

BOND MARKET REPORT

December – 2020



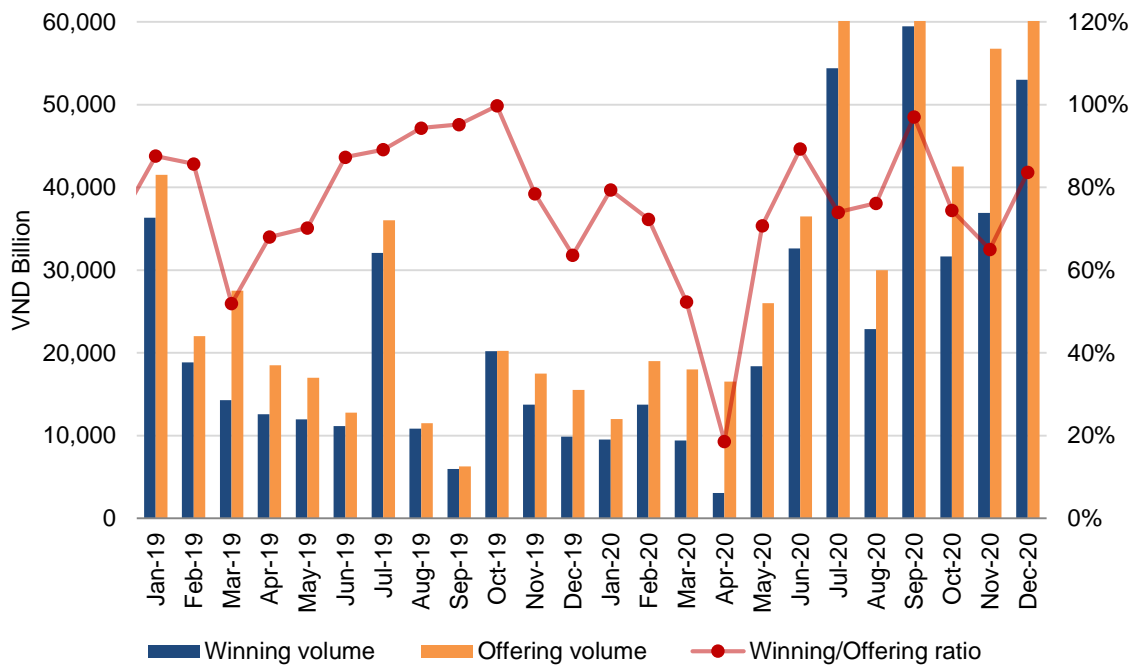
- In 12/2020, the State Treasury of Vietnam, Vietnam Bank for Social Policies and Vietnam Development Bank held 18, 2 and 5 bond auctions respectively with total offering value of VND 63,325 billion; the issuing value stood at VND 52,989 billion, the winning ratio reached 83.7%. In 2020, the total value of issuing value of government bond by State Treasury of Vietnam was recorded at VND 333,042.5 billion.
- The total value of Outright and Repo transactions of Government bonds, Government-guaranteed bonds and municipal bonds increased compared to last month, to VND 322,673 billion. In 2020, the figure was VND 2,504 trillion.
- By the end of 12/2020, the total outstanding value of Government bond, Government-guaranteed bond and municipal bond was VND 1,357,410 billion.
- According to data from VBMA's Market Makers, Government bond yields of all tenors went down compared to the previous month except the 3-year tenor which had the yield rising by 18 bps.
- As of January 4th 2021, according to data on HNX, the total issuing value of private corporate bonds in December was VND 20,339 billion. In 2020, the total issuing value of corporate bond reached VND 368 trillion, up by 24% compared 2019.

Primary Market

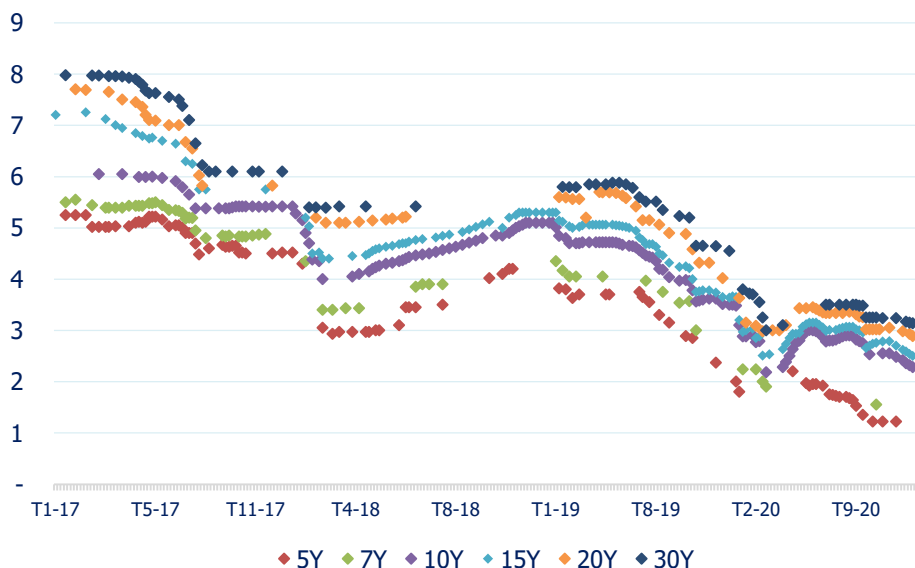
State Treasury issued VND 52,989 billion of bonds, increased by 44% compared to the previous month's figure. In 2020, the total value of issuing value of government bond by State Treasury of Vietnam was recorded at VND 333,042.5 billion.

In 12/2020, the State Treasury of Vietnam, Vietnam Bank for Social Policies and Vietnam Development Bank held 18, 2 and 5 Government bond auctions respectively with total offering value of VND 63,325 billion, VND 6,575 billion higher than last month. Total issuing value went up by VND 16,092 billion to VND 52,989 billion. Especially, the issuing value of 10- & 15-year bonds accounted for 87% of the total volume. The monthly average winning ratio reached 83.7%. The registered ratio (bidding over offering volume) was recorded at 255%. The winning yields at almost every tenor experienced a downward trend during December compared to the previous month.

