Vice Chairman of VBMA, participated in the panel discussion titled "The Government Bond Market: 15 Years - Achievements and Prospects".

Ms. Vo Dieu Thuy, Vice Chairwoman of VBMA, shared insights in a video clip commemorating the 15-year journey of the G-bond market. She highlighted the market's impressive growth over the past 15 years in terms of scale and depth, contributing to the supply of safe products and diversification of investment portfolios. Trading volume and frequency have significantly increased. The development of the repo market in recent years has provided market participants with opportunities to enhance business profits, diversify fundraising channels, and optimize capital efficiency, especially for short-term surplus funds.

Market information on G-bonds has been systematized and made transparent. Issuance plans are published, enabling participants to proactively manage their capital and market participation strategies. Secondary market transaction information is also easily accessible.

The legal framework has been improved with an open, public, and transparent mechanism, allowing VBMA members to contribute opinions during the drafting of legal documents. Challenges and obstacles are promptly addressed by regulators, creating optimal conditions for members to engage in the market.

VBMA requested, compiled members' opinions and sent letters of comments on draft legal documents

In December, VBMA requested opinions on the draft Circular abolishing several Circulars of the Minister of Finance. VBMA also compiled members' feedback and sent Letters of Comments on the Draft Circular on Regulations Governing Lending, Borrowing, Depositing,

Receiving Deposits, and Term Transactions of Valuable Papers Between Credit Institutions and Foreign Bank Branches; the Draft Decree amending and supplementing several articles of Decree No. 155/2020/NĐ-CP dated December 31st, 2020 of the Government detailing the implementation of certain provisions of the Securities Law; and the difficulty when implementing Circular No. 76/2024/TT-BTC providing guidance on information disclosure and reporting regimes on the placement and trading of privately placed corporate bonds in the domestic market and offering of corporate bonds in the international market.

VBMA invited members to join the Market Makers Agreement (MMA) for Repo, Outright, FI Bond and FX Swap transactions in 2025

On December 17, 2024, VBMA sent invitations to members to join the Market Makers Agreements (MMA) for Repo, Outright, FI Bond & CD and FX Swap transactions in 2025.

In recent years, the implementation of these agreements has helped provide benchmark rates for transactions in the Vietnamese financial markets, promoting liquidity and improving market transparency.

In the coming time, VBMA will continue to implement existing MMAs as well as develop new agreements based on members' needs with the aim of supporting market development.

VBMA had a discussion with World Bank

On December 06, 2024, VBMA and World Bank' representatives had a discussion regarding opportunities for upcoming collaboration and other related issues.

VBMA organized meetings to discuss outstanding issues in the FI Bond & FI CD chatroom

On December 17, 2024, VBMA and 13 market makers (MMs) representatives had a meeting to discuss the expansion of the selected issuer list and other related matters of the FI Bond & FI CD agreement.

VBMA had a meeting with the International Finance Corporation (IFC)

On December 19, 2024, VBMA and the International Finance Corporation (IFC)' representatives had a meeting at the Association office to discuss the operating working capital and other related issues.

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Vietnam Bond Market Association

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We would like to thank you for your contribution

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