Offering and winning volume of Government bonds



Government bonds auction winning yields



Source: HNX, VBMA Consolidated

Bond auctions result by tenors in December 2020

Tenor (Y)	No of sessions	Offering value (VND bn)	Bidding volume (VND bn)	Winning volume (VND bn)	Winning volume/Offering volume	Bidding volume/Offering volume
5-year	0	0	0	0	-	-
7-year	0	0	0	0	-	-
10-year	8	22,900	68,036	17,350	75.8%	297%
15-year	9	31,425	71,621	28,525	90.8%	228%
20-year	4	5,000	13,831	4,000	80.0%	277%
30-year	4	4,000	7,960	3,114	77.8%	199%
Total	25	63,325	161,448	52,989	83.7%	255%

Government bonds auction results in December 2020

No.	Bond code	Issuer	Tenor (year)	Auction Date	Offering Value (VND bn)	Bidding Value (VND bn)	Winning Volume (VND bn)	Winning Yield (%/y)
1	TD2040032	SBV	20	02/12/2020	1500	6300	1500	2.98
2	TD2035028	SBV	15	02/12/2020	6000	14563	6000	2.62
3	TD2030020	SBV	10	02/12/2020	4500	12852	4500	2.42
4	BVBS20127	VBSP	15	03/12/2020	1475	4150	1475	2.9
5	BVBS20121	VBSP	10	03/12/2020	1000	1900	1000	2.75
6	BVDB20101	VDB	15	08/12/2020	3000	6450	2600	2.9
7	BVDB20086	VDB	10	08/12/2020	3900	4501	1250	2.75
8	TD2030020	SBV	10	09/12/2020	2500	9842	2500	2.36
9	TD2050036	SBV	30	09/12/2020	1000	3115	1000	3.17
10	TD2035028	SBV	15	09/12/2020	4000	9950	4000	2.59
11	TD2050036	SBV	30	16/12/2020	1500	2581.5	1500	3.15
12	TD2035029	SBV	15	16/12/2020	6000	15240	6000	2.54
13	TD2030135	SBV	10	16/12/2020	3000	15500	3000	2.32
14	TD2040032	SBV	20	16/12/2020	1500	4250	1500	2.93
15	BVDB20102	VDB	15	22/12/2020	1550	2250	1550	2.85
16	BVDB20087	VDB	10	22/12/2020	1500	600	600	2.75
17	TD2040032	SBV	20	23/12/2020	1000	2320	1000	2.89
18	TD2035029	SBV	15	23/12/2020	6000	12610	6000	2.5
19	TD2050036	SBV	30	23/12/2020	1000	1513.5	613.5	3.14
20	TD2030135	SBV	10	23/12/2020	4500	16091	4500	2.28

21	BVDB20103	VDB	15	28/12/2020	900	900	900	2.9
22	TD2040032	SBV	20	30/12/2020	1000	961	0	
23	TD2050036	SBV	30	30/12/2020	500	750	0	
24	TD2030135	SBV	10	30/12/2020	2000	6750	0	
25	TD2035029	SBV	15	30/12/2020	2500	5508	0	

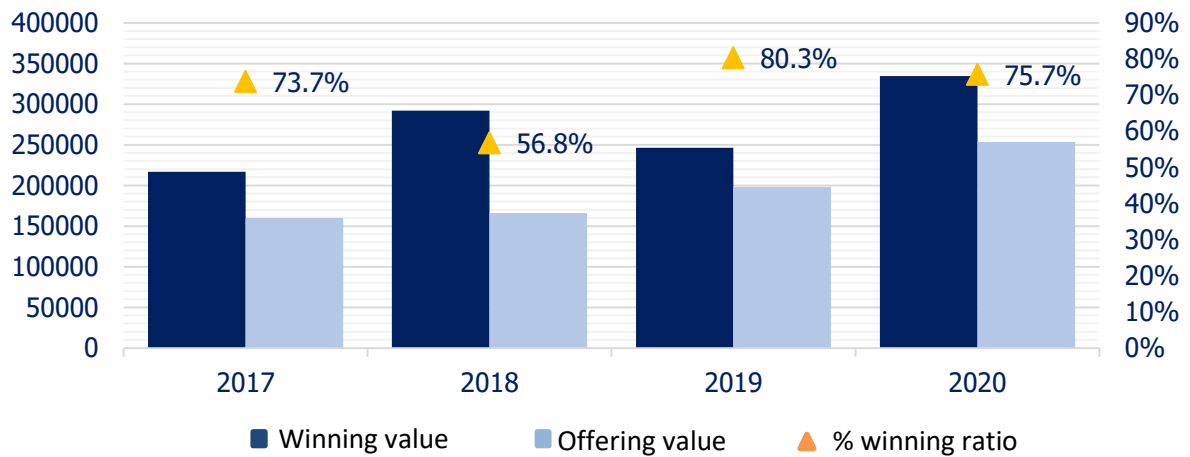
Source: HNX, VBMA Consolidated

Government Bond Payment Schedule in January 2021

STT	No.	Bond code	Issuer	Tenor (year)	Auction Date	Offering Value (VND bn)	Bidding Value (VND bn)	Winning Volume (VND bn)	Winning Yield (%/y)
1	QH072205	15	17-01-07	18-01-21	200.0	9	18.0	-	-
2	QH072209	15	11-01-07	11-01-21	100.0	9	9.0	-	-
3	QH072213	15	23-01-07	25-01-21	150.0	9	13.5	-	-
4	TD1631461	15	07-01-16	07-01-21	8,045.9	7.6	611.5	-	-
5	TD1636466	20	21-01-16	21-01-21	1,231.5	7.7	94.8	-	-
6	TD1646468	30	28-01-16	28-01-21	5,965.9	8	477.3	-	-
7	TD1722377	5	12-01-17	12-01-21	7,084.0	5.2	368.4	-	-
8	TD1724412	7	12-01-17	12-01-21	5,880.0	5.5	323.4	-	-
9	TD1732401	15	05-01-17	05-01-21	5,953.3	7.2	428.6	-	-
10	TD1737406	20	19-01-17	19-01-21	5,850.0	7.7	450.5	-	-
11	TD1747409	30	12-01-17	12-01-21	5,450.2	7.9	430.6	-	-
12	TD1823087	5	04-01-18	04-01-21	7,029.0	4.3	302.2	-	-
13	TD1825102	7	11-01-18	11-01-21	5,610.0	4.3	241.2	-	-
14	TD1828112	10	04-01-18	04-01-21	8,100.0	5.1	413.1	-	-
15	TD1833122	15	11-01-18	11-01-21	8,389.0	5.2	436.2	-	-
16	TD1848138	30	18-01-18	18-01-21	5,823.0	5.4	314.4	-	-
17	TD1924163	5	17-01-19	18-01-21	6,306.0	3.8	239.6	-	-
18	TD1926170	7	10-01-19	11-01-21	4,100.0	4.3	176.3	-	-
19	TD1929175	10	03-01-19	04-01-21	12,650.0	5.1	645.2	-	-
20	TD1934187	15	03-01-19	04-01-21	12,500.0	5.3	662.5	-	-
21	TD1934189	15	24-01-19	25-01-21	12,805.0	5.1	653.1	-	-
22	TD1939200	20	17-01-19	18-01-21	10,141.5	5.6	567.9	-	-
23	TD1949205	30	24-01-19	25-01-21	7,950.0	5.8	461.1	-	-
24	TP4A0206	15	20-01-06	20-01-21	190.0	9.25	17.6	190.0	207.6
25	TP4A0306	15	26-01-06	26-01-21	60.0	9.25	5.6	60.0	65.6
26	TD2030011	10	09-01-20	11-01-21	12,229.0	3.1	379.1	-	-
27	TD2027008	7	16-01-20	18-01-21	1,480.0	2.2	32.6	-	-
28	TD2035021	15	09-01-20	11-01-21	13,197.0	3.2	422.3	-	-
29	TD2025003	5	09-01-20	11-01-21	590.0	1.8	10.6	-	-

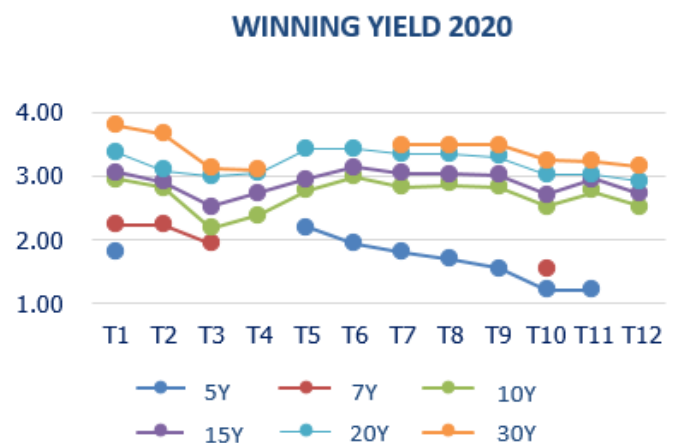
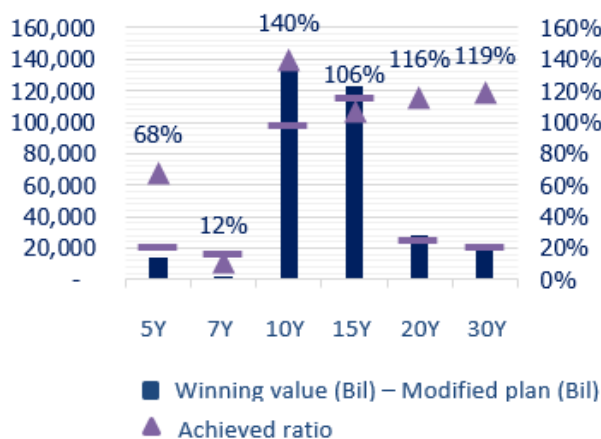
Source: HNX, VBMA Consolidated

As for entire 2020, the total offering value of government bond by State Treasury of Vietnam reached VND 334 trillion (+35% compared to the previous year). The issuing value stood at 75.7%, down from 80.3% in 2019. The 10- and 15-year tenors had the highest winning ratios.



In 2020, the total value of issuing value of government bond by State Treasury of Vietnam was recorded at VND 333,042.5 billion, met 98.2% of the target according to modified annual plan and increased by 35% compared to the total issuing value of 2019. The 10- and 15-year tenors accounted for VND 258 trillion, equivalent to 79.7% of total issuing value in 2020. The amount of government bond issued by tenors is presented in the table below:

Tenor	5Y	7Y	10Y	15Y	20Y	30Y	Total
Issuing value	13,670.0	1,730.0	135,648.0	131,563.0	27,915.0	22,516.5	333,042.5
Proportion	4%	1%	41%	40%	8%	7%	100%



The winning yields experienced a downward trend compared to the beginning of 2020. Average winning yield of the 10- and 15-year tenors in December 2020 decreased by 43 and 33 bps compared to January 2021. Yields of the other tenors went down by 40 – 60 bps.

Guaranteed government bond: In 2020, Vietnam Bank for Social Policies and Vietnam Development Bank issued VND 26.3 trillion worth of 10- and 15-year guaranteed government bond with the average winning yield of 2.87% and 3.01% respectively.

Row Labels	Average yield (%)	Value (Bil)
10	2.87	11,350
15	3.01	14,925

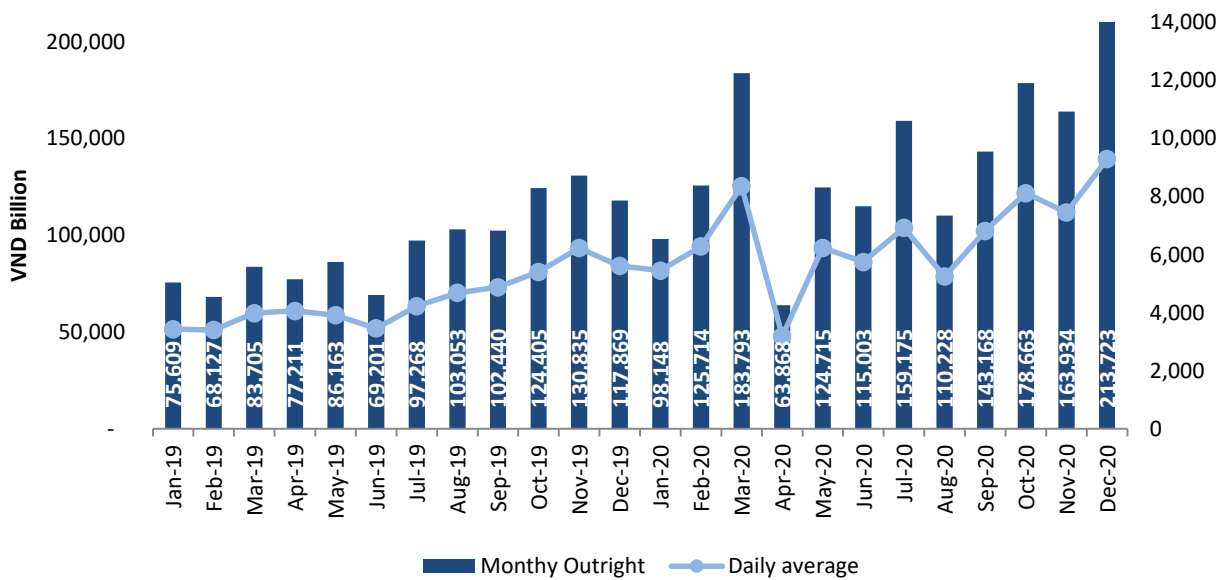
Secondary Market

In 12/2020, the total value of Outright and Repo transactions of Government bonds, Government-guaranteed bonds and municipal bonds increased compared to last month, reaching VND 322,673 billion. In 2020, the figure was VND 2,504 trillion.

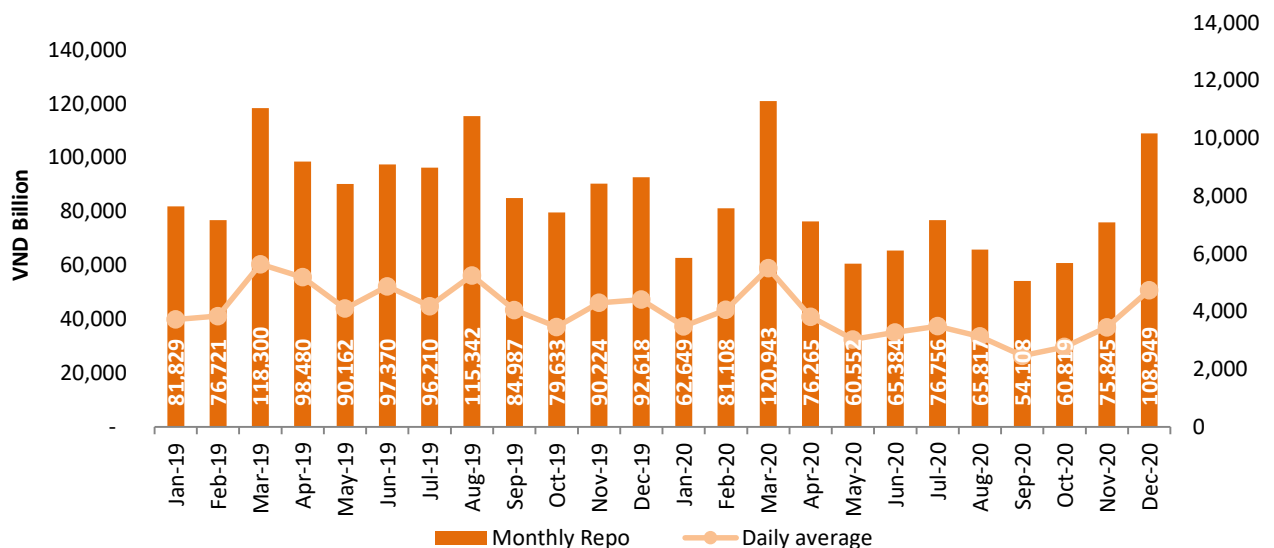
By the end of the month, the total Outright transactions volume was VND 213,723 billion, increased by VND 49,790 billion in comparison with the previous month. The Repo transactions volume also went up by 43.6%, to VND 108,949 billion. The daily average trading value of Outright and Repo transactions were recorded at VND 9,292 billion and VND 4,737 billion, respectively.

During the month, foreign investors purchase bonds with the net buying value standing at VND 1,211 billion.

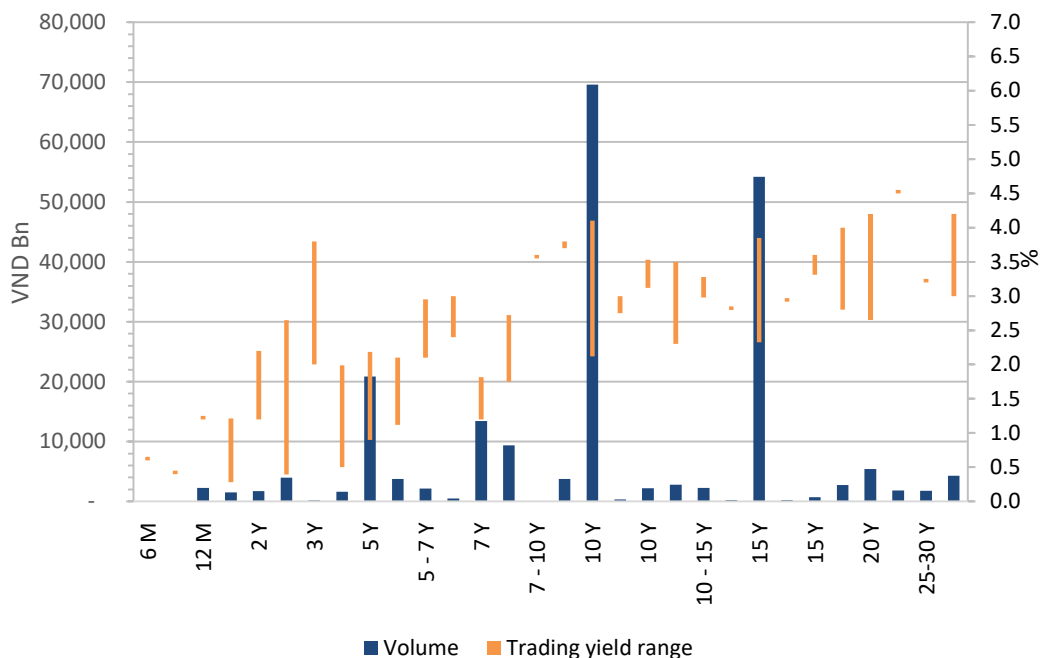
Outright trading volume



Repo trading volume



Trading volume and yield range by remaining tenors



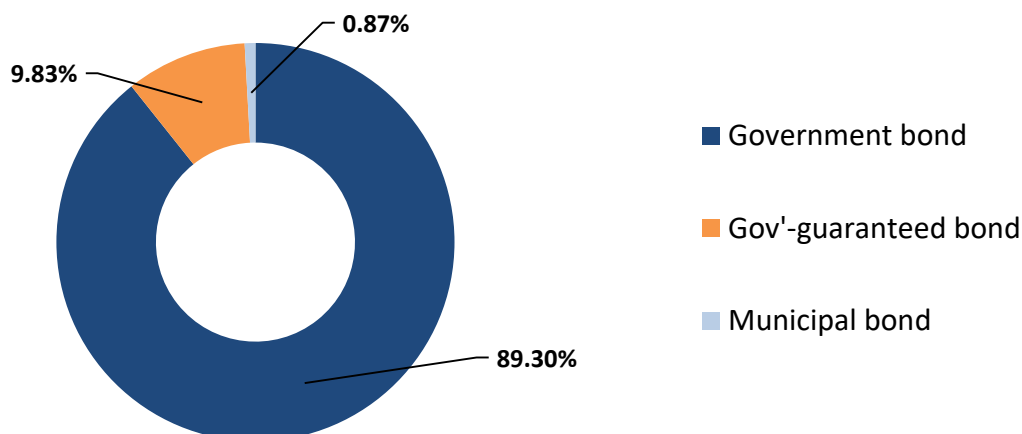
Bonds with largest Outright trading volume in 12/2020

No.	Bond code	Issuer	Volume	Initial tenor (years)	Remaining tenor (years)	Trading yield
1	State Treasury	TD2030020	19,843	10	9.84	2.28 - 2.75
2	State Treasury	TD2035028	12,904	15	14.88	2.51 - 3.5
3	State Treasury	TD2025006	11,366	5	4.65	.9301 - 2.1835
4	State Treasury	TD2035026	10,726	15	14.73	2.51 - 3.4
5	State Treasury	TD2030018	9,942	10	9.65	2.2899 - 2.8409
6	State Treasury	TD2035025	7,820	15	14.63	2.52 - 3.8
7	State Treasury	TD2030017	7,017	10	9.63	2.3 - 2.8629
8	State Treasury	TD2030135	5,948	10	9.94	2.2799 - 2.451
9	State Treasury	TD2035029	5,908	15	14.94	2.49 - 2.705
10	State Treasury	TD1926170	5,784	7	5.00	.9 - 2.1201

Source: HNX, VBMA Consolidated

By the end of 12/2020, the total outstanding value of Government bond, Government-guaranteed bond and municipal bond was VND 1,357,410 billion, increased by 3.17% compared to last month. In particular, the outstanding value of Government bond was VND 1,212,226 billion, accounting for 89.3%, while the figures for Government-guaranteed bond and municipal bond were VND 133,441 billion and VND 11,743 billion, accounting for 9.83% and 0.87% respectively.

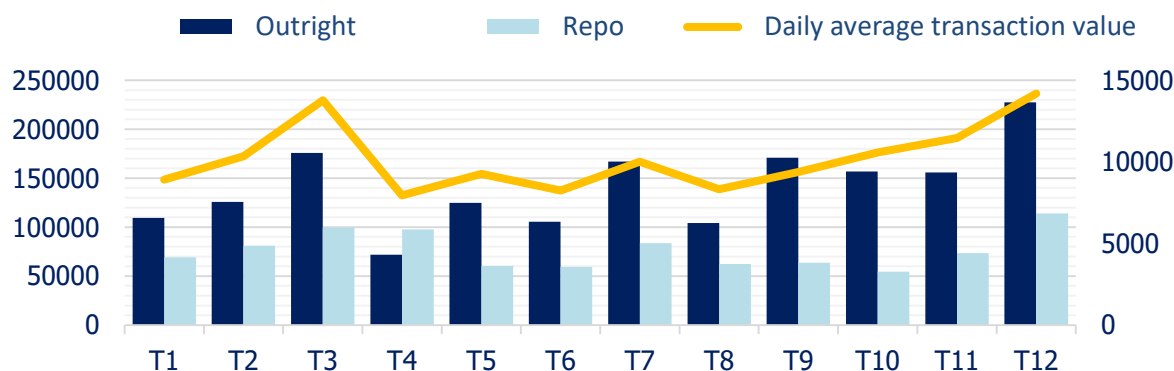
Outstanding bond value share by the end of 12/2020



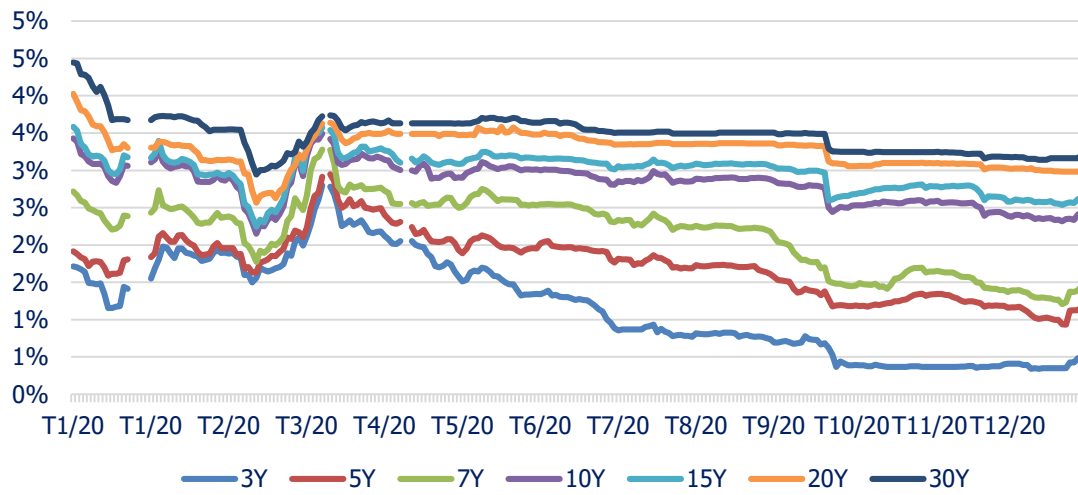
Source: HNX, VBMA Consolidated

In 2020, the liquidity of Outright secondary market was remarkably high and total Outright transactions volume increased significantly compared to 2019. Specifically, total Outright transactions volume in 2020 reached VND 1,600 trillion, up by 47.4%. The average daily trading volume amounted to VND 6,373 billion. On the contrary, the Repo transactions volume fell by approximately 20% in terms of both total and average daily trading figure compared to the previous year. Specifically, the total Repo transactions volume was recorded at VND 904 trillion, down by 19.1% compared to 2019.

Secondary Market Liquidity



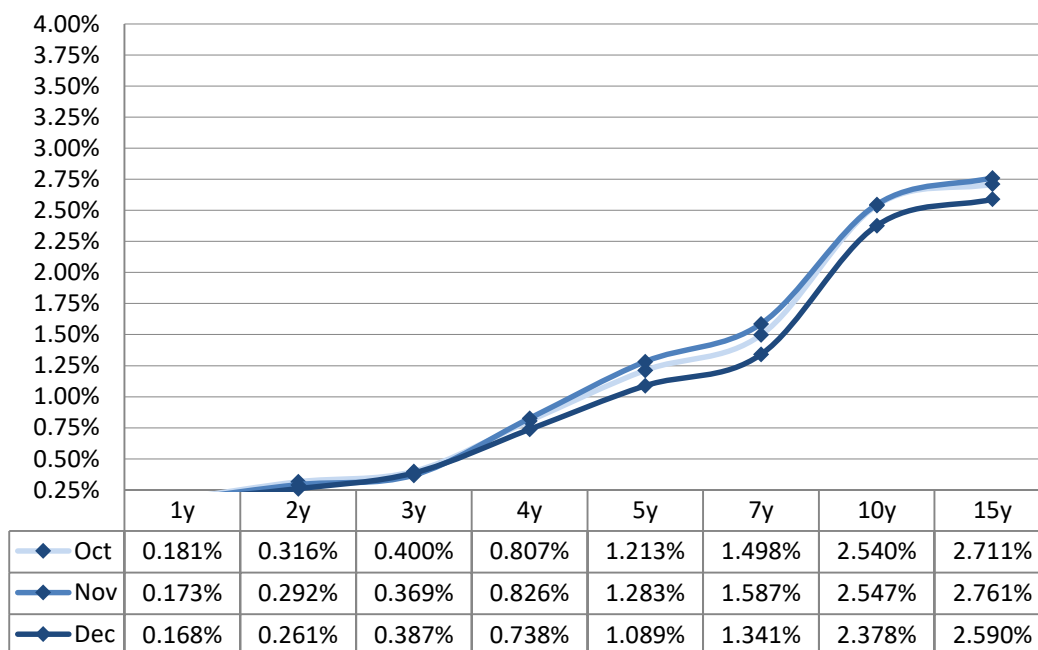
VBMA Government Bond Yield



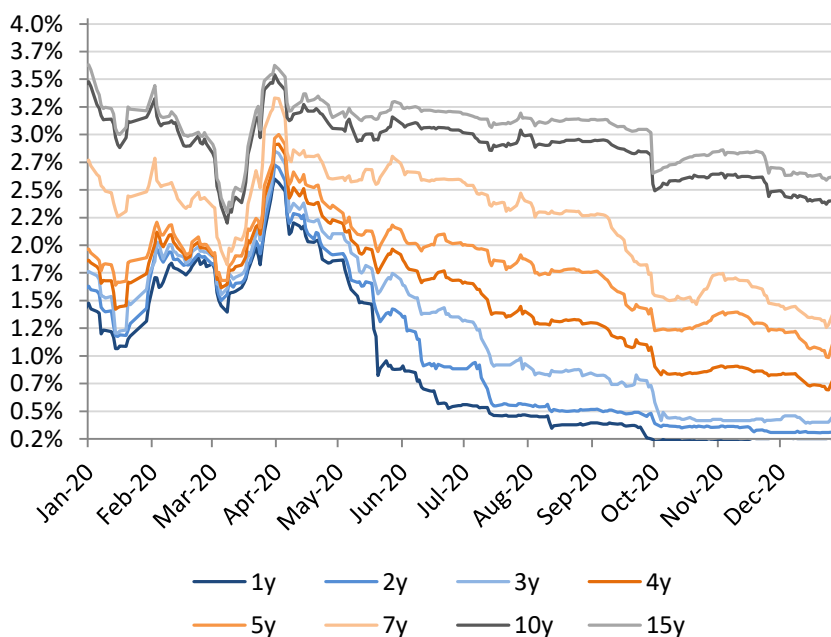
VBMA Government Bond Yield Fixing

According to data from VBMA's Market Makers, Government bond yields of all tenors went down compared to the previous month except the 3-year tenor which had the yield rising by 18 bps. The yield of 7-year tenor decreased the most, 246 bps lower than in November, followed by 5-year bond's yield fell by 194 bps to 1.089%.

Average VBMA's Government Bond Yield Fixing in 3 months



VBMA Government Bond Yield Fixing



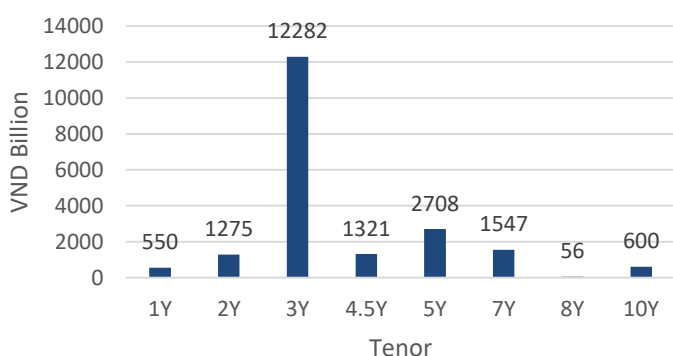
Source: VBMA

Corporate Bond Market

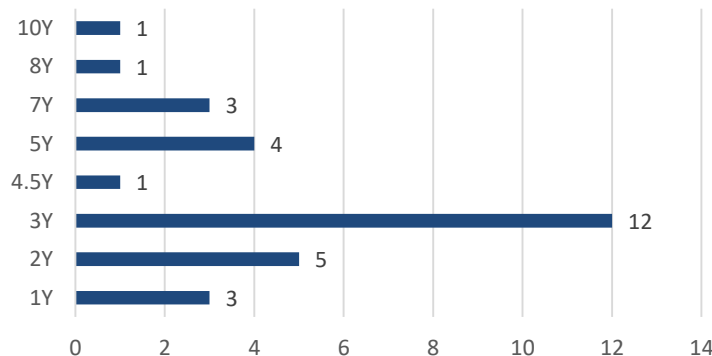
According to HNX’s data until January 4th, 2021, in December, the total corporate bond’s issuing value was VND 20,339 billion, increased by 48.7% compared to last month, with 30 private issuances of 22 corporates. The tenors consisted of 1-, 2-, 3-, 4.5-, 5-, 7-year and the average issuing tenor was 3.75 years. The 3-year bond had the largest issuing value of VND 12,282 billion, equivalent to 60% of total issuing value.

Regarding the bond issuing market structure divided by type of enterprise, credit institutions had the highest bond issuing value, recorded at VND 14,903.4 billion, accounting for 73.3% of the total value of bond issued. In this month, real estates firms had the second highest bond issuing value of VND 3,178.9 billion, equivalent to 15.6%.

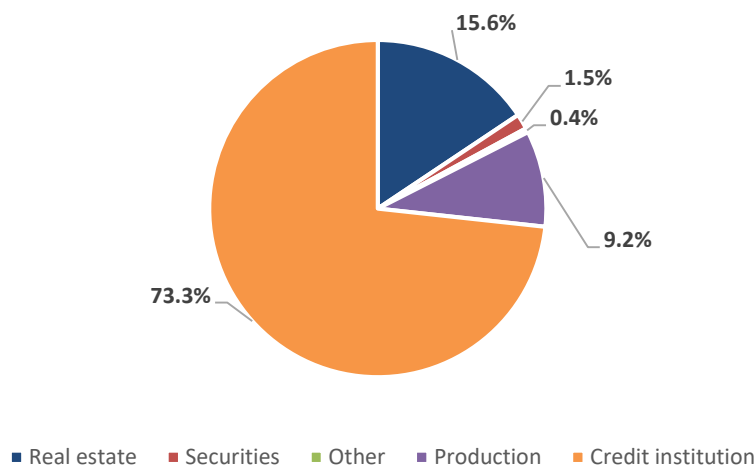
Issuance value according to tenors in December 2020



Number of corporate issuers according to tenors in Dec-2020



Issuing value of corporate bonds according to issuers’ business types in December 2020



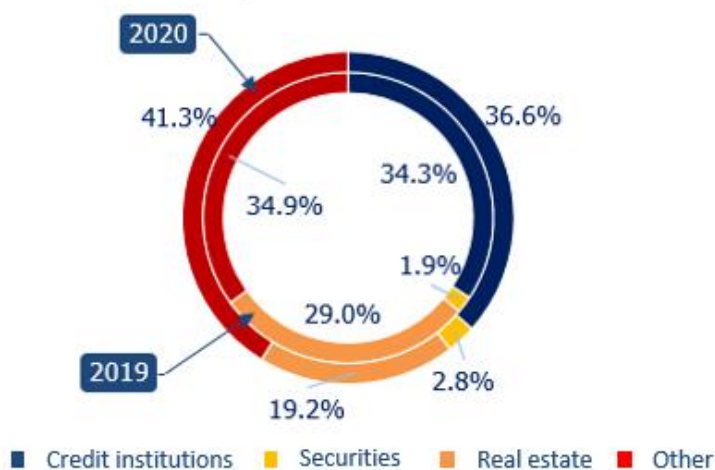
In 2020, the total issuing value of corporate bond reached VND 368 trillion, up by 24% compared 2019. The average tenor was 4.07, similar to that of 2019.

	Unit	2020	2019	% YoY
Issuing value	Trillion VND	368.4	296.6	24.2
Average tenor	Year	4.07	4.08	-0.2%

In terms of enterprise type, credit institutions and real estate firms still had the largest total bond issuing values in 2020. In 2020, the issuing values of credit institutions and real estate enterprises were VND 84 trillion and VND 71 trillion, accounting for 34% and 29% of total figure respectively. In 2020, apart from real estate firms, the other types of enterprises generally had lower total bond issuing values compared to 2019. By the end of November 2020, there were 3 bond issuances taking place in foreign countries with the total issuing value of USD 185 million and the average tenor of 5.81 years.

	2020		2019	
	Value (Bil)	Average tenor	Value (Bil)	Average tenor
Credit institution	84,002	4.27	108,723	3.72
Securities	4,563	1.70	8,442	1.65
Real estate	70,960	4.02	57,110	2.82
Other	85,566	3.85	122,435	5.15

Corporate bond issuing value



Corporate bond issuances in December 2020 in details

NO.	ISSUER	ISSUING VALUE (VND BILLION)	BOND CODE	ISSUER'S TYPE OF BUSINESS	ISSUING DATE
1	FLC GROUP JSC	400	FLCH2023001	Real estate	02-12-20
2	VIETNAM RENEWABLE ENERGY JOINT STOCK COMPANY	600	VNVH2030001	Production	03-12-20
3	IDICO-CONAC THU THUA INDUSTRIAL PARK AND URBAN DEVELOPMENT JSC	100	IDTTH2021001	Real estate	03-12-20
4	ORIENT COMMERCIAL JOINT STOCK BANK	1900	OCBH2023007	Credit institution	07-12-20
5	TRI VIET ASSET MANAGEMENT CORPORATION JSC	81.57	N/A	Other	09-12-20
6	TIEN PHONG COMMERCIAL JOINT STOCK BANK	500	TPBANKBOND_A4_101220_3Y_2	Credit institution	10-12-20
7	TIEN PHONG COMMERCIAL JOINT STOCK BANK	700	TPBANKBOND_A4_101220_3Y	Credit institution	10-12-20
8	NAM PUNG HYDROPOWER JSC	75	NPIH2022001	Production	11-12-20
9	EAST SEA INVESTMENT AND MANAGEMENT CONSULTING COMPANY LIMITED	1320.8	BIENDONG2020	Real estate	14-12-20
10	ORIENT COMMERCIAL JOINT STOCK BANK	1000	OCBH2023008	Credit institution	14-12-20
11	HUD GROUP	1000	HUDH2025001	Real estate	14-12-20
12	CHAU SON LAND JSC	150	CSL_BOND2020	Real estate	15-12-20
13	ORIENT COMMERCIAL JOINT STOCK BANK	1000	OCBH2023009	Production	15-12-20
14	VIETNAM THUONG TIN COMMERCIAL JOINT STOCK BANK	100	VIETBANK.L.20.22.002	Credit institution	15-12-20
15	APEC GROUP CORPORATION JSC	8.1	Happybond.H.20.25.001	Real estate	15-12-20
16	VIETNAM BANK FOR AGRICULTURE AND RURAL DEVELOPMENT	747	Agribank2027041; Agribank2027042	Credit institution	15-12-20
17	TIEN PHONG COMMERCIAL JOINT STOCK BANK	500	TPBH2027025	Credit institution	15-12-20
18	TIEN PHONG COMMERCIAL JOINT STOCK BANK	1000	TPBANKBOND_A4_171220_3Y_2	Credit institution	17-12-20
19	TIEN PHONG COMMERCIAL JOINT STOCK BANK	700	TPBANKBOND_A4_171220_3Y	Credit institution	17-12-20
20	VIETNAM TECHNOLOGICAL AND COMMERCIAL JOINT STOCK BANK	2000	TCBH2023001	Credit institution	17-12-20
21	VIETNAM THUONG TIN COMMERCIAL JOINT STOCK BANK	500	VIETBANK.L.20.22.004	Credit institution	21-12-20
22	VIETNAM TECHNOLOGICAL AND COMMERCIAL JOINT STOCK BANK	1000	TCBH2023002	Credit institution	21-12-20

23	VIETNAM TECHNOLOGICAL AND COMMERCIAL JOINT STOCK BANK	2000	TCBH2023003	Credit institution	22-12-20
24	TIEN PHONG BANK	300	TPBH2027026	Credit institution	22-12-20
25	HO CHI MINH CITY DEVELOPMENT JOINT STOCK COMMERCIAL BANK	1500	HDB2025	Credit institution	23-12-20
26	BIDV SECURITIES COMPANY	300	BSIL2021001	Securities	24-12-20
27	JOINT STOCK COMMERCIAL BANK FOR INVESTMENT AND DEVELOPMENT OF VIETNAM	56.4	BIDL2028067	Credit institution	25-12-20
28	VIETNAM THUONG TIN COMMERCIAL JOINT STOCK BANK	400	VIETBANK.L.20.22.005	Credit institution	25-12-20
29	VIETNAM NATIONAL COAL - MINERAL INDUSTRIES HOLDINGS CORPORATION LIMITED	200	TKV_BOND2020	Production	25-12-20
30	VAN PHU 2 INVESTMENT JSC	200	VP2_B_20_22_01	Real estate	29-12-20

Source: HNX, VBMA Consolidated

Thank you for reading VBMA's Monthly Bond Market Report. For more information, please contact:

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